



CONGALSA

**Sustainability
Report**
2019

INDEX

Letter from the CEO p.3

2019 in figures p.4

1. About report p.5

2. About Congalsa p.16

3. People p.24

4. Community p.30

5. Suppliers p.33

6. Customers and product p.40

7. Environment p.47

8. Economic figures p.53

9. Annexes p.56

LETTER FROM THE CEO

One more year we published our edition of the Sustainability Report corresponding to the 2019 financial year. A year in which the concept of excellence with which we work daily has matured thanks to the effort of a committed human team.

In global figures, we have placed ourselves at the highest level of results in recent years; with an increase of 11% in billing and 6% in marketed production. This has been possible thanks to a strategy aimed at developing a flexible

manufacturing model, based on the combination of digital technology and human capacity. In addition, it has been the year in which **we have achieved the EFQM 500+ Seal of Excellence** and the recognition granted by the Club Excellence in Management. Two important milestones that demonstrate a solid commitment that we have worked for years and that encourages us to continue on the path of sustainability.

At environmental level we have managed to increase production by being more efficient. The full activity of our photovoltaic park and the progressive improvements have made the consumption of resources adapt to what is strictly necessary for an industry of our magnitude. We continue to bet on having certified fish and seafood suppliers to offer products that are healthy as well as sustainable.

Only in this way can we guarantee that we adopt a coherent behavior to protect the environment.

Finally, I would like to make a special mention to the entire team that integrates Congalsa and without whom the results presented here would not be possible. 322 women and men committed to values that have been with us for three decades and of which we feel more proud every day.

Thank you for sharing with us these 30 years of homemade flavor.

Luis Miguel Simarro Esplá
Congalsa CEO



«**Excellence requires planning and strategy, and sometimes even giving up immediate return in order to consolidate and strengthen a future leadership position**»

2019 in figures



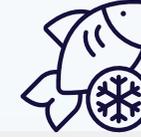
322
people
employed



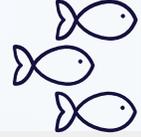
14,400
training
hours



15
new products
launched



6% +
product sold



95%
of seafood
purchases with
sustainable
criteria



47
people joining in
2019



+ EFQM
European
excellence label
achieving 500 +
(EFQM)



2%
reduction in GHG
emissions



24.5
million in sales

5%
reduction in energy
intensity



€50,000
to projects with
community
involvement

83,7%
job stability index



1

About report

About report

This Sustainability Report integrates the most relevant information that occurred in the organization from January 1 to December 31, 2019.

This document presents the issues that reflect the most significant economic, environmental and social impacts and that can substantially influence the stakeholder evaluations and decisions. These issues are identified and evaluated from a materiality exercise that involves the main interest groups. This report has been prepared in accordance with the Comprehensive option of the Global Reporting Initiative (GRI) Standards.

Impact on the 2030 Agenda and commitment to the Global Compact.

At Congalsa we have assumed that neither we nor any other organization can prosper in a territory where there is inequality, instability and environmental deterioration. For this reason, we consider that our way of working must be a little more responsible every day, thereby guaranteeing our commitment to comply with the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). From the beginning, we work in accordance with recognized national and

international standards and principles in the field of human rights, labor standards, environmental protection and anti-corruption, contributing from the company to the achievement of the SDGs. Throughout this document we have wanted to describe this contribution, explaining in detail how the different initiatives, projects and ways of doing impact on the main SDGs. This Report includes both the main indicators of our business model and those that explain the creation of social, economic and environmental value.

For this, we set the 2030 Agenda as a goal, always linked to our value chain. And we reaffirm our commitment to compliance with the **United Nations Global Compact and the Guiding Principles for Business and Human Rights**. This work, developed in line with the GRI principle of materiality and relevance, means that we can focus on the issues on which we have real capacity to act: from promoting more sustainable fish catches to guaranteeing a healthier work environment, always with the maximum satisfaction of our clients as a fundamental objective.

If you have any questions about the content or data in this report, you can contact us at congalsa@congalsa.com or through our website www.congalsa.com



Congalsa supports the Sustainable Development Goals



Pacto Mundial
Red Española

We believe that quality working is the best possible contribution to the 2030 Agenda and with this report we want to demonstrate it.

In the GRI Index of this Sustainability Report, which also has the function of the Progress Report, the different parts of the document that are related to each of the Principles of the Global Compact are indicated.

Principles of the United Nations Global Compact

Principle 1. Companies must support and respect the protection of internationally recognized fundamental Human Rights within their sphere of influence.

Principle 2. Companies must ensure that they are not complicit in the violation of Human Rights.

Principle 3. Companies must support freedom of membership and the effective recognition of the right to collective bargaining.

Principle 4. Businesses should support the elimination of all forms of forced or compulsory labor.

Principle 5. Businesses should support the eradication of child labor.

Principle 6. Businesses should support the abolition of discriminatory practices in employment and occupation.

Principle 7. Companies must maintain a preventive approach that favors the environment.

Principle 8. Businesses should encourage initiatives that promote greater environmental responsibility.

Principle 9. Businesses should promote the development and diffusion of environmentally friendly technologies.

Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.



Non-financial information and diversity

In application of the transitional provision of Law 11/2018 on non-financial information and diversity, three years after its entry into force, the legislation is extended to companies that formulate consolidated accounts with more than 250 workers who, during two consecutive years, at the closing date of each one, have the circumstance of having a net business amount of more than 40 million euros. In the case of Congalsa, and as

established by legislation, this report begins the path to integrate the content that the non-financial information status report must include: the data necessary to understand the evolution, results and situation of the society; as well as the impact of our activity regarding environmental and social issues, respect for human rights and the fight against corruption and bribery, as well as related to personnel.

With the aim of facilitating the comparison of information, both temporally and between organizations, as we have previously indicated, we rely on the standards of the **Global Reporting Initiative (GRI)**, given its breadth as a panel of non-financial indicators, when time they comply with the guidelines of the European Commission.

SUSTAINABILITY REPORT 2019

In its preparation we have also considered the guidelines on the non-financial reporting of the European Commission (2017 / C 215/01) derived from Directive 2014/95 / EU.

Congalsa's 2019 Sustainability Report has been verified by Bureau Veritas following the principles established in the Global Reporting Initiative Standards.

The result of the verification confirms that the declared application of the GRI Standards (Conformity - Comprehensive Option) is appropriate.



A. MATERIALITY

Criteria for defining content

To define the content of this report, we have incorporated the four basic criteria that help us decide what information to include, taking into account the activities we carry out, our impacts and the expectations and substantial interests of the stakeholders with whom we interact.

Materiality analysis is one of the most important tools, since it allows us to identify which are the most relevant issues as a starting point for our sustainable strategy. At the same time, the materiality analysis determines the contents that we include in the Sustainability Report.

The process of identifying and evaluating material issues is carried out following the recommendations set forth in the Global Reporting Initiative standards and, specifically, in the GRI 101 standard: Fundamentals and GRI 102: General

content, which establishes materiality as one of the principles to be followed to define the contents of sustainability reports.

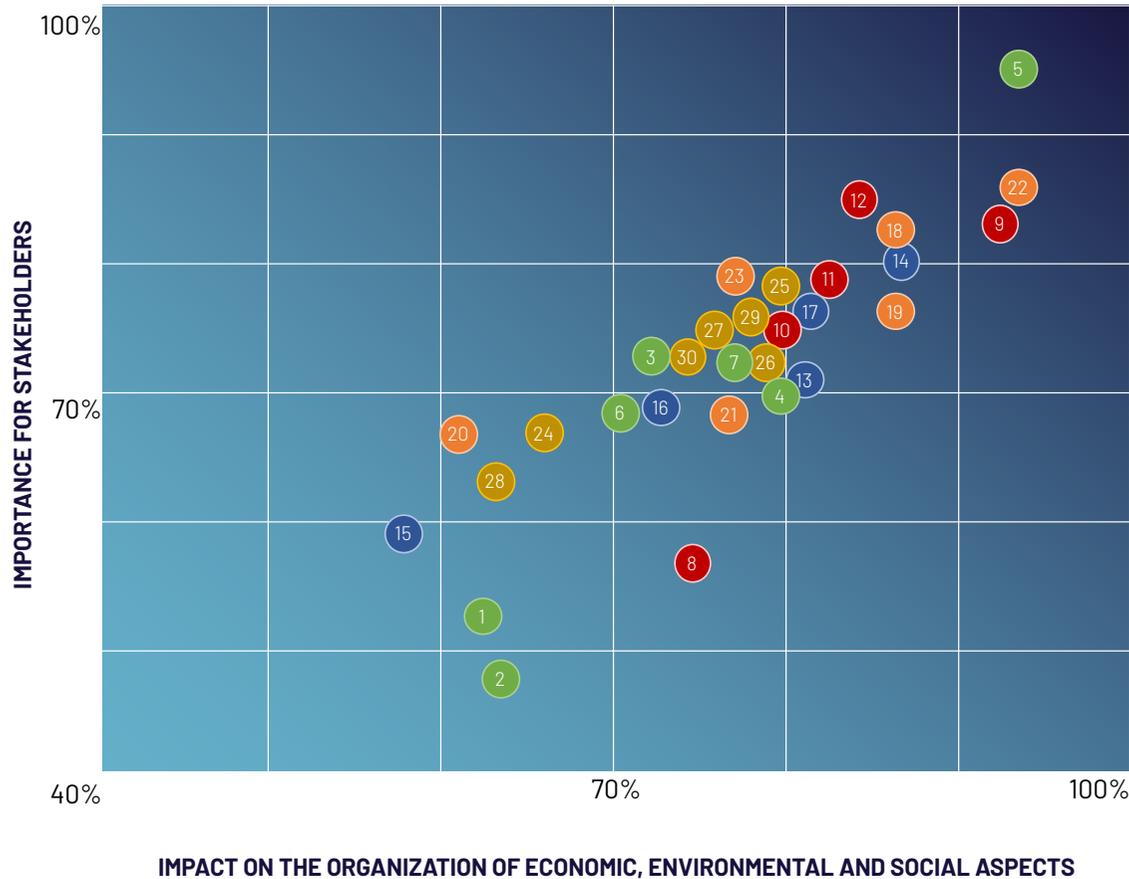
The material topics are those for which we prioritize their inclusion in this report. This exercise is carried out using the principles of inclusion of stakeholders and materiality: we incorporate the level of economic, environmental and social impact of the issues in the organization and their influence and impact on the assessments and decisions of the stakeholders.

The initial list of topics to prioritize is prepared through its own identification according to the content guidelines of the ISO 26000, and Sustainability Accounting Standards Board (SASB).

On the other hand, and to integrate the vision of the different groups, each Interest Group is assigned to a person in charge or interlocutor depending on their relationship with the Group. In this way, the Congalsa interlocutor is in charge of ensuring the maintenance of active and two-way communication with those who represent the Group. This appointment

allows us to capture the needs, expectations and concerns of the Group of interest, in such a way that it is an advantage to improve the relationship and satisfaction of the latter. In turn, this type of communication allows reporting any new need that arises and that may be of interest for the improvement of performance in social responsibility of Congalsa.

A. MATERIALITY



This year the list of material issues has been reviewed and, as a result, a materiality matrix has been defined with 30

issues distributed in areas such as the environment, our social capital and link with the community, people, the business

model and innovation or leadership and governance.

Materiality matrix 2019

ENVIRONMENT	SOCIETY
<ul style="list-style-type: none"> 1. Greenhouse Gas Emissions 2. Air quality 3. Energy management 4. Water and wastewater management 5. Supply of raw materials 6. Management of waste and hazardous materials 7. Impacts on biodiversity 	<ul style="list-style-type: none"> 8. Community relations 9. Customer welfare 10. Data security and customer privacy 11. Marketing and labelling 12. Healthy eating
PEOPLE	INNOVATION AND BUSINESS MODEL
<ul style="list-style-type: none"> 13. Labour relations 14. Health, safety and welfare of employees 15. Diversity and inclusion 16. Compensation and benefits 17. Training, development and education 	<ul style="list-style-type: none"> 18. Economic performance 19. Product development 20. Environmental and social impacts on assets and operations 21. Product packaging 22. Product quality and safety 23. Internationalization
LEADERSHIP AND GOVERNANCE	
<ul style="list-style-type: none"> 24. Systemic risk management 25. Accident and safety management 26. Business ethics and transparency of payments 27. Competitive behaviour 28. Regulations and political influence 29. Presence in the market 30. Supply chain management 	

A. MATERIALITY

After the analysis, we have prioritized communication in this report around the topics with the greatest impact for the organization and the greatest importance for our stakeholders.

These 18 prioritized topics are attached to the list. For all these aspects, we offer a complete overview of its management and performance during 2019. In addition, we offer other information that we consider relevant so that our stakeholders have the most complete picture of how we have worked during the past year.

1. Supply of raw materials

2. Product quality and safety

3. Customer welfare

4. Healthy eating

5. Economic performance

6. Health, safety and welfare of employees

7. Product development

8. Marketing and labelling

9. Training, development and education

10. Accident and safety management

11. Internationalization

12. Presence in the market

13. Data security and customer privacy

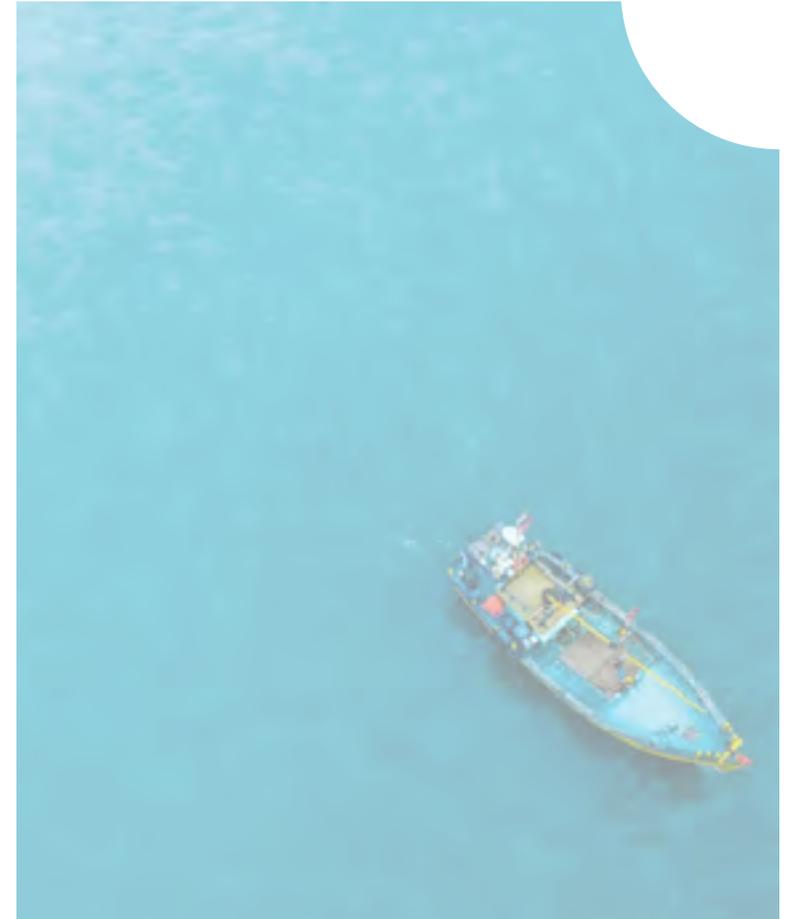
14. Competitive behaviour

15. Water and wastewater management

16. Labour relations

17. Impacts on biodiversity

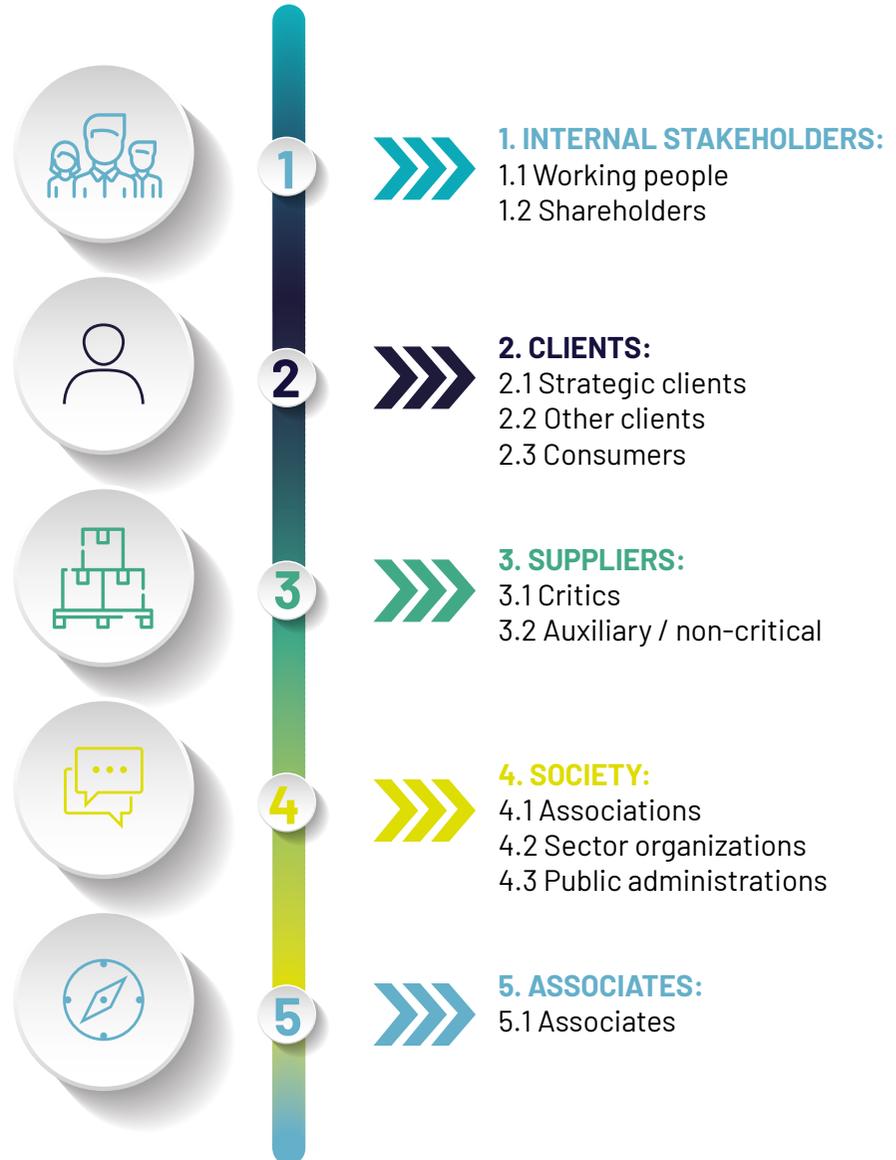
18. Business ethics and transparency of payments



B. INCLUSION OF STAKEHOLDERS

Stakeholders are entities or organizations that can be expected to be significantly affected by the activities we carry out or the products we put on the market. Any organization, public or private, that perceives a generation of value on our part can be considered an interest group, with more or less link. We work to create shared value for the stakeholders with whom we have a direct or indirect relationship; based on maintaining relationships of trust and seeking solutions to common challenges.

When making decisions regarding the content of this report, we have taken into account the reasonable expectations and interests of the interest groups through their representation in the people who make up the Executive Committee. In Congalsa we have identified a total of 11 subgroups of interest, distributed among internal groups and clients, suppliers, society and associates



B. INCLUSION OF STAKEHOLDERS

STAKEHOLDERS	COMMUNICATION CHANNELS	LINKING AND TOPICS OF INTEREST
1. INTERNAL STAKEHOLDERS 1.1 Working people 1.2 Shareholders	<ul style="list-style-type: none"> • Work climate survey • Annual meeting • Specific app • Specific projects: InnCon Thursdays, people project. • Sector committees: SSL, company, equality. • One Page Report • Channels for improvement: panels, teams, meetings ... 	<ul style="list-style-type: none"> • General information (operational and corporate) • Work environment • Organizational changes • Social benefits • Safety and health aspects
2. CLIENTS 2.1 Strategic clients 2.2 Other clients 2.3 Consumers	<ul style="list-style-type: none"> • Commercial catalog • Customer Service • Surveys and opinion panels • Communication via internet and social networks • Press releases • Corporate and product-specific web pages • Advertising campaigns and specific events 	<ul style="list-style-type: none"> • Food safety • Quality • Product and news catalog • Innovation • Price and conditions of sale
3. SUPPLIERS 3.1 Critics 3.2 Auxiliary / non-critical	<ul style="list-style-type: none"> • Purchasing managers • Approval system • Corporate website • Email • Direct communication • Meetings and periodic visits 	<ul style="list-style-type: none"> • Homologation and contracting processes • Compliance with contractual commitments • Linking the commitment of responsibility and ethics • Food safety • Quality
4. SOCIETY 4.1 Associations 4.2 Sector organizations 4.3 Public administrations	<ul style="list-style-type: none"> • Membership of associations and community groups • Factory visits • Participation in cultural and sports events • Collaboration sponsorships with social entities and NGOs 	<ul style="list-style-type: none"> • Support in actions of local interest • Respect for the environment and natura • Improvement and involvement with the local community • Employment generation
5. ASSOCIATES 5.1 Associates	<ul style="list-style-type: none"> • Own channels of attention to associates • Direct contact with representatives of Congalsa 	<ul style="list-style-type: none"> • Organizational behaviour • Governance and corporate results

C. CONTEXT OF SUSTAINABILITY

The objective of our report is to present Congalsa's performance in comparison with broad sustainability concepts. This implies examining performance in the context of the limits and demands to which economic, environmental or social resources are subjected, at the sectoral, local, regional or international level.

For example, this concept of environmental sustainability is presented in terms of global resource limits and pollution levels. Therefore, we explain how we work to provide ourselves in a more sustainable way or the

detail of the environmental impacts of our production process. The context of sustainability with respect to social and socio-economic objectives is also relevant. For example, we present information on diversity or social benefits for the people who work with us. In the context of sustainability that we operate, when presenting information on issues with a local impact, it is important to provide information on how we try to influence communities through the generation of economic and social, cultural or sports value.

D. EXHAUSTIVITY

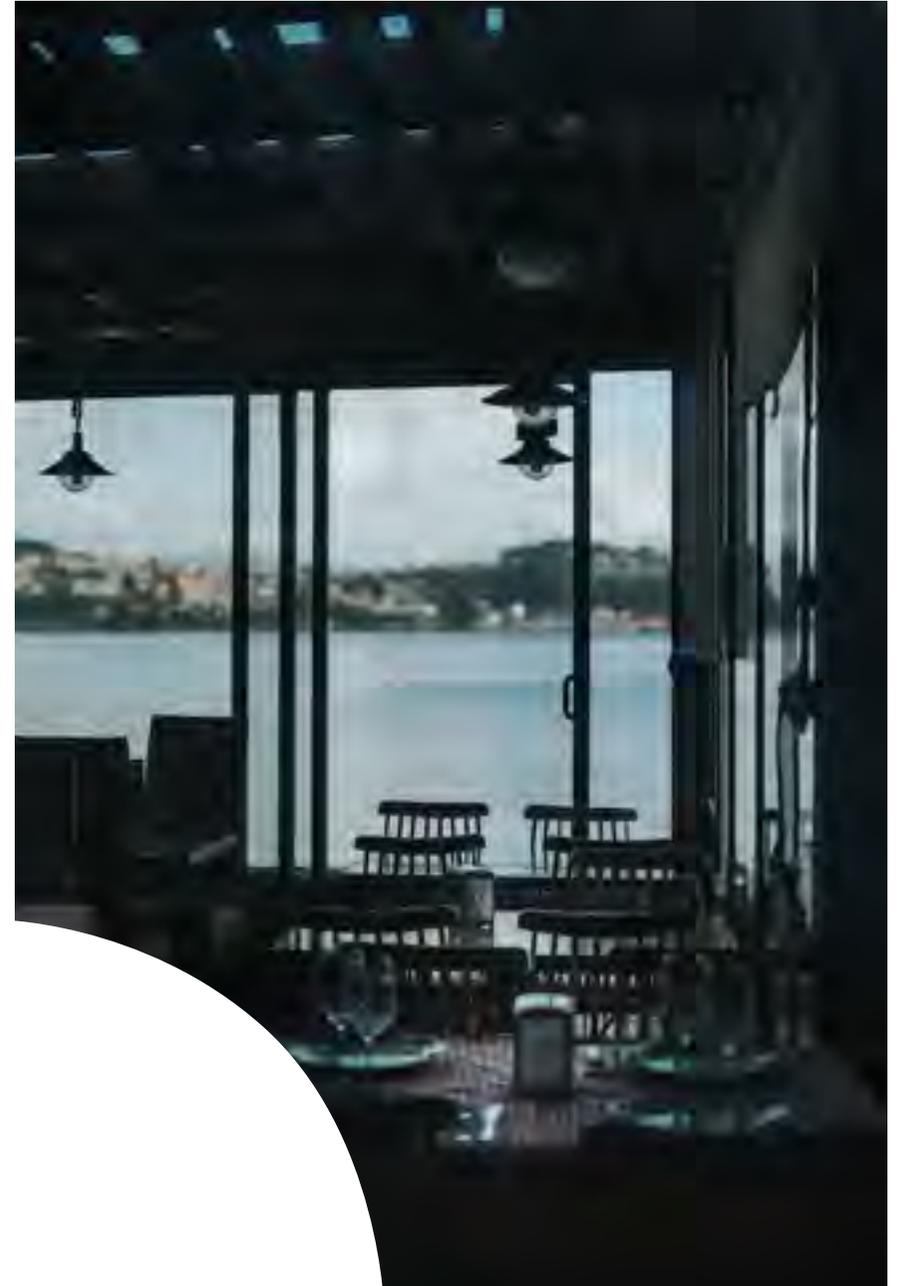
We understand the principle of exhaustiveness when referring to information collection practices, systematized to ensure that the data collected includes the results of all actions where there is an impact. And also understood as a way to present reasonable and adequate information. Based on what has been explained, we consider that the topics covered in this report are sufficient to reflect the significant economic, environmental and / or social impacts and to allow stakeholders to assess our performance themselves.

We are aware not only of the impacts that we cause, but also of the impacts to which we contribute and the impacts that are directly linked to our activity; analyzing how we work to reduce them to the maximum in case of being negative. We are also aware that estimates of future impacts (both positive and negative, such as the impact of climate change on the state of fisheries, for example) are made. Therefore, we try to ensure that the information presented is based on well-founded and scientifically rigorous estimates that reflect the probable size and

nature of the impacts. Completeness is related to the principles that GRI recommends to guarantee the quality of the report and are discussed in more detail below.

Principles for defining the quality of our report:

- **Accuracy:** whether expressed qualitatively or quantitatively, we consider that the information included here is detailed enough for stakeholders to evaluate our performance.
- **Balance:** we present an image without biases, reflecting the positive and negative aspects of the 2019 performance.
- **Clarity:** we present the information in an understandable and accessible way. We make use of charts and tables of consolidated data; using a level of aggregation that does not affect the clarity of the report.
- **Comparability:** we facilitate interest groups to compare information on current economic, environmental and social performance with past performance (temporal comparability) as well as with regard to the objectives and strategies set by Congalsa.
- **Reliability:** we provide reliable evidence and the sources of those indicators that support the content of this report. Furthermore, we rely on an external agent to verify the accuracy of all the data reflected here.
- **Punctuality:** the regularity of the preparation of reports, as well as their proximity in time to the impacts they describe, makes the information useful, being available in time so that stakeholders can integrate it into their decision-making.





2

About Congalsa

About Congalsa

30 years of evolution, excellence and quality. Since 1990 we have been working on the preparation of pre-cooked fish-based products. Today, according to the figures, we can affirm that we have positioned ourselves as a benchmark in the ultra-frozen pre-cooked food manufacturing sector, and a leader in culinary solutions for hotels and communities. The fish base in our products is still essential. This explains why we are located by the sea.

We come from strengthening the commitment for quality, environmental and social. During 2019 we have consolidated three fundamental pillars that also strengthen the governance of all aspects related to social responsibility and business sustainability.

We are moving towards an Industry 4.0 model. We are aware of the need to reorient ourselves towards a factory model that allows for a faster response to the needs of a constantly changing world. We are in the process of creating a new way of manufacturing our products and thinking about the organization. We believe in a more flexible, automated, social, collaborative, connected and intelligent manufacturing model. We want to respond and even anticipate market demands with criteria of sustainability, transparency and personalization. This task of conversion to Industry 4.0 is specified in the achievement of the following specific goals:



- **Design and development of a 4.0 business model in which all processes will be interconnected, converging production processes with management processes and with any process defined in the Congalsa value chain.**
- **Digitization: implementation of technologies and standards that allow the extraction and analysis of information in real time.**
- **Development of new data analysis techniques aimed at improving decision making.**
- **Cybersecurity. Implementation of mechanisms to detect and minimize risks.**

Recognized excellence

Growing up does not mean working more, but better. We are pleased to have achieved recognition for our management model in 2019, achieving the **EFQM 500+ certification** granted in Spain by the Club of Excellence. This is the result of the work that we have developed internally for years. A stage of culture of continuous improvement that permeates the company and encourages us to go one step further, also guiding management in all our processes towards excellence. The use of the EFQM model has radically changed the Congalsa management guide; from the strategic planning process, the definition of key objectives and success factors, to the definition of scorecards for the control and monitoring of

the evolution of projects. This has allowed us to guide the entire company in the same direction and achieve the established strategic objectives in a sustainable manner. In the final evaluation carried out by the independent certifier and the representatives of the Club of Excellence, our commitment to excellence was especially highlighted, highlighting the potential for business transformation through the consolidation of internationalization, diversification, digital transformation and social commitment. This is how we have guided our sustainability values through excellence, manifested as:

1. We add value to customers: we constantly generate value for customers by understanding, anticipating and satisfying needs, expectations and opportunities. We strive to make product and business innovations for clients.

2. We create a sustainable future: we want to make a positive impact on the environment, increasing not only our own performance but also improving the economic, environmental and social conditions of the communities with which we maintain contact. We actively and transparently seek balance between the social, environmental and economic spheres.

3. We develop the capacity of the organization: we increase capacities by managing change effec-

tively. We are committed to new digital transformation technologies and the creation and management of strategic alliances as a way to maintain competitive advantages.

4. We believe in creativity and innovation: we do not hesitate to use them as tools through which to generate greater value and better results. The innovation and creativity of those who make up Congalsa is a key tool in the present and future of the company.

5. Leading with vision, inspiration and integrity: if we want a sustainable future, we have to act through a model of reference in ethical values and principles. Congalsa's organizational structures, from leaders to other people in departments and projects, maintain high

motivation when questioning the status quo and positively altering the outcome of both products and processes.

6. Manage with agility: we respond effectively and efficiently to opportunities and threats. We have assimilated a culture of continuous improvement, structured and with review cycles, to analyze the capabilities and performance of operating processes.

7. Success means people's talent: we value the people who make up our work teams, who represent the culture of delegation and assumption of responsibilities.

We manage effectively from the selection and promotion of workers to their recognition, through the development of all their skills.

Compliance

8. Maintain outstanding results: we believe that outstanding results are sustained over time if they meet the short and long-term needs of all stakeholders, in the context of their operating environment. We believe that our success model achieves outstanding results at the market share level.



Our Code of Ethics is the document that governs the way we understand business, how we generate value for society and how we relate. You can check it on our website.

Congalsa is a company committed to the culture of compliance and ethical values. Therefore, the highest management of the organization has agreed to implement a criminal risk prevention system based on and inspired by the **UNE 19601 standard that establishes the requirements to implement, maintain and continually improve a criminal compliance management system in organizations** in order to prevent the commission of crimes and reduce criminal risk, by promoting an ethical and compliance culture within the organization.

Within the implementation tasks undertaken during the 2019 financial year, the Company's **Code of**

Conduct and Responsible Practices has been reviewed and updated, a document that is configured as the basis and starting point of the culture of compliance and as a fundamental axis around which revolves the entire strategy and the compliance system itself. Through this document, which has been made available to all members of Congalsa, and which is mandatory, the values on which Congalsa lays the foundations of its business ethics are expressed, as well as the desirable guidelines for conduct and required when carrying out the tasks of each job and developing the business.

A specific ad hoc complaints channel

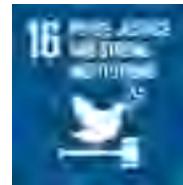
has also been created, managed externally, through which all members of Congalsa have the duty and the possibility of reporting any conduct they consider contrary to the Code of Conduct or likely to incur in the commission of a crime or any other regulatory breach. This channel has all the legal guarantees to preserve the confidentiality of the information and of the parties involved, the anonymity of the complainant and the processing of an investigation procedure that preserves the rights to compensation, the right of defense and the presumption of innocence of any procedure. sanctioner.

Compliance

Compliance channel is specifically regulated in the Complaints Channel Operation Manual, which all members of Congalsa are aware of. For all management, coordination in the implementation and proper follow-up, a Compliance Committee has been appointed consisting of two internal people of the Company, and an external third party who are in charge of identifying, analyzing and evaluating criminal risks, ensuring proper implementation. of the system, the resolution of incidents, the management and monitoring of the system and the dissemination of the culture and ethics of

compliance among all the people who are part of the organization. The company is immersed in the implementation of the compliance system by preparing and approving policies in sensitive aspects for Congalsa's activity and establishing the necessary controls to verify compliance with said policies and minimize any possible non-compliance that create legal and criminal risks for the Company. All this is understood as a further step in the idea of continuous improvement that presides over the company's performance, in the belief that "good work" necessarily involves ensuring that, from the company itself,

both its employees and the Board of Directors and administrative bodies respect current regulations and create the processes and mechanisms necessary to guarantee such an important premise.



Target 16.5
Substantially reduce corruption and bribery in all their forms.



Values

1. Respect for the environment and commitment to the sustainability of natural resources

2. Commitment to the company and excellence in management

3. Commitment to continuous improvement and customer orientation

4. Personal relations based on respect, integrity and teamwork

5. Adaptation to market demands with innovative solutions

Organizational governance

Congalsa's corporate culture and corporate governance model facilitate the proper management of the company, thereby maximizing its value and sustainability.

The organization's governing bodies are made up of the Board of Directors and the Executive Committee, made up of fourteen people, responsible for managing the different departments of the company.

Board of directors

Luis Simarro López

President

Luis Miguel Simarro Esplá

Secretary

Julio Simarro Esplá

Vocal

Executive committee

1. **Luis Miguel Simarro**, CEO
2. **Julio Simarro**, Commercial and Marketing Director
3. **Ricardo González**, Director of Administration and Finance
4. **Eric Larguet**, Technical Director
5. **Noemí Gil**, Director of Information and Communication Technologies
6. **Juan Carlos Rama**, Director of Human Resources
7. **Isabel Cañas**, Director External Relations
8. **Belén Sanmartín**, Director of Food Safety, Quality and Environment
9. **Modesto Magariños**, Production Director
10. **Mónica Cascallar**, Director of Innovation
11. **David Comesaña**, Purchasing Director
12. **Noela Prieto**, Director of Continuous Improvement
13. **Diego Álvarez**, Planning Director
14. **Luis Ángel López**, Corporate Controller

Risk management

Managing an organization like Congalsa is complex and implies having to face risk management in a proactive and integrated way.

Risk management is a process promoted by the Board of Directors and the Executive Committee, backed by each and every one of the people who make up Congalsa. The aim is to provide reasonable security in achieving the objectives established by Congalsa, providing to stakeholders an adequate level of guarantees that ensures the generation of value.

In this context, Congalsa's Corporate Policy establishes the basic principles and the general framework of action for risk management and control. This Policy has a scope of application that

extends to all Congalsa and is the basis of a Comprehensive Risk Management System.

For good corporate governance, Congalsa has the following risk control and management tools:

- Code of conduct and responsible practices
- Compliance Committee of the Code of Conduct
- Ethical channel and channel operation manual
- Ethics Committee

Our approach to the risk management model covers practically all areas of the organization:

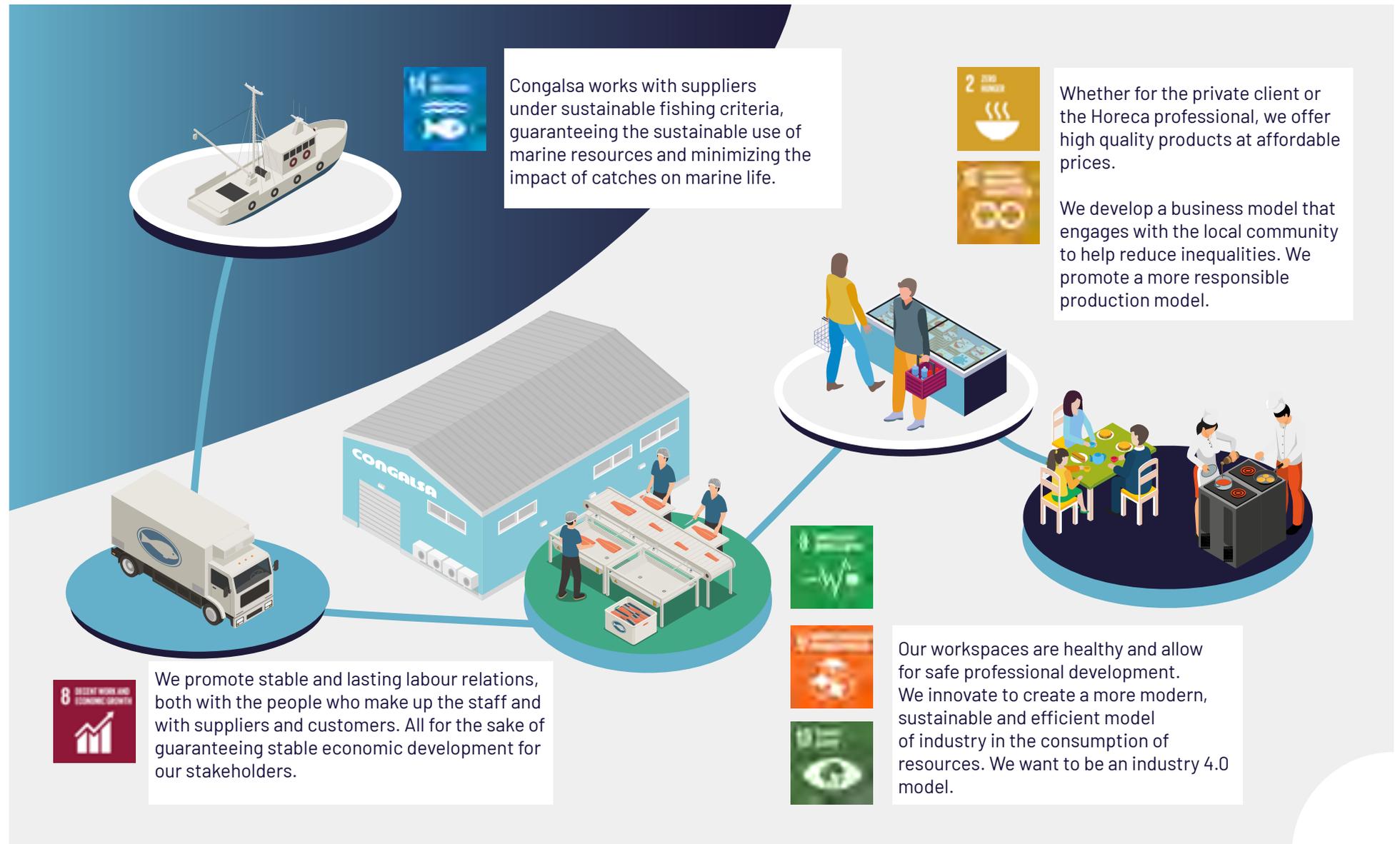
- Corporate governance
- Strategy and Planning
- Infrastructure
- Operations and Supply Chain
- Compliance and Reputation

With this approach we are able to manage risk exposure assuming tolerance levels previously agreed by our governing bodies and improving decision-making processes. This allows us to improve internal communication and information flows related to the management of these risks throughout the organization.

Our risk map is added to the one that we elaborate

within the framework of our environmental management system according to the ISO 14001: 2015 standard, thanks to which we identify risks and address them as threats or opportunities, establishing the appropriate actions. We deal with issues that may have an impact on the production model, such as environmental conditions or the availability of resources, and others such as the social and cultural context of a company like ours. It is our way of identifying, analyzing, evaluating and managing all the current and potential risks that may occur.

The value chain in Congalsa and its impact on the 2030 Agenda





People

Our team

The 322 people who make up Congalsa are the ones who best represent our values. With their involvement, they endorse a culture and personal relationships based on respect, integrity and teamwork. It is no coincidence that our team project is called 'People Project'. We are a committed company where the women and men that comprise it can grow and develop professionally. Stability, dialogue, training and recognition are pillars on which we work every day as transforming agents to face new challenges and achieve key objectives.

To ensure the well-being of people, various departments focus on the continuous improvement

of working conditions, as well as ensuring their health and safety.

We are made up of a team in which the presence of women is the majority, since **66% of Congalsa's staff is made up of women**. In addition, 42% of our management positions are made up of women. Generational diversity also characterizes us: the youngest, under 30, represent 10% of our workforce; the majority (70%) are between 30 and 50 years old and 20% of our team are over 50 years old.

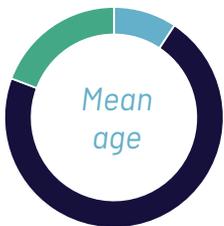
As a company involved in the professional development of all people, we strive to make Congalsa a safe working

environment. It is our commitment, as well as equal opportunities and professional development. In this sense, in 2019 a total of more than 14,400 hours of training were distributed among the 194 training activities in which each of the professional categories participated. This represents an increase of 13% over the previous year. For each person on the team, on average almost 45 hours of content and training actions were offered. Overall, 55% of the training hours were given to women. In addition, the entire team receives an annual performance evaluation as a way to improve professional development. This periodic evaluation

exercise also allows improving the satisfaction of the teams, which is related to a better performance and work environment in the organization. **The effort in terms of job quality is also evident in the global rate of people with permanent contracts, which reaches 83.7%.**



66% female on staff
34% men on staff



Mean age
< 30 years
30 - 50 years
> 50 years



Target 4.4
substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Work-life balance and well-being. At Congalsa we firmly believe that the personal and professional fields must be in harmony to guarantee optimum performance and the fulfillment of our people. In this sense, we promote measures, especially within the framework of equality plans, to facilitate the reconciliation of family and work life that make special impact on co-responsibility. During the 2019 financial year, 5 people (three women and two men) enjoyed maternity and paternity leave periods, all of them rejoining their jobs upon completion. In addition, the staff has a flexible schedule program adaptable to the personal circumstances of each moment. Another of our pillars is the consolidation of a model of well-being in the organization. At Congalsa we have a program of

complementary social benefits that can be used by anyone who needs it. For years, collaborations have been offered with childcare, laundry, vehicle repair shops, optics or dental assistance offered by local companies. As a novelty, in 2019 the physiotherapy service was added to the catalog with one free session per month. Additionally, for those who require it, a special discount is offered for those who need more sessions on time.

Equality. Congalsa has an Equality Plan and has a committee that watches over these issues and is in charge of monitoring compliance with it, the Permanent Equality Commission.

The Plan incorporates a Harassment Protocol with an advisory team in charge of receiving any complaint in this regard. In 2019, no case of discrimination has

been received or detected; therefore, no intervention was necessary.

As regards Congalsa's remuneration policy, it is based on objective valuation criteria that result in salary tables per position. Therefore, the salary level is linked to the position held by the person, never to the gender of the person who works. Consequently, there is no percentage difference between the basic salary of women and that of men in each employment category.



Congalsa receives the CSR Xunta de Galicia Award with mention of work-life balance. During the awards ceremony some measures that we have were highlighted; These include an intensive working day, access to reduced working hours and maternity and paternity leave extended to 16 weeks in general. More innovative actions were also highlighted for the reconciliation issue, such as the "hourly bag", which allows exchanging overtime for work time and the social improvement system that facilitates access to third-party services to help domicile of the care of other people.



In the image, first from the left, Juan Carlos Rama, HR director of Congalsa during the award ceremony.

We are proud to see how Congalsa has positioned itself in the 10th position in the ranking of Galician companies that obtain the **2019 ARDÁN Indicator equal in gender**. Furthermore, we are the first company on the list in our sector; so the position places us at the forefront of equality policies.

Risks prevention

At Congalsa we have a risk prevention system in accordance with applicable legislation; adopting an identification of legal requirements that apply to us on a quarterly basis. We act under OHSAS certification and its corresponding legal audit to guarantee our progress. As a measure to identify any risk, a third-party prevention service carries out risk assessments according to the job, facilities and machines, as well as psychosocial aspects. Likewise, the evaluation itself on whether its work is correct is calibrated with the OHSAS audit.

On a permanent basis, through the Health and Safety Committee, issues related to occupational safety and prevention are monitored, so as to guarantee the involvement of people and their representatives in decision-making

that affects this important question. Its composition is equal between workers and companies; meeting periodically quarterly in ordinary meeting and in extraordinary meeting every time an accident or major incident occurs. In 2019 the accident rate was 2.48 and the absenteeism rate was 3.69%.

Our model of prevention and health promotion:

A. We evaluate: we identify and evaluate the risks associated with jobs as part of the cycle of continuous improvement in management, advancing in all aspects of health and safety. We prepare action plans with preventive and / or corrective measures, work inspections, emergency plans and other procedures are managed.

B. We communicate: there is a procedure for any person in the organization to

communicate a situation that involves a risk or any proposal that improves working conditions. There is an internal document at your disposal to notify the Human Resources department of any incident in this regard to proceed to apply measures to eliminate or minimize it.

C. We monitor: as an additional measure to ensure the prevention of occupational risks, in addition to the legal coverage of the health surveillance services of the mutual accident insurance company, we have a free company medical service that is responsible for monitoring these issues .

We empower a healthier and safer workplace through assessment, monitoring and communication as key.

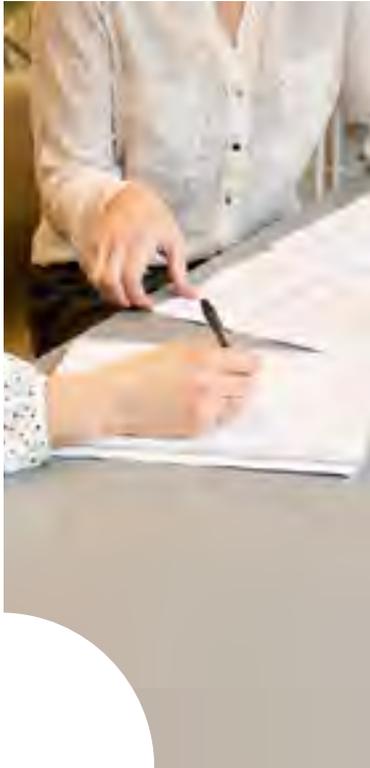


Target 8.8

Protect labour rights and promote safe and secure working environments for all workers.

Permanent dialogue

At Congalsa there are different channels to promote team cohesion and keep people constantly informed. One of the main channels is One Page Report. We expanded the extension of this communication to the teams to integrate more detail and content also focused on meeting objectives and indicators. This monitoring method makes the information communicated orally of the categories from the superiors, so that at all times people know the degree of progress according to the objectives set, among other issues.



People project

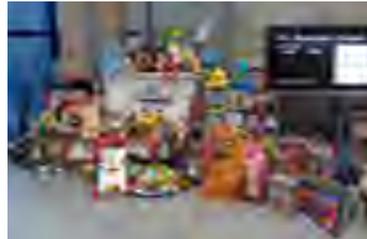
For more than four years, the emblem of our teamwork has been represented by the People Project. It is a collective work that rewards camaraderie, integration and bonding through different activities that are carried out mainly outside working hours. As an example, during 2019 the People Project has carried out actions in different areas:

Sports and health:

- IV Andaina Solidaria, in which 123 people participated.
- Cycling route for all working people.
- Yoga workshop.
- Promotion of a healthier diet, offering fruit in the dining rooms every week.
- Raffle tickets for sports events of interest (World Padel Tour)

Social and cultural:

- Tribute to Congalsa workers on March 8, International Women's Day.
- III Photography Contest. This year it was focused on the theme of "pets and pets". A total of 77 people participated.
- Collecting toys for solidarity purposes
- Reform of the company's lactation and first aid room
- Balloon twisting and balloon decoration workshop
- Organization of the Christmas dinner inspired by the 20s.



From top to bottom, the solidarity Andaina of 2019 to benefit Friends of Galicia, collection of toys and fruit available to staff in the dining room.

Recognitions

On the one hand, internally, in 2019, Congalsa presented the Ramón Doval Award to José Juan Sobrido López by decision of the staff. The selection was made live, in the same auditorium through an electronic device. This is the first time in its seven editions that a man has won an award that recognizes the person who has best embodied Congalsa's corporate values throughout the year.

As external recognition, Congalsa was recognized in the **2019 Annual Management Awards** given by the Club Excellence in Management with the Best Management Practices Award in the category of large organization. During the delivery, the People Project stood out, reinforcing the aspect that aims to foster a committed team of people

who come to have fun to achieve exceptional results.

Achievement of the 500+ European Excellence Seal (EFQM)

As explained at the beginning, during 2019 we obtained the EFQM 500+ European Excellence Seal. From the point of view of the people who make up Congalsa, the use of the EFQM model allows all decisions to be focused in the same direction, so that the established strategic objectives are achieved in a sustained manner. Additionally, it has allowed the consolidation of a culture that continuously seeks to improve throughout the value chain, the effectiveness of collaboration and teamwork, with improvement initiatives, systematic meetings and fluid communication throughout the entire organization. .

Having achieved this implementation has also allowed us to identify areas for improvement and strengths; involving everyone in the self-

evaluation process, sharing the same vision, concepts and values related to excellence.



In the image above, Luis Miguel Simarro and Julio Simarro give the award to José Juan Sobrido. In the image below, the time of the 2019 annual management awards ceremony.



Community

Community

Congalsa's Human Resources and External Relations policy is a true reflection of our commitment to the community. Through different types of actions, we contribute to useful projects and initiatives for society and, at the same time, for those who participate.

In 2019 we have allocated a figure equivalent to €50,000 through sponsorship and patronage initiatives. These actions have been articulated thanks to the collaboration with 58 entities of marked social character. Together, the collaborations that have strengthened our link with the community in 2019 have been:

Social collaborations:

- Annual toy collection campaign, which reminds us of how easy it is to improve the lives of those around us. In collabora-

tion with the Fundación Amigos de Galicia, we help many girls and boys to experience all the excitement of these festivities thanks to the "Este Nadal shares illusion" campaign. In total, we contributed 65 units of products, among which were varied games, puzzles, a bicycle, children's clothing or a tent. Overall, thanks to the collaboration of organizations like ours, Amigos de Galicia was able to distribute 2,695 toys in its campaign.

- Collaboration with the Ambar Association
- Christmas Postcard Contest

Collaborations to promote and support sport:

- Women's cadet soccer team
- Barbanza Basketball Club - Congalsa
- Xuventú Aguiño women's

soccer team

- Aveiro International Baseball Tournament
- IX Congalsa Vuelta a Sálvora Regatta, supporting local-based sport with the Riveira Nautical Sports Club
- Swim crossing from Coroso, scoring test for the Galician Open Water Circuit 2019

Collaborations in the sectoral framework of our activity:

- Call for Business Factory Food: the projects will have the personalized advice of a Congalsa mentor, among other companies in the food sector. We participated as a driving company in the II edition of Business Factory Food with the aim of promoting innovative projects that respond to the challenges of the food sector.

Receptions: annually we welcome visits of an academic and institutional nature that allow us to strengthen ties and promote the transfer of knowledge.

- 8th Commission for Fisheries, Shellfishing and Aquaculture of the Galician Parliament
- Circle of Entrepreneurs of Galicia
- Vigo Port Authority
- Student of the kitchen module of the Employment Orado Pot of Riveira.
- IES A Guide (Vigo)

**A 2019 of
commitment to the
community**



From top to bottom, and from left to right, pictures of the presentation of the Business Factory Food. Barbanza women's cadet team, Xuventú Aguiño team, Aveiro base soccer team, Congalsa Vuelta a Sálvora regatta tournament. Visit of the Círculo de Empresarios de Galicia, 8th Commission for Fisheries, Shellfishing and Aquaculture of the Galician Parliament, visit to the IES A Guía (Vigo) and visit of the Obradoiro de emprego O Pote de Riveira.



Suppliers

Suppliers

Knowing where our raw materials grow and how they are captured, how they are selected and how they travel from different origins to our plant is the **traceability of our supply chain**. An inalienable principle that allows us to know the conditions under which it is produced, analyze this information and comprehensively address social, environmental, and product health and safety challenges. We believe that we have the responsibility and the opportunity to contribute to the creation of sustainable productive environments for workers in our supply chain, generating a positive impact with our activity in the fishing industry, which in certain regions constitutes a relevant economic and economic engine. progress.



Target 12.2

By 2030, achieve sustainable management and efficient use of natural resources.

Companies that are part of our supply chain are subject to our **Code of Conduct and responsible practices**. Specifically, as specified in the Code itself, all suppliers must comply with it as a condition to be able to do business with us. These suppliers include any third party, such as consultants, contractors, service providers or suppliers of raw materials, ingredients or packaging components, etc. We ensure that our suppliers work in accordance with the values and responsible practices that define Congalsa, implementing our own audit programs that promote the improvement of social and labor conditions in each production area.

Trusted providers. To offer quality products, we have suppliers at source that are aligned with the sustainability requirements that we have defined at Congalsa. We have a supplier approval and monitoring system that establishes behavioral requirements or standards from the point of view of resources quality of matter, service, environmental, financial, social, etc. Every year we carry out on-site audits of suppliers to ensure quality, as well as compliance with regulations and quality and labor requirements. Thanks to these audit and monitoring work that we carry out in the supply chain, we can guarantee that we do not accept or allow practices that are harmful to the environment, which involve dubious working conditions or the use of child labor.

Our supply chain is extensive, we have raw materials from 13 countries. We are also aware of the impact of the sector in which we carry out our activity. According to the FAO, at the beginning of the current decade, 57% of the world's fish stocks were fully exploited, which means that they were at or around their maximum sustainable production, with no margin for the expansion of the catches. Another 30% of the fisheries were overexploited, and only 13% of them were not fully exploited.

Since the performance of overexploited stocks is well below their potential, strict management plans are required to rebuild their biomass levels and restore productivity to bring it back to more sustainable levels. This is the reason why we strive to work so that the values of environmental balance, sustainability and secure employment are transferred beyond our borders, also involving those who work for us. One way to do it and with global reach is to work under recognized standards for sustainable fishing.

The closest to the final consumer is the **Marine Stewardship Council MSC** (recognized by its acronym and MSC logo) environmental standard for sustainable fishing. This certification methodology is based on the Code of Conduct for Responsible Fisheries of the Food and Agriculture Organization of the United Nations (FAO). Working under the MSC standard allows us to comply with the different international guidelines of good practices around certification and eco-labelling, developed after a process involving representatives of the fishing industry, scientists, conservationists, experts and other interested parties.

What does the Fisheries Standard evaluate?

i. Sustainability of the population in the marine environment: fishing activity must be carried out at a level where its continuity is guaranteed indefinitely

and that fish stocks continue to be productive and prosperous.

ii. Reduction of environmental impact: fishing must be carefully managed so that other species and habitats within the ecosystem remain in an optimal state of conservation.

iii. Management of the fishing activity itself: MSC certified fisheries must comply with the relevant regulations and be able to adapt to any variation in their environmental circumstances.

At Congalsa, 20% of the final product has been produced certified raw material under the MSC

standard. For example, the characteristic MSC seal is present, among others, in the raw material of the entire range of hake products, guaranteeing traceability and sustainable provenance from the ocean to the consumer's table.



In the image, one of our products created for the customer of the Horeca channel: hake with eggs, produced under the MSC certified standard.



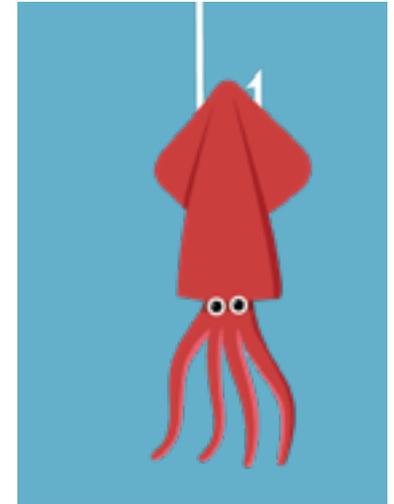
Another commitment to integrating sustainability into our supply chain is made concrete through our participation in the fisheries improvement projects promoted by the **Sustainable Fisheries Partnership (SFP)**.

It is a non-profit organization that works throughout the world through the value chains of different fishing species of commercial interest, promoting capture and regeneration methodologies that allow a more sustainable extraction of marine resources. That is why they work around the fishery improvement projects (known by their acronym in English FIP - Fishery Improvement Projects). Working on these projects allows for the creation of an alliance in a specific fishery of buyers of seafood, retailers, processors, distributors, producers

and non-governmental organizations, with the aim of promoting improvements in their policy and management. The FIPs represent a dynamic way of associating all these groups with interests in the same fishery and creating an improvement program to gradually solve the most prominent problems. In some cases, the project may lead to some form of certification, but for other fisheries it is sufficient to address the main challenges.

Specifically, Congalsa participates in two FIPs of species particularly sensitive to environmental changes, such as the *Potón del Pacífico* and the *Tintorera*. Globally, currently 95% of seafood purchases in Congalsa come from sustainable sources according to the fish source database criteria, through the SFP metrics program.

In 2019, only 6.1% of our purchases of seafood come from a source not included under the SFP criteria.



Click on the image to learn more about the Pacific Poton Fishery Improvement Project (FIP)





The third of the standards that involve working for a more sustainable supply chain is the **Global Sustainable Seafood Initiative (GSSI)**. It is a global alliance of which Congalsa has been an active partner as a financing partner for two years, in which companies, NGOs, experts and governmental and intergovernmental organizations come together. Given the diversity of methodologies to certify work for a sustainable fishery, we believe it appropriate to support this initiative, which aims to ensure that the different certification schemes are aligned in their essential components.

GSSI is the global reference framework for the certification of fishery products according to FAO guidelines. In this way, we obtain clearer rules of the game, with a higher level of confidence and a choice of the most appropriate certification for seafood. All this work tries to synthesize our commitment to bring sustainability from the ocean to the plate. A vision that we share with stakeholders, in a communication exercise of all the actions involved in the responsible value chain that we promote.



Our sustainability commitment ranges from the ocean to the dish, to guarantee the origin of our supplies

Sector involvement

At the sectoral level, at Congalsa we are part of different groups and associations that allow us to network, better communicate and continually learn about the needs and opportunities of the industry.

We are present on the boards of directors of:

- Association of Refrigeration Operations, Logistics and Distribution of Spain (ALDEFE)
- Spanish Association of Manufacturers of Prepared Dishes (ASEFAPRE)
- Spanish Association of Wholesalers, Importers, Transformers and Exporters of Fishery and Aquaculture Products (CONXEMAR)
- Interprofesional pesquera española (INTERFISH ESPAÑA)
- Urban development entity of industrial estate conservation "A Tomada"

We are also associated with:

- Galician Family Business Association (AGEF)
- Galicia food cluster
- Clúster da saúde de Galicia
- National Association of Canned Fish Manufacturers (ANFACO)
- Financial Club of Santiago
- Association for the Advancement of Management (APD)
- Confederation of Entrepreneurs of Galicia (CEG)
- Association of entrepreneurs da Pobra do Caramiñal



Sector involvement

At Congalsa, we trust in collaboration with other companies and organizations as a way to generate alliances that allow us to advance in a global market for more sustainable seafood. During the year 2019 we have been present in different specialized forums at national and international level:

- **CONXEMAR:** the International Frozen Seafood Products Fair hosted in its 2019 edition the International Congress on Social Sustainability. An opportunity to focus on the value chain linked to the sea; through the participation of international reference speakers. The sustainability of an entire sector and its social implications were deepened. An issue that has become a major concern for the industry and, in particular, for the fishing sector.

- **PLMA Fair (Amsterdam):** this is the International Fair specialized in the Distributor Brand. A professional forum that brings retailers, wholesalers, and other distributor brand professionals together with manufacturers to help them find new products, network, and discover new ideas.

- **Seafood Expo (Brussels):** at this international fair two novelties were presented that respond to the standards that set Congalsa apart: quality and flavor in a healthy, sustainable and internationally-oriented proposal: floured anchovy, ready to fry and pizza pie bakeable.

- **Sirha (Lyon):** this is a salon specialized in the professional channel and restaurants. An essential opportunity to bring the Ibercook Food Service brand closer to the French market and its hospitality sector.



In the image, campaign presented by Congalsa on Conxemar fair.



From top to bottom, images of Congalsa's presence at the Conxemar, Seafood Expo and Sirha fairs.



Customers and product

Customers

The client has always been at the center of Congalsa's business model. The innovation and capacity of our team are for us the best tools and facilitate us to continuously adapt the business to the new demands of customers in the world of food, in order to offer a healthy, more sustainable experience and a unique relationship.

We currently have more than 450 clients in 35 countries on four continents to whom we offer a permanent renewal offer. At Congalsa we manufacture products for both large distribution and the restaurant and hospitality sector. We do it under the distribution brands, Ibercook Food Service and Ibercook Fun Food, our new brand for the retail sector.



Target 9.4

Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.

Our catalog grew in 2019 with 15 new products launched, all of them for the Ibercook Food Service brand. This is our brand focused on the Horeca channel. A sector in constant evolution, which seeks to offer high-quality, versatile and easy-to-prepare references that allow the creation of simple and creative menus.

Some of the products: gluten-free hake wands, salmon tempura with dill, spring rolls with meat or cod taquitos in tempura.

iber[®] COOK | FOOD SERVICE



Innovation and food at the service of the product.

Congalsa, through its Ibercook Food Service brand, has produced an augmented reality application to improve the shopping experience of its users. One of the most interesting things about the Ibercook Food Service AR app is that the client will be able to look at some of the most important characteristics of the product (nutritional values, formats) and even how to cook it, what are the product's applications, some possible recipes, among other things more. In this way, we help you understand ultra-frozen products better and we recommend how to cook them.

With a simple mobile phone or tablet it is possible to view different dishes, recipes and much more product information. This novelty allows hoteliers a variety of options that they previously did not have, allowing technology to be put at the customer's service.



Through Ibercook Food Service AR, Congalsa uses augmented reality at the service of its clients.

Scientific committee

We work permanently to generate products with high added value through innovation. For this reason, we have our own R + D + i team that is in charge of developing new products, while permanently improving those already included in our catalog on a regular basis. In addition, for two years, we have constituted our own **Scientific Committee** in Congalsa. This group is made up of experts in the fields of nutrition and dietetics together with people from the R&D and Quality departments of Congalsa. Together they work to design new ranges of products and improve the formulation of current ones. All this with the global objective of offering a more diverse and balanced catalog, promoting the principles of a healthy and pleasant diet.



Target 2.1

End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round



Dr. Jesús Román Martínez, President of the Scientific Committee of the Spanish Society of Dietetics and Food Sciences. He has worked in research projects related to eating habits in the Spanish school population and in the evaluation of the effect of antioxidants on health. As an expert in nutrition and health, he has published numerous studies and books on school-age food, the Mediterranean diet and the keys to a balanced intake.



Belén Sanmartín, Director of Quality, Food Safety and Environment at Congalsa. Graduated in Biological Sciences, specializing in Zoology; She is responsible for coordinating the sessions of the Congalsa Scientific Committee.



Dr. Gaspar Ros, Professor of Nutrition and Food Science at the University of Murcia. His experience and research activity focuses on three main areas:

- *Human nutrition and health (infant and young child feeding, obesity and overweight, feeding and aging, functional foods, diet, etc.)*
- *Food safety (microbiological safety of food, biogenic amines in food, lactic bacteria as antimicrobials, feeding and colonization of enterobacteria in neonates)*
- *Food quality and composition (food science), and nutritional characterization of natural ingredients.*

Thanks to the work of the Scientific Committee of Congalsa, current and future trends in nutrition are being identified, as ways to explore new products and increase customer satisfaction. Work is also carried out on the evaluation, in accordance with the food security policies determined by the EU, of the risks derived from the use of certain ingredients; while determining the appropriate measures to guarantee health protection and propose alternatives with full food guarantees. Forming this committee is one more commitment by Congalsa to implement the NAOS Strategy, focused on promoting a balanced diet and healthy lifestyle habits.

Certified quality

Beyond our commitment to design a product that is nutritionally complete and healthy, we manufacture in our facilities under the most rigorous procedures, based on the two 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 is focused on the safety and food quality of processed products. Having the certificate as an IFS company allows us to keep track of compliance with food regulations, improve the use of resources and reduce the need for customer audits.

BRC A Grade: standard that helps distributors to comply with legal food safety obligations, guaranteeing the highest level of consumer protection. From the audit, we can identify the critical points of the production processes and in the supply chain, taking measures to reduce them.

All the work we do both in product development and innovation pursues the ultimate goal of achieving more satisfied and better fed customers. **An example of this is that in 2019 we maintain the excellent evaluation of our clients, one more year, with a score of 3.6 out of 4.**





Our nutrition commitments:

1. Promote healthy eating.
2. Improve the nutritional profile of our products.
3. Reduce the percentages of fats, sugars and salt.
4. Offer products that are tailored to specific nutritional needs.
5. Transparency in the nutritional labeling of our products.
6. Promote healthy habits among our employees and the Congalsa community.

Congalsa participates actively in the XXIII Conference on Practical Nutrition.

Held in April 2019, the Practical Nutrition Conference was organized with the commitment to contribute to the transformation of the sector by incorporating sustainability and nutrition in the day-to-day.

The program was made up of experts in fisheries management, nutrition and quality and food security, who intervened exposing the reality and challenges related to healthy, responsible and sustainable eating.

Within the framework of the conference, from Congalsa we present **Nowtural**; a line of products inspired by the principles of sustainability, convenience and 100% natural and balanced recipes, with fish as the protagonist. As an example we can explain that the Nowtural range is made with fish cataloged with the blue MSC seal, which guarantees that its fish ingredients come from sustainable fisheries and ensures its traceability from the ocean to your plate.



Innovating by and for people



Another fundamental pillar at Congalsa is innovation. In addition to the conversion into an industry 4.0 model explained in the introduction to this report, since 2019 we have been part of a pilot project that promotes the incorporation of strategic design in the agri-food sector. To be developed in several phases, a map of new innovation opportunities related to three specific areas has been started:

- innovative packaging
- new sustainable materials and development of new healthy products
- Marketing and consumer interaction in the purchasing process.

8 DECENT WORK AND ECONOMIC GROWTH



Target 8.3

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation

This project involves different Galician companies together with other agents in the field of innovation. A collaborative work of Galician companies and designers that allows us to identify various innovative products and services capable of responding to new customer demands and offering them experiences that support them.

Thursday InnCon. Another featured program within our innovative vision is Thursdays InnCon. These are internal work sessions, open to the participation of all the working people who want, thanks to which we bring out all the ideas and proposals that allow us to advance in more innovative and disruptive products and processes. Through different group dynamics developed within the framework of

Thursdays InnCon, we have carried out a basic analysis that has helped us to advance in the Smart Factory 4.0 project approach, which will be subsidized by the Galician Innovation Agency-GAIN, dependent on the Xunta from Galicia.

In addition, throughout the year, we have worked on different innovative actions related to:

- 1. Engineering and maintenance:** bringing new technologies in the area of industrial design and maintenance closer to the appropriate personnel and hearing their ideas and needs to advance towards industry 4.0.
- 2. Robotics:** disclose the new technologies in robotics and industrialization and their possible application in Congalsa.

3. Hyperconnectivity 4.0: Food fairs are already focused on the fourth industrial revolution. They offer us the capture of data for its treatment as a base piece towards hyperconnectivity. 4.0. Congalsa has made progress in this matter.

4. Preparation of a list of automation and robotization needs in the different plots, and new application ideas.

There have also been sessions focused on **Design Thinking dynamics**, to know and apply this type of methodologies to develop innovative ideas with great market value and **creative thinking**; Using methods such as the one with the six hats, it is possible to think differently, to know a productive way of obtaining innovative ideas and projects in group work sessions with different personalities.

Our approach to the Horeca channel

A different way of bringing our customers both the news and the rest of the products included in our catalog is through actions specially designed for them. For the Horeca channel, this 2019 we launched a specific Ibercook Cooks & Trends blog, through which we inform and offer solutions tailored to the needs of the different catering businesses. We have also organized the first Ibercook Food Service tapas contest, as a way of making the work of those restaurant businesses that wanted to participate visible.



The contest was aimed at professionals in the hospitality sector, people who work in a restaurant or have professional activities related to cooking and gastronomy. Sharing an image of the most representative cover of the premises, you could enter the contest for a batch of products valued at more than € 1,000.



In the image above, a blog created expressly for the Horeca sector. Below, image of the first Ibercook Food Service tapas contest.



Environment

Environment

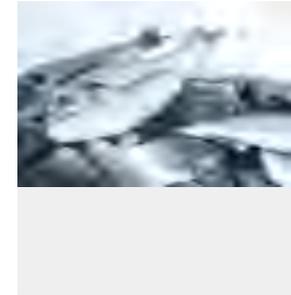


Commitment to the certified environment according to the EMAS registration. For Congalsa, we are proud to be able to count for more than a decade with an integrated management system that incorporates environmental and environmental protection aspects at the highest level. In addition to being certified according to ISO 14001: 2015, we are part of the Community Regulation for Eco-management and Eco-auditing, known by its acronym EMAS. This commitment allows us to maintain a system of systematic monitoring and improvement of environmental performance, optimizing the consumption of materials and energy, ensuring that the necessary resources are used to protect the environment.



Every year we publish the results of Congalsa's environmental management in a transparent and verified manner through our Environmental Declaration. This document, a requirement to be registered as an EMAS organization, incorporates detailed information on the management of environmental aspects, direct and indirect, and how we measure them. For this reason, we present in this sustainability report the most outstanding aspects regarding environmental information, management focus and magnitudes that help to understand how we have worked in a more sustainable way. For full details, you can

access the Environmental Statement on our website. During 2019, the total consumption of raw materials was 17,371 tons. This figure includes the main ingredients with which we manufacture our products: different species of the sea, such as fish, cephalopods and bivalves; tomato, flour and bread necessary to make the doughs and coatings and other products such as margarine, eggs and oil. The ratio of this consumption has decreased compared to the previous year. For each ton of product manufactured, in 2018 we use 0.85 tons of raw materials. In 2019, this indicator stood at 0.79. This is because during this exercise we have produced more product in different formats, which require less consumption of the materials described above.



At Congalsa, for each ton of product we manufacture we consume:

0.84 MWh of energy

0.79 t of raw materials

0.4 m³ of water

we generate 0.3 t of waste

we emit 0.046 t of CO₂

0.02 t of auxiliary materials

On the other hand, to deliver the finished product we need packaging materials; mainly cardboard and plastics. During 2019, for each ton of product we manufacture, we consume 0.02 t of these materials; which represents a reduction of 8.7% compared to the previous year. Due to the different formats and the quantity of product that we have manufactured and delivered to the client, a smaller quantity of these secondary raw materials has been required. For years, at Congalsa we have collaborated with Ecoembes to promote the recycling of the containers that we put on the market.

All plastics are recyclable through the integrated collection system that exists in the different municipalities. To optimize the use of this material, all containers are dimensioned according to the criteria of the Packaging Manual. From a logistics and distribution perspective; We have the usual practice of projects (such as CHEP) through which the resource needs generated by the activity are reduced, basically, pallets for the distribution of batches of products to customers.



Water consumption and discharges

The activity of manufacturing food products requires the necessary water consumption not only for food processing; but for an intense maintenance and cleaning of the facilities, necessary to meet the highest quality standards. In the last year, the water consumption stood at a total of 88,004 m³, captured from the supply of the municipal network. Compared the consumption for each ton of product manufactured, the ratio was practically the same: **0.4 m³ / t production**. This highlights the organization's constant effort to increase the efficiency of consuming a resource as scarce as water. Consequently, the discharge of water for each ton of production has also been reduced, reaching in 2019 a level of 3.61 m³ / t of manufactured product.

The wastewater generated by Congalsa's activity is treated internally in the plant's own treatment facilities (through a physical and chemical system); being discharged in accordance with the provisions of the corresponding **Integrated Environmental Authorization (IEA)**. Congalsa has corresponding equipment and instruments for continuous control of the pH, conductivity, turbidity and discharge flow of the treated flows. In addition, the discharge has an automatic sampler, programmable in time and volume, for the control of industrial wastewater.

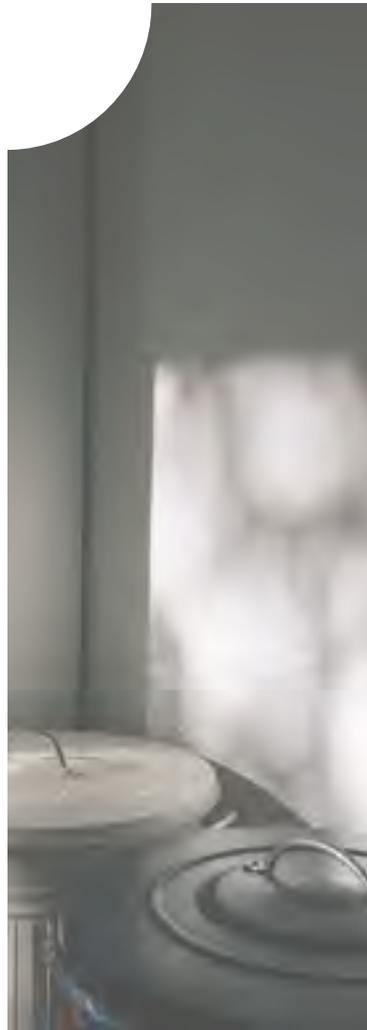


Target 6.3
Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials.

For more than a decade, an internal water control procedure has been in place resulting from the purification process. A monthly analysis is carried out by an Authorized Control Agency (OCA) of all the parameters requested by the Integrated Environmental Authorization. With the same periodicity, the results are sent to the administration, after contrasting with the limit values of the "Regulation of the Service of discharges to the network of sumidoiros da Pobra do Caramiñal" and in accordance with the IEA. Of the discharge flows, as in previous years, it should be noted that all the parameters are below the limit authorized by legislation. There was only one deviation during a specific month, in the variables of total and ammonia nitrogen.

This was due to the specific need during that month to work with a certain type of cephalopod that has a higher content of volatile basic nitrogen (VBN) in its composition than the rest of the ingredients with which it usually works. The Congalsa team works permanently to solve these deviations, which, in any case, did not pose a risk to people or the environment due to their short duration and temporality.

Waste management



As an industrial process, Congalsa generates a series of by-products and waste that are managed in accordance with the applicable regulation established. In all cases, the waste generated is segregated by the staff themselves in order to facilitate their subsequent evaluation. Specifically, there are chambers for waste cardboard and packaging plastics, covered outdoor areas and refrigeration chambers for organic waste. There are two categories of waste originating from the facilities:

- **Non-hazardous waste:** mainly those derived from production, such as plastic and cardboard waste, sewage sludge or organic waste itself. In total, in 2019, 6,707 tons of this category of waste were generated.

- **Hazardous waste:** this category includes, mainly, waste derived from the maintenance and upkeep of all the machinery necessary for manufacturing and the facilities themselves. For example, mineral oil residues, containers that have contained dangerous products, filters, aerosols, paint residues or batteries. In this case, the generation level is lower than with respect to non-hazardous waste. In 2019, a total of 1.87 tons of this category were generated. **In both cases, the management of both non-hazardous and hazardous waste has been carried out by authorized managers for these operations.**

Energy consumption and emissions



2019 was the first full year of operation with the photovoltaic installation of our roof. Another milestone in the consolidation of the **Congalsa Energy Efficiency Plan**. It consists of two groups of plates, one located on the roof of the Puebla de Caramiñal factory (with 348 kWp installed) and a second installation, located on the roof of the warehouse in Deán (with 160 kW of total power). Together, **both facilities generated 527,800 kW of renewable energy accumulated during the year 2019**. This figure is equivalent to 2.8% of all the energy we consume during the year. Although modest, it is one more step in our commitment to be more respectful with Our environment. By way of comparison, this renewable energy generation has allowed us to avoid the emission of 5

tons of greenhouse gases, mainly CO₂. In addition to the energy generated, we have needed support from other fuels for both product manufacturing and transportation to the customer. In total, in 2019, our total energy balance is a net consumption of 18,439.9 kW of energy. Thanks to the support of generation, the energy consumption rate per ton of product manufactured has gone **from 0.88 in 2018 to 0.84 MW / t in 2019, 5% less**.

To be more efficient, in addition to energy self-generation, we have a cogeneration installation, thanks to which the discharge gases from the refrigeration plant compressors pass through plates where the thermal inertia is used to heat the domestic hot water.

Thanks to this process we reduce the temperature of the gases in the condenser at the same time as we have hot water without the need to consume energy. In addition, all steam pipes have been isolated to prevent heat loss. Thanks to increased efficiency and renewable energy generation, we have been able to manufacture more product while consuming less energy.

A commitment that we also extend to product distribution: we apply a load factor for the transport of goods of 100%. In this way, all trucks and containers shipped from our facility are complete, optimizing energy consumption until delivery to the customer.



In both images, photovoltaic installation on the roof of the Congalsa factory.

Regarding the effect of our production and distribution on the emission of Greenhouse Gases, **this 2019 we have reduced direct greenhouse gas emissions by 2%**. The figures for both emissions associated with fuel consumption and distribution in trucks have increased; but so has the amount of product manufactured. Only greenhouse gas emissions that come directly from the factory come from the consumption of natural gas and the consumption of gas oil, necessary for the transport of goods between facilities. In addition, if we take into account the CO2 equivalent that is no longer emitted as a result of the generation of renewable photovoltaic energy, **the intensity of emissions per ton of manufactured product is reduced by 17%**.

For this reason, the global balance of emissions allows us to be optimistic about the gradual reduction of greenhouse gases. Congalsa does not generate emissions of the following greenhouse gases: CH₄, N₂O, HFC, PFC and SF₆. And only 1% of the refrigerants we use are unnatural. Furthermore, during 2019 there have been no fugitive HFC emissions from refrigeration and air conditioning equipment.

How to continue advancing in a more sustainable production?

From our scope of work, at Congalsa we continue to bet on the installation of panels for the generation of photovoltaic energy, reducing energy needs and being able to generate cleaner electricity. We are going to implement a system for the efficient management of cold production and optimize energy consumption.

Beyond our reach, we **currently already have 32% of our suppliers working according to environmental management systems**. We will work to make this figure possible, progressively achieving a more responsible and sustainable value and supply chain.

In the image, view of the Arousa estuary from the photovoltaic installation on the roof of the Congalsa factory.





Economic figures

Economic figures

At Congalsa we believe that being sustainable and working responsibly has a positive impact on the company's economic figures. A model that relies on people, on quality and excellence must obtain economic recognition. This is supported by our financial balance.

Thanks to the business model that we have been promoting year after year, during the 2019 financial year, a growth of more than 10% in terms of turnover was consolidated in relation to the previous year. In total, we were able to mobilize a sales volume of more than 24,500 tons of product, achieving

a generation of direct economic value of over €83.5 million.

These data assume that the quantity of product marketed increased by 6% compared to the data from the previous year.

These figures have allowed us to generate an amount close to ten million euros between salaries for working people, taxes and social contributions and collaborations with the community. A value that returns to society and that is the result of daily work and the good performance of the entire organization. These figures and the robust financial health endorse the growth model of the company since, year after year, our economic indicators improve.

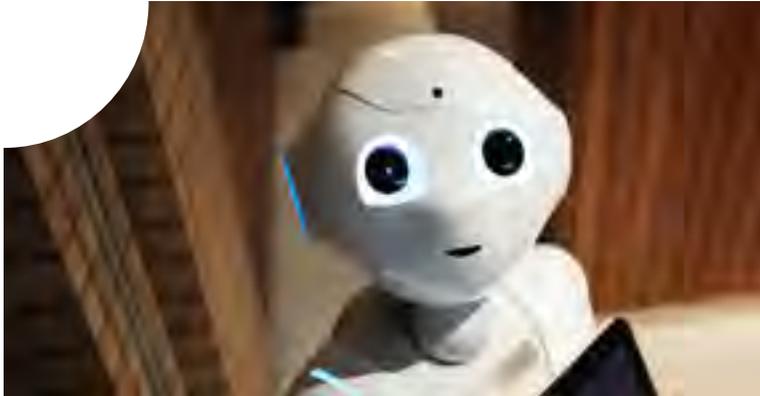


Target 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

	€
Direct economic value generated	83,533,092.93
Operating expenses	71,380,614.01
Employee wages and benefits	8,903,104.34
Payments to capital providers	620,558.46
Payments to governments	512,613.00
Investments in communities	49,349.00
Retained economic value	2,066,854.12
TOTAL	81,466,238.81

Future challenges



In the image, the considered worker number 323: Pepe, the robot, represents our desire to innovate. This member of our team allows for multiple functions, both from receiving visitors to the central facilities and from representation at fairs, congresses and exhibitions.

Based on all the work done in these thirty years and with the projects we have in place, at Congalsa we believe that the future is exciting. The coming years will be those of growth in market segments that will allow us to strengthen our commitment to continue offering balanced, healthy and pleasant foods. We also believe that all this will be possible by manufacturing in a more modern way, a combination of technology and human capacity in our smart factory, a Growth 4.0 model.

We will continue to strengthen the digitization of the company, for which we will have the support of the Galician Innovation Agency-GAIN and the Ministry of Economy, Entrepreneurship and Industry. In total, we will allocate 4.8 million euros over the next three years to implement a smart factory model. This new concept will not leave aside the constant concern to reduce the impact on our environment, betting on energy efficiency and strengthening the supply chain under the guidelines

of sustainability. Likewise, we will continue to position people, at the center of decisions, to be sure that we have the best team, more prepared and cohesive than ever. Only in this way can we face the challenges of the future, still unknown, but exciting.

A future that for Congalsa has been, is and will be healthy, sustainable and convenient.

9

Annexes

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PÁGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
102.1	Name of the organization	-	-	Congalsa, S.L.	Yes	
102.2	Activities, brands, products, and services	6. Customers and product	41	Own brand, IberCook Food Service, IberCook	Yes	
102.3	Location of headquarters	-	-	Polígono A Tomada, Parcela 13,14,15 -15940, Pobra do Caramiñal - A Coruña - España	Yes	
102.4	Location of operations	-	-	Galicia	Yes	
102.5	Ownership and legal form	-	-	limited liability company	Yes	Principle 6
102.6	Markets served	6. Customers and product	41	450 customers in 35 countries	Yes	
102.7	Scale of the organization	3. People	25	322 people (+ 1 robot)	Yes	
102.8	Information on employees and other workers	3. People	24-29	-	Yes	
102.9	Supply chain	-Value chain infographic	23	-	Yes	Principle 6
102.10	Significant changes to the organization and its supply chain	- 5. Suppliers	33-39	-	Yes	Principle 6
102.11	Precautionary Principle or approach	-	-	At Congalsa, we always operate from the perspective of legality, integrating all the necessary requirements to carry out the activity in accordance with legal regulations. Potential risks detected in each area are managed in each department, always with the agreement of the highest governance body.	Yes	
102.12	External initiatives	-	31	A list of the systems under which Congalsa operates is available on the web. Environmental impact initiatives: Congalsa is a company registered in EMAS and certified under ISO14001 Social impact initiatives: page 31	Yes	
102.13	Membership of associations	5. Suppliers > Sector involvement	38	-	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
102. Estrategy						
102.14	Statement from senior decision-maker	Letter from the CEO	3	-	Yes	
102.15	Key impacts, risks, and opportunities	1. About memory - Risk management	5 22	-	Yes	
102. Ethics and integrity						
102.16	Values, principles, standards, and norms of behavior	2. About Congalsa	17-22	All the information according to the values and principles is available on the web, in addition to what is included in this report.	Yes	Principle 10
102.17	Mechanisms for advice and concerns about ethics	Risk management	22	There is a supplier approval procedure, as well as a Code of Conduct at Congalsa.	Yes	
102. Governance						
102.18	Governance structure	2. About Congalsa> Governance	21	Web: staff and management team	Yes	
102.19	Delegating authority	2. About Congalsa> Governance	-	At Congalsa, each person in a management position assumes their own responsibilities in economic, environmental or social matters.	Yes	
102.20	Executive-level responsibility for economic, environmental and social topics	2. About Congalsa> Governance	21	Aspects related to sustainability are managed at the highest level of the organization	Yes	
102.21	Consulting stakeholders on economic, environmental and social topics	Material issues	9	Interests managed by the representative of each Group, as well as by the External Relations Department	Yes	
102.22	Composition of the highest governance body and its committees	2. About Congalsa> Governance	21	Web: staff and management team	Yes	
102.23	Chair of the highest governance body	2. About Congalsa> Governance	21	Web: staff and management team	Yes	
102.24	Nominating and selecting the highest governance body	-	-	Congalsa makes up its management team based on the training, skills and professional development of the people who make it up.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
102.25	Conflicts of interest	-	-	If it occurs, there are monthly meetings of the Management Committee in which issues such as these are resolved.	Yes	
102.26	Role of highest governance body in setting purpose, values and strategy	2. About Congalsa> Governance	-	Given the characteristics of Congalsa, the management team, through monthly and annual meetings, establish the strategy, objectives and action guidelines that determine the management of the economic, environmental and social aspects of the organization. Performance is periodically evaluated based on system indicators, so that the achievement of sustainability.	Yes	
102.27	Collective knowledge of highest governance body	2. About Congalsa> Governance	21	-	Yes	
102.28	Evaluating the highest governance body's performance	2. About Congalsa> Governance	21	Annual report, management team meeting	Yes	
102.29	Identifying and managing economic, environmental, and social impacts	All memory	-	Throughout the Report itself, the main impacts that the organization manages are explained; as well as risks of any kind.	Yes	
102.30	Effectiveness of risk management processes	Risk management	22		Yes	
102.31	Review of economic, environmental, and social topics	All memory	-	Sustainability report + EMAS Declaration	Yes	
102.32	Highest governance body's role in sustainability reporting	2. About Congalsa> Governance	21	The selection of material topics, as well as the identification of the most relevant content is distributed throughout the entire management team.	Yes	
102.33	Communicating critical concerns	All memory	-	Annual Report + Sustainability Report + EMAS	Yes	
102.34	Nature and total number of critical concerns	All memory	-	For Congalsa, the critical questions are covered in the different material topics reported in this report.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
102.35	Remuneration policies	3. People	26	In Congalsa, salary ranges are established per position, guaranteed by the Collective Agreement, applicable to all people who work in the organization; under criteria of equality, parity and non-discrimination.	Yes	
102.36	Process for determining remuneration	3. People	26		Yes	
102.37	Stakeholders' involvement in remuneration	3. People	26		Yes	
102.38	Annual total compensation ratio	3. People	26		Yes	
102.39	Percentage increase in annual total compensation ratio	3. People	26		Yes	
102. Participation of Stakeholders						
102.40	List of stakeholder groups	B. Inclusion of Stakeholders	12,13	-	Yes	
102.41	Collective bargaining agreements	3. People	26 - 29	The agreements or collaborations of a public nature are exposed throughout the Report. The rest are subject to the principle of confidentiality.	Yes	Principle 3
102.42	Identifying and selecting stakeholders	B. Inclusion of Stakeholders	12,13	-	Yes	
102.43	Approach to stakeholder engagement	B. Inclusion of Stakeholders	12,13	Both the determination of the material topics and the integration of the topics in this report are made taking into account the different Stakeholders.	Yes	
102.44	Key topics and concerns raised	A. Materiality	9-11	-	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
102. Reporting practices						
102.45	Entities included in the consolidated financial statements	-	-	Organization's annual corporate report	Yes	
102.46	Defining report content and topic Boundaries	A. Materiality	9-11	-	Yes	
102.47	List of material topics	A. Materiality	11	-	Yes	
102.48	Restatements of information	-	-	All the new information necessary to report the performance of the year 2019 has been included in this report.	Yes	
102.49	Changes in reporting	-	-		Yes	
102.50	Reporting period	1. About report	6	From January 1, 2019 to December 31, 2019	Yes	
102.51	Date of most recent report	-	-	Year 2018	Yes	
102.52	Reporting cycle	-	-	Annual	Yes	
102.53	Contact point for questions regarding the report	1. About memory	6	congalsa@congalsa.com Web: contact	Yes	
102.54	Claims of reporting in accordance with the GRI Standards	1. About memory	6	This report has been prepared in accordance with the GRI Standards: Comprehensive option.	Yes	
102.55	GRI content index	9. Annexes	58	-	Yes	
102.56	External assurance	1. About memory	8	-	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
103. Management approach						
103.1	Explanation of the material topic and its Boundary	A. Materiality A. Developed throughout the Report	11 -	In order to speed up the reading of the report, the material aspects and the management approach have been analyzed throughout the sections of the document. When it deemed necessary, links and access to published information that extends the content included.	Yes	
103.2	The management approach and its components				Yes	
103.3	Evaluation of the management approach				Yes	
201. Economic performance						
201.1	Direct economic value generated and distributed	8. Economic performance	54	-	Yes	
201.2	Financial implications and other risks and opportunities due to climate change	5. Suppliers 7. Environment	33 47	Climate change can affect, indirectly, the supply of raw materials by our suppliers. Climatic changes affect marine dynamics, which has consequences for marine species. For this reason, it is actively participating in initiatives that take into account how extractive activity affects populations in order to apply sustainable management of fishery resources	Yes	
201.3	Defined benefit plan obligations and other retirement plans	3. People	24	There are no retirement plans. If there are social benefits for employees that are complementary to their salary.	Yes	
201.4	Financial assistance received from government	-	-	In 2019, no aid or subsidies were received	Yes	
202. Market presence						
202.1	Ratios of standard entry level wage by gender compared to local minimum wage	3. People	26	In Congalsa, during 2019, the Minimum Initial Salary stood at €1,034.82; a 13% more than the SMI established in Spain (€900); regardless of the gender of the person who joins.	Yes	
202.2	Proportion of senior management hired from the local community	Governance	21	All managers come from state, except a director who is a community foreigner (France)	Si	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
203. Indirect economic impacts						
203.1	Infrastructure investments and services supported	4. Community 7. Environment	30	Environmental investments: €81,500 Social investments in the community: €50,000	Yes	
203.2	Significant indirect economic impacts		47		Yes	
204. Procurement practices						
204.1	Proportion of spending on local suppliers	-	-	In 2019, 70% of purchases (in economic value) went to national suppliers	Yes	
205. Anti-corruption						
205.1	Operations assessed for risks related to corruption	Compliance	19-20	Congalsa has implemented a Compliance system, in addition to having a supplier evaluation procedure with sustainability and social responsibility criteria, as well as an Organizational Code of Conduct. In 2019, during the audits carried out by the Congalsa team, no breaches or incidents related to this matter were detected.	Yes	Principle 10
205.2	Communication and training about anti-corruption policies and procedures				Yes	Principle 10
205.3	Confirmed incidents of corruption and actions taken				Yes	Principle 10
206. Unfair competition						
206.1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Compliance	19-20	Congalsa's performance with respect to sectoral practices is in line with the commitments made with the respective sectoral associations. In addition, ethical and behavioral principles and criteria are integrated. Measures are implemented to ensure compliance and oversight. During 2019, neither legal actions have been taken on this matter nor have they been detected by the different complaint and communication channels enabled.	Yes	Principle 10

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
300. ENVIRONMENTAL ASPECTS 301. Materials						
301.1	Materials used by weight or volume	7. Environment	48	Raw materials used: 17,371 t Auxiliary materials used: 388.43 t	Yes	
301.2	Recycled input materials used	7. Environment	-	Congalsa collaborates with Ecoembes to promote the recycling of the packaging it puts on the market. In addition, it develops projects (such as CHEP) through which the resource needs generated by the activity are reduced.	Yes	
301.3	Reclaimed products and their packaging materials	7. Environment	-		Yes	
302. Energy						
302.1	Energy consumption within the organization	Energy consumption and emissions	51	Natural gas consumption: 5,987 MWh Diesel consumption: 330.6 MWh	Yes	Principle 9
302.2	Energy consumption outside of the organization	Energy consumption and emissions	51	Electric power consumption: 12,651 MWh	Yes	Principle 9
302.3	Energy intensity	Energy consumption and emissions	51	Energy intensity: 0.84 MWh / t. prod. (56.6 GJ / t. Prod.)	Yes	Principle 9
302.4	Reduction of energy consumption	Energy consumption and emissions	51	The installed photovoltaic panels have allowed a reduction in energy consumption of 527,800 KWh in 2019.	Yes	Principle 9
302.5	Reductions in energy requirements of products and services	Energy consumption and emissions	51	Due to the nature of the product that Congalsa manufactures, the final consumer is who determines the more or less efficient use of the product's cooking method. However, Congalsa works to offer alternatives that require a lesser cooking process; which results not only in saving the consumer time; but in a lower energy consumption during its preparation	Yes	Principle 9

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
303. Water and effluents						
303.1	Interactions with water as a shared resource	Water consumption and discharges	44	Given the nature of water production, the resource is used in manufacturing processes. By directly involving the use for the manufacture of food products, there are restrictions for their recycling and reuse, not being possible in any case. However, in Congalsa there are actions to treat and purify the water consumed as much as possible. The EMAS Environmental Declaration details the entire procedure and treatment applied.	Yes	
303.2	Management of water discharge-related impacts	Water consumption and discharges	44	Does not apply. All the water collected comes from the network, with the corresponding permits	Yes	
303.3	Water withdrawal	Water consumption and discharges	44	Due to legal regulations on health and food safety, the reuse of water is not permitted for the product manufacturing process.	Yes	
303.4 <i>(sustituye 306.1)</i>	Water discharge	Water consumption and discharges	44	Water discharges during 2019: 79,204 m ³ After the use of water by the company, it has as its final destination the municipal sanitation network, although, the water used in production is treated through the purification plant that the company has (physical-chemical treatment) before its discharge into the network, to allow the discharge to comply with legal parameters.	Yes	
303.5	Water consumption	Water consumption and discharges	44	Water consumption during 2019: 88,004 m ³	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
304. Biodiversity						
304.1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	-	-	All lands are located in industrial area, with the corresponding legal authorizations required.	-	
304.2	Significant impacts of activities, products, and services on biodiversity	-	-		-	
304.3	Habitats protected or restored	-	-		-	
304.4	International Union for Conservation of Nature (IUCN) Red List species and national conservation list species with habitats in areas affected by operations	-	-	Congalsa does not work with species or suppliers that operate with cataloged species.	-	
305. Emissions						
305.1	Direct (Scope 1) GHG emissions	Energy consumption and emissions	51	Direct emission: 1,095.2t of CO ₂ (derived from the consumption of natural gas) + 82.7t of CO ₂ (derived from diesel fuel from truck transport to the warehouse). Total 1,177.87 t CO ₂ HFC: during 2019 there have been no fugitive emissions of HFC gases from refrigeration and / or air conditioning equipment	Yes	Principle 7 y 8
305.2	Energy indirect (Scope 2) GHG emissions	Energy consumption and emissions	51	Indirect emission: 4.43 t of CO ₂	Yes	
305.3	Other indirect (Scope 3) GHG emissions	Energy consumption and emissions	51	Not included in the scope of this report	Yes	
305.4	GHG emissions intensity	Environment	48	Emission intensity: 0.046 t of CO ₂ per ton of manufactured product.	Yes	
305.5	Reduction of GHG emissions	Environment	48	Compared to 2018, emissions have been reduced by 17%. In part, thanks to the entry into operation at the end of 2018 of the photovoltaic installation, which during 2019 was fully operational.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
305.6	Emissions of ozone-depleting substances (ODS)	-	-	Given the updating and maintenance of facilities, there are no substances that pose a risk to the atmospheric ozone	Yes	
305.7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	-	NOx emissions: 1,675 t / year SOx emissions: 0.257 t / year CO emissions: 0.195 t / year * The measurement of these indicators is done on a biennial basis. The last ones were made in 2018 and the following ones in 2020.	Yes	
306. Waste						
306.2	Waste by type and disposal method	Waste management	50	1.87 t of hazardous waste, treated by an authorized manager; 6,707 t of non-hazardous waste, treated by an authorized manager. Depending on the type of waste, organic substances that are not used as solvents (including compost operations and other biological transformations) have been recycled or recovered or have been accumulated prior to any of the treatment forms according to current legislation.	Yes	
306.3	Significant spills	-	-	Have not registered	-	
306.4	Transport of hazardous waste	-	-	Does not apply	-	
307. Environmental compliance						
307.1	Non-compliance with environmental laws and regulations	-	-	At the environmental level, the only deviation during the analyzed period are total and ammoniacal nitrogen. As explained in the DMA, in both there are fluctuations due to the permitted levels of these parameters due to the production of a certain type of cephalopod with a high content of VBN (volatile basic nitrogen) in its composition.	Yes	Principle 8

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
308. Environmental assessment of suppliers						
308.1	New suppliers that were screened using environmental criteria	5. Suppliers	34	100% of suppliers	Yes	
308.2	Negative environmental impacts in the supply chain and actions taken	Suppliers	33 - 37	Developed in the 'Environment' and 'Suppliers' section of this Report.	Yes	
401. Employment						
401.1	New employee hires and employee turnover	Our team	25	<ul style="list-style-type: none"> • Hiring 2019: 3 controls (2 women and 1 man), 10 employees (6 women and 4 men) 71 operators (49 women and 22 men). • In total, 84 discharges occurred, 24 sick leave on an average workforce of 322 people. • Turnover rate of 6.81% 	Yes	
401.2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our team	26	To contribute to the well-being of the people who make up our team, we have a program of complementary social benefits that can be used by whoever needs it. Childcare, laundry, vehicle repair shops, opticians, dental assistance or physical therapy are some of the services provided by local companies thanks to the agreements established with Congalsa.	Yes	
401.3	Parental leave	Our team	26	<ul style="list-style-type: none"> • 100% of workers who applied for maternity or paternity leave returned to their workplace. • In 2019 a total of 3 women and 2 men requested it. 	Yes	Principle 6
402. Worker-company relations						
402.1	Minimum notice periods regarding operational changes	Permanent dialogue	27	Changes that need approval from the Works Council are communicated at least one month in advance. The company has its own Collective Agreement and has articles referring to the period prior notice of negotiation, voluntary withdrawal, consultations, etc.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
403. Health and safety at work						
403.1	Occupational health and safety management system	Prevention of occupational risks	27	The company has a Risk Prevention System in accordance with the applicable legislation in Spain. We make an identification of legal requirements that apply to us on a quarterly basis. We have OHSAS Certification and its corresponding legal audit to guarantee our progress.	Yes	
403.2	Hazard identification, risk assessment, and incident investigation	Prevention of occupational risks	27	Staff must report any anomaly affecting safety of their direct responsibility, it is contemplated the possibility of cessation of activity in the event of serious and imminent risk.	Yes	
403.3	Occupational health services	Prevention of occupational risks	27	In addition to the legal coverage of the Health Surveillance Services of the Mutual of Industrial Accidents, we have a Free Business Medical Service.	Yes	
403.4	Worker participation, consultation, and communication on occupational health and safety	Prevention of occupational risks	27	There is a Health and Safety Committee with a joint composition between workers and the company, which meets periodically every three months in ordinary meeting and in extraordinary meeting every time an accident or major incident occurs. The CSS is equal between representatives of the company (3 representatives) and representatives of the Company Committee (3 representatives). In 2019, there were 2 management representatives, 3 employees and 1 worker.	Yes	
403.5	Worker training on occupational health and safety	Prevention of occupational risks	27	All workers receive specific training in Occupational Risk Prevention according to the activity they are going to carry out in the company. Subsequently, workers receive general periodic training on prevention and specific training on certain risks and on certain activities or use of machines. There are also training courses in handling cleaning chemicals.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
403.6	Promotion of worker health	Conciliation Prevention of occupational hazards	26 27	The Company Medical Service is free and has universal access to all staff, they just have to request it. We also have what we call Social Improvements in progress that allow access to various specialties with discounts, such as dietitian, gynecologist, dentist, physical therapist, etc.	Yes	
403.7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Prevention of occupational hazards		The workers of our suppliers are under the legislation of the country where their facilities are located, through audits, we check the working conditions in these centers.	Yes	
403.8	Workers covered by an occupational health and safety management system	Prevention of occupational hazards		The occupational health and safety management system reaches 100% of the workforce.	Yes	
403.9	Work-related injuries	Prevention of occupational hazards		<ul style="list-style-type: none"> • Number of accidents in 2019: 8 with sick leave (six women and two men, none with death) • 448 days lost (111 for men and 337 for women) • Absenteeism rate of 3.69% 	Yes	
403.10	Work-related ill health	Prevention of occupational hazards		There is no prevalence of occupational diseases and in 2019, none has been declared.	Yes	

404. Training and teaching

404.1	Average hours of training per year per employee	Our team	25	<ul style="list-style-type: none"> • In total, in 2019 14,474 hours of training were offered (7,973 to women and 6,501 to men). • 44.95h per person. 	Yes	
404.2	Programs for upgrading employee skills and transition assistance programs	Our team	25	<ul style="list-style-type: none"> • It represents an additional 13% compared to the 2018 period. 	Yes	
404.3	Percentage of employees receiving regular performance and career development reviews	Our team	25	In 2019, 100% of the workforce received a performance evaluation (360° Evaluation)	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
405. Diversity and equal opportunities						
405.1	Diversity of governance bodies and employees	Equality	26	<ul style="list-style-type: none"> The governing body is understood as the Management Committee. It is made up of 12 members (5 women and 7 men). There is a Director who is a community foreigner (French). Globally, of employed people, of the 322 people, 213 are women and 109 are men. 9% of people are under 30 years old, 71% between 30 and 50 years old and the remaining 19% are over 50 years old. 	Yes	Principle 6
405.2	Ratio of basic salary and remuneration of women to men	Equality	26	The remuneration policy is based on objective assessment criteria that result in salary tables per position. Therefore, the salary level is linked to the position held by the person, never to the gender of the worker. Consequently, there is no percentage difference between the basic salary of women and that of men in each employment category.	Yes	Principle 6
406. Non-discrimination						
406.1	Incidents of discrimination and corrective actions taken	Equality	26	The organization has an Equality Plan, which in turn has a Permanent Equality Commission in charge of monitoring compliance. During the 2019 financial year, no cases of discrimination occurred or were detected.	Yes	Principle 6
407. Freedom of association and collective bargaining						
407.1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our team	25	The company's work centers are located in Spain and the rights of free association and collective bargaining are guaranteed. In the suppliers of the different countries, we are not aware of the violation of these rights by our Supplier Auditors.	Yes	Principle 3

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
408. Child labor						
408.1	Operations and suppliers at significant risk for incidents of child labor	-	-	Thanks to the audit and follow-up work that Congalsa carries out in its supply chain, the company can guarantee that it does not accept or allow practices that are harmful to the environment, which involve dubious working conditions or the use of child labor.	Yes	Principle 5
409. Forced or compulsory labor						
409.1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	-	Not identified	Yes	Principle 4
410. Security practices						
410.1	Security personnel trained in human rights policies or procedures	-	-	Security personnel belong to the company's staff. No specific training has been provided in this area.	Yes	
411. Rights of indigenous peoples						
411.1	Incidents of violations involving rights of indigenous peoples	-	-	Does not apply	Yes	
412. Evaluation of Human Rights						
412.1	Operations that have been subject to human rights reviews or impact assessments	-	-	All providers are evaluated under the same criteria; which will include new clauses depending on the needs or relevant issues that arise.	Yes	Principle 1 & 2
412.2	Employee training on human rights policies or procedures	-	-	Overall, it is not considered to offer specific training in this area. No cases of corruption have been detected, being a totally prohibited conduct in any relationship with Interest Groups by Congalsa.	Yes	Principle 1 & 2
412.3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-	-	All the commercial links established by Congalsa are covered by what is contained in the Code of conduct and good practices.	Yes	Principle 1 & 2

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
413. Local communities						
413.1	Operations with local community engagement, impact assessments, and development programs	4. Community	41	Congalsa takes into account how job creation impacts the community, this being its main contribution in economic and social terms. In addition to this, it develops a series of actions aimed at strengthening the bond with the community.	Yes	
413.2	Operations with significant actual and potential negative impacts on local communities				Yes	
414. Social assessment of suppliers						
414.1	New suppliers that were screened using social criteria	5. Suppliers	34	-	Yes	Principle 2
414.2	Negative social impacts in the supply chain and actions taken	5. Suppliers	34-40	-	Yes	
415. Public Policy						
415.1	Political contributions	-		0	Yes	Principle 10
416. Health and safety of clients						
416.1	Assessment of the health and safety impacts of product and service categories	Certified quality	-	100% of Congalsa's products comply with the strictest food safety controls; according to BRC and IFS certifications.	Yes	
416.2	Incidents of non-compliance concerning the health and safety impacts of products and services	Certified quality	-	<ul style="list-style-type: none"> • In 2019, a total of 71 complaints and / or claims were received from the main client and 11 from other clients. • In no case did these complaints pose a risk to the health or safety of consumers. 	Yes	
417. Marketing and labeling						
417.1	Requirements for product and service information and labeling	Certified quality	-	Congalsa fully applies the legislation on labeling on all its products.	Yes	

SUSTAINABILITY REPORT 2019

INDICATOR	DESCRIPTION	SECTION	PAGE	COMMENT / DIRECT RESPONSE	EXTERNAL VERIFICATION	PRINCIPLES OF THE GLOBAL COMPACT
417.2	Incidents of non-compliance concerning product and service information and labeling	Certified quality	43	0.	Yes	
417.3	Incidents of non-compliance concerning marketing communications	Certified quality	43	0.	Yes	
418. Customer privacy						
418.1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	Congalsa complies with the Organic Law on Protection of Personal Data, no incidents having been detected in this regard.	Yes	
419. Socio-economic compliance						
419.1	Non-compliance with laws and regulations in the social and economic area	-	-	0.	Yes	



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