



EXECUTIVE REPORT ON SUSTAINABILITY



ENVIRONMENTAL



SOCIAL



ECONOMIC



SOCIETY

CIRCULAR MODEL

With a spirit of commitment, we work diligently daily to provide safer and higher-quality food while enhancing the consumer experience. We boast a unique, proprietary, and circular production system grounded in IPC (Integrated Process Control), which allows us to oversee every stage of the production process. At the heart of our model lies the consumer, serving as the focal point of all our decisions.

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



LEADING COMPANY

The consumer as our customer. ElPozo is a trusted brand and is the most prevalent brand in Spanish households (as per the 'Brand Footprint' study by Kantar Worldpanel 2024).

Our work aims to meet and identify consumer needs with nutritious food solutions that promote a healthier and more comfortable lifestyle. With over 1,500 product references, both fresh and processed, we stand as pioneers in healthy eating.

Food quality and safety are paramount in our line of work. We hold the most stringent international certifications endorsing the quality and safety of our products.



ANIMAL WELFARE

All farms we collaborate with are certified for animal welfare and standardized, ensuring we offer the utmost trust in the market. To guarantee livestock health and care and safe and quality food production, we focus our efforts on safeguarding those who feed us by consistently adapting to regulations and implementing other industry-specific and proprietary standards.

We were the first meat company in Spain to attain the Animal Welfare seal for white-layered pigs from INTERPORC and for Iberian pigs from ASICI. Moreover, our production model is guided by the principles of the World Organisation for Animal Health (OIE), ensuring the 'Five Freedoms,' we also integrate other rules and regulations that go beyond the legal requirements.



ECONOMIC COMMITMENT

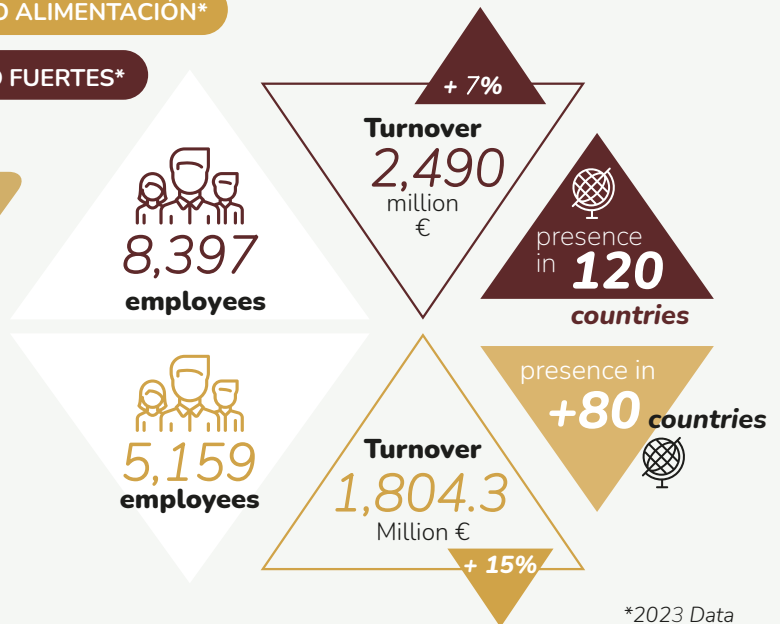
In 1954, we began our operations in Alhama de Murcia (Murcia), and today, we stand as a leading food company in the industry. Throughout our journey, we've championed reinvestment and continuous improvement. We've expanded our business while upholding our core values and traditions. ElPozo Alimentación is a subsidiary of the Grupo Fuertes conglomerate. Presently, Grupo Fuertes encompasses various companies organized around a primary food core, the corporation's central axis. In addition, it has a diversified sector that includes both managed and affiliated companies operating in diverse sectors such as real estate, leisure, infrastructure, and health.

KEY FIGURES SUMMARY FOR GRUPO FUERTES and ELPOZO ALIMENTACIÓN



ELPOZO ALIMENTACIÓN*

GRUPO FUERTES*



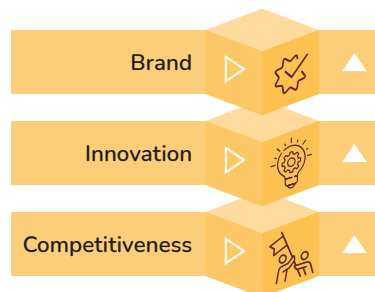
*2023 Data



PURPOSE, MISSION, VISION, VALUES

Our purpose, mission, vision, and values create a sustainable business management model that fosters shared value. Our commitment to excellence and our respect for individuals and the environment form the bedrock of our culture. Alongside these principles, our brand, innovation, and competitiveness are the strategic facets underpinning our operations' robustness.

FUNDAMENTAL PILLARS



HUMAN RIGHTS

We promote a culture of respect and instill elements related to our values. We act with the utmost respect for human rights, complying with current regulations and internationally accepted ethical practices, and we have mechanisms in place to ensure this.

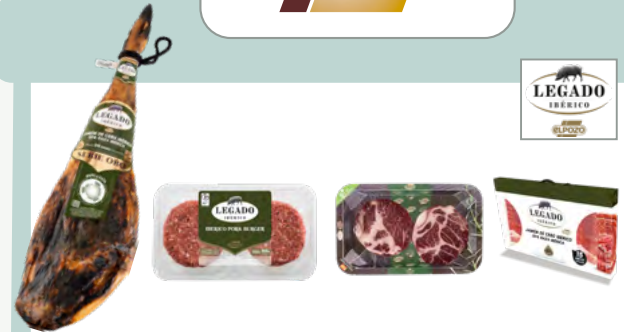
INNOVATION

We prioritize R&D with significant investments, allowing us to continue growing and evolving sustainably. We collaborate with various public and private research entities within the framework of several R&D projects. Among the studies conducted in partnership with the Institute of Agrochemistry and Food Technology (IATA-CSIC) and the Catholic University of Saint Anthony of Murcia (UCAM), it has been demonstrated how the consumption of long-cured ham with reduced salt content contributes to improved cardiovascular health.

We consistently work on enhancing nutritional characteristics, the continuous launch of new products, and the development of new product ranges that anticipate, adapt, and meet consumer needs.

Among other initiatives, the following stand out:

- / Legado Ibérico was the first brand to introduce the umami concept, communicate the experience of the 'fifth taste,' and incorporate a tasting map in its product range.
- / ElPozo innovates in the meat segment by developing the first range of 100% natural products without additives.
- / ElPozo has introduced the NaviLens technology, which will progressively be incorporated into its various product ranges to facilitate label reading for people with vision impairments or visual disabilities.
- / ElPozo King Upp encourages innovative developments to reach the younger target audience seeking experiences, using fresh language and a different approach.
- / ElPozo introduced the Flexiterráneo range, the first product line made of meat and vegetables.
- / ElPozo has created the AllPlato brand, entering the segment of ready-to-eat refrigerated dishes.



Product Portfolio



EMPLOYMENT

People are the heart and soul of ElPozo Alimentación. To foster a stable working environment, ensure the safety and health of our employees, and encourage talent and personal and professional development, we promote various work-life balance measures and other social benefits. These include childcare services, relaxation rooms, sports facilities, and 24-hour health care for all employees.

Every year, we acknowledge and reward innovative ideas suggested by our employees for the continuous improvement of products, services, and processes through the 'Improvement Groups.' We broke the participation record in the most recent edition with over 300 employees involved.

We annually offer scholarships to the children of our workers.

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

Every month, we organize our facilities tours so employees' families can see where we work.

We are committed to the protocol 'Companies for a Society Free of Gender Violence.'

We are also signatories of the Diversity Charter.

We partner with the ONCE Foundation through the Inserta agreement, promoting direct employment for individuals with disabilities.





/ SOCIAL SUPPORT



- / We actively collaborate with various associations and social entities, donating more than 500,000 kilograms of food and water through the food companies of Grupo Fuertes. Additionally, we participate in the 'Hospitality Against Hunger' initiative, championed by the NGO Action Against Hunger and Spain's Hospitality Association, to combat child malnutrition.
- / Sport remains integral to our strategy. The synergy we've established with the values inherent in sporting activities has connected us with our brand ambassador, the world's number-one tennis player, **CARLOS ALCARAZ**. We share a common perspective on growth and excellence. We sponsor ELPOZO Murcia Indoor Football, La Vuelta (a significant cycling event), and the Paralympic Sports Support Plan.
- / We also sponsor the Rugby Association, in Tournefeuille-Toulouse, and the VTTeam78 Cycling Club, in Guerville-Paris, both in France.
- / We are involved in major digital events such as 'La Velada' by Ibai Llanos and the Kings and Queens League.
- / We support women's sports through the Universo Mujer program, including initiatives like the Women's La Vuelta and the Alhama ElPozo Women's Football Club sponsorship.
- / We champion culture and proudly sponsor the film 'Last Wills,' the musical 'Cruz de Navajas,' and the International Cante de las Minas Festival.
- / We have the ELPOZO Alimentación Workers' Foundation, which assists our workers and their families. It promotes sports and cultural activities and backs the efforts of about twenty NGOs and non-profit entities focused on the most vulnerable and disadvantaged groups. This Foundation comprises 96 percent of our workforce.

/ VALUE CHAIN

We have a value chain grounded in long-term, stable, professional, and trustworthy relationships. Together, we are dedicated to contributing to society and meeting food needs. We've introduced a new tool for endorsing and managing risks within the value chain, which conducts evaluations and audits on suppliers concerning sustainability matters, allowing us to measure and quantify compliance. Moreover, the ISO 20400 standard for Environmentally, Socially, and Economically Responsible Purchasing attests to our responsible management and best practices carried out in the supply chain based on sustainability principles.



ENVIRONMENT

At ElPozo Alimentación, we are committed to the future and are keenly aware of our role in enhancing our environment. In our strategy, we undertake initiatives geared towards carbon neutrality and promoting a circular strategy focused on waste valorization, material recovery for new packaging production, and water purification.

To ensure continuous improvement, we have an Environmental Management System certified by AENOR as per the UNE-EN ISO 14001 standard.

Key areas of focus include:



Emissions

We calculate and certify our carbon footprint. We have been awarded the 'Calculate and Reduce' certification from the Spanish Office of Climate Change.

We are the first meat company to receive the inaugural 'Lean&Green' Star from AECOC for reducing our emissions from logistical processes by over 20%.



Energy

100% of our electrical energy is supplied with renewable origin guarantees.

We are installing solar panels to encourage self-consumption, aiming to generate 20% of our electricity from our renewable sources.

We are keen on reducing our carbon footprint by introducing renewable fuels as an alternative to fossil fuels.



Water

We purify all our water and use it for crop irrigation.



Circular Economy

We were the first Spanish food company to valorize pig intestines to produce heparin through Hepabiotic, a joint venture between Grupo Fuertes and Horizon Products.

We are certified as 'Zero Waste' by AENOR, achieving a 99% valorization rate.

We are the first company in the meat sector to obtain the Retray certification from the Ecosense Foundation, ensuring the recovery, recycling, and integration of plastic material into the process.

We continue to improve the sustainability of our packaging to contain a high percentage of recycled material.



Food Waste

We ensure maximum utilization of raw materials and strive to innovate in packaging and incorporate new preservation technologies to extend the shelf life of products and optimize food waste management.



Aligned with the SDGs

At ElPozo Alimentación, we support the Sustainable Development Goals (SDGs). We are already undertaking actions addressing 12 of the 17 significant global challenges related to environmental policies, efficient resource management, professional development of employees, initiatives, and collaborations with local communities and rural areas, and the sustainability of our value chain.

SUSTAINABLE
DEVELOPMENT
GOALS





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