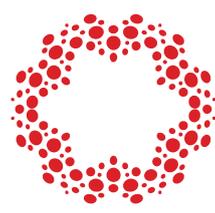




SUS TAINA BILITY RE PORT

2023



Delaviuda
Confectionery Group

Making the world a sweeter place

IND



XX

- 04 Message from the Chairman
- 05 Message from the CEO
- 06 Our roadmap for profitable and sustainable growth
- 28 Confident, challenging, and committed
- 60 A strong culture
- 70 Efficiency, quality and safety
- 84 New consumer experiences
- 96 Allies of our environment
- 114 Environmental care and preservation

MESSAGE FROM THE CHAIRMAN



It is with great pride that I present the new Delaviuda Confectionery Group Sustainability Report, which celebrates its 10th anniversary reporting the most relevant figures and milestones of value generation of our Company.

Ninety-seven years of activity seal the commitment of four family generations who have seen in Delaviuda Confectionery Group a vehicle for the creation of value and positive impact on our environment.

This Report reflects our real and determined ambition to continue making progress in terms of business sustainability. An ambition that I am able to lead from my position as Chairman, from where I can concentrate all my efforts on building the Delaviuda of tomorrow, incorporating the best practices of governance and good corporate governance; looking after the Company's business interests, in favour of growth; and assuming ESG commitments with the aim of continuing to generate positive behaviour and impact in the development of our activity.

This document represents the spirit of a team united in the entrepreneurial culture inspired by my grandmother and founder of the Group, María Rojas. A humble and visionary woman who perfectly represents the values of entrepreneurship, tenacity, and passion for detail. Values that live on in the Group, as can be seen in these pages.

I would like to take this opportunity to give special thanks for the commitment of all the people who make up DCG. More than 500 people who have my full admiration as they make every day an opportunity to achieve results as positive as the ones we share here.

Manuel López Donaire
Chairman
Delaviuda Confectionery Group

MESSAGE FROM THE CEO



I have the honour to present our Annual Report for the financial year 2022-2023, which reflects the ambition and enthusiasm that drives us to continue betting on profitable and sustainable growth.

This financial year has been marked by entrepreneurial spirit and teamwork. Entrepreneurial because we have been able to develop our activity and we have incorporated other approaches with the ambition to tackle new ways of doing things to consolidate our activity 'all year round', to advance in our innovation proposal and in our desire to take our products to all corners of the world. A year also of teamwork, because we have shown that, when we come together, we are able to realise our aspirations, which have resulted in:

- The configuration of a new team and structure capable of driving our growth, key to consolidating a perfectly synchronized cross-cutting business strategy.
- Entering new 'all year round' sales channels in Spain, thanks to the business alliance with *Sabor a España*.
- The consolidation of our internationalisation strategy, where key markets have continued to show double-digit growth figures, showing us that typical Spanish food products have a place outside our borders.
- The effort to develop and innovate in the creation of new products and categories, which awaken new experiences for our consumers.

All these achievements have been accomplished in an uncertain global economic and political context, recording a very positive business performance with a total aggregate turnover of 135 million euros, which represents a +15.6% compared to the previous year. I have no doubt that these figures are the result of the hard work of a united and enthusiastic team that has managed to perform extraordinarily well in a year full of challenges.

For this reason, I would like to make special mention of each of the people in the DCG team who, thanks to their effort, dedication, and commitment, have made it possible for us to reap the achievements that we present to you today.

And, of course, I also take this opportunity to thank the trust placed in us by each of our stakeholders: customers, suppliers, financial institutions, society and shareholders... It is their support and collaboration that make it possible for the Delaviuda CG project to continue creating value and a positive impact on our environment.

Isabel Sánchez
CEO
Delaviuda Confectionery Group

*Our roadmap for
profitable and sustainable*

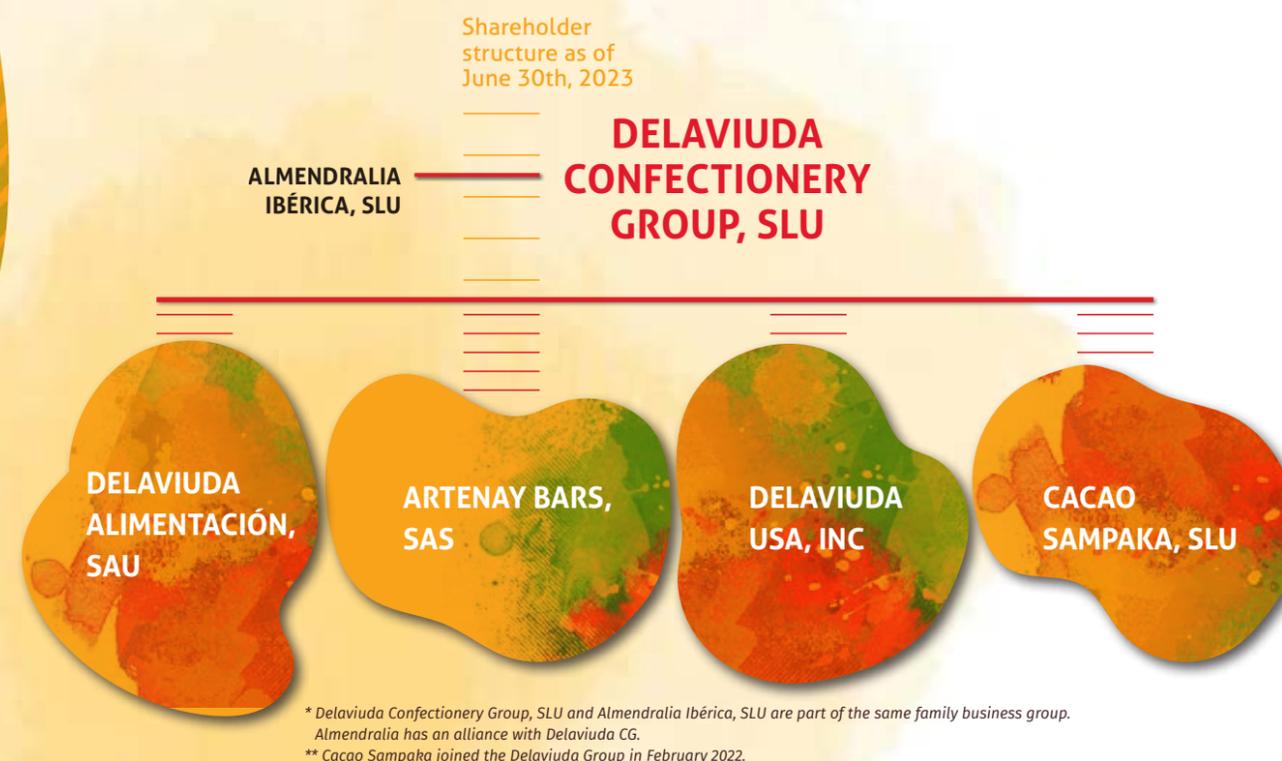
GROWTH

Almost 100 years of HISTORY endorse us

Delaviuda Confectionery Group is a family group, with 100% Spanish capital, specialising in food, and present in the del turrón, confectionery, bars, and chocolate sector. We currently market our products in more than 70 countries.

We serve our traditional retail customers (hypermarkets, supermarkets, and local shops), travel retail, as well as other companies and alternative channels from our plants located in Spain (Sonseca) and France (Artenay), and from our chocolate factory in Vic (Barcelona).

Delaviuda Confectionery Group, S.L.U. is the parent company of the Food Group and the subsidiaries through which the Group's different business units are articulated depend on it. Likewise, Delaviuda Confectionery Group, S.L.U. maintains a strategic collaboration relationship with Almendralia Ibérica, S.L.U., dedicated to the exploitation of almond trees and subsequent marketing of almond, which is part of the same family business group.



We are the leading manufacturer in the Christmas confectionery sector, bringing together two of the most appreciated and recognised brands by consumers.

The Group's activities are carried out in the FMCG and premium sectors through our two business units:

Branded confectionery business unit

Dedicated to the production of **turrón, traditional pastries, chocolate, and bars**. We market our products in the fast-moving consumer goods sector under the Delaviuda and El Almendro brands, and in the retail sector with Cacao Sampaka.



La Confiteria
Delaviuda



el Almendro



CACAO
SAMPAKA

Through our brands **Delaviuda** and **El Almendro** well-known for their quality and *expertise*, we offer turrón and traditional pastries and other confectionery products, being one of the leading brand manufacturers in the sector.

Cacao Sampaka is the quintessence of cocoa, a brand born with the vocation of making the purpose of cocoa a reality, discovering its true essence and enhancing it to turn it into the expression of something sublime and delicious for the palate. This is our premium brand, specialising in the highest quality chocolate.

Private label and B2B Business unit

Dedicated to the production of **bars and snacks** for the main European distribution chains and B2B projects.



artenay foods

BUSINESS UNITS

MILESTONES

2022
2023

First fiscal year, new Group CEO, professional from outside the family business.



Kosher certification at our factory in Artenay.

Commitment to governance: addition of new independent advisors to the Advisory Board and creation of the Audit and ESG Committee and the Appointments and Remuneration Committee.



Development of new product categories focused on the world of chocolate and praline.

Configuration of the new Management Committee, reinforcing the Group's commercial area.



79% of our suppliers are local.

Strategic commercial alliance with *Sabor a España*.



Aster Award in the category of 'Business Track Record for the Medium-Sized Company'.

Progress in Compliance with the opening of a new complaints channel, review, and creation of new policies: Anti-Corruption and Bribery Policy; Donations, Sponsorships and Gifts Policy.



Deployment of a new Training Plan to boost the development of our people through key competences and skills.

Higher Level Classification in IFS and Grade A+ in BRCGS.



Implementation of a new (Security Information and Event Management) service to respond quickly and accurately to threats.



Profitable and sustainable

GROWTH

Our main challenge is to ensure the Group's profitable and sustainable growth, with a special focus on profitability, optimisation, and cost containment.

The strategic alliance with *Sabor a España* and the strengthening of the Group's commercial strategy stand out in the strategy to grow and increase revenues 'all year round'.

Our strategy is yielding positive results as we are reducing our dependence on Christmas thanks to internationalisation, entry into alternative sales channels and the development of new products.



Desde la entrada de nuestra actual CEO, la estrategia de crecimiento rentable y sostenible se ha convertido en la máxima del Grupo, situando al consumidor en el centro y se fundamenta en tres ejes principales de trabajo:



SOCIAL

People are one of our key points, which is why we place special emphasis on the management of our talent, the development and well-being of our people and our environment.



ECONOMIC

This axis pursues revenue growth, efficiency improvements and reduction of complexities, based on the strategic challenges of internationalisation, deseasonalisation, innovation and efficiency.



ENVIRONMENTAL

This pillar is committed to improving the environment and environmental preservation through optimal management of our resources and environmental aspects.

Some of the achievements are described below:

DESEASONALISATION

The increase in our 'all year round' revenues has been supported by the sale of products in international markets, the development of new 'all year round' products and the entry of 'all year round' sales channels.

In this last point, the signing of a commercial agreement with *Sabor a España* that encourages the consumption of turrón and traditional confectionery, outside the Christmas period, as it is a typical product of our national cuisine, stands out.

Sabor a España is a family company that is committed to bringing the tradition of our national flavours and products (turrón, guirlaches and nut derivatives) to all consumer segments. With a business in full expansion, the brand markets its products through a wide network of shops in the best locations in city centres.

In addition, our international customer base continues to grow and more and more customers from other countries are choosing our 'all year round' proposal with the El Almendro and Delaviuda brands.

Finally, we have continued to focus on the development of 'all year round' products, with new proposals for the chocolate and bars categories.



INTERNATIONALISATION

Our internationalisation strategy continues to be oriented towards growth and consolidation in the countries considered key. Despite the effects of inflation and geopolitical conflicts, we have achieved very significant growth in these markets.



In the coming years we will continue to focus on the following challenges that will help us consolidate our business project:

National market brands.

Continue to grow and improve profitability and consolidate the 'all year round' project.

International market brands. PBoost growth in key markets and focus on travel retail.

INNOVATION

Our aim is to continue to develop products and formats that meet market trends and consumer needs.

This year, at the development level, we highlight the Sobremesa (after-dinner talk) range in the chocolate category, and the El Almendro by Cacao Sampaka range of chocolate turróns and pralines in the pralines category.



Artenay Foods-Bars and confectionery. Maintain the significant growth of this business unit, consolidating and strengthening the relationship with customers, and looking for new opportunities.

Cacao Sampaka. Promote its expansion, achieving presence in different channels and focusing on the opening of new stores.

All these challenges will be framed in a sectoral context characterised by regulatory changes and new trends in sustainability, advertising, food safety, waste and circular economy or consumer information, among others.

GOVERNANCE

with a long-term vision

The sole administration of Delaviuda Confectionery Group, S.L.U. is in the hands of Manuel López Donaire, chairman of the family Group, who relies on other bodies for the governance, direction, and management of the Group.

The figure of the **Advisory Board** stands out, acting as mentor, supervisor and promoter of the Chairman and CEO, advising on strategic financial aspects, markets and products, competitors, or technology.

This Board is made up of four proprietary members, belonging to the third and fourth generation of the López family, two executive advisors and two independent advisors and one external advisor, which are renewed periodically.

In order to advance the principles of Good Governance, the Audit and ESG Committee and the Appointments and Remuneration Committee have been created.

This year we have given new impetus to the Group's governance with the addition of new independent directors to the Advisory Board and the establishment of two new Committees.

Responsibility for ESG matters lies with the Audit and ESG Committee.



The **Audit and ESG Committee** is the advisory body that provides advice on financial and audit matters and monitors ESG issues that are most relevant to the Group. This committee meets quarterly.



Finally, the **Management Committee** is responsible for overseeing the development and implementation of the Group's strategy and best management practices. It is also responsible for monitoring budgets, the development of strategic plans, investments and economic and financial statements. This Committee meets at least once a month and consists of the CEO and the Group's management.



The **Appointments and Remuneration Committee** is the internal informational and consultative body that reports to the Advisory Board, without executive functions, and has information, advisory and proposal-making powers within the scope of appointments, remuneration, and good labour practices.



During the year, a new organisational structure was implemented to meet the Group's strategic challenges and to ensure the Group's profitable and sustainable growth.

A new Management Committee has been set up which, led by the CEO, is made up of the following departments: Business Control, Quality, R&D and

Marketing, Industrial and Supply Chain, People and ESG, Commercial Strategy and Financial- Legal.

In addition, the following organisational changes have been made which will facilitate the achievement of the planned objectives:

A structure at the service of strategy.

- **Promotion of the commercial area** through the reorganisation of the Commercial Management and the strengthening of the team. It is worth highlighting the appointment of high-level professionals with experience in the FMCG sector to lead the new management of the commercial area.

- **Creation of the Industrial and Supply Chain Department, which integrates the Operations, Industrial, Procurement and Supply Chain Departments.**

- **Integration of the Communication and ESG area in the Human Resources Department,** uniting synergies in key aspects such as internal communication, employee wellbeing and environmental issues.

FINANCIAL

results for the year

Main financial aggregates	2021-2022	2022-2023
Turnover	117,463	135,802
Generated value	83,941	94,163
EBITDA	5,357	5,879
Investments	1,974	2,734
Net worth	43,362	45,769
Total assets	88,767	83,843
Net financial debt	-5,740	-2,522
Working capital	26,504	24,956

The economic and political context has continued to be characterised by high uncertainty. With regard to supply chain tensions, there have been favourable developments in recent months, although the situation has not yet returned to full normality. However, geopolitical tensions continue with the second year of war in Ukraine, coupled with tensions in the Middle East and Taiwan, which continue to cause imbalances in both financial and goods and services markets. The increase in costs continued to be a key factor during the year, although in the

second half there were some signs of improvement, especially in relation to energy costs. Despite this, in Delaviuda Confectionery Group we have presented very positive results, reaching an aggregate turnover of 135.8 million euros, compared to 117.5 million euros in the previous year, which represents an increase of 15.6%.

As for the production volume, we have reached a figure of 16.82 million kilos compared to 16.75 million in the previous year.





The international market has continued its growth trend experienced in recent years, rising from 52.1% of the total in the previous year to 55.8% this year, which highlights the international character of Delaviuda Confectionery Group. Meanwhile, the weight of national business has decreased, from 47.9% in the previous year to 44.2%.



In the case of the **Artenay Foods business unit, the good trend of the previous year has continued to consolidate**, presenting a very positive growth of 24.7% compared to the previous year, as a result of high out-of-home consumption and new consumption trends.



As for the domestic market, our brands have consolidated **una sólida campaña navideña y un buen rendimiento de los productos de barritas El Almendro.**



The international market continues to be one of the Group's main growth engines, gaining relevance year after year. The strengthening of the sales team, as well as the commercial focus on key countries (United States and Latin America) has continued to bear fruit, showing very high increases and positioning the Group as the most consumed Spanish turrón brand outside Spain.

As for the travel retail channel, it continues with its positive evolution after Covid, following the total reopening and the elimination of restrictions on international tourism, being close to reaching Pre-covid values.

Based on this good performance, the main financial figures are very positive, with an aggregate working capital of €25M and a negative Net Financial Debt (cash surplus) of €2.5M, which shows the strength and solvency of Delaviuda Confectionery Group.



CONFIDENT

challenging, and committed

One of the values that defines professionals at Delaviuda is commitment.

From the Human Resources Department, during the 2022-2023 financial year, a series of actions have been launched aimed at ensuring that the entire organisation is as aligned and prepared as possible to face current and future challenges with confidence, enthusiasm, and skill.

The profitable and sustained growth that we pursue demands new ways of doing things, and the implementation of impact projects in the business. For this reason, one of our main milestones has been to face and accompany the organisational changes relevant to the Group, such as the reorganisation of the Operations Department and the Commercial Strategy and Marketing Department. These changes have required the creation of new roles and the addition of profiles with extensive experience in our sector, which in turn provide new and efficient ways of developing our activity.

At the same time, we have continued to work on: improving our value proposition for employees, promoting and developing a culture that helps us to integrate and adapt to emerging trends in the markets, proximity and communication with our people, the deployment of training, and the development of key people for the company.

Delaviuda Confectionery Group has a clear ambition: to pursue a prosperous and sustainable future. A goal that we work on every day together with the search for efficiency, simplification, and agility in each of our processes.

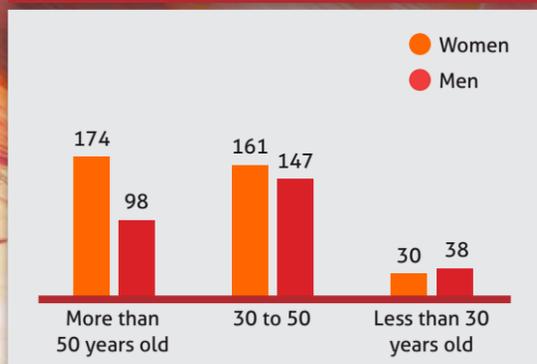


* Employee data by type of contract and gender have been calculated with the workforce at the end of the year.

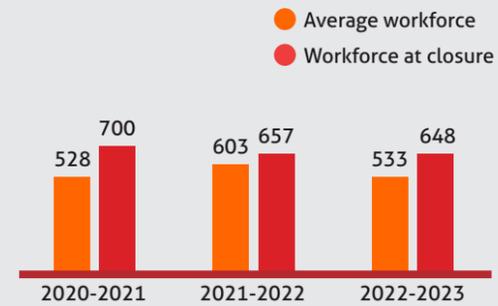


WORKFORCE

Workforce at closure by gender and age



Evolution of the Delaviuda Confectionery Group workforce



Workforce at closure by contract type



During the year, Delaviuda CG's average and year-end (30th June 2023) head-count reached 533 and 648 employees, respectively.

During the campaign periods this figure increases significantly, reaching at certain times a figure close to 975 employees (highest peak this year).

Average workforce by gender	2021-2022			2022-2023		
	Spain	France	Total	Spain	France	Total
Mujeres	284	31	315	246	32	278
Hombres	211	67	288	192	63	255
Total	505	98	603	438	95	533

Average workforce by age	2021-2022			2022-2023		
	Spain	France	Total	Spain	France	Total
More than 50 years old	184	38	222	162	41	203
30 to 50	252	50	302	230	45	275
Less than 30 years old	69	10	79	46	9	55
Total	505	98	603	438	95	533

Average workforce by professional category	2021-2022			2022-2023		
	Spain	France	Total	Spain	France	Total
Senior management	10	-	10	12	9	21
Middle management	63	33	96	62	23	85
Administrative	38	5	43	40	6	46
Other staff	394	60	454	324	57	381
Total	505	98	603	438	95	533

Average workforce by type of contract	2021-2022			2022-2023		
	Spain	France	Total	Spain	France	Total
Permanent	244	94	338	286	91	377
Permanent seasonal	97	-	97	140	-	140
Temporary	164	4	168	11	4	15
Total	505	98	603	438	95	533

Focusing on your growth and DEVELOPMENT

Our leadership model is based on the values, skills, and competencies that we have defined as necessary for the personal and professional growth of each of our people. Fostering this leadership model becomes a key lever to face, with solvency, the challenges, and objectives that we have set for the company and that we summarise in achieving profitable and sustainable growth.

To this end, we have made progress in the design and conceptualisation of a new competency model, which will be implemented in the last quarter of 2023.

In our model, we pay special attention to the identification and retaining of people considered key for their performance, potential and position in the organisation, where active listening has become an indispensable element.

Thanks to the measures implemented during the year, we are very pleased to have achieved a 100% loyalty rate among the group identified as key.

Loyalty rate of 100% among the group identified as key.



Balance, determination, attitude, mobilisation capacity and long-term vision are the main levers of exemplary leadership.



We are working on improving the employee value proposition.

Our management objective and social purpose is to make DCG an exciting project that attracts external talent, of which our people feel proud and in which they find a place with a good working environment, recognition, professional development and where they are listened to.

We want our people to be in the best place to work. To this end, we have defined four strategic lines that will allow us to improve our value proposition as a company: remuneration, work-life balance, organisation, and opportunity.

Remuneration

- Valuation and market alignment.
- Design of a new variable compensation model for the sales force (to be launched in FY23-24).
- Negotiation of a new regional agreement.
- Beginning of the implementation of a flexible remuneration model for Spain.



Work-life balance

- Maintenance of the efr certification.
- Approval and implementation of new measures in the Conciliation Plan.
- New measures included in the new regional agreement.



Organization & Culture

Internal and external visibility of the Management's commitment to the Group's profitable and sustainable growth.



Opportunity for professional growth, continuous training, and personal development

- Internal posting of vacancies
- Ongoing promotions and development plans
- 54% recruitment after internship
- Participation in ICEX Vives Program
- Start-up of 'Proyecto Secuoya'
- Design of the DCG Young Graduates Project: 'Proyecto Marcona'. Commissioning in 2023-2024.

Your best performance with our accompaniment

Performance as efficiency

Performance as learning



Performance evaluation is a strategic tool for the Group, which helps us to measure and evaluate, in the most objective way possible, the work of our people and their contribution to the company's goals.

We have a performance evaluation process that allows us to streamline and improve the efficiency of our processes.

During the year, some progress has been made in the performance evaluation model:

- Greater alignment of people's goals with those of the company.** (Icon: Target)
- The use of metrics for the measurement and improvement of individual performance.** (Icon: Bar chart with upward arrow)
- Monitoring the results throughout the year.** (Icon: Bar chart with magnifying glass)
- Greater clarity of individual expectations.** (Icon: Hand holding a flag)

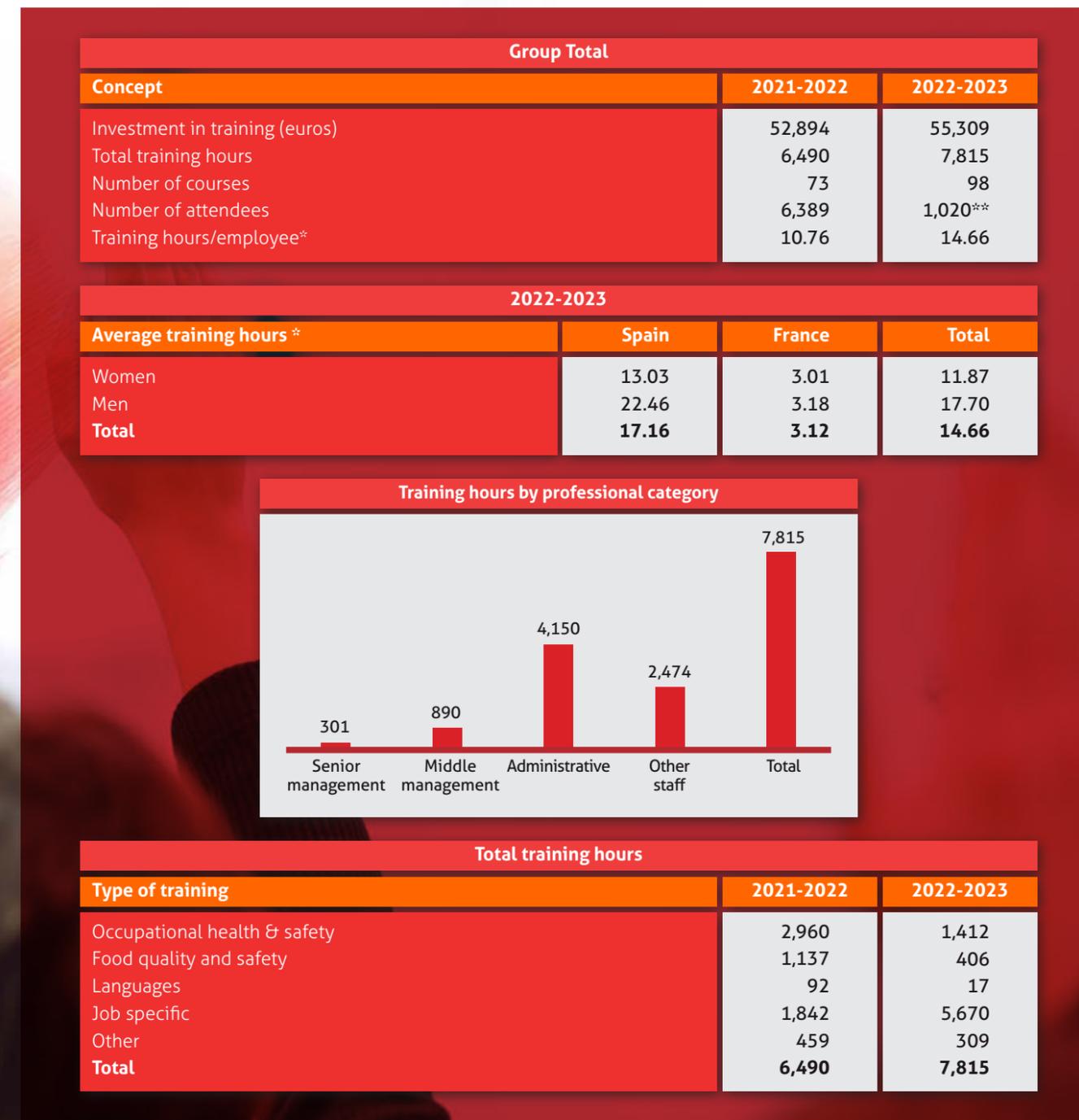
Our commitment with training

From the Talent department we continue to promote the training and integral development of our people. DCG Talent University is the entity through which our entire training program is articulated, both online and offline. A new feature this year is the isEazy digital training platform, through which we provide our people with a wide range of training programs. Its digital structure allows for easier access to content and more efficient training.

The DCG Talent University offers a catalogue with updated contents, integrating online and offline training actions, to guarantee the flexibility and adaptability of each professional.

Training indicators

*Average workforce; **The difference with respect to the previous year is due to the fact that this figure does not include temporary employees hired through temporary employment agencies.



We promote lifelong learning through reskilling and upskilling actions.



The development of skills and new competencies (Upskilling and Reskilling) is one of the key axes in the management and development of our people; especially in a context such as the current one, defined by factors such as digitalisation, automation, or competitiveness.

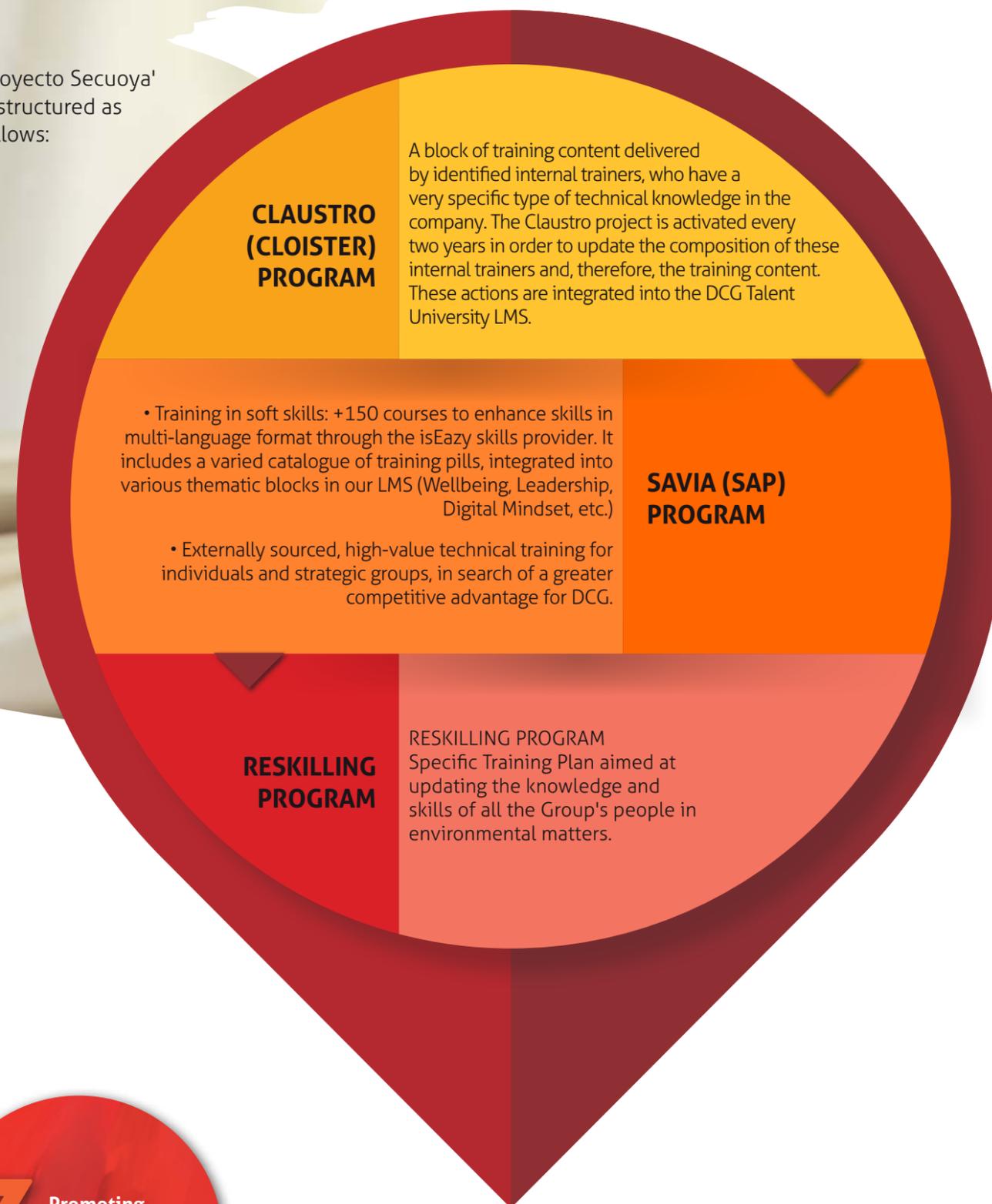
In this line, one of the first actions promoted during the year was the implementation of soft skills e-learning through the provider isEazy. Under a 100% practical methodology, permanent employees have access to interactive and multimedia resources (more than 150 courses and programs) that facilitate the generation of habits and their transfer to their jobs, related to the following areas: Wellbeing, Creativity and Innovation, Leadership, Digital Effectiveness and Productivity, Diversity, Communication and Interpersonal Relations, Commercial Skills and Customer Experience, and Digital mindset.

In addition, work has also been done on the conception and definition of 'Proyecto Secuoya', which is part of the 2023-2025 Training Plan, the mission of which is to accompany our people in their learning process so that they acquire knowledge and renewed skills to boost their ability to adapt, making it possible for us to continue advancing in the Group's strategic challenges.

This project pursues three specific goals:

- 1** The identification and structuring of specific internal knowledge, sharing it among the people in the organisation.
- 2** Training people in key aspects.
- 3** Promoting responsible management.

'Proyecto Secuoya' is structured as follows:



"Proyecto SECUOYA"
DCG
Talent University

Employer Branding

In order to attract the necessary talent for the organisation, we have worked on creating an exciting and attractive project for people. This goal has led us to work in complementary lines to the recruitment of people, adding value to the Group through:

Social recruiting as the main strategy for attracting highly specialised profiles.

Quality communication and monitoring in the employment portals with which we work.

Employee ambassador actions.

Working together with prestigious head-hunters.

Participation in programs to attract young talent (e.g. ICEX Vives internship program).



In addition, we have attended various employment forums, and we have partnerships with Universities and Vocational Training Institutes, which allows us to identify young profiles for internships in the Group, of which more than 54% have joined the company after completing their internships.

Internally, from the Communication department, we have worked on different actions aimed at projecting a good corporate image, homogenising our visual identity, and disseminating good practices that help give greater visibility to our Group and our brands.



More than 80% of our selection processes are managed directly by our Talent team.

RECRUITMENT

Committing to wellbeing and DIVERSE TALENTS

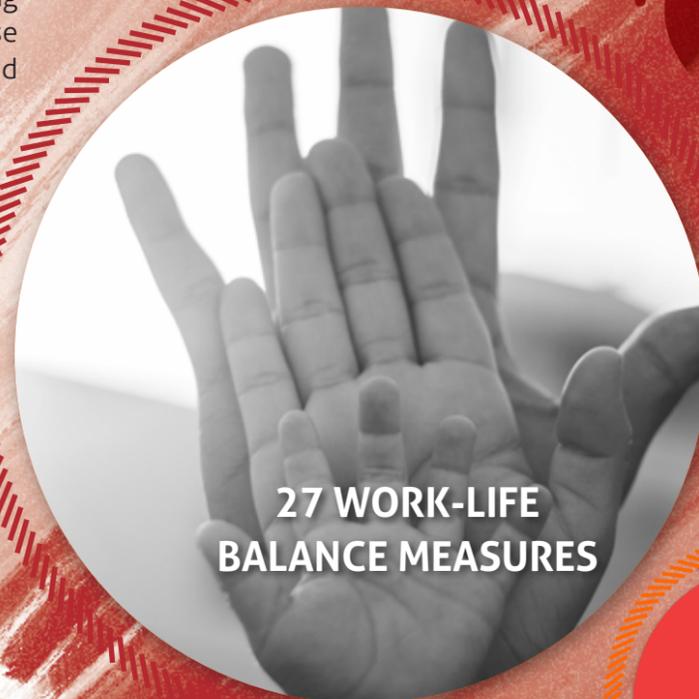
We are confident in the richness of having diverse talents and the importance of nurturing our people, helping them to balance their personal and professional lives. In this sense, we have deployed multiple initiatives that, in addition to favouring well-being, also result in greater commitment from our professionals.

Work-life balance

In 2019, we sealed our commitment to work-life balance and the well-being of our people with the launch of the 1st Work-Life Balance Plan and the achievement of the efr certification (family-friendly company) in our Spanish subsidiary Delaviuda Alimentación.

This commitment continues with more than 25 measures aimed at enhancing job quality, flexibility, equality, family support, personal and professional development. During the year, we have continued to work on improving these measures, adapted to the circumstances of the office and factory groups.

These actions are complemented by the dissemination and implementation of good practices that encourage respect for the work-life balance of our teams.



27 WORK-LIFE
BALANCE MEASURES

11
Quality of
employment



6
Flexibility of
space and time



3
Equality of
opportunities



4
Professional
Development



3
Family
support



Diverse Talents

17
people with some
kind of
disability

2.7%
workforce
in Spain

5.25%
workforce
in France

The wealth of diverse skills

We are committed to equal opportunity, inclusion, and non-discrimination. This year we have adhered to the diversity charter, and, during the month of May, we joined the month of diversity, taking on board the ten principles promoted in this initiative of the Diversity Foundation and the European Commission:

Raising awareness, Building a diverse workforce, Promoting inclusion, Considering diversity in all human resources management policies, Promoting work-life balance and co-responsibility, Recognising the diversity of customers, Extending and communicating the commitment to supplier companies, Disseminating the commitment to third party entities: administrations, business organisations, trade unions and other social agents, and Disseminating the D&I policies and the results obtained.

The Group employs 17 people with disabilities (12 in Spain and 5 in France). These figures represent 2.7% of the workforce in Spain and 5.25%, in France. Additionally, we support the generation of quality employment for the group of different abilities, contributing 53,540 euros to special employment centres.

50% of positions in the Group's governing bodies are held by women.

For real equality

We are committed to the project of creating a work environment where equality between people prevails. A purpose reflected in our code of conduct and human resources management policies and processes, where we establish objective criteria based on merit, experience and capability.

During this year we have negotiated the new Equality Plan and approved the new Protocol for the prevention, detection, and action against sexual harassment. The document has been disseminated to all staff and includes the actions that must be carried out in the event that this situation occurs within our Group.

Supporting senior talent

DCG is working on a new initiative promoted by the *Más Familia* Foundation. This is an initiative to promote a respectful, proactive, and inclusive culture with senior talent, through positive age management and a commitment to generational diversity.

Our challenge is to achieve, in the next financial year, the **mástalento senior** badge that recognises our commitment to senior talent.

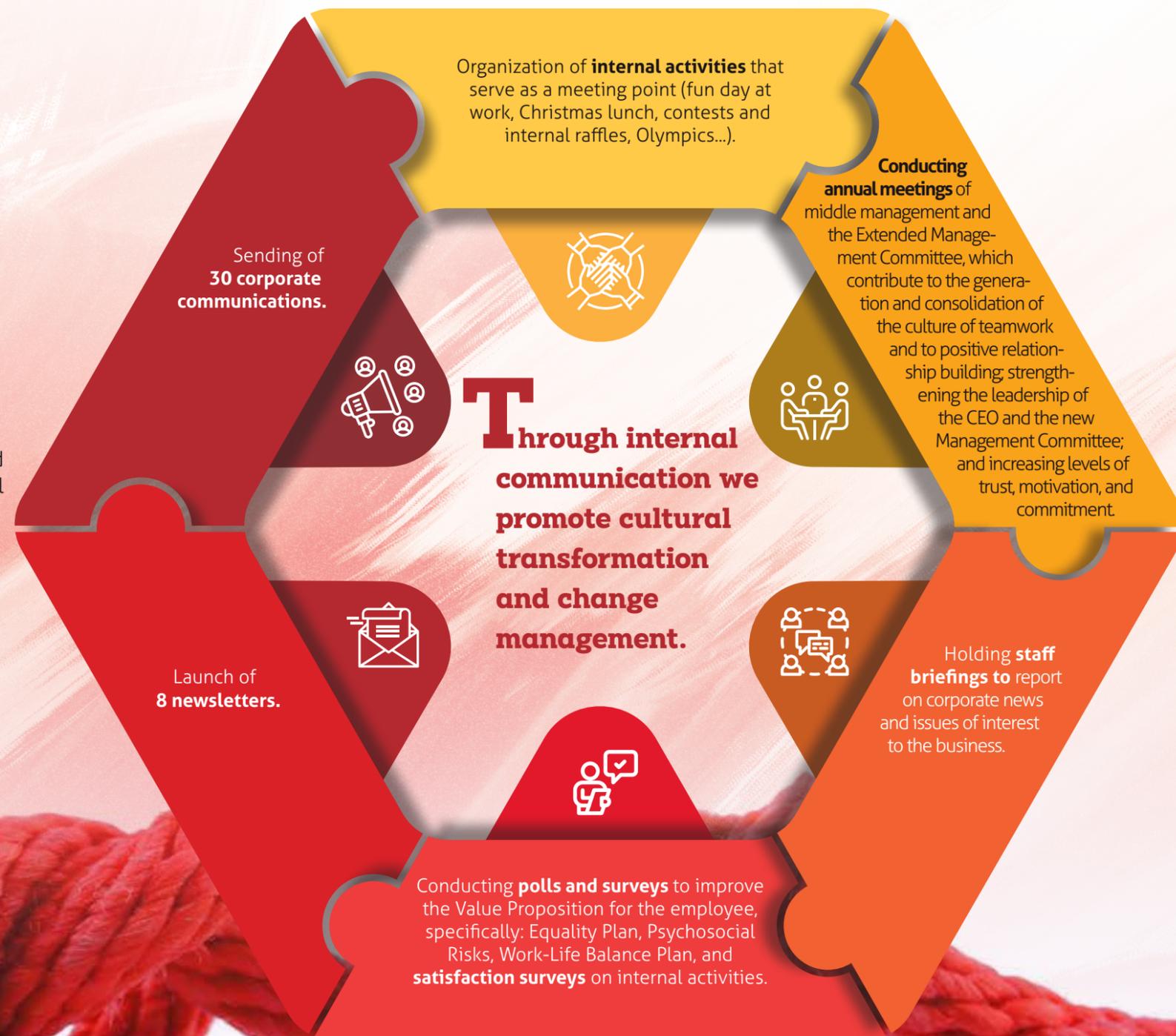
Transparency, dialogue and TRUST

Communication has become key to achieving closeness, generating an atmosphere of trust, and boosting the motivation and pride of belonging of all those who make up the Delaviuda Confectionery Group. To this end, we have various internal communication channels to ensure that our people feel heard, considered, and informed about the progress and challenges of the company. In our Group, active listening and the participation of teams are key aspects for communication to reach everyone in the most efficient way.

Communication also becomes a necessary tool to promote the cultural transformation initiated in the previous year and to convey the necessary confidence at a time of change.

These are some of the communication and participation actions that have gained special relevance during this year.

Rowing with the same strength and in the same direction.



Maximising safety and **HEALTH** surveillance

Occupational health and safety at Delaviuda Confectionery Group is based on a management system designed under the standards of ISO 45001, which aims to ensure safe and healthy working environments.



A strong organisation

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

There is a Prevention Plan with objectives, criteria, and procedures to guarantee the safety of all employees.

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. The company has initiated an awareness process for all middle managers.

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



Communication, education, and training

Preventive safety culture through communication to employees and contractors.

Training, coaching and preparation of employees to ensure that they are aware of how to avoid unsafe situations and respond to unexpected events. As well as influencing the training of contractors, suppliers, and the community in general.



Basic principles of action

- Respecting the basic pillars of the concept of occupational health and safety.
- Guaranteeing in all decisions the necessary compliance (legal framework, labour, etc.) in matters of health and safety.
- Ensuring the complete integration of occupational health and safety principles in all management systems.
- Developing and implementing a comprehensive occupational health and safety system for the entire Group.
- Enforcing compliance of contractors and involving them in the preventive culture.
- Encouraging the participation of employees in the promotion of safety.
- Promoting a preventive culture.
- 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 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.



We strive to achieve a safe environment with the goal of zero accidents through a safety culture based on commitment, leadership and participation.

Pillars of DCG Health and Safety Management

Main actions:



Digitization of processes.



Improvement of personal protection equipment.



Progress in the adaptation of work equipment, according to Royal Decree 1215/97 on safety measures for work equipment.



Medical examinations in the facilities.



Acquisition of auxiliary elements for the reduction of the physical burden on employees.



Recycling in training and information on risks in the workplace.



Development of different procedures and instructions (procedure for risk assessment, planning and monitoring of preventive action, procedure for emergency situations, procedure for health surveillance, procedure for accidents and incidents...).



Nursing service available to all workers during the campaign months. Our facilities have, during these months, a first-aid kit, and a medical expert in occupational medicine.



Organisational structure for health and safety within the Group

The Delaviuda Confectionery Group's preventive modality is managed through an External Prevention Service for the four specialities of Workplace Safety, Industrial Hygiene, Ergonomics and applied psychosociology and Occupational Medicine.

In the health and safety area of DCG, we have six people with safety-related functions, who ensure the correct management of the Group's preventive action.

In addition, we have a Health and Safety Committee, a joint and collegiate participation body for the regular and periodic consultation of the company's actions in risk prevention. This Committee is made

up of an equal number of Prevention delegates and company representatives. It meets quarterly or whenever requested by any of the representatives.

Its competencies and powers include the following: participating in the development, implementation and evaluation of risk prevention plans and programs, and promoting initiatives on methods and procedures for effective risk prevention, proposing corrections or improvements.



Preventive Culture

We work to promote a culture of prevention within our organisation.

In addition to guaranteeing the necessary training in prevention, we also allocate resources to implement various actions aimed at ensuring the health and well-being of our employees, such as: annual medical check-ups, gynaecological check-ups for female employees, improving the comfort of safety footwear, etc.

In addition, we encourage communication between the different levels of the company and a proactive and participative attitude on the part of people by facilitating different channels of communication to transmit information related to the prevention of occupational risks, situations of serious risk, preventive measures, etc.



1,412
hours of training in
Occupational Risk
Prevention

We provide the human, economic and material resources necessary to achieve our goals in terms of occupational risk prevention.

Accident rates



No fatal accidents

Accident indicators	
DCG	2022-2023
Number of accidents with sick leave	36
Frequency rate	39.40
Severity rate	0.98
Incidence rate	67.57

Frequency rate = Number of accidents with sick leave / Number of hours worked) *1,000,000

Severity rate = Number of days lost / Number of hours worked) *1,000

Incidence rate = (total number of accidents / average number of workers) *1,000

Below is a breakdown of frequency and severity rates by gender and country.

Accident rates in Spain	2021-2022			2022-2023		
	Women	Men	Total	Women	Men	Total
Frequency rate	29.65	57.38	42.08	42.55	42.00	42.31
Severity rate	0.28	0.94	0.58	0.60	1.01	0.78
Incidence rate	-	-	-	73.29	72.84	73.09

Accident rates in France	2021-2022			2022-2023		
	Women	Men	Total	Women	Men	Total
Frequency rate	20.06	46.59	38.18	20.19	27.85	25.44
Severity rate	0.12	0.45	0.34	0.36	2.63	1.91
Incidence rate	-	-	-	31.25	47.62	42.11

Frequency rate = (Number of accidents with sick leave / Number of hours worked) *1,000,000

Severity rate = (Number of days lost / Number of hours worked) *1,000

Calculation of the incidence rate = (total number of accidents / average number of workers) *1,000

Incidence rate data for 2021-2022 are not available.

	2022-2023		
	Women	Men	Total
Total hours of absenteeism	26,140	12,638	38,777
Total hours worked	472,591	440,732	913,323
Total planned working hours	516,894	466,282	983,175
Absenteeism rate I.T. Common	5.06%	2.71%	3.94%
Rate of absenteeism following an accident	0.42%	1.07%	0.73%

A strong

CULTURE



WE

ARE

Delaviuda Confectionery Group

Perseverance

We are committed to achieving our goals ethically and successfully, overcoming obstacles that may appear along the way.



Reliability

Understood as the set of four fundamental values: Integrity, Competence, Commitment and Reliability.



Transparency

We maintain a transparent attitude with each and every one of our stakeholders, to whom we transfer, at the right time and in an objective manner, the information they must know.



Prudence

We advocate taking decisions based on good sense and good judgment. To do this, before taking any decision, we focus our efforts on analysing and contrasting all the information in order to evaluate all the possible consequences, and we take the decisions always within a threshold of assumable risks.



Vision and values are the impetus and foundation of our day-to-day life. Some give us a long-term vision and the enthusiasm to achieve them, and others are the main pillars that provide a solid corporate culture for people in order to achieve the goals we set ourselves.

Together we create shared value and strive to make the world a sweeter place.

Towards achieving our

VISION...

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



Being an **international benchmark** company 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.



Our COMPLIANCE system...

Main elements of the Delaviuda Confectionery Group Compliance Model



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 on a daily basis.

The Criminal Compliance Policy, updated this year, includes the aspects of our Criminal Compliance Model implemented in the company, accrediting an organisational and management model with surveillance and control measures to prevent and detect the risks of criminal offences or fraudulent and corrupt practices in the organisation.

We have also developed the **Anti-Corruption and Bribery Policy**, which aims to ensure that commercial and professional relations, both with private and public entities, are guided by transparency, commitment, and legality, guaranteeing

free and fair competition. In the same way, through this policy, we reaffirm our values and principles and describe those behaviours that could lead to corruption.

We have also worked on the new **Donations, Sponsorships and Gifts Policy**, which provides guidance on the Group's participation in events, sponsorships, and gifts, with the aim of making legal, ethical and transparent decisions.



The annual Compliance plan has mainly consisted of the review and creation of new policies and the implementation of a new complaints channel.

Complaints channel

All DCG personnel have the obligation to report or communicate any fact, act, conduct or behaviour that could be considered irregular or illegal. During the year, a new complaints channel was implemented, and the complaints procedure was updated.

Complaints can be channelled through the following means: verbal communication to the hierarchical superior who will draw up the minutes and communicate it to the Compliance Officer; and/or through the website www.delaviudacg.com which has a specific section, Compliance, intended for this purpose.

The Compliance Officer is responsible for ensuring the proper functioning, guaranteeing confidentiality and non-retaliation against employees or third

parties who make a complaint, provided it has been made in good faith.

The existence and operation of the complaints channel is included among the mandatory training subjects of our Annual Training Plan.

During this year, no complaints have been received through the enabled channels.

Our complaints channel is secure and guarantees the confidentiality of the complainant and any third parties mentioned in the complaint.

WWW.DELAVIUDACG.COM

Efficiency,

QUALITY,

and safety



We
GUARANTEE
*the quality and food safety
of our products*

At Delaviuda Confectionery Group we care about offering the best products, made under the best standards of quality, security, and food safety.

We have a Quality and Food Safety Management Policy and System based on legal requirements, international standards and commitments made to our customers.



As in previous years, we have undergone rigorous internal and external reviews and audits, demonstrating our commitment to quality and safety.

Our certifications endorse us in the market, achieving this year the Higher Level classification in IFS and the A+ grade in BRCGS.

2022-2023			
Food safety certifications	Sonseca	Artenay	Sampaka
IFS Food	x	x	
BRCGS Food	x	x	
Sustainability certifications	Sonseca	Artenay	Sampaka
RSPO ¹	x	x	
Rainforest Alliance ²	x	x	
Fairtrade ³	x		
Product certifications	Sonseca	Artenay	Sampaka
BIO	x	x	x
ELS ⁴	x		
Kosher		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 recognised 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 (private label) products.

During the year, our factory in Artenay obtained the Kosher certification, which certifies that our products are suitable for consumption by the Jewish community.

Delaviuda Alimentación has also approved new products in the turrón and marzipan figurine categories for export to other countries.

On the other hand, Cacao Sampaka is working on obtaining new quality and food safety certifications.

These are some of the actions that contribute to improving the Group's quality, food safety and traceability.



Implementation of a **work team** made up of the Quality and R&D, Industrial and Supply Chain, Business Control and Marketing departments with the aim of improving the traceability system and making the data we generate and analyse increasingly reliable.



Cacao Sampaka begins **implementation of the Quality Management and traceability module in SAP** to harmonise it with the Group's quality system.



At Artenay Bars we have added **new people to the quality area**; improvements have been made to the traceability of packaging and changes have been made to cleaning equipment in order to contribute to the improvement of quality and food safety.

Focus on the customer and consumer

Our permanent challenge is to guarantee the highest quality of our products and the satisfaction of the customer and final consumer, so the management of complaints becomes a key aspect, looking for the most appropriate solutions in the shortest possible time.

In the development of our activity, we distinguish between complaints related to campaign products (more seasonal production) and bars ('all year round' production) to better monitor and analyse them.

Complaints per million kilos manufactured for the last two years are reported below, reflecting a significant decrease in complaints for bars in both Spain and France.

Complaints per million kilos manufactured			
Spain	2021-2022	2022-2023	Variation (%)
Campaign products	3.00	3.05	1.67%
Bars	5.71	3.60	-36.95%
France			
Bars	7.50	5.20	-30.67%

We nurture and maintain strong relationships with each of our suppliers to ensure optimal operations and mutual growth.

Supplies

At DCG we continue to work on a responsible sourcing management system, always looking for the highest quality of our raw materials to offer our consumers excellent products.

The main risks identified in the supply chain are dependence on key suppliers and almond, as well as variations in the prices of raw materials. In these circumstances, we turn to long-term contracts and alternative suppliers.

We currently work with 249 approved suppliers (195 raw material suppliers and 54 packaging suppliers), from whom we demand that they meet stringent quality and food safety criteria.

Typology of raw materials and other materials

Raw materials by type (% purchases in euros)	2021-2022	2022-2023
Nuts and dried fruit	34%	32%
Chocolate	16%	15%
Cereals	10%	13%
Other	40%	40%
Total	100%	100%

Materials by type (% purchase in euros)	2021-2022	2022-2023
Cases	35%	38%
Film	28%	31%
Cans	14%	14%
Others	23%	18%
Total	100%	100%

Purchases of raw materials (kg)	2021-2022			2022-2023			
	Delaviuda	Artenay	Total	Delaviuda	Artenay	Sampaka	Total
Purchase volume	13.764.288	5.741.539	19.505.827	17.452.397	6.842.724	51.974	24.295.121

We favour local contracting: 79% of our suppliers are from Spain and France.



100%
of
vegetable fats
are **RSPO**
certified



100%
of
palm oil
is **RSPO**
certified



21%
of
cocoa paste
is **Rainforest Alliance**
Certified



27%
of
cocoa butter
is **Fairtrade**
Certified

Improving our EFFICIENCY

At Delaviuda Confectionery Group we are committed to the efficiency and optimisation of our processes. During this year, we have invested nearly 2 million euros in various projects that lead to greater efficiency in our production processes.

NOTEWORTHY PROJECTS

At the **SONSECA** plant we have carried out the following projects:

Redesign of the soft turrón portions line.

The process of forming and packaging portions of soft turrón has been redesigned, achieving an improvement in the productivity of the line, as well as important qualitative improvements in the airtightness of the wrappers and product conservation.

New pralines in the Delver line. Adaptation of the 'Cup' type chocolate line to produce the new range of pralines of *El Almendro by Cacao Sampaka*.

New installation for BIO chocolate in the cereal bars line.

Addition of a complete melting, storage, and tempering facility for organic chocolate for use in cereal bar coatings. This facility is completely segregated from the non-organic chocolate facilities.

Boosting energy efficiency through projects such as:

- Installation of solar panels with a total installed power of 1Mwp intended for the self-consumption of the plant.
- Recovery of thermal energy from exothermic processes (compressed air production and cold-water production) and reuse for preheating of cleaning water. Through this recovery, it is possible to raise the temperature of the water used for cleaning and thereby reduce diesel consumption.
- The efficiency project in the production of compressed air has been consolidated based on a correct modulation and stoppages of the large generation equipment installed. The objective is to always know the real needs of the plant and attend to them in the most efficient way.

Through these projects we incorporate new technologies, reduce process losses, and improve energy efficiency.

Meanwhile, at **CACAO SAMPACA AND ARTENAY**, improvements have been made in the efficiency of processes such as:

New wrapping machine for Sampaka. Acquisition of a *flowpack* type wrapping machine for the improvement of the product packaging process. With this new machine, the tablets, bars, and pralines produced at the plant can be packaged.

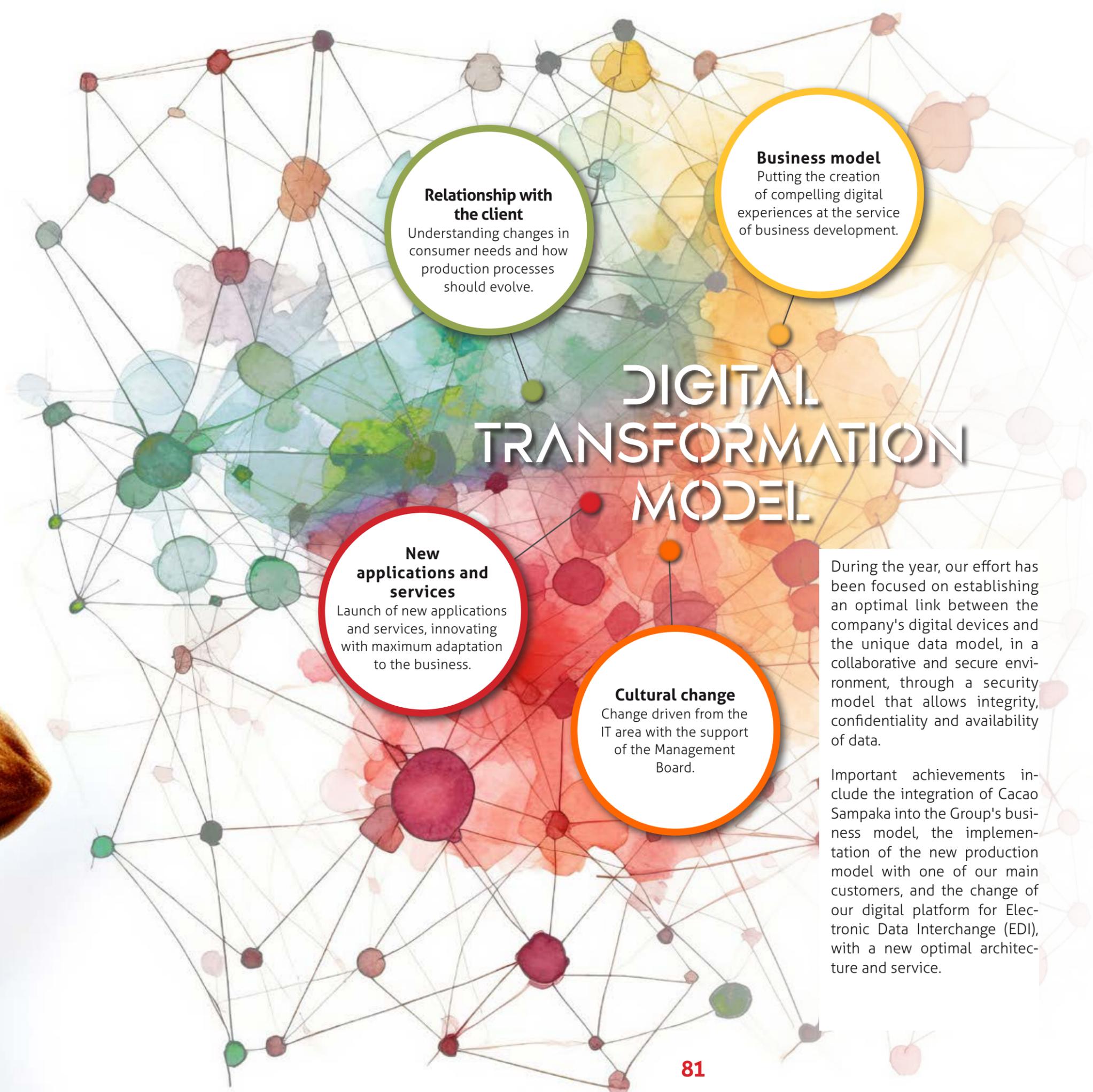
Fat separator.

Renovation of the Artenay plant's waste-water fat separation plant. This installation captures a large part of the waste discharged into the network during the line cleaning process and retains it until it is removed by the authorised waste manager and transferred to the recycling plant.

Digitising at the SERVICE of efficiency

At Delaviuda Confectionery Group, digitalisation is one of the great drivers of our business success. Our roadmap towards a digital model has continued to evolve positively, bringing the Group more efficiency, agility, and speed.

Our **digital transformation model** is based on four major variables: relationship with the client, cultural change, new applications and services, and business model.



During the year, our effort has been focused on establishing an optimal link between the company's digital devices and the unique data model, in a collaborative and secure environment, through a security model that allows integrity, confidentiality and availability of data.

Important achievements include the integration of Cacao Sampaka into the Group's business model, the implementation of the new production model with one of our main customers, and the change of our digital platform for Electronic Data Interchange (EDI), with a new optimal architecture and service.

Major Projects

New Wi-Fi service.

A new corporate WiFi service has been implemented, increasing the quality of service, as well as security shielding in each of our locations.

Implementation of Multi Factor Authentication

(MFA) that prevents attacks on credential authentication.

Adequacy of the Windows 11 operating system.

Renewal of communications access

(firewalls, content filtering, DPI, SSL and sandbox activation) to new services with improved security design.

Update of Artenay's technological infrastructures and renewal of communication services.

Information security

Our Security Model is based on the requirements of ISO/IEC 27001 and 27002, international reference standards that establish requirements, guidelines, and management practices for information security.

The requirements of ISO 27001 provide us with an Information Security Management System (ISMS), consisting of measures aimed at protecting information against any threat, so that we always guarantee the continuity of the company's activities. The ISMS allows us to preserve the confidentiality, integrity, and availability of information.

During the year we have made progress with the publication of the specific policies, regulations and procedures required by ISO/IEC 27002, adapting them to our business model and strategy. This framework is our reference for the specific controls we adopt to protect information.

Below, we highlight some **relevant actions carried out to improve our information security:**

The implementation of a new SIEM (Security Information and Event Management) service whose goal is to be able to respond quickly and accurately in the face of threats. This service can detect ongoing threats in real time, giving us instant action capability.

Combination of our SIEM service with the new external service SOC (Security Operations Center) as a platform that allows the supervision and management of the security of information systems, improving our organisation's threat detection, response, and prevention capabilities.

One of the main challenges facing businesses worldwide is cyber security, where the promotion of a strong cyber security culture is of particular importance.

New

CONSUMER

experiences





Our great challenge is to develop and offer products that respond to the trends and needs of a consumer who is constantly looking for new consumer experiences.

From our R&D department, we carry out all the new developments and launches of our brands, as well as the B2B developments that we carry out for other companies from our Artenay Foods business unit.

The Development department, located in Sonseca (Toledo, Spain), is made up of twelve people with different professional profiles, highly specialised training, and extensive experience in the food industry. This multidisciplinary team, together with knowledge and monitoring of market trends and consumer demands, allows us to respond to the search for new consumer experiences.

This year has been marked by the consolidation of consumption trends that we have observed in recent years.

On the one hand, the consumer continues to prioritise the choice of healthier products, with a high percentage of cocoa, a high amount of fibre and protein, with less sugars, fats... On the other hand, improved labelling systems and transparency in the information of products and their composition is also a demand that is met by the introduction of "clean and clear labels".

In addition, *snackification*, *chocolatisation*, and organic, gluten-free, or vegan products are other clear and increasingly popular trends. In response to these trends, our innovation strategy has been geared towards nutritional improvement, incorporating the search for healthy ingredients.

Furthermore, as part of our firm commitment to gaining relevance in the world of chocolate, where the search for indulgence prevails, we have launched innovative, disruptive products on the market in terms of shapes, textures, and flavours.



Consumption of healthier and more nutritious products remains one of our priorities.

CONSUMER- focused launches and developments

LAUNCHES

Range Delaviuda & Christian Escribà

We create happy moments with our new range of signature turrón and rocks by Christian Escribà, a leader in the creative confectionery sector.



La Confitería
Delaviuda



Sticks

We expanded the range of chocolate products with the launch of two new varieties: Sticks Mojito (white chocolate and mojito) and Sticks Piña Colada (white chocolate and piña colada).

Portion cans

Marzipan, Cranberry and Chocolate Delights.



Pralines

Creamy hazelnut turrón praline.

Our launches and developments have continued to focus on continuous improvement and disruptive innovation, both in products and formats, with the aim of offering new consumer experiences.

Range "Cosecha Propia" (Own harvest)

It is our most special proposal, made with almonds harvested in our fields in the Tiétar Valley, which highlights the experience and knowledge we have of this nut. Turrón bars: Hard; Soft; Toasted Yolk; Toasted Yolk with a Touch of Lemon; Creamy Chocolate with Almond and Coffee; Almond, Raspberry and Chocolate 70%; and Soft Chocolate Fusion.



Assorted cans of chocolate turrón servings

Assortment of 12 servings of Crunchy Chocolate, Three Chocolates and 70% Dark Chocolate.



Thins

We enhance our **Thins** range, with new packaging and new flavours. The range is made up of three recipes: White Chocolate with Red Fruits and Caramel; Caramel Chocolate with Salt; and Milk Chocolate, Coconut and Caramel.

Every Christmas we strive to surprise with new proposals and range expansions, which contribute to creating unique moments and awakening new experiences through improved recipes and new ones, with different textures and flavours.

DEVELOPMENTS

La Confiteria
Delaviuda

Delaviuda "Sobremesa" (after-dinner talk)

With an avant-garde and sophisticated touch, Delaviuda 'Sobremesa' has been created for those who love to share stories, moments, memories... inviting to enjoy and extend that genuine moment that takes place with friends or family around a table... whatever the type of 'sobremesa', at Delaviuda there is a clear proposal for each consumer:

"ORIGIN lovers". Assorted selection of original chocolates.

"DESSERT lovers", chocolates designed for sweet lovers, inspired by the most universal desserts and cakes – Cheesecake, Apple pie and Sachercake.

"LIQUOR lovers". Selection of Ruavieja liqueur chocolates.

"ALMOND lovers". Selection of caramelised almonds dipped in a chocolate praline with hazelnut and sprinkled with cocoa..

Delaviuda FUSSION

Range of chocolate bars that fuse fruity and chocolate flavours. A proposal that offers an explosion of Mediterranean flavours: creamy intense chocolate with mango and passion fruit topping; creamy white chocolate, grated coconut inside, and lemon and coconut topping; intense chocolate with a perfect balance between the sweet taste of blueberry and the aromatic flavour of cherry; ideal fusion for those looking for sweetness and crunchiness in one bite.



Assortment of Almond Turrón Sticks

We optimise our range with new flavours and formats, to enjoy in a different way: Sticks Tiramisu (White chocolate and milk), Sticks Cheesecake (White chocolate and raspberry) and Sticks 3 Chocolates (Intense chocolate, white chocolate, and milk).

Lemon Sorbet Sticks

White chocolate and lemon sticks (*palitos*), a fun and refreshing proposal.

Chocolate turrón

We continue to surprise with improved recipes and new recipes, unique textures, and flavours:

- Creamy Selection Turrón. References assorted with three different flavours of turrón: Creamy Pistachio, Creamy Almond, and Creamy Hazelnut.
- Turrón Selection of Desserts: Cheesecake, Sacher and Lemon Pie.
- Caramelised Cookie Turrón. Caramelized cookie praline.

Almond Panettone

We developed a new reference for the range with a unique recipe: Panettone filled with almond paste with chopped almond topping.

In our commitment to strengthening our presence in the chocolate market, we have prepared the launch of the Delaviuda 'Sobremesa' chocolate range.

DEVELOPMENTS

Cosecha propia (Own harvest)



We incorporate new innovative and disruptive recipes, made with our almonds.

Assorted Almond Slices, with different flavours: Milk chocolate with Coconut and Caramel; White chocolate with Red Fruits and Caramel; Chocolate with Caramel with a pinch of Salt.

Cosecha propia Assortment. Turrón bars: □ hard; toasted yolk; raspberry and chocolate 70%; soft fusion with chocolate.

Turrón sticks (palitos)



We continue to increase the range of sticks (*palitos*), introducing new flavours, with more accessible formats.

- Traditional Turrón Sticks (*Palitos*).
- Salted Caramel Turrón Sticks (*Palitos*).
- Caramel and Chocolate Turrón Sticks (*Palitos*).

Traditional Turrón



Our most traditional product in a more accessible format, adapted to the needs of our consumer.

- Hard Turrón Bars.
- Soft Turrón Bars.
- Chocolate and Almond Turrón Bars.



We reached an agreement with two of the most important football clubs in Spain: Barça (European level) and Atlético de Madrid (Spain, Andorra, and Portugal). Two Spanish brands coming together to be close to the consumer throughout the year, covering different needs.

El Almendro & La Liga

Minibits

Hazelnut and truffle mini pralines.



Pralines



We have made a special collaboration with Cacao SAMPAKA, our premium chocolate brand.

With innovative format and flavours, in which the fusion of flavours and different textures are the main protagonists.

- Almond Chocolate Turrón.
- Pistachio and Almond Chocolate Turrón.
- Ruavieja Cream Chocolate Turrón.
- Cheesecake and *Dulce de Leche* Chocolate Turrón.

DEVELOPMENTS

Sports bars

Development of new references based on different flavours, moments, and consumption conditions.



artenay foods



Nut & Seed Bars

that combine different textures, flavours, and requirements in terms of fibre content, proteins, etc.

Cereal bars and fruit bars

Different products have been developed in which cereals, fruits, chocolates, etc. are combined, giving rise to a wide range of products.



Allies of our

ENVIRONMENT



We want to contribute to the improvement of our environment, generating progress and well-being.

Committed to youth employment and EMPLOYABILITY

Since the opening of the confectionery factory in 1927, we have been a reference for the community, generating employment and promoting employability. We have transmitted our experience and knowledge to the business fabric of the area, and we have collaborated with social initiatives aimed at vulnerable groups. In addition, we have supported events that promote sport and health, thus contributing to the progress and well-being of our environment.

For yet another year, we have continued to collaborate in initiatives that help to bring young people and the most vulnerable groups closer to the labour market, as well as to promote entrepreneurship.

We detail some of the most relevant initiatives in which we have participated this year:

Organised by the Netmentora Madrid Association, it is the holding of member meetings in which they share experiences based on the testimony of a guest member. This initiative is designed to strengthen collaboration and relationships between the members during "YEAR of +" to support the creation of +jobs, have +members, and with +partnerships in the entrepreneurial ecosystem.



SOMOS MEETING + RED MENTORA



The event addressed issues related to the current labour market, with the aim of improving orientation and integration in the labour market. We participated in the round table, together with other Selection Technicians and Human Resources Directors, sharing knowledge, vision, and experience in the processes of selecting people.

CARITAS EMPLOYMENT DAYS



INTERNATIONAL MOBILITY DAY

Organised by the **Asociación de la Empresa Familiar de Castilla-La Mancha** (Family Business Association of Castilla-La Mancha), it analysed the challenges and trends in the framework of international talent management. Our Talent Management Manager participated in the round table discussion on 'The future of international assignments'.



CONFERENCE ON VOCATIONAL GUIDANCE AND EMPLOYABILITY



These seminars were held at various faculties of the **University of Castilla-La Mancha**, with the aim of promoting the integration of young students into the labour market. At the conference aimed at students of Food Technology at the University of Castilla-La Mancha, two people from Delaviuda shared their beginnings in our Group.



SEMILLAS (SEEDS) 4.0.

This Fair, organised by the **NGO Action Against Hunger**, helps connect unemployed people at risk of social exclusion with representatives of the business sector.

More than 54% of the young people who have completed an internship with us have joined our company.

Sharing experiences and KNOWLEDGE with companies

Collaboration and the exchange of knowledge in the business world and, specifically, in the food sector, is key to sharing experiences, keeping up to date with trends and new developments, and facing current and future challenges with greater guarantees. For this reason, we actively participate in forums, conferences, congresses, and business associations.

Presence in forums

IX CASTILLA-LA MANCHA ECONOMY FORUM organised by the Castilla-La Mancha Family Business Association in collaboration with Caixa Bank and KPMG Spain, under the title 'Growth and Sustainability in Family Businesses. Engine of the economy'. The forum was attended by our CEO at the round table on 'Growing family businesses committed to sustainability'.

VISIBILIZA- LAS MUJERES DE SONSECA (THE WOMEN OF SONSECA) organised by the Women's Center of the Sonseca City Council, this exhibition aims to give visibility to women from the town of Sonseca, who with their different experiences have contributed to generating value in the town. We are proud that Maria Rojas, founder of Delaviuda, was one of the outstanding women, highlighting her spirit of sacrifice, effort and tenacity, the foundations on which our Group has been built.



IX ANNUAL EVENT 2022 OF THE CRE1000 FOUNDATION: with the title 'Las claves del éxito (The keys to success)', the event aimed to highlight the keys to the success of Spanish Intermediate-Size Companies, where factors such as: culture and talent, access to financing, innovation, early internationalisation, technology in the DNA, ecosystems and alliances, sustainable development, and strategy- vision were identified. Our CEO, Isabel Sánchez, participated as a guest speaker to share with the attendees how we conceive sustainable development, as well as the good practices implemented.

VI INTERNATIONAL CONGRESS OF MANAGERS entitled 'Companies with a difference' which was organised by APD (Association for the Progress of Management). Our CEO participated in the round table on the 'Talent Shortage' contributing the Group's experience in this area.

INFORMATIVE DAY of the Spanish Compliance Association (ASCOM) entitled 'Good practices in the promotion of ethical conduct among the organisation's staff' where, through the Legal Services and Compliance management, we contributed our ideas.

Presence in Associations



PRODULCE (SPANISH CONFECTIONERY ASSOCIATION)

This association is responsible for defending the interests of the sector in the categories of candies, chewing gum, chocolate and cocoa derivatives, cookies, turrón and marzipan, and pastries.



CALIDALIA

It brings together the main food, beverage, and consumer goods companies in Spain.



CASTILLA-LA MANCHA FAMILY BUSINESS ASSOCIATION

Focused on supporting and defending family businesses in Castilla-La Mancha, contributing to their promotion, and strengthening.



NETMENTORA MADRID

Non-profit business association, of which we are founding members, which aims to contribute to social development and economic growth by supporting the creation of businesses and employment by entrepreneurs.



INSERTA

Entity of the ONCE Foundation for the training and employment of people with disabilities. We are members of the Advisory Council of Castilla-La Mancha.



CRE1000 FOUNDATION

Initiative promoted by the Bankinter Innovation Foundation, the Ministry of Economy, Industry and Competitiveness, ICEX and the *Círculo de Empresarios*, which aims to contribute to the development of the Spanish middle market through excellent companies.



AECOC (ASSOCIATION OF MANUFACTURERS AND DISTRIBUTORS)

This association brings together different companies within the value chain from producers to distributors.



CEAPI

Our president, Manuel López, is part of the board of directors that brings together the presidents of the largest Ibero-American companies that are committed to strengthening the network of relationships and business space.



ASCOM (SPANISH COMPLIANCE ASSOCIATION)

Community where the best Compliance professionals come together to share experiences and continue developing professionally.

SOCIAL initiatives

One of the main axes of our social action is the support and collaboration with non-profit organisations and entities that serve vulnerable groups. One of the main ways of collaboration is the donation of our products to food banks, soup kitchens, associations, and NGOs, to which we have donated more than 47,000 kilos between the Sonseca and Artenay factories.

In addition, during the 2022-2023 financial year, the ESG department promoted other **solidarity initiatives** such as the milk collection campaign coordinated by the Red Cross. Thanks to the contribution of our people, 230 litres of milk were collected, covering a month of needs of more

than 50 families at risk of exclusion. We have also committed, once again, to the collection of caps. On this occasion, we collaborated with the Sonseca Cancer Support Association, thus contributing to medical research in the fight against cancer.



In our commitment to promoting a healthy lifestyle, El Almendro bars have once again been present at different sporting events and solidarity races.

X Solidarity Race of the Eurocaja Rural Foundation 'We run against ALS'

'Foulées roses' in France with the participation of the Artenay team

Peirones de Santa María MTB March

BMW ByMyCar Golf Tournament at the National Golf Center

Solidarity Race for Autism in Toledo

Socuellamos Popular Race

Federated wheelchair paddle tennis open with ASPAYM Toledo

Sonseca Cancer Support Association

Cobisa Roscón Race

+39,000 El Almendro bars have been handed out.



Participation in INTERNATIONAL FAIRS

This year, we continued to promote our expansion by taking part in the most prestigious international trade fairs.

- **Gulfood.** Our Delaviuda and El Almendro brands were present at the largest food and beverage fair in Asia, held in Dubai.
- **ISM Cologne.** Reference meeting between professionals in the confectionery and sweets sector at an international level.
- **TFWA Singapore.** This is the most important travel retail fair in Asia, where El Almendro and Delaviuda participated both with their own stand and through one of our distributors that operates mainly in Singapore and Malaysia.
- **TFWA Cannes.** Our brands Delaviuda, El Almendro and Cacao Sampaka were present at one of the most important fairs in the travel retail channel.
- **Anuga 2023.** World's leading food and beverage fair where DCG had visibility with Delaviuda, El Almendro and Artenay Foods.
- **Summit of the Americas 2023 Fair of the IAADFS** (International Association of Airport and Duty-Free Stores) held in Florida.



ISM Cologne



TFWA Cannes



Anuga 2023



Summit of the Americas

Our brands have been present at major trade fairs.

COMMUNICATION

with stakeholders

Communication with our stakeholders is crucial to know and meet their expectations and needs. This communication is carried out through different channels in order to adapt to the different profiles.

Through our channels we give visibility to our value proposition. During the year we reached + 140 impacts in online and print press, reaching an audience of 19 million people.

The communication channels are detailed in the following table:

Stakeholders	Communication channels
Shareholders	<ul style="list-style-type: none"> - Board Meetings - Annual Accounts - Sustainable Development Report - EINF - Corporate Web - Monthly Newsletter
Employees	<ul style="list-style-type: none"> - E-mails - Notice board - TV rest areas - Corporate web - Monthly newsletter - Suggestion box - Sustainability report - Social networks - Intranet - 3 meetings a year - Staff briefing - Surveys
Clients	<ul style="list-style-type: none"> - Corporate website - Events - Trade fairs - Sustainable Development Report - Social networks
End consumer	Corporate web, Social networks, E-mails, Sustainable Development Report
Company	<ul style="list-style-type: none"> - Web - Campaigns - Collaboration agreements - Events and forums - Sponsoring - Interviews and reports - Press conferences - Social networks
Suppliers	<ul style="list-style-type: none"> - Corporate web - E-mails - Sustainability Development Report, - Social networks (mainly LinkedIn)

This year, one of our biggest bets on social media has been our LinkedIn corporate profile. A channel that allows us to maintain direct and more informal communication with our suppliers, customers, and potential customers, with whom we share the company's progress and achievements, including new developments and product launches.

OUR IMPACT

on the Sustainable Development Goals

Our commitment to the 2030 Agenda is mainly visible in actions that contribute to the goals related to our activity (goals 2 and 3) and those that favour labour integration, equal opportunities, and quality employment.

Sustainable Development Goals		Measures taken by the company
 <p>1 NO POVERTY</p>	<p>Goal 1: To put an end to poverty in all its forms everywhere.</p>	<ul style="list-style-type: none"> - Food donations. - Fairtrade labelling. - UTZ certified. - RSPO certified.
 <p>2 ZERO HUNGER</p>	<p>Goal 2: Eradicate hunger, achieve food security and better nutrition, and promote sustainable agriculture.</p>	<ul style="list-style-type: none"> - Food donations. - BRCGS Food certificates. - RSPO certified. - Fairtrade labelling. - UTZ certified.
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Goal 3: Ensure a healthy lifestyle and promote well-being for all at all ages.</p>	<ul style="list-style-type: none"> - Certifications in food quality and safety. - Collaboration and samplings with sporting events. - Promotion of healthy lifestyles.
 <p>4 QUALITY EDUCATION</p>	<p>Goal 4: Ensure inclusive, equitable and quality education and promote lifelong learning opportunities for all.</p>	<ul style="list-style-type: none"> - DCG Talent University. - Training and development plan for DCG staff. - Collaboration in employability and entrepreneurship forums.
 <p>5 GENDER EQUALITY</p>	<p>Goal 5: Achieve gender equality and empower all women and girls.</p>	<ul style="list-style-type: none"> - Equal Opportunities Plan. - Distinction for excellence awarded by the Instituto de la Mujer de CLM. - efr certificate.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> - Participation in forums on employment and entrepreneurship. - Adherence to the AECOC employability pact.
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Goal 9: Build resilient infrastructures, promote inclusive and sustainable industrialisation and encourage innovation.</p>	<ul style="list-style-type: none"> - Innovation strategy. - Our own R&D centre and team. - Product innovation projects.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Goal 12: Ensure sustainable consumption and production.</p>	<ul style="list-style-type: none"> - Sustainable procurement certificates. - Action against food waste. - Almendralia.

RECOGNITIONS

We are very proud to have received the Aster award from the ESIC business school in the category of 'Business trajectory to the medium-sized company'. This recognition highlights the achievements made by Delaviuda throughout its history and represents the work of the entire team of people that make up the Delaviuda Confectionery Group.





ENVIRONMENTAL

care and preservation

At the Delaviuda Group we are committed to the protection of the environment and the care of natural capital, as set out in the **Code of Conduct** and the **Environmental Management Policy**.

The latter has been updated and approved during the year and aims to ensure that the Group's activity takes place within the framework of sustainable development, through the following principles:



The current environmental challenges motivate us to raise our ambition towards a regenerative business model, minimising our environmental impact.

Our environmental management is based both on compliance with applicable legislation and on the correct monitoring and control of our main environmental aspects (waste, emissions, consumption, etc.). In addition, as a result of the commitments set out in the Environmental Management Policy, we establish an annual environmental program that aims to minimise the environmental impact of our activities. In this financial year, efforts have been focused on optimising the use of water, minimising the amount of waste generated and its reuse and/or recovery, as well as raising environmental awareness among the workforce.

This year we have achieved important milestones such as the inclusion of **Cacao Sampaka** in the scope of consolidation of environmental information, the start-up of the **photovoltaic plant in Sonseca**, the implementation of improvements in our recycling systems in the factory and offices, and the commitment to generate a greater environmental culture internally.



Environmental training and awareness-raising is part of the DCG *Talent University's* training catalogue and is reinforced through conferences and information pills in which concepts and messages aimed at caring for the environment are conveyed. This year, the messages aimed at the correct separation of waste, or the responsible use of water stand out.

Sustainable use of RESOURCES

Annually, we monitor and report indicators related to our energy and water consumption, emissions and waste.

Environmental performance DCG	Units	2021-2022	2022-2023 ¹	Variation
Electricity consumption	kWh	12,057,049	11,447,476	-5.06%
Natural gas consumption ²	kWh	2,375,982	2,318,636	-2.41%
Propane consumption	kWh	631,574	582,991	-7.69%
Diesel C consumption C	l	548,304	505,317	-7.84%
Fleet fuel consumption (diesel, petrol, GLP, etc.) ³	l	35,677	36,158	1.35%
Emissions	T CO2 equivalent	4,868	4,196	-13.80%
Water consumption	m ³	24,794	24,139	-2.64%
Hazardous waste	Tonnes	4,587	5,296	15.46%
Non-hazardous waste	Tonnes	1,546,735	1,644,443	6.32%

¹Sampaka Cocoa is included.

²Natural gas consumption corresponds to Artenay Bars, SAS.

³Diesel consumption corresponds to Delaviuda Alimentación, S.A.U. and Artenay Bars, SAS.

At the same time, actions are implemented with the aim of making efficient use, as described in the following sections.



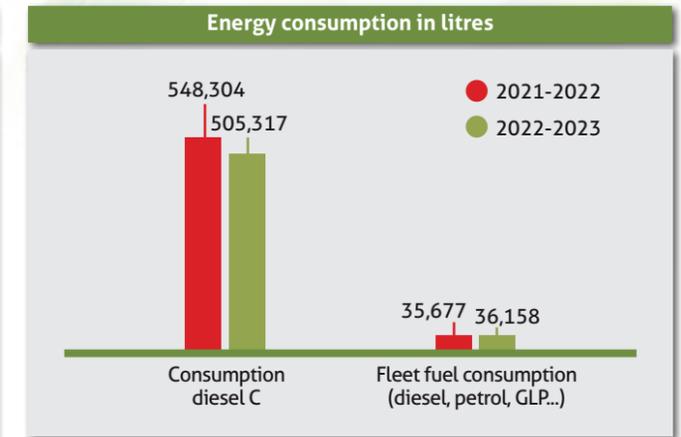
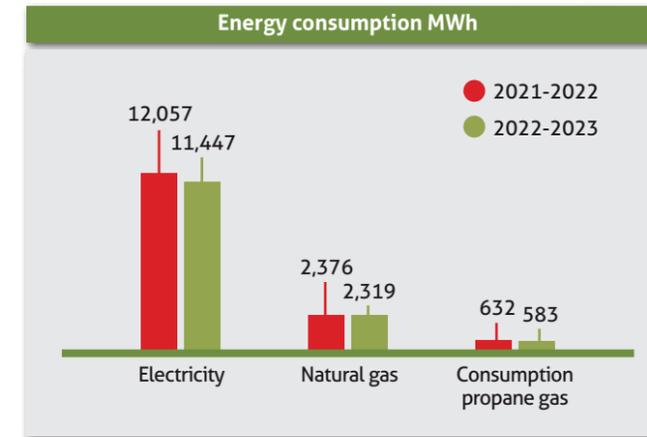
Energy

Renewable energy consumption
990,571 kWh

0.80 kWh/kg
product produced

0.10 kWh/
million euros in revenue

The energy consumption of the last two years is broken down below:



Energy and fuel consumption (kWh)	2021-2022	2022-2023 ¹	Variation
Electricity	12,057,049	11,447,476	-5.06%
- Electricity consumption	12,057,049	10,456,905	-13.27%
- Renewable energy consumption	-	990,571	-
Natural gas ²	2,375,982	2,318,636	-2.41%
Consumption of propane gas	631,574 ³	582,991 ⁴	-7.69%
Total (kWh)	15,064,605	14,349,103	-4.75%
Energy intensity (kWh/kg of product produced)	0.90 ⁵	0.80	11.44%
Energy intensity (KWh/ million euros in revenue)	N/A ⁶	0.10	-

¹Sampaka cocoa is included.

²Data from Artenay Bars, SAS are reported.

³Units changed from litres to kWh.

⁴Data from Delaviuda Alimentación, S.A.U. and Artenay Bars, SAS are reported.

⁵Energy intensity is calculated for electricity consumption.

⁶New indicator.

Fuel consumption (litres)	2021-2022	2022-2023 ¹	Variation
Diesel C consumption ²	548,304	505,317	-7.84%
Fleet fuel consumption (diesel, petrol, GLP, etc.) ³	35,677	36,158	1.35%
Total (litres)	583,981	541,475	-7.28%
Energy intensity (litre/kg of product produced) ⁴	N/A	0.03	-
Energy intensity (litre/million euros in revenue) ⁴	N/A	0.004	-

¹Sampaka cocoa is included.

²Data from Delaviuda Alimentación, S.A.U. are reported.

³Data from Delaviuda Alimentación, S.A.U. and Artenay Bars, SAS are reported.

⁴New indicator.

RENEWABLE Energy

In the previous year, we installed 1,800 photovoltaic panels in Sonseca -our largest production centre with the highest electricity consumption-, occupying a surface area of more than 12,000 m² and with an installed power of 997 Kwp.

This has allowed us to consume around **20%** of electricity from renewable sources.



997 Kwp
of installed
power



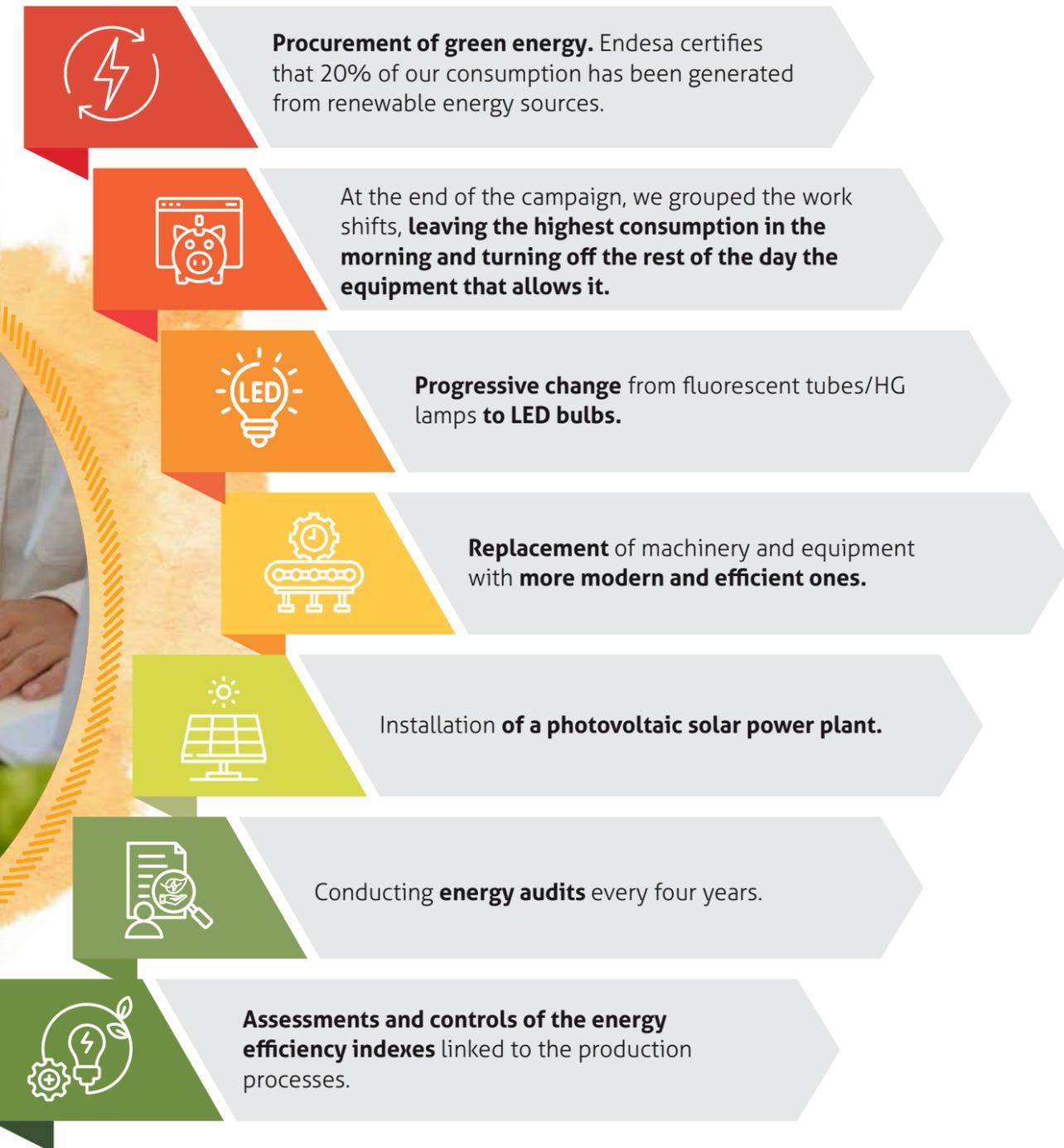
436,384 euros
of investment



Energy efficiency

In recent years, there have been several initiatives and projects carried out to promote greater efficiency. This year, the construction of a heat exchanger installation to make use of the waste heat from the process gases derived from some of the equipment stands out.

This initiative is in addition to others, highlighting the following:



WATER

resources

One of our main environmental goals is to optimise water consumption by implementing various initiatives to reduce it:

Monitoring systems to ensure control and design corrective actions.



0.0013 m³/Kg
of product produced



0.0002 m³/million
euros in revenue

In addition, the water consumed in the production process must undergo a reverse osmosis process that purifies the water and improves its quality.

Total water consumption reached 24,139 m³ compared to 24,794 m³ in the previous year, which represents a decrease of 2.64%, as detailed in the following table:

	Units	2021-2022	2022-2023 ¹	Variation
Water consumption	m ³	24,794	24,139	-2.64%

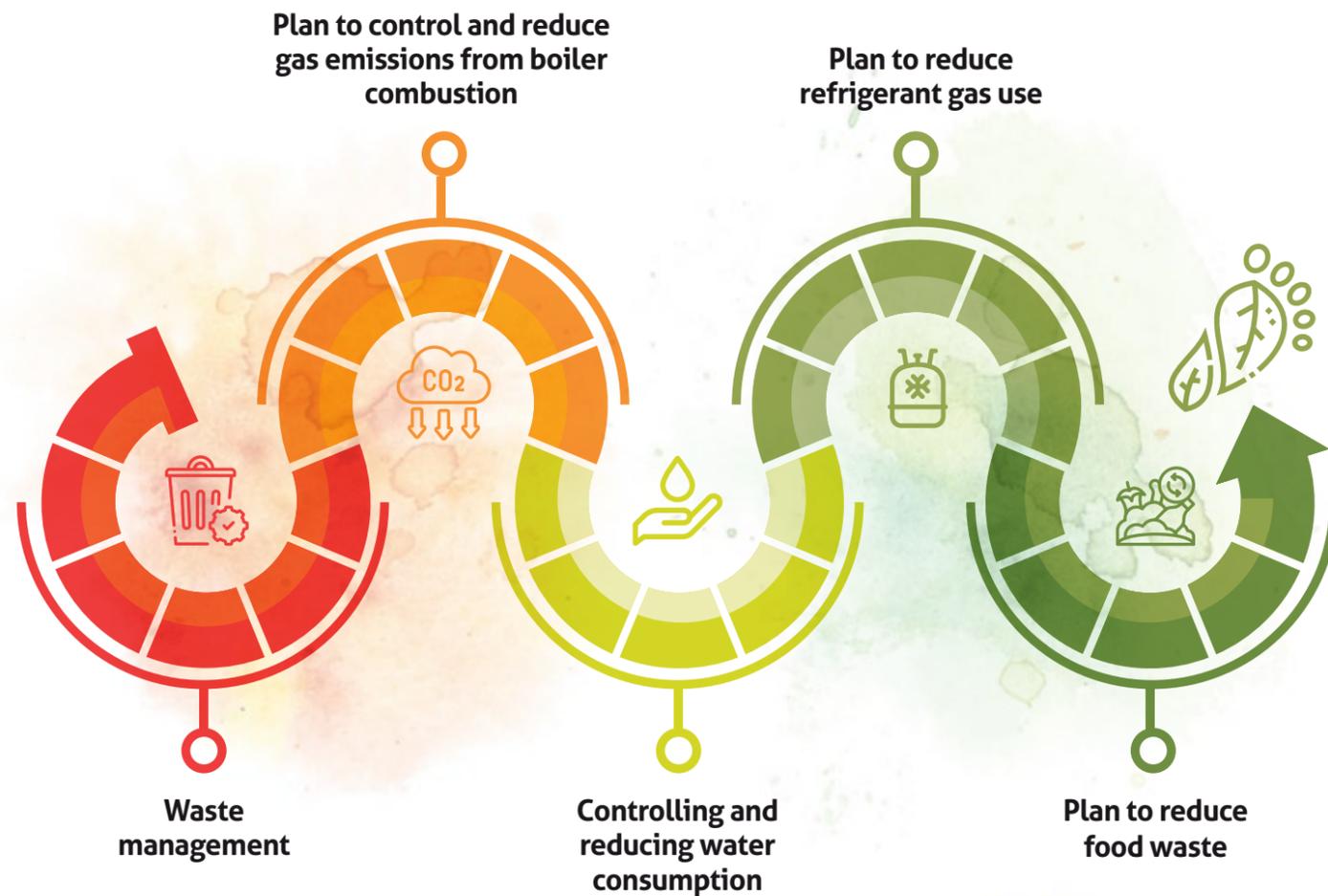
¹Sampaka Cocoa is included.



Employee awareness-raising
through training pills.

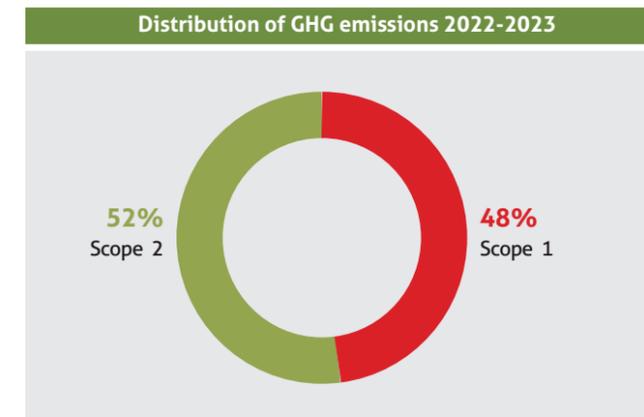
CLIMATE action

The climate emergency requires the involvement of everyone to contribute to a 'net zero' production and consumption model. Aware that our operations have a direct impact on the climate, we are working on improving and controlling the following environmental aspects that may have an impact on our carbon footprint:



Currently, the company's commitment is aimed at reducing and optimising resources, which will result in a lower generation of emissions.

The carbon footprint of scopes 1 and 2 for the last two financial years is reported below:



Equivalent Tn CO ₂ emissions	2021-2022	2022-2023 ¹	Variation
Scope 1	2,400	2,029	-15.45%
Scope 2	2,468	2,167	-12.20%
Total	4,868	4,196	-13.80%

¹Sampaka Cocoa is included.

²Emission factors 2022. MITECO in the case of Spain; and for France the emission factors of ADEME (French Environment and Energy Management Agency) have been considered.

During the year our GHG emissions totalled 4,196 Ton CO₂ equivalent, 13.80% lower than the emissions generated in the previous year. Scope 1 and Scope 2 emissions represent 48% and 52%, respectively.

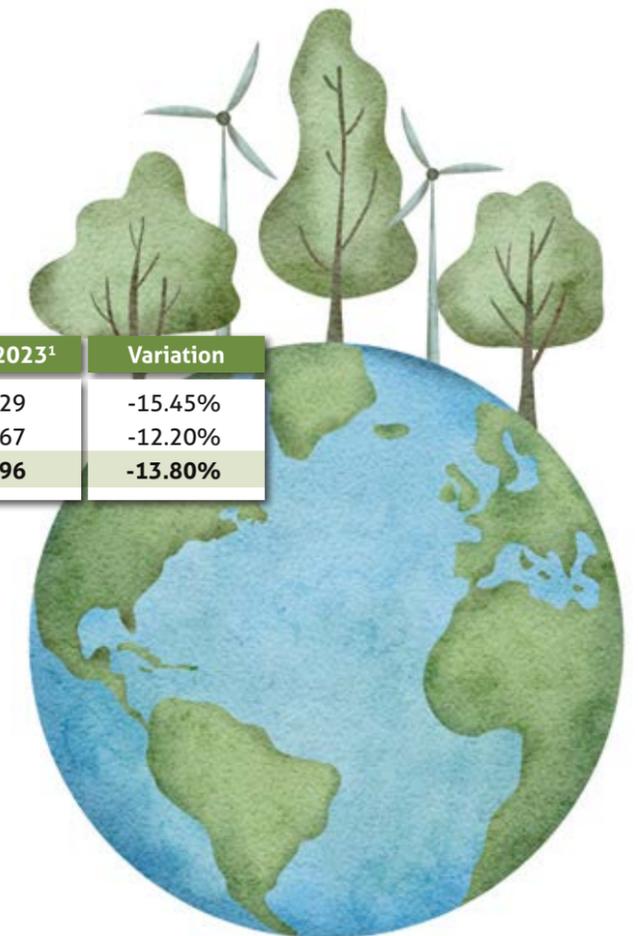
For the financial year 2023-2024 we plan to start a project to calculate the carbon footprint in its three scopes. This initiative reinforces our commitment to minimising our climate footprint and will be the starting point for setting long-term goals and initiatives.



0.23 Kg CO₂/kg
of product produced



0.03 Kg CO₂/
million euros
in revenue



Emission reduction initiatives

We have managed to reduce our emissions with the installation of 1,800 photovoltaic panels, the purchase of green energy and the energy efficiency measures set out in the energy section. Thanks to these initiatives, emissions have been reduced by 268.44 tonnes CO₂ eq.

In addition, for the third consecutive year we have renewed the CHEP certification in sustainability, which recognises a sustainable logistics model that promotes the use of sustainable pallets and cooperation with entities with mutual concerns about environmental impact, together generating the following positive impacts:

Wood savings of 38,253 dm³ (equivalent to 37 trees)



Emission reduction initiatives



Reduction of emissions by 44,975 kg (equivalent to 41,073 km by truck)



Reduction of waste by 3,594 kg (equivalent to daily waste of 2,761 people)

In addition, we continue to promote initiatives such as: the use of bicycles for short journeys to the office, the leasing of hybrid and/or electric vehicles, and the promotion of car sharing.



Absorption

Almendralia, a sister company to Delaviuda Confectionery Group, has an area of 350 hectares of almond groves. As a plantation, these crops naturally absorb an equivalent to part of the emissions that we generate throughout the entire production process of Delaviuda Confectionery Group.

The absorption of Almendralia in the financial year 2022-2023 was estimated as follows:

Total absorption = Absorption factor x Number of almond trees

Thus, considering the emission factor published by MITECO1 and the 70,000 almond trees planted, the removals for this year have amounted to 709 tons of CO₂.

ZERO *residue*



Waste management is one of the main priorities in our environmental management, as stated in the Group's Environmental Policy, as well as in the environmental program for the year. Along these lines, we have managed to meet the objective of reducing 1% of the waste generated thanks to a better identification of the origin of the different wastes and their process within our activity. We have also made progress in reducing food waste.

We encourage reduction, reuse, and recycling practices.

Waste management is carried out in accordance with Law 7/2022, on waste and contaminated soils and other environmental legislation, as well as through authorised managers.

The following is a breakdown of the non-hazardous and hazardous waste generated during the last two years:



Total waste (kg)	2021-2022	2022-2023 ¹	Variation
Non-hazardous waste	1,546,735	1,644,443	6.32%
Hazardous waste	4,587	5,296	15.46%
Total	1,551,322	1,649,739	6.34%

¹Cacao Sampaka is included.

Hazardous waste typology

Hazardous waste breakdown (kg)	2021-2022	2022-2023 ¹	Type of treatment
Mineral oils	400	783	R13
Halogenated solvents	79	1	R13
NON-halogenated solvents	285	182	R13
Contaminated metal packaging	77	219	R13
Contaminated plastic packaging	2.237	2.812	R13
Contaminated glass packaging	236	251	R13
Contaminated paper and rags	59	64	R13
Aerosols	69	101	R13
Fluorescent tubes/HG lamps	130	134	R13
WEEE (waste from electrical and electronic equipment)	720	452	R13
Mixed chemicals	-	16	R13
Lead batteries	3	82	R13
Infectious waste	284	188	R13
Paste paint waste	-	10	R13
Contaminated absorbents - minerals	-	1	R13
Mixed chemicals	8	-	R13
Total	4,587	5,296	

¹Cacao Sampaka is included.

¹The methodology used for the calculation is based on that presented as part of the Carbon Footprint Registry and carbon dioxide offset and absorption projects of the Ministry for Ecological Transition and Demographic Challenge (MITECO).

Non-hazardous waste typology



Non-hazardous waste breakdown (kg)	2021-2022	2022-2023 ¹	Type of treatment
Raffia bags	28,560	20,620	Recovery
Cardboard	391,784	366,394	Recovery
Mixed plastics	279,820	12,920	R13
RSU	31,180	326,702	R13
Organic waste	635,775	756,080	Recovery
Wood	13,080	-	
Plastic (pallets)	40,375	57,876	R13
Wood (pallets)	13,075	-	
Sheet metal drums	8,820	6,570	recycling/reusing
Containers 1000	24,184	35,985	recycling/reusing
Scrap metal	15,980	12,560	recycling/reusing
Grease	56,620	48,260	recycling/reusing
Materials unsuitable for consumption	7,330	-	
Toner	113	220	R13
Batteries	39	16	R13
Bulky waste	-	240	R13
Total	1,546,735	1,644,443	

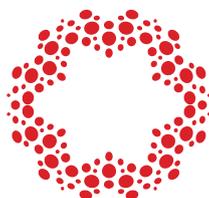
¹Cacao Sampaka is included.

	2021-2022	2022-2023
Kg of waste/kg of product produced	0.09	0.09
Kg of waste/million euros in revenue		0.012

Although the amount of waste generated has increased compared to the previous year, the efficiency per kg of product produced has remained at similar levels to those of the previous year (0.09 kg of waste/kg of product produced). On another level, for every million euros, 0.012 kg of waste was generated.

These results are mainly due to the implementation of initiatives such as the search for solutions to minimise the amount of waste generated or its reuse and recovery, the delivery of awareness-raising sessions or the reduction of food waste through product donation, delivery to employees, or being destined for animal feed.





Delaviuda

Confectionery Group

Making the world a sweeter place

www.delaviudacg.com