



PENTA

PROGRAMME

STRATEGIC SUSTAINABILITY PLAN FOR 2030

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Introduction

1.1. Healthy. Efficient. Sustainable.



Healthy. Efficient. Sustainable.

We believe in and work towards an inclusive food system. Sustainable. Egalitarian. Safe and ethical. This is and always has been the vision of the Vall Companys Group since it was founded more than 60 years ago.

Today, humanity is facing a global challenge: the world's population is projected to grow to 10 billion people by 2050, so managing to satisfy everyone's food needs adequately will require much more efficient and sustainable production in every respect. There is simply no other option for our planet or the people and animals who inhabit it.

To this end, as detailed in the Sustainable Development Goals set by the United Nations for 2030, the Vall Companys Group is launching the Penta Programme, our way of materialising the vision we have always pursued: to produce healthy food in an efficient and sustainable way.



Vall Companys Group

2.1 We produce food.
We generate value for society.
We respect the environment.

2.2 Materiality: identifying what
is important



We produce food. We generate value for society. We respect the environment.

We are an agri-food group: **we produce food for people, using research and technology to make it safer, healthier and more sustainable, promoting the development of the communities in which we operate.**

The vertical integration of all our production processes has been the hallmark of the Vall Companys Group for decades. Whatever the end product may be, every business activity is undertaken by the Group's companies, thus guaranteeing **maximum traceability and food safety.**



Our business activities encompass **43 companies and more than 2,600 affiliated farms**. The production structure of the Vall Companys Group thus directly involves more than 12,000 professionals across the whole of Spain, especially in rural areas.



Key figures

<p>4,148 Million €</p> <p>Turnover (2023)</p>	<p>553 Thousand tonnes</p> <p>Pork production</p>	<p>355 Thousand tonnes</p> <p>Poultry production</p>	<p>17 Thousand tonnes</p> <p>Beef production</p>
<p>21.5 Thousand tonnes</p> <p>Cured ham production</p>	<p>21.1 Thousand tonnes</p> <p>Processed food production</p>	<p>+5 Million animals</p> <p>Pig production</p>	<p>160 Million animals</p> <p>Poultry production</p>
<p>2.76 Million tonnes</p> <p>Feed production</p>	<p>1.33 Million tonnes</p> <p>Flour production</p>	<p>2,600</p> <p>Associated farms</p>	<p>40,406</p> <p>Professionals</p>



Materiality: identifying what is important

The Vall Companys Group has conducted a materiality analysis process to identify the most important aspects relating to sustainability, both for the Group and for its stakeholders. The process of identifying the most important issues was done following the Accountability AA100 SES standard, according to the following phases:

1. Identification

To determine the areas of greatest general interest, the important issues were identified by a sectoral benchmarking study.

2. Prioritisation

The material aspects were selected from a double analysis (internal and external) which made it possible to establish their level of importance for both the Group and its stakeholders.

- Analysis of internal importance: involving the people with decision-making power and strategic knowledge within the company.
- Analysis of external importance: identifying international standards and sustainability trends based on benchmarking, and the results of the online survey targeted at stakeholders.

3. Validation

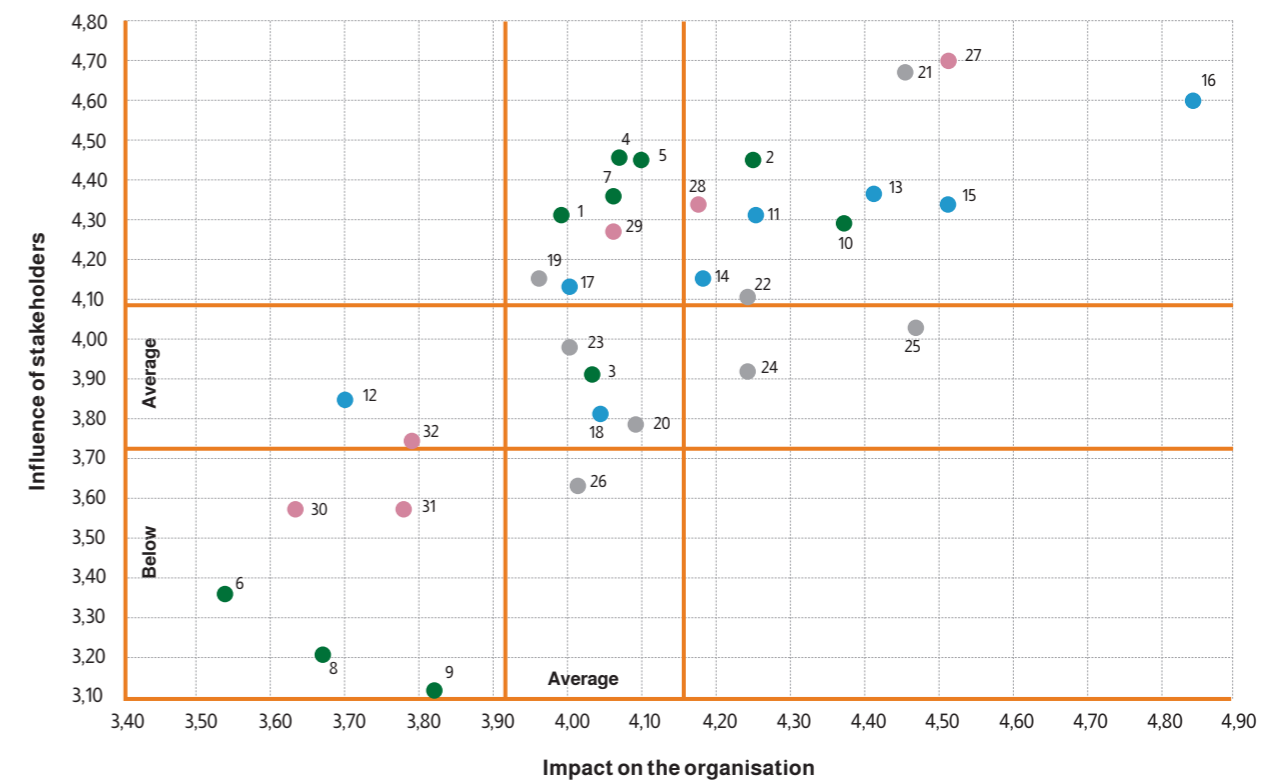
The results were validated directly with the project managers. They were presented in four themed sections for ease of understanding by stakeholders as well as to better respond to current sustainability trends.

Stakeholders

The stakeholders with which the organisation liaises in the course of its normal business activities are as follows:

- Raw materials suppliers
- Meat market clients
- Affiliated farmers
- Main competitors
- Public Administrations
- Banks and financial institutions
- Social organisations

MATERIALITY MATRIX



Environmental area

- 1. Energy*
- 2. Water
- 4. Climate change and emissions*
- 7. Packaging*
- 10. Animal welfare

Good governance / financial management

- 11. Sustainable economic progress
- 12. Fight against corruption
- 13. Ethical and responsible management
- 14. Risk management
- 15. Innovation
- 16. Quality and food safety

Labour practices

- 21. Health and safety at work
- 22. Training, education and talent retention
- 25. Respect for human rights*

Responsibility towards consumers and society

- 27. Health and safety of consumers
- 28. Transparent and responsible labelling
- 29. Responsible innovation and consumption*

*Topics that do not appear in the upper part of the materiality matrix, but which are considered to be material issues due to their importance to the Vall Companys Group.

The PENTA programme

3.1. Our way of building the
future: 2030 Objective

3.2. Aligned with the Sustainable
Development Goals



Our way of building the future: 2030 Goals

The Penta Programme is the result of an **in-depth review of each and every one of the processes of the Vall Companys Group**, from feed production to breeding animals to human resources management, the aim being to identify the key goals that should govern our activities during the next decade and to reformulate specific areas for improvement.

The Penta Programme consists of **five strategic pillars that will set the lines of action for the coming years**. A robust, measured and parameterised path that will enable the Group to achieve the **maximum sustainability**, in a real and effective way, in every dimension and area of its actions.

Robust, rigorous, parameterised and achievable: the PENTA Programme is our way of building the future.



Pillar 1
Climate and
circularity



Pillar 2
Animal
welfare



Pillar 3
People



Pillar 4
Quality, safety
and innovation



Pillar 5
Ethical and
responsible
management

Aligned with the Sustainable Development Goals

By following the strategic directives laid down in the Penta Programme, the Vall Companys Group will be in a position to meet almost all the Sustainable Development Goals established by the United Nations for 2030.

	1. No Poverty	2. Zero Hunger	3. Good Health and Well-being	4. Quality Education	5. Gender Equality	6. Clean Water and Sanitation	7. Affordable and Clean Energy	8. Decent Work and Economic Growth	9. Industry, Innovation and Infrastructure	10. Reducing Inequality	11. Sustainable Cities and Communities	12. Responsible Production and Consumption	13. Climate Action	14. Life Below Water	15. Life on Land	16. Peace, Justice and Strong Institutions	17. Partnerships for the Goals
Pillar 1: Climate and circularity						●	●		●		●	●	●		●		●
Pillar 2: Animal welfare		●	●	●								●	●				●
Pillar 3: People			●	●	●			●	●	●							●
Pillar 4: Quality, safety and innovation		●	●					●	●			●					●
Pillar 5: Ethical and responsible management	●	●			●			●		●		●					●

● High incidence ● Regular incidence

2030 Goals

- 4.1. Climate and circularity
- 4.2. Animal welfare
- 4.3. People
- 4.4. Quality, safety and innovation
- 4.5. Ethical and responsible management



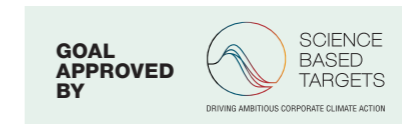
We have conducted an in-depth analysis of our entire value chain to determine the areas where we can have a positive impact. We have thus defined 19 strategic lines, each with their specific actions, which have provided us with **130 KPIs** to take into account. Within these, we have identified the **eight essential goals** that give the Penta Programme its structure and meaning.

KPIs related to	Total	%
Climate and circularity	47	36%
Animal welfare	12	9%
People	25	19%
Quality, safety and innovation	12	9%
Ethical and responsible management	34	26%
Total	130	100%



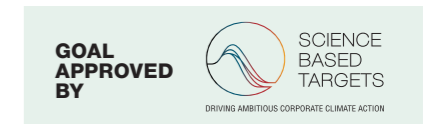
-42%

Scope 1 and 2 emissions



-31%

Scope 3 emissions



-10%

water consumption

100%

of farms audited for animal welfare

-60%

use of antibiotics

0,6%

R&D&I intensity

100%

responsible soy

100%

sustainable providers

Pillar 1

Climate and circularity:

Reduce environmental impact

Climate change is the number one challenge that we need to tackle as an international community in the twenty-first century. The Vall Companys Group is strongly committed to the goals established by the Paris Agreement to mitigate climate change, which implies maintaining the global temperature increase below 2°C compared to the pre-industrial period. We are also fully aligned with the United Nations' Sustainable Development Goals for the climate.

The whole of society is responsible for helping to reduce greenhouse gas emissions (GHG) with the goal of achieving climate neutrality.

Strategic lines

- **Integrated environmental management:** encompassing the whole value chain.
- **Promotion of energy efficiency:** using less and greener energy.
- **Management of greenhouse emissions and climate change:** calculating, reducing and offsetting.
- **Circularity of resources:** making better use of resources and minimising waste.
- **Safe and sustainable mobility:** efficiency and safety in terms of both our employees and our vehicle fleets.

The greatest possible respect for the environment is a fundamental principle for us as a company, both to protect the planet and to ensure the well-being of future generations. For this reason, we continuously review and innovate in our activities with the aim of achieving the smallest possible impact on the environment, endorsing our processes by independent certification bodies.



Pillar 1: Climate and circularity

2030 Goals

Reduction of GHG emissions

-42% in Scope 1 and 2 emissions

-31% in Scope 3 emissions

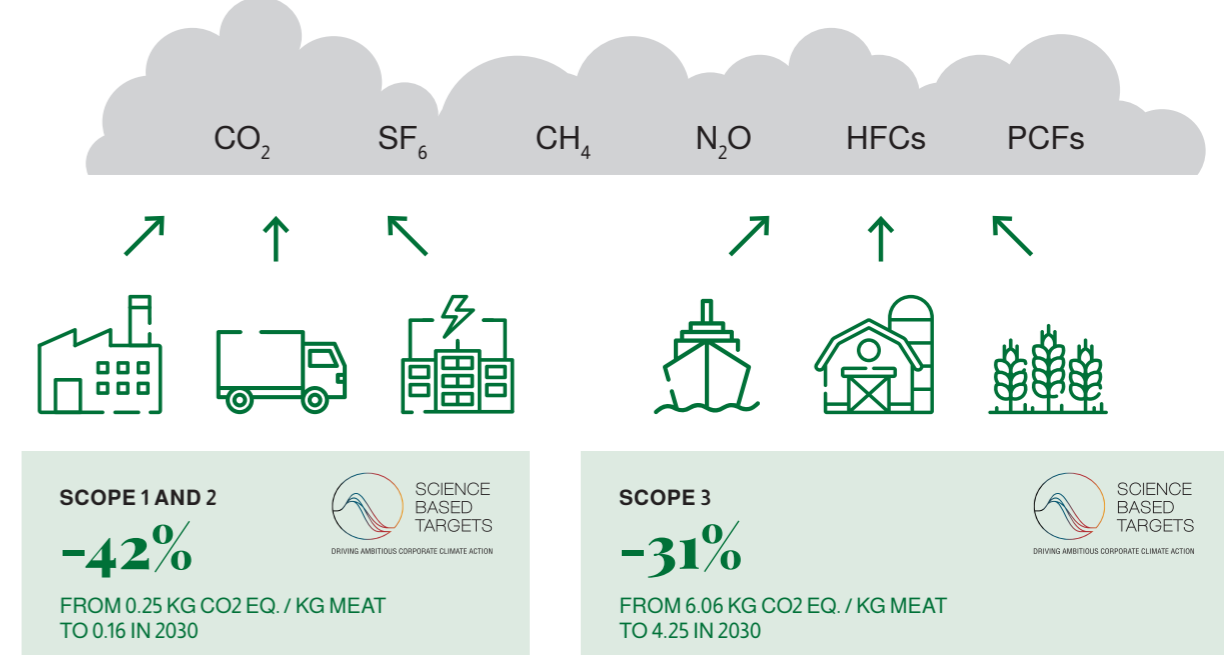
Reducing greenhouse gas emissions, one of the main causes of climate change, is a strategic pillar for the development of our activities.

By 2030, we aim to achieve a reduction of 42% in Scope 1 and 2 GHG emissions (expressed as kg CO2 equivalent to one kilo of meat produced). In terms of Scope 1, i.e. those generated directly by our activities, our energy efficiency will be increased through investment in state-of-the-art equipment, the optimisation of our vehicle fleet and the use of digital tools for process control and optimisation.

For Scope 2 emissions, generated by the production of energy consumed, the use of renewable energy sources will be promoted through self-generation with photovoltaic panels and agreements with the main utility suppliers (guarantees of origin).

In addition, we will pursue a 31% reduction in Scope 3 emissions (deriving indirectly from our activities and outside our direct control), through a thorough analysis of our value chain: increasing the supply of sustainable raw materials with a low environmental impact, developing strategies that reduce biogenic emissions on our farms, and promoting the circularity of resources.

CALCULATING THE CARBON FOOTPRINT



Reducing our water footprint

-10% in our water consumption

The desertification of ecosystems and droughts mean that fresh water is an increasingly scarce and precious commodity. Given the nature of our activity, this is a particularly sensitive area, and we are therefore committed to improving water quality, the efficient use of water resources, and their comprehensive management.

In the coming years we will reduce the water footprint of our industries, determining the equivalent consumption, and diagnosing our water management. This will help us to identify the stages where it is possible to reuse water or reduce demand, with the aim of achieving a 10% reduction in water consumption by 2030. In addition, we will invest in water treatment measures and technologies to ensure that the water used in our industries is returned in an increasingly better condition.



Pillar 2

Animal welfare:

Guaranteeing animal welfare and promoting sustainability on farms

Providing our animals with comfortable living conditions, respecting their natural behaviour, and ensuring their health and proper nutrition, is much more than a commitment. The families behind the more than 2,300 farms affiliated to the Vall Companys Group, plus our team of veterinarians, our logistics network and our meat processing plants, strive every day to abide by this commitment: the way we look after our animals defines us as human beings.

Strategic lines

- **Animal welfare:** ensuring animals are properly cared for.
- **Support for the sustainable development of farms:** contributing to sustainable progress in rural areas.
- **Our responsibility towards farms:** establishing solid relationships with affiliated farms.



Pillar 2: Animal welfare

2030 Goals

Certified animal welfare 100% of our farms audited

At present all our industries and production systems are certified by recognised animal welfare bodies, such as organic husbandry, Interporc Animal Welfare Spain (IAWS), Welfare Quality and Global GAP.

In order to ensure the optimum welfare of our animals, the Vall Companys Group includes animal welfare in its research, development and innovation processes, and we have set ourselves the objective for 2030 of auditing 100% of the farms in all our audited divisions, thus reaching the entire livestock production system.

The Vall Companys Group has also developed an organic pork production system in line with the European Green Deal. The Group is committed to promoting this line of business in accordance with consumer demand.



PENTA PROGRAMME



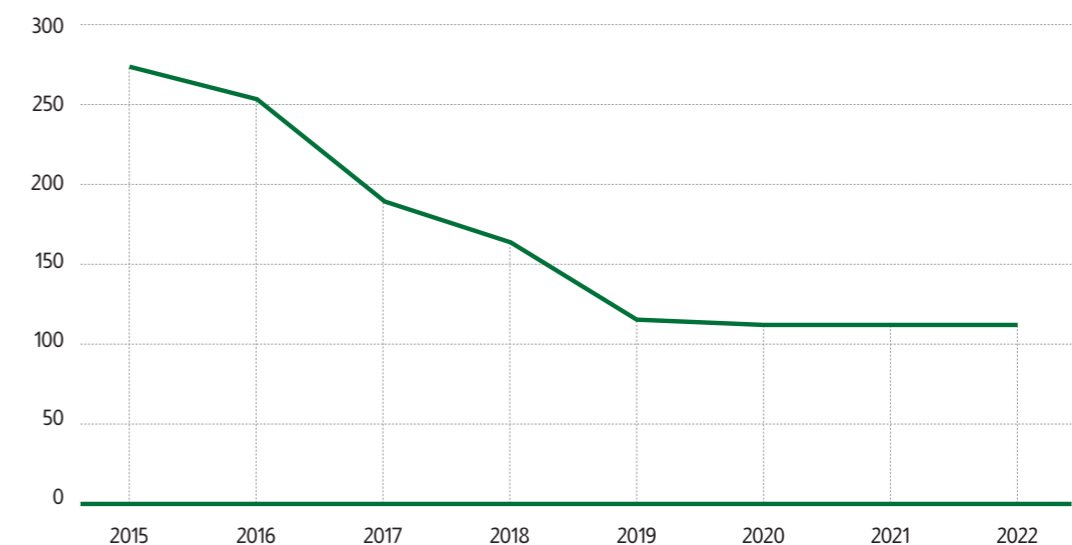
Reduced use of antibiotics -60% of use

Microbial resistance due to the use of antibiotics is one of the big threats to animal health on a global basis. In view of this challenge, we need to adopt a system of preventive management and biosafety that is capable of reliably protecting our animals from external pathogens while at the same time ensuring a reduction in the use of antibiotic compounds.

The Group's strategy to reduce the use of antibiotics includes the application of biosafety measures in every phase in which there is interaction with live animals: from genetic cores to birth, weaning, fattening and transport, along with the implementation of preventive programmes: new vaccination programmes, the use of nutraceuticals, and new digital technologies to analyse animal behaviour.

The implementation of this strategy will enable us to reduce the use of antibiotics by 60% by 2030 compared to 2015, leaving them to be used exclusively in cases in which, under strict veterinary supervision, they are the last resort to ensure the animal's health.

EVOLUTION OF ANTIBIOTIC USE (MG/PCU)
2015-2022



ESVAC Index- European Medicines Agency, mg/PCU

Pillar 3

People:

Guaranteeing safe, healthy, egalitarian, considerate and attractive workplaces

The Vall Companys Group reflects the people who work for the company: committed professionals, aligned with humanist values based on rigour, equality and respect for work and other people, and a commitment to ethical practices in every dimension.

Strategic lines

- **Promoting a culture of sustainability among all the people who form part of the Group.**
- **A safe and healthy workplace:** ensuring optimum working conditions and promoting healthy habits.
- **Developing talent:** strengthening the training, development and appraisal of our employees.
- **Equality, diversity and work-life balance:** ensuring our employees enjoy equal opportunities and work-life balance.



Pillar 3: People

2030 Goals

To maintain our status as a Top Employer To continue being a benchmark employer



The year 2021 started with the Vall Companys Group's recognition as a Top Employer, recognising the Group's People Management and Development policies as a benchmark for employment in Spain.

This is a demanding standard that defines our path and obliges us to maintain a strong commitment to the training of our staff, equal opportunities and fairness, promoting safe and healthy habits and an increasingly satisfactory work-life balance.

- 1. Leadership
- 2. Digitalisation and flexibility
- 3. Talent attraction
- 4. Development
- 5. Commitment



Integration and diversity

The Vall Companys Group is a signatory of the Diversity Charter, adhering to current regulations on equal opportunities and non-discrimination and adopting as its own the following basic principles:

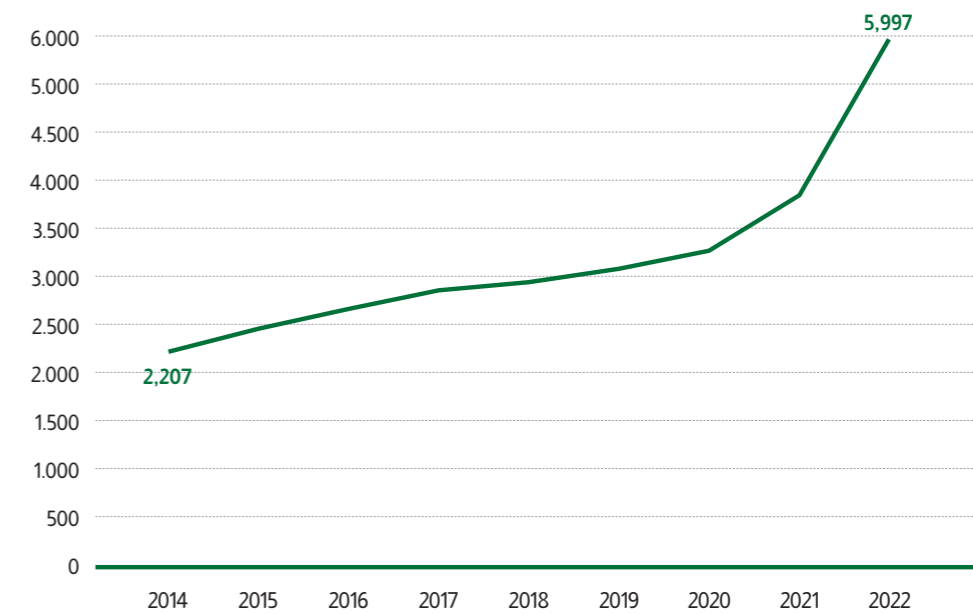


- 1.** Raising awareness of equal opportunities and respect for diversity.
- 2.** Building a diverse workforce, irrespective of personal or social circumstances.
- 3.** Promoting inclusion and facilitating effective integration at work.
- 4.** Managing diversity across the board in human resources policies.
- 5.** Promoting a work-life balance, harmonising all our staff's professional and family life.
- 6.** Recognising the diversity of our clients as a source of innovation and development.
- 7.** Sharing our commitment to the Diversity Charter with our staff.
- 8.** Informing our suppliers of our commitment and inviting them to join it.
- 9.** Informing public administrations and social agents of our commitment.
- 10.** Reflecting our activities and results in the company's annual report.

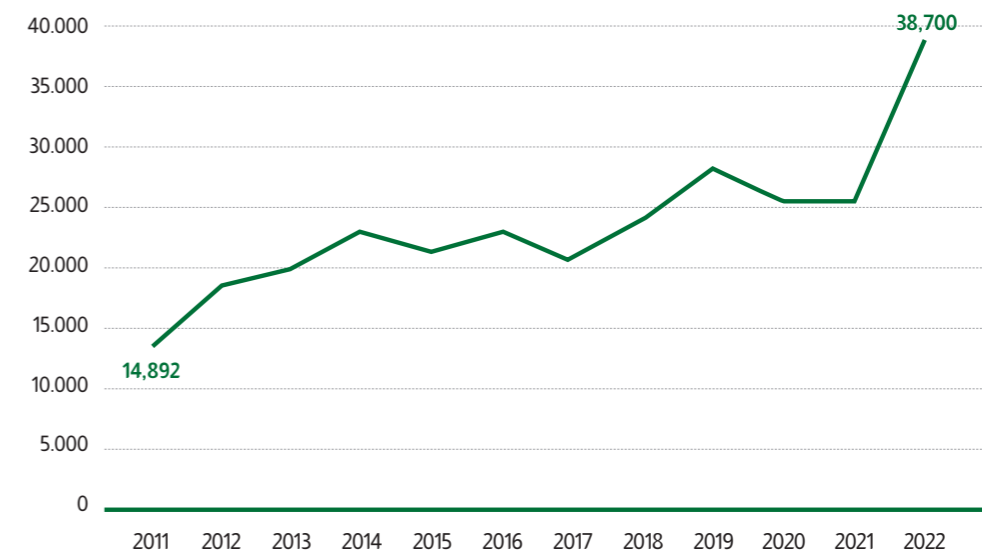
Professional stability and development

Job stability and the development and training of our employees is a key vector for growth in the Vall Companys Group. The number of employees hired by the Group has grown steadily year on year and we expect this trend to continue in the future. In terms of training, after an atypical 2020 due to the situation caused by the pandemic, the Group plans to continue with a sustained increase in our investments in training and the number of hours dedicated to it.

EVOLUTION OF STAFF RECRUITMENT 2014-2022



EVOLUTION OF TRAINING HOURS 2011-2022



Pillar 4

Quality, safety and innovation:

Promoting food quality and safety by developing products that meet our consumers' needs

We produce food for people. This is our main raison d'être. We are therefore responsible for ensuring that this food is always safe, healthy, nutritious and tasty, applying our experience and innovation in equal measure to this end.

Strategic lines

- **Guaranteeing food quality, safety and traceability:** through the Quality Guarantee Programme (PCG) and an integrated production process that guarantees optimum food safety and quality.
- **Promoting a healthy lifestyle and responsible consumption:** providing consumers with the information necessary to follow a healthy diet and foster more responsible consumption.
- **Innovation in sustainable foods:** R&D&I to improve technical processes and produce healthier, more innovative foods.
- **Clear and transparent information on labels:** providing information about the sustainable characteristics of the product.
- **Packaging management:** reducing the impact of our packaging.

The business activities of the different companies in the Vall Companys Group encompass the whole value chain throughout a fully integrated cycle. For this reason, each of these stages is endorsed by different independent certification bodies. The Group is committed to continuing this line of certified quality assurance.



Pillar 4: Quality, safety and innovation

2030 Goals

Packaging

The European Green Deal and the legislative framework have already defined a clear horizon for packaging, stating that by 2026 there must be a quantitative decline in the use of single-use plastics compared to 2022 (including food-grade plastics), and a progressive increase in the use of recycled materials.

For the coming years, the Vall Companys Group has set itself the task of unifying the criteria for registering and classifying packaging according to the type of material and the proportion of it that is recycled, and to establish a comprehensive packaging strategy which means that 50% of the plastic used will be recyclable by 2025, and 60% by 2030.

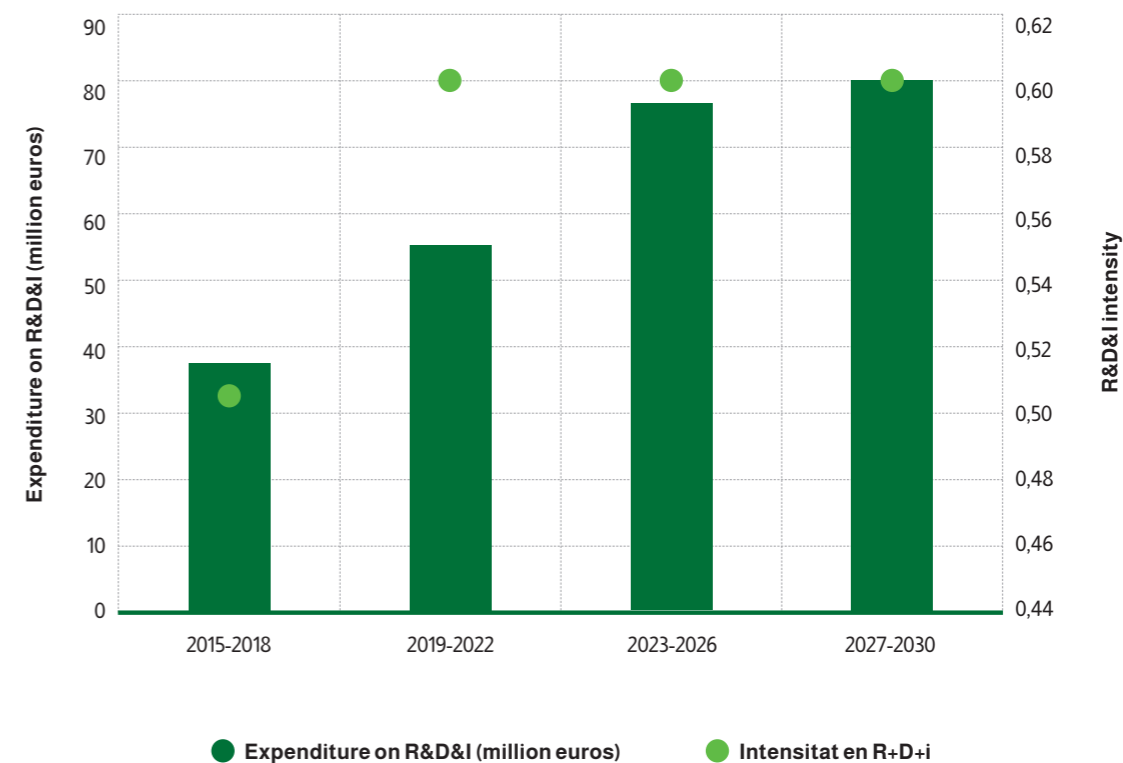
Over this period, we intend to promote the use of recycled materials with the aim of ensuring that 100% of the paper and cardboard we use in 2030 will be recycled.



R&D&I intensity 0,6% of our turnover

Innovation is a pillar that supports the whole of our sustainability strategy. As leaders in the agri-food sector in both Spain and Europe, we have the responsibility to move forward in increasingly safe and efficient production techniques, with a lower environmental impact and supported by digital tools that ensure the sustainability of our activities.

Through to 2030, the Group is committed to reinvesting 0.6% of its annual sales in R&D&I projects aligned with its sustainability strategy. In this context, lines of research will be geared towards reducing the carbon footprint of our processes, improving the circularity of resources, increasing the shelf life of our food products, evaluating new eco-sustainable packaging, and developing new food products that meet consumer demands.



Pillar 5

Ethical and responsible management:

Responsible management to ensure sustainability in terms of both time and the environment

Our strategy includes a cross-cutting internal focus on all the Group's internal activities, based on the premise of ethical, responsible and transparent management. In addition, this approach is extended to other external stakeholders who are involved in our value chain, with a particular emphasis on the supply process.

Strategic lines

- **Systematisation of sustainability management across the whole organisation.** our commitment to society and the regions in which we operate.
- **Ethical, responsible and transparent management:** promoting responsible leadership.
 - **Sustainable procurement:** establishing sustainability criteria with our suppliers.
 - **Respect for human rights:** management of the risks associated with human rights and business practices.
- **A commitment to society and the rural environment:** strengthening and showcasing



Pillar 5: Ethical and responsible management

2030 Goals

Responsible governance and ethical self-management of resources

The Vall Companys Group has always been characterised by its ethical management, encouraging every member of its team to exercise responsible, sound and transparent leadership. Continuing this working philosophy will be a challenge in the coming decade, given the size and diversity of our employee base.

To this end, all our decisions are based on ethical criteria and strict compliance with the law, enshrined in the Group's Code of Ethics and Crime Prevention Plan: frameworks that are both mandatory for all companies and professionals working in the Group as well as its clients, suppliers, and other people or entities we liaise with.

In turn, the Vall Companys Group is strongly committed to respect for human rights: all the processes in our productive structure take place in fair working environments, governed by values such as respect for human dignity, individual autonomy, and equality.

The Group is committed to continuing to promote this type of management through the different departments involved.



Sustainable supply chain
 100% sustainable suppliers
 100% responsible soy

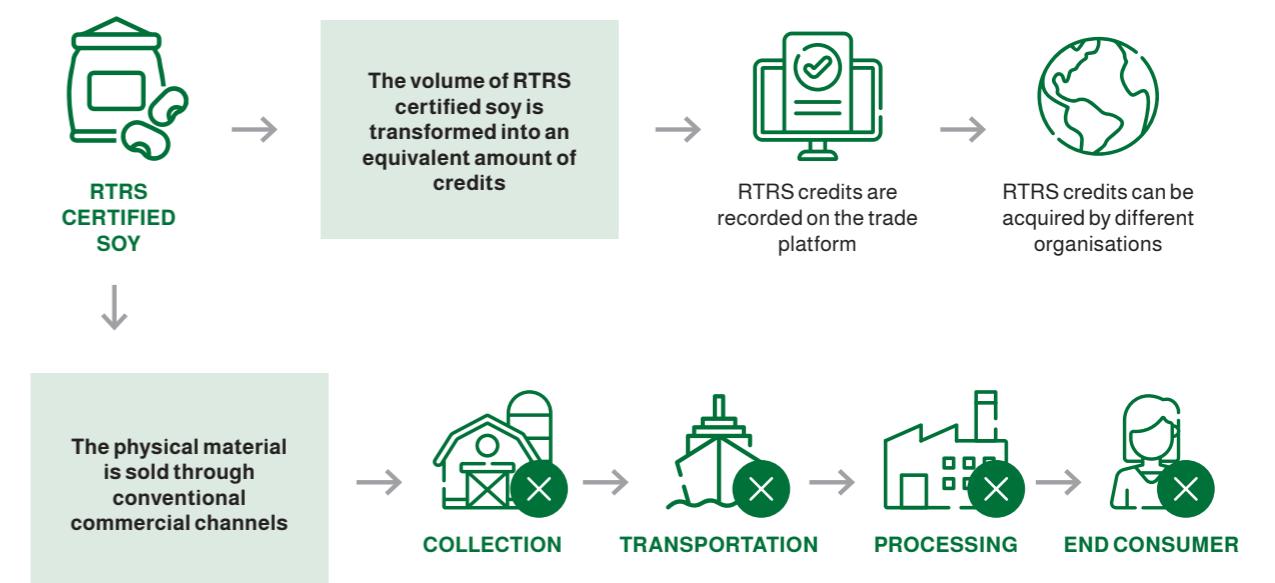


Of all the external agents involved in our value chain, the supply of raw materials for manufacturing compound feed is a key factor in ensuring our quantitative contribution to the different sustainability indicators.

In addition to the guaranteed traceability of our supply chain, our goal is to inform and encourage all our suppliers to accredit the fact that their own value chain is responsible and sustainable. Consequently, a process to standardise suppliers has been initiated, in accordance with sustainability criteria, with regard to both Spanish and international raw materials.

The raw material with the greatest impact is soy and its derivatives. We have therefore set the following goals: reducing dependence on soybeans for animal feed by promoting the viable use of alternatives, and ensuring that by 2030 all soybeans are sustainable and sourced from non-deforested areas.

This will be undertaken through certified guarantees from suppliers and the purchase of RTRS credits. The Vall Companys Group is a member of the Round Table on Responsible Soy Association (RTRS), an organisation that promotes the growth and production of responsible soy from an environmental, economic and social point of view.





Vall Companys
G R U P P O