

# 35 years



FOUNDATION  
1987

**NEXT TO DOGS, CATS  
AND THE PEOPLE WHO CARE FOR THEM**

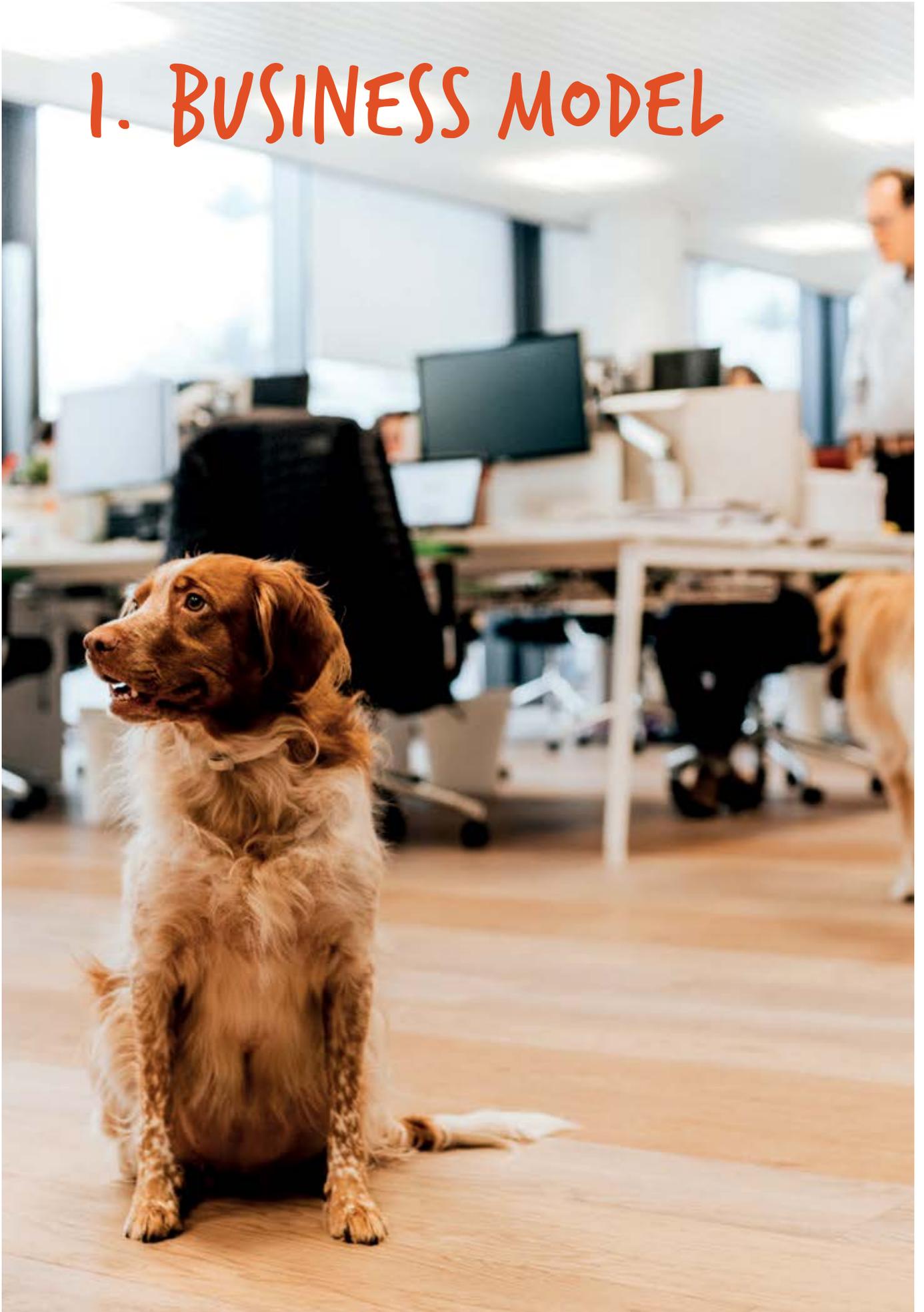
**#35FundacionAffinity**



Non-financial information statement for 2022  
AFFINITY PETCARE, S.A. AND SUBSIDIARY UNDERTAKINGS

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# 1. BUSINESS MODEL



## 1.1. Value creation model

### Committed to the well-being of cats and dogs

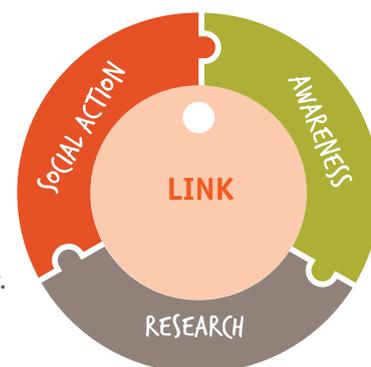
Our company is much more than an expert in animal nutrition. We are an animal-loving company fully committed to the welfare of cats and dogs and the people who care for them.

We love pets; they are our passion and the reason for everything we do. We strive to assist petparents and to improve their relationship with their pets by strengthening the bond between them and helping to improve their and their pets' physical and emotional health.

An example of our commitment and philosophy is our Foundation, a non-profit organisation which is the only

corporate foundation in Spain dedicated to promoting this bond between people, cats and dogs.

The Affinity Foundation has been working for animals and people for more than 30 years in three areas: research, awareness and social action. Three areas of action with a single objective: to disseminate the philosophy that a society that respects animals is a better society.



### Leaders in complete and balanced dog and cat food

Affinity is a company with more than 50 years of experience in the production of quality animal nutrition and is part of the PetFood business of the Agrolimen Group<sup>1</sup>. The Group is a leader in the dog and cat food industry in Spain, fifth in Europe and sixth in the world.

We know how important nutrition is to the health of cats and dogs. Through our brands, we have developed an extensive range of products using select ingredients of the highest quality and nutritional value that contribute to pet development and quality of life.

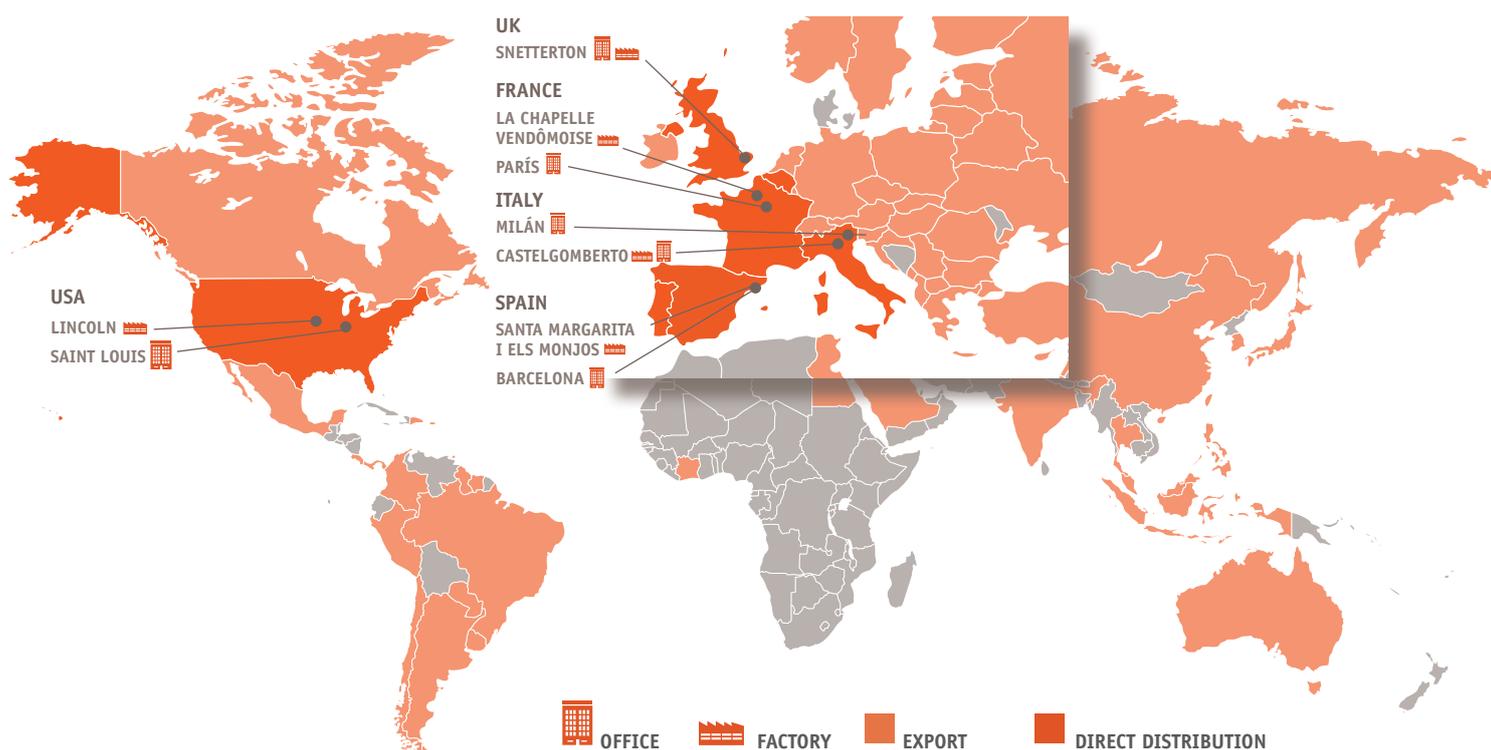
A balance between research, technology, specialised professionals and a careful selection of ingredients allows our products to satisfy the nutritional needs of cats and dogs, from the most generic to the most specific.

<sup>1</sup> In addition to Affinity Petcare, the Agrolimen Group's scope of consolidation also takes in the companies Natures Menu and Nature's Variety. On 1 September 2021, the Group sold its shareholding in its Brazilian businesses.

## Market and customer-oriented organization

More than 1,366 employees<sup>2</sup> work in the pet food division of the Agrolimen Group at our headquarters in Hospitalet de Llobregat (Barcelona) and other locations around the world.

We also have 5 production centres to supply the more than 70 countries where we do business.



Of the five abovementioned production centres, the ones in Spain, Italy and France belong to the Affinity Petcare subgroup, the one in the UK to Natures Menu and the one in the US to Nature's Variety.

With regard to the companies controlled by the Affinity Petcare subgroup, there are two business divisions, one focused on mass distribution and the other on specialised distribution, each one supported by corporate areas, which allow us to innovate and respond better and faster to the needs of our customers, consumers and their cats and dogs.

<sup>2</sup> There were 1,390 employees in 2021.

## 1.2. Sustainable business strategy

### Market environment

It is estimated<sup>3</sup> that the turnover in the worldwide dog and cat food industry was 101 billion euros in 2022 (93.6 billion in 2021), with annual growth of 7.8%, Agrolimen being the sixth largest group in the world.

In Western Europe, the main geographical area where Affinity operates and which represents 21% of global turnover for the sector, with growth of 3.4%, Affinity is the fourth largest company.

The companies in the Affinity Group mainly make dry

feed, which represents 41% of the European market. In this technology, Affinity is the third largest European manufacturer and our share is growing year on year.

Europeans are increasingly inclined to have a pet, and the dog and cat population grew by 1.6% in 2022. The value of the dog and cat food category has evolved positively thanks to both population growth and the growth of quality products adapted to the specific needs of pets.

### PILLARS OF OUR STRATEGY

The pillars of our growth strategy are:

 **Advanced research and constant innovation**

 **Building leading brands**

 **Quality and food safety**

 **Commitment to sustainable development**



<sup>3</sup> Source: latest available data Euromonitor (2022)

## Sustainability management at Affinity

Affinity implements its strategy in line with a resolve and values to which all of the companies and people who form part of the Group are committed, and whose common denominator is the sustainable creation of value.

We engage in initiatives in the fields of product sustainability, environmental care, contribution to society and best practices in good corporate governance, for which we strive to meet the requirements of the present without compromising future generations' capacity to satisfy their needs.

To achieve coordinated and sustainable management across these areas, we have a Sustainable Development department led by the Sustainability Committee. The Committee has representatives from all corporate areas to ensure the rollout of the sustainability strategy and make it an integral part of operational and administrative processes, promote dialogue and tap stakeholder expectations, in addition to encouraging good environmental, social governance and communication practices.

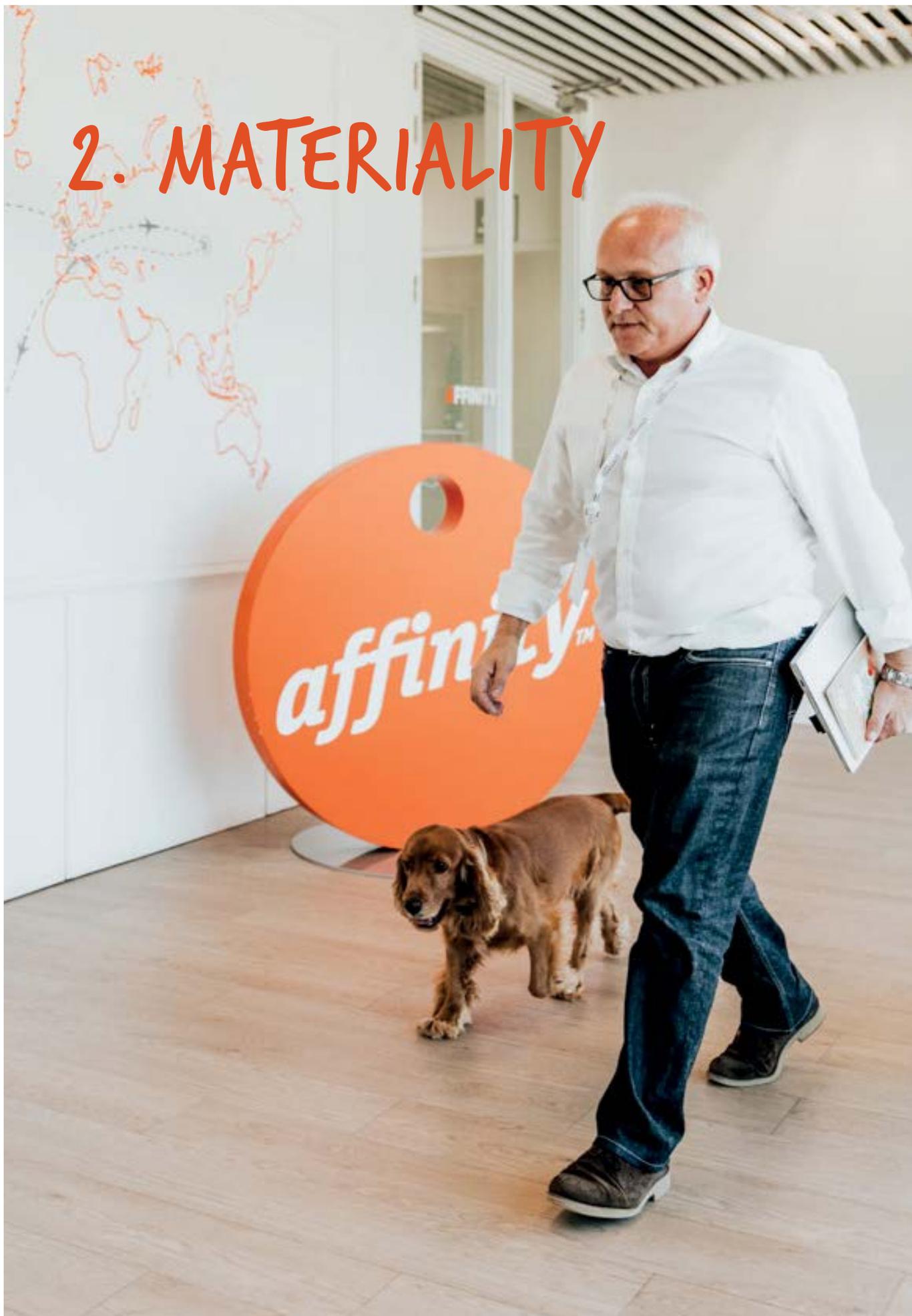


### Social importance of pets

Events in recent years have shown society that in tough times the emotional bond between humans, cats and dogs grows stronger and plays a significant part in petparents' emotional status.

At Affinity we make and will continue to make every endeavour to discharge our responsibilities by ensuring the uninterrupted supply of the quality food pets love so much and by providing continual information to all cat and dog lovers from our Foundation and brands, as well as promoting adoption and working against abandonment.

# 2. MATERIALITY



At Affinity, we strive to identify and understand our stakeholders' expectations on sustainability issues in a proactive, systematic way. Based on our materiality analyses, we identify the topics of greatest concern to our stakeholders and the company. The core material topics are the well-being of cats, dogs and the people who care for them, diversity and inclusion, greenhouse gas reduction and the circular economy. These topics become part of our internal decision-making processes, thus stepping up the creation of financial, social and environmental values.

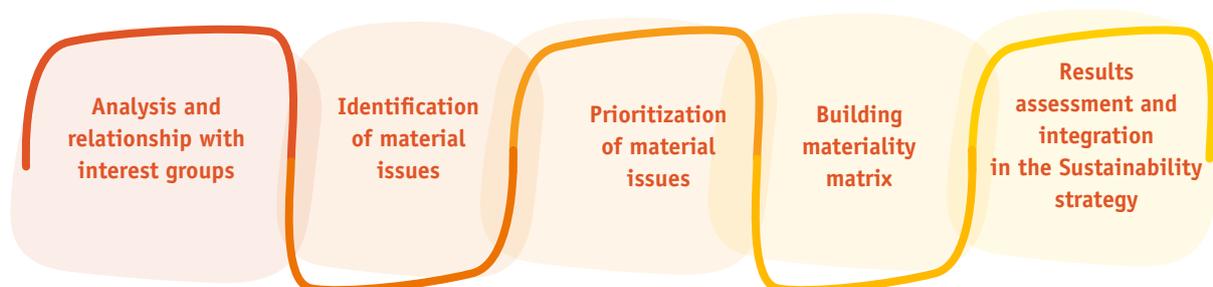
In conducting this analysis, the recommendations set out in the standards of the Global Reporting Initiative were taken

into consideration and, more specifically standard GRI 3: Material Topics 2021, which establishes materiality as one of the four principles to be followed for defining sustainability reporting content and that were adhered to in drawing up this report.

Our materiality analysis forms an integral part of the company's procedures and involves all departments that have a touchpoint with our stakeholders. Affinity has identified the social, environmental and ethical aspects most relevant to its stakeholders. Internally they are divided into the fields of Products, Planet, People, Society and Good Governance.



The results of the analysis are endorsed by the Executive Committee and the Sustainability Committee, and are then added to our Business Strategy.



Furthermore, this report was drafted in compliance with Act 11/2018, depending on the relevance of the aspects identified in the materiality analysis.

# 3. PRODUCTS:

nutritional, natural and innovative solutions



## 3.1. Nutritional well-being

### Quality and food safety

Affinity Petcare, in keeping with its quality and food safety policy:

 **Implements management systems based on efficient processes focused on achieving:**

- Customer and consumer satisfaction.
- The production and distribution of products that are safe for cats and dogs.

 **Sets goals and objectives that continuously challenge us to improve results for customers, consumers, shareholders and suppliers.**

 **Regularly reviews the effectiveness of the procedures implemented and their associated goals and objectives.**

For **quality assurance** purposes we have identified the following stakeholders:

 **Suppliers:** who are first in our product value chain, making their selection and approval key to providing premium products.

 **Customers:** who distribute and sell Affinity products to consumers.

 **Consumers:** who are the owners of the cats and dogs and who buy our brands' products.

 **Cats and dogs:** the end consumers of Affinity products.

These processes take into account the evolution of the sector and help the company adapt to its changes and transformations. These practices, implemented in partnership with suppliers and distributors, in addition to strict compliance with the law and respect for the environment are the

best endorsement for delivering quality services and products.

Regarding **food safety**, we consider something a risk if it could impact a pet's health and its effects have either been proven or could feasibly occur. All products marketed by Affinity

Petcare are designed, manufactured and distributed under controlled conditions subject to hazard analyses and critical control points (HACCP). For products manufactured by third parties, Affinity ensures that the same principles are applied.





## THE HACCP SYSTEM IMPLEMENTED BY AFFINITY IS BASED ON:

-  **The FEDIAF Code of Good Practice for the manufacture of safe dog and cat food.**
-  **The FAO/WHO Codex Alimentarius “Recommended International Code of Practice - General Principles of Food Hygiene”.**
-  **ISO 22000 ‘Food safety management systems - Requirements**

Quality and food safety is certified through the implementation of ISO 9001 and ISO 22000 in our three factories in France, Italy and Spain. The factory in Spain is also certified according to ISO 14001 for its environmental management.

## Nutritional research and innovation

We work continuously with the aim of ensuring that cats and dogs enjoy the best possible health throughout their lives by supplying products with a complete and balanced formulation. Our team of nutritionists, ethologists, vets and other specialists are continuously innovating to secure their future care and well-being.

They are all supported by the Affinity Nutrition Centre (ANC), the only cat and dog care facility in Spain dedicated to generating knowledge around animal health, well-being and nutrition. Our revamped and environmentally friendly facilities are adapted to the animals’ daily needs, providing maximum levels of comfort, safety and wellness.

Our team comprises vets, nutritionists, biologists and ethologists who work daily with our animals to run palatability tests that measure the animals’ acceptance

of or preference for one food over another and carry out noninvasive studies based on the evaluation of different diets of food for cats and dogs.

The Affinity Nutrition Centre is a place for our cats and dogs to socialise, exercise and play together every day. After a while in our centre, our cats and dogs enter our adoption plan aimed at finding them a forever home to be part of a family and enjoy new experiences.

The ANC is part of a network of research centres with which we work and share know-how that goes from public and private universities, veterinary laboratories and, naturally, clinics and vets that take part in studies for improving cat and dog welfare and nutrition and their bonds with their petparents.

***We contribute to training industry professionals with the scientific publications we publish on the leading digital channel Vets & Clinics.***

## Transparency and contribution to consumer knowledge



*We encourage satisfactory relations with our consumers through ongoing dialogue that enables us to find out what they want and improve accordingly.*

We acknowledge the importance petparents give to knowing the ingredients of our products and understanding what their cats and dogs need. As a company, our vocation is to support customers throughout their pet's life, providing the information they need to take responsible decisions regarding the nutrition and care of their animal.

That is why we strive to provide accurate nutritional information properly supported by the functional benefits of our recipes and outreach around the latest knowledge in dog and cat care and well-being.

Through their websites and social networks, our brands provide tips and practical information put together by expert nutritionists, vets, ethologists and educators on the topics that matter most to the people who care for an animal. The way to prepare

food for cats and dogs, how to put an animal in your life, what specific care a puppy needs or how to enrich a cat's environment to ensure their well-being are just some examples of content available to petparents to help them not only choose the best nutrition for their four-legged friend but also reflect on other key care aspects such as the importance of health, the environment and behaviour for guaranteeing the emotional welfare of a dog or cat.

We share the objectives of the advertising industry of endeavouring to only have responsible advertising: fair, true, honest and legal. As advertisers, this commitment translates into compliance with certain ethical principles and standards set out in the codes of conduct of the advertising industry, as well as being subject to an independent third party for the resolution of any potential claims that could arise in the event of a breach of

these standards and the corresponding national regulatory authorities.

We encourage satisfactory relations with our consumers through ongoing dialogue that enables us to find out what they want and improve accordingly. We make a number of communication channels available to them for each brand for this purpose, through which we also give updates on all new products. Constant communication with our customers is key to our business model, based on putting the consumer first to deliver an excellent experience and build lasting relations.

The customer service department handled around 11,700 enquiries in 2022 (11,200 in 2021), of which 2,500 (21%) were complaints, versus 2,100 in 2021. We received fewer queries around promotions and our products in 2022, helped by the major content updating work done on our digital channels. With regards the slight uptick in complaints, there was a relationship with the rise in sales (more sales, more manufactured units) and catalogue revamps in some markets.



With regards the channels used by consumers, 7,900 (67%) of enquiries were received on digital media (8,200 in 2021) and 3,800 (33%) by phone (3,000 in 2021), related to a wide range of matters such as where a product could be found, its characteristics, incidents and questions around new releases. A total of 99.9% (11,700) had been resolved on the date of release of this report (11,100 in 2021, i.e., 99.1%). Affinity's

customer service is free and the open channels allow consumers to hear opinions and clarify doubts about all matters as quickly and accurately as possible. Affinity has channels for all of its brands to provide a customised service adapted to the profile of its consumers.

The average score given to the freephone service from January to December 2022 was 9.3 out of 10 and

the digital service scored 7.7 out of 10 (9.5 for the freephone service and 7.7 for the digital service in 2021). The customer service freephone numbers, contact forms and email addresses are listed on our website. These contact details also appear on all of our packaging.

## 3.2. Sustainable supply chain

### Traceability and sustainability of raw materials

 **We engage in proximity policies**, so most of our raw materials are obtained in the European Union and all of our production plants source a significant amount of their supplies for ingredients (more than 50% on average) from the country where they are based, with the goal of minimising – to the extent possible – the impact associated with the transport of these raw materials.

 **Affinity does not use any transgenic ingredients in its formulations.** In the specific case of soy and corn these raw materials are subject to non-GMO traceability.

 **In line with our commitment to sustainability and responsible sourcing**, we are fast-tracking our focus on the traceability of our main ingredients and we work alongside our various suppliers to deliver consumers maximum safeguards in relation to the characteristics and/or origin of these ingredients.

## Supply chain sustainability

Because Affinity's supply operations are carried out on a European scale, our supplier base operates in a guaranteed regulatory framework that affords uniform levels of protection and security in all our commercial relations.

Aware that the value chain of our products starts with our suppliers, Affinity seeks to establish lasting relationships based on mutual trust wherever we do business and in the different categories of applicable products and services. The mutual success of this business relationship is based on respect for the following principles contained in the Code of Ethics on good practice, to which our suppliers adhere:

### Ethics and legality

Suppliers ensure they comply with the laws in force in the countries where they operate and make a commitment to uphold the strictest standards of ethical and moral conduct by avoiding any type of corrupt practices, conflicts of interest, providing truthful information in their communications with Affinity and ensuring the exercise of free competition.

### Labour practices, health and safety.

Suppliers undertake to respect the protection of internationally recognised fundamental human and workers' rights within their sphere of influence and to provide a safe working environment by guaranteeing equal opportunities and complying with all established occupational risk requirements.

### The environment and animal welfare

Suppliers must comply with all legal requirements related to environmental protection and are in possession of the required operating permits, taking a preventive approach and properly managing any substance or material that is a hazard when released into the environment. Suppliers must likewise comply with any legal requirements related to animal welfare if applicable to them.

### Quality and product safety

Suppliers must guarantee that all products supplied to Affinity comply with all quality and food safety regulations and laws in force. Suppliers undertake to immediately inform Affinity about any matter or suspicion related to food safety.

### Confidentiality and intellectual property

Suppliers undertake to respect intellectual property rights and to treat any information disclosed by Affinity in the business relationship between them as confidential by refraining from disclosing it to third parties without Affinity's prior written consent.

### Subcontracting

Suppliers are responsible for ensuring their employees and subcontractors abide by these principles.



In line with its Quality Assurance Policy and in the way it conducts its operations, Affinity uses a standard Supplier Certification Process that, based on the critical nature of the products purchased, conducts supplier audits covering aspects related both to quality and environmental considerations. Affinity also continually monitors its suppliers to guarantee the level of quality and safety of the raw materials purchased.

These standardisation and assessment processes for suppliers were recently reviewed based on the changes and transformations in the sector, with increasingly greater emphasis placed on food safety and sustainability.

In 2022, after the mobility restrictions around the pandemic had been lifted, Affinity boosted the number of supplier visits in relation to audits and technical inspections to 21, compared to the 10 done in 2021. 90% of the audits were completed satisfactorily, the same percentage as in 2021.

In line with its commitment to food safety, Affinity expanded its central laboratory located in Santa Margarita dels Monjos, adding the ability to conduct microbiological tests. Part of the microbiological control service was therefore internalised and the reduced times for getting results increased our capacity for reaction. The laboratory has

been fitted with the accredited tests for Enterobacteriaceae and Salmonella, the latter by plaque analysis and the PCR technique.

The study to expand the physics and chemistry laboratory was also designed in 2022 and implementation is planned for 2023.

## Animal well-being

All the raw materials and ingredients of animal origin that Affinity uses in the formulation of its products come from Europe. Working within the framework of the European Union is likewise a guarantee that all regulatory matters on animal well-being are followed. This regulatory framework establishes the conditions that must be respected in the breeding, raising and transport of all animal species to ensure the following five principles are upheld.

-  **Providing ready access to fresh water and a healthy, nutritious diet.**
-  **Providing an appropriate environment, which includes shelter.**
-  **Providing a rapid diagnosis and treatment of diseases.**
-  **Providing conditions that avoid mental suffering.**
-  **Providing sufficient space, proper facilities and the company of an animal's own kind.**



# 4. PLANET:

caring for the environment and the planet

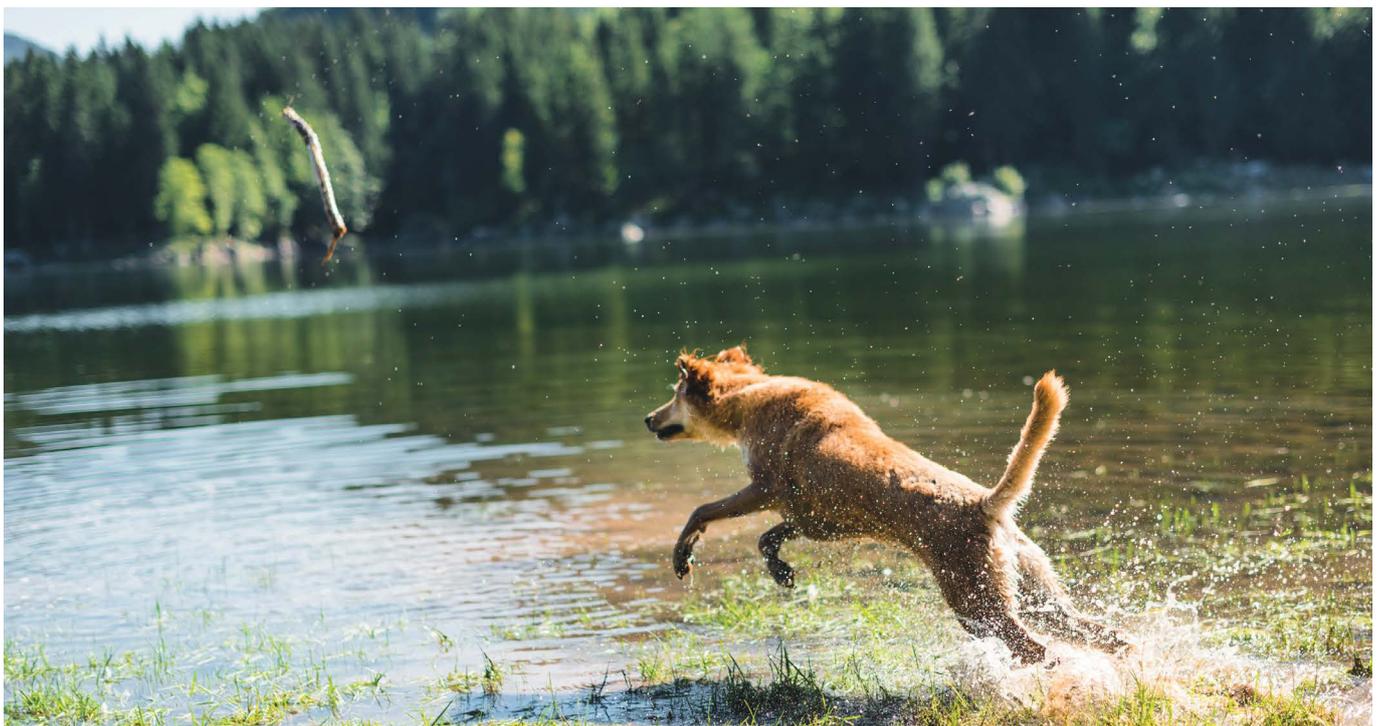


## 4.1. Environmental management

### Environmental policy and management

Affinity is committed to environmental sustainability as embodied in our Environmental Policy, which is based on:

- 🐾 **Compliance with all legal and regulatory requirements applicable to our operations, as well as sector-specific codes and best practices to which we subscribe.**
- 🐾 **Preventing and minimising the environmental impacts we generate.**
- 🐾 **The environmental management system we have implemented ensures correct environmental practices, as outlined below.**
  - 🐾 Diagnosing significant environmental aspects, minimising the consumption of resources and reducing or eliminating the environmental impact derived from our business and its effect on the environment in terms of emissions, discharges and waste generation.
  - 🐾 Establishing environmental management objectives and goals that allow for continuous improvements that benefit our customers, consumers, shareholders, suppliers, staff and subcontracted personnel, the community and the natural environment.
- 🐾 Periodically reviewing the effectiveness of the implemented systems and the abovementioned goals and objectives.
- 🐾 **Affinity is committed to proper environmental management by always taking the entire life cycle of a product into account, from sourcing raw materials to the consumption of the finished product.**
- 🐾 **The responsibility for preserving the environment lies with all members of the organisation, regardless of their position.**
- 🐾 **The Environmental Policy is available to anyone who wishes to see it as part of Affinity's Quality, Safety and Environmental policy.**



Affinity Petcare controls three production plants located in Spain, France and Italy. Each plant has an Environmental Management System in place (in Spain, it is ISO 14001 certified). Its development, revision and update allows a systematic approach to be taken to environmental management that provides information to managers in order to generate long-term success and create more options that contribute to sustainable development.



In addition to the environmental management systems described above and as an added precaution to prevent and

minimise environmental impacts, the insurance policies taken out by Affinity include environmental risks, even though we are not obligated to provide a financial guarantee according to Act 26/2007 on Environmental Liability.

In order to determine the current and future effects of our operations on the environment, we have defined the stages in the life cycle of each product. To do so, each year we prepare an inventory of all the activities and processes that affect environmental aspects. Consideration is given to inputs (raw materials, resources, power, services), outputs (semi-finished and finished products, air emissions, discharges, spills and waste), legal requirements and working conditions (normal, abnormal, emergency). Once the environmental aspects have been identified, they are evaluated according to a set of evaluation criteria.



The aspects are then classified to determine which ones are significant.

### SIGNIFICANT ENVIRONMENTAL ASPECTS



**Atmospheric emissions:**

Drying water, dust, noise and flue gases



**Dumping:**

Treated cleaning water



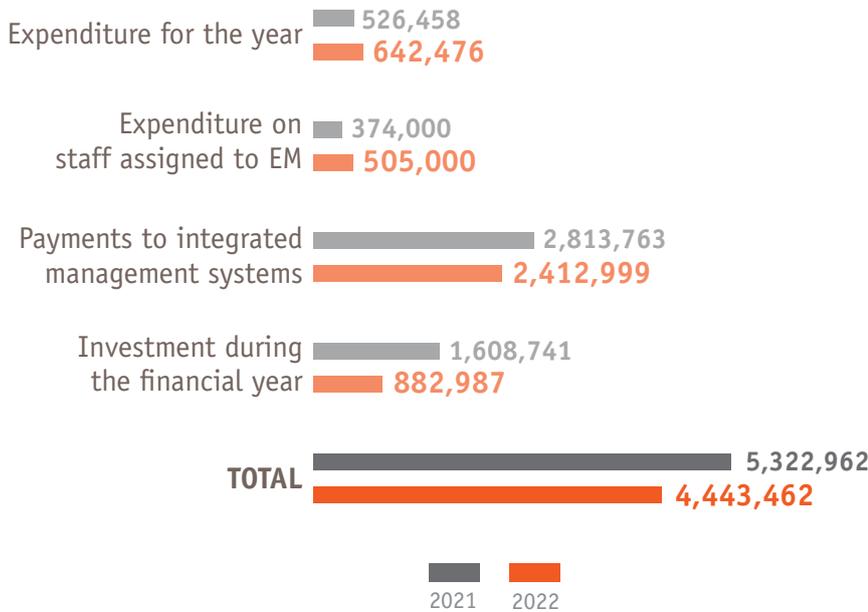
**Waste:**

Paper, plastic, non-hazardous waste, food and wood



## THE ECONOMIC RESOURCES DEDICATED TO PREVENTING AND MINIMISING ENVIRONMENTAL IMPACTS IN 2022 WERE AS FOLLOWS:

### THE ECONOMIC RESOURCES (€)



The resources dedicated to preventing and minimising environmental impacts in 2022 were of the same order of magnitude as the previous year, with a rise in personnel dedicated to environmental management being of note. The company continues to support a more sustainable scenario, moving the dial on meeting the established environmental objectives and commitments explained in detail below.

## 4.2. Sustainable use of resources

At Affinity we develop strategic lines that ensure that the growth of our business is respectful to the environment and local communities. Therefore, we strive to make sure that all of our operations have the lowest possible impact on the environment and we are committed to society.

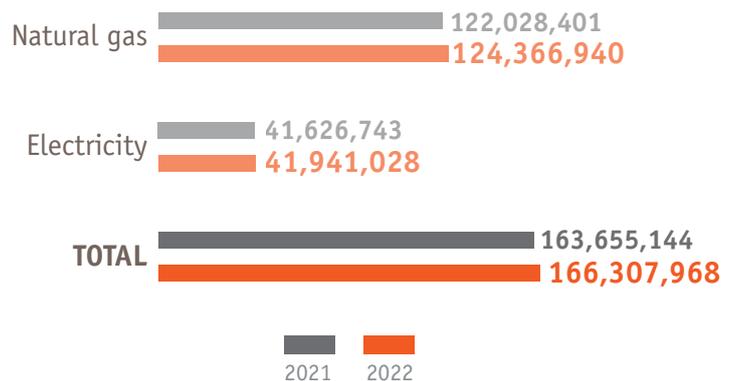


### Energy consumption

Affinity consumes electricity and natural gas in all of its production plants.

Energy consumption for 2022 is set out below, with figures very similar to the previous year's.

### DIRECT ENERGY CONSUMPTION (KWh)



*In line with the company's philosophy and commitment in previous years to increase the use of renewable energy in our factories and offices, as in 2021, during 2022 all of the energy consumed in our factories and offices came from renewable sources.*

There is also an internal energy-efficiency management programme in place with a system that measures consumption, continuous improvement plans and regular energy audits that we work on every year to improve the energy efficiency of our machinery and facilities.

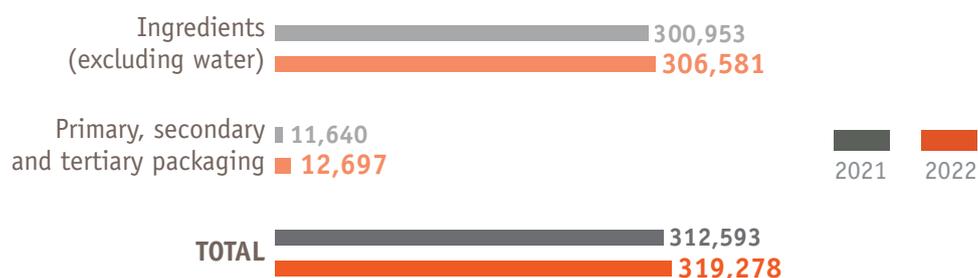
## Consumption of raw materials

The quality of our ingredients is a basic pillar of our commitment to the welfare of pets. We select top quality ingredients with high nutritional value that contribute to the development, health and quality of life of cats and dogs. Packaging materials likewise play an essential role in properly preserving products during their shelf-life.



In 2022, the consumption of ingredients and packaging materials was practically the same as the previous year, as can be seen in the following table.

### CONSUMPTION OF RAW MATERIALS (tonnes)



## Commitment to recyclable packaging

At Affinity we are constantly working to improve our packaging by optimising the amount of materials used for it without compromising on its preservation.

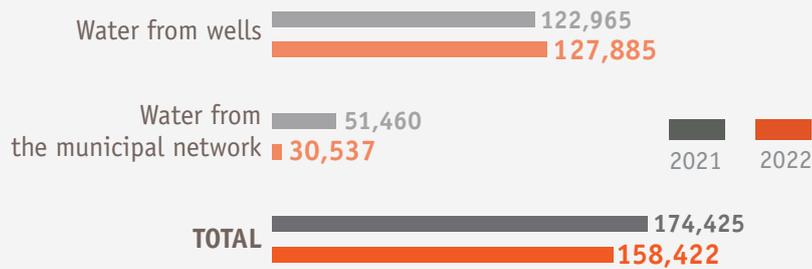
In line with the commitment for all the packaging materials used in our factories to be fully recyclable, in 2022 a total of 69% of packaging materials used in our production plants was recyclable, 3% more than in 2021. Furthermore, the cardboard used as secondary product packing is recycled cardboard.



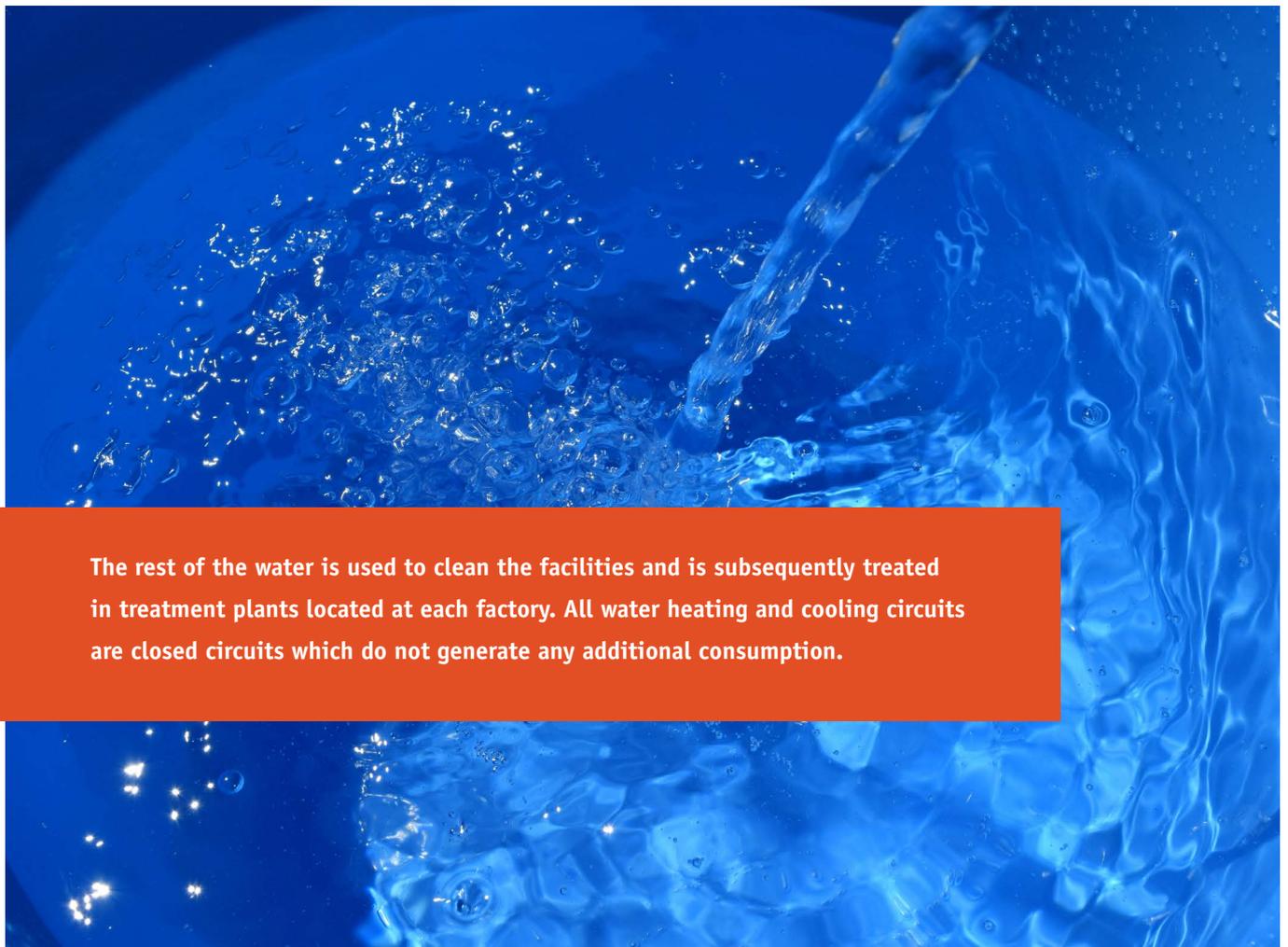
## Water usage and wastewater discharge

In 2022 the water captured for production processes at Affinity was 9% less than in 2021. Of this water, 81% came from wells duly authorised by the competent authorities in each country.

### DIRECT WATER CAPTURE (m<sup>3</sup>)



Most of the water we consume (90% to 93%) is used to cook food. During the production process it evaporates completely and is returned to the atmosphere.



The rest of the water is used to clean the facilities and is subsequently treated in treatment plants located at each factory. All water heating and cooling circuits are closed circuits which do not generate any additional consumption.

## 4.3. Sustainable management of the environmental impact

### Waste management and measures against food waste

Affinity's policy is to minimise the waste generated and to use the waste for recovery rather than disposal.

#### WASTE FOR RECOVERY (tonnes)



#### WASTE FOR DISPOSAL (tonnes)



The volume of waste allocated to recovery rose by nearly 60% in 2022, principally via organic waste management, including wastewater sewage slurry at composting plants. This facilitates reutilisation in other activities and promotes the circular economy.

Furthermore, finished products in stock with a shelf life of less than six months but are completely safe for consumption are not discarded as waste. Many of them are sent to cat and dog shelters near the production plants. Under this initiative against food waste, 441 tonnes of products were donated to animal charities and shelters in 2022 (455 tonnes in 2021) in the three countries where Affinity has production sites (see section 6.1).

### MEASURES AGAINST FOOD WASTE

#### PRODUCTS SENT TO PET SHELTERS (tonnes)



## Commitment to the reduction of greenhouse gases

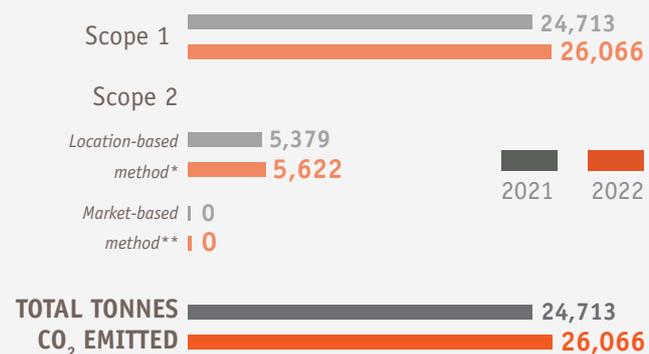
As a result of Affinity's industrial activities, some emissions are direct, which are those directly generated at Affinity's facilities, whilst the rest are indirect, understood to be those that are generated at our suppliers' plants to meet Affinity's needs.

Direct emissions (scope 1) are those resulting from the consumption of natural gas, the main source of energy in

our production processes, and the filling of refrigerant gases. The indirect emissions specified in this report (scope 2) are those that come from the production of the electricity consumed at our facilities.

**To meet the commitment to reduce GHG emissions from this energy consumption, in 2022 all of the electricity consumed in the factories and offices in Spain, Italy and France came from renewable sources, preventing the emission of 5,622 tonnes of CO<sub>2</sub> into the atmosphere.**

### GAS EMISSIONS INTO THE ATMOSPHERE (tonnes CO<sub>2</sub> emission)



\* Location-based method: a method for calculating GHG emissions based on the emission factor of the domestic mix of the origin of energy.

\*\* Market-based method: a method for calculating GHG emissions based on the emission factor of the source of electricity chosen by Affinity. In the case of areas affected in this report, this factor is 0 due to the renewable source of the electricity.

In terms of atmospheric emissions, the levels of greenhouse gas emissions due to Affinity's operations have a very insignificant impact on the environment and therefore none of the plants is subject to the EU's emission rights protocol.

There are also various points at the plants where particles are released into the atmosphere. All emission points

have filters and are electronically monitored to prevent accidental emissions. They are also inspected regularly by the competent authorities and comply with the requirements established by the authorities.



## Reduction in noise and light pollution

Insofar as noise pollution is concerned, Affinity's factories emit noise both at certain emission points and in the form of dispersed emissions. All sources of noise pollution have silencers or anti-noise panels to minimise the emissions. There is also a verification protocol that has been agreed with the local authorities (location of the measurement points) and inspected by the competent authorities as part of the Integrated Environmental Inspection. Light pollution is not significant and therefore not material for the company.

## Measures for mitigating climate change

In 2022, the activities carried out by Affinity and its plants were not affected by any consequences of the weather or of any other type related to climate change. Likewise, no potential risks associated with this matter are anticipated in the immediate future.

# 5. PEOPLE



## We contribute to the well-being of people and the development of diverse talent

2022 was distinguished by the consolidation of the New Work Paradigm programme to improve the new working methods that emerged during the COVID-19 pandemic. This project was rolled out across the Group in 2020 and involved all of its companies in order to reflect on post-pandemic needs and opportunities.

Furthermore, we continued to work on our strategic plan for Human Resources (approved in 2019) that is based on two pillars.

### Culture

Strengthening an international culture common to all of the places where we operate that enables us to better respond to the requirements of our customers in all of our markets.

### Talent

Attracting and retaining top level members of staff able to build solid teams committed to the growth targets set in the strategic plan.

## 5.1. Health and well-being

### 5.1.1. Corporate culture and values

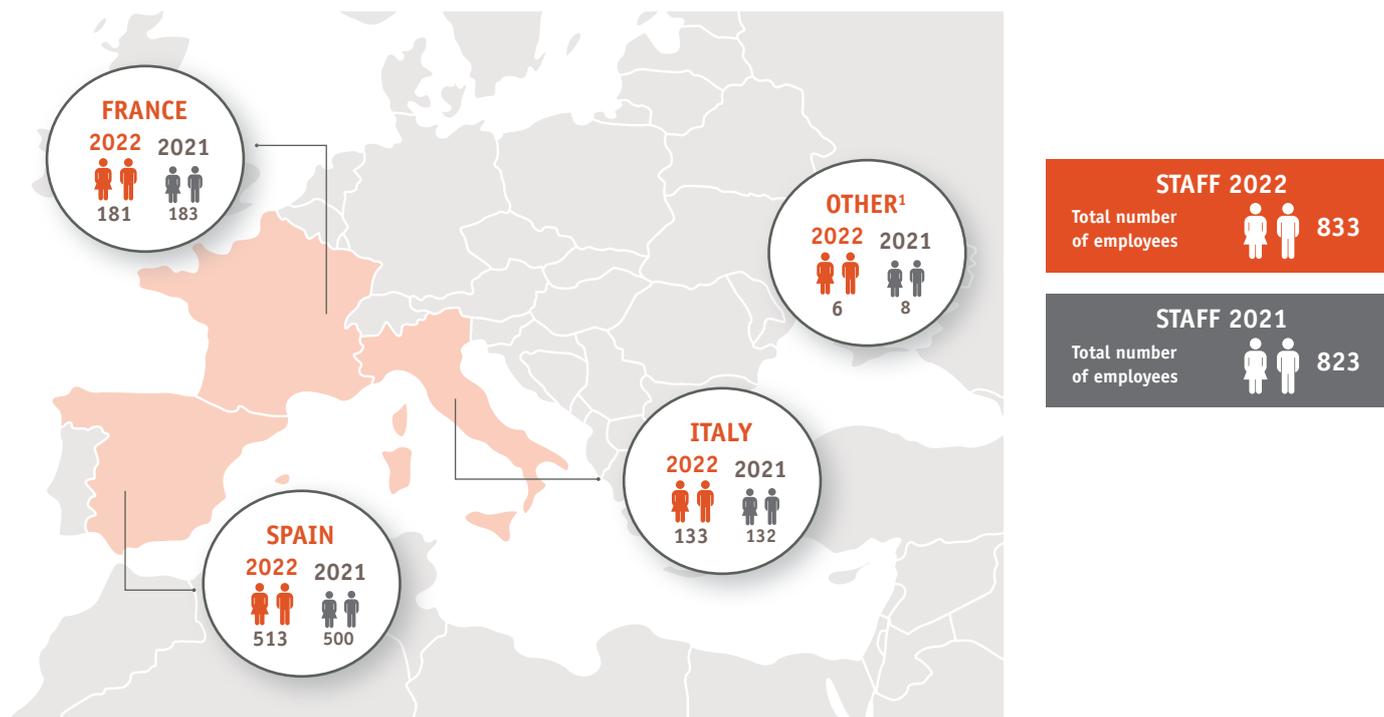
As a company, our mission is to assist petparents and improve their relationship with their pets, strengthening the bond between them and helping to improve the physical and emotional health of their cats and dogs.

Our corporate values of Solidarity, Consistency, Challenge and Humility are the principles that set us apart and were chosen by our employees together. They are a key feature of our culture and guide the behaviour and actions of our employees on a daily basis.



## About our staff

At 2022 year-end, Affinity had 833 people on staff, of whom 58% were men (484) and 42% were women (349). In 2021, the figures were 472 men and 351 women, so the proportion of female employees held steady (in 2021 men accounted for 57% of the workforce versus 43% women). Our main offices are located in Barcelona, Paris and Milan. We also have production centres in all three countries.



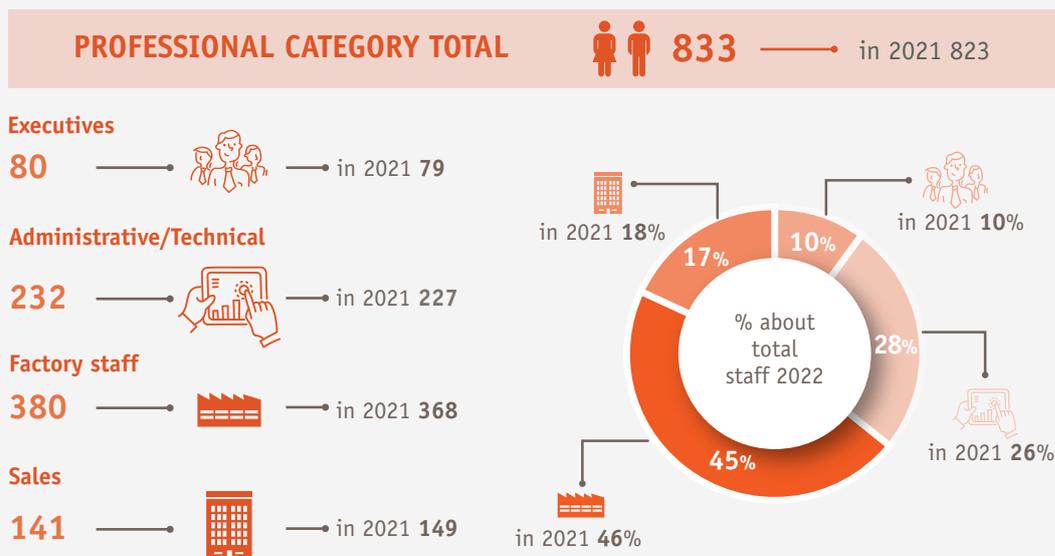
<sup>1</sup> Employees in Belgium, Germany, Greece, Poland and Portugal.



Due to the occupational segregation affecting the industrial sector, there is still a predominance of men at our factories, while the percentage of women working in our offices is 54% of the total, which is one point up on the 2021 records.

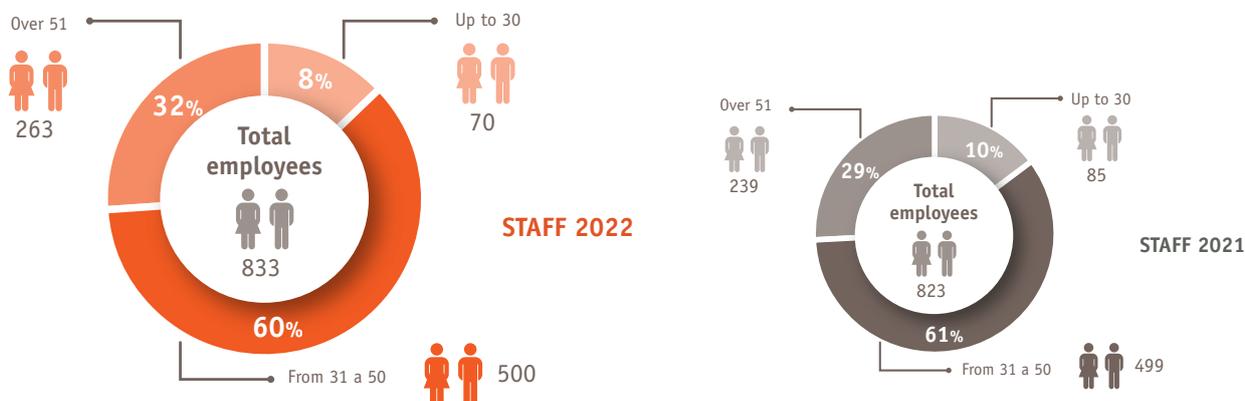
The breakdown of the workforce by professional category remains largely the same as in 2021, as shown in the following table:

### STAFF DISTRIBUTION BY PROFESSIONAL CATEGORY 2022



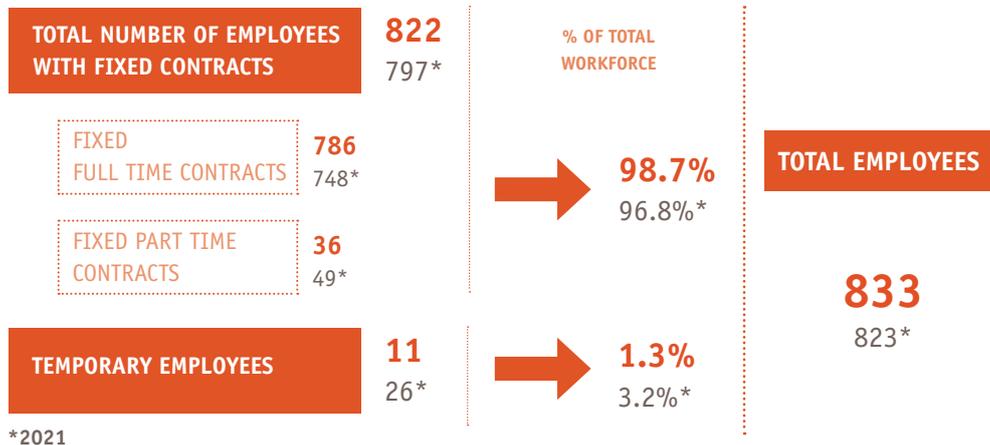
However, some changes were observed in workforce distribution by age. In 2022, the age bracket up to 30 lost ground in comparison with the cluster made up of people over 50.

### THE DISTRIBUTION OF STAFF BY AGE BRACKETS 2022



## Total number of employment contracts and breakdown by type

Affinity sets offering stable, quality working conditions as a priority. Therefore, most of the company's current employment contracts are permanent. Specifically, they accounted for 98.7% of all contracts at 31 December.



## DISTRIBUTION OF EMPLOYMENT CONTRACTS BY GENDER 2022

The table below shows that the number of permanent contracts is still very high and improved significantly (by 1.8%) on the 2021 figure. The previous table also shows that as in 2021 there were no employees on temporary part-time contracts at year-end.



AVERAGE NUMBER OF EMPLOYEES WITH A FIXED CONTRACT	
FIXED FULL TIME CONTRACTS	479 461*
FIXED/PART-TIME CONTRACTS	10 13*
<b>EMPLOYEES WITH FIXED OR PERMANENT CONTRACTS</b>	<b>99.0%</b> 97.7%*
<b>TOTAL TEMPORARY EMPLOYEES</b>	<b>5</b> 11*
<b>TEMPORARY EMPLOYEES (%)</b>	<b>1.0%</b> 2.3%*

**TOTAL EMPLOYEES 484** 472\*

\*2021



AVERAGE NUMBER OF EMPLOYEES WITH A FIXED CONTRACT	
FIXED FULL TIME CONTRACTS	343 336*
FIXED/PART-TIME CONTRACTS	26 36*
<b>EMPLOYEES WITH FIXED OR PERMANENT CONTRACTS</b>	<b>98.3%</b> 95.7%*
<b>TOTAL TEMPORARY EMPLOYEES</b>	<b>6</b> 15*
<b>TEMPORARY EMPLOYEES (%)</b>	<b>1.7%</b> 4.3%*

**TOTAL EMPLOYEES 349** 351\*

\*2021



The average number of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category for the year follow the same pattern as described in the previous point.

## AVERAGE ANNUAL DISTRIBUTION OF CONTRACTS 2022



\*2021

## ANNUAL AVERAGE OF THE DISTRIBUTION OF CONTRACTS BY GENDER 2022



**AVERAGE NUMBER OF TEMPORARY EMPLOYEES** **6**  
11\*

**TOTAL EMPLOYEES** **480** 473\*

\*2021



**AVERAGE NUMBER OF TEMPORARY EMPLOYEES** **7**  
16\*

**TOTAL EMPLOYEES** **349** 334\*

\*2021

The breakdown by age range is as follows:

## AVERAGE ANNUAL DISTRIBUTION OF CONTRACTS BY AGE 2022

	Up to 30	31 to 50	Over 51
<b>AVERAGE NUMBER OF EMPLOYEES WITH A FIXED/PERMANENT</b>	<b>60</b>	<b>492</b>	<b>264</b>
	71*	742*	237*
FIXED/PERMANENT FULL-TIME CONTRACTS	60	467	251
	70*	443*	230*
FIXED/PERMANENT PART-TIME CONTRACTS	0	25	13
	7*	29*	7*
<b>AVERAGE NUMBER OF TEMPORARY EMPLOYEES</b>	<b>8</b>	<b>5</b>	<b>0</b>
	18*	8*	1*
<b>AVERAGE NUMBER OF EMPLOYEES</b>	<b>68</b>	<b>497</b>	<b>264</b>
	89*	480*	382*

\*2021

Lastly, the table below shows averages by contract type according to professional category in 2022.

## AVERAGE ANNUAL DISTRIBUTION OF CONTRACTS BY PROFESSIONAL CATEGORY 2022

	Executives	Administrative/ Technical	Factory staff	Sales
<b>FIXED/PERMANENT FULL-TIME CONTRACTS</b>	<b>79</b>	<b>218</b>	<b>347</b>	<b>134</b>
	80*	192*	331*	140*
<b>FIXED/PERMANENT PART-TIME CONTRACTS</b>	<b>0</b>	<b>13</b>	<b>21</b>	<b>5</b>
	0*	15*	19*	3*
<b>TEMPORARY CONTRACTS</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>4</b>
	0*	10*	12*	5*
<b>AVERAGE NUMBER OF EMPLOYEES</b>	<b>79</b>	<b>231</b>	<b>376</b>	<b>143</b>
	80*	217*	362*	148*

\*2021

### 5.1.2. Employee health and safety

As part of its clear commitment to continuous improvement across all areas of health and safety and to support the growth in activity, in 2022 the company created the new corporate position of Health & Safety Director in the Human Resources area, to whom the health and safety managers of each country and Group work centre report.

This organisational change, spearheaded by the Group's management committee, guarantees the independence of the role, boosts

our profile and gives us an advanced improvement and transformation platform fully connected to the company's strategic agenda and the Engagement and Training programmes.

At the local level, in Spain we are actively working on establishing an in-house prevention service to manage two dedicated areas, safety and ergonomics, and have shored up the presence of the third-party prevention service. The Health and Safety departments in Italy and France

were strengthened in 2022 with new onboardings and this is also planned for Spain, stepping up the service level across all work centres and levels of the organisation.

With regards labour relations, in 2022 the company reached out to the leading unions and employers' associations in Spain for the animal food industry to work together on shoring up ties and reach agreements that are productive and beneficial to all.

## Health and safety conditions at the workplace

The aim of the company's occupational risk prevention policy is to identify and mitigate the risks employees are exposed to in doing their jobs.

Factories are the worksites with a potentially higher risk due to the type of work done there. On these worksites, risks are identified by sections. For each section, the characteristics of each worksite and the different action plans implemented on them were assessed.

### At the factory in Els Monjos

the different sections are updated between two and four times per year, especially when there are significant changes at the facility. In line with regulations, it must be ensured that all risk assessments are updated at least once every 5 years. Moreover, we use an external risk prevention service to help us prepare the different assessments and to detect the areas where improvements or staff training are required. There is a Health and Safety Committee with company and employee representatives that meets on a regular basis. An Annual Safety Report is drafted at the end of the year summarising the aspects of workplace health and safety addressed during the year.

### At the factory in La Chapelle

regular reviews are carried out in compliance with the regulations. Each of the five identified sections has its own indicators and measures. The Health and Safety Committee holds a meeting every quarter to specifically deal with workplace health and safety matters. All findings are recorded in a shared document that is updated at least once a year. This document covers all current and potential risks identified, as well as a plan of action to correct and limit risks.

### Risk assessments at the Castelgomberto

factory are conducted by a third-party prevention service. These assessments are updated whenever there are significant changes at facilities or to job functions. The company is tasked with providing the mandatory training set out in the law for workers according to their positions. The authorised prevention service can be one of the suppliers when specific training is required. In line with the standard, there is a Health and Safety Officer elected or appointed by the workers to represent their interests in OHS matters. Several training courses were held in 2022.

## The company's offices are divided into different sections for risk assessment purposes.

-  **THE BARCELONA OFFICE** has the support of an external risk prevention service that prepares and reviews all risk assessments. There is also a Prevention Activity Plan containing the risks and improvement actions to be carried out.
-  **AT THE OFFICES IN PARIS**, the risk assessment service is outsourced and reviewed each year. This document spans all the potential risks for the office and sales team. It is also shared each year with the Health and Safety Committee at Issy-les-Moulineaux (members of the works committee). A quarterly meeting is furthermore organised with them on OHS matters. Risk prevention training courses were provided to the sales team in 2022.
-  **AT THE OFFICES IN MILAN**, the risk assessment service is also outsourced. Risk assessments are regularly updated in compliance with OHS laws. Mandatory health and safety courses were held in 2022.

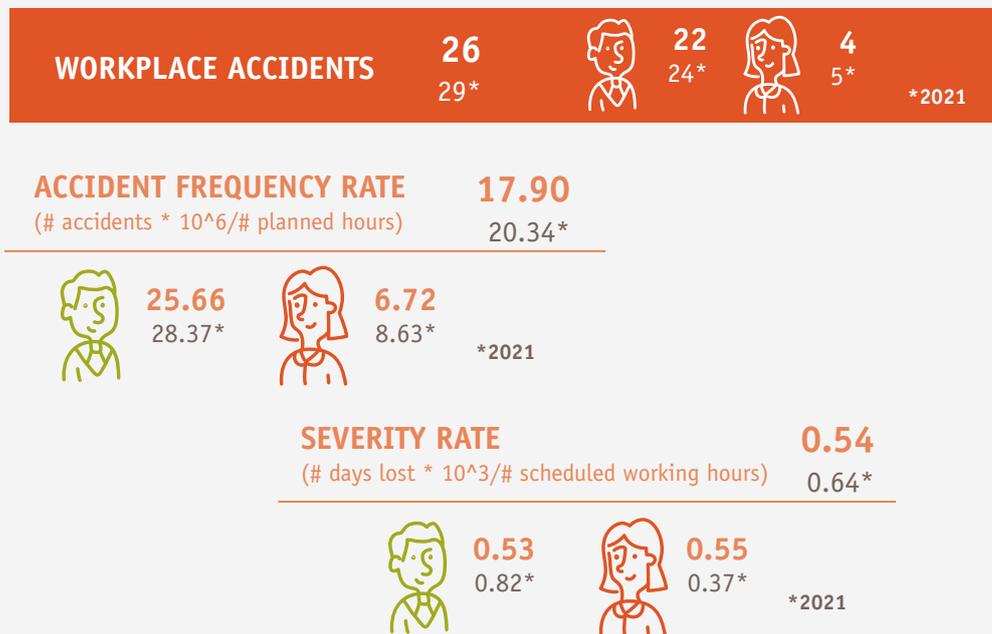


## Number of workplace accidents by gender: Frequency rate by gender, Severity rate by gender

There was a total of 26 workplace accidents in 2022, lower than the number reported in 2021.

The following table shows the total number of accidents and their rates of frequency and severity broken down by type.

There were no occupational illnesses in 2022 or in 2021.



## New Work Paradigm

The start of 2022 was marked by a slight uptick in COVID-19 cases so the company continued to implement the measures and protocols needed to address the situation in each of the countries.

improve relations, harness technology to optimise day to day processes, fully leverage shared spaces and, in short, create a better place to work and grow together.

In parallel, the Group had already put the New Work Paradigm into place to power a new work model designed to



## The main measures adopted in this context were:

 **Given the rise in COVID-19 in the first months of 2022, the company continued to implement global and local contingency plans** to ensure business continuity, always upholding employee health and safety. We continued to apply **the detailed action protocols in the event of contact or contagion**, designed following the recommendations of the health authorities and our prevention service.

 **Implementation and consolidation of the hybrid scheme.** The hybrid scheme defined in the framework of the group's New Work Paradigm was definitively implemented as of February 2022. It established that 40% of attendance would be virtual and 60% in-person. The hybrid scheme included the following points:

-  Specific protocols were designed in compliance with the rules of each government (use of face masks, social distancing, office capacity, procedures to be followed at face-to-face meetings, etc.).
-  Signage in offices to ensure the safe use of spaces.
-  Response to the provisions of Act 10/2021 on teleworking.
-  Mandatory course for employees on occupational hazard prevention.
-  Negotiation with the Works Committee on its implementation and subsequent agreement.

 **Launch of a communication campaign to usher in the New Work Paradigm and creation of employee guides in different languages:**

-  Home Office guide
-  Wellness guide
-  Hybrid Meetings guide
-  Guide on New Benefits of Coming into the Office

 **Travel policy optimisation.** In the post-pandemic era, the number and frequency of trips was curtailed significantly. A good part of the activities previously done in-person and which involved a business trip were done virtually, harnessing the benefits of technology. As a company we must consolidate the acquired learning and keep up proximity with teams, rationalising the number of

trips and planning the travel agenda with care.

The new travel purpose must be principally to carry out activities that can only be done in-person or which are truly more effective face-to-face. To that end, before beginning to prepare a travel request, we must individually assess whether it is necessary to travel or whether it could be just as effective to work remotely with teams, leveraging the technology tools we have at our disposal.

 **Internal communications plan.** To deliver on our objective of keeping our employees connected, informed in a clear, transparent way and having open two-way communication channels available, we shored up the outreach of corporate content via the internal communications channel (Workplace) in 2022. Content relevant to the Affinity community was regularly published on this channel, such as:

-  Quarterly virtual meetings attended by the management team and employees in each country in the local language to share experiences and answer questions.
-  Quarterly videos by the CEO in which the situation of the company and the business were assessed.
-  Reminders of general company policies, organisational changes and other campaigns of interest to the staff.

 **Engagement plan in joint creation with employees.**

The Bonders programme was launched in late 2022. This initiative saw volunteers from all Affinity offices come together to jointly create an action plan to address areas where the company can improve in engagement. With a One Affinity approach and through partnerships, the Bonders programme seeks to foster commitment and motivation, as well as productivity, training and the wellness of the entire organisation.

Close to 75 employees from the offices and factories in Spain, France and Italy voluntarily signed up to the Bonders programme. The action plan that emerged from the workshops was presented to and approved by Excom and its rollout will begin in 2023.

## Work disconnection policies

Affinity's management promotes healthy work habits and frequently sends messages to employees encouraging them to disconnect, rest and take care of themselves. This has become even more important with the hybrid scheme.

A digital disconnection policy linked to the WFH policy was developed and validated by a company committee last year.

It recognises, amongst other things, that employees have the right to disconnect from the devices provided to them by the company as work tools at the end of the working day and not to schedule work meetings outside of working hours.

## Social relations

In 2022, as in previous years, all of Affinity's employees were covered by the relevant national/industry-based collective agreement:

 **In Spain**, the employees at the Barcelona offices and the Els Monjos factory are covered under the "Convenio colectivo de ámbito nacional de la fabricación de alimentos compuestos para animales".

 **In France**, both the Paris offices and the La Chapelle factory are covered under a similar agreement called "Convention Collective de la Meunerie".

 **There are two different agreements in Italy**. The Milan offices are covered under "CCNL Commercio" while the Castelgomberto factory is covered under the "CCNL Alimentare".

The four agreements make specific mention of matters on health and safety at the workplace.

Dialogue between management and labour is channelled through works committees composed of democratically elected workers. There are two committees in France and Spain, one for the factories and the other for offices, whilst in Italy there is one committee for the factory.

There is also an internal communication channel to facilitate structured and confidential queries regarding the interpretation or application of the

Code of Conduct and to disclose and report potential breaches.

Affinity's culture encourages the participation of our employees and actively listening to them, as well as giving them continuous feedback. Two climate surveys and four focus group sessions were held in 2022 with office, sales and factory employees from Spain, Italy and France to take stock of the organisation's health and detect areas of improvement we can work on as a company.

## 5.2. Talent development and management

Affinity makes a firm commitment to talent by promoting career development opportunities for our employees who are able to develop the skills and abilities required for their jobs, as well as helping them to advance in the future. Our initiatives include:

-  **Setting individual career development plans.**
-  **Giving access to Affinity University, our training platform with content related to key interdisciplinary skills and abilities by business area.**
-  **Running functional development programmes.**
-  **Running a leadership skills development programme.**
-  **Mentoring and coaching our employees.**

We promote a culture of ongoing development by providing the resources necessary to ensure our employees have the training and motivation to work in the current ever-changing environment.

In the context of company growth and a noticeably competitive talent economy at the external level, in 2022 Affinity launched the Internal Open Vacancies programme

to foster employee development and mobility. All open vacancies are published on the company's internal portal (Workplace) at the same time as they are published externally. An internal candidate tracking protocol was designed to ensure support across the process and a consistent employee journey.

### 5.2.1. Development of skills for the future

#### Training: Policies implemented on training and total hours of training by professional category.

In 2022, a total of 10,785 hours of training were given (an average of 9.5 hours of training per FTE).

The breakdown of the training hours by professional category is as follows:

The time spent on training rose considerably (10%) in 2022. During 2022 we worked on the strategy to train our managers, focusing on the design and development of the model. Less time was subsequently spent training this group and we hope to increase it next year.

#### TOTAL HOURS OF TRAINING 2022

**10,785h** in 2021 9,845h

##### Executives

**772h** →  → in 2021 1,585h

##### Administrative/ Technical

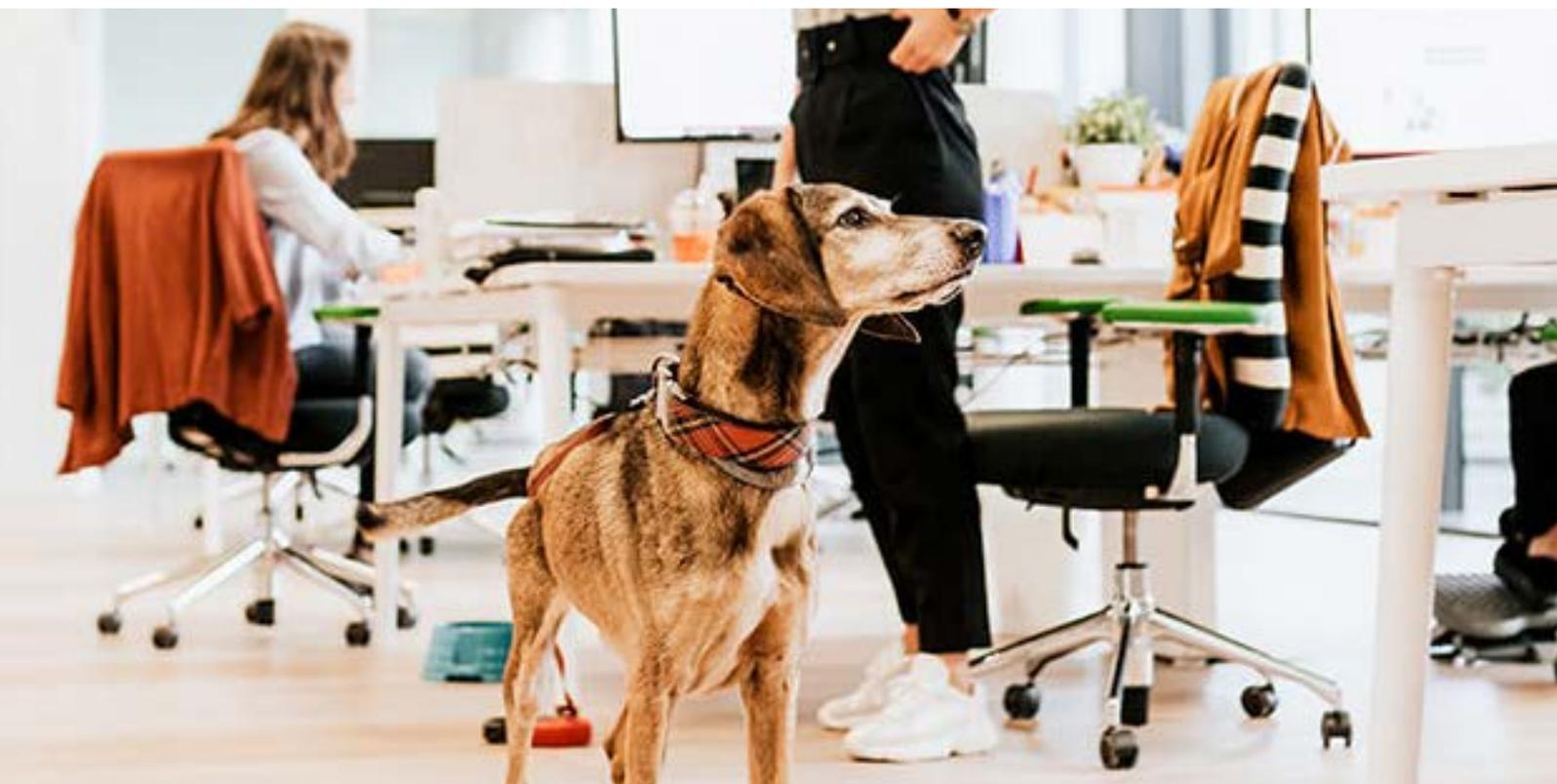
**4,986h** →  → in 2021 3,172h

##### Factory staff

**3,720h** →  → in 2021 2,920h

##### Sales

**1,307h** →  → in 2021 2,168h



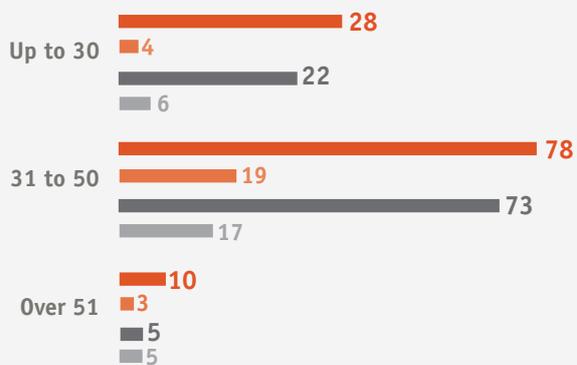
## Attracting and retaining talent. Hires and dismissals

By the end of 2022, our workforce had increased by 10 employees in a year in which we once again created jobs. A total of 116 new contracts were signed, of which 49% were for women and 51% for men. There were also 26 dismissals, of which 62% were women (16) and 38% men (10). In 2021, there were 28 dismissals, of which 57% were women (16) and 43% men (12).

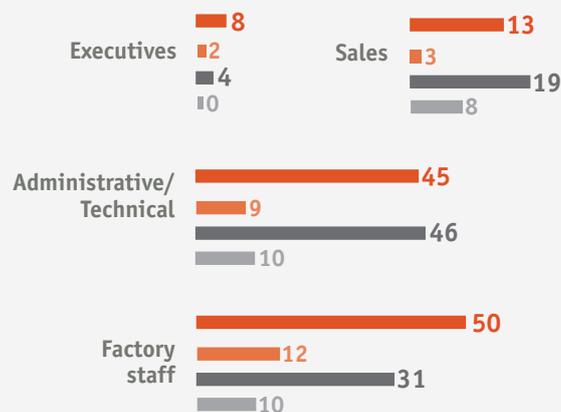
### NUMBER OF NEW HIRES AND DISMISSALS BY SEX, AGE AND PROFESSIONAL CATEGORY

<b>NEW HIRES 2022</b> 116 employees	49% <sup>(59)</sup> 51% <sup>(57)</sup>	<b>TERMINATIONS 2022</b> 26 employees	62% <sup>(16)</sup> 38% <sup>(10)</sup>
<b>NEW HIRES 2021</b> 100 employees	59% <sup>(59)</sup> 41% <sup>(41)</sup>	<b>TERMINATIONS 2021</b> 28 employees	57% <sup>(16)</sup> 43% <sup>(12)</sup>

#### BY AGE



#### BY PROFESSIONAL CATEGORY



New hires 2022  
Terminations 2022

New hires 2021  
Terminations 2021

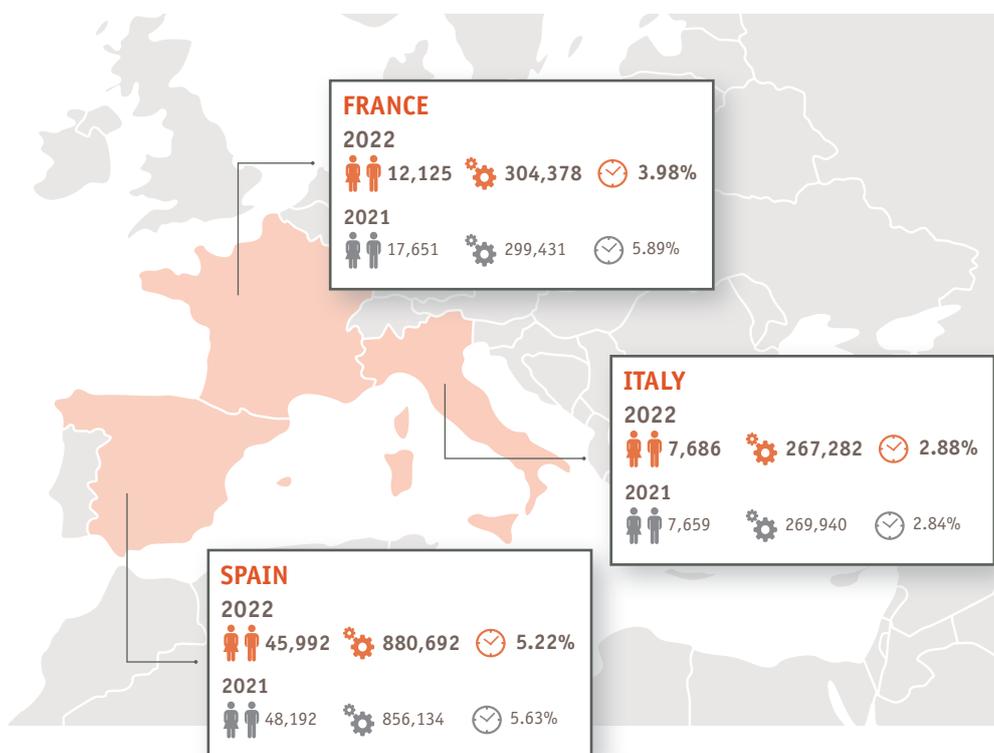
## Organisation of working hours. Number of hours of absenteeism.

The organisation of working hours differs from worksite to worksite. At the industrial plants in Els Monjos (Spain) and Castalgomberto (Italy), there are three shifts (morning, afternoon and evening), with 24-hour operations from Monday to Friday. In France, however, there are four shifts with the plant operating continuously from Sunday to Friday.

Office staff work a split shift, ensuring in all cases that the total working hours adhere to the corresponding collective agreement. At the Barcelona offices, employees are allowed to work without a lunch break so that they can leave earlier on Fridays, in the Christmas and Easter periods, and in the month of August.

Absenteeism is calculated as the sum of hours not worked due to medical leave, weighted against the total hours that should have been worked in theory.

2022 FIGURES		
Absenteeism hours total	 65,803	Scheduled working hours  1,452,352
		% of total scheduled working hours  4.53%
2021 FIGURES		
Absenteeism hours total	 73,502	Scheduled working hours  1,425,505
		% of total scheduled working hours  5.16%



We had a rise in absenteeism in 2021 caused by medical leave related to elective operations and treatments that had been postponed during the pandemic due to the strain on the healthcare system. Furthermore, some hours of absenteeism were also caused by the restrictions during the pandemic when some unvaccinated employees and others who had tested positive had to self-isolate (which had a big impact in the 5th and 6th waves).

## 5.3. Diversity, equality and inclusion

### 5.3.1. Diversity, equity and equal opportunities

#### Wage gap and remuneration

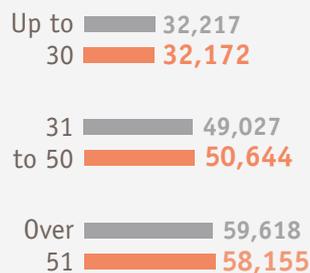
As specified in our Code of Conduct, Affinity does not allow discriminatory behaviour of any kind. In keeping with this principle, Affinity employees are paid for their work according to their professional category and the job performed.

Affinity's remuneration policy is based on the pillars of performance, external competition and internal equity. In the annual performance review process, the highest increases are assigned to the employees with the best performance and/or whose pay lags farthest behind the market benchmark.

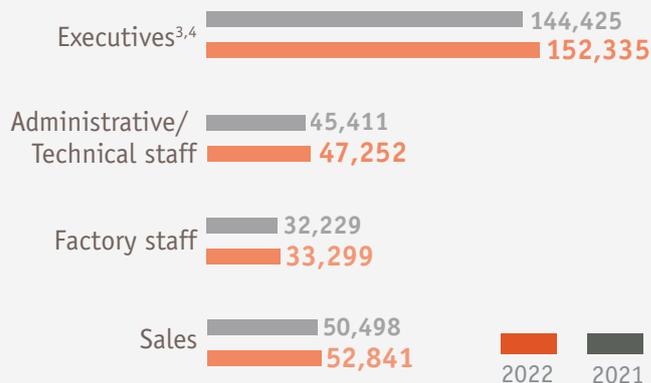
We can see in the following tables that 2022 average remuneration remained in line with respect to 2021 (14%).



#### AVERAGE REMUNERATION BY AGE



#### AVERAGE REMUNERATION BY PROFESSIONAL CATEGORY



<sup>1</sup> The average remuneration includes fixed and variable remuneration.

<sup>2</sup> The average adjusted remuneration does not include the top level management or the group with a seniority of more than 30 years.

<sup>3</sup> Members of the Affinity Group Board of Directors are not paid.

<sup>4</sup> The average salary of executives in 2022 was €169,920 for men and €113,649 for women. The figures for 2021 were €162,823 for men and €108,992 for women.

## Equality. Description of measures aimed at facilitating work-life balance and fostering the joint care of children by both parents

Affinity has implemented a number of measures to facilitate a work-life balance for its employees.

Depending on the characteristics of the posts they occupy, office employees can work under a flexitime scheme to fit in with their needs.

For workers at the Barcelona and Milan offices, a gymnasium service is available either through an on-site gym or subsidised access to a local facility. Along the same lines there is a fully funded canteen and breakfast service. At other locations, food is totally or partially subsidised through on-site canteens or restaurant vouchers. These measures are intended to encourage healthy habits in the workforce and facilitate the work-life balance.

As reflected in our Code of Conduct, Affinity does not allow discriminatory behaviour of any kind. In particular, we promote equal treatment between men and women in terms of opportunities, access to employment, training, internal promotions and working conditions.

The gender equality plans in France and Spain both propose measures on matters concerning work schedules, recruitment, staff selection, internal promotions, training, various types of leave and communications, amongst others, that are intended to ensure the equal treatment of men and women. In Italy, although an equality plan is not officially required, the same practices of non-discrimination are applied as in France and Spain.

Affinity has made a whistleblower channel available to employees through which they can report any incident related to the Code of Conduct or workplace bullying. If a report is made, it is automatically forwarded to the Ethics and Compliance Committee or to Human Resources in the case of harassment, which are responsible for adopting the corresponding decisions and measures following an internal review (see sect. 7).

No workplace bullying was reported in either 2022 or 2021.

**As reflected in the equal opportunities plan passed in 2019, as a company we continue to work on the eradication of any wage gaps and to ensure, through the application of specific measures, equal employment opportunities and wage policies that are in line with the criteria of equity and non-discrimination.**





## Disabled employees and universal accessibility for people with disabilities

Our companies comply with national regulations on integration and access to employment. All Affinity locations comply with the applicable accessibility regulations in each one of the geographical locations where we do business.

Affinity had a total of 10 employees with a disability in 2022, the same figure as the previous year. In Spain we also work with socially responsible companies that guarantee the employment of functionally diverse people. Also in Spain and at the Monjos factory, Fundació Privada Mas Albornà works with us on the placement of adhesive labels and filling of rigid containers, while Fundació Privada Santa Teresa del Vendrell works with us on the placement of adhesive labels and packing small bags.



# 6. CONTRIBUTION TO SOCIETY

## 6.1. Commitment to society and local communities

### Our pet shelter product donation programme

Affinity supports the work of animal shelters in Spain, Italy and France through our **programme of donations to shelters**. It is our contribution to the praiseworthy work of these shelters that take in and care for cats and dogs that have been abandoned or mistreated.

As a result of this initiative, we donate a certain amount of our products to animal shelters every year from our various factories and distribution centres.

#### MEASURES AGAINST FOOD WASTE



**Products sent to pet shelters  
(tonnes)**

2022	2021	DIF.
441	455	-3%

Additionally, in 2022 the Foundation expanded the **Forging Bonds in Difficult Times Assistance Plan** in partnership with Affinity's Libra brand that consists of donating dog and cat food to vulnerable families who live with pets. A total of 22.8 tonnes were donated, equivalent to 71,000 portions of food, through charities such as Caritas, the Red Cross, food banks and animal shelters.



## Cani Eroi programme

In the framework of specific initiatives we are involved in on our main markets, the **Cani Eroi Programme**, Dogs That Save and Improve Lives, was started in **Italy** in 2010 as a result of the social commitment of the Trainer brand. This initiative seeks to raise awareness of the importance of dogs to humans and the fundamental role they play in protecting human lives and rescuing people in situations of danger.

Dogs play a leading role in many civil protection efforts, water rescue, search and rescue of missing persons, assisting the disabled and acting as therapy animals.

With the Cani Eroi project, Trainer seeks to showcase the work,

commitment and dedication of these dogs and their educators through different volunteer and governmental associations.

Cani Eroi activity rose in 2022 as we could reimplement programmes that had been stopped due to the pandemic, such as the **animal-assisted therapy programmes** in different centres:

-  **Ospedale Bambin Gesù (paediatrics)**
-  **Ospedale San Raffaele (paediatrics)**
-  **Ospedale Gemelli (paediatrics)**
-  **Istituto S.Alessio (blind people)**
-  **Special Olympics**

Thirty canine units engaged in these programmes and 900 volunteering hours were devoted to them.

**Rescue activities** drew the participation of 110 canine units and 4,800 volunteering hours across 12 rescues.

Trade fair attendance grew in 2022 and Cani Eroi took part in **five fairs**, in Rome, Naples, Milan, Bologna and Vicenza, with 7,000 activities in the interactive areas designed for this purpose and a total attendance of 100,000 people at the fairs. The figures for 2021 were 2,020 participants in three fairs.



**Finally, educational outreach in schools involved 12 institutions and 6,000 children.**

## Affinity Foundation

Furthermore, in **Spain** and **France** a very important part of Affinity's commitment to society and local communities is embodied in our corporate Foundation, the **Affinity Foundation**, which was set up in 1987.



### Activities, projects and aid

2022 was a year of getting back to 'normality' and although we did not leave the pandemic completely behind us we did manage to recover previous levels of activity.

It was a year that saw us greatly shore up our collaborations and partnerships, dig down on a number of programmes and innovate across some areas, always with the focus on our mission:

### spreading the benefits of the bonds between people, cats and dogs

and our work areas:



RESEARCH



SOCIAL ACTION



AWARENESS-RAISING

We gave a voice to testimonials in the therapy programmes as people shared their experiences on how therapy dogs changed their lives.

We extended the **"Forging Bonds in Difficult Times" Assistance Plan** for a further year to donate dog and cat food to vulnerable families with pets through charities such as Caritas, the Red Cross, food banks and shelters such as FAADA and FEEL.

We strengthened our partnership with Sagrat Cor University Hospital, maintaining the groundbreaking therapy programme **Juntos + Fuertes** (Stronger Together) which helps vulnerable patients, and started a new programme in the Food Disorders Unit, **Miradas que Curan** (Looks that Care), supporting young people in their recovery.

In the research area, our work studying the benefits of bonds led us to dig down on the idea of Animals as a **Source of Social Support**, particularly at times of difficulty, and we implemented a study in different countries to that end.

We continued analysing abandonment with our **They Would Never Do It annual study**, bringing figures and a comprehensive approach to the reasons for abandoning pets, the evolution of adoption and potential solutions to the problem in this initiative that we promote together with Miwuki.

We were able to extend the reach of our mission in 2022 thanks to the agreement with the Altresmedia media group to carry out the **Inseparable** cause aimed at promoting happier and healthier people/animal relations.



We finished the year with an innovative format, the **Oh Meow Dog! vodcast** which each month showed the real link with our animals, with testimonies from different celebrities who took a humorous and no-holds-barred approach to sharing their stories and experiences of life with a cat or dog.

**2022 had a special significance for the Affinity Foundation as it marked 35 years since the entity was set up.**

We had the opportunity to look back and take stock of how society has evolved over this time and how the relationship with the animals that surround us has changed so profoundly.

Aware of what is still to be done, we also believe this is a good time to acknowledge and celebrate the progress made thanks to the work of so many individuals, entities and institutions that put time into improving the lives of animals and people.

**Once again, we saw the role that the animals around us play in our lives and how they are an important source of social support, especially when times are tough. We also reflected on how we can improve our bonds with them and listened to testimonials that inspire us and help us see that each bond is unique and unrepeatable.**

**We would not have been able to move forward in all these projects alone. Collaboration and partnerships are necessary to continue improving the lives of people, cats and dogs and to show society that our world is better for everyone when there are cats and dogs in it.**

The main activities carried out by the Foundation in 2022 are detailed below:



## Research

*Our collaboration agreement with the Autonomous University of Barcelona (UAB) continued in the shape of the UAB Affinity Animals and Health Foundation Chair. The Chair devised and/or completed five research studies and one paper was published as a result.*

### Pilot study to assess the effects of therapies in the scope of the CREI programme

El programa de terapias en el CREI de Lleida trabaja con niños y adolescentes tutelados por la Generalitat y acogidos en un CREI (Centro Residencial de Educación Intensiva), realizando actividades para mejorar el comportamiento y la afectividad, gracias a la participación del perro de terapias como modelo. En concreto, se pretende mejorar la vinculación afectiva con el personal del centro y entre compañeros, canalizar la frustración, mejorar la comunicación y reducir la tendencia a transgredir límites.



### Study to assess benefits in the framework of the Together Stronger therapy programme (Vulnerable Unit, Sagrat Cor University Hospital)



The Together Stronger programme, aimed at vulnerable patients requiring rehabilitation following a stay in the intensive care unit, was also assessed via a scientific study.

The study confirmed that the presence of dogs reduced patient anxiety and improved their willingness to engage in the rehab session.

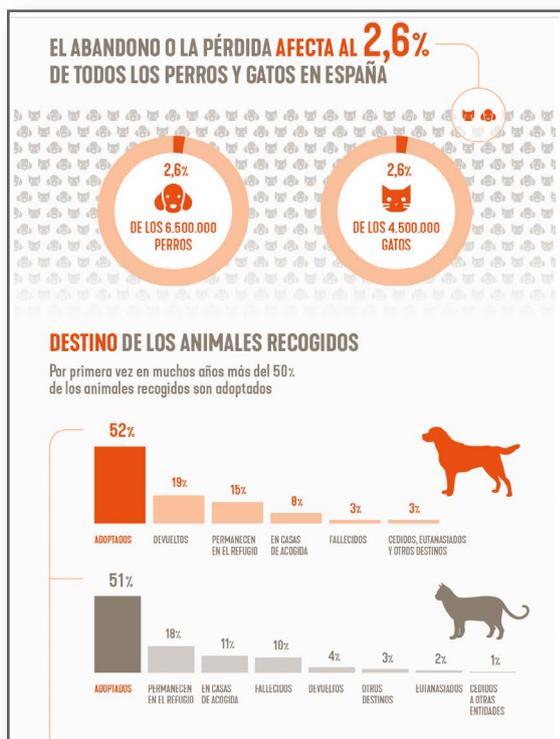
## The They Would Never Do It study on abandonment and adoption

We have been carrying out the They Would Never Do It study on abandonment and adoption for over 25 years in order to provide figures on the serious problem of abandonment. The importance of this study lies in the fact that it is the only one providing an overall vision of the evolution of this problem in Spain.

It is recognised as a leading study by animal protection organisations, institutions and the mass media on the matter of raising awareness and fighting against abandonment.

In this edition, almost 461 organisations took part that over the year compile all of the information about the animals they deal with.

Abandonment figures remain stable with some downward trend. More than 285,000 dogs and cats arrived at the 1,591 Spanish shelters during the year 2022.



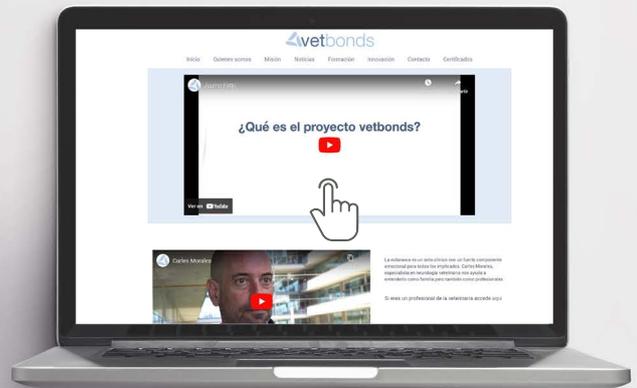
SEE HERE 



## 🧠 “On The Job Health for Vets – VetBonds Project” study (Affinity Foundation Chair/AVEPA/Advance/Elanco)

Burnout and compassion fatigue are a big problem for health professionals today and within this group it seems the veterinary profession is particularly affected. Studies in several countries are starting to highlight the issue to raise awareness, although more studies unpacking the problem are needed.

The “On The Job Health for Vets – VetBonds Project” study analysed occupational health and satisfaction among vets. One of the most striking findings was that the vast majority of the 210 participants showed moderate levels of burnout which over time could lead to problems of adaptation and work and personal well-being.



## 🧠 “Unique Social Support People Get from their Dogs” study

Social support is a well-defined, commonly used concept in the fields of medicine, psychology, education and social work.

The social support a person has is today considered one of the best predictors of good mental health and physical and psychological wellness.

We were interested in exploring the role that pets play as a source of social support for people. This led us to conduct a preliminary qualitative study in 2022 with 240 people in the US, UK and other countries on the social support people get from their dogs. The study was performed in collaboration with California Polytechnic State University.



SEE HERE





## Social action

### THERAPIES

*In 2022 we recovered normal activity in therapy programmes and implemented 11 of them.*

We maintained the **Respect Me programme** at the Lleó XIII school for another year to prevent bullying and promote respect within the school.

We also continued with the **Parents and Kids programme at Parental CRAE (Residential Educational Action Centres)**, under the agreement with the Directorate General for Child and Adolescent Care at the Government of Catalonia (DGAIA); the **Opening Doors programme** at correctional facilities, and other programmes at care homes, juvenile facilities and mental health centres.



WATCH



We kept up the **Huscan/Barnahus programme**, part of our work with the Directorate General for Child and Adolescent Care, a pioneering programme designed to help child victims of sexual violence.

Therapy dogs are used in this programme to accompany children when they are being interviewed or medically examined, giving them the emotional support they need to describe what happened to them.

The aim is to reduce the children's levels of stress and anxiety and help them open up to the therapists.

We continued our partnership with Sagrat Cor University Hospital in Barcelona with the **Together Stronger programme** implemented at the hospital's Vulnerable Unit and aimed at patients requiring rehabilitation following a stay in the intensive care unit. Apart from intervening in the therapeutic rehabilitation sessions, the presence of therapy dogs at Sagrat Cor contributes to humanising the hospital setting, which also benefits other patients, family members and healthcare workers.

Hospital  
Universitari  
Sagrat Cor



Juntos  
+ fuertes



Also in 2022, as part of this work, we initiated a new programme, **Looks that Cure**, aimed at young people with an eating disorder.



## ADOPTION

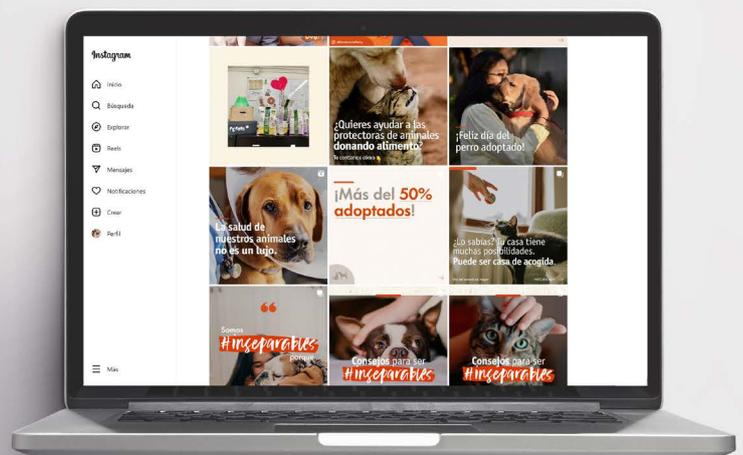
*We continued our collaboration with Miwuki, the web platform and free app that puts shelters into contact with potential adopters.*



There were 8,030 adoptions recorded over the platform in 2022, 6% fewer than in 2021.

**We also promoted adoption through different content on our social networks and website.**

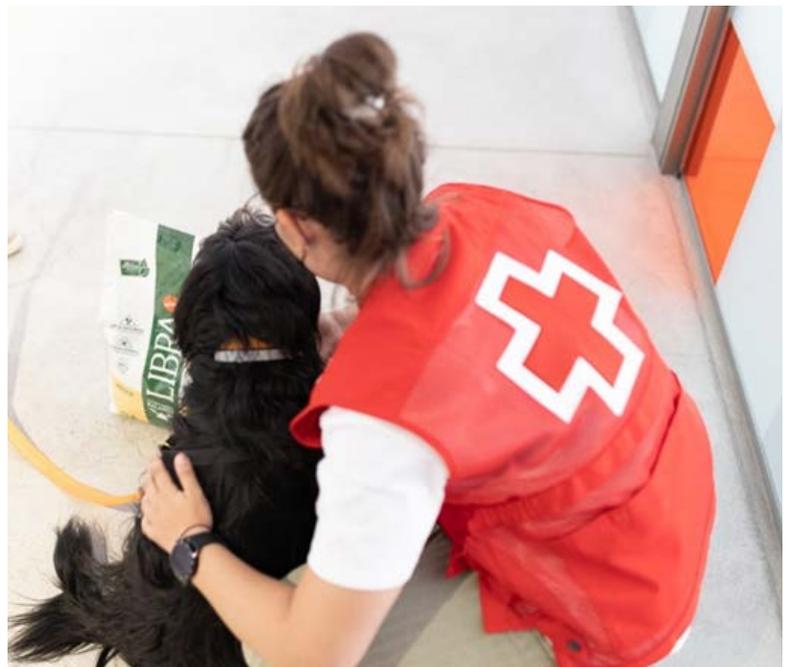
FOLLOW US



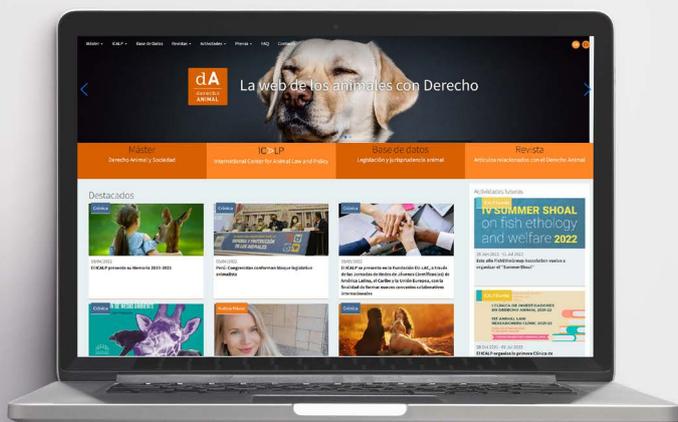
## FORGING BONDS IN DIFFICULT TIMES ASSISTANCE PLAN

*The Assistance Plan we began in 2021 and extended for a further year saw us distribute over 71,000 portions of food for cats and dogs in 2022, in other words nearly 23 tonnes for vulnerable families with a pet.*

Support from our Libra brand and collaboration with organisations such as the Red Cross, Caritas and Banco de Alimentos, as well as the Lola Project and FAADA were fundamental in getting the food to the animals and families that needed it.



## ANIMAL RIGHTS WEBSITE, MASTER'S DEGREE IN ANIMAL RIGHTS, ICALP



We support training and give information about animal rights, as can be seen on the website at [derechoanimal.info](http://derechoanimal.info), which keeps the only database on legal matters concerning pets in Spain. Furthermore, we give ongoing support to the Master's Degree in Animal Rights, a leading course in this field, in addition to the research work carried out by the International Center for Animal Law and Policy (ICALP).



## Awareness-raising

### COMMUNICATION CONTENT

*We continued creating general content in Spain and France including website articles, videos, computer graphics, posts...all with the aim of raising awareness around the benefits of the bond between cats, dogs and people and the respect our animals deserve.*

We started with the **Animals Change Lives** campaign, featuring the testimony of Antonio, who discussed his time with the Opening Doors therapy programme and how meeting Princess and Rey changed his life.

This campaign involved the participation of many people and influencers who shared the cause on social networks and explained how animals had changed their lives, too.



We continued presenting, like every year, the results of the **They Would Never Do It study** by the Affinity Foundation, with computer graphics, a white paper and social network content showing that abandonment is still the biggest problem pets face.

**285.000**  
PERROS Y GATOS RECOGIDOS  
POR PROTECTORAS



POR PRIMERA VEZ,  
MÁS DE LA MITAD DE ANIMALES  
ABANDONADOS VUELVE A TENER  
**FAMILIA**

3.5 VECES LA CAPACIDAD  
DEL BERNABÉU

**MÁS DE LA MITAD**  
DE LOS GATOS EN PROTECTORAS  
SON RECIÉN NACIDOS

[1] 52% de perros son adoptados  
después de ser abandonados.

@fondoaffinity

© febrero de 2022



WATCH



We launched the **Inseparable campaign** together with **Altresmedia** in summer. This collaboration is aimed at promoting happy bonds between people and animals and seeks maximum outreach.

We raised awareness around the importance of putting time into getting to know your pet and understanding what they need and how this will improve the bond between you and make for a happier life together.

The campaign enjoyed the support of our ambassador, television news presenter Helena Resano, and featured content created for TV, radio, internet and our website.

In autumn we created the **Oh Meow Dog! vodcast**, a pioneering formula to discuss bonds, showcase real relations and take a humorous and down-to-earth approach towards educating our animals, attachment, humanisation, abandonment, adoption, affordability and other contemporary issues in relation to our four-footed friends.

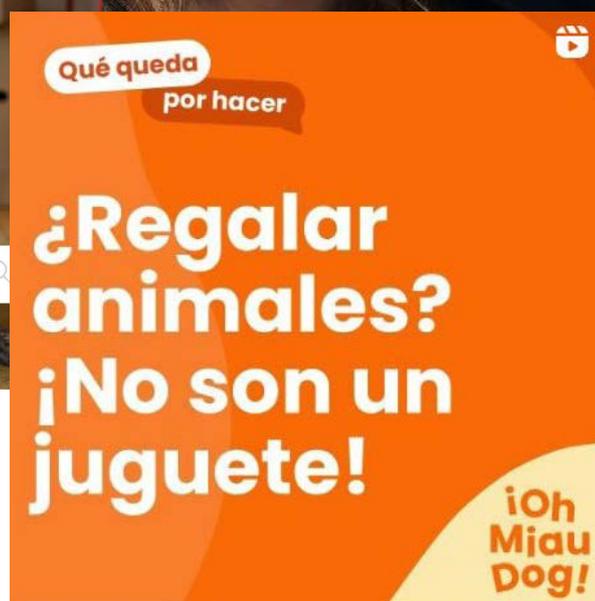
Influencer Martita de Graná presented the programme and was joined by six other influencers and well-known faces who told us their story across the six episodes.



SEE HERE



And in general, throughout the year we created social network and website content for different Affinity Foundation projects: the Social Support for Homeless People's Pets study, the Foundation's therapy programmes, the 1 October animal strike, affordability problems facing families with animals and the message that a pet is not just for Christmas.



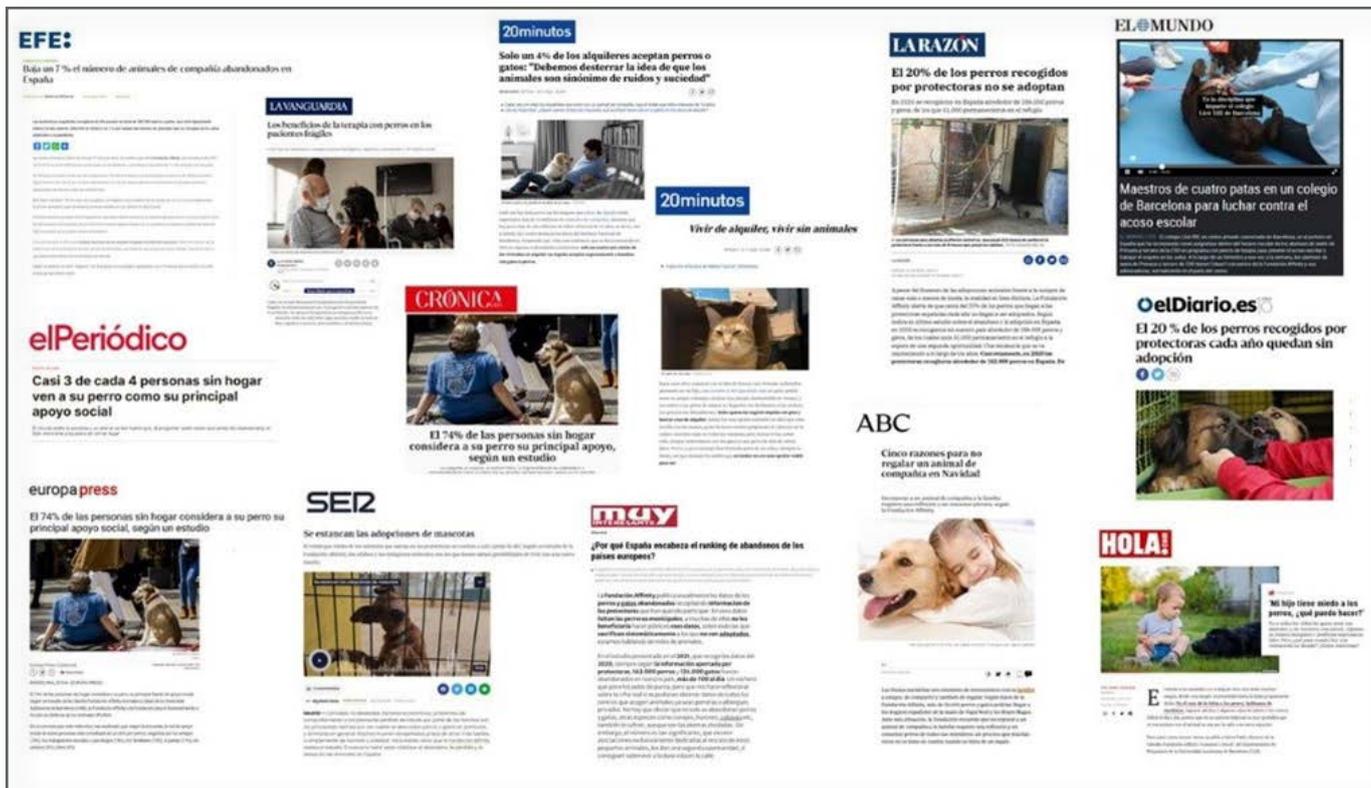
## MEDIA CAMPAIGNS

*To raise awareness in society, we promote content via digital media campaigns and in 2022, thanks to the partnership with the Altresmedia group and the Inseparable campaign, we did so on television and radio, as well.*

In 2022, we had a total of **115 million hits** in Spain and in France (43% fewer than the previous year). Our **messages reached 99% of our target audience in Spain** (the same as in 2021) and **99% in France** (6% up on 2021).

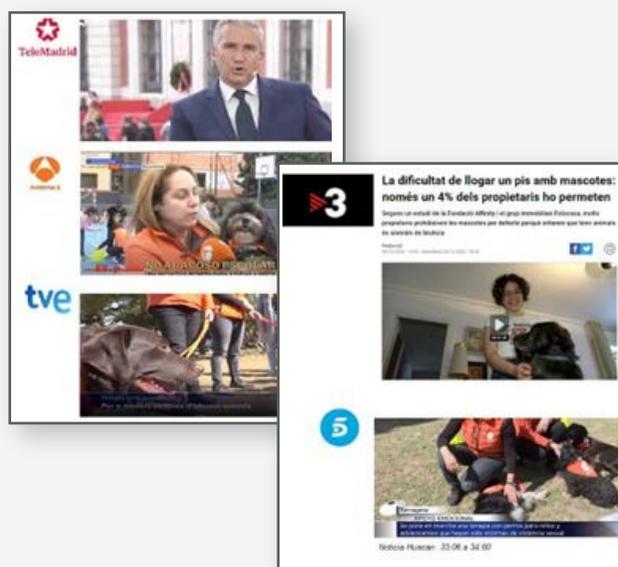
**PUBLIC RELATIONS**

*The media plays a major role in championing awareness messages. In 2022, we sent 12 press releases to media outlets.*



We shared issues such as the partnership with FAADA to conduct the Social Support for Homeless People’s Pets study; Bullying Day as part of our therapies programme at the Lleó XIII school; the Barnahus therapies programme; the They Would Never Do It study; the animal strike and affordability barriers for families with animals.

In 2022, we were the subject of **1,957 news stories**, 52% more than the previous year. Our **potential aggregate audience was 877 million**, 78% up on 2021.

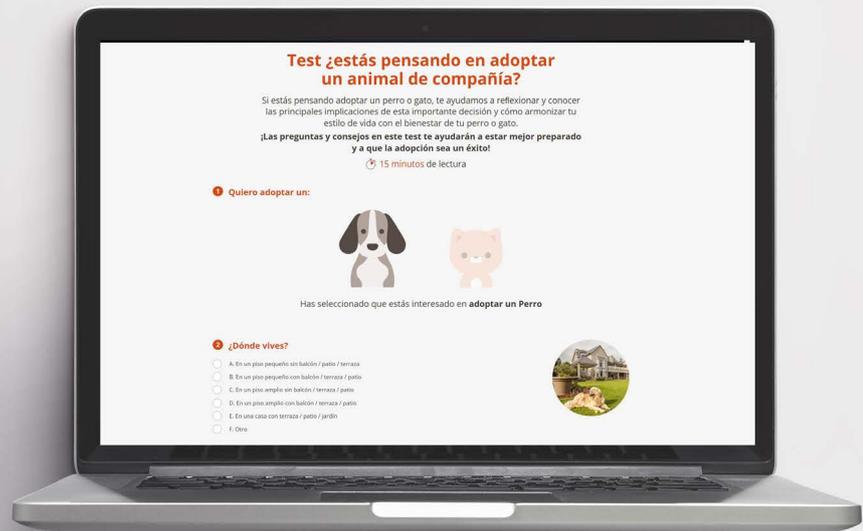


## WEBSITE

*Our website has visits from more than 200 countries, with Spanish, French and English being the most read languages.*

This year we posted various campaigns on the website that had been run over the year, with particular emphasis on the Animals Change Lives and Inseparable campaigns and the Oh Meow Dog! vodcast.

**In 2022, our website registered 1,000,900 visitors, 52% down on the previous year.**



## 6.2. Tax contributions

The net profit by country, including companies consolidated using the full and proportional integration method (excluding companies subject to the equity method), is as follows:

### NET PROFIT PER COUNTRY (thousands of €)

	2022		2021	
	Value	%	Value	%
Spain	37,337	71%	41,520	72%
Italy	10,097	19%	10,012	19%
France	4,731	9%	4,619	8%
Belgium	23	0%	22	0%
Netherlands	-15	0%	-16	0%
Portugal	474	1%	447	1%
<b>TOTAL</b>	<b>52,647</b>	<b>100%</b>	<b>56,604</b>	<b>100%</b>

The corporation tax paid by Affinity, calculated in accordance with the VAT payment scheme, was as follows:

**2022: €12,606,000**

**2021: €16,803,000**



# 7. ETHICS AND INTEGRITY

## 7.1. Risk management and policies

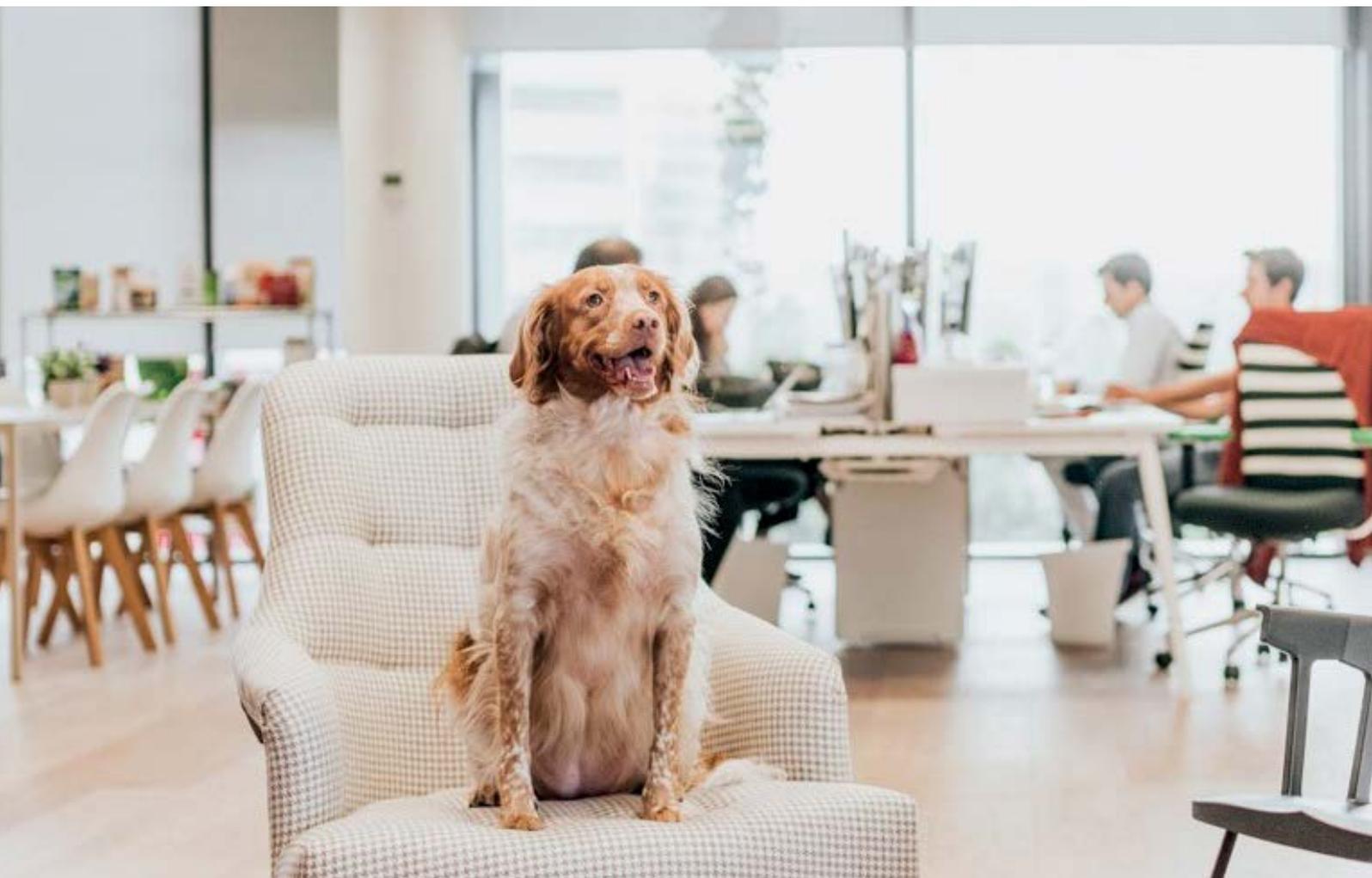
The Group's risk management policy is in line with best practices in the market, whose goal is to ensure that risk events that could affect it in attaining its strategic objectives are properly identified, assessed and managed. The resulting risk map is regularly reviewed and monitored by both the Management Board and the Audit Committee. Risk management is an ongoing process and takes all business activities into consideration,

including non-financial ones. To assess them, the potential impact and the likelihood of an event actually occurring is considered. In addition, the controls in place, their efficiency and mitigation plans are identified.

Insofar as the risks subject to this report are concerned, it must be highlighted that the operations of the Affinity sub-group are basically conducted in Europe, where there

is a regulatory framework to ensure that they are compliant, which means that the matters dealt with in this report are subject to a high level of compliance and supervision of our operations, as well as those of our suppliers and other stakeholders.

We also have policies and procedures that cover the risks identified in this report.



## 7.2. Ethics and the internal control model

Ethical conduct is one of the Affinity Group's core pillars, as reflected in its Code of Conduct. On an organisational level, one of the functions of the Ethics and Compliance Committee, as a permanent internal governing body, which reports to the Audit Committee of the Board of Directors, is to promote a culture of ethical conduct with zero tolerance in respect of any unlawful acts committed and situations that go against the legislation in force.

To assist it in performing its functions, the Ethics and Compliance Committee relies on Affinity's Internal Control System,<sup>(1)</sup> which is designed in accordance with international

COSO standards whose aim is to provide a reasonable level of certainty that control objectives are attained in the following areas:

-  **Efficiency of operations**
-  **Reliability of information**
-  **Compliance with the laws, rules and regulations that apply**



Therefore, Affinity's control model comprises a set of substantive rules, procedures and specific actions designed by the Group to encourage the organisation to act ethically and, as a result, in compliance with current regulations. Its ultimate aim is to prevent, detect and react to irregular actions, fraud or conduct that is contrary to the Affinity Group's Code of Conduct in general, and to current regulations in particular.

<sup>(1)</sup> THE 5 FEATURES GOVERNING AFFINITY'S INTERNAL CONTROL SYSTEM ARE AS FOLLOWS:

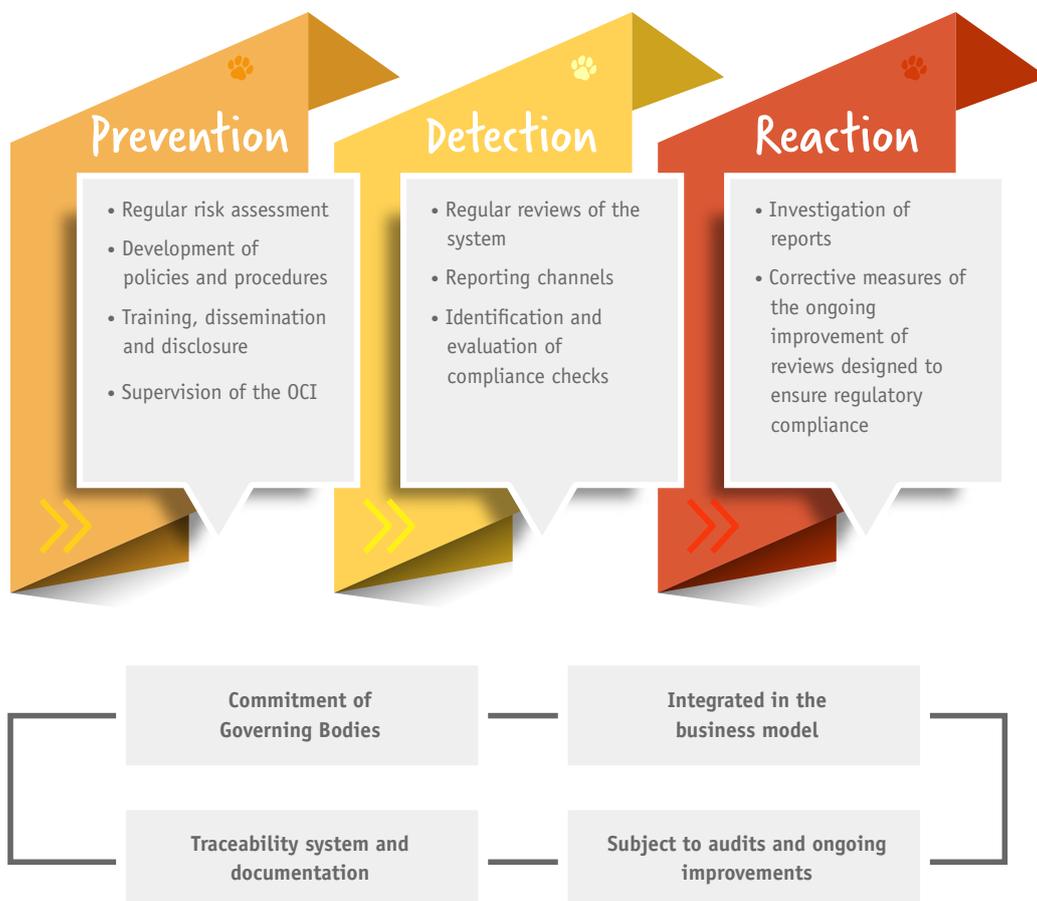


The Ethics and Compliance Committee has identified the regulatory frameworks to which the Group is subject, as well as the most relevant ones in line with the nature of our business, based on applying a risk assessment methodology. The departments and functions with responsibility or competencies in compliance-related areas have been established with the aim of coordinating these functions and thereby ensuring the effective operation of the compliance

system as a whole. Therefore, our regulatory compliance system is not only subject to matters related to the adaptation of amendments made to Spain’s Criminal Code, and the fight against activities such as corruption and bribery, but also to all levels of compliance the Group is obliged to fulfil.

*Our regulatory compliance system is not only subject to matters related to the adaptation of amendments made to Spain’s Criminal Code, and the fight against activities such as corruption and bribery*

**THE AFFINITY GROUP’S COMPLIANCE SYSTEM IS A COMPREHENSIVE, THREE-PRONGED SYSTEM**





## Most notable actions in the area of ethics and compliance

As pointed out above, in the framework of its Internal Control System, the Group carries out a number of actions and has monitoring systems in place for ensuring compliance with the laws and regulations in force.

These include (i) crime prevention programmes developed to comply with the provisions of the Spanish Criminal Code (without prejudice to additional actions required under the laws in other jurisdictions where the Group operates); (ii) measures for

compliance with the Code of Conduct, including, among others, specific training and communication plans for all professionals in the Group, as well as the whistleblower hotline; (iii) specific internal rules on regulatory compliance; and (iv) controls that mitigate the risk of breaches of the laws in force applicable to all Group businesses.

The Ethics and Compliance Committee is responsible for the Code of Conduct, the Corruption and Fraud Policy, the Purchasing Policy and the Supplier

Code of Ethics, the Crime Prevention Policy, the Whistle-Blower Channel and any others assigned to it by the Audit Committee, the Board of Directors of the Group's holding company or that are included in Affinity's Corporate Governance System.

## Fighting corruption and bribery

The Code of Conduct sets out Affinity's commitment against corrupt business practices (in any shape or form) and/or bribery.

Affinity's Anti-Corruption Policy, applicable to all Group companies, develops the principles contained in our Code of Conduct of staunch commitment to strict compliance with the regulations on preventing and fighting against corruption.

Affinity rejects any form of corruption by taking a zero-tolerance approach to any breach of our policy. To prevent corruption, Affinity conducts its business in accordance with the laws in force in all areas and in all the countries where we operate, true to the purpose and spirit of the law, undertaking:

 Not to influence the will or objectivity of people outside the Company to obtain any benefit or advantage by means of unethical and/or illegal practices.

 Not to give, promise or offer, directly or indirectly, any item of value to any natural or legal person in order to obtain undue advantages for the Company.

 Not to allow facilitation payments (small payments in order to expedite or facilitate the completion of administrative or similar formalities).

 Not to directly or indirectly finance any political party, its representatives or its candidates.

 Not to use donations to cover up improper payments.

 Not to solicit or improperly receive, directly or indirectly, commissions, payments or benefits from third parties in connection with investments, divestments, financing or expenditures carried out by the Company.

 To faithfully and adequately reflect the Company's activities, operations and transactions in the Company's books and records.

 To foster a culture of integrity within the Group, as well as with suppliers and subcontractors, through the dissemination of ethical conduct.



***The Ethics and Compliance Committee received and handled four complaints in 2022, none concerning human rights abuses. No report had been received the previous year.***

Whenever there is any evidence, question or suspicion of any form of corruption, it must be reported immediately by the Affinity employee to their superior or directly to the Affinity Ethics and Compliance Committee if they consider it necessary. The Company's employees, as well as third parties, may also convey their doubts or concerns through the whistleblower hotline provided for this purpose.

The whistleblower hotline was adapted to the provisions of EU Directive 2019/1937, enabling anonymous reporting and guaranteeing in all cases the confidential treatment of reports and full protection of informants.

Affinity will not accept any retaliation against anyone who in good faith reports events that could constitute a breach of our policies, regulatory infringements or any form of corruption and we have put in place systems, arrangements and processes to ensure the confidentiality, monitoring, investigation and protection of informants.

The company's Code of Conduct, its corporate policies and access to the whistleblower hotline are available on its

intranet. A channel has also been enabled on the corporate website through which the company's suppliers are able to report any conduct that goes against our Suppliers' Code of Ethics.

The Ethics and Compliance Committee received and handled four complaints in 2022, none concerning human rights abuses. No report had been received the previous year.

Finally, as Affinity is not subject to Act 10/2010 of 28 April 2010 on the Prevention of Money Laundering, no specific policy on this matter has been drawn up. However, money laundering is dealt with in the risk analysis prepared by the Ethics and Compliance Committee, whose findings were that the company's Finance Department would be most likely to engage in this practice.

## Respect for human rights

Respect for human rights forms part of Affinity's commitments to society and its employees. The Code of Conduct sets forth the basic principles on the dignity of individuals, equal opportunities and gender equality, and non-discrimination. In conducting our business and operations, we are bound by the ethical considerations of the UN's Universal Declaration of Human Rights, the Tripartite Declaration of the International Labour Organization (ILO) and the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

It should likewise be highlighted that the operations of the companies controlled by the Affinity Group are basically limited to the European market, where both EU and local laws offer a high level of protection in the areas of human rights, prevention of forced labour and child labour.

Knowledge of and compliance with the Code of Conduct is reinforced by the company's communication and training plan, which is delivered to new hires when they join Affinity, an on-line course that must be completed

by all employees; training based on the explanation of the principles and conflicts that may arise; and information sessions on the Code and involvement in the business.

Non-compliance with either the Code and or any other aspect related to human rights, will be analysed according to internal procedures, legal regulations and the agreements in force, and may result in disciplinary action or termination as stipulated in the internal regulations and the law. Affinity's employees have the obligation to inform the company, confidentially, of any breach of the commitments contained in this policy they may observe. People who are not employees of the company but who observe potential breaches in this area may also report them. The company has not received any complaints for human rights violations.

When considering a potential acquisition, Affinity will take into consideration its impact on the protection and promotion of human rights and will define indicators in this regard.

Similarly, the Supplier Code of Ethics to which our suppliers adhere includes among its guiding principles the commitment to respect the protection of internationally recognized fundamental human and workers' rights within their sphere of influence, and to provide a safe working environment, guaranteeing equal opportunities and complying with all established occupational risk requirements. Suppliers are also responsible for ensuring that their associates and subcontractors abide by these principles.

# 8. ANNEXES



## 8.1. About this report

### Scope and framework

This Consolidated Statement of Non-Financial Information of Affinity Petcare, S.A. and Subsidiary Undertakings (hereinafter, EINF) has been prepared in keeping with the requirements of Act 11/2018 of 28 December 2018 on non-financial information and diversity reporting passed by Congress on 13 December 2018 which amended the Code of Commerce, the recast text of the Capital Companies Act approved by Legislative Royal Decree 1/2010 of 2 July, and Act 22/2015 of 20 July on audits for non-financial information and diversity reporting (from Royal Decree-Law 18/2017 of 24 November).

In drafting it, the provisions of the Global Reporting Initiative's Sustainability Reporting Guidelines (GRI Standards) have been taken into

account. The coincidence between the requirements of Law 11/2018 and the GRI indicators, and the section of the EINF where the answers are given, is detailed in the Annex titled "Table of Contents of Law 11/2018 on Non-Financial Reporting".

Affinity Petcare's EINF reports on environmental, social, labour, and human rights issues, and its fight against corruption and bribery that are relevant to the company's business operations.

In order to facilitate an understanding of our business model and the markets where we operate, the first section of the EINF on corporate information describes the pet food business of the Agrolimen Group as a whole. In addition to Affinity Petcare, this scope

of consolidation also comprises the subgroups Nature's Menu and Nature's Variety.

In the following sections on the Corporate Information (section 1), for each issue addressed in the law we have indicated how relevant these issues are for the companies controlled by the Affinity Petcare subgroup, the policies associated with each one, the risks related to each one and the benchmark indicator used to monitor and evaluate them.



## 8.2. Table of contents of Act 11/2018 on Non-Financial Reporting

Requirements of Act 11/2018	Related GRI standards	Replies in the EINF for 2022 given by the Affinity Petcare
<b>General information</b>		
Brief description of the Group's business model, which should include: 1.) Its business environment 2.) Its set-up and structure 3.) The markets on which it operates 4.) Its objectives and strategies 5.) The main factors and trends that could affect its future evolution	2-1 / 2-2	Name of the organisation
	2-6	Activities, brands, products and services.
	2-1	Location of the company's headquarters
	2-1	Location of operations
	2-6	Markets served
	2-6	Size of the organisation
Description of the policies that the Group applies with respect to environmental management, including the due diligence procedures applied to identify, evaluate, prevent and mitigate risks and significant impacts, and for verification and control, including the measures adopted.  The results of these policies should include key indicators for the most significant non-financial results that allow us to monitor and evaluate our progress and that encourage comparability across companies and sectors, in accordance with the benchmark national, European and international frameworks used for each matter.	3-3	Management approach for each area
	3-3	Management approach for each area
The key environmental risks associated with the Group's activities, including, where pertinent and proportionate, its business relations, products or services that might have a negative impact on these areas, and the way the Group manages these risks by explaining the procedures used to detect and evaluate them in accordance with the national, European and international benchmark frameworks for each matter. Disclosures on the impacts detected must be included, providing a breakdown thereof, particularly key short, medium and long-term risks.	3-2	Main impacts, risks and opportunities
<b>1. Information on environmental issues</b>		
1.) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety, environmental assessment and certification procedures.  2.) The resources dedicated to preventing environmental risks.	3-3	Management approach for each area on environmental issues
<b>Pollution</b>		
Methods to prevent, reduce or offset carbon emissions that seriously damage the environment, keeping in mind any type of atmospheric pollution that is specific to a given activity, including noise and light pollution.	3-3	Explanation of the topic in question and how it is covered (Emissions)
		4.3. Sustainable management of the environmental impact (page 24-26)

## Requirements of Act 11/2018

## Related GRI standards

## Replies in the EINF for 2022 given by the Affinity Petcare

## I. Information on environmental issues

## Circular economy and waste prevention and management

Waste: Description of measures for waste prevention, recycling and reuse, other forms of waste recovery and elimination; actions to combat food waste.	3-3	Explanation of the topic in question and how it is covered (Effluents and Waste)	4.3. Sustainable management of the environmental impact (page 24-26) 6.1. Commitment to Society and local communities (page 47)
	301-2	Supplies recycled	
	306-2	Management of significant waste-related impacts	
	306-3	Generated waste	

## Sustainable use of resources

Water consumption and water supply in accordance with local restrictions;	303-1	Interactions with water as a shared resource	4.2. Sustainable use of resources (page 21-23)
	303-4	Wastewater	
	303-5	Water consumption	
Consumption of raw materials and the measures adopted to improve how efficiently they are used.	3-3	Explanation of the topic in question and how it is covered (Materials)	4.2. Sustainable use of resources (page 21-23)
	301-1	Materials used by weight or volume	
Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energy.	3-3	Explanation of the topic in question and how it is covered (Energy)	4.2. Sustainable use of resources (page 21-23)
	302-1	Energy consumption within the organisation	
	302-4	Reducing energy consumption	

## I. Information on environmental issues

## Climate change

The most significant aspects of greenhouse gas emissions generated as a result of the company's business activities, including the use of the goods and services produced by the company;	3-3	Explanation of the topic in question and how it is covered (Emissions)	4.3. Sustainable management of the environmental impact (page 24-26)
	305-1	Direct greenhouse gas emissions (Scope 1)	
	305-2	Indirect greenhouse gas emissions while generating energy (Scope 2)	
The measures adopted to adapt to the consequences of climate change, namely, our medium- and long-term goals established to reduce greenhouse gas emissions and the means implemented for that purpose.	305-5	Reducing greenhouse gas emissions	

## Biodiversity

Measures taken to preserve or restore biodiversity	3-3	Explanation of the topic in question and how it is covered (Biodiversity)	Affinity's business and the products it makes do not have significant impacts on biodiversity.
Impacts caused by activities or operations in protected areas.	304-2	Any significant impact of our activities, products or services on biodiversity	None of Affinity's facilities are located in protected areas.

## Requirements of Act 11/2018

## Related GRI standards

## Replies in the EINF for 2022 given by the Affinity Petcare

## II. Information on social and employee issues

## Employment

Total number of employees and distribution by gender, age, country and professional category.	2-7	Information on employees and other workers	5.1. Health and well-being (page 28–38)
Total number and distribution of work contracts.			
Annual average in terms of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category	405-1	Diversity in government bodies and employees	
Employees with disabilities.	405-1	Diversity in government bodies and employees	5.3. Diversity, equality and inclusion (page 43–45)
The average salary and its evolution, broken down by gender, age and professional category or equal value.	405-2	Comparison of base salary and remuneration for women compared to men	5.3. Diversity, equality and inclusion (page 43–45)
Wage gap, salaries for the same work job or similar positions in the company.			
The average salaries of board members and senior management, including variable remuneration, meal allowances, other expenses and payment into long-term savings systems, as well as any other item, broken down by gender.	2-19	Salary policies	5.3. Diversity, equality and inclusion (page 43–45)
Implementation of workstation disconnection policies.	3-3	Explanation of the topic in question and how it is covered (Employment)	5.1. Health and well-being (page 28–38)
Number of dismissals by gender, age and professional category.	401-1	Newly hired employees and job rotation	5.2. Talent development and management (page 39–42)

## II. Information on social and employee issues

## Work organisation

Organisation of working hours.	3-3	Explanation of the topic in question and how it is covered (Employment)	5.2. Talent development and management (page 39–42)
Number of hours of absenteeism.	403-9	Injuries due to work-related accidents	5.2. Talent development and management (page 39–42)
Measures aimed at facilitating a good work-life balance and encouraging joint parenting by both parents.	3-3	Explanation of the topic in question and how it is covered (Employment)	5.3. Diversity, equality and inclusion (page 43–45)

## Health and safety

Health and safety conditions at the workplace.	3-3	Explanation of the topic in question and how it is covered	5.1. Health and well-being (page 28–38)
Workplace accidents, especially their frequency and seriousness, and occupational illnesses, broken down by gender.	403-9	Injuries due to work-related accidents	5.1. Health and well-being (page 28–38)

## Social relations

Organising a social dialogue, including procedures to inform and consult staff and negotiate with them.	3-3	Explanation of the topic in question and how it is covered (Employee-Employer Relations)	5.1. Health and well-being (page 28–38)
Percentage of employees covered by the company's collective bargaining agreement.	2-30	Collective bargaining agreements	5.1. Health and well-being (page 28–38)
Overview of the collective bargaining agreements, particularly in the field of occupational health and safety.	403-4	Employee participation, dialogue and communication on health and safety in the workplace	5.1. Health and well-being (page 28–38)

## Requirements of Act 11/2018

## Related GRI standards

## Replies in the EINF for 2022 given by the Affinity Petcare

## II. Information on social and employee issues

## Training

Policies implemented in relation to training;	3-3	Explanation of the topic in question and how it is covered (Courses and Training)	5.2. Talent development and management (page 39-42)
Total hours of training by professional category	404-1	Average hours of training per year per employee.	5.2. Talent development and management (page 39-42)

## II. Information on social and employee issues

## Accessibility

Universal accessibility for people with disabilities	3-3	Explanation of the topic in question and how it is covered (Diversity and Equality)	5.3. Diversity, equality and inclusion (page 43-45)
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## Equality

Measures taken to promote equal treatment and opportunities for men and women. Equality plans (Chapter III of Organic Law 3/2007 of 22 March, on equality for men and women), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities. Policies against all types of discrimination and, where appropriate, diversity management.	3-3	Explanation of the topic in question and how it is covered (Diversity and Equality)	5.3. Diversity, equality and inclusion (page 43-45)
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## III Information on respect for human rights

Application of due diligence procedures in human rights matters.	3-3	Explanation of the topic in question and how it is covered (Evaluation of human rights)	7.2. Ethics and the internal control model (page 66-71)
Prevention of risks of human rights breaches and, where applicable, measures to mitigate, manage and correct any human rights abuses committed.	2-23	Values, principles, standards and codes of conduct	
	2-26	Mechanisms in place for ethical evaluation and concerns.	
Promoting and complying with the provisions of the fundamental conventions of the International Labour Organisation in relation to respect for freedom of association and the right to collective bargaining.	407-1	Operations and suppliers where their right to freedom of association and collective bargaining might be at risk.	7.2. Ethics and the internal control model (page 66-71)
Complaints made for human rights abuses.	406-1	Cases of discrimination and corrective actions taken	We did not receive or become aware of any reports on this matter in 2021 or 2022.
Eradicating discrimination in recruitment and the workplace.	408-1	Operations and suppliers with a significant risk of cases of child labour	7.2. Ethics and the internal control model (page 66-71)
Eradicating forced or compulsory labour and the effective eradication of child labour.	409-1	Operations and suppliers with a significant risk of cases of forced or compulsory labour	

## Requirements of Act 11/2018

## Related GRI standards

## Replies in the EINF for 2022 given by the Affinity Petcare

## IV. Information related to fighting corruption and bribery

Measures adopted to prevent corruption and bribery. Measures to fight against money laundering.	3-3	Explanation of the topic in question and how it is covered (Anti-corruption)	7.2. Ethics and the internal control model (page 66–71)
	2-23	Values, principles, standards and codes of conduct	
	2-25	Processes to redress negative impacts	
	2-26	Mechanisms in place for ethical evaluation and concerns.	
	205-2	Communication and training on anti-corruption policies and procedures	
Contributions to foundations and non-profits.	201-1	Operations involving participation from the local community, impact assessments and development programmes	6.1. Commitment to Society and local communities (page 47–62)

## V. Information about the company

## The company's sustainable development commitments

The impact of the company's activity on employment and local development. The impact of the company's activity on local towns and in the local region. Partnership and sponsorship actions.	203-1	Investment in infrastructure and supported services.	6.1. Commitment to Society and local communities (page 47–62)
	413-1	Operations involving participation from the local community, impact assessments and development programmes	
Las relaciones mantenidas con los actores de las comunidades locales y las modalidades del diálogo con estos;	2-29	Approaches to stakeholder engagement	6.1. Commitment to Society and local communities (page 47–62)

## Outsourcing and suppliers

Including social, gender-equality and environmental matters in our purchasing policy. Taking into account social and environmental responsibility in relationships with suppliers and subcontractors. Monitoring systems, audits and their results.	2-6	Supply chain	3.2. Sustainable supply chain (page 14–16) 7.2. Ethics and the internal control model (page 66–71)
	3-3	Explanation of the topic in question and how it is covered (Environmental evaluation suppliers)	
	3-3	Explanation of the topic in question and how it is covered (Acquisition practices)	

## Consumers

Measures for the health and safety of consumers. Complaint systems, complaints received and their resolution.	3-3	Explanation of the topic in question and how it is covered (Health and Safety of Customers, Marketing and Packaging, Customer Privacy)	3.1. Nutritional well-being (page 11–14)
	2-16	Critical concerns communication	

## Requirements of Act 11/2018

## Related GRI standards

## Replies in the EINF for 2022 given by the Affinity Petcare

## V. Information about the company

## Tax Information

Profits obtained by country.  
Tax paid on profits.

207-4

Explanation of the topic in question and how it is covered (Financial Performance)

6.2. Tax contributions (page 63)

Public grants received.

201-4

Financial assistance received from the government

By way of operating subsidies we received €129,000 in France in 2022 (€202,000 in 2021). In relation to capital subsidies, the breakdown is as follows:

- Spain: in 2019, as part of the Aid Programme for energy efficiency actions cofunded with EU funds managed by the IDAE institute for energy diversification and saving, we received €533,000 and the amount taken to the profit and loss account in 2022 came to €71,000 (the same amount as in 2021).
- Italy: in 2022 we received a tax credit in the amount of €810,000 as part of the Industry 4.0. aid for the investment in a packaging line at the factory. At the profit and loss level, the corresponding entry will be made as of 2023 at the pace at which the assets affected by the investment depreciate.

## 8.3. Audit Report

Independent limited assurance report on the Consolidated Statement of Non-Financial Information for the year ended December 31, 2022

AFFINITY PETCARE, S.A. (SOCIEDAD UNIPERSONAL) AND SUBSIDIARIES





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*Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails*

## INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL INFORMATION

To the Sole Shareholder of Affinity Petcare, S.A. (Sociedad Unipersonal):

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Statement of Non-Financial Information (hereinafter NFIS) for the year ended December 31, 2022, of Affinity Petcare, S.A. (Sociedad Unipersonal) and subsidiaries (hereinafter, the Group), which is part of the Consolidated Management Report of the Group.

The content of the NFIS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in Section 8.2 "Table of contents of Act 11/2018 on Non-Financial Reporting", included in the accompanying NFIS.

### Directors' Responsibility

The Directors of the Group are responsible for the approval and content of the NFIS included in the Consolidated Management Report of Affinity Petcare, S.A. (Sociedad Unipersonal) The NFIS has been prepared in accordance with the contents established in prevailing mercantile regulations and following *Sustainability Reporting Standards* criteria of the selected *Global Reporting Initiative* (GRI standards), as well as other criteria described in accordance with that indicated for each subject in Section 8.2 "Table of contents of Act 11/2018 on Non-Financial Reporting", included in the accompanying NFIS.

This responsibility also includes the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFIS that is free from material misstatement, whether due to fraud or error.

The directors of Affinity Petcare, S.A. (Sociedad Unipersonal) are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

### Our independence and quality control

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including international standards on independence) issued by the International Standards Board on Ethics for Accounting Professionals (IESBA) which is based on the fundamental principles of integrity, professional objectivity, competence and diligence, confidentiality and professional behaviour.

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and legal provisions and applicable regulations.



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The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

### Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our work has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Guidelines on assurance engagements on the Non-Financial Statement issued by the Spanish Institute of Chartered Accountants.

The procedures carried out in a limited assurance engagement vary in nature and timing and are less extent in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFIS, reviewing the process for gathering and validating the information included in the NFIS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to gain understanding of the business model, policies and management approaches applied, and of the main risks related to these matters, and obtaining the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the 2022 NFIS based on the materiality assessment made by the Group and described in Section 2 “Materiality” of the NFIS, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2022 NFIS.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2022 NFIS.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2022 NFIS and its correct compilation from the data sources.
- ▶ Obtaining a representation letter from the Directors and Management.

### Conclusion

Based on the procedures performed in our verification and the evidence obtained, no matter has come to our attention that would lead us to believe that the 2022 NFIS of the Group for the year ended December 31, 2022 has not been prepared, in all material respects, in accordance with the contents established in prevailing mercantile regulations and following the criteria of the selected GRI standards, as well as other criteria described in accordance with that indicated for each subject in Section 8.2 “Table of contents of Act 11/2018 on Non-Financial Reporting”, included in the NFIS.



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### Use and distribution

This report has been prepared to comply with prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

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de Catalunya

ERNST & YOUNG, S.L.  
(Signature on the original in Spanish)

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Antonio Capella Elizalde

March 24, 2023