

Statement of non-financial information **2023**



CORPORACION EMPRESARIAL CONGALSA

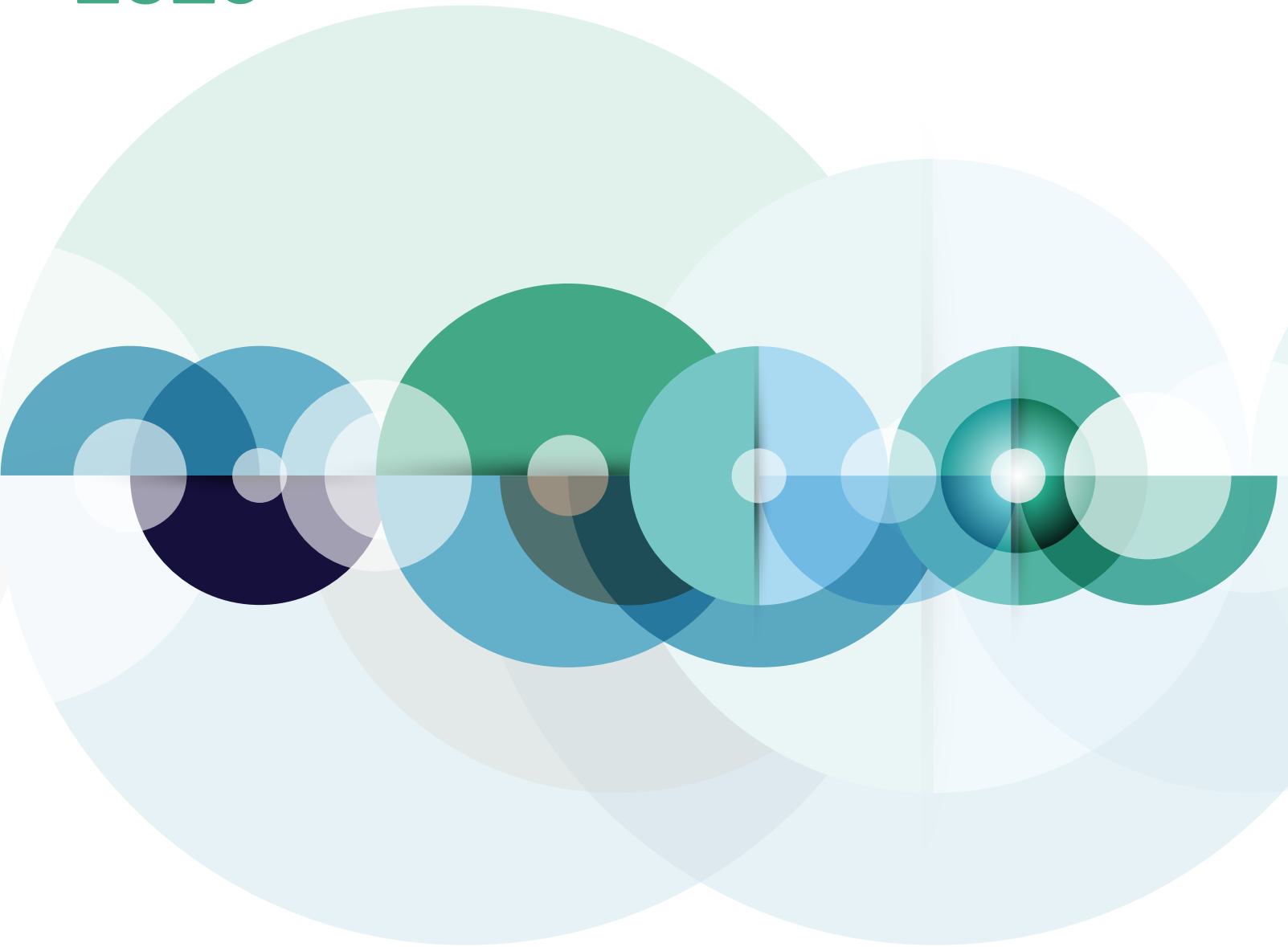


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CONTEXT AND FRAMEWORK OF THE REPORT

In December 2018, Law 11/2018 amending the Commercial Code came into force. It is a text that merges the Capital Companies Law (approved by Royal Legislative Decree 1/2010, of July 2, 2010), and Law 22/2015, of July 20, 2015, on Auditing of Accounts in matters of non-financial information and diversity (hereinafter, Law 11/2018). The latter replaces the Royal Decree-Law 18/2017 of 24 November 2017, which transposed Directive 2014/95/EU of the European Parliament and of the Council into Spanish law with regard to the disclosure of non-financial information and diversity information.

The scope of this report refers to Corporación Empresarial Congalsa S.L. for 2023 fiscal year

As established by Law 11/2018, certain companies, including Corporación Empresarial Congalsa S.L. (hereinafter, the Corporation) must prepare a statement of non-financial information that will be incorporated in the management report or in a separate report, corresponding to the same year.

The statement of non-financial information must include a minimum of content and meet a number of requirements, including:

- the information necessary to understand the evolution, results and situation of the Corporation, and
- the impact of its activity with regard to environmental and social issues, human rights and the fight against corruption and bribery, as well as personnel issues. It should include the measures it has adopted, where appropriate, to promote the principle of equal treatment and opportunities between men and women, non-discrimination and inclusion of persons with disabilities, as well as universal accessibility.

To prepare it, it has been based on the standards of the Global Compact, an international reporting framework that is contemplated in article 49.6.e of the Commercial Code introduced by Law 11/2018 already mentioned. In addition, GRI (Global Reporting Initiative) content has been defined on the basis of the GRI equivalence document – Principles of the Global Compact, which are reflected in the table of contents of Law 11/2018 on this Statement of Non-Financial Information.

In compliance with Law 11/2018, the consolidated non-financial information of the Corporation for the year 2023 is included below. This document has been subjected to an independent review by Bureau Veritas, the result of which is described in the attached review report.

Materiality analysis

For the 2023 reporting, two steps have been developed to determine the dimension of double materiality:

- 1. Identify relevant Environmental Social and Governance (ESG) issues:** through internal and external analysis, integrating stakeholder concerns (through each designated stakeholder in the organization) and based on the guidance included in the Global Reporting Initiative (GRI) Standards.
 - External analysis: Consider sectoral risks, stakeholder expectations and market trends.
 - Internal analysis: Evaluate ESG risks and opportunities that impact the business model, strategy, operations, and finances.

External analysis of the risks of the sector. From the external analysis, a global list of issues was obtained that encompasses the main challenges in economic, environmental, human rights and other social aspects at the local, regional and global level related to the sector in which Congalsa carries out its activity. To this end, a broad spectrum of references in the field have been taken into consideration, as a way of establishing a conceptual framework that integrates these challenges. This comparison has been made based on the list of **GRI cases**, from which other reference schemes and studies have been integrated:

- Global Reporting Initiative (GRI) Standards
- ISO 26000
- Indicators, challenges and opportunities of the blue economy (Sustainability area. Fundación Alternativas. 2022)
- Main risks identified by the Executive Opinion Survey (EOS) in Spain. World Economic Forum Global Risks Perception Survey 2023.
- The EU blue economy report (European Commission. 2022)
- *Transforming the EU's blue economy for a sustainable future.* (Communication from the European Commission. 2021)
- 10 Global Compact principles

This comparison allows us to analyse which issues are most relevant to the sector and which issues are being taken into consideration for present and future sustainability, based on the general themes set out by GRI.

Top ESG risks in the frozen seafood food sector:

ENVIRONMENTAL RISKS

| Risk | Risk management approach |
|---|---|
| <p>Overfishing: The overexploitation of fish stocks is a critical issue that threatens the sustainability of the sector. The illegal, unreported and unregulated (IUU) fishing exacerbates this problem.</p> | <p>Implementation of fisheries control measures, including sustainable fishing quotas, satellite vessel tracking, and traceability systems to combat IUU fishing.</p> |
| <p>Marine pollution: Discharges of sewage, plastics, and other pollutants negatively impact marine ecosystems and water quality.</p> | <p>Reducing the carbon footprint of operations, properly treating wastewater, responsibly disposing waste, and promoting sustainable fishing practices that minimize environmental impact.</p> |
| <p>Climate change: Rising water temperatures, ocean acidification, and changes in weather patterns affect the distribution and abundance of marine species.</p> | <p>Adaptation to new climatic conditions, development of climate change-resilient fishing strategies, and investment in research to identify new adaptable species.</p> |
| <p>Water scarcity: Farmed fish production consumes large amounts of freshwater, leading to water stress in some regions.</p> | <p>Implementation of water recirculation systems, efficient use of water in fish farms and development of fish production alternatives with a lower water footprint.</p> |
| <p>Impact on biodiversity: Fisheries and aquaculture can adversely affect populations of non-target species, marine habitats, and coastal ecosystems.</p> | <p>Implementation of measures to protect marine biodiversity, use of selective fishing methods that minimize the accidental capture of non-target species, and the development of aquaculture strategies that encourage coexistence with marine life.</p> |

SOCIAL RISKS

| Risk | Risk management approach |
|---|--|
| <p>Precarious working conditions: Labour exploitation, child labour and lack of safety at work are prevalent social risks in the sector, especially in developing countries.</p> | <p>Implementation of decent labour standards, including the payment of fair wages, safe and healthy working conditions, and the elimination of child and forced labour.</p> |
| <p>Human rights violations: Cases of discrimination, violence and harassment at work can be observed, violating the human rights of workers.</p> | <p>Creation of equality and non-discrimination policies, conducting audits, implementing complaint and conflict resolution mechanisms, and promoting a culture of respect and safety at work.</p> |
| <p>Health and food safety: Lack of hygiene and control in the production chain can lead to risks of contamination and foodborne illness.</p> | <p>Implementation of quality and food safety management systems, personnel training in hygienic practices, and monitoring and control of the cold chain to ensure food safety.</p> |
| <p>Fishing and aquaculture practices that do not respect animal welfare can cause unnecessary suffering to animals.</p> | <p>Implementation of animal welfare standards in fisheries and aquaculture, use of capture and slaughter methods that minimize animal pain and stress, and certification of products that ensure animal welfare.</p> |
| <p>Impact on local communities: Fishing and aquaculture activities can lead to conflicts with local communities over resource access and benefit-sharing.</p> | <p>Dialogue and active participation with local communities, development of social investment projects that benefit communities, and respect for local rights and traditions.</p> |

GOVERNANCE RISKS

| Risk | Risk management approach |
|---|---|
| <p>Corruption: Corrupt practices in the supply chain, such as bribery and falsification of documents, can affect the quality and safety of products.</p> | <p>Implementation of anti-corruption policies: codes of ethics, reporting mechanisms and transparency in operations. Training employees on corruption risks and collaborating with authorities to combat corruption.</p> |
| <p>Lack of transparency: Opacity in fisheries and aquaculture practices, fisheries resource management, and decision-making can lead to mistrust among stakeholders.</p> | <p>Publication of information on fishing activities and their environmental impact. Implementation of stakeholder participation mechanisms in decision-making and promotion of transparency in the management of fishery resources</p> |
| <p>Weakness in the supply chain: Risks of food fraud, counterfeit products, and lack of traceability can affect food safety and consumer confidence</p> | <p>Implementation of traceability systems: tracking the origin and route of products. Supply chain certification: food safety standards and best practices. Collaboration with suppliers to ensure product quality and safety.</p> |
| <p>Lack of investment in sustainability: Lack of investment in sustainable fishing and aquaculture practices can affect the long-term viability of the sector.</p> | <p>Investment in research and innovation to develop sustainable fisheries and aquaculture practices. Supporting fishing communities in adopting sustainable practices. Promotion of knowledge and adoption of best available practices.</p> |

Internal analysis

The internal analysis of the priority issues was carried out taking into account the context of sustainability, integrating those issues considered relevant from the point of view of the organization. This guarantees that you have not overlooked any topics that are likely to be material to your industry or stakeholders.

| BUSINESS IMPACTS | ENVIRONMENTAL IMPACTS | SOCIAL IMPACTS |
|--|---|--|
| <ul style="list-style-type: none"> • New product development • Internationalization • Our economic performance • Environmental impacts of operations • Social impacts of operations • Information management, AI, new technologies | <ul style="list-style-type: none"> • Water extraction and consumption • Energy • G.E.I. emissions and carbon footprint • Waste generation and discharges • Impacts on the raw materials supply • Impacts from the environmental assessment of suppliers • Be an EMAS company | <ul style="list-style-type: none"> • Customer security and privacy • Impact on the local community • Social impact on our value chain • Impact on customer well-being • Impacts from the social evaluation of suppliers |
| LABOR IMPACTS | | GOVERNANCE IMPACTS |
| <ul style="list-style-type: none"> • Labour relations • Training and capacity building of the teams • S.S.L. • Diversity and inclusion • Discrimination and vulnerable groups | | <ul style="list-style-type: none"> • Ethics and business transparency • Risk management • Good competitive behaviour • Standards and regulations • Supply chain management • Compliance and anti-corruption |

- 2. Assess materiality:** The importance of each ESG issue to the company and its stakeholders should be determined.
- **Prioritize ESG issues:** Consider impact on the company and stakeholders, probability of occurrence, and magnitude of financial impact.
 - **Materiality matrix:** Visualize the relevance of each ESG topic for the company and its stakeholders.

Establish a threshold for determining which topics are material. Following GRI recommendations, for the first materiality assessment, the importance of an impact has been taken into account with respect to other impacts that the organization has identified, ranking from most to least significant and defining a cut-off point or threshold to determine which impacts to focus on in its reporting.

The evaluation of the topics on which its report is most important was carried out in a single face-to-face session by the entire management team, in February 2023. For the evaluation, the different issues were classified into five large groups and then evaluated from 1 to 10, with 1 being the least significant value to report and 10 being the most significant.

To determine the materiality threshold, the methodology already implemented in the risk management system was taken into consideration but adapted to the 2023 materiality work. In this case, the most relevant issues and impacts on which to report information have been prioritized based on the following classification:

| Prioritization | Value |
|--|----------------|
| Material topics (information to be reported in the body of the memory) | Greater than 6 |
| Non-material issues (information to be reported in the annex to the report) | Less than 6 |

The questions and lists of topics evaluated were:

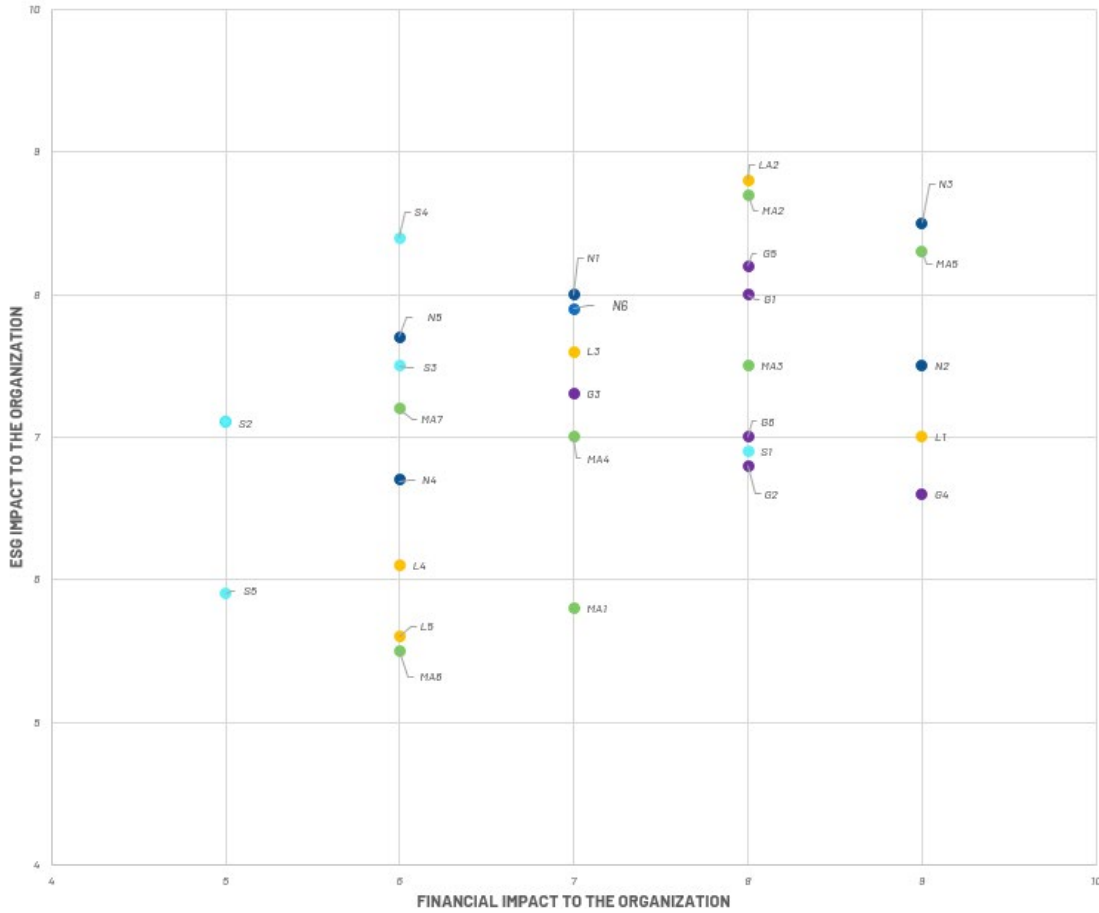
| MATERIAL ASSESSMENT FROM AN ESG PERSPECTIVE | | |
|---|--|--|
| | Material Topics | Non-material topics |
| BUSINESS IMPACT | <ul style="list-style-type: none"> • New product development • Internationalization • Our economic performance • Environmental impacts of operations • Social impacts of operations • Information management, AI, new technologies | - |
| ENVIRONMENTAL IMPACTS | <ul style="list-style-type: none"> • Water extraction and consumption • Energy • G.E.I. emissions and carbon Footprint • Waste generation and discharges • Impacts on the supply of raw materials • Be an EMAS company | <ul style="list-style-type: none"> • Impacts derived from the environmental assessment of suppliers |
| SOCIAL IMPACTS | <ul style="list-style-type: none"> • Customer security and privacy • Impact on the local community • Social impact on our value chain • Impact on customer well-being | <ul style="list-style-type: none"> • Impacts derived from the social evaluation of suppliers |
| LABOR IMPACTS | <ul style="list-style-type: none"> • Labour relations • Training and capacity building of the teams • S.S.L. • Diversity and inclusion | <ul style="list-style-type: none"> • Discrimination and vulnerable groups |
| GOVERNANCE IMPACTS | <ul style="list-style-type: none"> • Ethics and business transparency • Risk management • Good competitive behaviour • Standards and regulations • Supply chain management • Compliance and anti-corruption | - |

For the second materiality assessment, the same list of topics was contrasted with Congalsa's Administrative and Financial Director, who made an assessment based on the impact that these issues may have on the organization from an economic-financial point of view.

As set out in Annex 1 of the Delegated Regulation supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, the starting point for the assessment of financial materiality is the identification of risks and opportunities that affect, or could reasonably be expected to affect, the organization's financial position, financial performance, cash flows, access to finance or cost of capital in the short, medium or long term

| MATERIAL EVALUATION FROM A FINANCIAL PERSPECTIVE | | |
|---|--|---|
| | Material topics | Non-material topics |
| BUSINESS IMPACT | <ul style="list-style-type: none"> • New product development • Internationalization • Our economic performance • Information management, AI, new technologies | <ul style="list-style-type: none"> • Environmental impacts of operations • Social impacts of operations |
| ENVIRONMENTAL IMPACTS | <ul style="list-style-type: none"> • Energy • G.E.I. Emissions and Carbon Footprint • Waste generation and discharges • Water extraction and consumption • Impacts derived from the environmental assessment of suppliers | <ul style="list-style-type: none"> • Impacts on the supply of raw materials • Be an EMAS company |
| SOCIAL IMPACTS | <ul style="list-style-type: none"> • Customer security and privacy | <ul style="list-style-type: none"> • Impact on the local community • Social impact on our value chain • Impact on customer well-being • Impacts derived from the social evaluation of suppliers |
| LABOR IMPACTS | <ul style="list-style-type: none"> • Labour relations • Training and capacity building of the teams • S.S.L. | <ul style="list-style-type: none"> • Diversity and Inclusion • Discrimination and vulnerable groups |
| GOVERNANCE IMPACTS | <ul style="list-style-type: none"> • Ethics and business transparency • Risk management • Good competitive behaviour • Standards and regulations • Supply chain management • Compliance and Anti-Corruption | - |

After both analyses, both valuations were cross-referenced, obtaining the **2023 double materiality matrix**:



| BUSINESS IMPACTS | ENVIRONMENTAL IMPACTS | SOCIAL IMPACTS |
|--|---|--|
| N1. New product development N2. Internationalization N3. Our economic performance N4. Environmental impacts of operations N5. Social impacts of operations N6. Information management, AI, new technologies | MA1. Water extraction and consumption MA2. Energy MA3. G.E.I. emissions and carbon footprint MA4. Waste generation and discharges MA5. Impacts on the supply of raw materials MA6. Impacts derived from the environmental assessment of suppliers MA7. Be an EMAS company | S1. Customer security and privacy S2. Impact on the local community S3. Social impact on our value chain S4. Impact on customer well-being S5. Impacts derived from the social evaluation of suppliers |
| LABOR IMPACTS | GOVERNANCE IMPACTS | |
| L1. Labour relations L2. Training and capacity building of the teams L3. S.S.L. L4. Diversity and inclusion L5. Discrimination and vulnerable groups | G1. Ethics and business transparency G2. Risk management G3. Good competitive behaviour G4. Standards and regulations G5. Supply chain management G6. Compliance and anti-corruption | |

BUSINESS MODEL

Congalsa Business Corporation

Corporación Empresarial Congalsa is a Spanish family-owned company, at the head of a group of companies mainly engaged in the preparation, processing, packaging, manufacturing and marketing of fish and seafood products and dough.

Other complementary activities are also developed, such as the implementation and operation of cold storage industries for freezing and preservation and even transformation of raw materials. To a lesser extent, activities related to real estate development are also carried out.

The Corporation's business model is based on supporting the group's companies, making available to each of them the corporate services that each department provides. In any case, the business model is based on the following pillars:

- Professional excellence.
- Innovation at the service of the client.
- Health, safe environment and professional development.

Company Structure

Corporación Empresarial Congalsa, S.L. is the parent company of the following companies: Galisim S.L., Congalsa S.L., Sulpasteis Lda, Congalsa Pescaldía S.L. and Fricosim S.L.

In terms of volume and impact, the company with the greatest weight in the organization, both in terms of employees and turnover, is Congalsa, S.L., as demonstrated throughout this report.

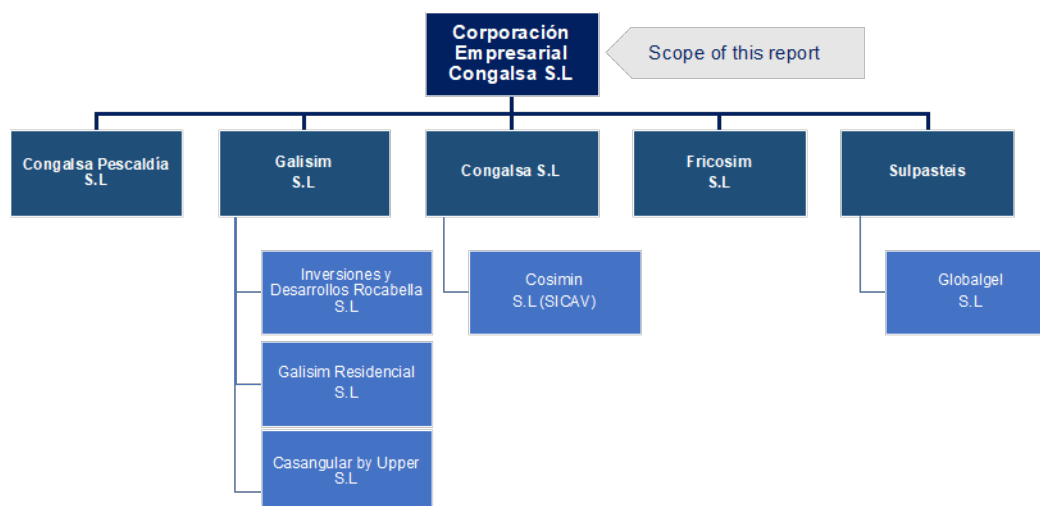


Illustration 1. Structure of the Corporation and subsidiaries

The Corporation is integrated by the following private companies:

Congalsa is the company with the largest activity in the group. Located in A Pobra do Caramiñal, it has facilities of 17,290 m² and ten production lines. The facilities include reception areas, dough rooms, processing room, pre-cooking room, freezing tunnels, packaging rooms, cold storage rooms, kitchens, warehouses, shipping areas and other facilities (clean tools room, cleaning room, compressor and transformer room, purifier, mechanical workshop, offices, laboratories, offices and meeting rooms). It also has a refrigerated warehouse in Ribeira and a processing plant for local fish products.

The products are marketed either under the distribution brand or under the brands Ibercook Food Fun, Ibercook Food Service and Low Frost; in addition to being present in the most important European distribution chains, although they are also supplied to the food industry and wholesalers.

Fricosim has facilities in Ribeira and A Pobra do Caramiñal with a total capacity for refrigerated installations of 60,000 cubic meters, with 2,200 metal containers for bulk tuna and 11,000 slots for storing palletized goods. With these facilities, the company provides cold storage solutions to group companies (Congalsa S.L.), as well as to large food companies in the area.

Pescaldía is the company created to process local fish products, being associated with shipowners who are the ones who fish the product.

Sulpasteis is the company acquired by the Corporation in February 2020. Located in Portugal, it has been engaged in the production and distribution of deep-frozen food products since 1994. It has two production plants and an office. Globalgel also trades frozen food products.

Galisim, Galisim Residencial and IDR are organizations engaged in real estate development and the construction of residential buildings.

Cosimin is a financial asset investment company.

Geographic presence

The Corporation has a majority presence in Spain, with its main locations by volume of equipment and facilities in the province of A Coruña, in Pobra do Caramiñal, and in Araganil, in Portugal.

The organization operates nationally and internationally. Although practically all of its establishments are in Spain, it does business with the following countries: Portugal, France, Italy, Greece, Belgium, Holland, Germany, Denmark, Sweden, Finland, Poland, Lithuania, Serbia, Bulgaria, Romania, Croatia, Hungary, Cyprus, Turkey, Tunisia, South Africa, Mexico, Argentina, Uruguay, Chile, England, Austria, Czech Republic, Switzerland, Ireland, Latvia, New Caledonia and Canada. Overall, it is present in up to 36 different countries.

There are also a number of representative offices in selected countries that provide legal coverage for people working on behalf of each organization.

The strategic location of the Corporation's different production sites in the centre of the European region of reference in the frozen fish sector guarantees a competitive advantage in terms of internationalisation. Our 5 production plants are located close to the main ports of unloading of hake, tuna, cephalopods and other species that contribute to our leading position in the frozen products sector.

| | Employees | Work Centers |
|---|------------------|----------------------------|
| Corporación Empresarial Congalsa, SL | 10 | Spain: 1 |
| Congalsa S.L. | 523 | Spain: 2 |
| Fricosim, S.L. | 17 | Spain 2 |
| Sulpasteis, S.L. | 162 | Portugal: 1 |
| Galisim, S.L. | 2 | Spain: 2 |
| Galisim Residencial, S.L. | 0 | 0 |
| Inversiones y Desarrollos Rocabella, S.L. | 3 | Spain: 1 |
| Cosimin sicav S.L. | 0 | 0 |
| Globalgel S.L. | 4 | 2 (1 venue + 1 delegation) |
| Casangular by Upper, S.L. | 2 | 0 |

Main milestones for the 2023 financial year

**€151 million
turnover**

The turnover of the group's two largest companies amounted to €151 million during the 2023 financial year between the Congalsa factories in A Pobra do Caramiñal and the Sulpasteis plant in Portugal.

Economic results have increased by 14% compared to 2022

**+30,000
tons of
manufactured
product**

In total, up to 28,460 tons of product have been marketed.

It has a commercial network made up of more than 40 customers, distributed in 36 countries, which allows it to reach different markets

**713 people
integrate the
teams**

The total workforce is composing of 713 people, 24% more than the previous year (551 in Spain and 162 in Portugal)

The presence of women is the majority, with 66% women and 34% men

Goals and strategy

All the companies that compose the Corporation have integrated that only with the continuous improvement of products and processes, and always thinking about the end consumer, will it be possible to satisfy the requests of an increasingly demanding public.

The companies that integrate the Corporation have a clear purpose: **to improve people's lives, offering tasty frozen foods that are sustainable, healthy and convenient, through excellence and innovation, building a great team.**

It is committed to being an innovative company, a leader in food solutions, international and perceived as local in each focus market, sustainable and in continuous growth.

The Corporation's development is based on five main objectives:

- 1. Profitability:** to be efficient in the use of resources, managing operations effectively. In other words, to do more with less.
- 2. Growth and internationalization:** with a focus on European and international markets that contribute to the development of the organization and allow us to advance and increase our capacity and supply.
- 3. Innovation and value creation:** to offer different, novel products that combine health and sustainability with flavor. To be able to position products as the customer's preference.
- 4. People:** to consolidate motivated, committed and happy teams. All of this in healthy work environments that foster personal and professional growth.
- 5. Excellence in management:** to maintain a culture of excellence in all areas and processes throughout the entire value chain, in order to offer the best possible product.

Management structure and governance

Teams in the organization. The different companies that integrate the Group have the administrative bodies responsible for governing, organizing and representing each of them.

The **Corporation** has an advisory board composed by four independent directors and two shareholders: Luis Miguel Simarro Esplá and Julio Simarro Esplá, appointed by agreement of the shareholders' meeting held on December 2, 2020. In this case, the organization has defined that the management is composed of the following executive positions of CORPORACIÓN EMPRESARIAL CONGALSA, SL:

- CEO
- Commercial director
- Executive secretary
- Technical director
- Administrative and Financial Director
- ICT Director
- Human Resources Director
- External Relations Director

Congalsa's administration system consists of a one administrator: Luis Miguel Simarro Esplá, while **Fricosim administration system consists** of a one administrator: Corporación Empresarial Congalsa represented by Luis Miguel Simarro Esplá (deed date 04/21/2017).

In addition, they hold **powers** in the organization:

| NAME OF THE PERSON IN CHARGE | CHARGE | TYPE OF POWER OF ATTORNEY (single/solidary/joint) | OBJECT/SCOPE OF POWER | VALIDITY OF THE POWER OF ATTORNEY |
|--|---------------------------------------|---|-----------------------|-----------------------------------|
| Luis Miguel Simarro Esplá | CEO | Solidary | General | Indefinite |
| Julio Simarro Esplá | Sales and Marketing Director | Solidary | General | Indefinite |
| Juan Carlos Rama Bermúdez | Human Resources Director | Unique | Labour | Indefinite |
| Ricardo Gonzalez Torres | Administrative and Financial Director | Joint | Financial | Indefinite |
| Soledad Hermo Gonzalez | Executive Secretary | Joint | Financial | Indefinite |
| Maria Yolanda Maneiro Fernandez | Head of Administration | Joint | Financial | Indefinite |
| Juan Andres Fernandez Lopez | Manager of Fricosim | Unique | Financial | Indefinite |
| Blanca M. Fernandez King | Manager of Galisim | Solidary | General | Indefinite |
| Cristina Rivas Mariño | Administration Technician | Joint | Financial | Indefinite |
| Ricardo Álves | Manager of Sulpasteis | Joint | General | Indefinite |

POLICIES AND RISK MANAGEMENT

All the subsidiaries that compose Corporación Empresarial Congalsa are governed by a series of Rules and Policies pre-established by the Corporation. These are mandatory for everyone. Specifically, the Corporation's Standards and Policies are organized into large areas:

Criminal and Anti-Bribery Compliance Policy. Congalsa Business Corporation is aware that the development of its activities entails the existence of certain risks that have been duly assessed by the organization in the corresponding risk assessment and treatment map, and that, undoubtedly, must be controlled and mitigated with all the means at its disposal. The purpose of this policy is, therefore, to demonstrate the commitment of the entire organization to regulatory compliance, the rejection of any criminal, corrupt or fraudulent conduct and the consequent willingness to minimize any act that may constitute a crime and entail negative consequences for the organization and its stakeholders, including the main aspects of the Criminal and Anti-Bribery Compliance Management System.

To ensure the proper functioning of the Criminal Compliance and Anti-Bribery Management System and to ensure compliance with its policies and procedures, the organization has a Criminal Compliance Committee, endowed with the principles of authority and independence, which allow it to carry out its functions autonomously and impartially, thus providing the system with better efficiency. Having been provided with the necessary resources for the proper functioning of the system.

This team is responsible, among other functions, for monitoring the effectiveness and efficiency of the system through measurable result indicators, previously defined, analysing them in a planned and programmed manner, reporting this information to Senior Management and the Governing Body.

In addition, the promotion of training and communication of the Compliance Management System is considered an essential principle and basic pillar for the knowledge, awareness and expansion of the compliance culture.

Congalsa and Fricosim have certified their criminal compliance system, as well as their management system to prevent bribery. Both certifications -UNE 19601:2017 and ISO 37001:2016-, issued by the Bureau Veritas Certification Body, are accredited by ENAC. Congalsa and Fricosim have passed the audit process with respect to their procedures around these matters.

PRINCIPLES OF CRIMINAL COMPLIANCE POLICY

1. Strict compliance with legislation in general, and criminal law, that is applicable to the organization.
2. Commitment of employees, senior management, and the governing body to the culture of compliance and the implementation of the criminal risk prevention system, evidencing their respect for internal regulations and applicable legislation.
3. Zero tolerance for the commission of criminal acts. Under no pretext does the organization allow or accept the commission of a criminal act, not even when this is intended to justify an action for the benefit of the organization.
4. Obligation to report any conduct contrary or presumed to be contrary to the company's internal regulations or the legislation that is applicable to it. To this end, the organization has an **ethical channel** equipped with the principles of indemnity, confidentiality, independence and impartiality, to guarantee all the rights of the whistleblower. No retaliation is guaranteed to the whistleblower in good faith.
5. Imposition of sanctions and/or disciplinary measures in accordance with the applicable labour regulations, for those people who, being bound by this policy and the organization's criminal compliance and anti-bribery management system, fail to comply with internal regulations/procedures or applicable legislation, contravening the obligations that are required of them.
6. Integral, honest, and impartial action, in both internal and external relations, prohibiting any form of bribery.
7. Minimization of the organization's exposure to criminal risks. The organization has prepared a map of criminal risks, in which all the criminal risks applicable to the legal person have been evaluated with respect to the activities carried out; Existing controls have been analysed and an action plan has been implemented for the implementation of new controls, to achieve the effectiveness and efficiency of the system for the control of criminal risks.
8. Provide an adequate framework for the definition, review, and achievement of criminal compliance objectives.
9. Continuous improvement of the criminal compliance and anti-bribery management system, through its periodic review and the proposal of improvement actions aimed at greater control and mitigation of criminal risks.

Anti-Corruption Policy. The Senior Management of the Corporation and all the subsidiaries have implemented a criminal risk prevention program to further guarantee regulatory compliance within the company's activities, both by its employees and by the management and administration bodies. Said policy explicitly establishes what are the prohibited conducts in the organization, the definition of the concepts used and the actions necessary for compliance and the application of disciplinary measures.

Criminal risk map. Ensuring ethical and responsible behavior within the organization is an integral aspect of the entire corporation and its member organizations. With this objective in mind, the risks derived from the different aspects of sustainability with the greatest impact have been evaluated, taking all the necessary measures for their monitoring and control. A working methodology is in place to detect non-financial risks in terms of criminal compliance and regulatory compliance, as well as human rights, good business practices and, in general, good corporate governance. These include risks related to corruption, bribery, fraud, money laundering and crimes against equipment, natural resources and the environment. As a result of this risk analysis, the Corporation has a work plan that identifies the control points and actions to be taken in order to act accordingly.

In 2023, the considerations of the Corporation's criminal risk map have been revised and maintained, which consequently affects Congalsa and Fricosim, but is extensive to all the organizations that make up the Business Corporation. This map has been adapted to the Law on Integral Guarantee of Sexual Freedom, introducing and assessing the crimes of workplace harassment and sexual harassment for which the legal entity is now liable.

Compliance Committee. The Compliance Committee is responsible for monitoring and ensuring compliance with the Compliance Management System. It is endowed with the training, authority and independence required for the performance of the position. These qualities guarantee neutrality in decisions, professionalism in the performance of its functions and in the supervision and effectiveness of the system. During the year 2023, the Committee met 8 times.

Within the framework of the Compliance system, during the last year, different actions have been implemented to keep the information on the system updated and accessible, such as, for example:

- The whistleblower channel of the Congalsa website has been replaced by one that guarantees and ensures the whistleblower's rights, such as anonymity, data protection, etc.
- Continuous training has been offered to the company's personnel in different matters related to the Compliance System.
- The content of Congalsa's website has been restructured in order to make it easier to access and read for our stakeholders.

Code of Conduct and Responsible Practices. It is the document that defines and establishes the principles and values that the company assumes as its own. The Code sets out the acts and working relationships of the Corporation's employees, managers and partners with customers and potential customers, with colleagues, competitors, administrative entities, the media and with all other persons or institutions with which the company has contact, i.e. with all the identified stakeholders.

Suppliers and Purchasing Policy. It is especially applicable to those who hold positions related to the selection and/or contracting of suppliers, as well as to people linked to the purchasing process.

With regard to its geographical scope, it applies to all the countries where it operates, and it must be ensured, at all times, and as far as possible, that it is assumed by third parties that maintain relations with the companies of the group.

It provides all those to whom it is addressed with the guidelines that should govern the selection and contracting of suppliers. All this with the objective of establishing **a series of guidelines that guarantee objectivity, impartiality, transparency and excellence in our processes**, aimed at the ultimate goal of obtaining the maximum trust of our customers through excellence in the quality of our products.

Quality, Food Safety and Environmental Policy. It establishes a series of criteria and principles of action that promote and guarantee environmental sustainability, so that all activities are carried out in a way that respects the environment, preserving as much as possible the resources at our disposal; quality in processes and food safety, from the production to the marketing of products, in order to identify and eliminate or minimize as much as possible all potential risks that may affect these matters; so that all members have this policy as a reference on how to proceed and the commitments assumed that must always govern the fulfillment of their duties.

INFORMATION ON ENVIRONMENTAL ISSUES

As a leading organization in the production of frozen foods, our obligation is to provide responsible products **while ensuring the lowest environmental impact of our activities**. Our rationale is linked to the conservation and good management of marine resources, which is why ensuring their sustainability has become an indispensable priority. Aware that every business action generates an impact on the territory, organizations apply an environmental policy aimed at minimizing negative impacts and reinforcing environmental commitment.

We take care of the quality of the fish we use right from the source, with our own inspectors who guarantee that the technical specifications agreed upon at the time of purchase are faithfully followed. The fish raw materials come from the main fishing grounds and are supplied directly by the best suppliers worldwide, maintaining associative structures that allow us to guarantee stability and regularity over time. Our present and future goal is to match the traditional taste of homemade products, ensuring quality at all stages and closely following the evolution of trends in the industry, in order to offer our customers and end consumers new solutions that make their lives easier while saving time and money.

We understand sustainability as a cross-cutting responsibility throughout the value chain. This also implies having civil liability insurance for an amount of 8,900,000 euros. The technical, compliance and environment teams are directly involved in its management, as well as the purchasing area, which transfers and verifies environmental requirements to our suppliers through the Suppliers and Purchasing Policy.

In particular, the organization that by size and performance that most contributes to the analysis defined in the document on environmental issues, is Congalsa, S.L. To cope, the organization has an environmental management **system in accordance with the UNE-EN-ISO 14001:2015** Standard under the scope: "Design, processing, storage, marketing and distribution of fishery products, mass and frozen precooked products" and is registered in the **EMAS Regulation**¹ (whose Environmental Statement can be consulted [on the website](#)).

In the case of Congalsa, the organization has its own Environmental Management System, whose main objective is the identification of risk sources and the adoption of measures to prevent them and avoid environmental accidents throughout its process. The main sources of risk have been identified and prevention and management systems have been implemented.

On an annual basis, the organization identifies and evaluates direct environmental aspects (*those over which it has control in its management*) and indirect environmental aspects (*those over which it does not have full management control, but may try to influence on them*) and whenever there is any change in activities that imply the appearance of a new environmental aspect that will be, therefore, it is subject to identification and evaluation.

¹ Reglamento (CE) 1221/2009 modificado por Reglamento (UE) 1505 / 2017 y Reglamento (UE) 2018/2026, para la actividad de industrias de productos alimenticios y bebidas.

Fight against Climate Change

Production processes, especially refrigeration and cold storage, are energy intensive. These are monitored and we work to reduce them every year by increasing the efficiency of the processes.

Overall, for Congalsa, the figures for both emissions associated with fuel consumption and transport have increased, as the amount of manufactured product. The two main sources of emissions come directly from the production, due to the consumption of natural gas and gas oil, necessary for the transport of goods between facilities as well as for the boiler system and electrical generator.

In the case of Portugal, similarly, the energy intensity ratio has increased, in parallel with the increase in the number of manufactured products. Different actions are being developed to increase its energy efficiency, aligning it with the general production standard of the Corporation.

| | 2021 | | 2022 | | 2023 | |
|--|-----------|----------|-----------|----------|-----------|----------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Energy consumption (network + photovoltaic)(Mwh) | 25.592,88 | 4.912,51 | 25.789,65 | 5.758,54 | 28.666,52 | 7.123,55 |
| Total energy intensity (MWh/t) | 1,08 | 2,43 | 1,07 | 2,85 | 1,132 | 3,52 |

As can be seen in the table, in Spain the energy intensity per ton of product has increased by 11.15%. On the other hand, in Portugal, the total energy intensity rate has increased by 24%. The organization is working to implement improvement actions to achieve higher efficiency levels.

Renewable energy generation. Photovoltaic power generation panels have been installed on the main roofs of the manufacturing plants. There is a roof on the Pobra de Caramiñal factory (with 348 kWp installed), another one on the roof of the warehouse in Deán (Ribeira, with 160 kWp of total power), a third one installed on the Fricosim roof (with 462 kWp installed) and a fourth operating in the Canary Islands warehouse (with a total of 52 kWp installed). **With the entry into operation of Fricosim photovoltaic installation, the Corporation's total installed capacity has increased by 82%.**

Overall, **the four photovoltaic roofs generated 1,105,064 kWh, which prevented the emission of 375.7 tons of CO₂.** Portugal is in the process of installing photovoltaic panels to generate emission-free energy.

In the case of Spain, in 2023 Congalsa **received 98.87% of the energy necessary for the development of its activity from renewable sources, specifically from wind and photovoltaic energy.**

In addition, it has reached a collaboration agreement with one of the leading companies in the electricity supply market to collaborate in the construction of a wind farm in Galicia that will supply all the electricity consumed and not from its own photovoltaic installations.

Carbon footprint

CONGALSA COMMITMENT: A DECADE OF DECARBONISED ENERGY

In 2023, Congalsa has formalized a long-term power purchase agreement (PPA) that provides for the consumption of 98.87% renewable energy for a period of 10 years.

The agreement, which represents a new step in the company's commitment to sustainability and reinforces Congalsa's commitment to reduce the environmental impact of its operations, includes the supply of 15.5 GWh of green energy per year. Specifically, 50% of the energy to be supplied comes from kilometer 0, as it is produced in the wind farms that Enel Green Power España has in Lugo, thus reinforcing the commitment to industrial and sustainable development in the community. The other half is renewable energy certified with Guarantees of Origin (GdOs) by the National Markets and Competition Commission (CNMC).

This decision has a significant impact on the decarbonization of the Corporation, given that Congalsa is the largest of the member organizations in terms of size, capacity and energy demand. This is an essential requirement given the deep-frozen nature of the products that Congalsa places on the market. This decision ensures progress towards reducing the environmental footprint of the Corporation as a whole.

In 2023, in line with the higher volume of product, emissions associated with fuel consumption for product manufacturing have increased. In Spain, the emissions associated with the fuel needed for the truck fleet and those associated with electricity consumption are unchanged compared to 2022, thanks to the fact that all of the supply is based on renewable energies.

In 2023, the carbon footprint associated with the manufacture of the products in the main organization (Congalsa) was 0.066 tons of carbon for every ton of product manufactured. In the case of Sulpasteis, the figure is 5.52 tons of carbon for each ton of product manufactured. The significant increase is due to problems in the machinery and a change in process, from traditional to automated.

For the calculation method in scope 1, the consumption of natural gas necessary for the manufacturing processes (propane gas in the case of Portugal) and the fuel necessary for the movement of the products between the manufacturing plants and the warehouses have been taken into account. For scope 2, the consumption of electrical energy purchased from third parties has been considered.

| | 2021 | | 2022 | | 2023 | |
|----------------------------------|----------|----------|----------|----------|----------|-----------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Units: tons CO ₂ e | | | | | | |
| GHG emissions (scope 1) | 1.215,15 | 3.095,72 | 1.300,80 | 3.326,67 | 1.636,68 | 16.759,86 |
| GHG emissions (scope 2) | 1.089,96 | 947,84 | 4,60 | 1.162,19 | 53,05 | 1,16 |
| GHG emissions (scope 1+2) | 2.305,11 | 4.043,56 | 1.301,22 | 4.488,86 | 1.689,73 | 16.761,02 |
| Relative G.E.I. emissions | 0,10 | 1,69 | 0,05 | 1,16 | 0,067 | 5,517 |

The main difference between the two years is marked by the reduction in scope 2 emissions thanks to the supply of electricity from renewable sources. Meanwhile, in Portugal, both scope 1 and scope 2 emissions have increased, in line with the increase in production.

Waste Management and Circular Economy

The activities of Congalsa and Sulpasteis have the highest requirements in raw materials and secondary materials (dedicated to the packaging and transport of products). More than 95% of material consumption corresponds to the need for ingredients manufacturing, and less than 5% represents packaging materials.

Waste management and recycling. The waste generated in Congalsa is segregated in order to facilitate its recovery. Chambers are available for cardboard and plastic packaging waste, covered outdoor areas and freezer warehouses for organic waste.

| | 2021 | | 2022 | | 2023 | |
|---|-------------|----------|-----------|----------|-----------|-----------|
| | Units: tons | SPAIN | PORTUGAL | SPAIN | PORTUGAL | SPAIN |
| Consumption of raw materials | 20.023,00 | 2.581,00 | 22.268,00 | 2.589,34 | 26.565,43 | 2.898,39 |
| Consumption of secondary materials | 645,80 | 1.922,30 | 673,95 | 351,65 | 738,13 | 11.764,78 |
| Total non-hazardous waste generation (RNP) | 7.241,84 | 687,17 | 7.762,10 | 305,95 | 8.785,5 | 303,82 |
| Total hazardous waste (RP) generation | 3,13 | 0,04 | 1,42 | 0,04 | 1,74 | 0,00 |

As can be seen, in both countries the need for raw materials to meet the demand for increased production has increased, especially in Spain, where it has risen by 19.30%. The figures for secondary materials have not increased at the same rate in Spain, by 9.50%. In Portugal, on the other hand, the percentage has increased significantly with respect to 2022. This was due to the different types of products manufactured compared to the previous year and to the lower needs for packaging materials.

With regard to waste generation, in Spain there has been an increase in non-hazardous waste generated as a result of the increased processing of raw materials. Hazardous waste has increased by 21.12%.

As regards Portugal, the generation of non-hazardous waste has decreased notably, by 0.70%, while the generation of hazardous waste has remained at the levels of the last two years.

Of the total non-hazardous waste generated in 2023, 11.3% was subjected to recycling treatment and 0.012% to preparation for reuse operations The remaining total (84.9%) was allocated to other operations by the corresponding authorized waste management companies.

The concept of circular economy in the main activities of the Corporation requires both the commitment of the organization and the involvement of citizens, who are the ones who consume the products in their homes or other facilities.

Measures to promote the circular economy. Within the possibilities allowed by the retail manufacturing and distribution sector, measures are applied to reduce the impact of operations in terms of waste generation. The most consumed raw materials (flours, breadcrumbs or oils) are served directly in large quantity bulks, deposited by the supplier in warehouses, deposits and silos.

For complementary materials to manufacture processes, such as pallets, there is Chep, a pooling initiative through which a rental service is provided. The principles of sharing and reusing are applied, obtaining the same service and allowing a higher quality in the pallets. With Chep we deliver the goods, reporting to the platform, which is responsible for forwarding them to the service centers. There they are checked and repaired, entering back into the delivery and distribution cycle.

With regard to the product purchased by the customer and the promotion of the closure of waste cycles, the packaging containing food products must be segregated by the end consumer. All cardboard and plastic used in packaging is recyclable at the end of its useful life. Special effort has been carried out to use a single type of material, which will further promote their recovery. In any case, all containers and packaging used for distribution and sale are included in the packaging and packaging waste management system, conveniently identified with the "Green Dot" (which regulates the entity *Ecoembes* in Spain and *Sociedade Ponto Verde* in Portugal).

Alternatives to improve packaging alternatives are continuously being evaluated; based on the required criteria to ensure that the product maintains all its properties from the origin to the consumer.

Measures to reduce food waste. In the first place, the fight against food waste in the Corporation is promoted through the maximum use of the raw food materials with which we work. In the case of leftover organic substances (leftover fish or seafood, or quantities of ingredients that do not pass quality controls, for example), they are sent for recovery as organic waste by authorized managers.

In the case of products already manufactured, collaboration with charitable organizations has allowed us to donate more than 2,735 kilos of food in 2023, for a total amount of more than 8,054 euros.

Sustainable use of resources

Drinking water is a scarce resource whose use is based in search of maximum efficiency. All the consumed water (both in facilities and in the production process itself) comes from the municipal network.

In Spain, 165,593 m³ were needed in 2023. On the other hand, in Portugal, 82,122.86 m³ have been needed. After use, the wastewater is discharged into the municipal sewerage network. The water used in the production is treated (in a physicochemical process by means of the company's own treatment plant) before being discharged into the network, to comply with the legal parameters.

| | 2021 | | 2022 | | 2023 | |
|---------------------------|------------|-----------|------------|-----------|------------|-----------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Units: m3 | | | | | | |
| Water Supply | 103.622,00 | 28.339,00 | 151.210,00 | 29.969,00 | 165.593,00 | 82.122,86 |
| Water discharge | 93.259,80 | 25.505,10 | 136.089,00 | 26.972,10 | 149.033,70 | 73.911,57 |
| Water consumption* | 10.362,20 | 2.834,90 | 15.121,00 | 2.996,90 | 16.559,30 | 8.212,29 |

**Understood as the water supplied minus the water discharged*

In both cases, the water consumption and post-treatment volumes have increased, in line with the higher production. In the case of Spain, the increase is lower, at 9.5%; while in Portugal the increase is 174%, due to machinery problems and changes in the process.

Protection of biodiversity

The base that sustains all the work is in the sea, in the oceans. This is the source of the main materials that have given identity to the Corporation as a whole. The sustainability policy is based on a **purchasing strategy** based on the values of **sustainability** and **traceability**, and on initiatives that enable us to collaborate actively and intensely in the protection of marine resources. One way of doing this, and with a global scope, is to work under recognized standards for sustainable fishing. The purchasing strategy integrates the need to assess sustainability in the supply of raw materials and makes explicit the preference for products that prove to be more environmentally responsible. Understanding and analyzing the risks associated with the raw materials supplied are fundamental to the development and execution of this sustainable fishing policy. For this reason, we continue to participate in global initiatives, such as the Sustainable Fisheries Partnership, in order to have rigorous criteria when determining how to source. Other fishery sustainability standards and good aquaculture practices are adopted because, although not all products have such certificates, they are considered a favorable factor in the selection of suppliers.

Specifically, for the last decade, Congalsa has been part of fishery improvement projects promoted by the **Sustainable Fisheries Partnership** (SFP), a non-profit organization that works around the world through the value chains of different fish species of commercial

interest, promoting capture and regeneration methodologies that allow sustainable extraction. Its action is based on Fishery Improvement Projects (FIPs).

92.4% of Congalsa's seafood purchases come from sustainable sources according to fish source database criteria, through the SFP metrics program. In 2023, only 7.6% of seafood purchases will come from a source not included under the SFP criteria due to more specific one-off purchases.

In line with the integration into SFP, another standard is operated with a more recognizable standard for consumers and end customers. This is the **Marine Stewardship Council (MSC)** environmental standard for sustainable fishing (based on the United Nations - FAO Code of Conduct for Responsible Fisheries) and the **Aquaculture Stewardship Council (ASC)**, a certification program for responsible aquaculture practices.

At Congalsa, 16% of the final product is made with raw material certified under the MSC standard. The characteristic seal is present, among others, in the raw material of the entire range of hake products, guaranteeing traceability and sustainable origin from the ocean to the consumer's table.

These standards are based on science and best practices, including record keeping and monitoring of clear indicators for environmental and social performance.

Light and noise pollution. The production plants in both Spain and Portugal are located on industrial land, so the effects in terms of light and noise pollution on the population and the environment is low.

INFORMATION ON STAFF RELATED ISSUES

Employment

The creation of quality employment and the stability of the human teams are key to the success of the Corporation and the composing organizations. To ensure people's well-being, different active policies focus on the continuous improvement of the working conditions of all people, as well as ensuring their health and safety.

In 2023, there was a team of 713 people, of which 66% are women.

Total number and distribution of employees by sex, age, country and occupational classification

| | 2022 | | 2023 | |
|-------------------------------------|------------|------------|------------|------------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Distribution by gender | | | | |
| Women | 280 | 100 | 348 | 120 |
| Men | 155 | 34 | 199 | 46 |
| total | 435 | 134 | 547 | 166 |
| Distribution by age group | | | | |
| < 30 years | 74 | 16 | 97 | 31 |
| 30-50 years | 290 | 97 | 364 | 114 |
| > 50 years | 71 | 21 | 86 | 21 |
| total | 435 | 134 | 547 | 166 |
| Distribution by Job Category | | | | |
| Managers | 8 | 7 | 15 | 7 |
| Controls | 59 | 4 | 69 | 11 |
| Office staff | 75 | 22 | 77 | 23 |
| Factory Personnel | 293 | 101 | 386 | 125 |
| total | 435 | 134 | 547 | 166 |

Overall, the Corporation's two main companies have increased their workforces, which is reflected in the distribution of employees by country. **In the case of Spain, the increase is 26%** (in 2022 it had a total of 435 people employed). As far as Portugal is concerned, during the past year there was an increase of 21%, going from 134 people in the team in 2022 to 166 people in 2023.

Total number and distribution of employees by contract type

| | 2022 | | | | | 2023 | | | | |
|--|------------|------------|------------|-----------|------------|------------|------------|------------|-----------|----------------------|
| | SPAIN | | PORTUGAL | | Total | SPAIN | | PORTUGAL | | Total |
| | Women | Men | Women | Men | | Women | Men | Women | Men | |
| Number of employees with permanent contracts | 244 | 138 | 79 | 25 | 486 | 294 | 166 | 86 | 30 | 576 (+19%) |
| Number of employees with fixed-term contracts | 36 | 17 | 21 | 9 | 83 | 54 | 33 | 34 | 14 | 137 (+65%) |
| TOTAL | 280 | 155 | 100 | 34 | | 348 | 199 | 120 | 46 | |

In addition to the total number, the Corporation has also increased the quality of employment generated. From 486 people employed on permanent contracts in 2022, the number has risen to 576, representing a 19% increase in permanent contracts. As the total number of people

required for the activity has increased, so has the number of people hired under fixed-term contracts, from 83 in 2022 to 137 in 2023, an increase of 65%.

Total number and distribution of employees by type of contract according to age and professional category

| | 2022 | | | | | | | 2023 | | | | | | | | |
|--|-----------|------------|-----------|-----------|-----------|-----------|------------|------------|------------|-----------|-----------|------------|-----------|------------|--------|-------|
| | SPAIN | | | PORTUGAL | | | | Total | SPAIN | | | PORTUGAL | | | | Total |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 | <30 | | 30/50 | >50 | <30 | 30/50 | >50 | | | |
| Number of employees with permanent contracts | 55 | 249 | 78 | 8 | 77 | 19 | 486 | 74 | 307 | 79 | 9 | 88 | 19 | 576 | (+19%) | |
| Number of employees with fixed-term contracts | 5 | 37 | 11 | 8 | 20 | 2 | 83 | 27 | 57 | 3 | 22 | 26 | 2 | 137 | (+65%) | |
| TOTAL | 60 | 286 | 89 | 16 | 97 | 21 | | 101 | 364 | 82 | 31 | 114 | 21 | | | |

| | 2022 | | | | | | | | | 2023 | | | | | | | | | | |
|--|----------|-----------|------------|------------|----------|----------|-----------|------------|------------|-----------|-----------|-----------|------------|----------|-----------|-----------|------------|------------|--------|-------|
| | SPAIN | | | | PORTUGAL | | | | | Total | SPAIN | | | | PORTUGAL | | | | | Total |
| | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | | | |
| Number of employees with permanent contracts | 8 | 61 | 100 | 213 | 7 | 4 | 18 | 75 | 486 | 15 | 69 | 77 | 299 | 7 | 11 | 16 | 82 | 576 | (+19%) | |
| Number of employees with fixed-term contracts | 0 | 0 | 15 | 38 | 0 | 0 | 4 | 26 | 83 | 0 | 0 | 0 | 87 | 0 | 0 | 8 | 42 | 137 | (+65%) | |
| TOTAL | 8 | 61 | 115 | 251 | 7 | 4 | 22 | 101 | | 15 | 69 | 77 | 386 | 7 | 11 | 24 | 124 | | | |

Total number and distribution of employment contract modalities

With regard to the types of employment, a large majority of workers in both Spain and Portugal are employed on a full-time basis. This figure was 25% higher than in the previous year. The number of people employed full-time varied from 7 in 2022 to 11 in 2023.

| | 2022 | | | | | 2023 | | | | | | |
|---|------------|------------|------------|-----------|------------|------------|------------|------------|-----------|------------|--------|-------|
| | SPAIN | | PORTUGAL | | | Total | SPAIN | | PORTUGAL | | | Total |
| | Women | Men | Women | Men | Women | | Men | Women | Men | | | |
| Number of full-time employees | 274 | 154 | 100 | 34 | 562 | 340 | 196 | 120 | 46 | 702 | (+25%) | |
| Number of employees with part-time contracts | 6 | 1 | 0 | 0 | 7 | 11 | 0 | 0 | 0 | 11 | (+57%) | |
| TOTAL | 280 | 155 | 100 | 34 | | 351 | 196 | 120 | 46 | | | |

| | 2022 | | | | | | | 2023 | | | | | | | | |
|---|-----------|------------|-----------|-----------|-----------|-----------|------------|-----------|------------|-----------|-----------|------------|-----------|------------|--------|-------|
| | SPAIN | | | PORTUGAL | | | | Total | SPAIN | | | PORTUGAL | | | | Total |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 | <30 | | 30/50 | >50 | <30 | 30/50 | >50 | | | |
| Number of full-time employees | 72 | 285 | 71 | 16 | 97 | 21 | 562 | 95 | 356 | 85 | 31 | 114 | 21 | 702 | (+25%) | |
| Number of employees with part-time contracts | 0 | 7 | 0 | 0 | 0 | 0 | 7 | 2 | 1 | 8 | 0 | 0 | 0 | 11 | (+57%) | |
| TOTAL | 72 | 292 | 71 | 16 | 97 | 21 | | 97 | 357 | 93 | 31 | 114 | 21 | | | |

| | 2022 | | | | | | | | | 2023 | | | | | | | | | |
|---|----------|-----------|-----------|------------|----------|----------|-----------|------------|------------|----------|-----------|-----------|------------|----------|-----------|-----------|------------|----------------------|--|
| | SPAIN | | | | PORTUGAL | | | | | Total | SPAIN | | | | PORTUGAL | | | | |
| | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | | |
| Number of full-time employees | 9 | 63 | 81 | 275 | 7 | 4 | 22 | 101 | 562 | 3 | 68 | 76 | 389 | 7 | 11 | 23 | 125 | 702 (+25%) | |
| Number of employees with part-time contracts | 0 | 0 | 1 | 6 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 1 | 10 | 0 | 0 | 0 | 0 | 11 (+49%) | |
| TOTAL | 9 | 63 | 82 | 281 | 7 | 4 | 22 | 101 | | 3 | 68 | 77 | 399 | 7 | 11 | 23 | 125 | | |

Number of new jobs and termination of employment by country and number of dismissals by sex, age and professional classification

Although the 2022 financial year was marked by a high number of new jobs and departures; as well as a high turnover rate; 2023 has moderated these figures. It has been a year marked by changes in production needs that have led to the incorporation of people, especially in the professional profiles of factory personnel.

| | 2022 | | | | | 2023 | | | | | |
|-------------------|--------------|-------------|--------------|-------------|------------|--------------|--------------|--------------|--------------|----------------------|-----|
| | SPAIN | | PORTUGAL | | | Total | SPAIN | | PORTUGAL | | |
| | Women | Men | Women | Men | Women | | Men | Women | Men | Women | Men |
| High | 78 | 51 | 34 | 15 | 178 | 134 | 77 | 39 | 24 | 274 (+54%) | |
| Low | 50 | 36 | 19 | 13 | 118 | 79 | 25 | 25 | 15 | 144 (+22%) | |
| Medium Workforce | 280 | 255 | 100 | 34 | 569 | 348 | 199 | 120 | 46 | 713 (+25%) | |
| % Turnover | 10,00 | 9,70 | 15,00 | 5,88 | | 15,79 | 26,17 | 11,67 | 19,57 | | |
| Disengagements | 50 | 35 | 19 | 13 | 117 | 79 | 24 | 25 | 15 | 143 (+22%) | |
| Dismissals | 9 | 6 | 0 | 0 | 15 | 11 | 8 | 0 | 0 | 19 (+25%) | |

| | 2022 | | | | | | | 2023 | | | | | | | |
|----------------|-------|-------|-----|----------|-------|-----|------------|-------|-------|-----|-----|----------|-----|----------------------|--|
| | SPAIN | | | PORTUGAL | | | | Total | SPAIN | | | PORTUGAL | | | |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 | <30 | | 30/50 | >50 | <30 | 30/50 | >50 | | |
| Disengagements | 24 | 54 | 7 | 14 | 14 | 4 | 117 | 24 | 54 | 7 | 14 | 14 | 4 | 143 (+22%) | |
| Dismissals | 4 | 10 | 1 | 0 | 0 | 0 | 15 | 6 | 11 | 2 | 0 | 0 | 0 | 19 (+14%) | |

| | 2022 | | | | | | | | | 2023 | | | | | | | | | |
|----------------|-------|---------|-----------|------------|----------|---------|-----------|------------|------------|-------|---------|-----------|------------|------|----------|-----------|------------|----------------------|--|
| | SPAIN | | | | PORTUGAL | | | | | Total | SPAIN | | | | PORTUGAL | | | | |
| | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | Dir. | | Command | Pers. Of. | Pers. Fab. | Dir. | Command | Pers. Of. | Pers. Fab. | | |
| Disengagements | 0 | 6 | 4 | 75 | 0 | 1 | 3 | 28 | 117 | 0 | 8 | 5 | 90 | 0 | 1 | 4 | 35 | 143 (+22%) | |
| Dismissals | 0 | 0 | 1 | 14 | 0 | 0 | 0 | 0 | 15 | 1 | 1 | 2 | 15 | 0 | 0 | 0 | 0 | 19 (+14%) | |

Average remuneration and its evolution disaggregated by sex, age and occupational classification or equal value

The remuneration policy guarantees equal pay and equal rights for all people, rejecting any type of discrimination, direct or indirect, regardless of age, gender, race, color, religion, sexual orientation, social status, marital status, nationality, political opinion or family responsibilities. Accordingly, the principle of gender equality applies. We can also confirm that the differences in average salaries are not a consequence of the gender variable but determined by other variables such as the professional group variable, the different position allocations and the place that women occupy in the organization.

| | 2022 | | | | 2023 | | | |
|----------------------|------------|------------|-----------|------------|------------|------------|------------|------------|
| | SPAIN | | PORTUGAL | | SPAIN | | PORTUGAL | |
| | Women | Men | Women | Men | Women | Men | Women | Men |
| Average remuneration | 39.546,66€ | 56.882,53€ | 9.515,04€ | 14.247,72€ | 37.218,00€ | 28.298,50€ | 12.445,58€ | 15.363,46€ |

| | 2022 | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|
| | SPAIN | | | PORTUGAL | | |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 |
| Average remuneration | 17.500,05€ | 43.124,05€ | 81.416,02€ | 10.864,00€ | 12.491,64€ | 14.973,28€ |

| | 2023 | | | | | |
|----------------------|------------|------------|------------|------------|------------|------------|
| | SPAIN | | | PORTUGAL | | |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 |
| Average remuneration | 14.266,99€ | 33.257,96€ | 34.171,16€ | 11.180,12€ | 13.619,48€ | 12.940,48€ |

| | 2022 | | | | | | | |
|----------------------|------------|------------|-------------|------------|------------|------------|-------------|------------|
| | SPAIN | | | | PORTUGAL | | | |
| | Dir. | Command I. | Pers. Ofic. | Pers. Fab. | Dir. | Command I. | Pers. Ofic. | Pers. Fab. |
| Average remuneration | 71.375,76€ | 23.333,38€ | 19.960,74€ | 15.285,24€ | 32.124,26€ | 18.596,62€ | 17.844,82€ | 9.745,54€ |

| | 2023 | | | | | | | |
|----------------------|------------|------------|-------------|------------|------------|------------|-------------|------------|
| | SPAIN | | | | PORTUGAL | | | |
| | Dir. | Command I. | Pers. Ofic. | Pers. Fab. | Dir. | Command I. | Pers. Ofic. | Pers. Fab. |
| Average remuneration | 86.461,53€ | 24.624,13€ | 24.356,37€ | 15.992,47€ | 29.737,96€ | 17.629,50€ | 17.015,32€ | 11.015,76€ |

Average remuneration of directors and officers

| | 2022 | | | | 2023 | | | |
|----------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | SPAIN | | PORTUGAL | | SPAIN | | PORTUGAL | |
| | Women | Men | Women | Men | Women | Men | Women | Men |
| Average remuneration | 48.258,55€ | 94.492,98€ | 21.732,84€ | 36.471,36€ | 73.500,34€ | 80.535,03€ | 36.185,08€ | 43.030,14€ |

From the analysis carried out, it can be deduced that the remuneration system applied by the company shows that the differences arise from the application of the collective agreement that remunerates people according to the level assigned, to the professional group and job position they hold.

Employees with disabilities

| | 2022 | | | | | 2023 | | | | |
|---------------------------------|-------|-----|----------|-----|-------|-------|-----|----------|-----|-------------|
| | SPAIN | | PORTUGAL | | | SPAIN | | PORTUGAL | | |
| | Women | Men | Women | Men | Total | Women | Men | Women | Men | Total |
| No. of people with disabilities | 2 | 3 | 0 | 0 | 5 | 1 | 3 | 0 | 0 | 4 (-20%) |

| | 2022 | | | | | | 2023 | | | | | | | |
|---------------------------------|-------|-------|-----|----------|-------|-----|-------|-----|-------|----------|-----|-------|-----|-------------|
| | SPAIN | | | PORTUGAL | | | SPAIN | | | PORTUGAL | | | | |
| | <30 | 30/50 | >50 | <30 | 30/50 | >50 | Total | <30 | 30/50 | >50 | <30 | 30/50 | >50 | Total |
| No. of people with disabilities | 0 | 5 | 0 | 0 | 0 | 0 | 5 | 0 | 3 | 1 | 0 | 0 | 0 | 4 (-20%) |

| | 2022 | | | | | | | | 2023 | | | | | | | | | | |
|---------------------------------|-------|------------|-----------|------------|----------|------------|-----------|------------|-------|------|------------|-----------|------------|------|------------|-----------|------------|-------|-------------|
| | SPAIN | | | | PORTUGAL | | | | SPAIN | | | | PORTUGAL | | | | | | |
| | Dir. | Command I. | Pers. Of. | Pers. Fab. | Dir. | Command I. | Pers. Of. | Pers. Fab. | Total | Dir. | Command I. | Pers. Of. | Pers. Fab. | Dir. | Command I. | Pers. Of. | Pers. Fab. | Total | |
| No. of people with disabilities | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 (-20%) |

Implementation of measures for disconnecting from work. In all the organizations that compose the Corporation, the right to rest is respected and the reconciliation of their work activity with their personal and family life is enhanced.

Occupational health and safety

The people who compose the team are the most important value and therefore policies are developed to guarantee the continuous improvement of their health and safety in the work environment. The main objective of Health and Safety Policies and Actions is the permanent improvement of working conditions for the physical, mental and social health of all people. Good work habits are also encouraged and consolidated.

At Congalsa, for example, the management of occupational risk prevention is established in the Prevention Plan and is integrated into the company's general management system. Since 2020, this organization has had a harmonized management system under the ISO 45001 standard and its corresponding audit to endorse its progress. As a measure to identify any risk, an external prevention service carries out risk assessments according to the workplace, to the installations and machines, as well as of psychosocial aspects. With this, progress is made according with the most appropriate standard to provide safe and healthy workplaces, prevent injuries and deterioration of health.

The Health and Safety Committee permanently monitors issues related to occupational safety and prevention, in order to guarantee the involvement of people and their representatives in the decision-making process that affects this important issue. Its composition is equal between workers and the company; it meets periodically every quarter in an ordinary meeting and in an extraordinary meeting every time an accident or incident of consideration occurs.

Occupational health and safety data

In 2023, the number of days lost in Spain has been reduced: 11% less. On the other hand, in Portugal they increased by 7%, going from 81 to 87 days.

A significant reduction has been linked to **absenteeism** figures: the percentage has fallen in Spain, going from 1.16% in 2022 to 0.83% in 2023. Similarly, in Portugal it has gone from 0.15% to 0.06%. These are significant decreases, of 29% in the case of Spain and 59% in the case of Portugal.

On the other hand, the **frequency index** has increased in Spain, from 11.68 to 21.31, while in Portugal an inverse trend has been identified, going from 74.12 to 7.84.

Finally, the **severity index** has reduced its impact in both territories: in Spain, it has gone from 1.48 to 1.04 (30% less) and in Portugal from 0.18 to 0.08, which represents a decrease of 59%.

| SPAIN 2022 | | | | | | |
|--------------|-----------------|------------------|-----------|-----------------|-----------------|----------------|
| | Nº of days lost | No. of accidents | | Absenteeism (%) | Frequency Index | Severity Index |
| | | With low | No Leave | | | |
| Women | 1.717 | 14 | 11 | 1,91% | 18,60 | 2,28 |
| Men | 441 | 3 | 10 | 0,42% | 3,99 | 0,59 |
| Total | 2.158 | 17 | 21 | 1,16% | 11,30 | 1,43 |

| SPAIN 2023 | | | | | | |
|--------------|-----------------|------------------|-----------|-----------------|-----------------|----------------|
| | Nº of days lost | No. of accidents | | Absenteeism (%) | Frequency Index | Severity Index |
| | | With low | No Leave | | | |
| Women | 1.340 | 17 | 22 | 1,15% | 18,57 | 1,44 |
| Men | 588 | 9 | 13 | 0,51% | 24,04 | 0,64 |
| Total | 1.928 | 266 | 35 | 0,83% | 21,31 | 1,04 |

| PORTUGAL 2022 | | | | | | |
|---------------|-----------------|------------------|----------|-----------------|-----------------|----------------|
| | Nº of days lost | No. of accidents | | Absenteeism (%) | Frequency Index | Severity Index |
| | | With low | No Leave | | | |
| Women | 66 | 6 | 3 | 0,24% | 60,00 | 0,30 |
| Men | 15 | 3 | 0 | 0,05% | 88,24 | 0,07 |
| Total | 81 | 9 | 3 | 0,15% | 74,12 | 0,18 |

| PORTUGAL 2023 | | | | | | |
|---------------|-----------------|------------------|----------|-----------------|-----------------|----------------|
| | Nº of days lost | No. of accidents | | Absenteeism (%) | Frequency Index | Severity Index |
| | | With low | No Leave | | | |
| Women | 52 | 3 | 3 | 0,07% | 12,19 | 0,09 |
| Men | 35 | 2 | 0 | 0,05 | 3,48 | 0,06 |
| Total | 87 | 5 | 3 | 0,06 | 7,84 | 0,08 |

To contribute to people's well-being, the majority organization (Congalsa) has an extensive program of complementary social benefits that can be used by all members of the team. Childcare services, laundry, vehicle repair shops, opticians, dental assistance or physiotherapy are some of the services provided by local companies thanks to the agreements established with the company.

Specifically, during 2023 **no cases of occupational disease have been reported.**

Labour relations and work organization.

At a general level, working environments in which mutual trust allows people to develop professionally are encouraged. Training, dialogue, communication and the reconciliation of personal and professional life are fundamental pillars in labor relations.

The distribution of working hours, shift conditions and times are regulated in accordance with the provisions of the collective bargaining agreement covering 100% of the workforce. Likewise, all changes requiring the approval of the Works Committee are communicated at least one month in advance. For example, the preparation of the Labor Calendar is negotiated two months in advance. The company has its own Collective Bargaining Agreement in Spain and a State Agreement in the case of Portugal; and has articles referring to the notice period for negotiation, voluntary severance, consultations, etc.

The company's work centers are located in Spain and Portugal and the rights of free association and collective bargaining are guaranteed. There is no record of any violation of these labor rights at suppliers in the different countries. The Corporation has a Code of Conduct and Good Practices that fulfills the informative, formative, and normative purposes in this area for all employees.

Training. The development of the skills and talent of the people who make up the Corporation is a key aspect for achieving the objectives set in each organization. For this reason, training is an essential aspect of management. In 2023, 16,504 training hours were generated, compared to 14,252 in the previous year, an increase of 16%. Of the total training hours generated in 2023, 64% of the training hours went to women

Training figures

| 2022 | | | | | |
|------------------|----------|----------|----------|--------|-----------|
| | SPAIN | | PORTUGAL | | Total |
| | Women | Men | Women | Men | |
| Training (hours) | 8.623,00 | 4.093,00 | 1.169,00 | 367,00 | 14.252,00 |
| 2023 | | | | | |
| | SPAIN | | PORTUGAL | | Total |
| | Women | Men | Women | Men | |
| Training (hours) | 8.596,50 | 5.282,00 | 1.932,25 | 693,50 | 16.504,25 |

The amount of time spent on training increased almost equally for both men and women in both countries. Only in the case of women in plants located in Spain was there a 0.3% decrease compared to the previous year's training figures.

Number of hours of training by sex, professional category and country.

| | | 2022 | | 2023 | |
|-------------------------------------|-------------------|-----------------|-----------------|-----------------|-----------------|
| | | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Women | Managers | 596,50 | 13,00 | 323,50 | 16,00 |
| | Commands I. | 1.161,00 | 15,00 | 642,00 | 118,00 |
| | Office Staff | 3.215,00 | 91,00 | 4.292,00 | 43,75 |
| | Factory Personnel | 3.909,00 | 1.050,00 | 3.339,00 | 1.745,50 |
| | Total | 8.881,50 | 1.169,00 | 8.596,50 | 1.932,25 |
| Men | Managers | 158,00 | 28,00 | 237,00 | 13,00 |
| | Commands I. | 725,00 | 3,00 | 516,00 | 49,00 |
| | Office Staff | 1.768,00 | 114,00 | 2.176,00 | 259,50 |
| | Factory Personnel | 1.502,00 | 222,00 | 2.353,00 | 372,00 |
| | Total | 4.153,00 | 367,00 | 5.282,00 | 693,50 |
| Total headcount | Women | 280,00 | 100 | 348 | 120 |
| | Men | 155 | 34 | 199 | 46 |
| | Total | 435 | 134 | 547 | 166 |
| Ratio of training h / person | Women | 31,72 | 11,69 | 24,68 | 16,10 |
| | Men | 9,56 | 2,74 | 9,66 | 4,18 |
| | Total | 29,99 | 11,46 | 25,37 | 15,82 |

When contrasting absolute versus relative figures, in Spain the ratio has been reduced: 29.99 training hours per person were offered in 2022 compared to 25.37 in 2023. In Portugal the trend has reversed, with training figures increasing for both sexes, from an average of 11.46 hours of training per person in 2022 to 16.10 hours in 2023.

The areas and topics in which training is offered to people is broad, diverse and adapted to the needs of each position. Training is one of the fundamental pillars for promoting the professional growth of teams and individuals. The model is based on theoretical and eminently practical training, which is why the training of the teams is mainly carried out in the workplace, both with our own personnel (internal training) and with external collaborators.

Main training initiatives in 2023. Training at each location is conditioned by the needs detected by the personnel themselves and is generated on demand or after planning by managers and executives. In the case of Spain, training has focused, among others, on the following issues:

- Software and tools for more efficient management
- Languages
- Marketing, management skills and leadership tools
- Food safety and training on BRC and IFS certifications and Hazard Analysis and Critical Control Points
- Occupational Risk Prevention and ISO 45001
- Compliance
- Gender Equality
- Innovation and Development, as well as training derived from Industry 4.0 projects
- Specific internal training, derived from the needs of each type of production or work line

In the case of Portugal, the training offered to the people and teams that make up the Sulpasteis plant has been focused mainly on the following aspects:

- Occupational health and safety
- Safety and Hazard Analysis and Critical Control Points
- Logistics and Warehousing
- Training around BRC and IFS certifications

The key to training lies in making it practical for the person who receives it, allowing a better performance at an individual level and as part of a team. In this sense, the overall assessment of the training received, on average, reaches 9 out of 10, which ensures that the training objectives and the acquisition of new knowledge and skills have been met.

EQUALITY. Equal treatment and non-discrimination are unquestionable principles of the responsible business model developed by the Corporation and its member companies. This equality of treatment and opportunities is an inherent commitment in the management of people. Equal treatment and opportunities for employees, customers and suppliers are guaranteed, rejecting any type of direct or indirect discrimination, regardless of age, gender, race, color, religion, sexual orientation, social status, marital status, nationality, political opinion or family responsibilities.

To materialize this commitment, Congalsa has an **Equality Plan (II edition)**², which includes the set of measures aimed at ensuring equal treatment and opportunities and responds to the commitment to provide the material and human resources necessary to promote equality between men and women, as well as to eliminate discrimination based on sex.

This Equality Plan was approved for a period of four years from the date of its approval (from March 21, 2022, to March 20, 2026), time that the Equality Committee considers sufficient to correct and achieve the set of measures specified therein. Within the framework of the Plan, there is a Monitoring and Evaluation Committee, with competence to solve and resolve any possible discrepancies that may arise in the application, monitoring, evaluation or revision, as long as the legal or conventional regulations do not require its adaptation.

Harassment protocol³. In order to prevent and eradicate any kind of inappropriate behavior that could be classified as harassment at work, sexual, gender-based and/or discriminatory in the work environment, the **Harassment Protocol** has been adopted as an agreement to implement and develop a policy against any situation of this nature. This Protocol includes the following elements:

² https://www.congalsa.com/uploads/media_items/1-congalsa-plan-de-igualdad-definitivo.original.pdf

³ https://www.congalsa.com/uploads/media_items/protocolo-acoso.original.pdf

- A declaration of principles expressing the absolute intolerance of harassment at work, sexual and/or gender-based harassment and discriminatory harassment towards any worker.
- A policy of disclosure and prevention, to convey the message of the importance given to the eradication of any form of harassment or inappropriate behavior, as well as to make known the procedure to follow in case of being a victim or third person who has knowledge of this type of behavior.
- A specific complaint procedure, which respects the total confidentiality of the victim and explains the steps to follow, as well as the actions to be taken for its resolution.

The purpose of this protocol is **to prevent the occurrence of inappropriate behavior that could be qualified as harassment in the work environment** and, if it occurs, to ensure that the appropriate procedures are in place to act on the problem and prevent it from recurring.

These measures guarantee a work environment free of harassment and violence, in which everyone is obliged to respect the integrity and dignity of their professional and personal lives.

Accessibility. If necessary, following the risk assessment, the necessary recommendations are made to adapt the workplace to each individual and his or her special needs. In accordance with the recommendations, the proposed preventive and/or corrective measures are carried out.

INFORMATION RELATING TO THE FIGHT AGAINST CORRUPTION AND BRIBERY

"The honesty, integrity and good judgment of employees, managers and partners is fundamental to the reputation and success of the company"
Code of Conduct and Responsible Practices

Corruption and bribery

The organization has a double **Criminal Risk Prevention System, being certified in the UNE 19601 on Criminal Compliance Management Systems and in the ISO 37001 Anti-bribery**, one of the key tools in the management of the aspects related to the fight against corruption and bribery is the **Code of Conduct and Responsible Practices**⁴.

The Code of Conduct is defined as an ethical commitment that includes basic principles and standards for the proper development of relations between Congalsa and its main stakeholders, based on the following principles:

- All of Congalsa's operations will be carried out under an ethical and responsible perspective.
- Compliance with current legislation, internal regulations and procedures established by the Company is compulsory with this Code.
- The behaviour of Congalsa employees shall be in accordance with the spirit and scope of this Code of Conduct.
- All individuals and legal entities that directly or indirectly maintain any labor, economic, social and/or industrial relationship with Congalsa will receive fair and dignified treatment, will be informed of our ethical and behavioral principles, and will be asked to abide by them.
- All Congalsa's activities will be carried out in the most possible environmentally friendly way, favoring the conservation of biodiversity and the sustainable management of natural resources.

⁴ https://www.congalsa.com/uploads/media_items/c%C3%B3digo-de-conducta-y-pr%C3%A1cticas-responsables-de-congalsa-v5.original.pdf

HUMAN RIGHTS

The Corporation and all companies are firmly committed to the respect and promotion of human rights in all their activities and in all geographical areas where they operate. For this reason, it has a regulatory framework that monitors its direct activity as well as that its suppliers comply for human rights. The Code of Conduct and Responsible Practices triggers a series of measures aimed at guaranteeing respect and commitment to human rights that affect all operations for all stakeholders.

One of the highest responsibilities is, therefore, the commitment to guarantee respect for the protection of human rights within the Corporation's sphere of influence. It is the basis for working in line with the United Nations Guiding Principles on Business and Human Rights and the Global Compact.

The more extensive the business relationships are, the greater the significant of the risks that can occur within the supply chain. For this reason, aware of the importance of ensuring the human rights of the workers involved in the production process, and established clauses related to the obligatory nature and commitment to the Code of Conduct. Compliance with this code is verified through audits carried out by audit teams. The commitment to the Code is a mandatory requirement and is included in the commercial contract. This Code reflects the principles and philosophy of the United Nations Global Compact, as well as the principles stipulated in the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child.

COMPANY INFORMATION

Aware of the contribution to the development in the framework of the company in which it operates, the different organizations (especially Congalsa and Sulpasteis) implement a program of local actions that guarantees, year after year, the increase their impact and their capacity to generate wealth also for the local community. We firmly believe in the importance of contributing to social development, especially in the different territories in which we operate. This relationship with society is part of the essence of our commitment to people. The social return means that the territory in which the organization is present fosters development beyond the limits of the company itself.

To make this possible, we are committed to establishing long-lasting relationships with organizations and entities that share our values and objectives. We carefully select projects that have a positive and sustainable impact on the community, prioritizing those that align with our long-term vision. In addition, as a result of the trust and progress of our initiatives, we can know their impact and ensure the correct use of resources.

- **Partnership and sponsorship actions.** In Spain, during 2023, a total of 102 collaborations have been carried out with social, cultural and sports entities. It has participated in 278 events linked to the community, such as sectoral meetings, participation in training days, meeting spaces or thematic presentations, among many others. The economic return for the entities with which it has collaborated reaches a total of 84,097 euros in 2023.

On the other hand, in Portugal, Sulpasteis held a solidarity walk within the framework of the Andaina solidaria and made a financial donation to the Arganil Volunteer Firefighters.

- **Food donations:** an amount of more than one ton of food worth more than €3,800 have been delivered to different social entities in the local community, in Galicia and the Canary Islands.
- **Collaborations with sports clubs and promotion of their own sporting events,** such as the VIII Andaina solidaria, which in the 2023 edition achieved the participation of 300 people, compared to 160 people in 2022. It was also possible to raise 9,240 euros for social purposes. In addition to the Andaina, different sports tournaments are promoted in Spain, such as the XII Congalsa Regatta, the 3x3 Basketball Tournament or the Congalsa Golf Tournament.
- Collaborations with **social and cultural entities**, such as Amas de Casa Ribeira, AMBAR, IGAXES, Stop Leukemia Foundation, AMICOS, Andrea Foundation or the recording of the documentary *As Mulleres do Mar*.

Involvement is also understood as **sectoral collaboration**, being present in different professional associations. This allows us to learn from the experiences of other organizations, exchange concerns and share ideas.

In Spain, we have established presence on the boards of directors of:

- Association of Refrigerated Operations, Logistics and Distribution of Spain (ALDEFE)
- Spanish Association of Wholesalers, Importers, Processors and Exporters of Fisheries and Aquaculture Products (CONXEMAR)
- Galician Food Cluster (CLUSAGA)
- Spanish Interprofessional Fishing Association (INTERFISH SPAIN)

In addition, we are partners of:

- Galician Association of Family Business (AGEF)
- Spanish Association of Manufacturers of Ready Meals (ASEFAPRE)
- Galician Health Cluster (CSG)
- Members of the Governing Council of the National Association of Canned Fish Manufacturers (ANFACO)
- Financial Club of Santiago
- Association for the Advancement of Management (APD)
- Association of Entrepreneurs of Pobra do Caramiñal
- Association of Entrepreneurs of Ribeira
- Urban conservation entity of industrial estate "A Tomada"
- Members of the Advisory Council of the Confederation of Entrepreneurs of Galicia (CEG)
- In Portugal, we are in the Associação Empresarial de Portugal, Câmara de Comércio e Indústria.

MANAGEMENT OF SUBCONTRACTING AND SUPPLIERS

All suppliers must comply with the Code of Conduct and Responsible Practices as a condition of doing business with the organizations that compose the Corporation.

Working with the value chain is one of the strengths to ensure the development of a responsible business model. The monitoring and control of the supply chain ensures the highest quality in the product and in how it is manufactured.

In the case of Congalsa, the **Suppliers and Purchasing Policy** is an extension of the company's Code of Conduct and Good Practices. It is part of the global Sustainability policy and applies to all team members.

A team of in-house auditors is responsible for monitoring the application of the Code and ensuring that activities are carried out in accordance with the quality, safety and environmental protection standards committed to. The usual procedure is for inspectors at the point of origin to ensure that raw materials comply with the norms and standards before being shipped. If the verifications reveal suppliers that do not meet our standards, corrective measures are established for non-compliance. This ensures that only those suppliers and manufacturers that comply with the Code can be part of the supply chain.

100% of purchases are made under production standards in accordance with ISO 9001, IFS, BRC, EMAS and OHSAS/ISO45001 standards. In addition, purchasing processes are being incorporated in line with SFP's responsible production criteria.

In Spain, 65% of spending went to local suppliers, a designation that groups together purchase from companies located in the national territory. In addition, **local hiring of employees directly employed in both Spain and Portugal is more than 95%.**

2023 has been an irregular year, still with the side effects of a previous year, 2022, marked by the war in Europe and the impact this had on the raw materials markets, price volatility and uncertainty about supply. Fortunately, during 2023, supply stabilized on a global scale, allowing for a greater level of security, although it has also been necessary to adjust margins in order to continue on the path of meeting the targets set.

During 2023, the teams at the different plants worked in a coordinated manner to be able to overcome the fluctuations in supply detected in certain key raw materials, fish and seafood, without affecting either quality or commercial commitments to customers. This involved the search for alternative supplies given the reduction in catches. **Despite this scenario, the capacity to maintain quality levels in a fragile environment was maintained, and we were able to reach the end of the year with figures of over 90% in compliance with the objectives set and without service failures.** A requirement that implied being quick in adapting to market supply and ways of working without breaking, at any time, customer service.

During 2023, the audit program has continued. In total, 25 face-to-face audits have been carried out on suppliers. In this context, supplier approvals have also had to be strengthened given the need to find alternative supplies for certain raw materials. In any case, more than 80% has been used in those considered to be approved purchases.

Thanks to these audits and follow-ups, in addition to ensuring quality, control is guaranteed against practices that are harmful to the environment, involve dubious working conditions or the use of child labor. Therefore, all suppliers are certified, complying with the legal, environmental and social criteria established in the certification process.

CUSTOMERS AND CLIENTS

The portfolio includes more than 450 customers in 35 countries on four continents, to whom the company offers a constantly renewed product range. Products are manufactured for both large-scale distribution and the restaurant and hospitality sector.

With all these customers and consumers in mind, we have a robust quality and food safety system in place. The basis of this system is supported by two of the most demanding certification standards in terms of food safety and quality:

- **IFS Higher Level:** food safety standard recognized by the Global Food Safety Initiative to audit companies that manufacture food. It focuses on the food safety and quality of processed products. This certification covers the Congalsa and Sulpasteis plants.
- **BRC AA Grade:** standard that assists distributors in complying with legal food safety obligations, guaranteeing the highest level of consumer protection. Based on the audit, critical points in production processes and in the supply chain are identified and measures are taken to reduce them. This certification reaches Congalsa's plant.

In order to reinforce our commitment to maximum quality, we have a strict system **for collecting, processing and responding to any complaints from customers and clients.** Thus, in 2023, a total of 131 complaints and/or claims from customers in Spain and Portugal were handled. Compared to the previous year, the figures have decreased by 43.52%.

In no case did these complaints involve a risk to the health or safety of customers or consumers.



TAX INFORMATION

The economic impact of the activity of the Corporation as a whole amounts to 1,311,645.65 euros in taxes.

- **The total economic value generated in 2023 was more than 332 million euros (€), 83% more than the previous year.**
- **More than €7.31 million has been allocated to investments in infrastructure and supported services, doubling the figure for 2022.**
- **Environmental investments have increased by 29% compared to the previous year, reaching 617,038 euros.**

| | 2022 | | 2023 | |
|--------------------------------------|------------------------|-----------------------|------------------------|-----------------------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| VEG: Direct Economic Value Generated | €132,446,419.43 | €17,061,936.42 | €151,020,629.75 | €16,449,367.08 |
| Operating Expenses | €116,844,667.89 | €13,578,376.48 | €124,160,963.64 | €14,325,265.96 |
| Employee salaries and benefits | €14,006,458.80 | €2,827,533.66 | €18,340,401.01 | €3,702,225.40 |
| Payments to capital providers | €3,048,429.41 | €28,911.34 | €3,189,914.78 | €316,238.72 |
| Payments to governments (by country) | €117,257.66 | €128,198.16 | €1,447,441.16 | -€56,321.29 |
| Investments in Communities | €68,001.76 | €0.00 | €84,096.70 | €0.00 |
| Total | €134,084,815.52 | €33,624,956.06 | €298,243,447.04 | €34,736,775.87 |
| Retained Economic Value | -€1,638,396.09 | €498,916.78 | €3,797,812.46 | -€1,838,041.71 |
| Benefits Obtained | €38,330.42 | €435,856.70 | €4,733,232.47 | -€1,197,609.35 |

The figures for 2023 exceeded those for 2022 in both countries. Overall, we have managed to make 2023 a year of growth: at the close of the last fiscal year, sales reached 167.46 million euros, an increase of 14% in Spain compared to 2022, and a decrease of 3.6% in Portugal. These figures are supported by the volume of our different product ranges marketed over the past year, which together amounted to more than 28,460 tons.

In Spain, the direct value generated increased by 14% compared to the previous year, as did operating expenses, which rose by 6.3%. Salaries and employee benefits also increased by 30.9%.

In Portugal, the direct value generated fell by 3.6%, while operating expenses rose by 5.5% and employee salaries and benefits also increased by 30.9%.

| | 2022 | | 2023 | |
|--|---------------|-------------|---------------|---------------|
| | SPAIN | PORTUGAL | SPAIN | PORTUGAL |
| Taxes on Paid Benefits | €0.00 | €128,197.85 | €1,311,645.65 | €0.00 |
| Public Subsidies Received | €64,587.14 | €152,177.31 | €902,993.42 | €669,010.37 |
| Investments in infrastructure and Supported Services | €2,814,524.32 | €981,463.00 | €1,830,706.00 | 5.480.196,00€ |
| Environmental investments | €541,965.59 | €8,541.84 | €599,119.00 | 17.919,00€ |

The subsidies received have focused on aid for innovation projects developed in collaboration with other organizations, which have made it possible to increase efficiency and the use of technology.

Finally, environmental investments guarantee the correct operation of waste treatment and waste management in accordance with the legislation in force in both countries.

ANNEX. Table of Contents of Law 11/2018 on Non-Financial Information

| | | Standard Used | Page |
|---|---|--|-------|
| Business model | | | |
| Description of the business model | <ul style="list-style-type: none"> – Description of the business model. – Geographical presence. – Objectives and strategies. – Main factors and trends affecting future developments. | GRI 2-1, GRI 2-2, GRI 2-23, GRI 2-24, GRI 2-25 | 13-18 |
| Policy and Risk Management | | | |
| Policies | Policies applied by the company, including the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts, and verification and control, as well as the measures that have been adopted. | GRI 2-23, GRI 2-24 | 20-23 |
| Main Risks | Main risks and impacts arising from the company's activities, as well as their management. | GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25 | 20-23 |
| Information on environmental issues | | | |
| General | Effects of the company's activity on the environment, health and safety. | GRI 302, GRI 304, GRI 305 | 24-25 |
| | Environmental assessment or certification procedures. | GRI 308 | 24-25 |
| | Resources dedicated to the prevention of environmental risks. | GRI 201 | 24-29 |
| | Application of the precautionary principle. | GRI 205, GRI 308 | 24-29 |
| | Provisions and guarantees for environmental risks. | GRI 201 | 24 |
| Contamination | Measures to prevent contamination. | GRI 302, GRI 305, GRI 306 | 25-27 |
| Circular Economy and Waste Prevention and Management | Waste prevention and management measures. | GRI 306 | 28-29 |
| Sustainable use of resources | Water consumption. | GRI 303 | 30 |
| | Consumption of raw materials. | GRI 301 | 30 |

| | | | |
|---|---|---------------------------------|------------|
| Sustainable use of resources | • Direct and indirect energy consumption. | GRI 302-1, GRI 302-2, | 25-27 |
| | • Measures taken to improve energy efficiency. | GRI 302-3, GRI 302-4, | |
| | • Use of renewable energies. | GRI 302-5 | |
| Climate change | Greenhouse Gas (GHG) Emissions. | GRI 305-2, GRI 305-3, GRI 305-4 | 25-27 |
| | Measures to adapt to Climate Change. | GRI 305 | 25-27 |
| | GHG emission reduction targets. | GRI 305 | 25-27 |
| Protection of biodiversity | Measures to preserve or restore biodiversity. | GRI 304 | 30-31 |
| | Impacts caused by the activity. | GRI 304 | 30-31 |
| Information on personnel matters | | | |
| Policies | Management approach. | GRI 2-7, GRI 401 | 32, 20-23 |
| Employment | Total number and distribution of employees by sex, age, country and occupational classification | | 33 |
| | Total number and distribution of employment contract modalities | | 33-34 |
| | Annual average of permanent, temporary and part-time contracts by sex, age and occupational classification | GRI 401 | 34-35 |
| | Number of dismissals by sex, age and occupational classification | | 35 |
| | Average remuneration and its evolution disaggregated by sex, age and occupational classification or equal value | | 36 |
| | Wage Gap | GRI 2-19 | 36 |
| | Remuneration of jobs equal to or on average in society | GRI 2-20 GRI 2-21 | 36 |
| | The average remuneration of directors and officers, disaggregated by sex | | 36 |
| | Implementation of measures to disconnect from work | GRI 403 | 37 |
| | Employees with disabilities | GRI 405-1 | 37 |
| Organization of work | Organization of working time | GRI 401 | 40 |
| | Number of hours of absenteeism | GRI 403 | 39 |
| | Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these rights by both parents | GRI 403-6 | 39 |
| Health and Safety | Health and safety conditions at work. | GRI 403 | 38-39 |
| | Accident indicators disaggregated by sex. | GRI 403-9 | 39 |
| | Occupational diseases. | GRI 403-10 | 39politics |
| Social Relations | Organization of social dialogue, including procedures for informing, consulting and negotiating with staff | GRI 402 | 41 |

| | | | |
|----------------------|---|--------------------|-------|
| | Percentage of employees covered by collective agreement by country | GRI 403-8 | 41 |
| | Assessment of collective agreements, particularly in the field of health and safety at work | GRI 403 | 38 |
| Formation | Policies implemented in the field of training | GRI 404-2 | 40-41 |
| | Total number of training hours by professional category | GRI 404-1 | 40-41 |
| Accessibility | Universal accessibility for persons with disabilities | | 43 |
| Equality | Measures taken to promote equal treatment and opportunities for men and women | | |
| | Equality Plans | GRI 405 | 42-43 |
| | Measures taken to promote employment | | |
| | Protocols against sexual and gender-based harassment | | |
| | Integration and universal accessibility for persons with disabilities | GRI 405 GRI 406 | 43 |
| | Policy against all types of discrimination and, where appropriate, diversity management | | 36 |

| Information on Respect for Human Rights | | | |
|--|---|-------------------------------|---------------------|
| Policies | Management approach. | GRI 412 | 20-23,45 |
| Human rights | Implementation of due diligence procedures. | | 20-23,45 |
| | Measures to prevent and manage possible abuses committed. | GRI 406 GRI 408 GRI 410 | 20-23,45 |
| | Complaints of human rights violations. | GRI 411 GRI 414 | Have not registered |
| | Promotion and enforcement of ILO provisions. | | 45 |

| Information on the fight against corruption and bribery | | | |
|--|--|---------------------|-------|
| Policies | Management approach. | GRI 2-15 GRI 205 | 20-23 |
| Corruption and bribery | Measures to prevent corruption and bribery | GRI 2-15 GRI 205 | 20-23 |

| | | | |
|---|---|--|------------|
| | Measures to combat money laundering. | | 20-23 |
| | Contributions to foundations and non-profit organizations. | GRI 413 | €84,096.70 |
| Company Information | | | |
| Policies | Management approach. | GRI 413 | 46 |
| The company's commitments to sustainable development | Impact of the company's activity on employment and local development. | GRI 2-7 GRI 413-1 | 46-48 |
| | Impact of the company's activity on local populations and the territory. | GRI 413-2 | 48-49 |
| | Maintained relations with local communities. | GRI 413 | 48-49 |
| | Partnership or sponsorship actions. | GRI 2-28, GRI 413 | 46 |
| Outsourcing and Suppliers | Inclusion of social, gender equality and environmental issues in procurement policy | | 48-49 |
| | Consideration of their social and environmental responsibility in relations with suppliers and subcontractors | GRI 1204 GRI 308 GRI 414 | 48-49 |
| | Monitoring and audit systems and audit results | | 50 |
| Consumers | Measures for the health and safety of consumers. | GRI 416-1 GRI 416-2nio GRI 417-1 | 50 |
| | Claims and complaints management system. | GRI 418-1 | 51 |
| Tax Information | Benefits by country | | 52-53 |
| | Taxes on Paid Benefits | GRI 207 | 53 |
| | Public Subsidies Received | GRI 207 | 53 |



Bureau Veritas Certification

Declara que se ha efectuado la verificación de la

Memoria de Sostenibilidad 2023

En lo que respecta a su estructura, contenido y fuentes de información de

CONGALSA S.L

Como resultado de este proceso de verificación **Bureau Veritas Certification** expresa que

- El contenido de la información está basado y soportado por datos y registros comprobados como ciertos. Asimismo la información, su tratamiento, los cálculos, gráficos, etc., han sido oportunamente comprobados y verificados.
- La trazabilidad y relevancia entre información de base y contenido de la memoria es adecuada.
- Es conforme con los requisitos y principios establecidos en la Guía para elaboración de Memorias de Sostenibilidad en su versión GRI Estándares 2021, elaborada por Global Reporting Initiative (GRI).

Conforme a esto **Bureau Veritas Certification** establece, para la Memoria de sostenibilidad 2023 de la CONGALSA S.L .

Fecha de emisión a 03 de Mayo de 2024

Fdo: Jorge Luis Cuyás Álvarez
Verificador Jefe
Responsabilidad Social Corporativa
Bureau Veritas Certification



CORPORACION EMPRESARIAL CONGALSA

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