

SUSTAINABILITY

Report

2021/2022



Delaviuda
Confectionery Group

Making the world a sweeter place



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ISABEL SÁNCHEZ

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WITH A PURPOSE

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MESSAGE FROM THE CEO

I am pleased to present my first Annual Report as CEO of Delaviuda Confectionery Group, which transparently and succinctly reflects the changes, challenges and opportunities we faced in the 2021-2022 fiscal year. It has been a demanding and, at the same time, an exciting year.

The socio-political situation has been very complex at the international level, which has had a major impact on supply chain tensions. It has not been an easy road, but the financial, commercial, and operational decisions taken have contributed to a successful year-end, showing, once again, our great adaptability.

Challenges aside, 2021-2022 has been an exciting year. And it has been especially so for me because I assumed, with honour, the leadership of this family group. It has also been thrilling because we have started new projects, welcoming Cacao Sampaka, who has joined our Group to explore new growth and development paths throughout the year, beyond the FMCG sector.

In financial terms, we ended the year exceeding our own expectations. Thanks to the work and efforts of the whole team, we were able to achieve an overall turnover of 117.5 million euros, which is equivalent to +18% of the previous year's turnover.

In my opinion, this good result is a clear example of what it means to combine the ability to work in a team, resilience and focus on success with values such as passion, commitment, enthusiasm, and satisfaction with a job well done. These are the keys to our success. A success that showed us in 2021-2022 that it was quite possible:

- To join new sales channels and increase our presence throughout the year.
- To continue to surprise our consumers with new and innovative proposals.
- To tackle our projects and bring our products everywhere, despite supply chain tensions.

Each of these achievements has been made possible thanks to the valuable collaboration of team members and the trust of so many suppliers, customers and consumers who continue to trust us year after year.

We are taking important steps towards profitable and sustained growth. Thus, for the next year 2022-2023, I want to express the hope that we will not lack an ounce of ambition, enthusiasm, joy, and optimism to continue to make the Delaviuda CG project - initiated by María Rojas, developed by Alfredo López and expanded by my predecessor and Group Chairman, Manuel López - a company of which we can be proud and which we can admire in the years to come.

Isabel Sánchez
CEO

Delaviuda Confectionery Group



A Company

WITH A
PURPOSE


Delaviuda
Confectionery Group

◀ LABORATORIO
FÍSICO-QUÍMICO

◀ LABORATORIO
MICROBIOLÓGICO

◀ SALA DE ANÁLISIS
SENSORIAL

◀ OFICINAS DE I+D+i

◀ PLANTA PILOTO

About Delaviuda Confectionery Group

We are a family group, 100% Spanish, specialized in the food sector, operating in the turrón, confectionery, bars, and chocolate sectors. Founded in Sonseca (Spain) more than 95 years ago, the Group markets its products in more than 60 countries.

At Delaviuda CG, we have been combining tradition and innovation for years, maintaining relationships with consumers through traditional retail (markets, supermarkets, and convenience stores), travel retail, B2B and other alternative channels, which we supply from our two plants in Sonseca (Toledo, Spain) and Artenay (France), as well as from the chocolate factory in Vic (Barcelona, Spain).

One of the major milestones of the year was the acquisition of 100% of Cacao Sampaka, a company specializing in the production and marketing of

high-quality chocolate. This acquisition allows us to continue to focus on our three strategic challenges - innovation, deseasonalisation, and internationalisation - while strengthening our presence in the chocolate sector with a premium brand with a deep knowledge of the world of cocoa from its origins.

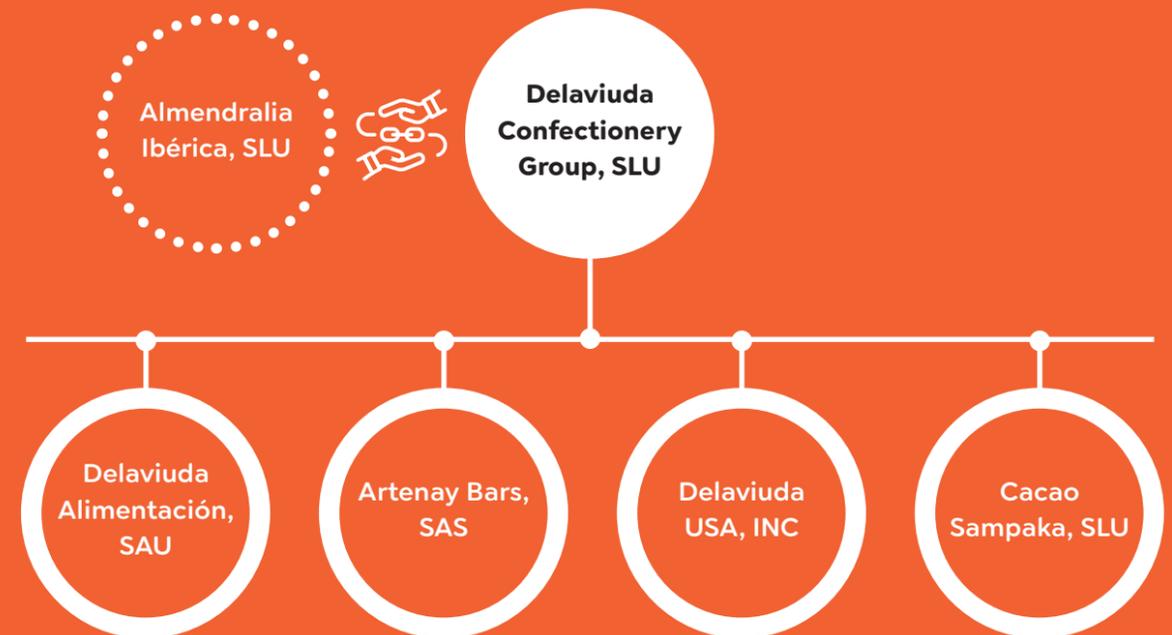
Cacao Sampaka

Founded in 1999 by a group of traditional chocolatiers, this company specialising in the **creation of high-quality cocoa and chocolate** is distinguished by the care given to every detail of the production process.

Thanks to its expertise and knowledge of the world of cocoa (origin of the raw material, technology, and process), this brand has succeeded in establishing itself as a **premium chocolate brand**.

Delaviuda CG maintains its market leading position as the leading manufacturer of turrón, marzipan and other Christmas confectionery products.

Shareholding structure as of June 30th, 2022



* Delaviuda Confectionery Group, SLU and Almendralia Ibérica, SLU are part of the same family business group.

Almendralia has an alliance with Delaviuda CG.

** Cacao Sampaka joined the Delaviuda Group in February 2022.

Delaviuda CG in figures



Sales
117.5
million euros



EBITDA
5.3
million euros



16,735
Tons produced



657
Employees



2
million euros
in investments



103,221 kg
of donated product



Bussiness Units

The DCG Group is the leading brand manufacturer in the traditional turrón and other confectionery products sector, as well as one of the leading bar manufacturers in the European market, which supplies Europe's leading distributors in traditional retail and B2B.

The Group operates in the FMCG sector through two business units: the branded confectionery business unit and the Artenay Foods bar business unit. From February 2022, through Cacao Sampaka, it is also present in the high-end sector of direct-to-consumer sales.

We are the leading brand manufacturer in the **traditional turrón and other confectionery products sector**, with our two brands: El Almendro and Delaviuda.

Confectionery Business Unit: Delaviuda and El Almendro



La Confiteria
Delaviuda

- Turrón.
- Marzipan.
- Glory cakes.
- Chocolate and pralines



elAlmendro

- Turrón, classic and disruptive format (sticks, thins and bites).
- Almond bars.

Bar Business Unit: Artenay Foods

As a leading manufacturer in Europe, we produce **bars and snacks** for major distributors in the consumer goods sector and other B2B companies.



- Bars and snacks.

Chocolate Business Unit: Cacao Sampaka

A **premium** brand born with the aim of spreading cocoa culture through its delicious products and exclusive establishments.



CACAO SAMPACA

- Legendary cocoa collection.
- Chocolate.
- Bars.
- Other products (sugared almonds, rocks and snacks, of which cocoa is the main ingredient).



Milestones 2021-2022

July 2021



Activation of the succession plan for the positions of CEO and President of the family group.



July 2021



Acquisition of **new land in Galisteo** for the Almendralia project.



September 2021



The range of El Almendro bars continues to grow and incorporates **new references**.



December 2021



El Almendro returns with the spot **"Vuelve a casa por Navidad"** with the collaboration of Lolita Flores and her children Elena and Guillermo Furiase.



December 2021



Delaviuda is the fastest growing brand in the **turrón and Christmas specialties market**. 19% growth.



Isabel Sánchez, takes over the management of the Delaviuda Confectionery Group and its subsidiaries.

January 2022



Delaviuda CG acquires **Cacao Sampaka** and enters the sector of **high-end products** intended directly for consumers.

February 2022



Resumption of international trade and sales growth in key markets.

March 2022



Delaviuda **develops new and suggestive products** in collaboration with Christian Escribá.

May 2022



Patent for the **Palitos de turrón** (turrón sticks).

June 2022

Profitable and sustained growth



I invite you to take up with me the challenge of profitable and sustained growth over time, and to lead with me a culture of transformation.

We need to move towards a new work culture in which self-criticism, adaptation to change, teamwork, leadership and the will for transformation will be very present.

Isabel Sánchez
CEO Delaviuda Confectionery Group

A **solid** business plan: 3 strategic axes and two levers

The profitable and sustained growth strategy promoted after the new Group CEO took office continues to build on the three major challenges of internationalisation, deseasonalisation, and disruptive innovation, to which must be added the challenge of tackling new activities and sales channels. This strategy puts the consumer at the centre, with people and digitisation being the main drivers of the success of the business project.



Internationalisation

The Group's internationalisation strategy focuses on growth in key countries, strengthening their on-site sales teams. Today, we are already physically present in France, the United States, Mexico, Portugal, and the United Kingdom.

This desire to strengthen our presence in key markets is generating good results. It is worth highlighting the good performance of the US market, which accounts for 40% of international brand revenue, as well as the increase in sales in Latin America, which has become one of the markets with the greatest growth potential for our brands.

The big challenge of the year was to bring international sales back to pre-pandemic levels. The International brands business unit closed the year with sales 56% higher than the previous year. These figures also include sales in the Travel Retail channel, which reached 85% of pre-pandemic figures. The international customer portfolio of Artenay Foods' business unit increased by 34% compared to the previous year.



We are increasingly internationalising our brands, making El Almendro the most recognized and appreciated Spanish turrón brand among international consumers.

Deseasonalisation

This year, "all year round" sales reached 60% of our Group's overall turnover.

One of the most important developments that will help us continue to drive "all year round" sales is the acquisition of **Cacao Sampaka**. This operation will allow us to strengthen our presence in the cocoa and chocolate category (consumption throughout the year) thanks to a high-end brand with a deep knowledge of cocoa and its origins.

Cacao Sampaka will also allow us to enter exclusive direct-to-consumer sales channels, where we were not present before.

In the medium term, the Group's objective is to achieve a 75% share of total turnover in sales of "all year round" products.

In addition, we have continued to make progress on various proposals for indulgence and convenience in almond with El Almendro and chocolate with Delaviuda.

Thus, with **El Almendro**, we continue to strengthen the range of almond bars. This commitment allows us to place the brand on the shelves every day, making it the leader in the nut bar category. This year, we launched two new almond bars (almond and fruit bars and almond bars with a high percentage of protein) that meet the demand for healthy, gluten-free, less grain-focused products. We have also developed two fruit bars with almonds, in two flavours (blueberry and red fruits).

As for the **Delaviuda** brand, we started working on positioning the "all year round" brand, as well as on new consumption suggestions in the chocolate category.

Solvency, economic performance and outlook

Fiscal Year Results

Main financial aggregates
(in thousands of euros)

Main financial aggregates	2020-2021	2021-2022
Turnover	99,565	117,463
Value generated	71,665	83,941
EBITDA	3,358	5,357
Investments	1,237	1,974
Net Assets	38,856	43,362
Total assets	85,205	88,767
Net financial debt	-5,753	-5,740
Working capital	30,447	26,504

Disruptive innovation

Our commitment to breakthrough innovation in recent years has been recognised in our sector with the award of the **patent for Palitos de turrón** (turrón sticks).

In addition to continuing to develop our most innovative product categories with new flavours, this year, with El Almendro, we also continued to offer consumers new consumption formats with the launch of the **range of Thins**. It is a convenience format that allows consumption anytime and anywhere.

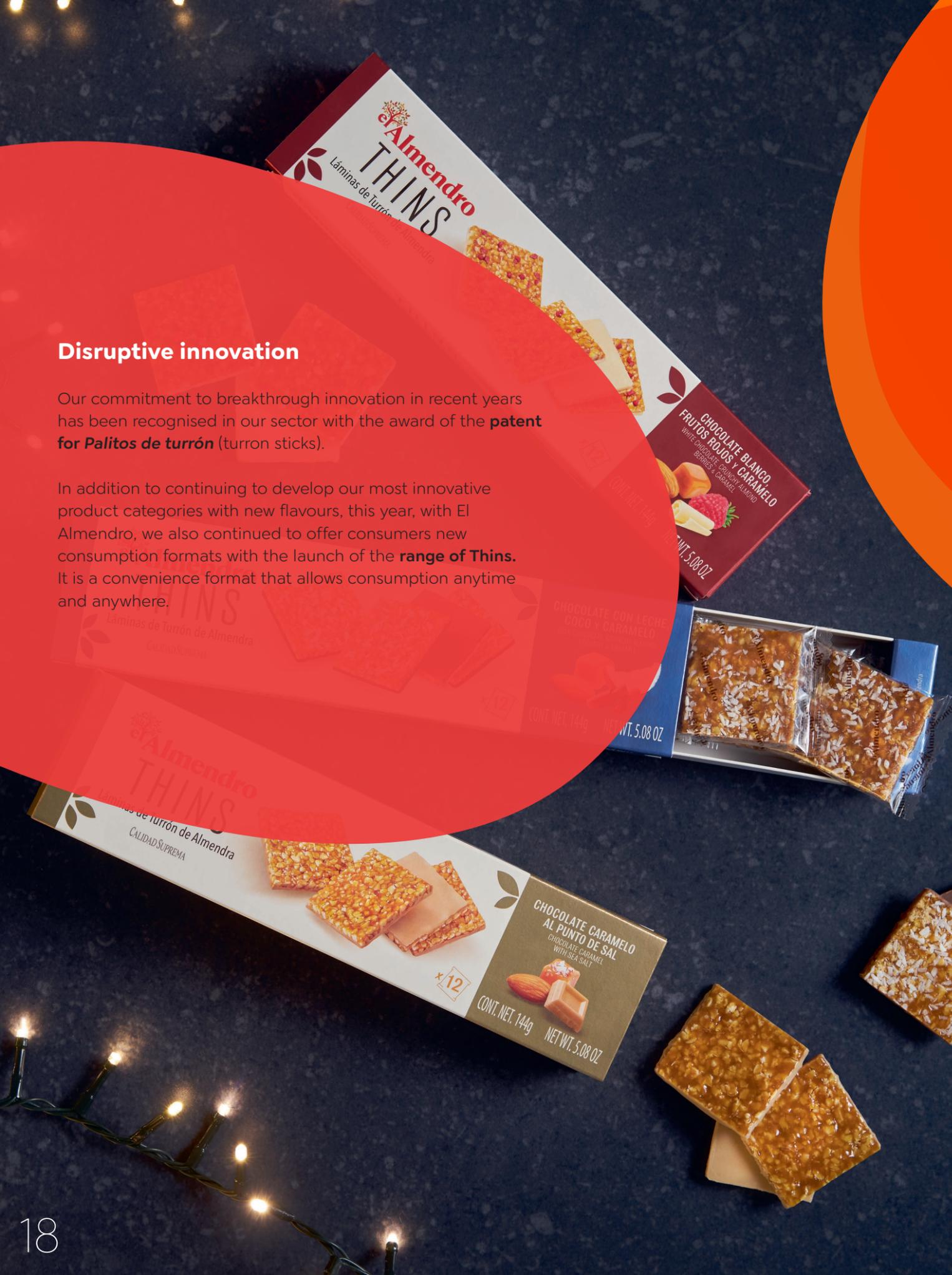
Although the context remained very complex, Delaviuda Confectionery Group showed very favourable results, reaching an overall turnover of 117.5 million euros, compared to 99.5 million euros the previous year, an 18% growth. In terms of production volume, we reached a figure of 16.75 million kilos, compared to 15 million kilos the previous year.

The international market grew in importance, with sales accounting for 52.1% of total revenue, up from 49.5% the previous year. The weight of domestic activity went from 50.5% in the previous year to 47.9%.

The sales of the **Artenay Foods** business unit, a product with a strong component of out-of-home consumption, have recorded very positive results. After the lifting of health restrictions, the trend

observed in the second half of the previous year continued, with a growth of 9% compared to the previous year.

The **domestic market** continued to consolidate our brands, with a good Christmas campaign and significant growth of El Almendro bars. The Christmas campaign generally benefited from the increase in post-covid consumption recorded in the Christmas products channel, as well as from the fact that the increase in costs was not as intense as in other branches of activity. Delaviuda Confectionery Group grew by +10.8% in value, which allows us to maintain our second position as manufacturer in the category.



Delaviuda is the fastest-growing manufacturer brand (+19%), outpacing the market, thanks to the strengthening and evolution of its traditional range and the innovation in turrón and chocolate sticks. Meanwhile, El Almendro recorded a growth of +9.7% thanks to the return of its communication strategy and convenience formats.

 The international market continued to grow and gain importance within the Group. Performance in key countries, following the strengthening of the sales team, was very satisfactory, mainly in key areas (United States and Latin America), with double-digit revenue growth.

 The **Travel Retail channel** has evolved very favourably, stimulated by the reopening of tourism after the pandemic and the gradual lifting of restrictions on international tourism. However, pre-pandemic values have not yet been achieved.

Based on the good results mentioned above, the Group presented very positive values in the main relevant financial figures, with an overall working capital value of 26.5 million euros and a negative net financial debt (cash surplus) of 5.7 million euros, despite the negative impact of the increase in working capital, caused by increased supply chain tensions and rising raw material costs.



Outlook

The food sector is witnessing a variety of changes such as new regulations, sustainability trends, among other aspects, and an unfavourable economic environment, which are shaping the present and future of the sector's businesses. The main challenges and opportunities are:

- Adaptation to new regulatory developments in terms of sustainability, publicity, or taxation.
- A financial context characterised by:
 - **High inflation with an impact on production costs:** raw materials, packaging materials, spare parts, transport, services, etc.

- **Shortages of raw materials and other materials:** tension in the supply chain persists and has even intensified compared to the previous year, with a high risk of strikes and disruptions in the supply of key materials.
- **Energy prices.** Historical increase in energy costs (oil, gas, electricity) with a high impact on production costs.
- **War in Ukraine.** Direct impact on availability and costs associated with certain raw materials.
- Food security.
- Waste and circular economy.
- New trends in consumer information.
- Lack of information and knowledge about the food sector.



Our goal for the coming year is to ensure the growth of the company in a period of maximum uncertainty through various actions aimed at:

Increasing our brands' share of the domestic market, supporting communication campaigns and focusing on year-round presence through new product categories such as bars, as well as opening new retail channels.

Strengthening the company's presence in key countries and ensuring the complete takeover of the travel retail sales channel.

Maintaining sales volume achieved in Artenay Foods' bars and confectionery.

Consolidation

OF GOOD
GOVERNANCE

Succession plan.

Renewal of governing and management bodies

In January 2022, Manuel López was appointed Chairman of the family business group and he entrusted the management of Delaviuda Confectionery Group to Isabel Sánchez, appointed CEO of the Group.

After more than 30 years at the head of the group as CEO, Manuel López Donaire has taken the decision to activate the succession plan and hand over the position of CEO. This step was taken within the framework of the Family Protocol, signed 7 years ago, to ensure the continuity of Delaviuda Confectionery Group and contribute to its future development.

From his current position as Chairman, Manuel López Donaire will devote all his energy, efforts, knowledge, and experience to leading and chairing the Board of Directors of the family business group to seek new growth opportunities for the Group.



“This decision has been agreed upon within my family, fully relying on Isabel's management capacity to drive the growth, sustainability and transformation of the Group in the current context of change”

Manuel López

Governance and management

The sole management of Delaviuda Confectionery Group, S.L.U. continues to fall to Manuel López Donaire, Chairman of the family group, which in turn relies on the daily management bodies: various committees that assist in the governance and management of the companies that make up the Group.

Advisory Board

The Advisory Board acts as the CEO's mentor, supervisor, and driver, advising on strategic financial, market and product aspects, competitors, or technology. This Board is made up of four members, belonging to the third and fourth generation of the López family, an executive director and two independent directors, who are periodically renewed. This Board meets ten times a year.



Management Board

This Board is responsible for overseeing the development and implementation of the Group's strategy and good management practices. It is also responsible for monitoring budgets, the development of strategic plans, investments, and the economic and financial statements of the company. This Board is made up of the CEO and the deputy general managers. It meets at least once a month.



Investment Committee

This Committee, formed by representatives of different organisational areas, is responsible for evaluating and making decisions about the investments that must be undertaken within the Group. They meet quarterly.



The **Crisis Committee** created as a result of the health crisis caused by Covid-19, has continued to be active during this year, meeting monthly, adapting and implementing the prevention, control and monitoring measures necessary to ensure the health and safety of Delaviuda CG's people.

Organisational structure

In January 2022, Isabel Sánchez – until that moment Corporate, Communication and Human Resources General Manager and with 10 years of experience in the company - assumed the function of CEO with the challenge of ensuring the growth and transformation of the Group.

The beginning of this new stage in management requires a new organisational structure which can respond to the challenges and goals of the Group.

During the 2021-2022 financial year, the company's structure has undergone a provisional reorganisation that has resulted in the changes listed below:

Integration of the commercial management of Artenay Foods in the Directorate of Commercial Strategy and Marketing

Inclusion of the legal area to the Directorate of Financial Control and Management

Creation of the Business and Operations Control Directorate

Inclusion of the logistics and procurement department in the Purchasing Directorate

Values

that make us different

Delaviuda Confectionery Group has a mission to “*make the world a sweeter place*”. Coined in 2013, this corporate motto reflects the essence of the Group and reflects our way of understanding and living the confectionery activity. This attitude has not changed since our origin, with the opening of a small confectionery in 1927, and has defined our style and what we do, generating and sharing value for all our stakeholders.

Our Mission is the basis that allows us to project our Vision, on which we have been working for some time:



Maintaining our position as the world leader brand of “*Turrón de España*”.



Being a company of **international reference** in the production of confectionery products.



Securing our place internationally as **leading producers of bars** for third-party brands, which meet all the consumption needs of this product.

In this new stage, the **management goal** set by the Company's Management is to ensure profitable and sustained growth over time, incorporating economic, ESG (environmental, social, and good practice) and governance criteria. To face each of these challenges, from all areas of the organisation, we act based on **common values** that ensure the excellence of our work, mark our corporate style, and differentiate us:



Regulatory compliance

The Delaviuda Confectionery Group Compliance System is based on the Code of Conduct, which guides us in the development of our activity and the professional relationships we maintain daily.

We have two open channels to make inquiries, and communicate irregularities or complaints: compliance@delaviuda.com and compliance@artenaybars.com. Their existence is reported on during the staff trainings on the Code of Conduct. Additionally, direct communication with the hierarchical superior, the Directorate of Human resources or the Compliance Officer can be used. During the year, no complaints were received through the enabled communication channels.



During this financial year, we have continued to work on the development of our Compliance program with the cooperation of an independent expert and with the support of a platform that will allow visualising KPIs (Key Performance Indicator) and the program status in real time.

Regarding the identification and evaluation of non-financial risks, the reference framework is the Criminal Code, ISO 31000, 19600 and 37001, and UNE 19601. The most relevant risks identified for the Group remain public health offences, misleading advertising, and money laundering.

For each of these risks there are different controls whose purpose is to prevent and minimise such risks, including: the code of conduct, the criminal risk prevention policy, the proxy policy, the segregation of duties policy, the whistle-blowing channel, certifications, among others.

In the area of training, we informed the staff of the results of the ruling in favour of DGC, after they were accused of participating in a turrón cartel, and the opportunity was taken to explain the applicable competition rules. On the other hand, some compliance topics were included in the monthly newsletter.

From next year, the training will be carried out at the level of each department considering its specific compliance risks.

During this year, no sanctions or fines were received for non-compliance with applicable legislation and/or regulations in force.



compliance@delaviuda.com
compliance@artenaybars.com

LEADERSHIP

moments





The 2021-2022 financial year has been characterised by a period of transformation and leadership in the Delaviuda Confectionery Group. Though the context of socio-economic uncertainty that we have also experienced in the Group, there have been important milestones this year such as the activation of the succession plan of the Group's first executive, the start of an internal reorganisation process, as well as the acquisition of a new company.

All these changes have posed additional challenges for the Group's Directorate of Human resources, where the management of internal communication has been key.



At the beginning of this new year, we were closing the last phase of Plan Ítaca, a project designed to face the critical situation caused by the pandemic, and that had the purpose of generating tranquillity, and managing communication and leadership among the team. In addition to maintaining some of the measures of Ítaca, such as those for the protection of people, this year the efforts have been aimed at strengthening the sense of belonging and cooperation of our people, to accompany the process of consolidation of governance and the handover process in the management of the Group.



The Directorate of Human resources and the Communication are working intensively to accompany the organisation in this new stage, giving a message of trust and closeness to the teams. To this end, **we have placed special emphasis on sharing the new management purpose, objectives, and priorities with the team.** This is essential information so that the leadership, with everyone's contribution, can align the company in this new business phase.

Likewise, **we have worked on the integration process of the company Cacao Sampaka, on bringing in talent** in some departments (packaging, production, industrialisation, marketing, R&D...) and in key markets such as the United Kingdom, or on the consolidation of teams in Mexico, the United States and Latin America.



The digitisation of processes has also taken centre stage, with the implementation of SuccessFactors in performance evaluation, the training platform and Bitnova, our new employee portal.

Finally, we have worked on the **implementation of the necessary actions to respond to the requirements of the new labour reform**, in accordance with Royal Decree-Law 32/2021, published on December 28th, 2021.



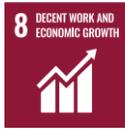
603 Average workforce

53% Women

47% Men

142 New recruitments

657
Employees
at closure



Our staff members

6,490
hours of
training/employees

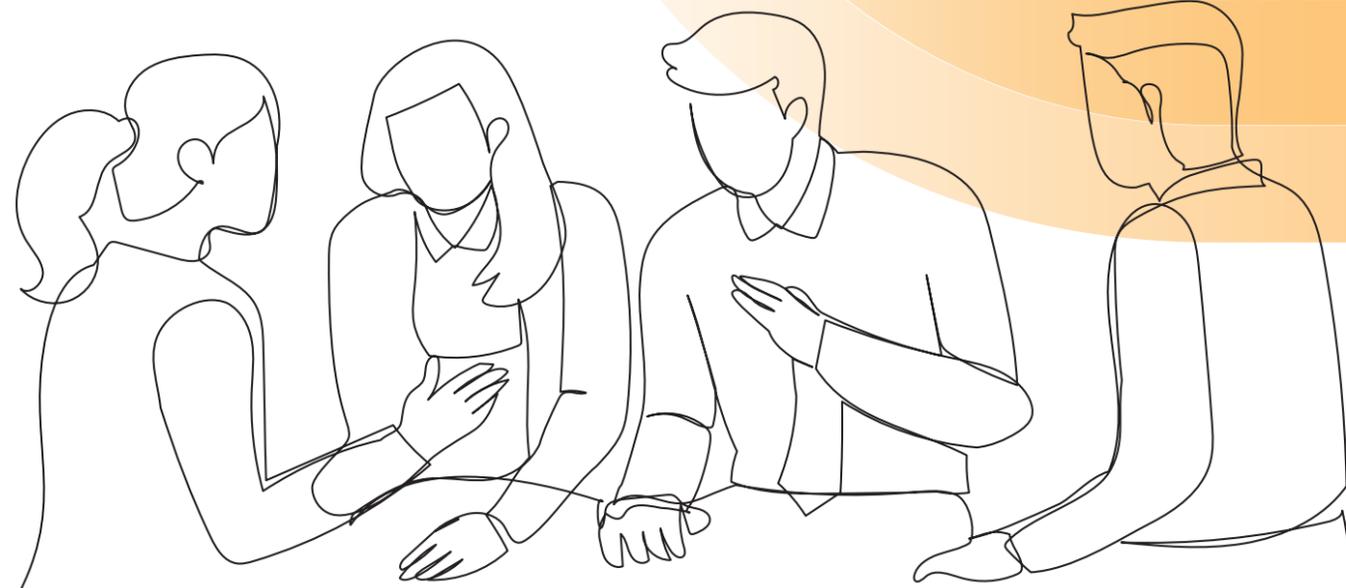
Employees
on permanent contracts **77%**

Full-time
contract **99,8%**

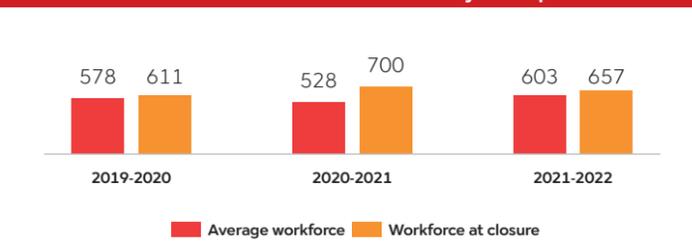
Internal
promotions **7**

Trainees **27**

Employees
with a disability **16**

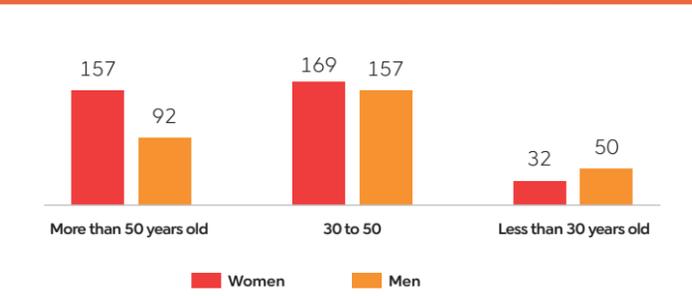


Evolution of the Delaviuda Confectionery Group's workforce

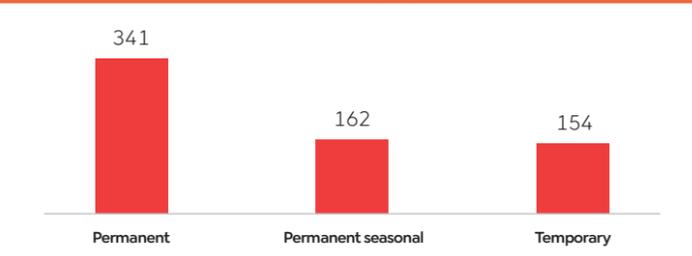


During this year, Delaviuda CG's average workforce and workforce at closure (June 30th, 2022) reached 603 and 657 employees, respectively. These figures include 13 people from Cacao Sampaka, who joined our Group in February 2022.

Workforce at closure by gender and age



Workforce at closure by type of contract



In the campaign periods the workforce figures increased significantly, reaching at certain times a figure close to 900 employees (871 people at their highest peak this year).

Average workforce by gender	2020-2021			2021-2022		
	Spain	France	Total	Spain	France	Total
Women	231	31	262	284	31	315
Men	198	68	266	221	67	288
Total	429	99	528	505	98	603

Average workforce by age	2020-2021			2021-2022		
	Spain	France	Total	Spain	France	Total
Over 50 years old	157	34	191	184	38	222
30 a 50	220	55	275	252	50	302
Less 30 years old	52	10	62	69	10	79
Total	429	99	528	505	98	603

Average workforce by type of contract	2020-2021			2021-2022		
	Spain	France	Total	Spain	France	Total
Permanent	238	98	336	244	94	338
Permanent seasonal	72	0	72	97	0	97
Temporary	119	1	120	164	4	168
Total	429	99	528	505	98	603

Average workforce by professional category	2020-2021			2021-2022		
	Spain	France	Total	Spain	France	Total
Senior management	11	0	11	10	0	10
Middle management	49	32	81	63	33	96
Administrative	40	5	45	38	5	43
Other staff	329	62	391	394	60	454
Total	429	99	528	505	98	603

Throughout the year, we have carried out 142 new recruitments (23 people with a permanent contract and 104 people with a temporary contract).

In addition, in our commitment to young talent, we have awarded 27 scholarships for internships in our Group. In order to support the employability of young talent, at Delaviuda CG we participate in various employment forums and maintain alliances with Universities and Vocational Training Institutes such as the University of Castilla la Mancha, University of Alcalá, Rey Juan Carlos University, IES San Isidro, IES Peñas Negras, IES Azarquiel, IES La Sista, IES Juanelo Iturriano, among others.



Transformation Agents: Leadership and digitisation model

During the previous year we developed a Leadership Model, based on our values, which defines the skills and competencies necessary for the organisation (emotional management, innovation, decision-making, courage, and communication), as well as an accompanying programme to help our directors, managers, etc. to evaluate them correctly

Ready to accompany the challenge proposed by the Group's senior management



The post-pandemic consequences on people and the current convulsive and changing context have required us to evolve our Leadership Model goals in order to respond to the needs of the markets and talent, with special focus on: hybrid models; automation as a catalyst for learning; the management of detachment; the need to make our company purpose more visible; and the necessary response to emerging values such as the integration of the pillars that make up responsible management (ESG).

+ talent

+ commitment

One of our priorities is to ensure that the members of the organisation to develop, release and enhance their skills. Therefore, from the Human resources area we look for and implement the tools that we consider most appropriate:

Key People Loyalty Plans

The challenges of the organisation require the continuous updating and management of the loyalty of Key People. These plans seek to ensure the commitment and development of key people in the Group, defining for each of them specific actions (training, compensation, development plan, among others) based on individual motivations and capabilities.

Digitising Performance Assessments: SuccessFactors

Performance evaluation is a fundamental resource for professional development and growth. This helps to align the individual goals of the team with the goals of the area and those of the Group. In the Human resources department we have developed an important work of accompaniment to directors, managers, and heads in this role.

SuccessFactors facilitates the monitoring and measurement of personal and company goals

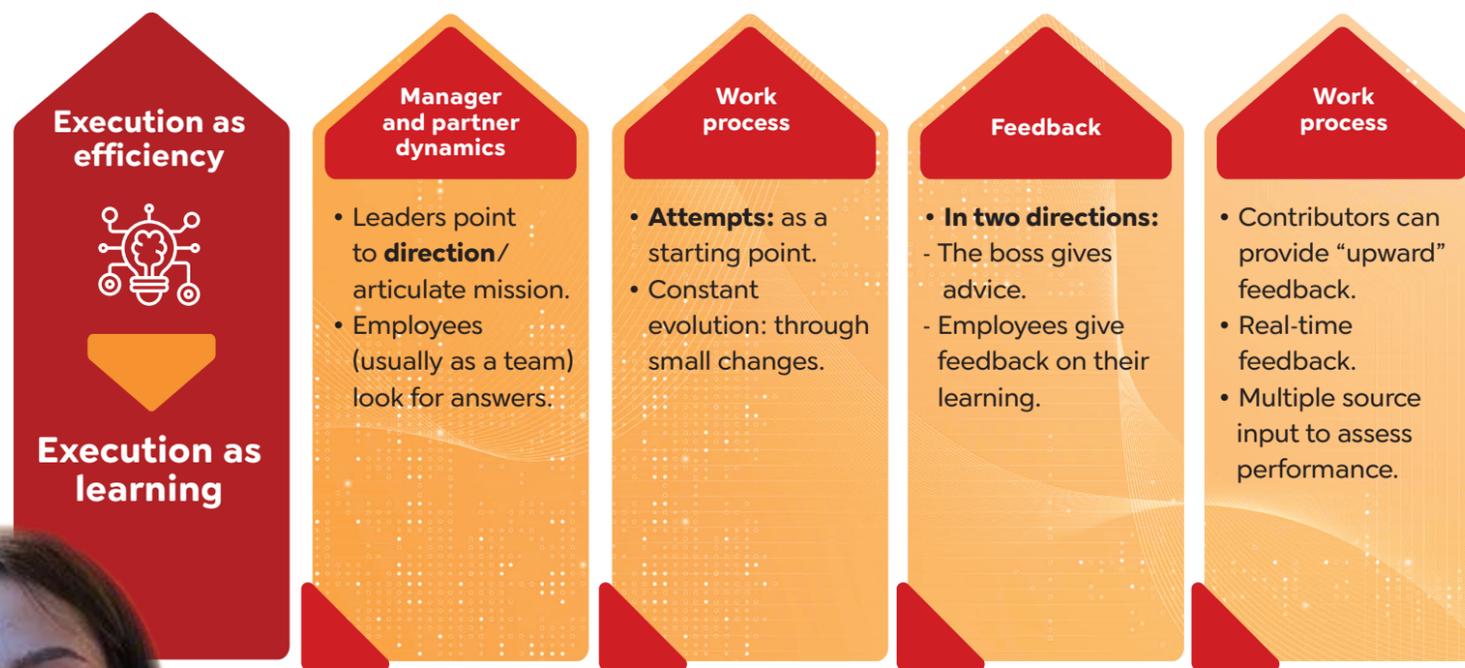
100%
of the workforce
has received
performance
evaluation



In that sense, one of the milestones of the year has been the implementation of SuccessFactors for middle managers. It is a digital tool aimed at improving the leadership experience and strengthening the organisational culture. This

implementation has allowed us to enhance the current model, which is based on the concept of performance as efficiency, towards another approach in which performance also means learning.

Delaviuda CG Performance Evaluation Model



SuccessFactors favours cooperation, allows a complete visualisation of the performance of employees and, thanks to the identification of critical skills, enables better development of people. In short, the tool maximises the value of the evaluation obtained, making it more transparent and offering better monitoring, among others. In addition, it contributes to a better management of the evaluation process, giving a macro vision by integrating the objectives and competencies evaluated, simplifying the monitoring of evaluations, accelerating feedback, and facilitating the analysis of information through reports.





Training contributes to the development of our employees and the competitiveness of the Group

Training through our DCG Talent University

At Delaviuda CG we continue to advance and invest on the training and integral development of our people. In this sense, we continue to make available the necessary means for their training and development, mainly through the DCG Talent University, in which we offer a wide and varied training catalogue.

During this year, **DCG Talent University** has been provided with a digital structure through the implementation of an LMS (Learning Management System). This new structure provides ease of access to information and the quality of multimedia learning, as well as the optimisation of costs, time, and management efficiency. We have also continued with face-to-face trainings, which are also a key component in our Learning & Development strategy.



This digital structure is the first step of the new training model that we are addressing, and that will soon evolve so that professionals become the protagonists of their own development.

Like every year, the talent department has promoted a catalogue with updated content, integrating both online and offline activities to ensure that each professional has the necessary flexibility to carry out the training actions.



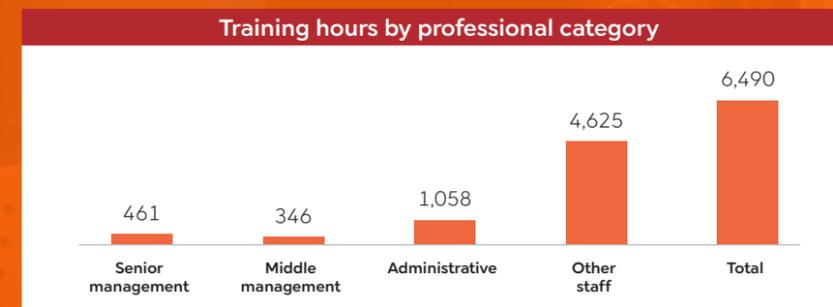
Reskilling & Upskilling

Reskilling and upskilling, as processes to improve the skills of our employees, are a priority goal in Human resources management. These training actions allow us to work on their ability to adapt to new market needs and to new tools and knowledge, reducing the generational gap and making the teams able to assume new roles.

Concept	2020-2021	2021-2022
	Total	Total
Investment in training (euros)	35,861	52,894
Training Hours	7,775	6,490
Number of courses	99	73
Number of attendees	6,113	6,389
Training hours/employee*	14.73	10.76

*Average workforce

Training hours average	2021-2022		
	Spain	France	Total
Women	10.80	7.55	10.48
Men	10.00	14.58	11.07



Subject	Total hours 2020-2021	Total hours 2021-2022
Occupational Health & Safety	3,363	2,960
Technique*	3,452	2,979
Technical Skills	38	36
Other**	923	515
Total	7,775	6,490

*Food Quality and Safety and Job Specific

**Languages and others

Promote well-being, work-life balance, equality and diversity

At Delaviuda CG we offer a diverse, healthy, and flexible working environment, in which people are at the heart of the business strategy.

We understand flexibility and work-life balance as necessary levers to promote a culture of work focused on people, and based on the formula of responsibility, commitment, and results.

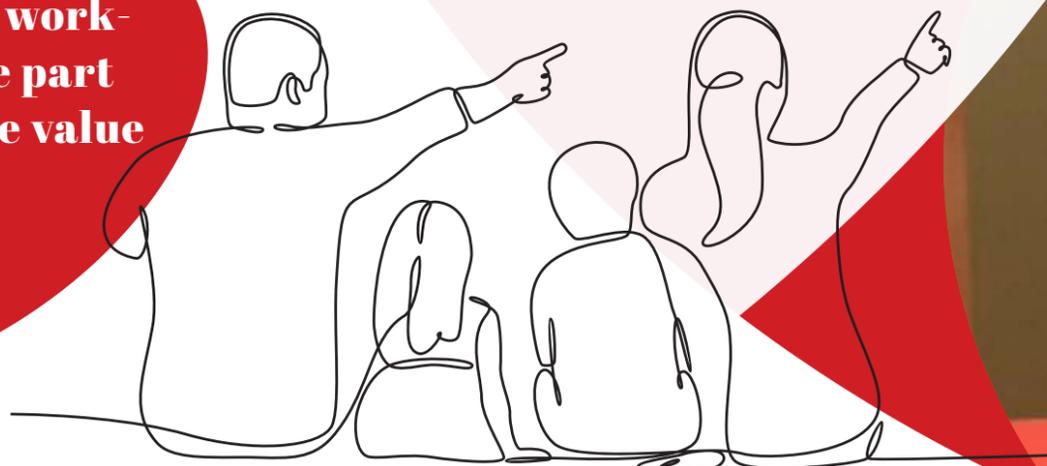
Our professionals and their commitment to the organisation are the key to facing challenges and leading growth opportunities. In this sense, we have been deploying numerous actions in order to meet their personal, family and professional needs.

During this financial year, we have renewed our EFR certificate which confirms the work we are doing in the management of work-life balance and measures related to quality in employment, temporal and spatial flexibility, support for the family, professional and personal development and equal opportunities.

In addition, we worked on proposals that increase the emotional salary received by the staff, with the aim of impacting their commitment and motivation, proposing better structured and more relevant measures for each group.



Flexibility and work-life balance are part of our employee value proposition



Since 2014, the Women's Institute of Castilla-La Mancha

recognises our work in the field of work-life balance and equality with the "Distinction of Excellence in Equality, Work-life balance and Social Responsibility" that is granted and renewed every two years.



Among the main milestones in the work-life balance field, the appointment of new EFR positions stands out, as well as the revision, drafting and approval of the new **Work-life balance Plan**. This document has incorporated new measures, adapted to the office and factory groups, consisting of:

Extension of the intensive working day for the office group.

The intensive day is extended to the month of August (previously only applicable to the month of July), as well as to the eve of national holidays such as December 24th or Holy Wednesday.

Birthday off.

This measure applies to the permanent and permanent seasonal collective working in the factory and offices.

Approval of the implementation of a flexible compensation model for the permanent collective, applicable from 2023.

In addition, to better understand the needs of our people, **we also launched the use and satisfaction survey on work-life balance measures**, which allows us to establish action plans according to the results in order to continue working on our EFR commitment.

Choice of the number of payments, giving the possibility to choose between 12 or 14.

Time flexibility after maternity/paternity for the office group, with the possibility of adapting the working hours during the first 9 months of the child's life.

Five days of teleworking per month

Advance payment of the monthly payroll in the event of special circumstances.

In Artenay (France), one day of teleworking per week or two half days were approved.

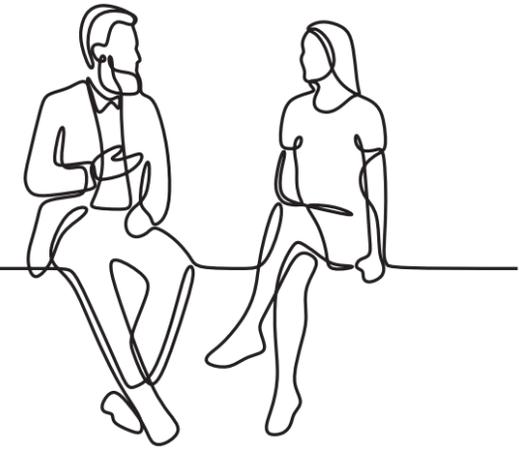
Our commitment to the promotion of equal opportunities and non-discrimination is reflected in our standards, policies, and people management processes. Both Delaviuda Alimentación and Artenay's equality plans are a result of this. Both plans include a series of actions and measures to promote and encourage equality within the Group. During this year, no complaints have been received regarding equality.

Diversity is a source of human and professional wealth necessary to reach new challenges and generate open, inclusive, and collaborative cultures. From the DCG Group we continue working to exceed the legislative thresholds in terms of disability. Thus, in our teams there are 16 people with disabilities, representing 2.4% of the total workforce.

In terms of equality, Artenay Bars obtained a score of 50 out of 60 in the index declared and presented annually by the French Ministry of Labour.



Listening, dialoguing and resilience



We have been working for years on improving internal communication to gain closeness and strengthen transparency in relations with our professionals. For these purposes, we invite them to participate in the challenges and successes that we experience during the development of our activity, informing them, in real time, of the milestones and events related to the organisation.

Aligning the organisation

Apart from the activation of the succession plan in the management of the company, the 2021-2022 financial year has also been marked by relevant events such as the raw materials supply crisis, the war in Ukraine, and other socioeconomic circumstances that have also affected the day-to-day of the organisation. From the Human resources area we had to undertake an important work of listening and showing empathy towards the people in the organisation to help them understand the context we were living. A context from which it is possible to emerge strengthened if we row in the same direction.

Thus, in order to accompany and help the organisation to face these circumstances, numerous actions were carried out, such as:

Succession Planning

From the Human Resources Directorate, the Succession Plan has been supported with the corresponding accompaniment and internal communication plan to transfer confidence to the teams and making the goals and strategy known at all levels of the organisation. For this, we have used both face-to-face meetings, as well as press releases, infographics, and posters.



Welcome and integration plan of the Cacao Sampaka team

Following the acquisition of Cacao Sampaka, work has been underway on the integration process (corporate culture, processes, etc.).



Team building: Outdoor with the directors

Through this activity we generated a relaxed meeting space with a team building approach with the directors, in addition to recognising the effort of the teams in a year not without difficulties.



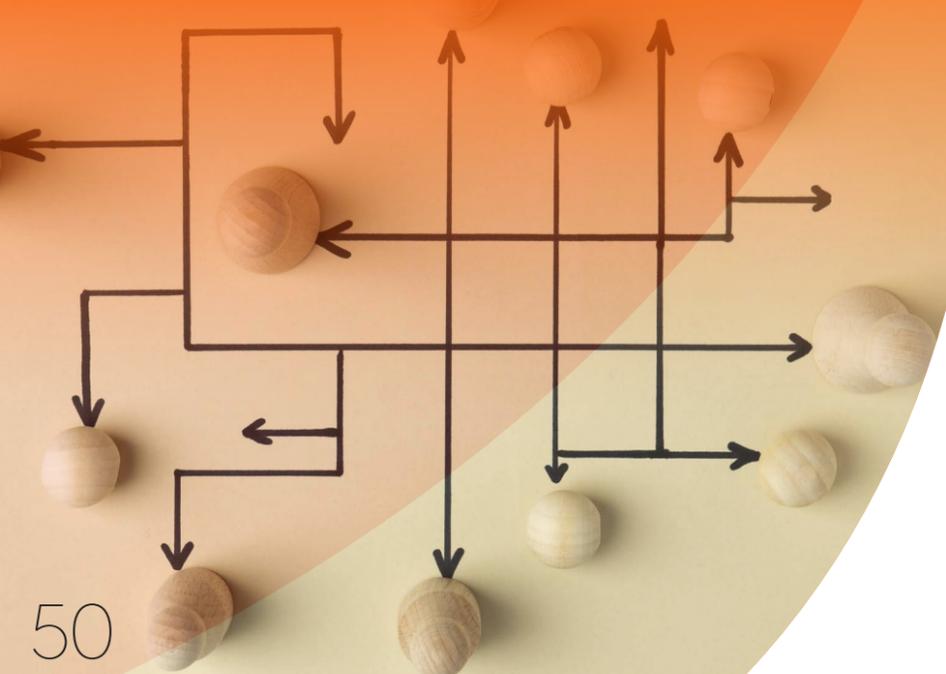
It took place in Valencia and consisted of an activity in which two teams were pitted against each other. During the duration of the activity, standard competencies were worked on: communication, sense of belonging, focus, VUCA environments, ability to concentrate and coordination.

Annual closing day

"Visionando Delaviuda (visioning Delaviuda)" is the name of the annual closing day, held at the end of June and to which all the middle managers of the Group of the different work centres of Spain and France were summoned. Isabel Sánchez, as head of DCG, led the day that aimed at: reporting on the results of the 2021-2022 financial year, presenting budgets and plans for 2022-2023 and making the product portfolio of the brand business unit known through the tasting of the new product references.



In addition, we had a very special guest, Toni Nadal, uncle and coach of Rafael Nadal, who spoke about the importance of resilience and doing things with passion to achieve the desired goal. A challenge for which, as he recognised, there is only one path: **choosing your goal, working on it, and not giving up.** The event ended with the delivery of awards and recognitions to the teams and people who had an outstanding performance during the last years.



We work to deploy a more participatory internal communication, selecting the most appropriate channels and establishing the necessary mechanisms for a greater collection of feedback



Working to **listen to you**

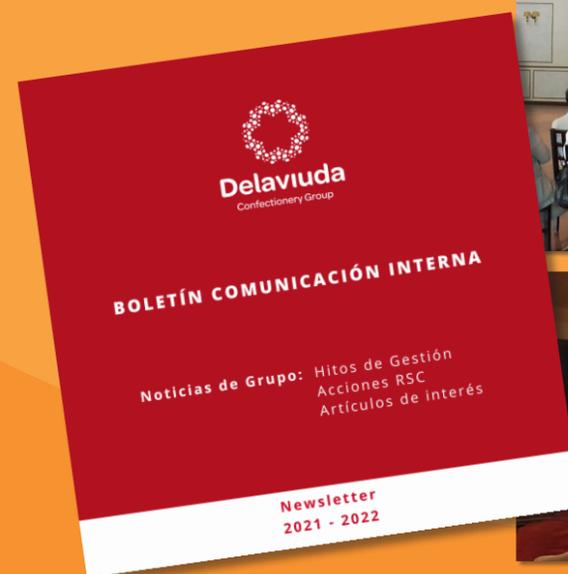
There are multiple listening channels that we maintain to ensure communication with every one of the Group's professionals, adjusting the channels according to the need of the moment (emails, the monthly newsletter, TV common areas, intranet, bulletin board, suggestion box, meetings).

During this financial year, the communication has been aimed at: generating confidence and pride of belonging; reporting in real time on how the company operates in scenarios of uncertainty, as well as the main milestones in the Group's management.

Finally, this year we have also worked on the implementation of **"BITNOVA"**, the employee portal. This new tool simplifies the management of labour matters, such as payroll management, paid and unpaid leave, holidays, etc. In addition, we contributed to reducing paper consumption, since all the procedures are carried out in digital support.

Main actions in internal communication

Nº. newsletter	8 newsletter
Corporate communications	26 internal corporate communications, some of them related to the main milestones of the year: matters related to succession, acquisition of land for Almendralia, welcome to Cacao Sampaka and changes in structure.
Annual Meetings	2 annual meetings: intermediate management meeting for announcement of succession in July 2021 and closing/beginning of new year meeting at the end of June 2022.
Workforce briefings	2 reuniones informativas. Reunión, orbriefings. Briefing organised in 5 shifts, for managers and middle managers, to publicise the purpose of management of the new CEO; and preview of the El Almendro advert.
Surveys	Survey on the use and satisfaction of the work-life balance measures.



Health and safety



Our priority is to achieve an accident-free work environment and develop a safety culture based on commitment, teamwork, leadership, and participation

Your safety comes first

Occupational health and safety are a fundamental pillar of our management, which guarantees safe and healthy conditions for all our professionals.

Our commitment to a safe working environment is visible in the Health and Safety Policy, applicable to employees, contractors, and suppliers. This Policy is based on seven principles of action:

- Compliance with legislation in terms of health and safety at work.
- Encouraging behaviour that respects the safety and health of workers.
- Creating a safe working environment.
- Ensuring that the actions carried out by the company comply with current legislation.
- Development of continuous improvement.
- Informing and training workers about the inherent risks.
- Allocating the necessary resources and planning appropriately.

Our management is based on the following pillars:



A strong organisation

Health and safety are integrated within the overall management of the organisation.

The company has a system of hazard identification and management to eliminate hazards through risk assessments and actions.

Emergency and contingency plans are established.



Leadership and participation

Experienced managers play a critical role in ensuring a safe and healthy workplace environment. Their annual goals include their contribution to effective health and safety performance.

At the same time, employee involvement is indispensable to establishing and maintaining occupational health and safety.



Communication, education and training

We promote a culture of preventive safety through:

- Communication with employees and contractors.
- Providing training and preparation to employees to avoid unsafe situations and unexpected events.
- Training and influencing contractors, suppliers, and the community in general.



Basic principles of action

Developing and implementing a comprehensive occupational health and safety system for the entire Group.

- Promoting a preventive culture and ensuring compliance: ensuring that all decisions are taken with the necessary regulatory compliance and that the basic pillars and principles of occupational health and safety are respected.
- Obtaining and maintaining health and safety certifications.
- Establishing collaborative relationships with different public administrations competent in this area.



Community, value chain, contractors and other stakeholders

The Group's business model is based on the creation of shared value for the company and for society.

Through the project "Making the world a healthier place" we promote a preventive culture among employees and the communities where we operate.

Throughout this year, we have carried out various actions aimed at fulfilling the objectives in terms of safety and health, among which the following stand out:

» **3,491**
hours of training on
health and safety
issues

» **2,960**
participants



Employee training. We carry out courses related to safety in the workplace, such as electrical risk, handling and control of mechanical tools and energised equipment, working with welding or working at height, among others. In addition, lectures on good practices, safety and operations, behavioural observations and field inspections were organised.



The activities with the most critical risks were protocolised to minimise the occurrence of occupational diseases and accidents at work.



Improvement of the conditions of work teams and facilities, highlighting the commitment of the organisation to provide a healthy environment.



COVID
Measures have been maintained such as the control of the capacities in our facilities, the maintenance and assurance of the safety distance, the use of PPE or updating certain protocols.

The frequency and severity rates are broken down below, by gender and country.

Accident rate in Spain	2020-2021			2021-2022		
	Women	Men	Total	Women	Men	Total
Frequency rate	7.64	29.50	17.77	31.34	62.31	45.41
Severity rate	0.08	0.59	0.32	0.30	1.02	0.62

Accident rate in France	2020-2021			2021-2022		
	Women	Men	Total	Women	Men	Total
Frequency rate	20.98	9.56	13.97	20.06	46.59	38.18
Severity rate	0.5	0.01	0.23	0.12	0.45	0.34

Frequency Rate = (Number of accidents without leave/hours worked)*1.000.000;
Severity Rate = (No. of days lost due to work accident without leave/No. of hours worked) *1.000



ALMOND

Artisans

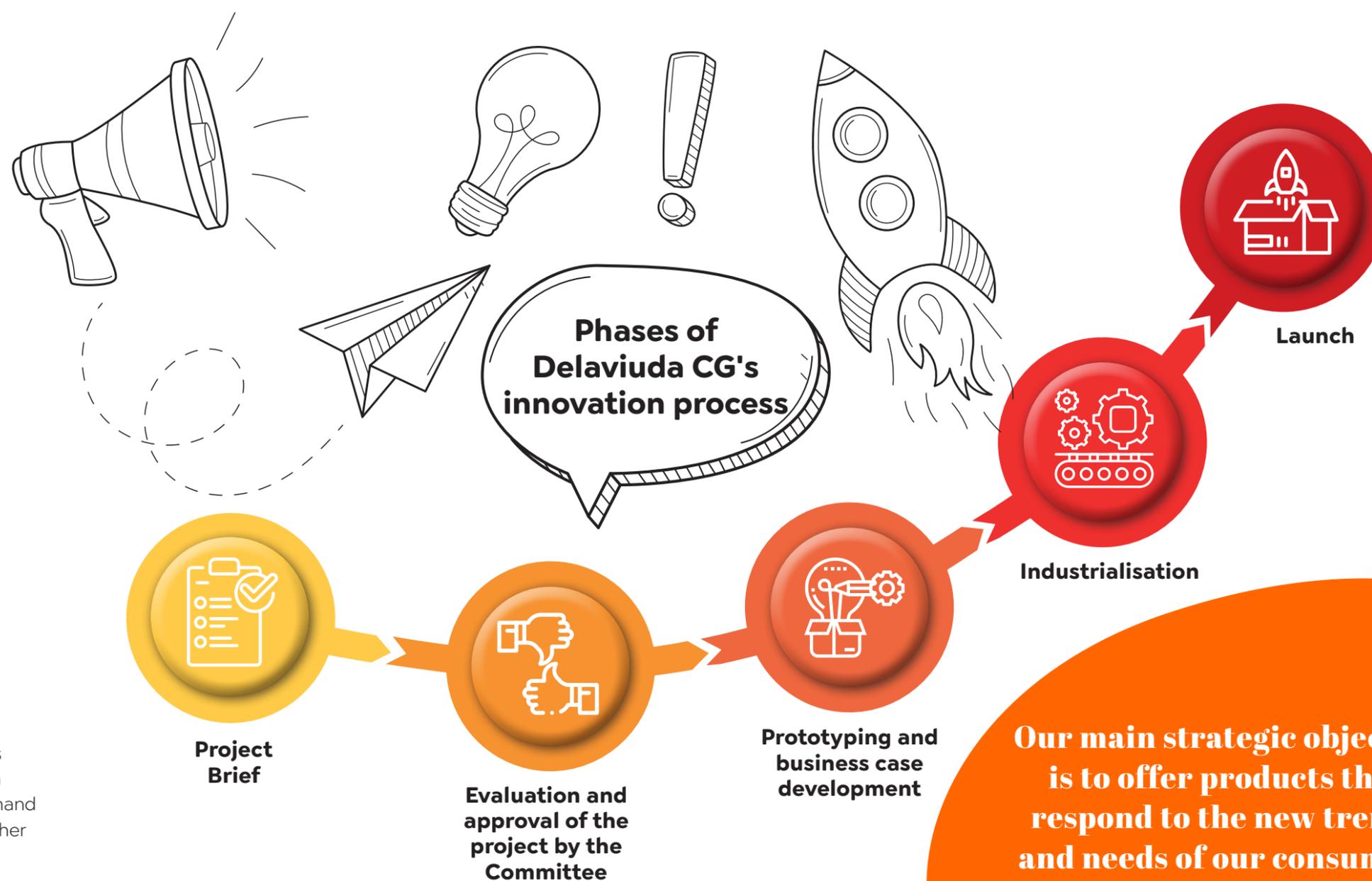


We innovate for you

The context in which we operate changes rapidly, and the need to update our knowledge to respond to the global challenges of the sector and market demands is increasing. In order to be at the forefront, we permanently analyse the situation of the sector and maintain a regular interaction with stakeholders, especially with our customers and suppliers, with a special focus on the consumer. Attendance at international fairs, sectoral conferences or forums also bring us closer to the new trends marking the path of the agri-food industry.

Some of the trends identified are oriented towards improving nutritional profiles, prioritising the consumption of healthier products, with a high percentage of cocoa or a high amount of fibre and protein. All this allows products to obtain better scores from NutriScore, a labelling system that is becoming increasingly important at the time of purchase. Transparency in labelling and information on products and their composition is also a demand that is answered through the introduction of "clean and clear labels". Another indisputable trend is the snackification of products, a convenience format that responds to the needs of daily consumption or the chocolatisation of products. Finally, ORGANIC, gluten-free or vegan products are also increasingly in demand.

Currently, the Development department of Delaviuda Confectionery Group is composed of a team of 12 people of different professional profiles, with very specialised training and extensive experience in the food industry. All of them provide great value in each phase of the innovation process, allowing us to present excellent solutions in due form to consumers.



Our main strategic objective is to offer products that respond to the new trends and needs of our consumers

Patent for our *Palitos de turrón* (Turrón Sticks)

After years of work, at the end of the year we obtained the patent for our *Palitos de turrón* (Turrón Sticks). This is a milestone in our commitment to innovation, since it means recognising the effort made to offer and generate new consumer experiences in the sector.



The priorities of our development area are aimed at:

- Working on a strong, innovative, and differentiated product portfolio, through disruptive innovation and reinvention of the most traditional products.
- Achieving greater visibility at the point of sale with a more premium and stylish design to continue improving the shopping experience of our consumers.
- Improving active communication with the consumer.

Our launches and developments

Product Launches

The launches and developments of our products try to respond to new trends and consumption needs such as: the growing demand for snacks and indulgence products, healthy products (sugar reduction, fat reduction, chocolate with high percentage of cocoa, high fibre and/or protein content, or ORGANIC products), as well as products that respond to groups with specific nutritional needs (gluten-free products, mainly).

In Delaviuda - expert brand in confectionery and chocolates - and El Almendro - expert brand in almonds - we have continued to work so that our products continue to surprise and improve the consumer experience.



La Confiteria
Delaviuda



el Almendro



With our **Delaviuda brand** this year we expanded the range of chocolate products with the launch of two new varieties of passion chocolate and fruit sticks, as well as the range of convenience formats.

We also relaunched the **“Creations” range of chocolates** in three different presentations. All these launches come to meet the growing trend of *chocolatisation*.

In the specialty segment, we relaunched the **Panettone** and reinforced this Christmas specialty with four recipes following the traditional Italian formula: with natural sourdough and butter. Finally, we launched the Chocolate and Almond Brownies, little gluten-free biscuits.

Through the El Almendro brand, during this year we presented a new disruptive proposal: the Thins, thin sheets of square-shaped almond turrón packaged individually. The range is made up of the following flavours: Hard Turrón with Chocolate 70%, Candy Turrón with Milk Chocolate, and Hard Turrón with Passion Fruit.

In addition, El Almendro completed the range of **“Palitos”** of Turrón with the new Traditional Turrón **“Palitos”** with 70% Chocolate ones.

With El Almendro, every year, in our commitment to grow in the bar market, we expanded the range of nut bars with two new flavours: Almond and Protein, and Almond and Fruit. Thanks to our expertise in almond and the quality of the product and its recipes, El Almendro has positioned itself as a leading manufacturer of bars within the nut segment.

New developments

With the Delaviuda brand we continued to develop different formats aligned with the new trends of *chocolatisation*, convenience and Christmas *snackification*.



Every Christmas we strive to captivate consumers by giving products a different touch



Dessert Selection Turrón, Creamy Turrón of Almonds, Cheesecake Turrón, Mojito Turrón, "Roscón de Reyes" Turrón, Almond Rocks, and "Neula" Rocks

Delaviuda by Christian Escribà. A unique and irresistible experience

One of the main bets at the development level has been the cooperation with the master pastry chef Christian Escribà, a reference in the creative confectionery sector. Together with him we developed the range of signature turrón, composed of unique creations that stand out for their creativity, and for offering a unique and unrepeatable tasting experience.



With El Almendro, we continue with our commitment to giving prominence to the **disruptive innovations** of the last year - the **Thins range** - with new packaging and new flavours.

In addition, we have continued to enhance the bars category, adding to the portfolio the range of **"fruit & almonds"** (blueberry and almonds, and raspberry and almonds), composed of 100% natural ingredients.

In the third-party brand business, we have also continued to offer disruption and differentiation, developing new benchmarks in the following categories:

- **Sport bars**, with different criteria (flavours, moments, and conditions of consumption, among others).
- **Bars of nuts and seeds**, in which different textures, flavours are combined. and, in addition, they are a source of fibre.
- **Cereal bars and fruit bars**, developing a wide range of products in which cereals, fruits, chocolates, etc. are combined.

Our own harvest, our most special turrón

At El Almendro we have also worked on the expansion of its own limited range "Cosecha Propia (own harvest)", developing two new recipes (Chocolate, almond and coffee fusion Turrón, and Roasted egg yolk with a lemon twist Turrón) and 2 new formats (Sampler and Assorted portions).

With these new developments to be launched at Christmas 2022, the brand reinforced its commitment to its range of most special turrón, which stands out for the care that goes into the entire production process: from the cultivation, harvesting and selection of the almonds, until they become a turrón bar.

"Cosecha Propia" is a tribute to the almond fields and the traditional turrón. A process that respects the rhythms of the climate and the field, and that has become one of the greatest actions of the brand in terms of sustainability. This project is a manifest of the brand El Almendro, born in 1883, which treasures nearly 140 years of experience and knowledge around this fruit, a great sustainability

initiative that began its journey 6 years ago with the preparation and planting of its own almond fields to offer a very special product. A delicate product, made with almonds served by the expert hands of our farmers throughout the year. An ingredient that combines all the benefits that our land can give you: a perfect location, a climate adapted to your needs and nutrients from the crystal-clear waters of the Tiétar River, located in the mountain range Sierra de Gredos.



"Cosecha Propia" is our most special range, a range in which we take care of the entire production process, ranging from the cultivation of almonds until it reaches the hands of our consumer

Almendralia continues to consolidate its project with the acquisition of a new 125-hectare farm in the municipality of Galisteo (Cáceres, Spain). In August 2022 we started to work on the preparation of the soil.



Almendralia Project

Almendralia continues to consolidate its project with the acquisition of a new 125-hectare irrigated farm located in the municipality of Galisteo (Cáceres, Spain). The new farm, which is in a privileged natural environment, on the banks of the Alagón and Jerte rivers next to the Jerte valley, meets the perfect conditions for the cultivation of almonds. With this transaction, we estimate that we will be able to increase the Group's production by approximately 50%. In August 2022 we started to work on the preparation of the soil.

With this, the Group already has more than **350 hectares**, dedicated to the exploitation of almonds with the aim of cultivating and selecting the best varieties. This project materialises the **commitment to the sustainability** of Delaviuda CG in all its dimensions. At an economic level, it allows us to stabilise the cost associated with the supply of this raw material; in the social dimension, we promote the generation of employment in a rural area, and in the environmental aspect it helps us to improve our carbon footprint.



Love

FOR THE
LAND

Improving and preserving the environment

At Delaviuda Confectionery Group we want to be involved in the improvement and preservation of the environment, making responsible use of resources. Every year, we try to expand our environmental commitment, adding new goals that positively impact the land and the environment around us. All this, to reduce more and more our impact on the environment.

Our Environmental Policy, developed during this financial year for the entire Group, is based on two basic principles: compliance with the applicable regulations and the continuous improvement of activities for the reduction of our environmental footprint.

This policy includes specific commitments to realise the principles described above:

We want to make Delaviuda Confectionery Group an agent for change in the improvement of the environment and in environmental preservation

- Taking the necessary measures to prevent pollution and climate change and, where this is not possible, minimise pollutants: waste, emissions, and discharges.
- Protecting the environment through the efficient use of energy, water, raw materials, and packaging, and encouraging waste reduction, reuse, and recycling practices.
- Implementing all the necessary measures to ensure compliance with all the environmental regulations applicable to our activities at European, state, regional and local level, as well as any requirement or recommendation that Delaviuda subscribes in the future.
- Establishing procedures for the periodic review of compliance with the Environmental Policy, as well as for the application of corrective measures in the event of detecting non-compliance. Defining and periodically reviewing the environmental goals established in compliance with this policy, within the process of continuous improvement of our performance in relation to the environment.
- Disseminating the Environmental Policy among our stakeholders (customers, suppliers, society and capital).
- Training and raising awareness among employees about environmental actions, facilitating the participation of all of them in a systematic way.
- Integrating the environmental variable in the selection and evaluation of suppliers and contractors as well as in the planning of new projects, activities, products and services, or in the modification of existing ones.

Sustainable use of resources

This year's environmental program has been aimed at strengthening

environmental culture, energy efficiency and waste reduction.

We believe it is important to involve staff at all levels within the company to strengthen the commitments made in the Environmental Policy. With this goal in mind, we generate environmental culture within the company, through environmental content included in the welcome pack, and in the training catalogue of the DCG Talent University.

In addition, we strengthen environmental awareness through information pills with the aim of transmitting concepts and messages aimed at people's conscious and responsible participation. The infographics on the correct separation of waste and the efficient use of water and energy are particularly noteworthy.

GO GREEN

Every year we measure and monitor the main environmental indicators and implement actions with the aim of making efficient use of resources, as described throughout this section.

Environmental performance DCG	Units	2020-2021 Total	2021-2022 Total
Electricity consumption	kWh	11,388,660	12,057,049
Propane consumption	l	74,637	91,361
Diesel C consumption ¹	l	540,353	548,304
Diesel consumption ¹	l	26,223	35,677
Natural gas consumption ²	kWh	1,281,833	1,420,422
Emissions	T CO ₂ e.	3,888,46	4,649,04
Water consumption m ³	m ³	17173	21,915
Hazardous waste	T	4.86	4.74
Non-hazardous waste	T	1,446	1,545

¹Datos correspondientes a Delaviuda Alimentación, S.A.U.

²Data corresponding to Artenay Bars, SAS

Energy

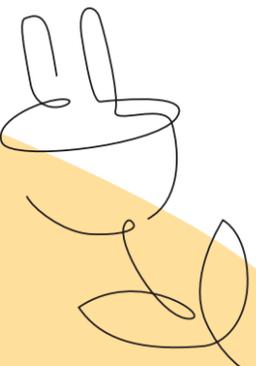
	Unidades	2020-2021	2021-2022	Variación
Electricity consumption	kWh	11,388,660	12,057,049	6%
Energy intensity	kWh/Kg product	0.76	0.72	-5%
Propane consumption	l	74,637	91,361	22%
Diesel C consumption ¹	l	540,353	548,304	1%
Diesel consumption ¹	l	26,223	35,677	36%
Natural gas consumption ²	kWh	1,281,833	1,420,422	11%

¹Datos correspondientes a Delaviuda Alimentación, S.A.U.

²Datos correspondientes a Artenay Bars, SAS

Although in absolute terms the consumption of electricity has increased, the decrease in the energy intensity indicator confirms the achievement in the effective reduction, since this value indicates the amount of energy used for the manufacture of one kilogram of product (although production increased with respect to the previous year, it needed, proportionally, less energy). To achieve these results, we launched several actions:

- **Procurement of green energy.** Endesa certifies that 20% of our consumption comes from 100% renewable energy.
- At the end of the campaign, we grouped the work shifts, **leaving the highest consumption in the morning and turning off the rest of the day the equipment that allows it.**
- **Progressive change from fluorescent tubes/HG lamps to LED bulbs.**
- **Replacement of machinery and equipment** with more modern and efficient ones..
- **Installation of photovoltaic solar energy.**



Renewable energies

A milestone of the year has been the start of the installation of 1,800 bifacial fixed photovoltaic panels with 8 energy inverters in our Sonseca plant - our largest production centre and with the highest electricity consumption -, extending over an area of more than 12,000 m2 and with an installed power of 997 kWp. This photovoltaic plant, whose installation will end in the first quarter of next year, will allow us to make 38% of daily consumption 100% renewable and reduce 20% of the annual energy consumption in this plant.

Our goal is to increase our consumption of renewable energy through the gradual expansion of this project and extending it to the rest of the facilities.



Instalación de
1.800
paneles
fotovoltaicos

Water

Below, we report the water consumption during the last two years:

	Units	2020-2021	2021-2022	Variation
Water consumption	m ³	18,004	21,915	28%

We seek to continuously improve our resource management, we focus on everyday actions to achieve efficient use and water saving in our processes, such as:

- **Installation of timer taps.**
- **Installation of a washing train** to reduce water consumption during cleaning.
- **Installation of the double water-saving button on the toilets.**
- **Awareness of factory and office staff** of misuse and waste.



Waste management

In line with our commitments under the Environmental Policy, we encourage waste reduction, reuse, and recycling practices. In Delaviuda Confectionery Group we carry out the identification, sorting and monitoring of the different types of waste (hazardous and non-hazardous) generated in the activity, and we have several authorised waste managers who collect and treat these products.

Internally we monitor the quantities generated by type to facilitate monitoring and ensure correct handling and/or final disposal.

Below, we can see the comparison of the waste generated compared to the previous period.

Kg	2020-2021	2021-2022	Variation
Non-Hazardous Waste	1,446,731	1,546,583	6.8%
Hazardous Waste	4,859	4,739	-2.5%

Non-hazardous waste

Kg	2020-2021	2021-2022	Variation
Raffia bags	20,890	28,560	36.7%
Cardboard	353,530	391,784	10.8%
Mixture of plastics*	0.0	279,820	100.0%
RSU*	349,990	31,180	-91.1%
Organic waste	662,760	635,775	-4.1%
Plastic (pallets)	18,201	40,375	121.8%
Wood (pallets)	16,870	26,155	55.0%
Sheet metal drums	0.0	8,820	100.0%
Containers 1000	0.0	24,184	100.0%
Scrap	24,490	15,980	-34.7%
Fats	0.0	56,620	100.0%
Materials not suitable for consumption	0.0	7,330	100.0%

*Until the previous year, these wastes were accounted for together. Drums, containers, and materials not suitable for consumption have begun to be accounted for during this year.



Hazardous waste

Kg	2020-2021	2021-2022	Variación
Mineral oils	467	400	-14.3%
Halogenated solvents	187	79	-57.8%
Non-halogenated solvents	129	285	120.9%
Contaminated metal containers	185	77	-58.4%
Contaminated plastic containers	2.040	2,237	9.7%
Contaminated glass containers	211	236	11.8%
Fire extinguisher	64	-	-100.0%
Contaminated paper/rags	61	59	-3.3%
Aerosols	121	69	-43.0%
Paste paints	37	-	-100.0%
Fluorescent tubes/HG lamps	90	130	44.4%
WEEE	73	720	886.3%
Chemical mixture	173	8	-95.4%
Lead batteries	0,0	3	100.0%
Infectious waste	446	284	-36.3%
Waste from tank cleaning	520	-	-100.0%
Industrial Products	55	-	-100.0%
Toner	0.0	113	100.0%
Batteries	0.0	39	100.0%

In addition, to reduce our impact on the environment, we have implemented different reduction measures, among which the reduction of plastic packaging in several of our finished products stands out. The measure is based on the elimination of packaging not necessary for the final product. Specifically, it has been applied in one of our THIN references, as can be seen below:

Kg	Reference THIN year 2021	Reference THIN year 2022
Packaging used	1 plastic lens - 0.1 grams 1 cardboard case - 23.2 grams 1 plastic bag - 2.3 grams 1 plastic tray - 8.1 grams 12 plastic wrappers - 0.5 grams each	2 plastic lenses - 0.05 grams each 1 cardboard cover - 15.1 grams 1 cardboard tray - 16.5 grams 12 plastic wrappers - 0.4 grams each
Total weight	17.1 g of plastic and 23.2 g cardboard	4.9 g of plastic and 31.6 g cardboard



We continue to work on food waste reduction. Our food waste prevention plan provides for the reuse of waste and losses, always guaranteeing the highest quality of our products, the activation of special liquidation promotions, the distribution of product among employees, the donation to groups in need or solidarity causes and,

ultimately, its transformation for revaluation into animal feed.

Thus, in our commitment to reducing food waste, we work in different lines of action:



We work on joint projects with the packaging department, to improve the preservation of our products and thus achieve a longer shelf life.

We continue to work on the improvement and efficiency of our production processes to reduce surplus production or by-products throughout the entire production chain.



We distribute surplus product internally while it is still in its shelf life.

We donate finished products to different NGOs.



Climate change

Although all the above actions contribute to the fight against climate change and the preservation of the environment, at Delaviuda Confectionery Group, we have identified as the main risk and impact on the environment, the air pollution derived from our own activity and that we evaluate in our carbon footprint. Measurements are also made at the source of emission of other greenhouse gases.

Emissions

As part of our Environmental Policy, we are committed to taking the "necessary measures to prevent pollution and climate change and, when this is not possible, minimising pollutants: waste, emissions and discharges". Now, we are committed to reducing and optimising the consumption and resources we use, resulting in a lower generation of emissions.

The scope 1 and scope 2 emissions of the last two years are detailed below.

	Units	2020/2021	2020/2021
Scope 1	Tn CO ₂ eq	2.058,47	2.180,51
Scope 2	Tn CO ₂ eq	1.829,99	2.468,53
Total	Tn CO₂ eq	3.888,46	4.649,04

Factores de emisión 2021. MITECO en el caso de España y para Francia se han

Falta traducción

During this year our GHG emissions totalled 4,649.04 Tn CO₂ equivalent. Scope 1 emissions represent 47% of the total and Scope 2 emissions, 53%.

Our photovoltaic panels project will result in a lower generation of emissions to the atmosphere

Our almond farms are considered natural carbon sinks, as they absorb part of the emissions we generate

Emission reduction initiatives

We promote sustainable mobility among our employees, which does not have a direct impact on energy consumption in the manufacture of the product, but they are measures that contribute to Delaviuda CG's decarbonisation objectives. In this regard, it is worth mentioning the unification of timetables promoting carpooling and the bicycle parking area that we have set up in Sonseca.

Finally, the renewal of the CHEP certificate in sustainability once again gives us the recognition of a sustainable logistics model that promotes the use of sustainable pallets and reinforces cooperation between organisations with the same degree of environmental awareness as DCG, together generating the following positive impacts:

- Wood savings of 32,783dm³, (equivalent to 32 trees)
- Reduction of emissions by 38,720 kg (equivalent to 35,361 km by truck)
- Reduction of waste by 3,069 kg (equivalent to the daily waste of 2,358 people)

Absorptions

Six years ago, at DGC we committed to sustainability in the supply of our main raw material: almond, and we started a project aimed at achieving maximum traceability, quality, and freshness in our final products.

We currently have an area of 350 hectares of almond groves, which as a plantation is considered a natural carbon sink, meaning that we can absorb part of the emissions we generate throughout the production process.

A carbon sink is any process or mechanism that removes a greenhouse gas from the atmosphere. In this case, our almonds, in their natural processes of photosynthesis and transpiration, absorb more CO₂ than they emit.

The absorption of our Almendralia project in the 2021-2022 financial year is estimated as follows: Total absorption = Absorption factor x Number of almond trees

In this way, considering the emission factor published by MITECO and the 70,000 almond trees planted, the absorption for this year has amounted to 525 Tn CO₂, the equivalent of 2,135,274.74 km travelled on domestic aircrafts (journeys of up to 600 km)¹.

¹The methodology used in the calculation is based on that set out in the Carbon Footprint, Compensation and Carbon Dioxide Absorption Projects Register of the Ministry for Ecological Transition and Demographic Challenge (MITECO).

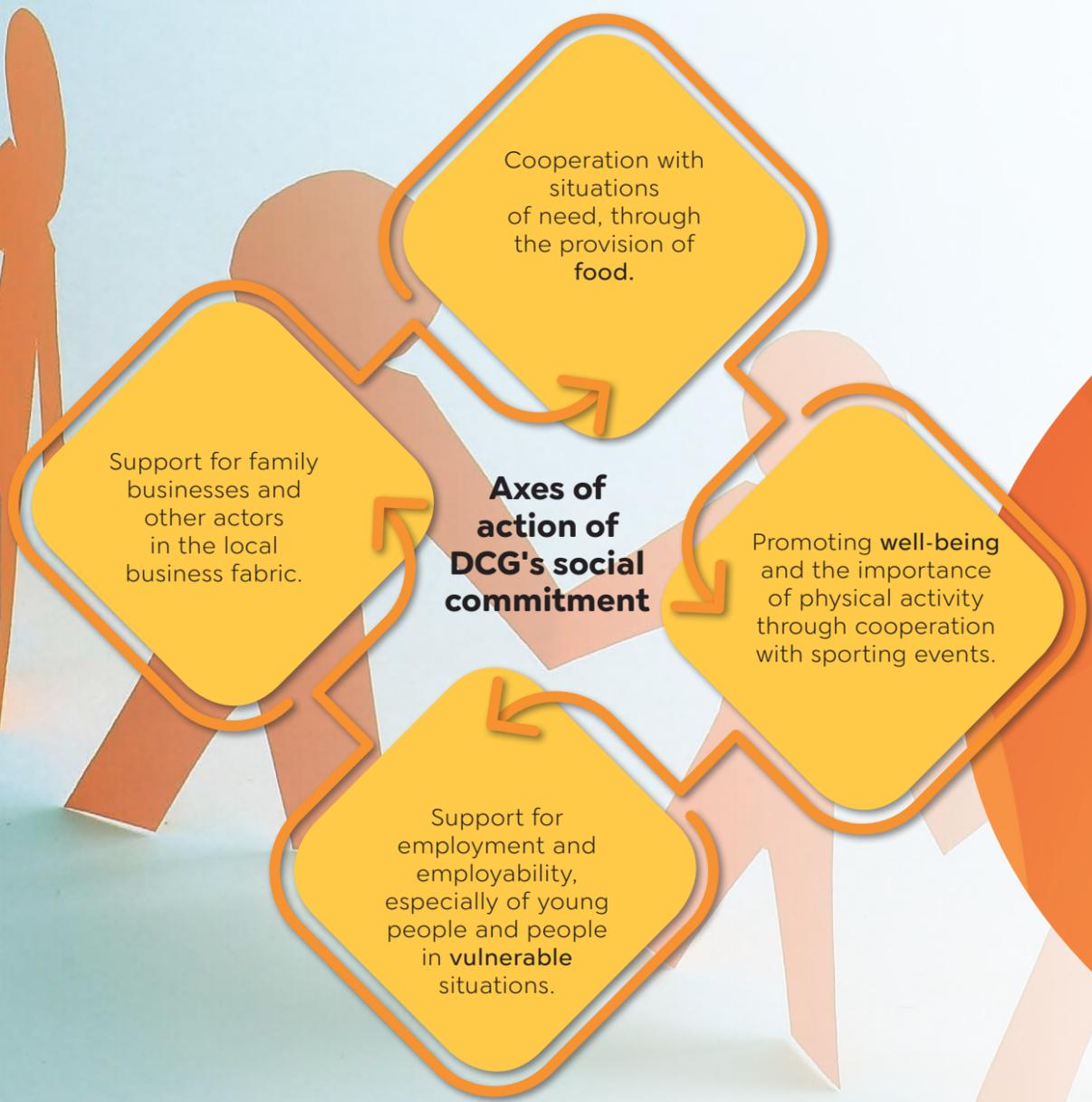
GEI Emissions
4,649.04 Ton CO₂

Social commitment

We are a family group that maintains a close bond and commitment to the environment in which it operates. "Making the world a sweeter place" commits us to being part of the change we want to see in Society.



We are committed to responsible and sustainable management with a positive impact.



Sharing

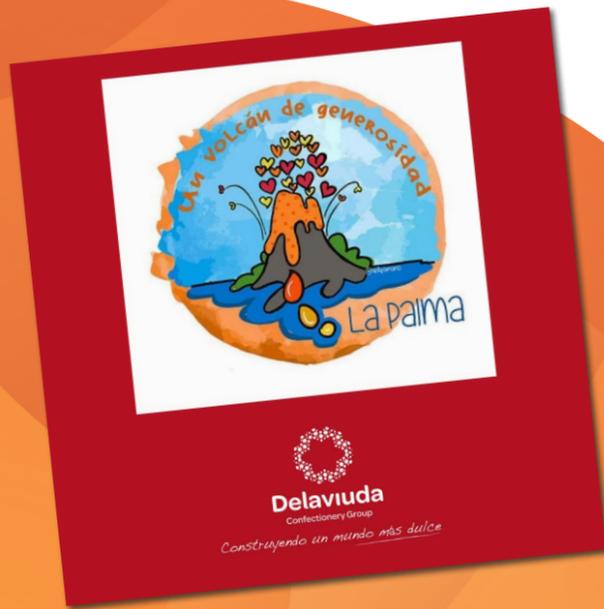
The Group cooperates with various social entities, key partners to channel the donation of our products, making them accessible to people in vulnerable situations. During this year, 103,221 kg of product were donated and distributed to social entities, associations, soup kitchens and NGOs. These entities have experienced greater demand due to the Covid crisis and the current complex economic situation.

Product donation
103,221 kg
 80,935 kg Spain
 22,286 kg France

+ 41%
 as compared with 2020-2021

A volcano of generosity

After the explosion of the Cumbre Vieja volcano on the island of La Palma (Canary Islands, Spain), various initiatives were promoted to alleviate the consequences and help its inhabitants. Delaviuda CG joined the initiative "Aid to La Palma: a volcano of generosity", sending a selection of its confectionery products to sweeten those difficult moments.



Cipriano, "Socorro de los pobres (relief for the poor)"

Together with the NGO Socorro de los Pobres, founded by Cipriano González, known as the "friend of the poor", a collection of food was made to distribute it to the homes of families in need who come to this organisation for help. To this end, two collection points were set up at DCG's facilities in Sonseca and Madrid. In addition to the donation of own products, 420 kg of food and toys were collected.



Other solidarity initiatives

One more year we contributed with the SEUR Foundation project "tapones para una nueva vida (caps for a new life)", aimed at helping children with health problems, delivering caps of containers for recycling. In Sonseca, collection points were placed, also serving as an action to raise awareness among the staff about recycling.

Promoting an **active** and healthy lifestyle

Supporting sports events is one of our ways of promoting an active and healthy lifestyle.

During this year more than 28,500 bars El Almendro were donated to the participants of various sporting events. The most outstanding collaborations were:



28,500
bars
El Almendro
donated to participants

- **"Campo a través (field through)" 2021** trophy race.
- Sonseca's **"Cross de San Juan Evangelista"**.
- Sonseca's **Children's National Football Championship**.
- **Solidarity fitness masterclass**.
- **Solidarity Race "Mujeres y hombres por la igualdad (Women and Men for Equality)" in Toledo** (International Women's Day).
- **AFANION Solidarity Race**.
- **Orgaceño Football Club** women's football tournament.
- **Peñas Negras Cycling Club**, in Mora (Toledo).
- **Boy scouts meeting** in Guadalajara.
- **Toledo Tennis Tour 2022**.



+ employment, + growth

One of the drivers of economic and social growth is through our participation in initiatives that promote employment and employability. For these purposes, during this year we have participated in different causes:



YMCA Cooperation Agreement through this agreement, we are committed to helping unemployed people with difficulties to re-enter the working world. From the Human resources department, they are offered tutorials to improve their employability and, in some cases, their application for our job offers are valued.



"Semillas (seeds)" Employee Fair Fair organised by the NGO Action Against Hunger. Through a virtual stand, we contacted people interested in being part of our Group.



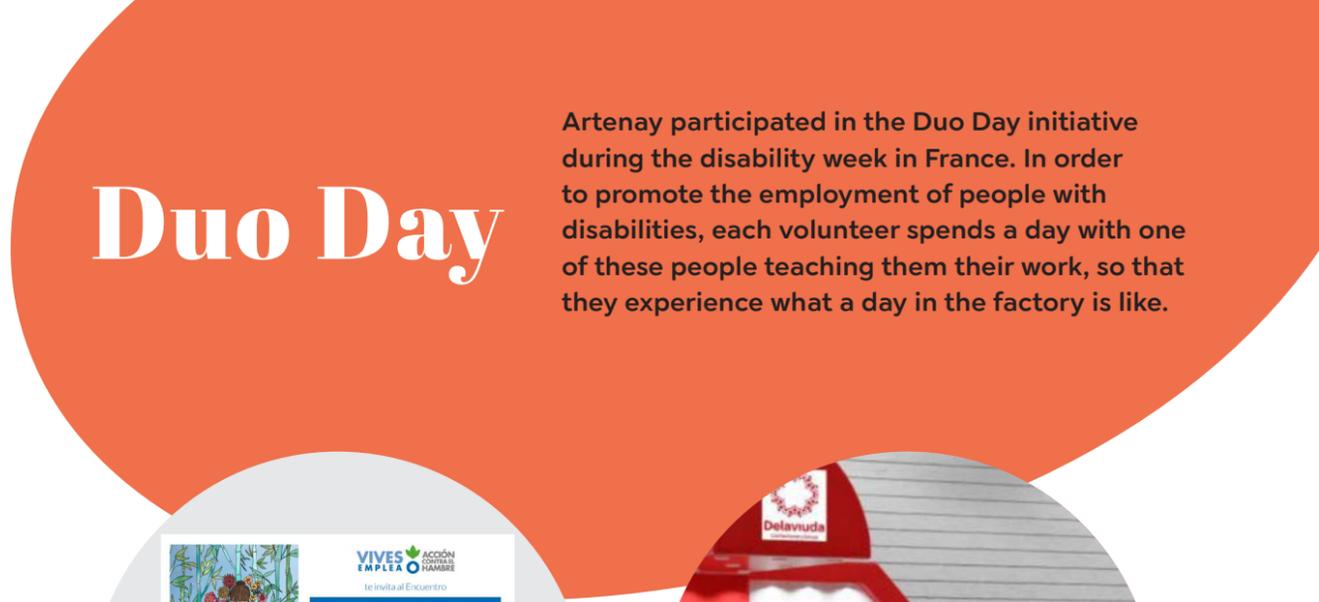
II employability forum of the University of Alcalá aimed at promoting the organisation of activities related to employment and professional development of their students, as well as their recent graduates.



Industry 4.0 more inclusive in Spain and Europe organised by Action Against Hunger and other partners. At the online meeting, the participating companies discussed the challenges faced by organisations in terms of inclusion, learning and employment opportunities, as well as the most demanded skills in this digital age.



Virtual meeting for employment organised by Action Against Hunger in Castilla La Mancha; the labour market in the aftermath of the pandemic was discussed. In addition, different workshops focused on advice in the search for employment (how to face an interview, most demanded sectors and other subjects related to talent) were held.



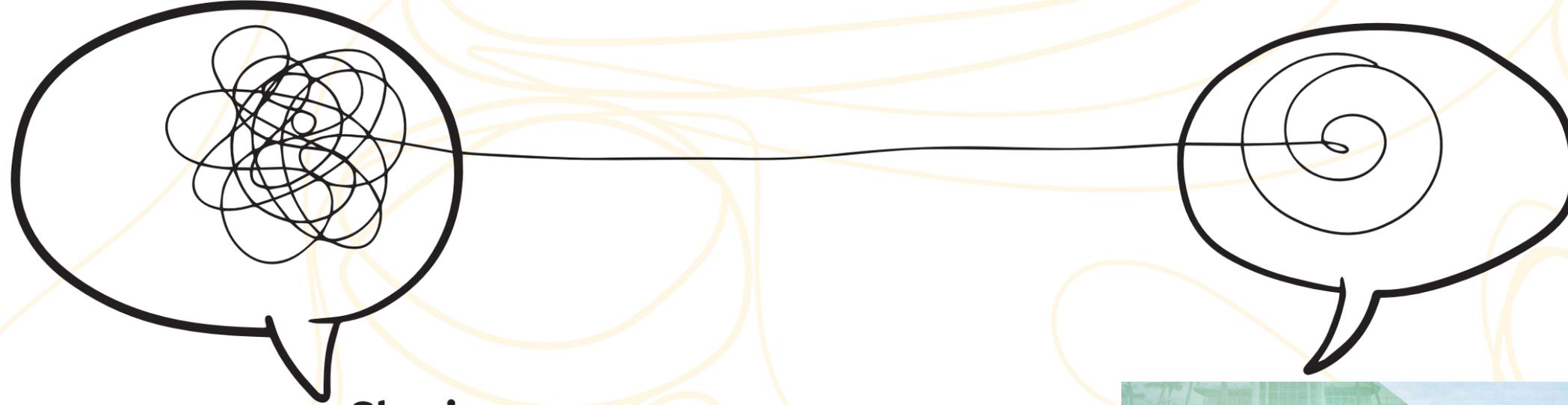
Duo Day

Artenay participated in the Duo Day initiative during the disability week in France. In order to promote the employment of people with disabilities, each volunteer spends a day with one of these people teaching them their work, so that they experience what a day in the factory is like.



We are committed to our young people's future





Sharing knowledge

Once more, we participated in debates, programs, forums and congresses to share knowledge and learn from other organisations and strengthen relationships with other actors in the sector. This also allows us to stay up-to-date and able to respond to the challenges of the changing environment in which we find ourselves. During this year we have participated in:



XXII edition of the Family Business Day

Under the title: "Family business: future projects", the meeting highlighted the work of entrepreneurs and family businesses. Our CEO had the opportunity to share the business trajectory of the Delaviuda Group, the company's milestones, as well as its strategy and vision for the future.



Virtual debate "The future of connectivity of organisations-WiFi"

Our Director of Systems participated in this debate on current issues such as the connectivity and impact of WiFi networks in current organisations, coexistence with 5G, the evolution towards Smart WiFi and the promotion of WiFi due to the implementation of telework.



V CEAPI Congress, in Punta Cana

"Innovation and opportunities in times of uncertainty" was the theme that brought together institutional leaders and presidents of companies from Latin America. Manuel López participated in the table "Agri-food cycle and distribution chains" to share his vision about economic, social, and environmental sustainability.



Regional Food Forum organised by the Val de Loire AREA Centre in Orleans

Artenay Bars participated in this event on food safety culture. Likewise, at the Agriculture Day in Orleans, we presented our products through a game in which we involved visitors who had to guess which range each of the products exhibited in the showroom belonged to.



Program "Empresa familiar en las aulas (Family business in the classroom)" promoted by the Family Business Association of Castilla-La Mancha,

with the collaboration of the Ministry of Education, Culture and Sports. This program sought to highlight the role of family businesses in the Spanish business fabric. From DCG, the third and fourth generation of the López family shared with the students the trajectory of the company, sharing their most personal perspective: from the memories of their childhood to the greatest milestones of their management.

We participate

In our commitment to the development of the food sector and other business initiatives, we participate in different sectoral forums and reference associations.



Cre100do. We are part of the 100 Spanish companies that come together to contribute to the development of the middle market through their experience, opening the way to the rest of the business fabric.



CEAPI. Our president, Manuel López Donaire, belongs to the Board of Directors of CEAPI along with 140 other presidents of the largest Ibero-American companies that are committed to strengthening the Ibero-American business space.



ASCOM (Spanish Compliance Association). We rely on their advice and continuous training in compliance matters for our teams.



Produlge (Spanish Sweet Association). Association whose mission is to represent and defend the interests of candy manufacturers.



Association Netmentora Madrid. Delaviuda is a founding partner of this entity created to mobilise entrepreneurs, help them create employment and promote the creation of wealth in the national territory.



Calidalia. DCG is a board member of this purchasing centre that brings together the main food, beverage, and consumer goods companies in Spain.



AECOC (Association of Manufacturers and Distributors). Delaviuda Alimentación belongs to this multi-sectoral association that brings together producers, manufacturers, logistics operators and distributors.



Family Business Association of Castilla-La Mancha. It brings together the most important family businesses in the region and seeks to facilitate their development, the improvement of the legal and tax environment, the promotion of training and the improvement of the entrepreneur's reputation, as well as their social contribution.



Inserta Forum in Castilla-La Mancha. Delaviuda CG is a member of the Advisory Board of this association, belonging to the ONCE Foundation. Inserta aims to promote the employment of people with disabilities.



Federation of Toledo's Entrepreneurs (FEDETO). Its objective is to provide advice and support to the business fabric of this Spanish region.



Also, this year, it has been possible to resume participation in international fairs, such as:

- **ANUGA.** Through Artenay Foods, we presented the new products in the category of bars, snacks and chocolates for both B2B and Private Label/Distributor Brand.
- **Cannes 2021 TWFA.** El Almendro was present at the fair, one of the most important in the Travel Retail channel.
- **Spanish Extravaganza in Mexico.** Delaviuda and El Almendro presented their international catalogue at the Spanish gourmet food and beverage fair, held in Mexico City.
- **ISM Cologne.** The International team presented the new Delaviuda and El Almendro catalogues at the food and snacks par excellence fair, held in Cologne (Germany).
- **Gulfood.** Our brands were present at the largest food fair in Asia, held in Dubai.
- **PLMA (Private Label Manufacturers Association - International Council).** We participated in the largest commercial exhibition in the world dedicated to the distribution brand.

Dialogue with our stakeholders

Maintaining constant dialogue and communication with our stakeholders is one of our priorities, as it allows us to understand their perceptions and needs. In this way, we can incorporate them into the Group's action plans, making this knowledge a competitive advantage.

The Group devotes significant resources to communication with stakeholders, including actions aimed at employees (as described in the chapter on People) and consumers, such as the broadcast of the "Vuelve a Casa" advert and the communication of new launches.

We want to understand and get to know our stakeholders better.



Stakeholders	Communication channels
Shareholders:	<ul style="list-style-type: none"> • Meetings of the Board of Directors • Annual Accounts • Sustainability Report • EINF • Corporate Website • Monthly Newsletter
Employees:	<ul style="list-style-type: none"> • E-mail • Bulletin Board • TV rest areas • Corporate website • Monthly newsletter • Suggestion box • Sustainability report • Social networks • Intranet Bitnova
Clients:	<ul style="list-style-type: none"> • Corporate website • Events, Fairs • Sustainability report • Social networks
End consumer:	<ul style="list-style-type: none"> • Corporate website • Social networks • E-mail • Sustainability report
Society:	<ul style="list-style-type: none"> • Website • Campaigns • Collaboration Agreements • Events & Forums • Sponsorships • Interviews & Reports • Press Conferences • Social Media
Suppliers:	<ul style="list-style-type: none"> • Corporate website • E-mail • Sustainability report • Social networks



Adding to the 2030 Agenda

Our social commitment and commitment to sustainability are aligned with the objectives of the 2030 Agenda, and our activity and some of our actions have a positive impact on the economy, people and the planet.



Grateful

We are proud and grateful to have received several recognitions during this year. These are part of the reward for the efforts made by all the people who make up Delaviuda CG.



Recognition of AINIA to the founding companies, 35 years after its creation

AINIA is a technological R&D+i center that promotes continuous innovation through close cooperation with private companies and other agents in the sector. At the event, the activity of the founding associated companies, including Delaviuda Alimentación, was recognised.



Cáritas diocesana of Toledo, gives us the badge "Companies with a heart"

This initiative of Caritas promotes the companies' commitment to social welfare. In Delaviuda we contribute by donating food for redistribution, contributing our grain of sand to end poverty and hunger in our environment.



S

olvency

AND RELIABILITY



Our great challenge is to make Delaviuda Confectionery Group a company with profitable and sustained growth over time. To do this, we are consolidating an increasingly solid, efficient, and digital Operational Model, which allows us to achieve excellent levels of service with our customers, ensure the quality and food safety of our products, gain in efficiency, and optimise production costs.

Maximum Quality



Ensuring the quality and food safety of our products is one of our maxims. This commitment is reflected in the **Food Quality and Safety Policy** articulated to respond consistently to the needs of customers and consumer tastes, with high levels of innovation.

Our Food Quality and Safety Management System is based on international standards of recognised prestige, legal requirements and commitments acquired with our customers. Thus, annually we undergo rigorous internal and external reviews and audits with very good results.

At Delaviuda Confectionery Group we produce innovative products, adapted to our quality and food safety management system that is governed by the highest standards of demand and excellence.

The following is a description of the certifications in force at the end of the year in each of the factories:

2021-2022			
Food Safety Certifications	Sonseca	Artenay	Sampaka
IFS Food	x	x	
BRC Food	x	x	
Sustainability Certifications	Sonseca	Artenay	Sampaka
RSPO ¹	x	x	
Rainforest Alliance ²	x	x	
Fairtrade ³	x	x	
Product Certifications	Sonseca	Artenay	Sampaka
BIO	x	x	
ELS ⁴	x	x	

¹Palm oil.

²Rainforest Alliance is the result of the union of UTZ and Rainforest.

³Some cocoa products for private label.

⁴The ELS crossed grain is an internationally recognized sign when it comes to identifying gluten-free foods. It means that they are products that the celiac population can consume with total guarantee. This certification applies to El Almendro's all year round (EATA) products and to certain B2B and MDD products.

Likewise, at the Artenay factory we are advancing in the process of obtaining the Kosher¹ certification, which we hope to achieve in the next year. In addition, we continue to work to adapt our processes to FDA legislation to export our products to the United States.

Obtaining the ELS certification confirms the rigour of the processes we have implemented in Delaviuda Alimentación, ranging from the analysis of ingredients to the annual training on coeliac

disease that must be carried out by the people involved in the manufacture of this type of products (R&D, Purchases, Quality, Production, Supply Chain). In addition, we have a segregated storage system of raw materials, special cleaning measures and verification systems in the production lines to avoid cross contamination by gluten and other allergens such as peanuts and almonds.

¹ It certifies that the products are suitable for consumption by the Jewish community.

Landmark actions

This year we have worked on improving and digitising the registration of internal and external non-conformities, along with supplier complaints. This project allows us to obtain a better analysis of the traceability and history of the processes, since it speeds up the extraction and analysis of the data, reducing the time of resolution and project management.

The management of food safety training has also benefited from the company's digitisation process thanks to the online training platform.



Finally, the Quality area has also cooperated with the packaging department in the development of new packaging materials to extend the useful life of our products or ensure their better conservation. This initiative impacts, in turn, on the reduction of food waste by preserving our products throughout their useful life.

The consumer at the centre

Complaint management

In Delaviuda Confectionery Group we have a complaint management system enabled for customers and consumers. Most complaints are received through the Customer Service Department and social media.

The Quality Department is responsible for responding to the customer and resolving complaints within an average period of 24-48 hours. 100% of the incidents received were resolved at the end of the year.

In the Group, we distinguish between complaints related to seasonal products and all year round products (bars) to better monitor and analyse them.

A great achievement this year has been the reduction in the number of complaints per million kilos produced, as shown in the following table:

Complaints per million kg			
Spain	2020-2021	2021-2022	Variation
Seasonal product	3.6	3	-17%
Bars	15.69*	5.71	-64%
France	2020-2021	2021-2022	Variation
Bars	16.41	7.1	-57%

Complaint rate = (complaints accepted / 1,000,000 kg manufactured) * 100
 *Including a series of complaints by a customer for defects in chocolate not attributable to Delaviuda Alimentación.



Sustainable sourcing

Supply chain management has remained the main challenge faced by our Purchases and Sourcing area, highly conditioned by the consequences of the pandemic (mainly in terms of logistics), the scarcity or unavailability of raw materials, the war in Ukraine or the rise in prices. Faced with such adverse circumstances, we have focused on actions aimed at:

- **Adopting criteria of prudence, flexibility, anticipation and adaptation.** Thus, we have had to continuously monitor and increase our security stocks to avoid the shortage of the most important raw and other materials.
- **Diversifying the supplier portfolio,** which has allowed us to guarantee critical supplies.
- **Managing with proximity criteria** due to the freight and transport crisis.
- **Ensuring quality, traceability and food safety** through our control processes and audits, ensuring that we receive the ingredients in optimal conditions and with due traceability.

Having a good supplier management helps us to ensure the quality of our products and improve our innovation processes, reducing risks especially in contexts of uncertainty



Our supplier approval system ensures that our suppliers meet all the requirements demanded by our quality and food safety standards

Suppliers' approval

In the Group we have 249 approved suppliers: 195 suppliers of raw materials and 54 of packaging. 100% of these have been evaluated, and two of them have been audited.

249
Certificated
suppliers

195
Suppliers
of raw materials



54
Packaging
suppliers



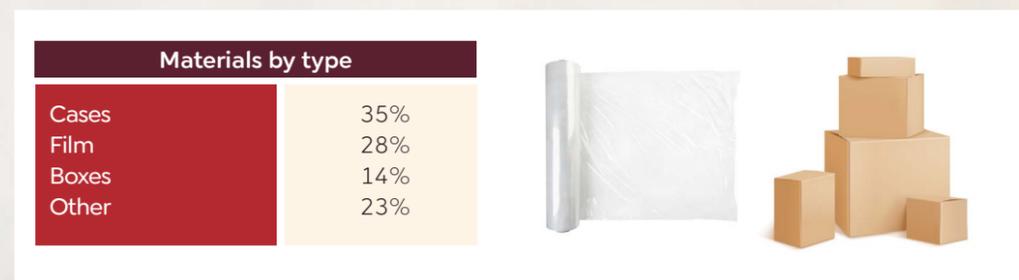
100%
Evaluated
suppliers

2
Supplier
audits

Our main raw materials are nuts, chocolate and cereals

Purchase (kg)	2020-2021			2021-2022		
	Delaviuda	Artenay	Total	Delaviuda	Artenay	Total
Materias Primas	11,122,135	5,497,037	16,619,172	13,764,288	5,741,539	19,505,827

The following are the purchases of raw materials broken down by typology expressed in euros.



Going for sustainable sourcing

11,8% of the cocoa paste is Rainforest Alliance certified, supporting sustainable sourcing.



100% of vegetable fats are RSPO certified



36% of cocoa butter is Fairtrade certified



100% of palm oil is RSPO certified



Additionally, other Fairtrade cocoa ingredients (cocoa powder, cocoa cookie, or coffee paste) are purchased, although their percentage is not yet significant.

We continue to invest in **efficiency**

In this financial year we have invested close to 1 million euros in projects that have led to greater efficiency in our production processes.

In our plant in Spain, a variety of projects have been implemented. Some of the most relevant are described below:

- **Acquisition of a new chocolate coating machine and a cold tunnel for the minicombar line.** These are made entirely of stainless steel and designed to allow the cleaning and change of chocolate dough. In addition, the cold tunnel allows better control of indoor humidity while preserving the quality of the products manufactured.
- **Improvements in the line of turrón portions.** Change of the portion forming technology to a system more adapted to the texture of the product.
- **Change of cylinders of the chocolate refiner** with the aim of continuing to achieve a correct texture and granulometry in the chocolate dough.
- **Changing Aasted Chocolate Moulding Line cooling systems.** Energy-inefficient technology is replaced by cleaner and more efficient technology.
- **Adaptation of the line for the manufacture of new disruptive pralines** in the line of artisan chocolates. artesanos.
- **Syrup aeration system on the cereal bar line.** Development and installation of the technology necessary for the continuous aeration of the syrup in marshmallow bars.
- **Improvements in the manufacture and feeding of dough on the fruit bar line.** Automation of the extraction and transport of the dough towards the production line avoiding the manipulation and handling of these by the operators
- **Refurbishment of the compressed air room,** highlighting energy efficiency improvements in the equipment cooling air circuit..
- **Change of the chilled water production system** for cooling the rooms at the head of the line.
- **New cutter for wrapping line cereal bars** that improves the sealing in the welds of the products.



In France, we have also carried out efficiency improvement projects, such as:

- **Renovation of the chimney in the industrial steam boiler.**
- **Improvements in the air-conditioning of the production area** consisting of the replacement of two water-air heat exchanger coils in the air-conditioning units of the production area.
- **Improvements in the washing room.**
- **Automatic capture of consumption in production lines.** Implementation of the Mapex system on the extrusion lines and Togum bar line.
- **Improvements to the box labelling system** on the production lines.
- **Construction of a new heat chamber.**

+ Digitisation, + Efficiency

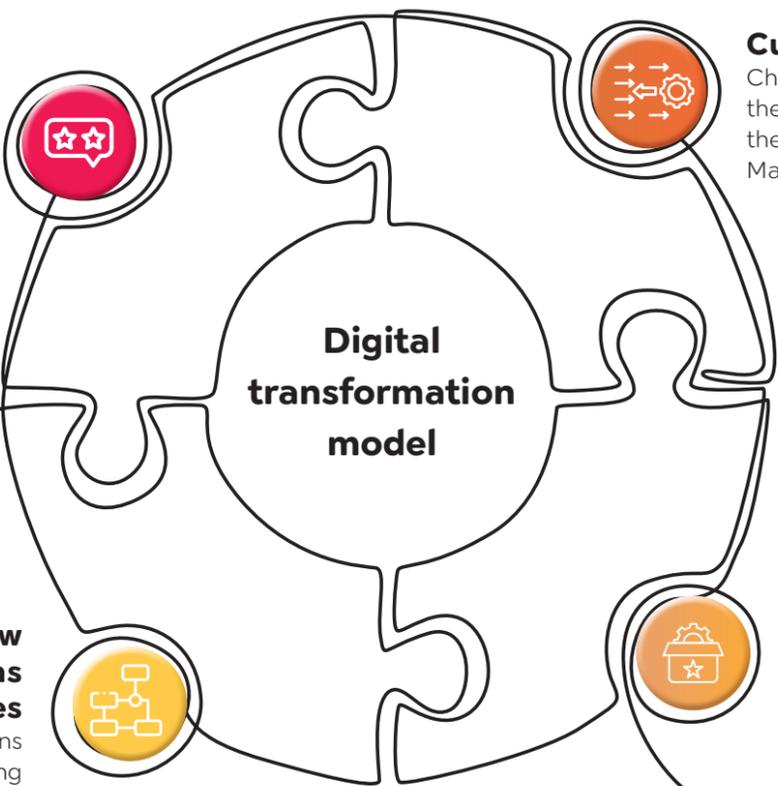
Our digitisation model

Our digital transformation model is based on four main variables to provide the company with more efficiency, agility and speed.



Relationship with clients

Understanding changes in consumer needs and how production processes should evolve.



Cultural change

Change driven from the IT area with the support of the Management Board

Business model

Guiding the creation of engaging digital experiences for business development.

We are developing an effective and successful digital transformation model, with the cooperation and involvement of all the people who make up Delaviuda Confectionery Group

Relevant Projects

- **Integration of Cacao Sampaka.** Adaptation of Sampaka's infrastructures to corporate standards (communications, electronics, security, meeting room, point of sale terminals -TPV-, radiofrequency terminals, uninterruptible power supply systems, incident management service, etc.) in record time.
 - Renewal and creation of redundancy in the labelling service.
 - Renovation of radiofrequency terminals in the warehouse and change of technology.
 - Creation of a hybrid work model from any location.
- **Digital Transformation Plan in Artenay.** A digital transformation plan has been implemented in France consisting of various actions such as:
 - **Remodelling of meeting rooms using the latest technologies.**
 - Review and update of user equipment.
 - Renewal of network electronics and communications.
 - Renewal and expansion of the WiFi infrastructure.
 - Installation of local network in MAPEX terminals.
- **DECABOX project.** New automatic labelling system on production lines that reduces operating times and label issuing costs. This project has had the partial collaboration of one of our main clients.

Information **Security**



In addition, other projects have been implemented such as:

- **Design of corporate dashboards** to obtain a global and real vision of the essential parameters in the organisation to optimise decision-making and strategic orientation.
- **WIFI 6 implementation.** Improves the speed and stability of all communications. This technological model allows us to increase the security of the connections and the traceability of the devices.
- **Bussines Process Automation.** Development of automated task flows to increase performance, speed, and traceability in document management operations with approval flows. This tool is based on the tools of the Microsoft Power Automate suite.

During the year we implemented the Delaviuda Confectionery Group Security Master Plan, approved by the Management Board, whose objective is to establish, implement, maintain, and improve an Information Security Management System (ISMS) based on ISO/IEC 27001.

Our goal is to efficiently manage the accessibility of information and ensure the confidentiality, integrity and availability of information assets.

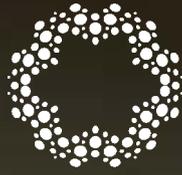
The Safety Master Plan is based on 5 pillars:



During the year, various actions have been implemented in the area of information security, of which we would highlight the following:

- **Web Application Firewall (WAF).** Launch of a new corporate security layer that identifies and blocks unauthorised access to our corporate web pages.
- **Secure Mobile Access.** Design and implementation of a controlled, unique, and secure access portal for external collaborators who need access to our corporate digital environment.

- **Updating of infrastructures in the Data Processing Centre (DPC) in Madrid.** Renewal of uninterruptible power supply systems and corporate data storage systems. We renewed the headquarters' main communications management core (Firewall), establishing a more robust access security model.



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