



Sustainability Statement
Financial Year 2025

M MORLINY
FOODS

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Excellence
Innovation
Responsibility



Message from our CEO

As CEO of Morliny Foods, I believe our responsibility goes beyond business performance. We are accountable to our people, to the animals in our care, to the environment we share, and to the long-term resilience of our company. As the European arm of WH Group, and one of Europe's leading integrated pork, poultry and processed meat platforms, we know that the way we farm, source, process and deliver food has a real impact on climate, on rural communities, and on the trust of millions of our consumers.

This report presents our first integrated ESG Strategy and Roadmap as Morliny Foods.

It brings together existing efforts across our farms, slaughterhouses, processing plants and brands into one coherent plan. We have defined clear priorities – climate action, animal welfare, resource efficiency, good jobs, food safety and strong governance – and translated them into measurable targets, from reducing our Scope 1 and 2 emissions and progressively reduce greenhouse gas emissions across our value chain (Scope 3), to saving energy and water use, increasing renewables, and moving towards zero waste to landfill.

Sustainability is not a side program; it is how we manage our business, the risks and how we create value from farm to fork. That means yearly investing in modern and efficient facilities, securing responsible feed, strengthening animal welfare and biosecurity, and ensuring that every site operates under robust food safety, quality and environmental systems. It also means committing to safe and fair workplaces, wages that respect local realities, development opportunities for our people, and a strong contribution to the communities where we operate. This year we are at the beginning of our standalone sustainability reporting journey, by choosing to report on Corporate Sustainability Reporting Directive (CSRD) voluntarily ahead of 2027 deadline, but we are not at the beginning of our sustainability work.

Over last years, all our European operations have already taken independently important steps, under the coordination of Smithfield Foods sustainability global program – from energy-saving and heat-recovery projects to upgraded refrigeration and continuously improved our animals housing and feeding. We have been focused on ensuring fair labor conditions and supporting the communities we work in, through our long-standing projects on supplying food to vulnerable households. The difference now is transparency and accountability: we are putting our ambitions, metrics and governance in front of all stakeholders, which were consulted this year through an extensive Double Materiality Analysis process.

Morliny Foods will continue to be a reliable provider of safe, affordable, and nutritious protein. At the same time, we intend to be part of the solution as Europe transitions to a lower-carbon, more resilient food system. This ESG Strategy is our commitment to keep improving, to match and over time exceed the expectations of our stakeholders, and to create long-term value for our shareholders, our employees and the communities that rely on us.

Luis Cerdan Ibanez
CEO, Morliny Foods





Message from our Chief Sustainability Officer

When I visit our farms and plants, I am reminded that behind every kilogram of food we produce there are people, animals, and communities who depend on us doing things the right way. My role as Chief Sustainability Officer is to make sure that the promises in this report are commitments that guide everyday business decisions – from how we design a new barn or production line, to how we listen to an employee concern or a community request.

Our ESG Strategy starts with a simple idea: care and responsibility must run through the whole operation from farm to fork. For the environment, that means setting realistic but ambitious targets to reduce greenhouse gas emissions, lower our energy and water footprint, expand renewable electricity and improve circularity of animal by-products and packaging. It means applying science-based solutions – better feed, better manure management, smarter equipment and automation – and tracking our progress transparently.

For people, it means that safety comes first, always. We are working to maintain zero fatalities, reduce incident rates, and ensure that every employee receives mandatory health and safety training. We want Morliny to be a place where entry-level wages are fair, where skills are developed through training programs, and where diversity and inclusion are gradually strengthened.

Through our Community Support and Engagement Policy, each country within the Group defines how we can support local food security, education, health and sports in a structured, measurable way. We also know that our license to operate is built on trust in our products. That is why we are committed to 100% coverage under recognized food safety schemes, rigorous audits and traceability tests, and responsible communication on nutrition and health. At the same time, our Code of Conduct and Supplier Code of Conduct set clear expectations on ethics, human rights, environmental performance and animal welfare – and our whistleblowing and grievance channels are there to ensure that concerns are heard and addressed without fear of retaliation.

This report is both a snapshot and a starting point. It shows where we are today, but it also sets out where we want to be in the future. We will not get everything right at once, and we will need to adjust as we learn. But we are committed to measuring our performance honestly, to engaging openly with our employees, farmers, customers and communities, and to making steady, tangible progress year after year.

Dana Brindescu Iovanov

Chief Sustainability Officer, Morliny Foods

Foreword

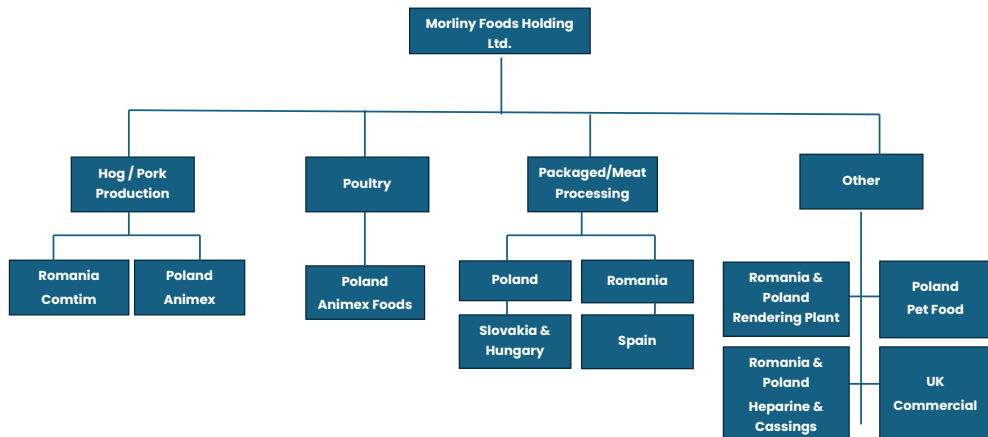
Established in 2021 and headquartered in the United Kingdom, Morliny Foods Holding Ltd. (hereinafter referred to as “Morliny Foods” or “the Group”) is today one of Europe’s leading integrated pork, poultry and processed meat groups, and the European arm of WH Group. Being present from feed and farming, through slaughtering and processing, to branded products on retail shelves means that sustainability is not a separate agenda for the Group – it is the way the Group manages risks, invests, and creates value from farm to fork. In a sector that faces intense scrutiny of climate, animal welfare, working conditions and food safety, Morliny Foods wants to be recognized as a Group that sets clear policies and commitments. Morliny Foods’ mission is to provide safe, nutritious food while limiting the Group’s environmental footprint, protecting animal welfare, and supporting the people and communities who depend on the Group.

Morliny Foods is one of Europe’s leading white and red meat groups, operating an integrated farm-to-fork model that the Group operates 29 meat processing facilities, several own and contracted farms and feed mills across seven European countries ensuring efficient service to customers across Europe and globally. Through operations in Poland, Romania, Spain, Slovakia, Hungary, and the United Kingdom, the Group delivers high-quality food products while advancing responsible production, animal welfare, and sustainable supply chains.

Morliny Foods is part of WH Group, the largest pork company in the world, with leading positions in China, the US and Europe. This gives us access to global experience, know-how, and the highest technological standards. At the same time, the Group remains strongly rooted in Europe, close to local markets and their needs, which allows them to combine the scale of an international leader with the agility and accountability of a local partner.

The establishment of the holding has strengthened the Group’s ability to operate under a shared, long-term strategy, embedding sustainability at every level of the business. It ensures harmonized standards for quality, food safety, and environmental responsibility, while enabling transparent and responsible management of the entire value chain, from crop and feed production to finished products on store shelves. Today, Morliny Foods Holding manages a portfolio of brands with strong local roots and established reputations, such as Animex Foods (Poland), Elit and Comtim (Romania), Mecom (Slovakia and Hungary), Argal and Embutidos Monells (Spain), Michel Salaison Ogier (France), and Morliny Foods UK (United Kingdom).

Each of them brings its heritage, experience, and know-how to the company, jointly building a European network of modern plants and sustainable processing.



The Group's scale enables us to meet year-round demand with a steady supply of high-quality, nutritious meat products. Morliny Foods combines global expertise with strong local brands and deep regional roots. Morliny Food's scale, vertically integrated supply chain and diversified farming base enable stable, year-round supply, full traceability and operational resilience, while supporting responsible production and long-term value creation aligned with the Group's ESG commitments. Morliny Foods' mission is to provide consumers with high-quality meat and meat products that are produced responsibly, with respect to people, animals, and the environment, and in alignment with ESG commitments. Morliny Foods maintains a robust live animal supply chain through a mix of company-owned and contract farms giving them the flexibility and resilience to adapt to market needs. The Group's vertically integrated model enables control over animal welfare standards, manage biosecurity risks such as ASF (African Swine Fever), optimize feed efficiency, reduce supply chain disruptions, and implement climate and water reduction measures at scale. This level of integration strengthens traceability, supports responsible sourcing, and enhances resilience in an increasingly volatile protein market.

Farm-to-fork structure enables:

- Full traceability from feed to finished product
- Control over animal welfare and biosecurity
- Efficient use of by-products and circular economy practices
- Reduced transport distances in key markets
- Stable farmer partnerships and rural employment

Ownership structure

The shareholding structure of the Group illustrates a highly integrated multinational corporate group designed to ensure centralized strategic control and efficient governance across multiple jurisdictions.

At the top of the ownership chain stands WH Group Limited, a publicly listed entity.



100,000+
Jobs worldwide



110
Production Units



500+
Company-owned farms



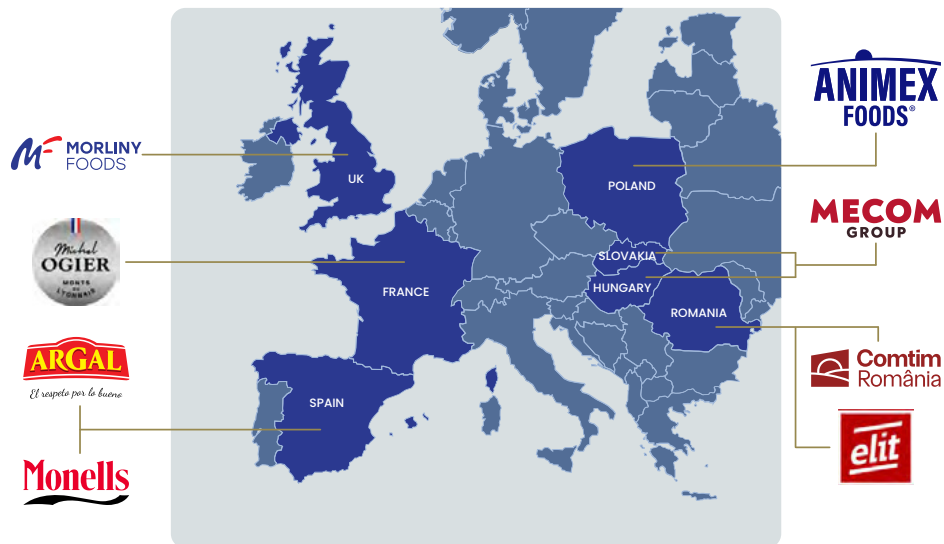
3,335
Contract Growers



Within Europe, a pivotal role is played by Morliny Foods Holding Ltd. (UK), which functions as a central hub for the Group’s food production and processing activities across the continent. Through a network of subsidiaries and affiliated entities in the UK, Poland, Spain, the Czech Republic, Slovakia, Hungary, and Romania, Morliny Foods Holding Ltd. coordinates a broad portfolio of businesses active in meat processing, food manufacturing, and related sectors.

European Presence

Morliny Foods operates in Poland, Romania, Slovakia, Hungary, Spain, France, and the United Kingdom, supplying products under recognized brands to both local consumers and export markets in Asia, North America, and Africa.



Poland (Animex Foods):

Animex Foods is the largest company operating in the white and red meat sector in Poland. Thanks to strong brands such as Morliny, Krakus, and Berlinki, Animex sets the direction for development in terms of both volume growth and responsible business practices and sustainable development initiatives in. The company develops its business in an integrated manner, combining crop and feed production, pig and poultry breeding with further stages of the value chain, including the processing and sale of meat products and ready meals.

Romania (Elit, Goodies Meat Production, Comtim):

Comtim is the largest fresh meat company in Romania, with a strong tradition since 1967, and delivering over 30% of the Romanian fresh meat production. Elit, the processed meat operations, is in top 3 largest packaged meat companies in the country. Romanian companies combine a modern approach to production with full respect for local traditions, creating a model of responsible agriculture and processing, vertically integrated from farm to fork.

Slovakia and Hungary (Mecom):

For 50 years, Mecom has been building its reputation as an expert in the production of salami and meat specialities. Today, its products are a symbol of craftsmanship and regional pride, which have won the trust of consumers in Slovakia and Hungary, but also as an export product in the Czech Republic.

Spain (Argal Alimentación, Embutidos Monells):

For over a century, Spanish brands Argal and Monells have been developing the art of producing cured hams and chorizo, while setting new trends with innovative snack formats. Their products reach consumers in many markets.

France (Salaison Ogier):

Local cold cuts and artisanal products made since 1938, valued for their authenticity and regional character.

United Kingdom (Morliny Foods UK):

Supplier of high-quality pork and poultry to the retail, catering, and wholesale sectors, supporting the distribution of the Group’s brands on the British market. This diversity of products and brand history, combined with its broad geographical reach, allows us to combine local traditions and consumer preferences with a European scale of operations.

Disclaimer: Starting in 2025, new operations were added to the Group: Pupil (pet food production) and Deveris (rendering activities), both being well under materiality threshold of both turnover and employee data. As consolidation of all operational procedures and reports for these entities is still in progress, their data is not currently included in this report. Relevant information will be incorporated in future reports once the financial and operational consolidation process is completed.

Production, farming and commercial activities across Europe:

Polish operations

Animex Foods is the largest meat company in Poland, specializing in pork, poultry and processed meat products, and operating across the entire agri-food value chain. Its vertically integrated model covers crop production and feed manufacturing, livestock farming, meat processing, and the export of finished products, ensuring full traceability and control from farm to fork.

The company operates seven feed mills, all certified under the international Good Manufacturing Practice GMP+ standard, producing more than one million tons of feed annually. This production supports both Animex’s own farms and external partner farms. The company cooperates with approximately 5,000 farmers under long-term contracts, which provides stability, predictability, and strong partnerships with domestic suppliers. Its production structure includes nearly 1,000 finishing farms with a total capacity of almost 1.2 million animal places, 51 breeding farms with around 100,000 sows, and more than 30 poultry farms offering close to 1.6 million places.

Processing activities are carried out in 21 modern meat plants located across Poland. All facilities operate in line with strict food safety requirements and hold internationally recognized IFS and BRCGS certifications.

Complementary operations include two animal by-product processing facilities and a dedicated pet food production plant, supporting efficient use of raw materials, waste reduction and circular economy principles. Raw materials are sourced through the company’s own supply chain or from carefully selected suppliers operating under long-term agreements, enabling consistent control over quality, food safety and animal welfare.



Animex employs more than 11,000 people, many from rural areas surrounding its operations. As a responsible local employer, the company supports community development through social, charitable and educational initiatives. Through strong vertical integration, rigorous quality management and a sustainability-driven approach, Animex Foods aims to create long-term value for communities, business partners and the natural environment.

Romanian operations

Morliny Foods operates across the entire agri-food value chain and is the largest pork producer in Romania. The Group is a major consumer of grains in Western Romania for livestock feed, sourcing over 250,000 tonnes annually directly from local farmers. These raw materials are processed into feed in two feed mill facilities located in Timiș and Arad counties, both certified under the ISO 22000 food safety management system.

The Group operates 49 company-owned farms in Timiș and Arad counties, where approximately one million pigs are raised annually in accordance with established animal welfare and biosecurity requirements. Livestock is processed at the Group's slaughterhouse in Timiș counties, which operates with full traceability systems and in compliance with applicable food safety standards. The resulting pork products are marketed under the Comtim brand and through various private label arrangements.

The Group accounts for approximately 33% of all classified pork carcasses in Romania. Morliny Foods in Romania also operates a rendering plant and a wastewater treatment plant, supporting the management of by-products and effluents generated by its operations. Processed meat production is carried out in five facilities located in Alba, Arad, Prahova and Bucharest, where pork is transformed into a range of processed meat products. These products are sold under the Elit and Plin de carne brands, as well as through private label partnerships, both on the domestic market and for export.

The Group employs over 4,800 people, primarily in rural and semi-urban areas, and represents a significant employer within the regions where it operates. Through its vertically integrated operations, Morliny Foods manages activities ranging from primary production to processing and distribution within a single organizational structure.

Slovak and Hungarian operations

As a leading meat and processed meat producer in Slovakia and Hungary, Mecom Group operates across the entire value chain – from cooperation with farmers and sourcing of raw materials, through advanced processing at its production facilities, to the distribution and sale of finished products under the Mecom brand and related labels. The company operates two major production sites in Slovakia – in Humenné and Lučenec, both equipped with state-of-the-art technologies and compliant with the

highest food safety standards. These facilities employ approximately 1,400 people.

The Humenné plant specializes in the production of dry and semi-dry salami, sausages, cooked hams, smoked meats and bacon, while the Lučenec plant focuses on a wide range of sausages, seasonal products and pâtés. Individual facilities (such as Humenné) process up to 4,000 tons of raw materials per month. All production sites are certified in line with IFS, underlining the company's commitment to food quality and safety.

As part of its local offering, Mecom has introduced the "Naša slovenská" product line, made exclusively from Slovak meat – highlighting its dedication to domestic raw materials and local sourcing. Mecom Group also operates beyond Slovakia, including Hungary, where it offers traditional products under well-established brands such as Csabai and Kaiser. With a strong market presence and deep roots in local communities, Mecom provides stable employment and actively contributes to regional development. By combining value-chain integration, strict quality standards and a responsible approach to environmental stewardship, the company generates long-term value for its customers, business partners and the natural environment.

Spanish and French Operations

In Spain, operations are represented by the Argal and Monells brand, two widely recognized meat producers with strong regional identities and a long-standing presence in the market. Argal, with more than 100 years of history, successfully combines tradition with innovation and operates four production facilities. Monells, a family-rooted business founded in 1979, manages two modern production plants equipped with advanced technologies.

Argal's facilities are located in traditional Spanish regions such as Extremadura, Navarra, and Catalonia, ensuring access to high-quality raw materials and authentic regional flavors. The company employs more than 1,000 people and distributes its products in over 30 markets worldwide. Monells operates its production sites in the Montseny-Osona region of Catalonia and in Les Masies de Voltregà.

The Spanish brands combine traditional recipes with modern slicing and packaging technologies that respond to evolving consumer expectations. Argal specializes in naturally cooked and cured meats, including jamón ibérico, chorizo, and other traditional

Spanish specialties. Monells focuses on sliced ham, sausages, and bacon products. All Monells products are made from high-quality meat, are gluten-free, and are developed with the well-being and nutritional needs of today's consumers in mind.

Both Argal and Monells operate modern production facilities that ensure strict quality control, full product traceability, and compliance with the highest food safety standards. In terms of environmental and social responsibility, both brands balance tradition with innovation. Key priorities include packaging recycling initiatives, waste reduction, cooperation with local suppliers, and investments in technologies that improve resource efficiency and support more sustainable production processes. The RETRAY certification held by Argal and Monells confirms that circular economy principles and sustainability are embedded within the companies' business strategies.

Spain also generates stable employment in regions with strong meat-processing traditions, supporting local economies and social cohesion. Through strong vertical integration, rigorous quality management, and sustainability-driven strategies, Argal and Monells create long-term value for local communities, business partners, and the natural environment. Since 2019, Argal has also been present in France through the acquisition of a majority stake in Salaison Ogier. The Michel Ogier brand, with more than 80 years of heritage, combines traditional production methods with careful attention to every stage of the process—from meat preparation to several weeks of aging—resulting in distinctive French charcuterie products.

British operations

Morliny Foods Ltd (UK operations) provides market-leading brands and private-label solutions in numerous countries across Europe and brings delicious and nutritious meat products to millions of people in the UK and around the world in a manner that sets industry benchmarks for sustainability. UK operations serve all sales channels and market segments, offering a broad portfolio of branded and private-label meat products. The product range includes traditional deli meats as well as convenience-focused foods, such as pork and poultry products, cooked and canned meats, hotdogs, pizza toppings, meal components and fresh meat.

ESRS 2

GENERAL DISCLOSURES

Basis for Preparation

General basis for preparation of sustainability statements

BP-1

Morliny Foods publishes the consolidated sustainability report for the financial years 2025, covering the period from January 1, 2025, to December 31, 2025. This sustainability report allows The Group to present its ESG (environmental, social, and governance) performance and to demonstrate its commitment to sustainable development in a way that can be evidenced to both internal and external stakeholders. The scope of the report covers Morliny Foods and the companies it owns: **Animex Foods, Animex Holding, Agri Plus, Argal Alimentación, Embutidos Monells, Mecom Group, Kaiser Food Kft., Schneider Food S.R.O., Comtim Romania, Elit Srl, and Goodies**, in accordance with the applicable legal provisions.

For ease of understanding, throughout this sustainability report the entities have been referred to by the primary country from which each operates, as follows:

Morliny Foods Limited and Morliny Foods Holding Limited - hereinafter referred to as **"UK"**.

Animex Foods, Agri Plus, and Animex Holding - hereinafter referred to as **"Poland"**.

Argal Alimentación, Embutidos Monells - hereinafter referred to as **"Spain"**.

Mecom Group, Kaiser Food Kft., Schneider Food S.R.O. - hereinafter referred to as **"Slovakia"**.

Comtim Romania, Elit and Goodies - hereinafter referred to as **"Romania"**.

Where information relates to a single entity rather than a country group, this will be clearly indicated.

Morliny Foods will fall under the Corporate Sustainability Reporting Directive (CSRD) and implicitly will apply the European Sustainability Reporting Standards (ESRS) in accordance with the provisions of Order no. 85/2024. For documenting aspects related to sustainability reporting, the group decided to develop and apply a procedure for conducting the double materiality assessment (DMA), a mandatory component of the Sustainability Report. The basis for preparing the current sustainability report has been consolidated, and no subsidiary of Morliny Foods included in the financial consolidation is exempted from individual or consolidated sustainability statement pursuant to Articles 19 a(9) or 29a(8) of Directive 2013/34/EU.

For financial years 2025 Morliny Foods voluntarily aligns its ESG reporting according to ESRS standards. The Group's goal was to implement as much as possible of the Standards' requirements in the financial periods 2025. The sustainability report is prepared based on the results of the DMA according to ESRS. The DMA was conducted in accordance with the first set of ESRS standards adopted on July 31, 2023.

According to the results of the DMA, climate change, water and marine resources, biodiversity and ecosystems, resource use and circular economy, own workforce, workers in the value chain, consumers and end-users, business conduct (ESRS E1, E3, E4, E5, S1, S2, S3, S4, G1 topics) including additional topics; Digital Security are considered the most important sustainability issues.

The scope of the sustainability reporting is not limited to the Group's own operations as defined - it also includes information regarding the upstream and downstream value chain. The materiality assessment covers impacts associated with the operations and value chain of Morliny Foods and its subsidiaries, including products and business relationships. It involves detailed evaluations and, where significant and relevant, data collection from suppliers, partners, and customers. More information is provided under each material topic in this report. The value chain is integrated into the Group's materiality assessment to identify material impacts, risks, and opportunities across upstream and downstream activities. Each chapter sets out the required disclosures for material topics. When an impact, risk, or opportunity is deemed significant, the Group determines the relevant ESRS disclosures and, where appropriate, provides tailored information for the relevant business unit. Information on the value chain, including customers and suppliers, is



presented in chapters aligned to topical standards. The Group's policies, actions, and targets extend to the value chain and are supported by data gathering and reporting on key sustainability metrics across upstream and downstream activities. For upstream activities, the Group collaborates with suppliers to obtain data on metrics such as energy consumption and greenhouse gas emissions.

Morliny Foods integrates ESG criteria into its strategy and development plans. The approach is set at Group level and cascades to business units and collaborators through established processes and procedures, with objectives translated into individual targets and tracked via key performance indicators. Information on the value chain is provided in the chapters dedicated to the relevant thematic standards.

During the preparation of this sustainability statement, the option to omit any applicable specific piece of information corresponding to intellectual property, know-how or the results of innovation in accordance with ESRS 1 section 7.7 has not been used. No disclosure exemptions for impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU, were applied.

Disclosures in relation to specific circumstances

BP-2

For 2025, Morliny Foods has prepared its sustainability statement in accordance with the requirements of the ESRS. This approach ensures that the report comprehensively addresses environmental, social, and governance topics relevant to both internal and external stakeholders. The adoption of ESRS and the requirements of the CSRD have determined the scope, structure, and level of detail presented in this report.

A double materiality assessment was conducted in line with ESRS to identify and prioritize the most significant sustainability impacts, risks, and opportunities. This assessment directly informed the selection of topics and disclosures included in the report, ensuring that the information provided is both relevant and material to the Group's stakeholders.

Time horizons

As part of the double materiality assessment and preparation of the sustainability statement, Morliny Foods has adopted the following time horizons:

- Short term: the current reporting year and the subsequent year, ensuring information remains current and decision useful while balancing immediate priorities with forward planning.
- Medium term: 2–5 years, providing a bridge between near term actions and longer term goals to enable organised, sustainable growth and development.
- Long term: more than 5 years, consistent with ESRS.

These definitions align with Morliny Foods’ strategic planning cycles and helps effectively monitor and achieve sustainability objectives.

Value chain estimation

For the current reporting period, Morliny Foods considered only value chain metrics related to Scope 3 greenhouse gas emissions. The Group estimates Scope 3 by collecting data from key suppliers, using industry averages for less accessible data points, and applying recognised methodologies such as the Greenhouse Gas Protocol. This provides an indicative view of value chain emissions while acknowledging estimation uncertainty.

The identified metric(s), basis of preparation, accuracy level, and planned improvements are detailed under the relevant material topic.

Looking ahead, the Group aims to strengthen value chain understanding and enhance the reliability of its sustainability statement by:

- increasing collaboration with suppliers to obtain more comprehensive and accurate emissions data; and
- regularly reviewing and calibrating estimation methodologies against actual performance data and updated industry standards.

Sources of estimation and outcome uncertainty

Regarding the sources of estimates and the uncertainty of outcomes, Morliny Foods has disclosed below the factors contributing to uncertainty for each quantitative metric and monetary amount. Furthermore, the Group defined the assumptions and judgments used in measuring these estimates and uncertainties. Details about the measurement uncertainty sources for each relevant quantitative metric and monetary amount has been provided and the assumptions and judgments involved have been presented. The following table summarizes this information.

Topic	Disclosure Requirement	Specific Metric / Monetary Amount	Information about the sources of measurement uncertainty	Assumptions, approximations and judgements in measuring	Page
ESRS E1 – Climate Change	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Gross Scope 3 GHG emissions	Scope 3 GHG emissions is calculated using various methods and using different databases.	As per methodology used – GHG protocol	43
ESRS E1 – Climate Change	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Total GHG emissions	Scope 3 GHG emissions is calculated using various methods and using different databases.	As per methodology used – GHG protocol	44
ESRS E1 – Climate Change	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	GHG Intensity based on net revenue	Scope 3 GHG emissions is calculated using various methods and using different databases.	As per methodology used – GHG protocol	49

Changes in preparation or presentation of sustainability information

This is Morliny Foods’ first year preparing a Group-wide sustainability report, which has been compiled on a voluntary basis for the financial year 2025. The Group approaches the management of identified material impacts, risks, and opportunities with transparency, and the report demonstrates an understanding of reporting criteria, as well as compliance with and accuracy of the data presented.

As this is Morliny Foods’ first-year reporting in accordance with ESRS standards, the Group is applying the phased-in disclosure requirements available for the initial year of preparing the Group Sustainability Statement. Accordingly, comparative information is included where applicable in the respective chapters throughout the report.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The Group’s sustainability statement is based on the ESRS reporting requirements and the EU Taxonomy. Morliny Foods has not incorporated information required by other legislation that mandates the disclosure of sustainability information, nor from other widely accepted sustainability reporting standards and frameworks. However, the Group maintains specific policies and internal procedures. Identifying and assessing negative impacts and monitoring the effectiveness of the Group’s efforts toward ESG reporting alignment and communication, are embedded within the companies within the Group’s ISO management systems and related action plans.

Relevant policies are included in these ISO management systems and ensure compliance with legal requirements and alignment with international best practices. The ISO management systems are reviewed periodically and whenever necessary due to changes in techniques, the introduction of new equipment or substances, changes in legal, regulatory, and customer requirements (or those of other stakeholders), and specific conditions at work sites. Based on these assessments, the Group’s policies are updated as needed. Compliance with ISO standards indicates adherence to international quality, safety, and efficiency benchmarks. Adhering to these standards involves implementing processes that not only ensure product quality and safety but also consider the well-being of affected communities by promoting sustainable practices and minimizing environmental impact.

Incorporation by reference

In accordance with the ESRS, the Group is required to provide detailed disclosures and references for the information presented in this sustainability report. However, due to operational constraints and the complexity of the reporting processes, Morliny Foods were unable to provide comprehensive references for all disclosed information. The report mentions references to additional documents or references to information included in another thematic standard where applicable.

Use of phase-in provisions in accordance with Appendix C of ESRS 1

As this Morliny Foods’ first year of reporting, therefore, the Group has decided to omit the following information required by the ESRS, in line with Appendix C of ESRS 1.

ESRS	Disclosure Requirement	Full name of the Disclosure Requirement	Phase-in or effective date (including the first year)
ESRS E1	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	The undertaking may omit the information prescribed by ESRS E1-9 for the first year of preparation of its sustainability statement.
ESRS E2	E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	The undertaking may omit the information prescribed by ESRS E2-6 for the first year of preparation of its sustainability statement.
ESRS E3	E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	The undertaking may omit the information prescribed by ESRS E3-5 for the first year of preparation of its sustainability statement.

ESRS	Disclosure Requirement	Full name of the Disclosure Requirement	Phase-in or effective date (including the first year)
ESRS E4	E4-6	Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	The undertaking may omit the information prescribed by ESRS E4-6 for the first year of preparation of its sustainability statement.
ESRS E5	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	The undertaking may omit the information prescribed by ESRS E5-6 for the first year of preparation of its sustainability statement.

Governance

The role of the administrative, management and supervisory bodies

GOV-1

The Board of Directors of Morliny Foods is composed of four male executive members (there are no non-executive members) who, each bring decades of international leadership experience in the food, agriculture, finance, and fast-moving consumer goods (FMCG) sectors. Their expertise spans veterinary science, industrial processing, financial stewardship, commercial strategy, operational transformation, and large-scale supply chain management across Europe. The Board combines knowledge with practical operational experience, ensuring that sustainability, food safety, animal welfare, and risk management are embedded into strategic decision-making.

The percentage of independent board members and board gender percentage (calculated as the average ratio of female to male board members) is 0%.

Members of the Board of Directors include:

Luis Cerdan Ibanez, CEO Morliny Foods, European Operations

Appointed: 22 August 2024

Luis Cerdan Ibanez is an international executive with more than 30 years of leadership experience in the agri-food and FMCG sectors. Throughout his career, Luis has led complex, multi-country operations, overseeing vertically integrated supply chains from primary production to consumer markets. His veterinary training provides scientific grounding in animal welfare, antibiotic stewardship, and biosecurity risk mitigation—critical components of Morliny Foods’ sustainability strategy.

He has completed advanced leadership programs at Harvard, further strengthening his strategic and governance capabilities. As Chair of the ESG Committee, Luis ensures that sustainability priorities are fully integrated into corporate strategy, risk oversight, and long-term value creation.

Tomasz Jacek Kowalczyk, Chief Financial Officer

Appointed: 13 May 2024

Tomasz Kowalczyk is an accomplished financial and operational leader with more than 30 years of experience across finance, operations, and commercial management roles. He has held multiple CFO and Operations positions in complex FMCG businesses and brings extensive expertise in capital allocation, financial control, enterprise risk management, and performance governance. As CFO and member of the ESG Committee, Tomasz ensures that ESG priorities are supported by disciplined financial planning, investment analysis, and risk-adjusted decision-making. His oversight strengthens the integration of sustainability metrics into financial reporting, capital expenditure planning, and long-term strategic modelling, including climate transition and energy efficiency investments.

Ian Michael Charles Lindsay, Managing Director

Appointed: 13 May 2024, end of mandate 16 February 2026

Ian Lindsay has more than 25 years of senior commercial and strategic leadership experience within the food sector. His expertise includes brand development, route-to-market optimization, international sales strategy, and customer engagement across competitive retail environments.

Gareth Joubert, Financial Director

Appointed: 13 May 2024 – end of mandate 16 February 2026

Gareth Joubert has over 20 years of financial and management experience across complex operational environments. His expertise includes financial governance, compliance, operational efficiency, and performance monitoring.

None of the above members of the Board have any political affiliations.

The Board is the highest decision-making authority, responsible for long-term value creation, overseeing risk management and guiding the company’s strategic direction. The Board oversees sustainability matters as part of its mandate. It reviews sustainability performance at least twice per year, approves ESG targets and priorities, and considers sustainability risks within the Enterprise Risk Management (ERM) framework. The Board is supported by the ESG Committee, the Internal Audit Function and national-level management boards in Romania, Poland, Slovakia, Hungary, Spain and the UK. Each country board includes a CEO, CFO and key functional directors to ensure alignment of strategic and operational priorities with the Group’s sustainability goals. The Board approves ESG targets and integrates them into the annual business planning cycle. The ESG Reporting & Disclosure Officer consolidates country level data for Committee/ Board oversight and external reporting, including coordination of third party assurance. Targets are proposed based on identified risks and opportunities, approved by top management, cascaded to countries/pillars, and linked to variable remuneration through management by objectives.

Beyond the Board, Morliny Foods benefits from experienced Country Management teams with capabilities in:

- industrial meat processing and vertically integrated livestock operations;
- veterinary/animal-health competence embedded in farming;
- food-safety governance (e.g., ISO 22000, BRCS, IFS);
- large-scale logistics and cold-chain management; and
- workforce management in unionised, multi-jurisdictional environments.

This operational base helps embed ESG locally while maintaining alignment with Group strategy.

The Group’s management systems are built on common foundations across all focus areas: policies, employee training, defined targets, internal controls, independent third party audits (e.g., against ISO 14001, ISO 22000, BRCS and IFS where applicable), and regular executive review. Sustainability risks and opportunities are embedded in the ERM, with material issues escalated to the ESG Committee and the Board. ESG indicators are monitored at country level and consolidated centrally. A portion of executive variable remuneration is linked to selected ESG indicators approved by the Board.

Each ESG pillar is led by managers with 15–20 years of domain experience and clear responsibilities reflected in mandates and procedures:

- Environment: compliance, resource efficiency, emissions management, industrial operations.
- Health & Safety and Labour Rights: occupational safety systems, workforce engagement, HR governance, regulatory compliance.
- Governance, Ethics, Finance, Internal Audit: internal control systems, anti corruption frameworks, transparent reporting.
- Sustainable Procurement: supplier risk assessment, responsible sourcing, commercial governance.
- Sustainability Coordination and ESG Reporting: sustainability strategy, regulatory alignment, reporting standards and assurance readiness.

All pillar leaders and senior executives participate in the annual ERM process to identify, assess, prioritise and review ESG related risks at management and Board level.

In response to the evolving European regulatory landscape, Morliny Foods launched a structured sustainability training program for senior leadership and ESG pillar heads in 2025, coordinated by the Chief Sustainability Officer (CSO). The program focuses on regulatory literacy, the double materiality assessment process and outcomes, ESG data governance, internal controls, and periodic review of ESG reporting progress. Responsibilities for ESG are assigned across executive leadership and country level management, not limited to a central sustainability function.

To support oversight, the Board receives dedicated training and regular briefings on sustainability topics assessed as material to Morliny Foods. Training modules cover relevant EU sustainability regulations, applicable frameworks, ethical conduct requirements, and stakeholder expectations. Senior leaders and Board members complete annual sessions on anti corruption, anti bribery, and conflict of interest management, aligned with OECD and UN Global Compact guidance. The governance framework is supported by in house specialists across animal welfare, environmental management, people, and food safety. Executive Management draws on this expertise when setting strategy on ESG related matters.

Morliny Foods promotes ethical conduct through anti-bribery training and employee awareness activities related to the Code of Conduct, supported by internal procedures for the reporting, investigation and resolution of alleged incidents.

At the operational level, the Group applies animal welfare and biosecurity requirements across its own farms and contract farms. These requirements are supported through periodic training, audits and ongoing monitoring. Performance is tracked using defined indicators, including transport mortality rates and antibiotic usage, which are used to monitor trends, identify potential risks and inform operational decisions.

In relation to the supply chain, Morliny Foods engages with suppliers to address environmental, social and governance (ESG) aspects, including responsible sourcing practices and supply chain transparency. These efforts include supplier engagement related to deforestation-free soy commitments, where relevant.

In 2025, an ESG Steering Committee was established, chaired by the CEO and coordinated by the CSO, meeting monthly to:

- Review ESG reporting progress and regulatory developments;
- Discuss major incidents, risks and reputational matters prior to external reporting.

The ESG Committee reports to the Board of Directors. It is chaired by the CEO and includes the CFO and CSO. The Committee oversees sustainability strategy, alignment with corporate objectives, and performance monitoring across countries. Responsibilities for ESG related impacts, risks and opportunities are reflected in the Board’s strategy and risk mandate and in the Committee’s remit.

Day to day ESG management is delegated to the CSO, who coordinates the cross functional ESG Implementation Task Force (ESG ITF). The CSO, as a member of the ESG Committee, reports management’s ESG performance and priorities to the Committee and the Board. Country General Managers from Poland, Slovakia, Romania, the UK and Spain translate group level strategies into local actions and report on progress. The Internal Audit function coordinates with the Governance, Ethics and Risk Management Officer on compliance, risk identification, mitigation and reporting.

The ESG Committee oversees performance across countries and alignment with strategic objectives. Management implements group level strategies through the ESG ITF and country leadership. ESG data and disclosures are consolidated by the ESG Reporting and Disclosure Officer to support Committee and Board oversight and external reporting, including coordination of third party assurance. Targets are proposed based on identified risks and opportunities, approved by top management, and linked to remuneration through management by objectives.

Morliny Foods engages external sustainability consultants to support integration of ESG practices consistent with applicable standards. These advisors support decision making by Group leadership. During the double materiality workshop, management received training on the ESRs, including implications and requirements for the organisation.

The Board of Directors guides the Group’s strategy, including setting short, medium and long term policies and goals. Beyond legally mandated responsibilities, the Board participates in strategic, oversight and ESG related matters.

Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

GOV-2

Throughout the financial year 2025, the integration and consideration of sustainability issues within Morliny Foods’ Board of Directors were facilitated through formal meeting minutes during the quarterly meetings where an overview of the achieved and in progress activities are presented and if applicable legislative updates are discussed. These records served as a key communication mechanism, ensuring that sustainability-related topics were brought to the attention of the administrative and supervisory bodies. This process supported the alignment of strategic decisions and corporate policies with sustainability objectives, reinforcing the Group’s commitment to responsible business conduct and its awareness of the social and environmental impacts of its operations.

In addition, during the same financial year, Morliny Foods’ management adopted a more proactive role in sustainability governance by initiating the double materiality analysis that underpins the Group’s sustainability reporting. This development reflects increased involvement from management in evaluating and approving disclosures related to social responsibility and environmental impact. All decisions and resolutions discussed and approved by the Board of Directors are formally documented and enacted through signed decisions, ensuring consistent implementation across all entities within the Group. This structured and rigorous approach demonstrates the Group’s commitment to embedding sustainability into its governance framework and operational practices.

During the financial year 2025, the Group developed a comprehensive list of actual and potential key ESG impacts, risks, and opportunities as part of the double materiality analysis.

This list serves as a foundation for ongoing monitoring and strategic planning related to sustainability governance. The list of the material impacts, risks and opportunities has been reviewed by the management and the Board of Directors. In 2025, Morliny Foods presented quarterly updates on ESG topics during board meetings to strengthen the integration of impacts, risks and opportunities and strategic processes. Similarly detailed targets and objectives were set during the reporting year 2025. This approach will help align the Group’s efforts with the ESRs and expectations for sustainability and governance.

Integration of sustainability-related performance in incentive schemes

GOV-3

In 2025, Morliny Foods has integrated sustainability-related performance into its incentive schemes at the leadership level, with the country manager having one sustainability-related KPI included in their performance assessment. The Group’s leadership remuneration policy is based on an MBO type system comprising of several objectives from financial to growth, social and sustainability areas.

Description of the due diligence on sustainability matters

GOV-4

Morliny Foods takes all relevant sustainability matters into account when shaping its overall strategic direction. This overarching approach is further supported by dedicated strategies covering climate action, environmental protection, and people-related topics. The table below outlines how Morliny Foods incorporates the key components of due diligence and indicates where each element is addressed within this Sustainability Statement.

The following table shows how and where the application of the main aspects and steps of the due diligence process are reflected in the sustainability statement:

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2, ESRS 2 SBM-2, ESRS 2 IRO-1, ESRS 2 GOV-3, EI-2, E2-1, E3-1, E4-2, E5-1, S1-1, S2-1, S3-1, S4-1, G1-1, G1-3, G1-4

Core elements of due diligence	Paragraphs in the sustainability statement
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1, E1 IRO-1, E2 IRO-1, E3 IRO-1, E4 IRO-1, E5 IRO-1, ESRS 2 SBM-3, E1 SBM-3, E4 SBM-3, S1 SBM-3, S2 SBM-3, S4 SBM-3, G1 IRO-1
d) Taking actions to address those adverse impacts	E1-3, E2-2, E4-3, S1-4, S2-4, S4-4
e) Tracking the effectiveness of these efforts and communicating	E1-4, E2-3, E4-4, S1-5, S2-5, S4-5

Risk management and internal controls over sustainability reporting

GOV-5

The Group utilizes internal audits as a critical component in understanding and managing sustainability-related risks. Although the process has not yet been formalized, these audits provide insights into potential internal sustainability risks. The data and findings from these audits are integrated into the Group’s internal controls, enhancing risk management strategies and informing decision-making processes. Furthermore, the risks presented in Morliny Foods’ chapter – Managing impacts, risks and opportunities and which are repeated at the level of each significant topic and sub-topic are the result of the double materiality analysis, according to the ESRS.

Strategy

Strategy, business model and value chain

SBM-1

Morliny Foods’ strategy integrates sustainability across its vertically integrated business model, which spans feed sourcing and livestock farming, veterinary and biosecurity management, harvesting and primary processing, secondary processing and packaging, distribution and logistics, and research, development, and product innovation. This integrated structure enables the Group to maintain direct oversight of environmental, social, and governance practices at each stage of the value chain. It supports sustainable grain sourcing, animal welfare management, energy efficiency improvements, and rigorous food safety and traceability controls. Through this model, the Group manages sustainability risks both upstream (e.g., farming practices, feed sourcing, supplier ESG performance) and downstream (e.g., product quality, labelling accuracy, and consumer communication).

In the fresh and processed meat segments, Morliny Foods engages long term contracted suppliers governed by defined quality, animal welfare, and ESG criteria to ensure consistent product standards and transparency across all markets.

The Group’s strategic direction is guided by six sustainability related focus areas:

- Climate and environmental responsibility – reducing greenhouse gas emissions per ton of product, improving energy and water efficiency, and advancing circular use of by-products.
- Responsible sourcing and deforestation-free supply chains – ensuring traceable, compliant raw materials, with a particular focus on feed ingredients.
- Animal welfare and ethical farming – applying high welfare standards in the Group’s own operations and with contract farmers, aligned with EU rules and the “five freedoms” of animals.
- Safe, nutritious, high-quality products – maintaining robust food safety systems, full traceability and transparent product information.
- People and communities – providing safe and fair workplaces and contributing to education, social support and local economic development in regions where the Group operates.
- Transparency and compliance – aligning sustainability reporting with CSRD and ESRS and building a culture where responsibilities are clear and performance is measured and shared.

These priorities are embedded into capital allocation, operational planning, supply chain management, and risk oversight processes. They are aligned with EU sustainability legislation, including the ESRS framework, and reflect evolving consumer and retailer expectations for safety, quality, and responsible production.

The Group’s ESG strategy, formally approved by the Board of Directors at the end of 2025, is based on the outcomes of its double materiality assessment. This assessment identifies the most significant impacts, risks, and opportunities across climate, water, biodiversity, circular economy, workforce (both own workforce and value chain), communities, consumers, and governance. These findings directly shape strategic priorities, policies, actions, and targets, ensuring that material sustainability matters inform operational planning, investment decisions, and long term transformation pathways. Stakeholder interests, including those of employees, suppliers, local communities, consumers, and regulators, are incorporated through established policies, compliance systems, supplier engagement programmes, certification schemes, and structured community initiatives. Together, these strategic elements demonstrate how the Group’s business model is exposed to, and actively manages, sustainability related impacts, risks, and opportunities across the full value chain.

The Group’s strategy aims to progressively decarbonise operations, improve resource efficiency, strengthen ESG oversight in the supply chain, and promote responsible consumption behaviours, while maintaining competitiveness in a highly price sensitive European protein market. During 2025, the Group increased its focus on regional distribution models, strengthened local sourcing strategies, and enhanced market specific operational structures, particularly in the UK and Central Europe. This regionalised approach supports reduced logistics complexity and associated emissions, increased responsiveness to consumer preferences, stronger relationships with domestic retailers and suppliers, and more effective compliance within EU and UK regulatory frameworks.

Key financial and operating figures

Morliny Foods operated 106 assets, including farms, harvesting and meat processing facilities. Morliny Foods’ diversity of products and brand history, combined with its broad geographical reach, allows the Group to combine local traditions and consumer preferences with a European scale of operations.

Given its footprint in the significant Agriculture sector, Morliny Foods recognises the material role of agricultural practices, livestock supply, land use, and biodiversity in shaping long-term business resilience. In 2025, Morliny Foods achieved revenues of \$4.4 billion, making the Group one of the largest meat groups in Europe. The scale of Morliny Foods’

operations is unique in Europe. Managing around 6 million pigs and 170 million chickens, and over 419,000 tons of packaged products each year means taking responsibility for one of the largest and most complex protein value chains on the continent, capable of ensuring stable supplies, developing innovative products, and fulfilling ambitious ESG commitments. The scale of its operations makes Morliny Foods one of the most important players on the European meat products market, capable of ensuring stable supplies, developing innovative products, and fulfilling ambitious ESG commitments. Behind these results are, first and foremost, people.

As of the reporting period, Morliny Foods has a total of 18,725 own employees across its operations. Poland had the largest workforce with 10,722 employees, followed by Romania with 4,871 employees and Spain with 1,618 employees. Slovakia employed 1,157 employees, while Hungary had a workforce of 311 employees. The United Kingdom had the smallest headcount, with 46 employees. No employees were reported in the “other” or “not reported” gender categories in any country. Employees are the foundation of the organization that combines local traditions with an international scale of operations. At Morliny Foods, the vertically integrated business model connects every stage of production, from crop cultivation to finished products, ensuring full traceability, operational resilience and responsible resource management across Europe.

Significant Products, Markets and Customer Groups

Morliny Foods offers a broad and diversified portfolio of pork and poultry products, including fresh meat cuts, sausages and hot dogs, cooked and cured meats, canned meat products, convenience and ready to eat foods, and selected pet food products in Poland. These products are distributed across domestic and international markets through major retail chains, food service and HORECA channels, industrial clients, and selected direct to consumer formats.



Market Positioning by Geography

As a European subsidiary of WH Group, Morlino Foods produce pork and poultry products across several countries, with a significant operational footprint in Poland, Romania, Slovakia, Hungary, Spain, the UK, and France.

- **Poland:** Morlino Foods focuses on branded and private label pork and poultry products, both fresh and processed, supported by growing export capabilities and an expanding pet food segment following the acquisition of Pupil Foods.

- **Romania:** The Group emphasises locally sourced pork through vertically integrated farming operations, complemented by a strong retail presence across fresh meat (Comtim) and processed products (Elit and Goodies).

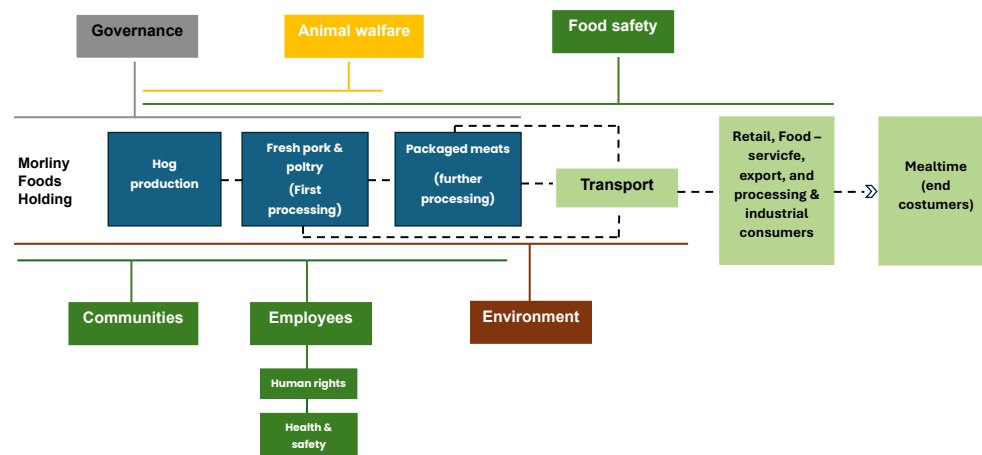
- **Slovakia and Hungary:** The Group maintains its core processed meat portfolio, supported by operational efficiency improvements and sustainability driven optimisation.

- **Spain and France:** The Group produces charcuterie and premium cold cuts, with expanded international distribution and ongoing innovation in packaging and resource efficiency.

- **UK:** The Group serves these markets through tailored distribution strategies and product adaptations aligned with local consumer preferences and retailer requirements.

Description of business model and value chain

The diagram illustrates the major components of Morlino Foods' business and the stages of the Group's value chain in which key topics arise.



Morlino Foods operates an integrated value chain across the UK, Romania, Poland, Slovakia and Spain, covering agricultural inputs, livestock production, processing, logistics and sales. The degree of vertical integration differs by country.

Upstream, Romania, Poland include cultivation of grains and oilseeds, limited land leasing, basic crop management and operation of feed mills that supply a portion of livestock feeding needs. These activities are complemented by procurement of piglets, poultry, live animals for slaughter, veterinary inputs, packaging and equipment. In the UK, Spain and Slovakia, upstream activity is largely supplier-based, focused on purchasing meat, spices, feed ingredients, packaging and finished goods from Group entities or third parties. Transport and inbound logistics move feed, raw materials and animals to production sites.

Own operations reflect the varying degree of vertical integration within the Group. At farm level, Romania, Poland operate owned and contract farms under defined animal-welfare protocols, veterinary oversight, biosecurity controls and antibiotic-use management. In the UK, Spain and Slovakia, meat or livestock is sourced externally from approved suppliers.

These arrangements are intended to manage animal-health risks, including African swine fever (ASF), and to support supply continuity. Processing activities reflect the varying degrees of integration across the Group. For example, Romania, Poland and parts of Spain include slaughtering, deboning and processing of fresh, cooked, cured, semi-dry and convenience products, alongside supporting functions such as wastewater treatment, by-product processing, rendering and, in some locations, biogas generation from organic residues. In the UK, Slovakia, main part of Spanish operations and at Elit in Romania, operations focus on deboning, processing, packaging, cold storage, quality assurance and facility management. Food-safety and quality systems are implemented in line with recognised schemes (e.g., IFS, BRCGS, ISO 22000), subject to site-level scope. By-products are recovered and processed into materials such as pet-food ingredients, proteins and fats. Rendering and other recovery steps are used to reduce organic waste and increase material utilisation. Where installed, biogas facilities recover energy from organic streams.

Downstream, the Group manages packaging, storage, cold-chain logistics and distribution across retail, wholesale, food-service and export channels. Romania Elit and Spain operate distribution hubs, warehouses and partially in-house fleets; the UK, Poland, Romania Comtim and Slovakia rely more on external transport partners and retailer networks. Sales, marketing and customer service are conducted locally. Consumer product use and the disposal or recycling of packaging follow similar patterns across markets, subject to local systems and regulations.

Overall, the Group’s value chain follows a unified upstream–operations–downstream structure, with differences driven primarily by the degree of vertical integration, availability of feed and livestock operations, and the range of processing capabilities present in each country. During the reporting period, there were no major changes to the Group’s products, services, or markets. There are no products or services that are banned in certain markets. Morliny Foods is not active in the fossil fuel industry, controversial weapons sector or tobacco products.

Interests and views of stakeholders

SBM-2

Stakeholders are legal or natural persons who may be significantly affected by the Group’s activities, products, or services, or whose actions may influence Morliny Foods’ ability to implement its strategies or achieve its objectives. These may include individuals or entities with influence or interest in the Group, regardless of whether they have a direct relationship with it.

In the 2025 financial year, Morliny Foods conducted a structured process to identify and prioritise stakeholder groups. This process involved evaluating each group based on two dimensions: their level of interest in the organisation and their influence on it. A scoring system (1 to 10) was used by members of the sustainability working group to support this assessment. The resulting stakeholder map guides the Group’s communication priorities and preferred engagement methods. The following stakeholder categories were identified and prioritised:



Stakeholder Expectations of Morliny Foods

Customers: Customers expect high-quality food products that meet safety and labeling standards. They value transparency in sourcing, ethical practices in production, and compliance with food safety regulations. Non-discrimination and respect for consumer rights are essential.

Employees: Employees expect fair compensation, recognition based on performance, and a safe, inclusive work environment. They also expect Morliny Foods to uphold environmental and social commitments in all supplier and contractor agreements. The company encourages open communication through a Speak-Up Policy, allowing employees and collaborators to report concerns in good faith without fear of retaliation.

Top Management: Management expects the company to grow sustainably, aligning with strategic goals and ESG (Environmental, Social, Governance) principles. They are responsible for steering the company toward innovation, compliance, and stakeholder satisfaction.

Suppliers: Suppliers expect Morliny Foods to honor contractual terms, including timely payments and ethical sourcing standards. Long-term partnerships are built on trust, transparency, and shared sustainability goals.

Mass-Media: Media outlets expect Morliny Foods to maintain integrity in its communications and operations, especially regarding food safety, corporate responsibility, and community engagement.

Local Communities: Local communities expect Morliny Foods to contribute positively to the region through employment, responsible environmental practices, and community support initiatives. Transparent communication and local engagement are key.

NGOs (Environmental/Social): NGOs expect Morliny Foods to comply with environmental and social regulations, minimize its ecological footprint, and support initiatives that protect human, animal, and environmental welfare.

Industry Associations: These partners expect Morliny Foods to actively participate in industry-wide initiatives, uphold standards, and contribute to the development of sustainable food practices.

Shareholders: Shareholders expect Morliny Foods to achieve financial growth while integrating ESG principles into its operations. Transparency, profitability, and long-term value creation are central.

Banks and Financial Entities: Financial partners expect Morliny Foods to meet contractual obligations, maintain financial stability, and manage risks responsibly.

Local Public Authorities: Authorities expect compliance with local laws, food safety standards, labor regulations, and environmental policies. Collaboration on community development and public health is also valued.

Morliny Foods engages with internal and external stakeholders to understand and manage the actual or potential impacts of its activities. In the 2025 financial year, these stakeholder groups were consulted during the double materiality assessment. Their input contributed to identifying material topics for the sustainability statement and informed decisions related to product development, technology investments, employee communication, training, and operational processes.

The Group maintains regular communication with shareholders. Beyond formal meetings, Morliny Foods shares periodic updates through newsletters, quarterly performance presentations, and dedicated events. These channels allow shareholders to offer feedback on financial performance, strategic direction, and sustainability matters, which is considered in planning and decision-making.

To support its sustainability efforts, Morliny Foods works with an external ESG consultant who advises the management team. The consultant provides support in areas such as sustainability reporting, identifying gaps in existing policies and procedures, and developing ESG-related actions and measurable targets. This collaboration helps the company address regulatory requirements and stakeholder concerns. The consultant’s role is advisory, focused on helping the company improve its ESG practices through practical and realistic planning.

Material impacts, risks and opportunities and their interaction with the strategy and business model

SBM-3

Morliny Foods Group applies a structured Enterprise Risk Management (ERM) framework annually, aligned with its parent company and ESRS obligations. This process covers all operational segments across its European operations, including farms, slaughterhouses, meat processing facilities, and logistics operations. Risks are identified through cross-functional workshops involving site-level teams, production managers, veterinary and compliance leads, legal advisors, and HR stakeholders. Each risk is assessed using a standardized matrix that scores probability and impact on a scale from 1 to 5 and is then plotted on a heatmap to prioritize mitigation efforts.

The material risks identified through this process span operational, financial, compliance, reputational, human resources, technological, and environmental domains. Key operational risks include food safety, employee safety, and animal welfare, with the latter two ranked as very high due to their potential to cause reputational damage and disrupt operations. Financial risks such as commodity price volatility and liquidity are actively managed through long-term supplier contracts and quarterly market scenario planning. Compliance risks, including GDPR and environmental regulations, are addressed through internal protocols, training programs, and oversight by the legal and ESG governance teams. Reputational risks, particularly those related to media exposure and public perception, are mitigated through crisis communication protocols and stakeholder engagement strategies. Human resources risks, including staffing challenges and leadership development, are managed through succession planning, labor KPIs, and grievance mechanisms. Technology and cybersecurity risks are addressed through multi-factor authentication, penetration testing, and group-wide awareness training. Environmental risks related to water usage, emissions, and waste are managed through IPPC permits, internal wastewater treatment systems, and circularity initiatives such as the use of rendering by-products.

These risks and opportunities directly influence Morliny Foods’ strategic planning and resource

allocation. ESG trends are integrated into annual strategy reviews, and investment decisions are informed by the ERM heatmap and risk prioritization. The Group’s financial position is affected by high-risk areas such as commodity pricing and cybersecurity, while long-term opportunities lie in ESG-aligned innovation, premium product development, and enhanced stakeholder trust. The resilience of Morliny Foods’ strategy is supported by its governance structures, including annual risk reviews and oversight by the Group Executive Risk Committee. Compared to the previous reporting period, the group has implemented several strategic changes, including the finalization of anti-corruption and AML policies, expansion of animal welfare protocols across all farms, and modernization of IT systems. These actions reflect the Group’s commitment to proactively managing material risks and adapting its business model to meet evolving stakeholder expectations and regulatory requirements.

Most of the identified risks and opportunities are addressed through topical ESRS standards, while additional entity-specific disclosures cover regional disease protocols (e.g., ASF), labor law litigation risks, and country-specific compliance efforts. This integrated approach ensures that Morliny Foods remains resilient, responsive, and aligned with its sustainability objectives. Morliny Foods approaches risk management and compliance systematically, effectively implementing governance based on integrity and legal compliance. The Group continuously improves its corporate governance practices, both individually and at the level of its owned companies, to align with industry best practices and the Group’s needs. For financial year 2025, ESG impacts, risks and opportunities were also identified and assessed as part of the double materiality assessment within internal workshops with Morliny Foods’ management, top management interviews, external consultation and consultation with other relevant sources, such as consulting specialist literature and peer reporting. The link between the identified impacts and the associated risks and opportunities are presented for each topic, sub-topic and sub-sub-topic according to the ESRS, however, a detailed quantification of the anticipated financial effects in monetary terms has not been carried out.

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1

Double materiality assessment

A sustainability topic is material if it generates or is likely to trigger a substantial financial effect on Morliny Foods. This is when it gives rise to or may give rise to risks or opportunities that have a material influence (or can reasonably be expected to have a material influence) on the Group’s cash flows, development, performance, position, cost of capital or access to finance, in the reporting year or in the short, medium or long term.

To align with the ESRS, Morliny Foods conducted a double materiality assessment to identify the most relevant material topics to the Group. Those identified as material have been addressed in this sustainability report for the financial year 2025. All Group entities participated in this assessment. Furthermore, the double materiality assessment has been conducted with a comprehensive perspective that includes all Morliny Foods’ facilities and geographic locations. It aligns with both the sustainability and financial statements to ensure consistency.

Making an objective assessment of materiality is central to sustainability reporting, which must include relevant and truthful information about all impacts, risks, and opportunities on ESG issues determined to be significant from the perspective of materiality of impact or the perspective of financial materiality, or from both perspectives.

A subject is material if it meets the defined criteria for impact materiality OR financial materiality OR both.

The assessment is not limited to Morliny Foods’ own operations, as it also includes the upstream and downstream value chain. Once an impact, risk or opportunity has been identified as significant, Morliny Foods:

- refers to the requirements in the related ESRS to identify the relevant information to be considered for the disclosure in question or

- when the impact, risk or opportunity is not covered or insufficiently covered by the ESRS, prepare a relevant presentation specific to the entity.

Relevance is the criteria that support the identification of information to be disclosed. Relevance is based on:

- the significance of the information in relation to the problem it describes or
- its decision-making utility.

By considering every aspect of Morliny Foods’ operations including within its upstream and downstream value chain, the assessment results are tailored to reflect the unique characteristics of each location and activity. This approach takes into account all significant impacts, risks, and opportunities. Materiality assessment was conducted through a comprehensive process that aims to identify, assess, prioritize and monitor both potential and actual impacts on people and the environment, as well as risks and opportunities that may in turn have a financial effect on the company.

Materiality was evaluated from both impact and financial perspectives. Impact materiality, considering actual and/or potential negative impacts over short-, medium- or long-term time horizons and based on scale, scope, and irremediable character of the impact. Positive impacts, whether actual or potential, were evaluated based on time horizons, scale, scope, and likelihood. In calculating the final score, the Group calculated an average of all these aspects, considering the input of internal workshops and external consultation results. Financial effect considers actual and/or potential risks and opportunities across short-, medium-, or long-term horizons, using the likelihood of occurrence and the potential size of financial effects criteria. In calculating the final score, the Group calculated an average of all these aspects, considering the input of internal workshops and external consultation results.

To meet ESRS standards, Morliny Foods’ materiality assessment consisted of a structured process, which involved an initial analysis of industry peers and standards to identify relevant sustainability matters. This benchmarking exercise provided critical insights into the prevailing practices within similar industries, establishing a foundation for understanding what is considered material not solely for Morliny Foods’ operations but also across the broader value chain.



This was followed by an internal workshop with representatives from Morliny Foods management and external consultants to examine environmental, social, and governmental topics. It was considered that the representatives of the Group possessed comprehensive knowledge and substantial expertise concerning both business operations and legal requirements in each country. Including detailed knowledge of the facilities located in Romania, Spain, Poland, Czech Republic, Hungary, and the Slovak Republic. All topics down to sub-sub-topic level were included and assessed in the workshop with Morliny Foods' management, while the outcome and results from the industry peers and standards analysis was taken into consideration by management throughout the workshop. Consultations were held with external stakeholders to derive insights pertinent to the assessment process according to ESRS requirements. Stakeholders were invited via survey links to provide insights on the materiality of various material topics aligned with ESRS and the double materiality assessment procedure. This survey aimed to gauge stakeholders' perspectives on the positive and negative impacts of Morliny Foods' activities. Notably, employees were included to ensure their viewpoints were integrated into the assessment. Stakeholders were asked to evaluate the actual or potential impact of the Group's activities on the relevant ESRS topics. 'Impact' refers to the effect that the Group or company has, or could have, on the environment and people, including effects on their human rights.

This includes impacts connected with its own operations and its upstream and downstream value chains, through its products and services, as well as its business relationships. Interviews with top management representatives of Morliny Foods were also conducted to gather qualitative and quantitative insights on ROs. The internal workshop conducted with the management team identified key topics, which were further examined by top management through interviews to highlight financial risks and opportunities relevant to the organization's goals. These insights from top management allowed for a top-level perspective of financial effects on Morliny Foods. Finally, a calibration meeting with Morliny Foods management to discuss final scoring of each topic was conducted. Specific thresholds were established to guide this assessment, with management adjusting the impact materiality score to 2.5 and financial effect to 2.3. These thresholds ensure comprehensive coverage of topics critical to Morliny Foods and its value chain.

The results of the consultation and interviews are analyzed based on the final score of each material topic and summarized in the double materiality section. In the table below the topics, sub-topics and sub-sub-topics that will not be addressed in the 2025 Sustainability Report are presented, as well as a brief description as to why they are not material to Morliny Foods.



Topic	Reason for outcome as not material to MORLINY FOODS Group
ENVIRONMENT	
ESRS E2 – Pollution	
Pollution of air	Morliny Foods' activities do not directly contribute to significant air pollution
Pollution of water	There are no major water pollution risks within Morliny Foods' own operations or its supply chain.
Pollution of soil	Morliny Foods' facilities are not located in areas where soil contamination is a concern. Within the value chain as Morliny Foods relies on livestock operations, soil pollution does not directly impact the quality or sourcing of meat.
Pollution of living organisms and food resources	Not applicable – the activity does not affect crops or other food sources
Substances of concern	The Group has strong supplier agreements and audit processes that ensure the quality and safety of raw materials making this topic not material to Morliny Foods.
Substances of very high concern	Not relevant in regard to Morliny Foods' activities or within its value chain.
Microplastics	Not relevant in regard to Morliny Foods' activities or within its value chain.
ESRS E3 – Water and Marine Resources	
Marine resources	
Water discharges in the oceans	Not relevant in regard to Morliny Foods' activities or within its value chain.
Extraction and use of marine resources	Not relevant in regard to Morliny Foods' activities or within its value chain.
ESRS E4 – Biodiversity and ecosystems	
Direct impact drivers of biodiversity loss	
Climate Change	Not applicable – The impacts of climate change as a direct driver of biodiversity loss are not deemed material for Morliny Foods, as these will be comprehensively addressed within the broader climate change topic, focusing on adaptation, mitigation, and energy.
Direct exploitation	Not relevant in regard to Morliny Foods' activities or within its value chain.
Invasive alien species	Not relevant in regard to Morliny Foods' activities or within its value chain.
Pollution	At Morliny Foods' locations the production and waste management processes are well-contained and designed to minimize environmental emissions, the direct impact on local biodiversity is negligible.
Others	Not relevant in regard to Morliny Foods' activities or within its value chain.

Topic	Reason for outcome as not material to MORLINY FOODS Group
Impacts on the state of species	
Species population size	Not applicable – The physical footprint of Morliny Foods' operations, within agricultural and industrial zones, do not intersect significantly with habitats critical for maintaining wild species populations. This operational context limits direct interaction with natural ecosystems that support diverse species.
Species global extinction risk	Not relevant in regard to Morliny's activities or within its value chain.
Impacts on the extent and condition of ecosystems	
Land degradation	Not applicable – Morliny Foods' core operations focus on meat production, which is carried out within existing agricultural settings and industrial zones that are already designated for such activities and do not result in significant land degradation. This is applicable also within its value chain.
Desertification	Not relevant in regard to Morliny Foods' activities or within its value chain.
Soil sealing	Not applicable – Meat production primarily involves animal husbandry and processing, activities that generally occur within existing agricultural or industrial facilities rather than requiring extensive new construction or land development that leads to soil sealing.
Impacts and dependencies on ecosystem services	Not relevant in regard to Morliny Foods' activities or within its value chain.
ESRS E5 – Resource use and circular economy	
Resource outflows related to products and services	Not applicable – Given Morliny Foods' innovative waste management practices specifically suited to its industry, such as converting waste into energy or byproducts, thereby reducing resource outflows in a manner consistent with circular economy principles. These practices will be described under the 'waste' topic.
SOCIAL	
ESRS S1 – Own workforce	
Other work-related rights	
Child labour	Not applicable – Europe has strong labor laws and enforcement mechanisms that strictly prohibit child labour. These regulations provide a robust framework to prevent such practices, making it less likely for companies operating within these jurisdictions, like those within the Morliny Foods Group, to encounter child labour in their own operations.
Forced labour	Not applicable – Europe has strong labor laws and enforcement mechanisms that strictly prohibit forced labor. These regulations provide a robust framework to prevent such practices, making it less likely for companies operating within these jurisdictions, like those within the Morliny Foods Group, to encounter forced labor in their own operations.

Topic	Reason for outcome as not material to MORLINY FOODS Group
Adequate housing	Not applicable – MORLINY FOODS' operations are situated in locations where adequate housing is generally available.
Privacy	The risk exposure of employee privacy breaches is low as Morliny Foods processes limited personal data and takes proactive risk management measures.
ESRS S2 – Workers in the value chain	
Working conditions	
Secure employment	For Morliny Foods, direct influence over the daily practices of suppliers, especially those located further upstream in the supply chain, is limited.
Working time	
Adequate wages	
Social dialogue	
Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	
Collective bargaining, including rate of workers covered by collective agreements	
Work-life balance	
Equal treatment and opportunities for all	
Gender equality and equal pay for work of equal value	For Morliny Foods, direct influence over the daily practices of suppliers, especially those located further upstream in the supply chain, is limited.
Training and skills development	
Employment and inclusion of persons with disabilities	
Diversity	
Other work-related rights	
Child labour	Not applicable – Europe has strong labor laws and enforcement mechanisms that strictly prohibit child labour. These regulations provide a robust framework to prevent such practices, making it less likely for companies operating within these jurisdictions, like those within the Morliny Foods Group, to encounter child labour in their value chains.

Topic	Reason for outcome as not material to MORLINY FOODS Group
Forced labour	Not applicable – Europe has strong labor laws and enforcement mechanisms that strictly prohibit forced labor. These regulations provide a robust framework to prevent such practices, making it less likely for companies operating within these jurisdictions, like those within the Morliny Foods Group, to encounter forced labor in their value chains.
Adequate housing	Not applicable – Employees in Morliny Foods’ value chain are engaged in roles directly related to production and logistics rather than roles that impact residential development or housing conditions. Therefore, housing issues are not an immediate work-related right concern within its operations.
Water and sanitation	Not relevant in regard to Morliny Foods’ activities or within its value chain.
Privacy	Given Morliny Foods’ main activities, the focus is more on product quality and safety rather than on the handling of personal data. The Group does not have access to large amounts or sensitive data of workers within its value chain.
ESRS S3 – Affected communities	
Communities’ economic, social and cultural rights	
Adequate housing	Not applicable – Not material in regard to Morliny Foods’ activities. As a Group operating in meat production, Morliny Foods’ activities primarily involve processes such as animal husbandry, meat processing, and distribution. These activities do not intersect directly with housing issues unlike other industries.
Water and sanitation	Not applicable – The European Union has comprehensive regulations governing water and sanitation, ensuring high standards for both the environment and community welfare. Other water related topics are material (water consumption, water withdrawals and water discharges) to Morliny Foods as they are more directly relevant to its business model and stakeholder interests.
Land-related impacts	Not applicable – not material to the activity – Morliny Foods’ operations are primarily based in Europe, where land-related impacts are less significant due to stringent regulations and established agricultural practices.
Communities’ civil and political rights	
Freedom of expression	As a Group focused on meat processing and transportation, Morliny Foods concentrates on operational efficiency and product quality, with less direct engagement in issues concerning freedom of expression.

Topic	Reason for outcome as not material to MORLINY FOODS Group
Freedom of assembly	Given its main activities, Morliny Foods’ operations do not involve or disrupt community assembly rights directly, presenting limited risk or controversy in this area.
Impacts on human rights defenders	Not relevant in regard to Morliny’s activities or within its value chain.
Particular rights of indigenous communities	
Free, prior and informed consent	Not applicable – not material to the activity. There are no indigenous populations in where the Group carries out its activities.
Self-determination	Not relevant in regard to Morliny Foods’ activities or within its value chain.
Cultural rights	Not relevant in regard to Morliny Foods’ activities or within its value chain.
ESRS S4 – Consumers and end-users	
Personal safety of consumers and/or end users	
Security of a person	Not relevant in regard to Morliny Foods’ activities or within its value chain.
Protection of children	Not relevant in regard to Morliny Foods’ activities or within its value chain.
Social inclusion of consumers and/or end-users	
Non-discrimination	Not applicable – not material to the activity as there is no discrimination on end users in regard to Morliny Foods’ products.
Access to products and services	Not applicable – not material to the activity as all consumers and end users have access to Morliny Foods’ products.
CORPORATE GOVERNANCE	
ESRS G1 – Business Conduct	
Political influence	Not applicable as Morliny Foods has no political interests

Material impacts, risks and opportunities and their interaction with strategy and business model

The Group conducted a double materiality assessment in order to identify the material impacts, risks, and opportunities. The following table shows the summarized results:

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
ESRS E1 Climate change	– Climate change adaptation		<p>1. Climate change for animal husbandry and livestock production means changes in feed quality, water availability, changes in animal production, livestock diseases, impacts on animal reproduction, and changes in biodiversity. Insufficient implementation of adaptation measures against climate change can lead to changes in the supply chain and the quality of input materials.</p> <p>2. Summer temperatures are rising, sometimes reaching 40°C, requiring companies to adapt with improved cooling technologies. Traditional refrigerants like Freon are less efficient in extreme heat and face stricter regulations, increasing costs. Adaptation must focus on more efficient, climate-resilient systems.</p> <p>3. High ambient temperatures increase the risk of heat stress in livestock, which can adversely affect animal welfare, growth rates, and overall productivity. Prolonged exposure to extreme heat may lead to increased mortality rates and disruptions in breeding and rearing processes, particularly in intensive farming systems.</p>	<p>Type of Impact: Negative Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: Own Operations</p>
			<p>1. Animal husbandry results in significant methane production, which is a greenhouse gas with a much higher Global Warming Potential (GWP) than CO₂.</p> <p>2. While Morliny has implemented measures to address greenhouse gas emissions, such as adopting Best Available Techniques (BAT) and calculating its carbon footprint (Scope 1 and 2), these actions are focused on mitigating existing environmental impacts. The company's investments in energy efficiency have reduced energy consumption and emissions, yet they remain part of a broader effort to counteract the negative effects of its operations on the climate.</p> <p>3. Impact arising from the use of high-carbon raw materials, which lead to significant Scope 3 emissions during their production process. Within Morliny's value chain the primary source of high carbon footprint in Scope 3 emissions is livestock farms, from which Morliny source animals for meat production and processing.</p>	<p>Type of Impact: Negative Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: (1,2) Own Operations; (3) Upstream</p>
				<p>1. Morliny has installed PV at facilities in Spain, Slovakia, Poland, and Romania. This helps reduce the use of grid electricity and cuts down on carbon emissions. However, it's important to acknowledge that Morliny still has a carbon footprint from its operations. Ongoing efforts will be needed to further decrease emissions and address environmental impacts.</p> <p>2. Even though Morliny has implemented measures like enhancing energy efficiency through facility renovations and improved insulation of production halls, which reduce energy consumption and lower greenhouse gas emissions, there remains a negative impact from daily operations. Energy use during routine activities continues to contribute to environmental degradation, highlighting the need for ongoing efforts to mitigate operational emissions fully.</p>
ESRS E3 Water and marine resources	– Water	Water consumption	1. If the rendering and blood processing facilities require significant water for operations (e.g., cleaning, cooling, processing), this could place pressure on local water supplies. Excessive consumption could impact the surrounding community's access to water for agricultural or domestic needs.	<p>Type of Impact: Negative Actual/Potential: Potential Time horizon: Medium-term and Long-term Localisation: Own Operations</p>
		Water withdrawals	1. Meat processing and feed mills are water-intensive. High withdrawal levels can affect local water availability, impacting ecosystems and communities reliant on these resources. Efficient water use and management methods are crucial to minimize this impact.	
		Water discharges	1. The discharge of wastewater from rendering operations could potentially contaminate local water bodies if not properly treated. Residual fats, proteins, and chemicals from the process could harm aquatic ecosystems and degrade water quality, impacting biodiversity and possibly violating environmental regulations.	

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
ESRS E4 Biodiversity and ecosystems	– Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change	1. The change in land use caused by the expansion of breeding areas and areas designated for fodder cultivation represents a negative impact.	Type of Impact: Negative Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: Own Operations
ESRS E5 Resource use and circular economy	– Resources inflows, including resource use		1. The integration of on-site rendering facilities enables Morliny Foods to utilize animal by-products directly at the source, significantly reducing the need for external handling and transportation. This efficient use of raw materials minimizes losses and optimizes input resource use, contributing to a more sustainable production cycle.	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: Own Operations
			2. Despite the measures applied by Morliny, the intensive nature of meat processing often requires significant resource inflow, such as water, energy, and feed, which can strain natural resources and lead to environmental degradation. This high resource demand contributes to waste generation and pollution, and can hinder the full implementation of circular economy practices.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Medium-term and Long-term Localisation: Own Operations
	– Waste		1. Failing to adhere to waste management best practices and keep up with legal requirements, can result in adverse environmental consequences, including pollution of natural resources, degradation of ecosystems, and harm to local communities.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Medium-term and Long-term Localisation: Own Operations
2. By repurposing manure (slurry) as organic fertilizer, the company effectively transforms agricultural waste into a valuable resource, reducing the volume of waste that would otherwise require disposal. This approach supports waste minimization, promotes circular resource use, and decreases dependence on synthetic inputs.			Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: Own Operations	
3. By repurposing animal waste as raw material, the company significantly reduces its environmental footprint. This practice minimizes waste sent to landfills and decreases pollution, contributing to cleaner natural environments and better conservation of ecosystems.			Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term Medium-term and Long-term Localisation: Own Operations	
ESRS S1. Own workforce	– Working conditions	Secure employment	1. While Morliny has a code of conduct in place, a lack of truly secure employment conditions can lead to job insecurity, adversely affecting employee morale and productivity. 2. Entities within the Group such as those in Poland and Romania prioritize employment security by offering a substantial number of permanent contracts over fixed-term ones, thereby promoting long-term workforce stability. The company provides comprehensive social security coverage, and the long tenure of many employees highlights a stable and loyal workforce. These efforts enhance social protection and significantly improve employee retention.	Type of Impact: (1) Negative; (2) Positive Actual/Potential: (1) Potential; (2) Actual Time horizon: (1) Medium-term Long-term; (2) Short-term, Medium-term Long-term Localisation: Own Operations

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
		Working time	<p>1. Long-term overtime work can potentially affect the physical and mental health of employees. Overtime work occurs more frequently during certain seasons.</p> <p>2. Despite the challenges, entities within the Group such as Animex Foods in Poland demonstrates responsible employment practices in terms of working time. Employees are offered hybrid and flexible work options when the nature of work allows it, further enhancing flexibility and employee well-being.</p>	<p>Type of Impact: (1) Negative; (2) Positive Actual/Potential: (1) Potential; (2) Actual Time horizon: (1) Medium-term Long-term; (2) Short-term, Medium-term Long-term Localisation: Own Operations</p>
		Adequate wages	<p>1. Despite offering higher salaries compared to regional competitors and providing a suite of financial bonuses and benefits such as Christmas bonuses, loyalty bonuses, risk allowances, and perks like company cars for private use, Morliny faces the challenge of maintaining competitive salary levels in all countries of operation. This disparity in competitiveness may lead to hiring difficulties, increased employee turnover, and potential reputational damage, threatening the sustainability of their workforce strategy.</p> <p>2. Animex Foods has implemented a structured and fair remuneration policy, aligned with market benchmarks. Base salaries are set within the range of 90% to 120% of the market median, ensuring both external competitiveness and internal equity. The goal of remuneration system is for it to be transparent and consistent across sites. Annual pay adjustments in factories are based on performance within skills matrices, including behavioral indicators. Job evaluation processes support fair pay differentiation in plants, and employees benefit from a comprehensive package of non-wage benefits, such as private medical care for employees and their families available for everyone.</p>	<p>Type of Impact: (1) Negative; (2) Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations</p>
		Social dialogue	<p>1. A lack of open, honest, and frequent communication between management and employees can lead to mistrust and opacity within the organization. Without regular meetings, surveys, and feedback mechanisms, employees may feel disconnected and undervalued. Additionally, failing to establish clear processes for addressing grievances and conflicts can result in unresolved issues, leading to workplace disruption, dissatisfaction, and heightened tensions among staff.</p>	<p>Type of Impact: Negative Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations</p>
		Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	<p>1. Morliny ensures that its own workforce is granted freedom of association, maintains effective work councils, and provides comprehensive information, consultation, and participation rights</p>	<p>Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations</p>
		Collective bargaining, including rate of workers covered by collective agreements	<p>1. If Morliny is not transparent with its employees regarding collective bargaining and the extent of coverage under collective agreements, it risks fostering mistrust and dissatisfaction among the workforce.</p>	<p>Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations</p>
		Work-life balance	<p>1. A lack of work-life balance in working conditions can lead to increased stress and burnout among employees, negatively impacting their mental and physical health.</p>	<p>Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations</p>

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
	– Equal treatment and opportunities for all	Health and safety	1. Maintained high standards of health and safety performance across operations, resulting in low workplace incident rates and promoting safe working conditions. However, this remains a potential negative impact area, as any lapse in maintaining these standards or discontinuation of regular training could lead to work-related health and safety incidents.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
		Gender equality and equal pay for work of equal value	1. Prioritizing equal opportunities and transparent pay practices ensures gender equality and fair compensation within the workforce. This commitment promotes the fair treatment of women and underrepresented groups, enhancing morale and supporting the company's sustainability goals.	Type of Impact: Positive Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
		Training and skills development	1. Morliny creates a safe and inclusive work environment across all European sites by ensuring 100% of employees received regular training covering key areas such as quality standards, workplace safety, animal welfare, and equality in the workplace. Continuous development fosters equal treatment and opportunities for all, while enhancing skills and knowledge across our workforce, delivering a positive impact to the Group.	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
		Employment and inclusion of persons with disabilities	1. Morliny supports and employs people with disabilities. Every employee must undergo an entry medical examination. For individuals with disabilities, it is determined which position within the company they can perform, or which position is suitable for the person.	Type of Impact: Positive Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
		Measures against violence and harassment in the workplace	1. Implementing measures against workplace violence and harassment leads to a safer, more inclusive environment.	Type of Impact: Positive Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
		Diversity	1. Positive impact as Morliny provides equal working conditions for everyone, regardless of gender, religion, age, or race. The company supports diversity by including minority communities, students, graduates, and people with disabilities. There is no discrimination against women; both men and women hold managerial positions. As part of inclusivity and team building, the company organizes various activities for employees (health day, sports day, volunteer day, and more).	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
ESRS S2. Workers in the value chain	– Working conditions	Health and safety	1. Negative impact on workers in the value chain through working conditions and employment terms (e.g. health and safety)	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Upstream, downstream

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
	– Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	1. Impact on workers in the supply chain related to equal treatment and opportunities for all (e.g. installing measures against violence and harassment in the workplace in new hires and promotions)	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Upstream, downstream
ESRS S3. Affected communities	– Communities' economic, social and cultural rights	Adequate food	1. By ensuring responsible and ethical management of its suppliers' activities, including raw material sourcing and production expansion, Morliny can positively contribute to local communities' access to adequate food, particularly in resource-scarce or vulnerable areas.	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Upstream, Downstream
		Security-related impacts	1. By actively engaging with local communities through development initiatives, Morliny can enhance social stability and reduce security-related risks. Building strong relationships fosters mutual trust and cooperation, contributing to a safer and more supportive operational environment.	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Upstream, Downstream
ESRS S4 Consumers and end-users	– Information-related impacts for consumers and/or end-users	Privacy	1. Although Morliny has implemented measures to prevent the leakage of personal or sensitive data (GDPR) there still exists the potential risk of a data breach.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Medium-term Long-term Localisation: Downstream
		Freedom of expression	1. Without regular satisfaction surveys, consumers and end-users may feel disempowered and unable to effectively share their voices. This lack of feedback can hinder improvements and create a culture of suppressed expression and unresponsiveness.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Medium-term Long-term Localisation: Downstream
		Access to (quality) information	1. Negative impact if regular customer satisfaction surveys are not conducted across major locations, primarily for meeting ISO, IFS and BRCGS certification requirements, there is a potential that consumer feedback will be overlooked. This could lead to a failure to identify gaps in communication, labeling clarity, and consumer understanding, resulting in restricted access to quality information.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Downstream
	– Personal safety of consumers and/or end-users	Health and safety	1. In the case of insufficient product control, possible contamination or reduced product quality can lead to a threat to consumer health. If Morliny fails to adequately monitor the quality of materials and products through its laboratories, it risks compromising the personal safety of consumers and end-users regarding health and safety. Insufficient assessments and hygiene measures could lead to product contamination, negatively impacting consumer trust and safety.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Downstream

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
	– Social inclusion of consumers and/or end-users	Responsible marketing practices	1. If Morliny fails to enforce responsible marketing practices and maintain compliance with labelling regulations, it risks misleading consumers with inaccurate or deceptive labels. Without verification and approval by the Quality department, labels may not meet regulatory and internal standards, leading to potential legal consequences and consumer distrust.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Downstream
ESRS G1. Business conduct	– Corporate culture		1. The implementation of comprehensive policies such as the Group Code of Conduct, Whistleblowing Policy, Anti-Money Laundering Policy and Anti-Corruption Policy fortifies governance by embedding integrity, transparency, and accountability into all business operations. These frameworks ensure ethical behaviour and compliance with regulations, fostering a workplace where misconduct is proactively identified and addressed through accessible reporting channels.	Type of Impact: Positive Actual/Potential: Actual Time horizon: Short-term, Medium-term Long-term Localisation: Own Operations
	– Protection of whistle-blowers		1. If Morliny fails to adequately protect whistleblowers, it risks stifling the willingness of employees and business partners to report compliance concerns. A lack of protection can lead to unresolved ethical violations, deteriorate trust within the organization, and harm Morliny's reputation for transparency and ethical business conduct.	Type of Impact: Negative Actual/Potential: (1,2,3) Actual, (4) Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own operations
	– Animal Welfare		1. Morliny achieved 100% compliance with internal animal welfare protocols across all owned farms in Poland and Romania in 2025, ensuring humane treatment and care throughout the animal lifecycle. These protocols include proper handling, access to clean water and adequate feed, freedom from pain and distress, and regular health monitoring, aligned with EU animal welfare legislation and industry best practices. Despite this achievement, the need for such protocols highlights ongoing negative impacts, as these are mitigation measures addressing past or potential concerns. 2. Morliny has implemented welfare audits and mandatory training for farm and slaughterhouse staff to ensure consistent animal welfare, aligning with EU regulations like Directive 98/58/EC. In Romania, state-supported programs have enhanced welfare by offering more space per animal and promoting natural behaviors. However, these mitigation measures still highlight ongoing negative impacts. 3. Morliny has reinforced farm biosecurity against African Swine Fever (ASF) by implementing controlled access, vehicle disinfection zones, strict visitor protocols, and continuous health monitoring. These measures protect animal health, stabilize the supply chain, and promote responsible farming. However, their necessity highlights ongoing negative impacts, serving as mitigation strategies. 4. The use of antibiotics can have a potentially significant negative impact on fauna and humans. There is a risk of contamination of water sources. Additionally, pathogens may develop resistance to certain antibiotics.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own operations
	– Management of relationships with suppliers including payment practices		1. Clearly defined payment practices and penalties can enhance accountability and trust between the business and its suppliers. Knowing that there are structured consequences for non-compliance encourages punctual payments, which can improve supplier confidence and foster long-term, positive relationships. 2. The imposition of penalties for payment non-compliance could strain relationships with suppliers, especially if these penalties are perceived as excessive or are applied frequently. This tension might discourage suppliers from prioritizing your business or could lead to seeking partnerships elsewhere, affecting the company's ability to secure favourable terms and reliable supply chains.	Type of Impact: (1) Positive; (2) Negative Actual/Potential: (1) Actual; (2) Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own operations

Sustainability topics covered by the ESRS			Impact Description	Type of Impact/ Actual/Potential/ Time horizon/ Localisation
Topic	Sub-topic	Sub-sub-topic		
	– Corruption and bribery	Prevention and detection including training	1. Although Morliny has implemented a system related to the prevention of corruption and bribery, it does not organize training for its employees on this issue, which could potentially increase the risk of corruption and bribery.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own operations
		Incidents	1. Negative impacts on society, employees, customers, shareholders, and suppliers can occur in the event of anti-competitive behaviour, corruption, and bribery linked to business operations.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Downstream
Additional topic	– Digital Security		1. Although Morliny has implemented data security training and internal controls aligned with GDPR there is still a potential negative impact through cyber-attacks: cybercriminals are becoming increasingly sophisticated, making it a constant challenge to stay ahead and protect against cyberattacks.	Type of Impact: Negative Actual/Potential: Potential Time horizon: Short-term, Medium-term Long-term Localisation: Own operations

Risks and Opportunities

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
ESRS E1. Climate change	– Climate change adaptation		(R) The undertaking sector’s ability to reliably source animals and animal feed at desired price points may be affected by climate change, water scarcity, land management, and other resource scarcity considerations. Increased acute weather events (i.e. floods, wind storms, storms and cyclones, wildfires, storm surge, hail, etc.) may increase insurance premium costs and may lead to early retirement of existing assets due to insurance unavailability.	Long term	Upstream	Physical
			(R) The Meat industry relies heavily on purchased electricity and fuel as critical inputs for value creation. Rising mean temperatures may cause damage to and reduce yields or quality of priority ingredients, which may increase operational/ procurement costs and decrease production capacity and revenue	Long term	Own operations	Physical
	– Climate change mitigation		(R) Rising summer temperatures, occasionally hitting 40°C, pose a climate mitigation risk as they necessitate the adoption of advanced cooling technologies. Traditional refrigerants, such as Freon, become less effective in extreme heat and are subject to stricter regulations, leading to higher operational costs and higher GHG emissions. Companies must invest in efficient, climate-resilient systems to mitigate these challenges while complying with regulatory demands. At Morliny, the primary refrigerant used is ammonia, which is more energy-efficient for the cooling demands of meat processing facilities.	Medium and long term	Own operations	Transitional
			(O) Growing consumer and customer demand for low-carbon products boosts the market for Morliny’s sustainable solutions, resulting in increased revenue opportunities.	Medium and long term	Own operations	N/A

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
	– Energy		(O) Morliny’s operations in Romanian have improved energy efficiency with a new rendering facility featuring heat recovery technology that reuses steam to preheat water, reducing natural gas usage. Automated boiler systems enhance combustion efficiency and cut energy waste, offering a key opportunity to lower greenhouse gas emissions and increase operational efficiency. This is an opportunity in regard to operational cost savings.	Medium and long term	Own operations	N/A
			(O) Transition to low-carbon energy sources by securing direct purchase agreements from Hidroelectrica (Romania’s hydroelectric energy provider), targeting at least 30% of electricity sourced from hydro power in Romania, gives significant reduction in Scope 2 emissions, alignment with EU Taxonomy green criteria. Securing hydroelectric energy contracts reduces dependence on fossil fuels, lowering energy costs and allowing the company to leverage renewable energy incentives and align with energy sourcing regulations.	short, Medium and long term	Own operations	N/A
			(O) Over the past three years, solar panels have been installed at processing plants and farms, enabling on-site energy generation that significantly reduces electricity costs. By leveraging this solar infrastructure, the company not only cuts expenses but also enhances resilience during peak summer periods when energy demand and prices are highest. There is substantial potential to expand these installations across other high-energy-demand sites, which would further increase energy security and sustainability. This strategic expansion positions the company to capitalize on investments in sustainable energy infrastructure, supporting long-term growth and environmental goals.	Medium and long term	Own operations	N/A
			(O) Enhance energy efficiency with CHP and osmosis-based heat recovery systems, reducing energy consumption and operational expenses at selected facilities. This approach opens up opportunities for financial incentives aimed at energy efficiency.	Medium and long term	Own operations	N/A
			(R) Stricter emissions regulations could require meat processors to invest in energy-efficient technologies or renewable energy sources, leading to significant capital expenditures.	Medium and long term	Own operations	Transitional
ESRS E3 Water and marine resources	– Water	Water consumption	(O) By adopting water-efficient technologies and practices in upstream activities such as agriculture, companies can reduce water use, leading to cost savings and sustainability benefits. This may also provide access to incentives or grants for water conservation and enhance brand reputation among environmentally conscious consumers.	medium and long term	Upstream	N/A
			(R) Ensuring compliance with regulations governing water usage can lead to costly upgrades in water management infrastructure. New policies requiring reductions in water usage or improved wastewater treatment could necessitate significant capital investments, impacting operational budgets.	medium term	Own operations	N/A
		Water withdrawals	(R) Tightening environmental regulations may require companies to invest in technologies and practices that reduce water usage. Compliance can entail costly upgrades to existing infrastructure, development of water recycling systems, or integration of water-efficient technologies.	medium term	Own operations	N/A
		Water discharges	(R) Stringent regulations on wastewater discharges can lead to increased compliance costs in upstream activities, requiring investment in treatment facilities or technologies to manage effluent. Failure to comply can result in fines, legal liabilities, and operational disruptions, impacting financial stability and reputation.	medium and long term	Upstream	N/A
			(O) Through the legally required IPPC-certified slaughterhouses with state-of-the-art wastewater treatment facilities, Morliny is poised to lead in water stewardship. These advanced systems exceed regulatory discharge standards, responsibly returning treated water to local waterways. This commitment safeguards ecosystem health and reduces dependence on municipal infrastructure, underscoring Morliny’s dedication to sustainability. By treating wastewater onsite, Morliny can cut costs linked to external services and enhance operational efficiency, potentially reducing water usage and associated expenses.	medium and long term	Own operations	N/A

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
ESRS E4. Biodiversity and ecosystems	– Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change	(R) Changes in land use, freshwater resources, and sea use can lead to scarcity of essential inputs and resources, driving operational costs higher and creating supply chain disruptions. This can impact both the acquisition of raw materials and the availability of water for production.	medium and long term	Upstream	Transitional
ESRS E5. Resource use and circular economy	– Resources inflows, including resource use		(R) Despite measures implemented by Morliny, poor resource efficiency can result in higher operational costs and increased vulnerability to market fluctuations, potentially disqualifying the company from valuable sustainability certifications and harming marketability and branding efforts.	Short, medium and long term	Own operations	N/A
		– Waste	(O) Morliny Foods has implemented strict waste segregation protocols, leading to higher recycling rates and reduced contributions to landfills. This initiative presents a financial opportunity by decreasing waste disposal costs and potentially generating revenue from selling recyclable materials. Enhanced recycling practices can also lead to cost savings through improved resource efficiency and lower raw material expenses, contributing to the company’s overall cost management strategy.	Short, medium and long term	Own operations	N/A
			(O) Morliny’s innovative slaughterhouse waste management model is built on two robust pillars: internal rendering capacity and strategic partnerships with leading EU rendering companies. This approach transforms animal by-products into valuable outputs like meat and bone meal (MBM), animal fat, and fertilizer inputs, subscribing to circular economy principles. By reducing environmental and GHG impacts, and aligning with ESRS E5 circularity goals, Morliny not only minimizes landfill dependency but also creates significant financial opportunities. Revenue generated from rendered material sales offers cost recovery and boosts profitability, reinforcing Morliny’s commitment to sustainability and economic efficiency.			
ESRS S1. Own workforce	– Working conditions	Secure employment	(R) Risk of employee retention through not providing secure employment to Morliny’s employees. Increased costs through employee retention and decreased efficiency	Short, medium and long term	Own operations	N/A
			(O) High share of permanent contracts and long employee tenure support workforce continuity and lower turnover.			
		Working time	(R) Risk of non-compliance with local working hours and overtime law. Legal exposure, decrease ability to hire and retain talent, and lead to penalties or other negative financial impacts due to reputational harm. For eligible roles, regulated remote work arrangements are made to add flexibility.			
			Adequate wages			
(O) Having a market-based salary policy combined with performance-based adjustments and enhanced non-wage benefits presents a financial opportunity by aligning compensation with industry standards. This boosts employee satisfaction and retention, reduces turnover costs, and enhances productivity.						

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
		Social dialogue	(O) By reinforcing our internal Code of Conduct, supplier Code of Conduct, and human rights policies, we have an opportunity to foster a workplace culture rooted in respect, dignity, and inclusion. Our commitment to upholding fundamental labor rights, including social dialogue, freedom of association and collective bargaining, is supported by established grievance channels and active dialogue with employees.			
		Freedom of association, the existence of works councils and the information, consultation and participation rights of workers				
		Collective bargaining, including rate of workers covered by collective agreements				
		Work-life balance	(R) Neglecting work-life balance can pose a financial risk by leading to lower employee morale and productivity. Stress and imbalance among employees may result in decreased output and higher absenteeism, ultimately harming overall performance and profitability.			
		Health and safety	(O) Implementing an internal H&S system, supported by risk identification, application of the hierarchy of risk control measures in action plans, structured audits, near-miss tracking, and safety training, strengthens prevention, boosts productivity, and aligns our performance with EU food sector safety benchmarks. This proactive safety culture improves compliance and enhances workforce stability and stakeholder confidence.			
			(R) Although Morliny manages occupational health and safety through a systematic approach, work in food processing facilities, as well as in animal farming, feed production, and crop cultivation, involves identified risks such as zoonotic diseases, mechanical injuries caused by slips, trips, knife or machine operation, and musculoskeletal disorders due to physical strain. These incidents may result in absenteeism, increased accident insurance premiums, employee compensation, legal liabilities, and operational slowdowns. Conducting regular risk assessments and applying the hierarchy of risk control measures (eliminating hazards, implementing technical controls, providing training, and introducing organizational measures) within action plans enables proactive prevention of workplace accidents and safeguard workforce productivity.			
			(R) Health and safety risks in distribution include risks associated with transportation accidents and manual handling of heavy loads, as well as slips and trips on slippery surfaces, accidents involving dangerous machinery such as saws, and injuries related to knife handling. Accidents can lead to significant financial losses, including damaged goods, medical costs, and insurance claims.			

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
	– Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	(O) By reinforcing our internal Code of Conduct, supplier Code of Conduct, and human rights policies, we have a significant opportunity to foster a workplace culture rooted in respect, dignity, and inclusion. This not only enhances our organizational culture but also presents a financial opportunity by potentially driving increased productivity and reducing costs associated with employee turnover and grievances. Our commitment to upholding fundamental labour rights, including gender equality and equal pay for work of equal value, training and skills development, employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, and diversity, is bolstered by established grievance channels and active dialogue with employees.	Short, medium and long term	Own operations	N/A
		Training and skills development				
		Employment and inclusion of persons with disabilities				
		Measures against violence and harassment in the workplace				
		Diversity				
ESRS S2. Workers in the value chain	– Working conditions	Health and safety	(R) Risk of disruptions in the supply chain and interruption of critical supplies and services due to unavailability of supply chain workers as a result of industrial action, labor unrest, strike, absenteeism, illness, and inability of suppliers to retain employees due to poor working conditions. This can lead to income loss from production slowdowns impacting supply to customers, and increased costs for materials and goods from suppliers.	Short, medium and long term	Upstream	N/A
	– Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	(R) Morliny's supplier code of conduct is designed to promote equal opportunities within the workforce of its suppliers. However, without effective mechanisms to ensure compliance, there remains a risk that these principles may not be fully implemented. This lack of adherence could hinder workforce diversity, leading to reduced innovation and placing Morliny at a competitive disadvantage. In contrast, rivals who effectively leverage diverse perspectives are likely to drive creativity and growth more successfully.	Short, medium and long term	Upstream	N/A
ESRS S3. Affected communities	– Communities' economic, social and cultural rights	Adequate food	(O) Morliny's suppliers' activities, such as sourcing raw materials and expanding production capacity, offer a financial opportunity to engage in community support initiatives. By actively investing in local agricultural development and food security programs, Morliny can enhance its reputation, strengthen community relations, and potentially access sustainability-focused funding or incentives that align with corporate social responsibility goals.	Short, medium and long term	Upstream	N/A
		Security-related impacts	(O) Manufacturing facility expansion offers the chance to innovate agricultural efficiency and collaborate with local farmers, reducing costs and attracting environmentally focused investors.			
			(O) Building strong relationships with local communities through active engagement and development initiatives can enhance social stability and reduce security-related risks.	Short, medium and long term	Own Operations	N/A

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
ESRS S4 Consumers and end-users	– Information-related impacts for consumers and/or end-users	Privacy	(R) Privacy breaches or inadequate data handling practices can lead to reputational damage, compromising consumer trust and brand integrity.	Short, medium and long term	Downstream	N/A
		Freedom of expression	(R) Failing to foster open communication with consumers can harm Morliny's brand reputation, leading to reduced engagement and sales. A lack of platforms for feedback may erode trust and loyalty, impacting revenue.			
		Access to (quality) information	(R) Inadequate provision of clear and accurate product information can weaken consumer trust and brand loyalty, driving customers to competitors. This can result in a loss of market share and potential regulatory issues, affecting profitability.			
	– Personal safety of consumers and/or end-users	Health and safety	(R) If Morliny fails to implement measures like upholding certifications such as IFS, BRCGS, and ISO 22000, and embedding HACCP principles, the company risks significant financial repercussions. Without these safety and traceability standards, Morliny may face increased contamination risks and non-compliance with EU General Food Law, leading to costly product recalls and regulatory penalties.			
		Responsible marketing practices	(O) Opportunity by ensuring all product claims (e.g., "clean label," "natural," "low fat content") are substantiated and compliant with EU and local marketing regulations.			
– Social inclusion of consumers and/or end-users	(R) If marketing practices are deemed misleading or discriminatory, Morliny could face regulatory fines and legal expenses. Ensuring compliance with advertising standards is essential to avoid these financial penalties.					
ESRS G1. Business conduct	– Corporate culture	(O) By establishing mandatory training sessions and adopting stringent conflict of interest and anti-corruption policies, the organization cultivates a corporate culture centered on ethical responsibility and integrity across all levels. These measures empower employees to recognize and manage potential risks, reinforcing a culture that prioritizes ethical decision-making and continuous improvement within daily business practices.	Short, medium and long term	Own operations	N/A	
	– Protection of whistle-blowers	(R) Failure to protect whistleblowers may result in non-compliance with whistleblower protection laws, exposing the company to legal action, fines, and penalties. Furthermore, if employees feel unsafe reporting unethical or illegal activities, the organization might miss out on early insights into internal issues.				
		(O) Implementing a structured whistleblowing system, supported by ethics training and clear Codes of Conduct for employees and suppliers, strengthens Morliny's governance resilience and improves early detection of non-compliance. This fosters a culture of integrity and transparency throughout the value chain, offering financial opportunities by minimizing costs related to compliance breaches, reducing potential fines, and enhancing Morliny's reputation, thereby attracting more business opportunities and investment.				
	– Animal Welfare	(R) Failure to ensure animal welfare by suppliers poses a reputational risk and serious legal and operational consequences under EU law, which can lead to a decline in sales, reduced market share, and additional costs (such as recertification and legal fees).				
		(O) Opportunity via the Systematic Animal Welfare and Biosecurity Training Program. Current trainings, integrated into a formalized, group-wide curriculum tailored for each role (e.g., caretakers, transporters, managers), offer significant opportunity. With tracked participation and performance assessments, the program enhances staff capacity to maintain high standards, reduces non-compliance, improves audit results, and fosters a "culture of care" throughout the supply chain.				

Sustainability topics covered by the ESRS			Risk description or Opportunity	Time horizon	Location on value chain including own operations	Physical / transitional risk
Topic	Sub-topic	Sub-sub-topic				
			(O) Existing veterinary oversight focused on individual administration in diagnosed conditions, and an antibiotic reduction plan (e.g., “3 % antibiotic usage per kg live weight by 2030” concerning weaners and fatteners, not poultry.) and continuous antibiotic usage monitoring at the farm level. These plans contribute to global AMR (antimicrobial resistance) mitigation, and aligns with consumer and client expectations, prepares for likely future regulations, positioning us as a preferred supplier.			
			(O) Scaling continuous improvements is achievable through participation in Romania's Enhanced Animal Welfare Scheme, serving as a framework that goes beyond compliance. This program provides benefits for grow-out farms with a 15% increase in space per head, 30% reduction in dust, and 15% decrease in ammonia, as well as bedding materials for resting. Similarly, sow farms benefit from the same improvements. By integrating these subsidy-related requirements into our internal welfare SOPs, we ensure that financial support systematically raises welfare standards and enhances communication with regulators and customers.			
			(R) Prolonged excessive use of antibiotics can lead to pathogen resistance to them, antimicrobial resistance (AMR). The ineffectiveness of antibiotics may result in reduced production and increased costs of input materials for the company.			
	– Management of relationships with suppliers including payment practices		(R) Contractual penalties for non-compliance with payment terms. Inadequate definition of payment and general business terms poses a risk in the event of disagreement or breach of agreement, which can lead to legal disputes and litigation costs.			
	– Corruption and bribery	Prevention and detection including training	(R) Failure to adequately prevent or detect corruption and bribery can result in significant legal penalties, fines, and loss of business licenses or contracts.			
Incidents		(R) Corruption and bribery incidents can severely damage Morliny's reputation, eroding consumer trust and stakeholder confidence.				
Additional topic	– Digital Security		(R) By implementing data security training, advanced technical safeguards, specialized IT tools and other internal controls aligned with GDPR, the organization significantly strengthens its ability to protect personal data and uphold data protection regulations. This strategy reduces the risk of data breaches, fosters a well-informed workforce, and cultivates a vigilant corporate culture that consistently prioritizes data privacy and cybersecurity throughout all operations. Despite these measures, the evolving landscape of cyber threats continues to present challenges that require ongoing attention and adaptation. (O) Digital and technology innovation offers substantial opportunities for Morliny's growth, efficiency, and competitive positioning. Strategic investments in technology should prioritize cybersecurity, consumer privacy, and adaptability to mitigate risks while maximizing benefits. By leveraging innovation, Morliny can enhance operational resilience, improve customer relations, and foster sustainable, long-term financial success.	Medium and long term	Own operations	N/A

Details of the impacts, risks and opportunities identified for each material topic are presented in the corresponding chapter of each relevant ESRS topic - E1, E3, E4, E5, S1, S2, S3, S4, G1 and Digital Security.

Policies adopted to manage material sustainability matters

MDR-P

Material topics are managed by Morliny Foods through a series of policies and actions to prevent, mitigate and remedy actual and potential significant impacts, address significant risks and/or pursue significant opportunities.

The policies required for each material topic are presented in ESRS report sections E1, E3, E4, E5, S1-S4, and G1.

Actions and resources in relation to material sustainability matters

MDR-A

The necessary actions for each material topic are presented in the sections of this sustainability statement – ESRS E1, E3, E4, E5, S1-S4, and G1. If applicable, it specifies whether implementing an action plan requires significant operational expenditures (OPEX) and/or significant capital expenditures (CAPEX) under the report related to taxonomy, where the amount of current financial resources is provided, and it is explained how these relate to the most relevant values presented in the financial statements.

Metrics and targets

Metrics in relation to material sustainability matters

MDR-M

The metrics for all the material topics – ESRS E1, E3, E4, E5, S1-S4, and G1- are detailed in the relevant sustainability statement sections. If no metrics have been adopted, Morliny Foods provides reasons for this and may offer a timeline for their adoption.

Tracking effectiveness of policies and actions through targets

MDR-T

Morliny Foods tracks the effectiveness of its actions to address significant impacts, risks, and opportunities through annual performance monitoring and sustainability reporting, including performance on the indicators used for this purpose as presented in the report section – Information Disclosure Requirements from ESRS covered by the Group’s sustainability report.

Information on the indicators and targets associated with each material topic is presented in the sections corresponding to the sustainability statement.



ESRS E1

CLIMATE CHANGE

Governance

Integration of sustainability-related performance in incentive schemes

GOV-3

Environmental sustainability responsibilities are embedded within the roles of senior leadership across Morliny Foods Group. During the reporting period, management remuneration was not formally linked to climate-related or environmental key performance indicators.

Senior leaders, including the Group CEO, CFO, and country General Managers, are responsible for supporting the integration of ESG considerations into the Group's strategy and operational decision making. Their responsibilities include:

- Supporting the development, validation and implementation of the Group's sustainability strategy
- Ensuring coordination with ESG teams on environmental data collection, double materiality assessment and target-setting processes, including climate-related targets
- Overseeing the preparation and publication of the Group's first sustainability report in alignment with CSRD and ESRS requirements.

ESG team members and sustainability pillar leads are evaluated based on performance within their respective areas of responsibility, including the accuracy and completeness of environmental data, audit readiness, and the implementation of defined improvement initiatives supporting the Group's environmental and climate objectives. Performance against these objectives is reviewed annually and contributes to the overall assessment of leadership effectiveness.

Morliny Foods Group addresses climate change through its environmental and climate policies, focusing on the management of climate-related impacts, risks and opportunities across its value chain. The Group's climate-related impacts are primarily associated with agricultural activities and energy use in processing operations. In response, Morliny Foods prioritises energy efficiency measures, renewable electricity sourcing and structured environmental governance as key elements of its climate approach.

As part of the Group's continuous improvement approach, Morliny Foods continues to assess the potential future alignment of incentive structures with environmental and climate related outcomes in future reporting cycles. No such linkage was in place during the reporting period.

Strategy

Transition plan for climate change mitigation

E1-1

Morliny Foods recognises climate change mitigation as a relevant strategic consideration, reflecting the climate-related impacts associated with a vertically integrated livestock and food production business. The Group's greenhouse gas emissions profile is primarily driven by agricultural activities across the value chain and energy use in processing operations.

The Group supports the objectives of the Paris Agreement and has established medium- and long-term climate targets, as disclosed under ESRS E1-4, including a commitment to reduce Scope 1 and Scope 2 GHG emissions by 30% per tonne of product by 2030, compared to the 2021 baseline. In the longer term, Morliny Foods aims to achieve progressive reductions in Scope 3 emissions, primarily through efficiency improvements within its own operations and enhanced engagement with suppliers across the Forest, Land and Agriculture (FLAG) value chain, in line with a 1.5°C climate pathway and the EU climate-neutrality objective for 2050.



To support these objectives, the Group is implementing a set of climate change mitigation actions, focused on improving energy efficiency, renewable electricity deployment, and emissions-intensity reduction across the value chain. Key decarbonisation levers include improvements in animal genetics, animal health, and feed conversion efficiency, optimisation of manure management practices, reduction of transport distances, deployment of on-site renewable electricity solutions, and continued optimisation of energy-intensive processes. The approach is built on transparency, science-based improvement, and continued optimisation of energy-intensive processes in processing facilities.

At the reporting date, Morliny Foods' climate-related objectives, actions and targets are addressed through its ESG Strategy, which includes measures to reduce GHG emissions, increase renewable energy use, improve energy efficiency, increase renewable energy use and strengthen supplier engagement across the value chain. These elements support climate change mitigation objectives; however, they are not currently structured within a standalone climate transition plan under ESRS E1-1.

The Group is assessing the development of a formal climate transition plan, taking into account the ESRS requirements, strategic priorities and the geographical scope of its operations, with the objective to finalising this plan by 2028. Once developed, the transition plan is expected to be integrated into the Group's overall business strategy and financial planning, and submitted for approval by the relevant administrative, management and supervisory bodies.

Climate mitigation actions are supported by targeted investments and CapEx plans, including thermal insulation and heat-recovery projects, process automation and energy monitoring systems, photovoltaic installations, and fleet upgrades. Related CapEx and OpEx are tracked at project level and assessed for alignment with the EU Taxonomy in accordance with Commission Delegated Regulation (EU) 2021/2178. Morliny Foods does not have significant capital expenditure related to coal, oil or gas-related economic activities, and its ESG strategy focuses on reducing fossil-fuel dependency and increasing the use of renewable and low-carbon technologies.

Based on the current assessment, the Group has not identified significant locked-in GHG emissions associated with its key assets that would prevent the achievement of its disclosed climate targets, nor material incompatibilities with the Taxonomy criteria set out in Commission Delegated Regulation (EU) 2021/2139.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

Morliny Foods operates in the European white and red meat sector and has identified climate change as a material sustainability matter, reflecting the nature of its vertically integrated livestock and food production activities. Climate-related considerations are increasingly reflected in the Group’s strategic planning, with a focus on regulatory compliance, operational efficiency and continuous improvement of environmental performance.

Climate-related risks

Morliny Foods has identified both physical climate risks and climate-related transition risks as potentially material to its operations.

Physical climate risks represent a key area of exposures identified through the Group’s Climate Risk and Vulnerability Assessment, which covers core operational activities, including crop production, feed mills, farms and processing facilities. The assessment evaluated the potential climate-related impacts on energy consumption, greenhouse gas emissions, operational continuity and costs.

The analysis applied climate projections from the IPCC Sixth Assessment Report (AR6), using a range of climate scenarios under the Shared Socio-economic Pathways (SSPs), including SSP1-2.6 (low-emissions, strong mitigation) and SSP5-8.5 (high-emissions, limited mitigation). This approach enabled the assessment of vulnerabilities under both lower- and higher-emission futures and provided a science-based foundation for understanding potential climate impacts across geographies and asset types.

Based on the outcomes of this analysis, the main physical climate-related risks identified include:

- Floods and extreme precipitation events, assessed as low to medium vulnerability for crop production, feed mills, farms and processing sites, with higher relevance under high-emission scenarios;
- Droughts and heat waves, assessed as low to medium vulnerability, affecting crop yields, feed availability, animal welfare and hydration, refrigeration and cold-chain reliability, energy demand across farming and processing operations, as well as potential impacts on worker health and productivity;
- Changes in average precipitation, soil moisture and air humidity, with projected declines in several operating regions (including Spain, Poland and Romania), with potential implications for crop production and feed supply;
- Wildfires, assessed as medium vulnerability for crop production sites and low vulnerability for other facility types;
- Storms, landslides and sea-level rise, assessed as low vulnerability across operations, with increasing in relevance under high-emission scenarios.

Climate-related transition risks were assessed through analyses conducted at WH Group level in 2024, followed by a high-level reassessment in 2025. This assessment confirmed that the key transition-risk drivers are represented by evolving climate policies and regulatory developments, including the potential expansion of carbon-pricing mechanisms, stricter emissions requirements, and rising energy costs, which may affect operating costs and compliance requirements.

Additional transition risks relate to investments needs in low-emission technologies, supplier readiness, market-driven changes in consumer behaviour and increased scrutiny of environmental claims.

Resilience of strategy and business model

Morliny Foods has carried out a detailed climate risk and vulnerability assessment, and climate-related considerations are embedded within the Group’s ESG Strategy, supported by mitigation and adaptation measures already in place. These processes incorporate key elements relevant to the resilience of the strategy and business model. Further work will focus on structuring and consolidating these existing analyses in line with the ESRs SBM-3 framework, including the consideration of multiple climate scenarios, in order to enhance the assessment of strategic resilience.

Based on the assessments completed to date, no climate-related physical or transition risks have been identified that are expected to materially affect core operations in the short to medium term. This assessment reflects the current risk analysis and takes into account ongoing measures related to energy efficiency, modernisation of processing assets, and water- and heat-management practices. Uncertainty increases over longer time horizons, particularly under higher-emission scenarios, and will continue to be monitored through the Group’s climate risk assessment processes.

Insights from the climate risk assessments are used to inform strategic priorities, capital allocation decisions and climate mitigation actions, supporting the gradual integration of climate-related considerations into the Group’s business model. Further work is expected to strengthen the assessment of long-term resilience as Morliny Foods advances towards the development of a formal climate transition plan.

Impact, risk and opportunity management

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

IRO-1

Morliny Foods identified and assessed material climate related impacts, risks and opportunities across its value chain through its double materiality assessment. This process involves structured workshops with functional leaders, internal subject-matter experts and sustainability specialists and is embedded within the Group’s broader risk management framework.

The assessment is reviewed annually. The outcomes of this process are reflected in the material climate-related impacts, risks and opportunities disclosed in *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities*. (see table starting on page 20).

In addition, Morliny Foods has conducted a Climate Risk and Vulnerability Assessment to support the identification and evaluation of physical and transition climate-related risks affecting its operations. The assessment is aligned with the ESRs EI disclosure requirements and the EU Taxonomy DNSH2 criteria for climate change adaptation. This assessment also incorporates methodological elements previously applied in internal climate-risk analysis referencing the TCFD recommendations, to ensure consistency in the identification and assessment of climate-related exposures over time. The main conclusions of this assessment are reflected in the disclosures under ESRs EI – SBM-3 and will be considered in the next double materiality assessment cycle (FY2026), given that the climate study was completed after the FY2025 DMA.

Policies related to climate change mitigation and adaptation

EI-2

Morliny Foods Group has adopted an Environmental and Climate Change Policy to address its material impacts, risks and opportunities related to climate change mitigation and adaptation. The policy was adopted in 2025 and is implemented through an ISO 14001:2015-certified Environmental Management System, ensuring a structured and consistent approach across the Group’s operations. The policy is designed to support compliance with the Corporate Sustainability Reporting Directive (CSRD) and applicable environmental and energy-related legislation.

The policy defines the Group’s approach to climate change mitigation by setting out objectives related to the management of greenhouse gas emissions across Scope 1, Scope 2 and Scope 3, improvements in emissions intensity per unit of product, increased energy efficiency and the progressive expansion of renewable energy use. Mitigation actions covered by the policy include energy optimisation initiatives, deployment of renewable electricity solutions, improvements in feed efficiency and manure management to reduce methane emissions, and engagement with suppliers and logistics partners to address climate impacts along the value chain.

Climate change adaptation is addressed through processes for identifying and assessing climate-related physical risks, such as droughts and floods, and for defining measures to enhance the resilience of operations. These measures include actions to improve water efficiency, strengthen heat- and water-management practices, and promote climate-resilient agricultural and operational practices.

The policy also covers energy efficiency and renewable energy deployment, supported by mandatory energy efficiency audits across EU facilities, conducted every four years by authorised third parties, as well as ongoing monitoring of energy consumption at site level. Dedicated personnel, such as energy managers and engineers, are responsible for implementing energy efficiency and renewable energy programmes and receive regular training to ensure alignment with best practices.

Compliance with the EU Energy Efficiency Directive (EED) further supports the implementation of the policy by requiring energy audits, energy management measures and the identification of cost-effective energy savings opportunities across EU operations. The Environmental and Climate Change Policy is reviewed annually to ensure continued relevance and effectiveness in addressing climate-related mitigation and adaptation challenges.

Actions and resources in relation to climate change policies

EI-3

Morliny Foods implements climate change mitigation and adaptation actions across its operations in line with its Environmental and Climate Change Policy and the climate- and energy-related targets disclosed under ESRs EI-4. These actions are embedded in day-to-day operations and are supported by capital investments, technical expertise and site-level performance management systems. Given the energy-intensive nature of food processing, refrigeration and cold-chain operations, the primary decarbonisation levers relate to energy efficiency, utilities optimisation, energy-mix evolution and improvements in agricultural efficiency.

Morliny Foods’ climate actions prioritise operational efficiency, renewable energy deployment and system modernisation across energy-intensive activities. These actions are designed to deliver progressive emissions reductions while supporting business resilience and compliance with evolving climate and energy regulations.

Energy efficiency and utilities optimisation

Across its European operations, Morliny Foods’ energy-efficiency actions focus on reducing energy intensity per unit of production, recognising that efficiency improvements are a key lever to limit emissions growth in line with production volumes. In 2025, total electricity consumption at Group level remained broadly stable, while electricity intensity decreased by approximately 4% (from 318 kWh/MT to 306 kWh/MT), reflecting the cumulative impact of equipment modernisation, process optimisation and infrastructure upgrades implemented across multiple sites.

At country level, energy-efficiency actions implemented during the reporting period included:

- **Poland:** replacement of legacy transformers with higher-efficiency models, optimisation of refrigeration systems (including variable-speed compressors and updated control logic), and modernisation of production equipment with lower specific energy demand.
- **Romania:** implementation of multiple efficiency projects across processing facilities and farms, including upgraded refrigeration technologies and strengthened site-level energy-management practices, resulting in reduced electricity consumption and improved electricity intensity.
- **Slovakia and Hungary** (Mecom operations): preventive maintenance programmes and gradual replacement of older machinery, supporting incremental improvements in electricity intensity while maintaining stable consumption levels.

- **Spain and France** (Argal operations): deployment of new and upgraded equipment with improved energy performance, enabling electricity-intensity improvements despite higher production volumes.

Case study: AI-based refrigeration optimisation (Morliny plant in Poland)

In 2025, Morliny Foods implemented an AI-based control system in the refrigeration engine room at one of its Polish processing facilities, as part of its broader utilities optimisation and energy-efficiency programme. Refrigeration represents one of the most energy intensive processes within meat processing operations, making its optimisation relevant from both operational and climate perspectives.

The deployed algorithms analyse real-time operating parameters across compressors, condensers, evaporators and pumping systems. Based on production loads and ambient conditions, the system dynamically adjusts setpoints and cooling capacity to improve overall system efficiency while maintaining stable process conditions. In addition, machine-learning functionality supports early detection of performance deviations, efficiency losses or potential leaks, enabling preventive maintenance and improved operational reliability.

Between July and December 2025, electricity consumption at the facility decreased by approximately 484.8 MWh compared to the same period in 2024. Based on the average national electricity emission factor applied in Poland, this reduction corresponds to an estimated decrease of approximately 299 tCO₂e. Emission figures are calculated using standard emission factors and reflect estimated impacts.

The project illustrates how digitalisation and advanced monitoring systems can support energy-efficiency improvements within energy-intensive processes and provides a replicable model for potential deployment at other sites, subject to technical and economic assessment.

Efficient thermal energy and cogeneration

Thermal-energy actions focus on improving overall energy-conversion efficiency and reducing reliance on purchased electricity in contexts with high heat demand. In 2025, natural-gas consumption increased at Group level, reflecting the deployment of high-efficiency cogeneration (CHP) units at selected sites. These units generate electricity and heat simultaneously on-site, increasing total energy-use efficiency.

While this resulted in higher reported natural gas consumption in some countries, the approach contributed to:

- improved thermal efficiency and heat availability for processing operations;
- increased operational resilience and energy security;
- reduced reliance on grid electricity sourced from more fossil-intensive national energy mixes.

At country level, gas-intensity trends indicate that additional thermal demand was largely absorbed by efficiency gains, heat-recovery improvements and better heat utilisation, limiting the impact on energy intensity per tonne of production.

Cogeneration and biogas as complementary efficiency solutions

Alongside solar photovoltaic deployment, the Group uses high-efficiency cogeneration (CHP) to optimise energy use in operations with high thermal demand. In 2025, electricity generated from cogeneration totalled 36.0 million kWh. The Group operates nine cogeneration installations, mainly in Poland, with additional units in Spain and Mecom operations.

The Group also operates a pilot biogas facility in Poland to assess operational performance and scalability. While biogas currently represents a limited share of electricity production (around 0.25% of renewable electricity), the pilot provides insights into the potential role of biogas within a diversified renewable-energy portfolio.

Transition of the electricity mix through renewable sources and on-site generation

Actions to reduce reliance on fossil-based electricity and increase the share of renewable electricity represent a key component of the Group's climate-mitigation approach. In 2025, Morliny Foods consumed 456.4 million kWh of electricity, of which 36% originated from renewable sources, reflecting a combination of renewable electricity procurement and on-site generation.

The Group continued to scale solar photovoltaic (PV) installations as its primary on-site renewable energy lever. By the end of the reporting year, cumulative installed PV capacity reached 9.7 MWp across 17 locations in Poland, Romania, Argal and Mecom operations, generating over 11.3 million kWh of renewable electricity. Additional PV capacity of 11.9 MWp has been identified and is planned, with significant expansions under preparation in Romania and Poland.

Renewable electricity sourcing reflects national energy contexts:

- **Romania:** recorded the highest share of renewable electricity consumption, with 71% sourced from renewables, mainly through long-term contracts with a hydropower-based provider, ensuring supply stability and traceability.
- **Spain:** achieved a 46.71% renewable-electricity share, reflecting renewable grid sourcing combined with the Group's largest installed on-site solar photovoltaic capacity.
- **Mecom operations** reached a 27% renewable-electricity share, supported by a mix of grid sourcing and on-site solutions.
- **Poland,** operating within a more fossil-intensive national grid, achieved a 23% renewable electricity share, primarily through on-site generation and high-efficiency cogeneration.

In parallel, the Group continues to operate high-efficiency cogeneration units and a pilot biogas facility, enabling further optimisation of energy use where thermal demand is high and providing operational insights into the scalability of circular energy solutions.

Fuel efficiency and logistics optimisation

In addition to energy-related actions within production facilities, Morliny Foods implemented targeted initiatives to reduce fuel consumption and emissions from logistics and transport activities. In Romania, a structured eco-driving and fleet optimisation program was applied to feed transportation and animal logistics, combining enhanced fleet management, GPS-based monitoring, driver engagement and performance-based incentives. These actions reduced fuel consumption in 2025, and further expansion is planned through fleet renewal and continued behavioural engagement.

Mecom operations also initiated fleet modernisation measures, including the replacement of older vehicles with more fuel-efficient models, supporting reduced fuel consumption and lower emissions from corporate mobility.

Case study: Driver engagement and eco-driving (Romania)

In 2025, Morliny Foods continued the implementation of a fleet optimisation and eco-driving program within Romanian operations, covering feed transportation and animal logistics activities, including inter-farm movements and transport to processing facilities. The initiative focused on reducing fuel consumption through improved fleet management, GPS-based monitoring, cost control measures and structured driver engagement.

During the reporting year, **fuel consumption decreased by approximately 12,000 litres** compared to the previous year, corresponding to an estimated reduction of **31.8 tonnes of CO₂ emissions**, based on standard emission factors. The program included defined responsibilities for KPI monitoring, performance-based incentives and regular eco-driving sessions, achieving **over 98% driver participation**. In 2025, the initiative covered approximately **30% of the fleet**. Expansion to additional vehicles is planned and will be supported by a structured fleet renewal programme.

Improving feed efficiency to reduce agricultural emissions

Agricultural activities related to livestock production, particularly feed production and manure management, represent the main source of Morliny Foods' GHG emissions, primarily within Scope 3 FLAG (Forest, Land and Agriculture) and Scope 1 biological emissions. Improving feed efficiency is therefore a key climate-mitigation lever across the Group's value chain.

Actions focus on increasing biological efficiency through optimised feed composition, precision feeding and improved animal performance, aiming to produce more output with fewer inputs.

Case study: Improving feed efficiency (Feed4Future, Romania)

In 2025, Morliny Foods' Romanian operations implemented the **Feed4Future** initiative, focusing on improving feed efficiency during the finishing phase as part of broader actions to address agricultural greenhouse-gas emissions. As feed represents a key driver of agricultural emissions, the initiative focused on reducing the feed conversion ratio (FCR) through precision feeding, optimised diet formulation, improved animal health management and strict accuracy in feed formulation.

Case study: Precision nutrition to reduce nitrogen and GHG emissions (Romania)

Between 2023 and 2025, Morliny Foods' Romanian operations implemented the N-Smart Feeding programme, focusing on improving feed efficiency and reducing nitrogen-related emissions in nursery pig production. The initiative combined improvements in feed conversion ratio (FCR) with precision reformulation of diets with lower crude protein (CP) levels, while maintaining balanced digestible amino-acids to safeguard animal health and performance.

Reducing feed input per kilogram of live weight lowers upstream emissions from crop production, fertiliser use, processing and transport, while also reducing nitrogen excretion and related manure-management emissions.

In Romania, where Comtim farming operations form a significant part of the Group's integrated production system, targeted operational initiatives have been implemented to support these objectives. These projects demonstrate how day-to-day improvements in feeding management contribute to climate-related targets while maintaining animal health, productivity and economic performance.

During the reporting period, average feed use was reduced by approximately 11.5 kg per pig, generating feed savings of over 11 million kg across annual production volumes. Based on standard emission factors for feed, this reduction corresponds to an estimated reduction of approximately 11,000 tCO₂e. These results illustrate how improvements in feed efficiency can contribute to reducing value-chain emissions, while maintaining animal health, productivity and operational performance.

Over the implementation period, these actions resulted in a 17% reduction in crude-protein intake per unit of production and a 32% reduction in nitrogen-excretion intensity. These changes reduce the potential for manure-related emissions, such as ammonia and nitrous oxide, and lower upstream emissions associated with protein-rich feed ingredients. The programme illustrates how precision nutrition and feed-efficiency measures can contribute to climate-mitigation efforts within livestock production, while maintaining productivity and cost efficiency.

Resources and financial linkage

The implementation of these such actions is supported by dedicated technical resources, including energy managers, engineers and environmental specialists at site and country level, as well as structured capital investment programmes covering energy-efficiency upgrades, renewable energy assets and digital optimisation systems. Capital and operating expenditures related to climate-mitigation actions are tracked through internal investment and budgeting processes and are disclosed, where applicable, in the EU Taxonomy section, in line with the relevant Taxonomy key performance indicators and references to the consolidated financial statements.

Climate-related actions are implemented through dedicated technical teams at site and country level, supported by Group-wide coordination under the Environmental and Climate Change Policy. Investment decisions and expenditures related to climate mitigation are monitored through internal capital allocation processes and reported under the EU Taxonomy framework.

Metrics and targets

Targets related to climate change mitigation and adaptation

EI-4

Morliny Foods Group has established medium- and long-term climate-related targets to support the implementation of its Environmental and Climate Change Policy and to address its material climate-related impacts, risks and opportunities. The targets are designed to track the effectiveness of climate-related policies and actions, in accordance with ESRS 2 MDR-T, and are reviewed periodically to ensure alignment with business developments and Group-level objectives.

Medium-term targets (2030)

The Group has set **GHG emissions reduction targets**, reflecting the operational characteristics of its livestock and food production activities and aligned with WH Group targets.

- By 2030, Morliny Foods aims to achieve a 30% reduction in Scope 1 and Scope 2 GHG emissions per unit of product, compared to the 2021 baseline.

The target covers Scope 1 and Scope 2 emissions and is disclosed as a gross target, meaning that it does not rely on greenhouse gas removals, carbon credits or avoided emissions. Emissions are measured in accordance with the GHG Protocol Corporate Standard, ensuring consistency between the target boundary and the Group’s GHG inventory as disclosed under ESRS EI-6.

In addition to GHG emissions reduction, Morliny Foods has established other medium-term climate and energy targets for 2030. These include:

- Doubling of installed photovoltaic (PV) capacity across Group operations compared to the 2025 baseline;
- Achievement of at least 30% renewable energy share in total energy consumption;
- Reducing energy consumption per unit of product by 10% compared to the 2021 baseline.

These targets support climate change mitigation by reducing energy-related emissions and strengthening the Group’s resilience to energy price volatility and transition risks.

Long-term target (2050)

Looking toward 2050, Morliny Foods has set a long-term ambition to reduce Scope 3 GHG emissions intensity across its value chain, including through enhanced engagement with suppliers in the Forest, Land and Agriculture (FLAG) value chain. This ambition is aligned with a 1.5°C climate pathway and the EU climate-neutrality objective, recognising the importance of value-chain collaboration.

Decarbonisation levers and critical assumptions

The Group’s climate targets are underpinned by a set of key decarbonisation levers, reflecting the main drivers of its GHG emissions. Given the predominance of agricultural inputs and livestock production, the main areas of focus include:

- improvements in feed efficiency and animal performance;
- increased sourcing of locally produced, CAP-compliant grains;
- reduced reliance on high-emission feed components, including management of soy sourcing through verified deforestation-free supply chains;
- optimisation of manure management and expansion of circular solutions for animal by-products.

These measures are complemented by renewable electricity deployment, energy-efficiency improvements in processing facilities, and increased circular use of by-products across the value chain.

When setting its targets, Morliny Foods considered expected developments in production volumes, regulatory requirements, energy markets and available technologies, recognising that biological emissions inherent to livestock production may limit the pace of absolute emissions reductions in the short term, while efficiency improvements can reduce emissions intensity over time.

Progress toward Morliny Foods’ climate ambition

The 2021 base year corresponds to combined Scope 1 and Scope 2 emissions of approximately 612,000 tCO₂e (location-based). Progress against the target is monitored annually through both absolute emissions and emissions-intensity metrics. By 2025, combined Scope 1 and Scope 2 emissions decreased to approximately 556,000 tCO₂e, representing a reduction of around 9% compared to the 2021 baseline. Over the same period, emissions per unit of

product decreased by approximately 18%, reflecting changes in operational efficiency alongside continued production growth.

These trends provide context for the Group’s 2030 target of a 30% reduction in Scope 1 and Scope 2 GHG emissions per unit of product, as disclosed above. Performance against this target will continue to be monitored and reported in subsequent reporting periods.

Energy consumption and mix

EI-5

Energy consumption is a material operational and environmental aspect for Morliny Foods, reflecting the energy-intensive nature of activities across the white and red meat value chain, including farming, feed production, processing, refrigeration and logistics. Energy costs represent a significant share of operating expenses, and exposure to energy price volatility and regulatory developments can directly affect production costs and business performance.

Energy consumption in Morliny Foods’ own operations consists primarily of electricity and fuels sourced from fossil, nuclear and renewable sources. Electricity is purchased through grid supply contracts and complemented by self-generated electricity from photovoltaic installations, biogas and cogeneration at selected sites. Electricity consumption is monitored through direct measurements and meter readings. The electricity generated on-site is primarily consumed internally, with surplus volumes exported to the grid where applicable. Between January and December 2025, Morliny Foods generated self-produced electricity, as reflected in the relevant tables below.

Total energy consumption is disclosed in absolute terms (MWh) and disaggregated by energy source, in line with ESRS EI-5.

The disclosed energy mix shows that fossil fuels continue to represent the largest share of total energy consumption across Group operations, reflecting the current structure of production processes and regional energy systems. At the same time, renewable energy consumption increased, primarily through the expansion of photovoltaic capacity and the procurement of renewable electricity.

Morliny Foods recognises energy consumption as one of its main environmental impacts. In response, measures are implemented to improve energy efficiency and reducing energy intensity. These measures include the modernisation of equipment, optimisation of production processes, and investments in energy-efficient technologies across farms and processing facilities.

Morliny Foods – Energy consumption mix

Energy consumption mix	Unit of measure	Poland	Romania	Slovakia & Hungary	Spain & France	TOTAL*
(1) Fuel consumption from coal and coal products	MWh	33,624.44	-	-	-	33,624.44
(2) Fuel consumption from crude oil and petroleum products	MWh	52,432.58	91,928.27	14,389.31	3,452.45	162,202.61
(3) Fuel consumption from natural gas	MWh	414,733.02	72,186.35	32,499.13	65,088.47	584,506.96
(4) Fuel consumption from other fossil sources	MWh	-	-	-	-	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	175,187.42	6,324.70	18,857.43	22,932.97	223,302.54
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	675,977.46	170,439.32	65,745.88	91,473.89	1,003,636.54
Share of fossil sources in total energy consumption	%	91.55%	69.98%	78.08%	63.42%	82.92%
(7) Consumption from nuclear sources	MWh	-	5,265.86	10,435.41	16,261.56	31,962.83
Share of consumption from nuclear sources in total energy consumption	%	0.00%	2.16%	12.39%	11.27%	2.64%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal)	MWh	837.73	-	-	-	837.73
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	61,200.95	63,403.20	7,729.35	30,299.32	162,632.81
(10) The consumption of self-generated non-fuel renewable energy	MWh	387.14	4,430.54	289.98	6,204.41	11,312.06
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	62,425.82	67,833.73	8,019.33	36,503.73	174,782.60
Share of renewable sources in total energy consumption	%	8.45%	27.85%	9.52%	25.31%	14.44%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	738,403.28	243,538.91	84,200.61	144,239.19	1,210,381.98

* Operations in the United Kingdom are considered not material with respect to energy consumption and have therefore been excluded from this calculation.

Romanian entities (Comtim Romania, Elit SRL and Goodies) – Energy consumption mix

Energy consumption mix	Unit of measure	Comtim Romania	Elit SRL	Goodies	TOTAL
(1) Fuel consumption from coal and coal products	MWh	-	-	-	-
(2) Fuel consumption from crude oil and petroleum products	MWh	57,519.95	31,457.71	2,950.60	91,928.27
(3) Fuel consumption from natural gas	MWh	41,150.51	21,951.32	9,084.51	72,186.35
(4) Fuel consumption from other fossil sources	MWh	-	-	-	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	3,592.27	2,390.18	342.26	6,324.70
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	102,262.73	55,799.21	12,377.38	170,439.32
Share of fossil sources in total energy consumption	%	66.90%	76.75%	68.88%	69.98%
(7) Consumption from nuclear sources	MWh	2,990.87	1,990.03	284.96	5,265.86
Share of consumption from nuclear sources in total energy consumption	%	1.96%	2.74%	1.59%	2.16%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal	MWh	-	-	-	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	44,479.08	14,686.29	4,237.82	63,403.20
(10) The consumption of self-generated non-fuel renewable energy	MWh	3,134.22	227.57	1,068.74	4,430.54
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	47,613.31	14,913.86	5,306.57	67,833.73
Share of renewable sources in total energy consumption	%	31.15%	20.51%	29.53%	27.85%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	152,866.91	72,703.10	17,968.90	243,538.91

As Morliny Foods operates in high climate-impact sectors, it also discloses energy intensity, calculated as total energy consumption per net revenue generated from activities in these sectors. Energy intensity is derived solely from energy consumption and net revenue associated to high climate-impact activities. A reconciliation to the corresponding line items in the consolidated financial statements is provided. As this is the first year of reporting under ESRS, energy intensity figures are presented without historical comparatives.

Morliny Foods – Energy intensity based on net revenue

	Poland	Romania	Slovakia & Hungary	Spain & France	TOTAL
Net revenue from activities in high climate impact sectors used to calculate energy intensity (mil USD)	3,138	510	207	560	4,401
Net revenue (other)	-	-	-	-	-
Total net revenue (Financial statements) (mil.USD)	3,138	510	207	560	4,401
Energy intensity (MWh/ USD)	0.0002353	0.0004772	0.0004062	0.0002574	0.0002750

Romanian entities (Comtim Romania, Elit SRL and Goodies) – Energy intensity based on net revenue

	Comtim Romania	Elit SRL	Goodies	TOTAL Romania
Net revenue from activities in high climate impact sectors used to calculate energy intensity (mil USD)	273	185	52	510
Net revenue (other)	-	-	-	-
Total net revenue (Financial statements) (mil.USD)	273	185	52	510
Energy intensity (MWh/ USD)	0.0005605	0.0003921	0.0003446	0.0004772

In addition, Morliny Foods discloses energy production from renewable and non-renewable sources in absolute terms (MWh), reflecting electricity generated on-site. This information supports transparency on the Group’s exposure to fossil energy and progress in expanding renewable energy generation within its operations.

Morliny Foods – Energy production from non-renewable and renewable sources in MWh

	Unit	Poland	Romania	Slovakia & Hungary	Spain & France	TOTAL
Energy production from non-renewable sources	MWh	32,165.8	-	49.00	4,364.78	36,579.64
Energy production from renewable sources	MWh	2,289.76	4,457.40	289.98	6,204.41	13,241.55

Romanian entities (Comtim Romania, Elit SRL and Goodies) – Energy production from non-renewable and renewable sources in MWh

	Unit	Comtim Romania	Elit SRL	Goodies	TOTAL Romania
Energy production from non-renewable sources	MWh	-	-	-	-
Energy production from renewable sources	MWh	3,150.05	238.60	1,068.74	4,457.40

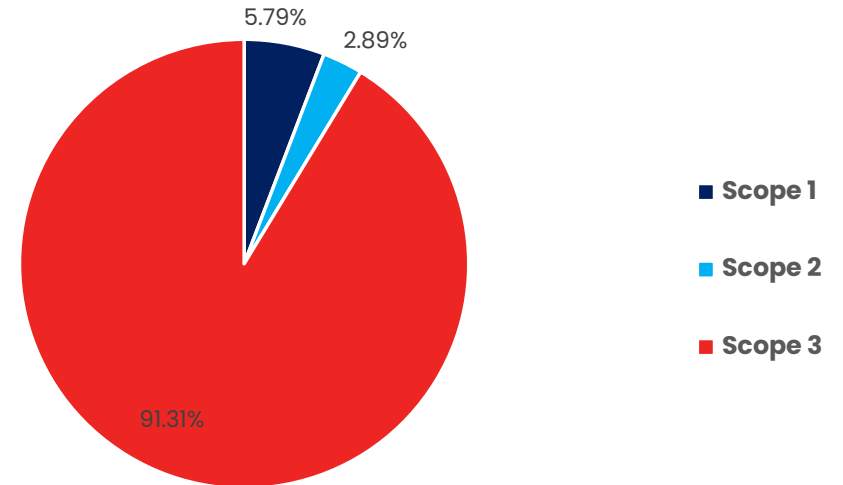
Gross Scopes 1, 2, 3 and Total GHG emissions

EI-6

Morliny Foods has calculated its GHG emissions inventory on an ongoing basis since 2021, including for the 2025 reporting year. The inventory covers Group operations across the geographies reflected in the reporting scope (including Poland, Romania, Slovakia, Hungary, Spain, France) and is prepared using a consistent consolidation approach aligned with operational control. Operations in the United Kingdom are considered not material with respect to GHG emissions and have therefore been excluded from this calculation.

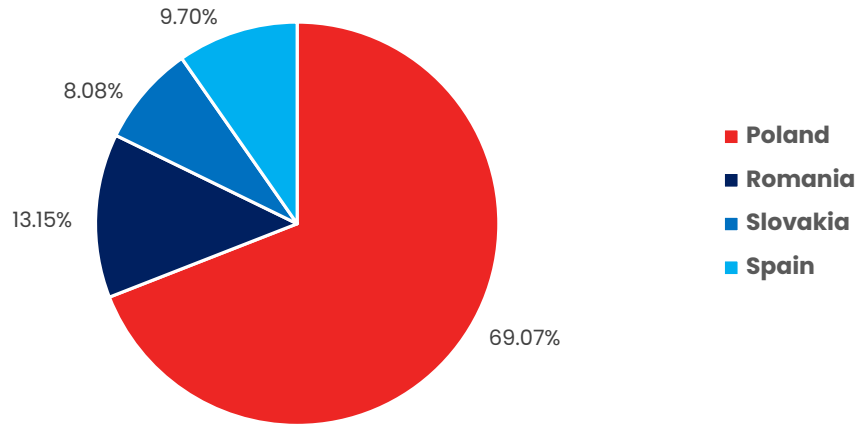
In 2025, Morliny Foods’ total GHG emissions amounted to approximately 6.4 million tCO₂e. The majority of emissions originate in the value chain (Scope 3), while direct operational emissions (Scope 1) and purchased energy emissions (Scope 2) represent a smaller share of the total.

Emissions by scope, 2025



Compared with 2024, total emissions decreased from approximately 7.27 million tCO₂e to 6.4 million tCO₂e. This change was driven primarily by a reduction in Scope 3 emissions from purchased goods following changes in organisational boundaries, while Scope 1 and Scope 2 emissions remained stable. The distribution of emissions across geographies reflects the scale and nature of operations in each location.

The Group’s emissions footprint reflects the scale and role of operations in each geography. Poland accounts for the largest share of emissions due to extensive farming, feed and processing activities. Romania also contributes to a significant share, primarily related to integrated farming operations. Emissions from Spain (also includes operations in France) and Mecom operations (Czech Republic, Slovakia, Hungary) are mainly associated with processing, packaging and supply-chain activities rather than primary agricultural production.



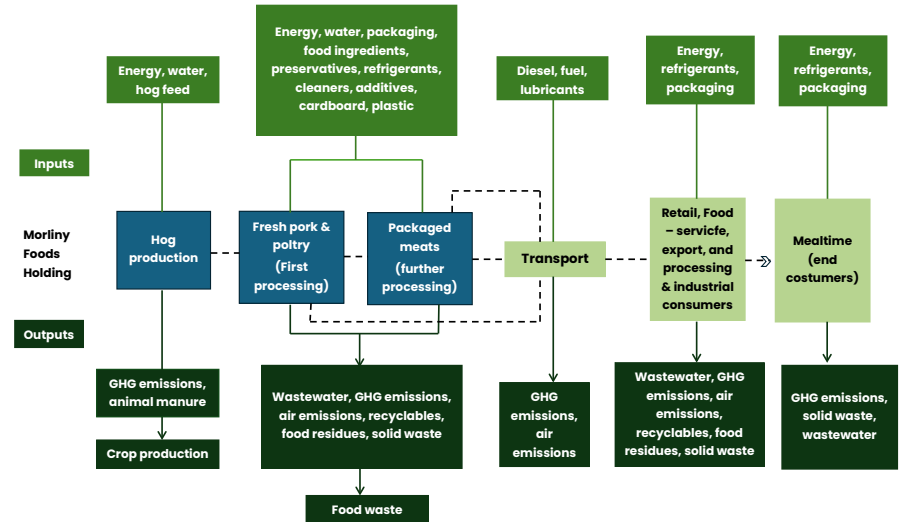
Emissions along the value chain

Across its value chain, Morliny Foods’ greenhouse gas emissions are primarily associated with agricultural activities, reflecting the livestock-based nature of its vertically integrated business model. Emissions related to animal feeding and rearing represent the largest share, while emissions associated with energy use in processing operations account for a smaller proportion.

Based on the Group’s 2025 GHG inventory, the largest share of emissions arises from feed production, livestock sourcing and farming activities, including manure management and enteric fermentation from owned and contract farms. A smaller but material share of emissions originates from industrial supply chains, such as packaging materials, ingredients and other purchased goods and services.

Emissions from processing operations and cold-chain energy use are mainly linked to fuel combustion for heat and steam, electricity consumption and refrigeration systems. Transport and logistics emissions arise from the movement of animals, raw materials and finished products, while other categories (such as waste treatment, employee commuting, business travel and end-of-life of products and packaging) represent a comparatively smaller share of total emissions.

Morliny Foods’ GHG emissions are primarily associated with agricultural inputs and livestock production. Emission-reduction efforts therefore focus on areas such as feed efficiency, sourcing of lower-emission feed components and manure management practices. These actions are complemented by measures related to renewable electricity deployment, energy efficiency and the circular use of by-products across the value chain.



Methodology and boundaries

GHG emissions for Scope 1, Scope 2 and Scope 3 are calculated in accordance with the GHG Protocol Corporate Standard. Scope 2 emissions are quantified using both location-based approach (based on national grid emission factors) and market-based approach (based on supplier-specific or contractual) emission factors.

Where activity-specific emission factors are available, they are applied at source level; otherwise, the closest applicable factors are used. The methodology relies on recognised sources for emission factors and global warming potentials, including (as applicable across countries and categories): KOBIZE, DEFRA, MITECO, ADEME, AIB mixes (production/residual), and Ecoinvent databases, alongside other recognised datasets.

Scope 1 – Gross direct emissions

Scope 1 emissions include direct emissions from stationary combustion (e.g., natural gas, LPG, coal, heating oil, biomass/wood pellets and biogas where applicable), mobile combustion (e.g., diesel, gasoline and other fuels used in vehicles), and fugitive or process-related sources included in the inventory methodology (e.g., refrigerants and agriculture-related sources reflected in the inventory structure).

For fuels and installations where relevant, emission-factor selection is aligned with sources used in regulated reporting contexts, including national references applied for ETS-related reporting (e.g. KOBIZE factors).

Scope 2 – Gross indirect emissions (electricity/energy)

Scope 2 emissions are calculated based on electricity consumption (and, where applicable, purchased heat and steam) recorded by Group companies, using:

- location-based emission factors reflecting national grid emission factors/mixes; and
- market-based emission factors reflecting supplier-specific factors and/or recognised residual/production mixes where applicable.

Scope 3 – Gross value-chain emissions

Scope 3 emissions are quantified for significant Scope 3 categories (i.e., those prioritised through the Group’s inventory approach), using category-appropriate calculation methods. The methodology includes activity-based calculations where physical data is available and, where needed, hybrid approaches (including spend-based methods) for remaining purchases where mass or activity data is not available, in line with the documented methodology.

The Scope 3 structure reflected in the inventory includes, among others: purchased goods and services, fuel- and energy-related activities (not in Scope 1 or 2), upstream transportation and distribution, waste generated in operations, business travel, employee commuting, and relevant downstream categories such as downstream transportation, processing or use of sold products, and end-of-life treatment (where applicable and quantified in the inventory).

The table below shows the consolidated GHG emissions, broken down by Scope 1, Scope 2 and Scope 3, for all companies and countries included in the scope of the current Sustainability Statement. For GHG emissions reporting, the base year applied is 2021 for Scope 1 and Scope 2, while 2024 was selected as the base year for Scope 3, reflecting the availability and completeness of value-chain data.

Clarification Note – First Year GHG Inventory (Morliny Foods Group)

The current reporting year represents Morliny Foods’ first full, Group-wide GHG inventory, marking an important step towards establishing a consistent and transparent baseline for the Group’s carbon footprint across all operations.

As is typical for the first-year exercise, data quality and completeness continue to be refined, particularly for Scope 3 emissions, for which 2024 and 2025 represent the first years of structured data collection. Data coverage is being progressively improved through enhanced supplier engagement and the integration of more accurate inputs. As

a result, certain increases in emissions compared to the base year or between reporting periods primarily reflect improvements in data capture and coverage, rather than a deterioration in underlying performance.

It should also be noted that the current inventory is largely based on Tier 1 (average) emission factors, which do not fully capture several positive aspects of the Group’s operating model, including:

- A high share of locally sourced grains and feed ingredients
- Strong integration of local livestock and meat sourcing
- Relatively low reliance on soy, with increasing focus on responsibly sourced, and traceable supply
- Circular practices such as manure use and by-product valorisation

These elements are expected to be more accurately reflected over time, as the Group gradually transition towards higher-tier, more activity-specific methodologies.

From a performance perspective, and considering Morliny Foods’ growth trajectory, absolute emissions are less representative than intensity-based indicators. In this regard, Morliny Foods achieved a significant improvement in GHG intensity (Scope 1 and 2) during the reporting year, with emissions per unit of revenue decreasing to approximately 77% of the previous year’s level. This improvement was supported by:

- Increased use of renewable electricity
- Improved energy sourcing strategies
- Ongoing efficiency measures across operations

Looking ahead, Morliny Foods’ targets for 2030 and 2035 reflect both continued operational improvements and expected business growth. The Group will continue to enhance data accuracy, expand supplier engagement, and refine its methodology, with the objective that the reported emissions profile progressively reflects the actual performance of its integrated and locally anchored production model.

Morliny Foods – GHG emissions – consolidated values

	Retrospective				Milestones and target years			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	2025	2030	2035	Annual % Target / Base Year
GHG emissions – Scope 1								
Gross Scope 1 GHG emissions (tCO ₂ eq)	388,976.84	362,011.85	371,106.06	103%	379,537.90	354,943.88	332,399.38	-1.1%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	NA	NA	NA	NA	NA	NA	NA	NA
GHG emissions – Scope 2								
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	223,468.75	194,559.13	185,310.01	95%	209,556.41	188,600.77	169,740.69	-1.9%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	231,909.82	166,557.83	167,263.81	100%	174,541.42	140,090.41	119,419.80	-4.6%
GHG emissions – Scope 3								
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	6,718,365.80	6,718,365.80	5,848,107.21	87%	6,948,879.07	7,224,145.96	7,514,021.43	1.0%

	Retrospective				Milestones and target years			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	2025	2030	2035	Annual % Target / Base Year
1 Purchased goods and services	5,997,899.13	5,997,899.13	5,329,768.58	89%	6,167,000.54	6,419,485.45	6,683,980.32	1.0%
[Optional sub-category: Cloud computing and data centre services]	-	-	-	-	-	-	-	
2 Capital goods	1,588.14	1,588.14	1,960.38	123%	50,000.00	50,000.00	50,000.00	36.8%
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	67,949.39	67,949.39	68,358.08	101%	67,949.39	67,949.39	67,949.39	0.0%
4 Upstream transportation and distribution	261,265.31	261,265.31	132,502.40	51%	261,265.31	281,644.01	303,612.24	1.4%
5 Waste generated in operations	128,378.81	128,378.81	21,173.53	16%	128,378.81	121,959.87	115,861.88	-0.9%
6 Business traveling	1,049.89	1,049.89	984.42	94%	1,049.89	1,049.89	1,049.89	0.0%
7 Employee commuting	23,000.10	23,000.10	11,443.92	50%	23,000.10	24,794.11	26,728.05	1.4%
8 Upstream leased assets	-	-	-	-	-	-	-	-
9 Downstream transportation	90,105.42	90,105.42	150,378.14	167%	90,105.42	97,133.64	104,710.06	1.4%
10 Processing of sold products	137,268.00	137,268.00	120,948.74	88%	150,268.00	150,268.00	150,268.00	0.8%
11 Use of sold products	6,371.46	6,371.46	7,036.59	110%	6,371.46	6,371.46	6,371.46	0.0%
12 End-of-life treatment of sold products	3,490.14	3,490.14	3,552.41	102%	3,490.14	3,490.14	3,490.14	0.0%
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-	-	-
Total GHG emissions								
Total GHG emissions (location- based) (tCO ₂ eq)	NA	7,274,936.78	6,404,523.29	88%	7,537,973.38	7,767,690.60	8,016,161.51	0.9%
Total GHG emissions (market- based) (tCO ₂ eq)	NA	7,246,935.48	6,386,477.08	88%	7,502,958.40	7,719,180.25	7,965,840.62	0.9%

* 2021 is considered base year for Scope 1 and Scope 2 and 2024 is considered base year for Scope 3

Morliny Foods – GHG emissions – by geography

	Retrospective Poland				Retrospective Romania			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1
GHG emissions – Scope 1								
Gross Scope 1 GHG emissions (tCO₂eq)	166,824.96	150,345.02	143,073.19	95%	195,510.88	184,489.85	199,923.22	108%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	NA	NA	NA	NA	NA	NA	NA	NA
GHG emissions – Scope 2								
Gross location-based Scope 2 GHG emissions (tCO₂eq)	203,063.51	157,425.30	149,155.38	95%	5,851.74	13,502.00	13,477.88	100%
Gross market-based Scope 2 GHG emissions (tCO₂eq)	202,744.66	141,998.37	135,373.80	95%	14,611.66	5,621.00	3,754.24	67%
GHG emissions – Scope 3								
Total Gross indirect (Scope 3) GHG emissions (tCO₂eq)	5,322,220.18	5,322,220.18	4,131,380.47	78%	347,596.00	347,596.00	628,834.11	181%
1 Purchased goods and services	4,794,886.69	4,794,886.69	3,799,907.79	79%	229,372.00	229,372.00	518,045.23	226%
[Optional sub-category: Cloud computing and data centre services	-	-	-	-	-	-	-	-
2 Capital goods	-	-	-	-	-	-	-	-
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	58,490.28	58,490.28	52,664.69	90%	-	-	5,685.72	-
4 Upstream transportation and distribution	209,489.00	209,489.00	103,130.62	49%	33,121.00	33,121.00	19,140.00	58%
5 Waste generated in operations	122,086.20	122,086.20	13,977.39	11%	4,252.00	4,252.00	3,639.35	86%
6 Business traveling	-	-	-	-	-	-	-	-
7 Employee commuting	-	-	-	-	18,633.00	18,633.00	3,982.81	21%
8 Upstream leased assets	-	-	-	-	-	-	-	-
9 Downstream transportation	-	-	40,751.24	-	62,218.00	62,218.00	78,341.00	126%

	Retrospective Poland				Retrospective Romania			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1
10 Processing of sold products	137,268.00	137,268.00	120,948.74	88%	-	-	-	-
11 Use of sold products	-	-	-	-	-	-	-	-
12 End-of-life treatment of sold products	-	-	-	-	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-	-	-
Total GHG emissions								
Total GHG emissions (location- based) (tCO ₂ eq)	NA	5,629,990.50	4,423,609.04	79%	NA	545,587.85	842,235.21	154%
Total GHG emissions (market- based) (tCO ₂ eq)	NA	5,614,563.57	4,409,827.46	79%	NA	537,706.85	832,511.57	155%

* 2021 is considered base year for Scope 1 and Scope 2 and 2024 is considered base year for Scope 3

	Retrospective MECOM				Retrospective Spain			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1
GHG emissions – Scope 1								
Gross Scope 1 GHG emissions (tCO ₂ eq)	NA	10,815.36	10,628.11	98%	26,641.00	16,361.62	17,481.54	107%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	NA	NA	NA	NA	NA	NA	NA	NA
GHG emissions – Scope 2								
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	NA	6,440.05	3,505.20	54%	14,553.50	17,177.45	19,171.55	112%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	NA	12,562.16	9,762.68	78%	14,553.50	17,177.45	18,373.09	107%

	Retrospective Mecom				Retrospective Spain			
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1
GHG emissions – Scope 3								
Total Gross indirect (Scope 3) GHG emissions (tCO₂eq)	474,453.98	474,453.98	503,517.50	106%	556,851.08	556,851.08	584,375.13	105%
1 Purchased goods and services	467,250.77	467,250.77	493,483.44	106%	499,407.77	499,407.77	518,332.12	104%
[Optional sub-category: Cloud computing and data centre services	-	-	-	-	-	-	-	-
2 Capital goods	1,588.14	1,588.14	1,289.93	81%	-	-	670.45	-
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	2,544.33	2,544.33	2,619.81	103%	6,914.78	6,914.78	7,387.87	107%
4 Upstream transportation and distribution	334.93	334.93	332.01	99%	8,119.29	8,119.29	9,899.78	122%
5 Waste generated in operations	534.16	534.16	2,213.84	414%	1,506.45	1,506.45	1,342.94	89%
6 Business traveling	9.48	9.48	5.59	59%	978.83	978.83	978.83	100%
7 Employee commuting	2,019.42	2,019.42	2,442.85	121%	2,347.68	2,347.68	5,018.26	214%
8 Upstream leased assets	-	-	-	-	-	-	-	-
9 Downstream transportation	146.93	146.93	150.85	103%	27,740.49	27,740.49	31,135.05	112%
10 Processing of sold products	-	-	-	-	-	-	-	-
11 Use of sold products	20.76	20.76	968.36	4664%	6,350.70	6,350.70	6,068.24	96%
12 End-of-life treatment of sold products	5.05	5.05	10.82	214%	3,485.09	3,485.09	3,541.59	102%
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-	-	-
Total GHG emissions								
Total GHG emissions (location- based) (tCO ₂ eq)	NA	491,709.39	517,650.81	105%	NA	590,390.15	621,028.22	105%
Total GHG emissions (market- based) (CO ₂ eq)	NA	497,831.50	523,908.29	105%	NA	590,390.15	620,229.76	105%

* 2021 is considered base year for Scope 1 and Scope 2 and 2024 is considered base year for Scope 3

Morliny Foods – GHG emissions – by geography (Romanian entities)

	Retrospective Romania				Comtim Farms			Comtim Plant			Elit Processing		
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1
GHG emissions – Scope 1													
Gross Scope 1 GHG emissions (tCO₂eq)	195,510.88	184,489.85	199,923.22	108%	14,381.55	170,591.09	1186%	8,033.24	10,781.21	134%	17,606.60	18,550.92	105%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
GHG emissions – Scope 2													
Gross location-based Scope 2 GHG emissions (tCO₂eq)	5,851.74	13,502.00	13,477.88	100%	4,298.00	4,114.38	96%	4,886.00	5,062.52	104%	4,318.00	4,300.98	100%
Gross market-based Scope 2 GHG emissions (tCO₂eq)	14,611.66	5,621.00	3,754.24	67%	1,765.00	1,142.45	65%	2,035.00	1,382.85	68%	1,821.00	1,228.94	67%
GHG emissions – Scope 3													
Total Gross indirect (Scope 3) GHG emissions (tCO₂eq)	347,596.00	347,596.00	628,834.11	181%	151,964.40	230,357.82	152%	89,907.70	219,161.16	244%	105,723.60	179,315.13	170%
1 Purchased goods and services	229,372.00	229,372.00	518,045.23	226%	133,251.00	204,911.11	154%	6,129.00	138,011.39	2252%	89,992.00	175,122.73	195%
[Optional sub-category: Cloud computing and data centre services	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Capital goods	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	-	-	5,685.72	-	-	2,307.11	-	-	741.57	-	-	2,637.04	-
4 Upstream transportation and distribution	33,121.00	33,121.00	19,140.00	58%	17,243.00	19,140.00	111%	9,931.00	-	-	5,947.00	-	-
5 Waste generated in operations	4,252.00	4,252.00	3,639.35	86%	1,470.40	695.60	47%	1,489.70	1,711.39	115%	1,291.60	1,232.36	95%

	Retrospective Romania				Comtim Farms			Comtim Plant			Elit Processing		
	Base year (2021/2024)*	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1	Comparative (2024)	2025 (N)	% N / N-1
6 Business traveling	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Employee commuting	18,633.00	18,633.00	3,982.81	21%	-	3,304.00	-	10,140.00	355.81	4%	8,493.00	323.00	4%
8 Upstream leased assets	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Downstream transportation	62,218.00	62,218.00	78,341.00	126%	-	-	-	62,218.00	78,341.00	126%	-	-	-
10 Processing of sold products	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Use of sold products	-	-	-	-	-	-	-	-	-	-	-	-	-
12 End-of-life treatment of sold products	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GHG emissions													
Total GHG emissions (location-based) (tCO₂eq)	NA	545,587.85	842,235.21	154%	170,643.95	405,063.29	237%	102,826.94	235,004.89	229%	127,648.20	202,167.03	158%
Total GHG emissions (market-based) (tCO₂eq)	NA	537,706.85	832,511.57	155%	168,110.95	402,091.36	239%	99,975.94	231,325.22	231%	125,151.20	199,094.99	159%

The table below presents the GHG emissions intensity (total GHG emissions per net revenue).

ESRS	Disclosure Requirement	Full name of the Disclosure Requirement	Phase-in or effective date (including the first year)
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/USD)	0.001898	0.001455	77%
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/USD)	0.001891	0.001451	77%

Turnover 2024: USD 3,832,000,167

Turnover 2025: USD 4,400,709,420

ESRS E3

WATER AND MARINE RESOURCES

Impact, risk and opportunity management

Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

IRO-1

As part of the double materiality assessment, Morliny Foods assessed its own operations and relevant parts of the value chain to identify actual and potential water-related impacts, risks, and opportunities. The assessment process was based on documented inputs and included:

- operational data from farms, harvesting and meat-processing facilities;
- applicable regulatory and permitting requirements at national and EU level;
- site-specific environmental information, including local hydrological characteristics where available;
- results of internal environmental risk assessments and climate-related studies.

During the reporting period, the Group operated 106 assets, including farms, harvesting sites, and meat processing facilities. Production facilities and agricultural sites were assessed against defined criteria, including water abstraction, water consumption, wastewater generation and discharge, as well as potential dependencies on water availability. Activities associated with structurally high-water demand, namely animal husbandry and hygiene-critical food processing operations, were included within the scope of the assessment.

Morliny Foods' water strategy reflects the requirements of a highly regulated food production environment, prioritising animal welfare and food safety while pursuing efficiency through loss prevention, system optimisation, and safe, permitted reuse.

Continued investment in farm drinking systems, the reliability of on-site water and wastewater treatment, and enhanced monitoring remains central to responsible water management across the Group.

In 2025, Morliny Foods conducted a Climate Risk and Vulnerability Assessment covering all major asset types, including farms, feed mills, slaughterhouses, meat processing plants, logistics facilities and offices. The assessment concluded that no operational sites were identified as being located in areas classified as water-stressed or exposed to high water scarcity risk at the time of the assessment. Nevertheless, water availability and regulatory frameworks may evolve over time as a result of climate change, increased competition for water resources or changes in abstraction rights. For this reason, water-related risks continue to be monitored as part of the Group's ongoing environmental and climate risk management process.

Upstream and downstream impacts were also considered, including those related to agricultural raw materials and farming practices associated with water use and water quality.

Information on material impacts, risks and opportunities identified through this process is disclosed under *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities* starting on page 20.



Policies related to water and marine resources

E3-1

Morliny Foods manages water-related impacts through its Environmental and Climate Change Policy, which applies to all Group operations. The policy framework is aligned with ISO 14001 Environmental Management Systems, the Corporate Sustainability Reporting Directive and the requirements of ESRS.

Water is a key operational resource for Morliny Foods. The main water uses are associated with animal drinking water in farming operations and hygiene and sanitation requirements in harvesting and meat-processing activities. These uses are governed by animal welfare standards, food safety requirements, and regulatory obligations, which define minimum operational water requirements.

Key policy commitments related to water include

The Environmental and Climate Change Policy establishes the following water-related commitments:

- The efficient and responsible use of water across all operations;
- The protection of water quality and prevention of pollution of local water bodies;
- Full compliance with all water-related permits and regulatory requirements;
- Regular assessment of water-related risks and implementation of appropriate mitigation measures.

The implementation of Morliny Foods’ water-related policy commitments is supported by environmental management systems certified under ISO 14001, regular internal audits, structured legal compliance reviews and continuous improvement processes. The Environmental and Climate Change Policy and the Group ESG Strategy provide a common governance framework for water management across all operational sites and functions, ensuring that policy commitments are applied in a harmonised manner throughout the Group. As of the reporting period, 91.5% of Morliny Foods’ operations were certified under ISO 14001, with compliance assessments and improvement actions documented and available for audit.

All the EU sites are governed by strict national and EU-level environmental legislation, including:

- IPPC (Integrated Pollution Prevention and Control) permits
- Water discharge permits
- Manure management regulations. These are enforced through regular inspections and audits by competent authorities, and the operations have consistently passed such reviews

In addition, a defined share of the Group’s farms and production facilities operates under permits issued in accordance with the Industrial Emissions Directive (IED). These permits regulate overall environmental performance, including water emissions and water consumption, and require ongoing monitoring and compliance with best available techniques (BAT). Together, these management systems and regulatory frameworks form the basis for consistent policy implementation, regulatory compliance and continuous improvement in the management of water resources across Morliny Foods’ operations.



Highly regulated operating environment

Morliny Foods’ operations are subject to applicable environmental permitting requirements. All operational sites hold environmental permits, as well as water permits where applicable. Permit registers and authorisations are maintained at site level and are subject to regulatory oversight. More than 80 locations, representing over 75% of the Group’s farms and production facilities, operate under permits issued in accordance with the Industrial Emissions Directive (IED), which establishes an integrated framework for regulating pollutant emissions from industrial installations.

- IED permits regulate the overall environmental performance of installations, covering air and water emissions, energy efficiency and water consumption, and establish emission limit values and monitoring obligations and reporting requirements.
- The IED framework requires the application of Best Available Techniques (BAT), which serve as evolving benchmarks for permit conditions and support continuous environmental performance improvement.
- The permits also include conditions applicable to normal operating scenarios and to incident or emergency situations, requiring operators to implement monitoring, control, and response measures intended to limit adverse effects on human health and the environment.



Actions and resources related to water and marine resources

E3-2

Morliny Foods has implemented a structured set of operational, technical and organisational measures, supported by dedicated resources, to manage water-related impacts across its operations. Actions focus on improving water-use efficiency, preventing avoidable losses, strengthening monitoring systems and maintaining reliable wastewater treatment performance, while reflecting the structural constraints associated with animal welfare and food safety requirements.

Governance and responsibilities

Water management responsibilities are clearly defined at Group and operational level. The Utilities Department is responsible for operational water abstraction, leakage detection, metering and process optimisation. The Environmental Department ensures compliance with water-related regulations, environmental monitoring, reporting and audits. The Food Safety Department oversees water use in cleaning and sanitation processes, while ensuring continued compliance with food safety and hygiene requirements.

This governance structure ensures that water management decisions integrate operational efficiency, regulatory compliance and food-safety considerations, and are implemented consistently across all sites.

Water use monitoring and infrastructure management

Morliny Foods deploys a combination of metering, monitoring and preventive maintenance measures across its operations. Water metering systems have been installed at major consumption points, including processing lines, cooling systems, cleaning stations, and boilers. Consumption data are monitored at least monthly to detect anomalies, leaks, or inefficiencies, supported by preventive maintenance and routine inspections of pipelines and equipment.

High-pressure, low-flow cleaning systems have been installed where technically feasible in both primary and secondary units, and standard operating procedures have been developed to minimise rinse cycles. Additionally, new boilers and steam systems were equipped with condensate recovery technology, supporting both water and energy efficiency.

Responsible water sourcing and regulatory compliance

Water withdrawals and discharges are subject to strict permitting and regulatory compliance across all operations. Impact assessments are conducted to prevent aquifer depletion (e.g., Spain), and back-up sourcing plans (e.g., municipal water) are in place in case of risk. Water withdrawals are authorised, monitored and reported to competent authorities.

Sites submit monthly water usage and discharge reports, undergo unscheduled compliance sampling, and receive annual inspections by national water authorities.

To support these actions, Morliny Foods ensures that staff receive annual environmental training, and emergency response plans are in place and regularly tested.

Structural limits to water reuse

While water-use efficiency remains a priority, the potential for water reuse within Morliny Foods’ operations is structurally limited by strict food-safety and hygiene requirements.

Water used for carcass washing, equipment sanitation, food-contact surfaces and other hygiene-critical zones must meet potable or near-potable quality standards and once used, must be discharged and treated rather than reused. Reused or reclaimed water is restricted to specific, controlled applications, such as:

- recovery of steam condensate;
- reuse of treated wastewater for non-contact purposes (where permitted);
- selected auxiliary uses (e.g., technical cleaning or external applications);

In 2025, reused or reclaimed water amounted to 141,921 m³ across Poland, Slovakia and Spain, representing the maximum feasible level under current regulatory and food-safety constraints. Further reuse will be undertaken solely following detailed risk evaluation and regulatory authorisation, and only when it can be guaranteed that neither food safety nor animal health is compromised.

Wastewater is managed either through the company’s own 14 wastewater treatment plants (WWTPs), operated under strict permits and discharge limits, or municipal sewage systems, which are also subject to strict regulatory requirements. Together, these systems provide a total treatment capacity of 30,540 m³ per day, ensuring all discharged water meets regulatory limits for physical, chemical and biological parameters. Continuous monitoring, maintenance and reporting are part of the standard environmental management procedures implemented at each site.

Farm-level water efficiency actions

Farm-level water-efficiency efforts focus on reducing avoidable losses from drinking systems, as animal drinking water is the largest component of consumption, particularly in breeding operations. Actions focus on loss prevention, not consumption restrictions, ensuring unrestricted drinking water availability. To achieve this, farms have progressively introduced the following measures:

- Modern drinking systems, such as nipple and bowl drinkers with controlled flow rates, that significantly reduce spillage compared with open troughs;
- Water pressure regulation and precise flow control, tailored to the size and age of the animals;

- Regular inspections and maintenance of drinkers, valves and pipelines to detect leaks early;
- Replacement of worn or damaged components, as they are a common source of continuous water loss;
- Layout optimisation to minimise accidental activation or tipping of drinking devices.

Research shows that well-adjusted systems can reduce water losses without affecting intake or animal welfare. Farms also track water-to-animal ratios and monitor consumption patterns to detect leaks, equipment failures or potential animal health issues. This monitoring enables rapid corrective action and helps minimise both water waste and operational risks.

Case Study: Reducing water use per hog slaughtered through operational optimisation

Efficient water management is a key priority for Morliny Foods, due to its environmental relevance and its role in supporting operational resilience. In 2025, the Group achieved a significant reduction in water use per hog slaughtered within its Romanian meat-processing operations, driven by targeted technical and operational optimisation measures.

Despite a 15.6% increase in slaughter volumes, total water abstraction across the five on-site wells decreased from 617,197 m³ in 2024 to 576,980 m³ in 2025, reflecting a material improvement in water intensity. Water extracted per hog reduced from 631 litres to 510 litres, while water consumed per hog reduced from 525 litres to 460 litres.

A key driver of this performance improvement was a detailed assessment of the site’s three water storage reservoirs, each with a capacity of 5,000 m³. The analysis identified water losses linked to historical overflow setpoints, which caused overflow during peak operating periods. By adjusting these thresholds, overflow losses were significantly reduced, delivering immediate efficiency gains.

Actions implemented during the reporting period

Across all countries, coordinated actions focus on infrastructure upgrades, monitoring enhancements and process optimisation, including:

- Completion of water metering and benchmarking across all high-consumption sites;
- Technical upgrades to wastewater treatment systems, notably in Poland and Romania ;
- Feasibility studies to assess the potential for reusing water in cooling systems,
- Targeted internal audits focusing on water consumption, especially in cleaning and sanitation processes.

Additional process-level optimisation measures were introduced in late 2025, particularly within the refrigeration plant and semi-processing areas. These measures included pilot testing and subsequent upgrades of purge valves, the installation of level transmitters and centralised control systems, and the introduction of water recirculation systems for packaging equipment. One recirculation project alone reduced monthly water consumption from an average of 573 m³ to 11 m³.

Building on these results, Morliny Foods plans to further enhance water efficiency efforts in 2026 through increased automation of reservoir level control, enhanced consumption monitoring and continued process optimisation. Together, these actions support the Group’s objective of decoupling production growth from water use, improving water efficiency per unit of output and strengthening long-term environmental performance.

Metrics and targets

Targets related to water and marine resources

E3-3

Morliny Foods aims to strengthen water stewardship by improving monitoring, increasing efficiency, and implementing sustainable water management practices across all operations. In support of this objective, the Group has established water-related targets for the 2025 – 2030 period, applicable across all managed farming, manufacturing and logistics operations. These targets support the implementation of the Environmental and Climate Change Policy and contribute to the Group’s overall approach to responsible water management.

The targets focus on improving water-use efficiency, enhancing monitoring capabilities and ensuring the consistent application of the water management practices across the Group. They address both water-quantity considerations and the long-term protection of water resources, while reflecting the operational realities of the Group’s activities.

Medium-term targets include:

- Installation of advanced water metering and telemetry systems at main sites, covering 75% from slaughtering and processing facilities by 2028
- 10% reduction in total water consumption by 2030, compared to the 2024 baseline
- Implementation of sustainable water management practices across 100% of operations by 2030, aimed at optimising water-use efficiency and minimising overall water consumption.

In addition to water-quantity targets, Morliny Foods has set targets related to wastewater discharge performance:

- Achieve at least 98% monthly effluent-compliance rate across all company-managed sites, with zero significant permit exceedances (short- to medium-term target)
- Ensure wastewater discharge in full compliance with applicable regulatory requirements, targeting 100% monthly effluent compliance at all company-managed sites, or treated to a higher standard where feasible (medium- to long-term target).

Progress against these targets is supported by ongoing infrastructure upgrades and systematic monitoring of water use and discharges at site level, enabling performance tracking and continuous improvement over the target period.

To maintain transparency and compliance, each site submits monthly reports on water usage and discharge volumes to regulatory authorities. Unscheduled monthly sampling of treated water discharges is conducted to verify compliance with environmental limits, with corrective actions taken as needed. Additionally, each site undergoes at least one annual inspection by national water authorities to assess compliance, verify reporting accuracy, and evaluate the effectiveness of on-site monitoring and treatment systems.

Water consumption

E3-4

In 2025, Morliny Foods’ total net freshwater consumption amounted to 3.39 million m³, of which 2.2 million m³ related to operations in Romania and 1.07 million m³ to operations in Poland, reflecting the scale and integration of farming and processing activities in these countries.

Water withdrawals at Morliny Foods originate from third-party water supply (municipal or purchased

water) and from groundwater abstraction under valid permits. The Group does not abstract water from surface water bodies such as rivers, lakes or wetlands.

All wastewater is discharged through permitted discharge routes, either to municipal wastewater treatment systems or, where applicable, to site-owned treatment facilities. In 2025, total wastewater discharge amounted to 7.03 million m³, with the largest volumes associated with harvesting and processing operations.

In 2025, the Group recorded a total of 141,921 m³ of reused or reclaimed water, recorded across operations in Poland, Slovakia and Spain. Although this represents a small share of total water use, it reflects the maximum feasible level of reuse achievable under current regulatory requirements and food-safety constraints. Any further expansion of reuse would require detailed risk assessments and regulatory approval and will only be pursued where it can be assured that neither food safety nor animal health is compromised.

During the reporting period, Morliny Foods reported zero net freshwater consumption in water-stressed areas, based on the absence of operational sites in regions classified as water-stressed or exposed to high water-scarcity risk at the time of reporting.



Morliny Foods – GHG emissions – by geography

Indicators	Unit of measure	Poland	Romania	Slovakia & Hungary	Spain & France	TOTAL*	
Total net freshwater consumption = Third party sources (A) + Fresh surface water (B) + Groundwater (C) - Water discharge (D)	m ³	1,077,000	2,196,552	-	124,859	3,398,411	
Third party sources: municipal water, local third-party water purchase, city water from public water department, trucked water purchased, tap water and reclaimed water (A)	Total water supplied from third-party sources	m ³	3,102,356	239,546	303,636	281,542	3,927,080
	Water supplied from third-party sources in breeding	m ³	278,004	-	-	-	278,004
	Water supplied from third-party sources in harvesting	m ³	2,242,629	3,923	-	-	2,246,552
	Water supplied from third-party sources in meat processing	m ³	581,723	235,623	303,636	281,542	1,402,524
Fresh surface water (including rainwater, water from wetlands, rivers and lakes) (B)	Total fresh surface water withdrawal	m ³	-	-	-	-	-
	Fresh surface water withdrawal in breeding	m ³	-	-	-	-	-
	Fresh surface water withdrawal in harvesting	m ³	-	-	-	-	-
	Fresh surface water withdrawal in meat processing	m ³	-	-	-	-	-
Groundwater (Groundwater that can be recovered from underground) (C)	Total fresh groundwater withdrawal	m ³	3,209,693	2,799,607	35,875	458,394	6,503,569
	Groundwater withdrawal in breeding	m ³	258,251	2,096,175	-	-	2,354,426
	Groundwater withdrawal in harvesting	m ³	1,905,097	576,980	-	-	2,482,077
	Groundwater withdrawal in meat processing	m ³	1,046,345	126,452	35,875	458,394	1,667,066
Water discharge (D)	Total water discharge	m ³	5,235,049	842,601	339,511	615,077	7,032,238
	Water discharge from breeding	m ³	56,586	12,258	-	-	68,844
	Water discharge from harvesting	m ³	3,760,164	536,289	-	-	4,296,453
	Water discharge from meat processing	m ³	1,418,299	294,054	339,511	615,077	2,666,941
Volume of Circulating Water	m ³	-	-	-	-	-	
Volume of Reused/Reclaimed Water	m ³	114,666	-	19,955	7,300	141,921	
Water consumption intensity	m ³ / USD	0.0003432	0.0043044	-	0.0002229	0.0007722	

Romanian entities (Comtim Romania, Elit SRL and Goodies) – water consumption

Indicators	Unit of measure	Comtim Romania	Elit SRL	Goodies	TOTAL	
Total net freshwater consumption = Third party sources (A) + Fresh surface water (B) + Groundwater (C) - Water discharge (D)	m ³	2,128,531	12,820	55,201	2,196,552	
Third party sources: municipal water, local third-party water purchase, city water from public water department, trucked water purchased, tap water and reclaimed water (A)	Total water supplied from third-party sources	m ³	3,923	235,623	-	239,546
	Water supplied from third-party sources in breeding	m ³	-	-	-	-
	Water supplied from third-party sources in harvesting	m ³	3,923	-	-	3,923
	Water supplied from third-party sources in meat processing	m ³	-	235,623	-	235,623
Fresh surface water (including rainwater, water from wetlands, rivers and lakes) (B)	Total fresh surface water withdrawal	m ³	-	-	-	-
	Fresh surface water withdrawal in breeding	m ³	-	-	-	-
	Fresh surface water withdrawal in harvesting	m ³	-	-	-	-
	Fresh surface water withdrawal in meat processing	m ³	-	-	-	-
Groundwater (Groundwater that can be recovered from underground) (C)	Total fresh groundwater withdrawal	m ³	2,673,155	33,131	93,321	2,799,607
	Groundwater withdrawal in breeding	m ³	2,096,175	-	-	2,096,175
	Groundwater withdrawal in harvesting	m ³	576,980	-	-	576,980
	Groundwater withdrawal in meat processing	m ³	-	33,131	93,321	126,452
Water discharge (D)	Total water discharge	m ³	548,547	255,934	38,120	842,601
	Water discharge from breeding	m ³	12,258	-	-	12,258
	Water discharge from harvesting	m ³	536,289	-	-	536,289
	Water discharge from meat processing	m ³	-	255,934	38,120	294,054
Volume of Circulating Water	m ³	-	-	-	-	
Volume of Reused/Reclaimed Water	m ³	-	-	-	-	
Water consumption intensity	m ³ / USD	0.007804	0.000069	0.001059	0.004304	

ESRS E4

BIODIVERSITY AND ECOSYSTEMS

Strategy

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

E4-1

Biodiversity considerations are embedded across Morliny Foods’ farming, feed sourcing and land management activities, shaping how operational decisions are made and how risks are monitored across the Group. Biodiversity-specific risks for the Group relate primarily to land-use pressures in breeding areas, dependence on soil and water availability, and proximity to protected habitats, which may influence long-term operational planning and licensing requirements. Although a standalone biodiversity transition plan has not yet been developed, considerations related to biodiversity and ecosystems are integrated into the broader ESG.

The business model is exposed to physical risks (e.g., extreme weather, water scarcity), transition risks (e.g., evolving regulations, market expectations), and systemic risks (e.g., long-term ecosystem degradation). At the reporting date, Morliny Foods does not have a standalone biodiversity transition plan in place. Biodiversity-related considerations are currently integrated into the Group’s broader ESG strategy and environmental management processes.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM 3

Morliny Foods operates across multiple European countries, with major facilities located in Romania, Hungary, Slovakia, Spain, and Poland. While most of the company-owned or operated facilities are located outside designated biodiversity areas, 19 sites, covering approximately 120 hectares, are located in or near protected areas or key biodiversity areas, including wetlands and Natura 2000 sites.

Morliny Foods aims to reduce impacts on biodiversity and ecosystems by strengthening responsible sourcing practices, protecting natural habitats, and improving agricultural land management.

Of the total 12,450 hectares of land owned by the Group, 13.3% (equivalent to 1,660 hectares) is located within designated biodiversity areas, while an additional 4.9% is classified as forest and fallow land. Although these sites may exert pressure on surrounding habitats through land use and agricultural practices, all activities with potential impacts biodiversity-sensitive areas are subject to strict regulatory oversight, requiring both environmental permitting and comprehensive environmental impact assessments prior to construction, expansion or modification.

Impact, risk and opportunity management

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

IRO-1

As part of the double materiality assessment, Morliny Foods reviewed its own operations as well as its upstream and downstream value chain to identify actual and potential impacts, risks, and opportunities related to biodiversity and ecosystems. Within the Group’s operations, potential medium to long-term negative impacts resulting from changes in land use have been identified, primarily associated with changes in land use resulting from the expansion of breeding areas and zones designated for fodder cultivation. These impacts were documented in the double materiality assessment results. Risks are assessed through factors such as soil quality, water availability and the condition of nearby natural habitats, as reflected in environmental permitting requirements.



In the upstream value chain, current negative impacts with short, medium and long-term consequences were identified, specifically chemicals used in agricultural activities. These substances may lead to runoff into surrounding ecosystems, with the potential to disrupt ecological balance, affect non-target species, and alter nutrient cycles. Downstream biodiversity impacts were screened as part of the assessment; no material impacts beyond regulatory compliance were identified.

To support the double materiality assessment process, Morliny Foods engaged key stakeholder groups, including shareholders, employees, top management, and customers. The insights gained from these engagements supported the assessment of biodiversity-related impacts, risks, and opportunities, and enabled us to better understand the Group’s biodiversity-related profile.

The results of this assessment also support the integration of biodiversity considerations into strategic planning and operational management.

For information regarding IROs, please refer to the table in the section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities* starting on page 20.

Morliny Foods integrates biodiversity and ecosystem protection into its operations and supply chain by applying sustainable practices across farming, feed sourcing and food-processing activities. The biodiversity framework is aligned with the Group’s wider climate and environmental strategy, supporting the integration of biodiversity and ecosystem considerations across the farm-to-fork production model, in alignment with the Group’s climate and environmental policies.

Policies related to biodiversity and ecosystems

E4-2

The Group’s Environmental and Climate Change Policy adopted in 2025 sets out the framework for identifying, assessing, managing and remediating biodiversity and ecosystem-related impacts, risks and opportunities. The policy is aligned with ISO 14001:2015 Environmental Management Systems and the Corporate Sustainability Reporting Directive, ensuring compliance with local, national, and international environmental regulations. The policy applies across all operations and supply chain, reflecting Morliny Foods’ integrated farming, feed-sourcing and processing model.

All group business units are in full compliance with national and European environmental permitting requirements for air, soil, and water. As of the reporting period, 91.5% of the Group’s operations were certified under the ISO 14001 Environmental Management System, supported by ongoing improvement initiatives and regular assessments to ensure legal compliance. More than 80 locations representing over 75% of Morliny Foods’ farms and production facilities operate under Industrial Emissions Directive (IED), which sets strict requirements for environmental performance, emission limits, and monitoring.

Key commitments on biodiversity and ecosystems, as set out in the Environmental and Climate Change Policy, include:

- Assessing climate- and ecosystem-related risks, including drought, floods and habitat pressures, and integrating appropriate mitigation measures into environmental management processes
- Promoting sustainable land-use planning and conservation-oriented agricultural practices that support soil health and protecting natural habitats
- Ensuring responsible sourcing of feed and agricultural raw materials by prioritising suppliers who apply sustainable farming practices
- Collaborating with research institutions and agricultural partners to support the development of climate-resilient farming methods and innovative sustainable technologies

- Conducting biodiversity impact assessments across operational sites and value chains to support the identification of ecosystem-related risks
- Ensuring compliance with applicable legislation, including the EU Deforestation Regulation (EUDR) and other environmental requirements governing land use, forest protection and habitat conservation
- Engaging with farmers and suppliers to support agricultural practices that safeguard biodiversity, reduce deforestation-related risks and preserve soil and water resources.

Actions and resources related to biodiversity and ecosystems

E4-3

Morliny Foods has implemented a set of actions and allocated resources to support the biodiversity and ecosystem objectives across its operations and value chain. These actions form part of the company’s environmental improvement programme and are supported by long-term investments, multi-year partnerships, and operational controls under environmental permits. Operational sites located in or near biodiversity-sensitive areas apply stricter safeguards defined by national authorities, and any construction, expansion or modification in these zones requires prior environmental assessment and permitting. These actions directly support the objectives of the Group’s Environmental and Climate Change Policy and contribute to avoiding, minimising and mitigating biodiversity impacts in accordance with the mitigation hierarchy.

The main actions focus on avoiding and minimising biodiversity impacts, with mitigation measures applied where impacts cannot be fully avoided, and include the following:

Responsible feed sourcing and biodiversity protection

Responsible feed sourcing is a key biodiversity consideration within the agricultural value chain. Morliny Foods seeks to ensure that feed ingredients are sourced responsibly and produced in accordance with applicable environmental safeguards.

Sustainable grain sourcing

Over 90% of grains used in Morliny Foods operations are sourced from domestic suppliers in Romania and Poland who participate in the EU Common Agricultural Policy (CAP) subsidy scheme. Under the CAP Regulation ((EU 2021/2115), the suppliers must comply with biodiversity-friendly measures and good agricultural and environment conditions (GAEC) and statutory management requirements (SMR), such as:

- maintaining buffer strips along watercourses (GAEC 4)
- implementing crop diversification (GAEC 7)
- dedicating at least 4% of land to ecological focus areas or fallow land (GAEC 8)
- maintaining winter soil cover to prevent erosion (GAEC 6)
- sustainable use of pesticides and nitrate controls under EU directives (SMR).

These measures help protect biodiversity, preserve soil health and ensure responsible management of pesticides and nutrients within agricultural areas.

Responsible soy sourcing

Soy is an important component of the livestock feed supply chain associated with the Group’s operations. In 2025, more than 95% of the soy purchased was supplied by two international agricultural trading companies that publicly report on their sustainability and responsible sourcing practices. Their latest disclosures indicate the use of farm-level geospatial mapping and satellite-based monitoring across key South American sourcing regions and report high levels of traceability—close to 100% for directly sourced soy in priority areas and approximately 99% across total sourcing volumes, including indirect suppliers.

Based on the methodologies and reference dates used in the suppliers’ public reports, most soy volumes sourced from key producing countries are estimated by the suppliers to originate from farms classified as deforestation and conversion-free, typically assessed against land-use reference dates aligned with international regulatory benchmarks such as the EU Deforestation Regulation.

As Morliny Foods does not control primary production, it relies on supplier monitoring systems and public reporting to address deforestation risks in soy supply chains and continues to monitor supplier commitments and regulatory developments relevant to responsible agricultural sourcing.

Key outcomes (2017 – 2025)

- Total trees planted: 54,392 (out of which 3,267 in 2024, and more than 2300 in 2025)
- Number of sites: 60+ farm locations
- Area covered: approx. 45 hectares
- Peak planting years: 2019, 2021, 2023
- Estimated CO₂ sequestration over 20 years: 13,600 – 16,300 tonnes CO₂, based on 0.25 – 0.30 t CO₂ per tree for high-absorption species

Tree Planting and Vegetative Buffers (2017-2025)

Morliny Foods supports biodiversity and landscape management around its farming operations through tree planting, vegetative buffers and related land-management measures. These actions are implemented to reduce local environmental pressures, including dust dispersion, odour, surface runoff and soil erosion, while supporting habitat connectivity and local biodiversity.

Between 2017 and 2025, more than 54,000 trees were planted across over 60 farm locations in Romania, covering approximately 45 hectares. The planted species, primarily Poplar and Leylandii, were selected based on ecological resilience and suitability to local conditions.

Morliny Foods supports biodiversity-related objectives around its farms by carrying out tree-planting initiatives and establishing vegetative buffer zones that help reduce odour, limit dust emissions and minimise surface runoff. These measures are intended to strengthen local environmental resilience and contribute to community well-being. The programme is continued through annual planting campaigns, prioritising native and high-absorption species such as Poplar and Leylandii, with a focus on farm perimeters, degraded areas and waterway protection zones.

Controlled Manure Application and Soil Health Protection

Manure application is strictly regulated under environmental permits. Actions include soil testing to determine nutrient needs, annual fertilization plans approved by local authorities, nutrient application matched to crop needs, digital monitoring of manure quantities, and sealed storage systems

Additional landscape conservation measures

Other initiatives related to biodiversity include:

- maintaining vegetative buffer zones along watercourses to act as natural filters, trapping sediment, nutrients, and pesticides from agricultural runoff.
- preserving landscape features such as hedges, ponds, ditches and field margins
- prohibiting the cutting of hedges and trees during bird-breeding seasons, helping to preserve habitats and maintain ecological connectivity across agricultural landscapes.

Actions related to biodiversity and ecosystems are managed and reported separately from climate-mitigation measures. They are designed to address ecosystem-related impacts and dependencies and are not used as offsets or substitutes for emissions-reduction actions under ESR5 E1.

Metrics and targets

Targets related to biodiversity and ecosystems

E4-4

Morliny Foods has established clear, measurable, and time-bound targets to support its biodiversity and ecosystem policies, addressing material impacts, dependencies, risks, and opportunities across its operations and value chain.

These targets are set at the group level and apply to all relevant operations in Romania, Poland, and other European countries where Morliny Foods operates.

The targets are informed by ecological thresholds established through regulatory frameworks such as the EU CAP and EUDR. Responsibility for their achievement is allocated through the company's ISO 14001-certified Environmental Management System and ESG governance structure.

Key biodiversity and ecosystem-related targets include:

- 100% compliance with the EU Common Agricultural Policy (CAP) for grain suppliers by 2030, ensuring that at least 90% of grain used is cultivated under biodiversity conditions defined by the CAP
- Zero conversion of owned forested land (no deforestation) maintained annually
- Zero manure-related environmental pollution incidents maintained annually, subject to regulatory monitoring and reporting

- Expansion of vegetative buffer zones on company-owned land from over 70% to more than 90% by 2030 in Romania and Poland.

The targets are tracked through annual monitoring, reporting, and stakeholder engagement, ensuring transparency and accountability in the company's progress toward its biodiversity and ecosystem objectives.

Impact metrics related to biodiversity and ecosystems change

E4-5

Morliny Foods monitors and reports quantitative impact metrics to assess biodiversity and ecosystem change across its operations and value chain. These metrics reflect the Group's material impacts on land use, ecosystems, and resource consumption.

Total number of sites owned, leased or managed in or near protected areas or key biodiversity areas	19 locations
Total area of sites owned, leased or managed in or near protected areas or key biodiversity areas	119.6 ha (locations and farms) 1,660 hectares arable land 10 hectares forested land
Metrics relevant to the impact drivers of land-use change	Land Conversion (ha): zero conversion of owned forested land (deforestation) over a specified period (10 years) 100% compliance with EU Common Agricultural Policy (CAP) and Regulation (EU) 2021/2115 for all grain sourced from domestic suppliers. > 95% of soy volume verified through supplier sustainability verification mechanism
Metrics relevant to the impact drivers of fresh water-use change	10% reduction in water consumption by 2030 (vs 2024 baseline) Implement a Water Efficiency Strategy across all facilities

These metrics are reviewed and reported annually to ensure transparency and to track progress against biodiversity and ecosystem-related objectives.



ESRS E5

RESOURCE USE AND CIRCULAR ECONOMY

Impact, risk and opportunity management

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

IRO-1

As part of the Double Materiality Assessment (DMA) performed in 2025 at the group level, the Group assessed the actual and potential impacts, risks, and opportunities related to resource use and circular economy, following the ESRS requirements. Based on this assessment, it was concluded that the main impacts are related to resource inflows and waste, making waste management a key focus for addressing both environmental and operational considerations.

Within an integrated livestock and food production system, materials classified as waste are predominantly organic by-products that are unavoidable during production. Consequently, the company's waste strategy emphasises compliance, controlled management and circular recovery pathways, with disposal applied only as a last resort.

Reducing waste generation remains a challenge due to strict food industry and food safety regulations, as they limit the use of recycled materials in direct contact with food products, as such materials may pose contamination risks. Consequently, in certain cases, only new materials must be used, which can limit resource efficiency and the application of circular economy practices.

Morliny Foods operates an integrated agricultural and food-production system where biological and technical resources flow through livestock, feed production, processing and packaging. Circularity is supported through extensive recovery of unavoidable by-products, high waste-diversion rates and long-standing valorisation pathways such as rendering, composting, fertilizer production and biogas generation. In 2025, non-hazardous waste diversion reached 94.97%, reflecting strong alignment with circular-economy principles and the waste hierarchy.

To mitigate these impacts and improve resource efficiency, Morliny Foods has adopted several measures, including:

- Use of returnable packaging - increased use of reusable plastic boxes and pallets
- Bulk packaging - using bulk packaging formats to reduce overall material consumption
- Material optimization - continuous efforts to minimize packaging material without compromising product safety and quality.

For detailed information regarding IROs, please refer to the table in the section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities* starting on page 20.

Policies related to resource use and circular economy

E5-1

Morliny Foods manages its material impacts, risks and opportunities related to resource use and circular economy through the Environmental and Climate Change Policy, which applies across all business units and throughout the upstream and downstream value chain. The policy sets the framework for improving resource efficiency, reducing waste generation, supporting circular material flows and ensuring compliance with EU and national environmental regulations.



The policy requires the efficient use of materials in production, responsible sourcing of raw materials and packaging inputs, and the integration of circular-economy principles into product and process design where legally permitted. These measures aim to enhance efficiency and support the management of environmental impacts associated with resource use. The application of circular-economy principles to packaging and materials is subject to strict food-safety and regulatory requirements, which in certain cases limit the use of recycled materials in direct contact with food products.

The Group's waste management approach follows the waste hierarchy across all operations, prioritizing prevention, reuse, recycling, energy recovery, and disposal as a last resort, with procedures embedded in site-level environmental management systems. Waste streams are segregated to ensure proper handling, storage, and disposal, while by-products from production processes are repurposed, for example, through composting or used as animal feed, to minimize landfill impact.

In practice, and consistent with the nature of the integrated food system, manure and animal by-products are managed under strict regulatory controls and with a focus on recovery and value creation. For example, manure is managed in accordance with EU environmental legislation, national manure regulations and local environmental permits, and land application is controlled, documented and supervised by competent authorities.

Morliny Foods complies with all relevant environmental laws and standards, including the EU Waste Directive and ISO 14001. The policy also covers the prevention and management of food waste, in line with applicable EU waste legislation and food-safety requirements. Currently, 91.5% of the Group's sites are certified under the ISO 14001 Environmental Management System, reflecting commitment to systematic environmental management and continuous improvement. To uphold these standards, the Group conducts regular audits, legal compliance checks, and management reviews, to ensure all facilities operate within the scope of their environmental permits and meet regulatory requirements.

Actions and resources related to resource use and circular economy

E5-2

Morliny Foods implements a wide range of actions to improve resource efficiency, minimise waste and strengthen circular-economy performance across its integrated farming and food-processing operations. These actions align with the Environmental and Climate Change Policy by prioritising waste hierarchy – focusing on waste prevention, material optimisation, and maximising the recovery, reuse and recycling resources. They are supported by dedicated infrastructure, operational procedures and specialist resources. Operational efficiency measures described in other environmental sections may also support more efficient use of resources by reducing inefficiencies and avoidable losses; however, these measures are not managed or reported as standalone circular-economy actions.

In line with the commitments set up in the ESG strategy, the Group undertakes multiple initiatives to minimise the use of primary raw materials and optimise resource use.

Packaging and Circular Materials

Packaging plays an essential role in protecting product quality, ensuring food safety and maintaining shelf-life stability. At the same time, packaging materials are a key focus for improving circularity and resource efficiency. The Group is working to increase packaging recyclability, expand the use of recycled materials where permitted, and ensure responsible sourcing of fibre-based packaging.

Packaging profile and material performance

In 2025, Morliny Foods used approximately 97,293 tonnes of packaging materials across its European operations, comprising plastics, cardboard, paper, wood and metal. Across the portfolio:

- 77% of packaging was recyclable (74,761 tonnes)
- 60% of total packaging contained recycled content (58,067 tonnes)
- 72% of fibre-based packaging was sourced from FSC-certified or equivalent suppliers.

Fibre-based packaging

Cardboard is the largest packaging category (48,371 tonnes), with the following characteristics:

- 100% of cardboard packaging is recyclable
- 96% containing recycled material

Packaging Circularity Objectives (2030)

Achieve 100% recyclable packaging used across all operations by 2030

Minimum percentage of recycled content for plastic packaging:

- 30 % for contact-sensitive packaging made from polyethylene terephthalate (PET) as the major component
- 10 % for contact-sensitive packaging made from plastic materials other than PET
- 35 % for other plastic packaging (except PET and contact sensitive).

Strengthening responsible sourcing of fibre-based packaging, including FSC-certified materials

- 89% sourced from FSC or equivalent certified forestry schemes

Paper packaging accounted for 4,070 tonnes, with 96% sourced from FSC-certified material.

Plastic packaging

Plastic packaging remains essential for food safety and product preservation. In 2025, the Group used approximately 27,993 tonnes of plastic packaging, of which:

- 35% was recyclable
- 13% contained recycled material

Several improvement initiatives are underway, including redesigning multilayer structures, increasing compatibility with recycling streams and expanding the use of food-grade recycled polymers.

Wood, metal and aluminium packaging

Other packaging materials also display strong circular characteristics in 2025:

- Wood packaging: 12,285 tonnes, 100% recyclable, 42% recycled content
- Metal packaging: 4,512 tonnes, 98% recyclable, 57% recycled content
- Aluminium packaging: 62 tonnes, 100% recyclable, 86% recycled content

Case study: Circular packaging project in Spain

Spanish operations advanced a cross-functional circular-economy packaging project at Argal (Miralcamp) and Embutidos Monells production centres, in collaboration with R&D and Purchasing teams. The project began in 2024 with the decision to adopt RETRAY certification, and in March 2025 the certification audit was successfully completed, making the company the first in its sector to verify and certify the proportion of recycled plastic used in packaging.

Key actions and results achieved in 2025 include:

- Increase of single-material structures from 187 t to 225 t (+20% vs. 2024)
- Plastic film thickness reduction of 20% across nine key references, lowering material use from 236 t to 194 t
- Introduction of recycled PET into deli-meat trays, reducing virgin plastic by 31% (19 t of plastic avoided)
- 79% recycled content in rigid base films (1,402 t of 1,775 t).

Case study: Continuous improvement of selective waste collection practices in Romania

Between 2024 and 2025, Romanian operations implemented several measures to improve the selective collection of mixed plastic waste, with the aim of increasing recycling rates and reducing the amount of contaminated plastic directed to incineration. Strengthened sorting and separation practices enabled a larger share of recyclable plastic to be recovered, supporting both waste-hierarchy principles and the Group's circular-economy objectives.

- Refresher training for employees and on-site contractors to reinforce selective-collection procedures
- Highlight the net environmental benefit gained by shifting from incineration to recycling practices.

Waste Diversion Trends

Quantified environmental benefits were also recorded:

- 27.35 t diverted in 2023 (baseline year)
- 65.55 t diverted in 2024 (+139.66% year-on-year)
- 72.81 t diverted in 2025 (+11.07% year-on-year)
- 24.32 t CO₂e indicative emissions effects associated with improved waste diversion in 2024
- 27.01 t CO₂e indicative emissions effects associated with improved waste diversion in 2025 (+11.06% year-on-year)

Overall, these measures reflect a structured approach to improving plastic-waste segregation, supporting higher recycling rates and reducing emissions associated with incineration, consistent with the waste hierarchy and circular-economy objectives.

Waste and conservation strategies – understanding waste in an integrated food system

In Morliny Foods’ integrated livestock and food–production system, most materials classified as waste are biological by–products that arise unavoidably from farming and processing activities. As a result, the Group’s waste–management approach focuses on compliant handling and value recovery rather than disposal, supporting long–term objectives such as achieving zero waste to landfill by 2030 and ensuring that 100% of animal by–products are valorised through rendering by 2030.

In 2025, total non–hazardous waste generated across Morliny Foods amounted to approximately 1.9 million tonnes. This volume is driven primarily by livestock manure from the farms and non–edible animal by–products from slaughtering and processing. Only a very small fraction of this material represents general operational waste in the traditional sense.

In line with the characteristics of its integrated livestock and food–production system, Morliny Foods prioritises the recovery and reuse of unavoidable animal by–products. Organic by–products arising from farming and processing activities are directed to established recovery pathways, including rendering, composting, fertilizer production and biogas generation, subject to regulatory approval. Biogas generation is applied as a complementary recovery route for selected organic by–products and residues, supporting waste management and energy recovery objectives where technically and legally feasible.

These pathways are designed to manage materials that cannot be prevented at source and to minimise disposal, in accordance with the waste hierarchy and applicable EU regulations governing animal by–products and waste treatment.

Livestock manure managed as a regulated nutrient resource

Manure is the largest material stream, totalling 1.6 million tonnes in 2025, mainly in Romania and Poland. It is treated as an agricultural nutrient input and is managed under strict EU and national legislation, and site–specific environmental permits. Before land application, manure undergoes several controls:

- nutrient–content analysis
- soil testing to assess nutrient levels and absorption capacity

Livestock manure represents the largest material stream within Morliny Foods’ operations and is managed as a regulated agricultural nutrient rather than as waste. Manure management is governed by EU and national legislation, and by site–specific environmental permits.

Management practices include nutrient–content analysis, soil testing, controlled application aligned with crop nutrient demand, seasonal restrictions and buffer–zone requirements. These controls are designed to ensure the safe reuse of nutrients while safeguarding soil and water quality.

- compliance with application limits, seasonal restrictions and buffer–zone requirements
- alignment with crop nutrient demand to prevent over–application.

These processes ensure that manure contributes to soil fertility under controlled conditions while safeguarding groundwater and surface–water quality.

Animal by–products valorised through rendering and downstream recovery

The second major material stream consists of non–edible animal by–products such as bones, skins, fats and trimmings. These materials retain nutritional and energetic value and are directed to rendering facilities rather than disposal.

- In **Romania**, rendering operations that have been in place since 2007 continue to process non–edible animal by–products into usable outputs in accordance with the EU Animal By–Products Regulation, supporting the recovery and safe reuse of materials that would otherwise require disposal.
- In **Poland**, a poultry rendering facility commissioned in 2025, following an investment of over USD 30 million, uses advanced processing technology to convert poultry by–products into valuable ingredients, reducing disposal needs and strengthening circular–economy performance across operations.

Rendering converts animal by–products into feed ingredients, fertilizer inputs, biodiesel precursors and other industrial applications, supporting the Group’s 2030 target of 100% valorisation for these materials.

These recovery pathways support circular use of materials and are not relied upon as substitutes for emissions–reduction actions under ESRS E1.

Case study: Unlocking value from by–products

As part of the circular–economy approach, Morliny Foods developed recovery pathways that convert selected animal by–products into higher–value ingredients, supporting the objective of increasing material valorisation and reducing disposal needs.

- At the Starachowice facility in Poland, hydrolysed animal protein is produced from material generated during heparin manufacturing. This material was previously classified as Category 3 and sent to biogas plants for disposal. Through investments in concentration and pasteurisation technology, the material is now transformed into a highly digestible feed ingredient (approximately 90% digestibility compared with around 60% for soybean meals). This shift reduces disposal volumes and supports the circular use of animal resources.
- In 2025, the Group acquired a pet–food business in Poland, creating an additional outlet for selected by–products and expanding internal capacity to convert inedible material into usable products. This strengthens recovery options and supports the Group’s circular–economy strategy.

In 2025, Morliny Foods generated 185,730 tonnes of production–related food loss and inedible material, and virtually all of this volume was redirected to alternative uses such as rendering, feed–ingredient production, industrial applications or energy recovery, subject to regulatory approval. These valorisation practices support progress toward the Group’s long–term objectives of zero waste to landfill by 2030 and 100% valorisation of animal by–products through rendering by 2030.

Morliny Foods follows waste hierarchy by:

- Applying the hierarchy of prevention, reuse, recycling, energy recovery, disposal of waste across all operations
- Implementing segregation protocols and dedicated waste handling zones to prevent contamination and improve recovery rates
- Looking for better materials and eco–friendly packaging solutions.

A core pillar of the Group’s circular economy approach is the valorisation of animal by–products. Non–edible animal by–products generated during production (e.g., bones, skins, fats and trimmings) are treated as recoverable resources and processed through rendering and downstream recovery pathways in compliance with EU regulatory requirements, significantly reducing disposal. Circularity is reinforced through long–standing and recent investments in dedicated rendering capacity, complementary pet food applications, and additional recovery routes such as biogas production and composting, which support renewable energy generation and nutrient recycling.

At group level, multiple circular economy–based approaches to manage waste and optimize resource use are implemented or planned for implementation. The following initiatives are planned or under assessment and remain subject to technical feasibility, regulatory approvals and investment decisions.

- Construction debris and ash recovery – recovery and reuse of construction debris and ash through certified waste–management operators to reduce disposal volumes and increase material valorisation by 2026
- Waste–to–energy expansion for contaminated materials – extension of waste–to–energy solutions for non–recyclable contaminated films in Romania, Poland, and Spain, including a dedicated contaminated–packaging waste–to–energy pilot, along with the broader use of reusable crates and pallets on selected logistics routes by 2027
- Packaging recyclability assessments by 2028 – completion of recyclability evaluations for all product packaging to support improved circularity and alignment with future regulatory requirements

- Site-level circularity initiatives by 2030 – designation of waste champions at each site to drive projects that maximize rendering, feed, fertilizer, and biodiesel recovery pathways; installation of WWTP covers and digestion units to capture biogas for use in existing boilers; and implementation of supplier packaging specifications aligned with EU recycled-content targets
- Advanced materials recovery and operational practices by 2030 – analysis of solid-waste separation and reuse options, including composting for energy generation; establishment of third-party logistics (3PL) agreements to collect and backhaul pallets for recycling; and reinforcement of good practices through quarterly training sessions, visual standard operating procedures (SOPs), and routine bin audits followed by structured feedback.

These actions align with circular economy principles by prioritizing reuse, recycling, energy recovery, and waste prevention, while reducing reliance on virgin resources and minimizing landfill disposal.

Metrics and targets

Targets related to resource use and circular economy

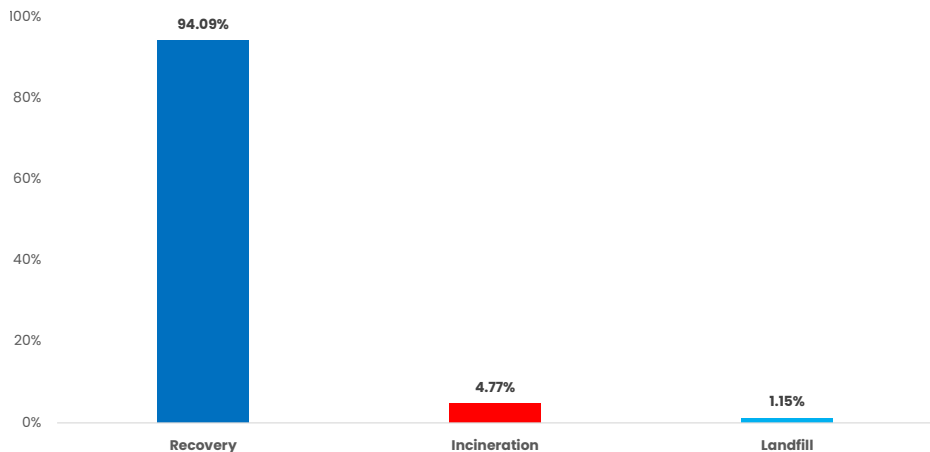
E5-3

As part of the ESG strategy, Morliny Foods has defined measurable targets for 2025-2030 to improve resource efficiency and support circular economy objectives, while addressing material impacts, risks, and opportunities:

Medium-term target

- 100% of packaging assessed for recyclability by 2027, incorporating circular design principles and increasing the use of recycled content in packaging materials.

Animal waste treatment summary (2025)

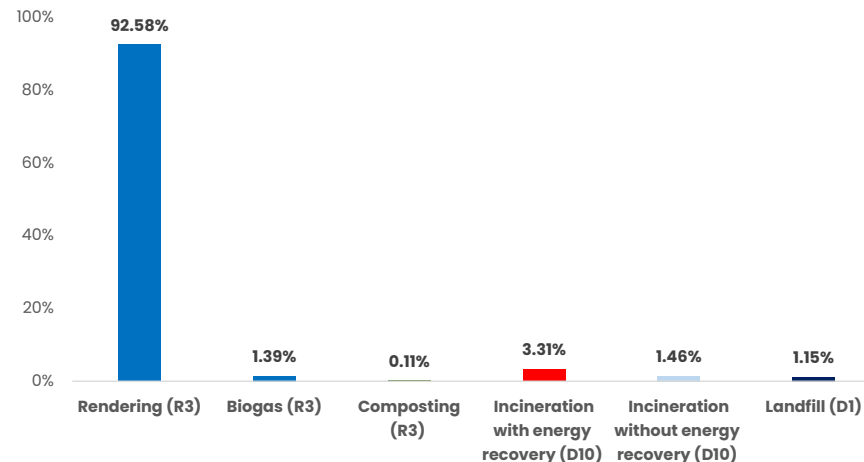


Long-term targets (2030)

- Zero waste to landfill by 2030, achieved through recovery, recycling, or energy recovery pathways.
- 100% of animal by-products valorised through rendering by 2030, converting them into feed, fertilizer, or biodiesel.

Progress toward these targets is supported by strong current performance in waste diversion and recovery. In 2025, landfill disposal for animal waste was kept to an exceptionally low level, with rendering and recovery pathways used as the primary treatment route; disposal is applied strictly as a last-resort option, consistent with the waste hierarchy.

Animal waste treatment breakdown (2025)



The Figure illustrates the distribution of non-hazardous waste between diverted and disposed streams, showing a diversion rate of approximately 95%, consistent with the waste hierarchy.

Resource inflows

E5-4

Morliny Foods uses a wide range of resource inflows across its operations, including biological raw materials, feed inputs, and packaging materials. These resources are managed in accordance with sustainability principles, applicable regulatory requirements, and the Group's approach on responsible sourcing.

For non-hazardous waste, in 2025 a total of 1,908,838 tonnes of non-hazardous waste was generated. Of this amount, 1,813,181.75 tonnes (94.97%) were diverted from disposal through recycling and recovery operations, demonstrating alignment with circular economy principles and prioritisation of recycling, material recovery and energy recovery.

The Group's production processes rely primarily on biological materials, which represent the most significant share of total resource inflows. Key inputs include livestock and agricultural materials used in both food production and feed operations.

In 2025, Morliny Foods used:

- over 1 million tonnes of cereals and agricultural raw materials, primarily for feed production
- approximately 300 thousand tonnes of meat inputs, including pork, poultry, and beef, used in slaughtering and processing operations.

In addition to biological materials, the Group uses technical materials, mainly for packaging purposes, which amounted to approximately 100 thousand tonnes in 2025. Packaging materials are selected based on product safety and shelf-life requirements, with increasing consideration of recyclability and environmental performance.

Other feed ingredients, including protein additives and functional components, complement cereal-based inputs and support the Group’s integrated production model.

Morliny Foods also utilises by-products and co-products within its value chain, contributing to resource efficiency and supporting circular economy principles, particularly in feed production and material valorisation.

Due to the current structure of data collection systems, detailed volumetric data for certain material categories is not yet fully consolidated at Group level. Morliny Foods continues to enhance its data management and reporting processes to improve transparency and consistency of resource inflow reporting in future reporting periods.

Resource outflows

E5-5

The main material outflows from Morliny Foods include finished food products, by-products from food production, and feed ingredients.

In the context of the Group’s integrated livestock and food production system, biological resource inflows also generate unavoidable by-products (e.g., manure and non-edible animal by-products).

These streams are managed as resources under controlled conditions, with prioritisation of recovery pathways (nutrient recycling, rendering, feed ingredients, industrial uses or energy recovery), consistent with circular economy principles.

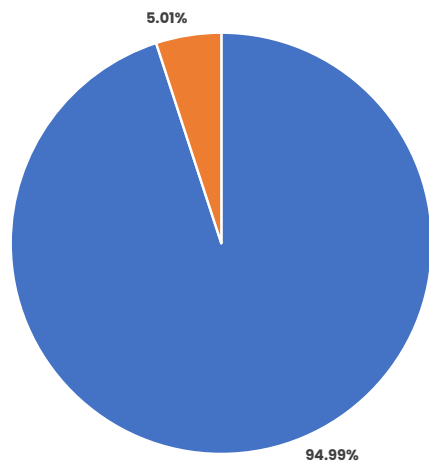
The operations also produce significant volumes of waste. Due to the diversity of Morliny Foods’ activities, the facilities generate a wide range of waste streams, including hazardous and non-hazardous waste, animal waste, manure, wastewater treatment plant (WWTP) sludge, packaging, recyclable materials, electrical and electronic waste, food waste from canteens, construction waste from site renovations, and household waste.

Across all business units, the Group tracks and records more than 30 distinct types of waste in accordance with the European Waste Catalogue (EWC).

In 2025, Morliny Foods generated approximately 1.9 million tonnes of non-hazardous waste, primarily consisting of livestock manure and non-edible animal by-products. Manure, the largest waste stream, is managed as a regulated nutrient resource under EU and national requirements, while animal by-products are largely valorised through rendering and other recovery pathways.

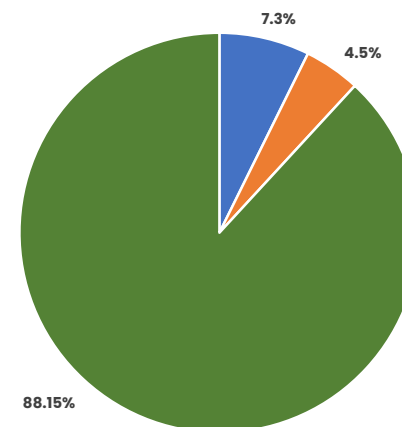
Operational and construction-related waste streams are managed in line with the waste hierarchy, with high recycling and recovery rates and limited landfill disposal. Non-hazardous waste diversion reached 94.97%, supported by recycling, material recovery and energy recovery, while hazardous waste volumes remained minimal and strictly controlled.

Non-hazardous waste: diverted vs disposed



■ Non-hazardous waste diverted from disposal (recycling & recovery) ■ Non-hazardous waste directed to disposal

Disposal of non-hazardous waste by treatment method



■ Landfill (D1) ■ Incineration without energy recovery (D10) ■ Incineration with energy recovery (D10)

The Figure presents the breakdown of non-hazardous waste directed to disposal by treatment method. The majority of disposed waste (88.15%) was treated through incineration with energy recovery (D10), while landfilling (D1) accounted for 7.31% and incineration without energy recovery represented 4.55% of the disposed fraction.

The majority of non-hazardous waste generated relates to livestock manure and non-edible animal by-products, with a smaller share attributable to operational and packaging waste streams.

Key waste figures (2025)

- Total non-hazardous waste generated: approx. 1.9 million tonnes
- Non-hazardous waste diverted from disposal: 94.97%
- Primary waste streams: livestock manure and non-edible animal by-products

Morliny Foods – GHG emissions – by geography

Indicators	Unit of measure	Poland	Romania	Slovakia & Hungary	Spain & France	TOTAL*
Total amount of waste from the company’s own operations, including total mass of hazardous and radioactive waste	t	506,873	1,388,437	4,460	9,439	1,909,208
Total mass of hazardous waste	t	241	101	9	18	368
Total mass of non-hazardous waste	t	506,632	1,388,336	4,451	9,421	1,908,840
Total mass of hazardous waste diverted from disposal broken by the recovery operations:	t	182	9	6	6	203
- preparation for reuse	t	-	-	-	-	-
- recycling	t	7	5	5	0	18
- other recovery operations Romania - R 9 Oil re-refining or other reuses of oil Poland - R 6 Regeneration of acids or bases Slovakia - R 9 Oil re-refining or other reuses of oil Spain - R 9 Oil re-refining or other reuses of oil	t	175	4	1	6	186
Total mass of non-hazardous waste diverted from disposal and broken by the recovery operations:	t	422,604	1,378,931	3,233	8,414	1,813,182
- preparation for reuse	t	-	-	-	-	-
- recycling	t	5,662	3,692	252	2,317	11,924
Recovery Natural Fertilizer	t	204,703	1,327,634	-	648	1,532,985
Recovery Recycling R3 Rendering	t	169,859	38,507	2,771		211,137
Recovery R1_Use principally as a fuel	t	42,306	8,604	14	84	51,008
Recovery Recycling R3 Composting	t	74	494	196	5,364	6,128
other recovery operations	t	-	-	-	-	-
Total mass of hazardous waste directed to disposal and broken by the waste treatment (in Mg):	t	59	92	3	12	165
- incineration	t	59	22	2	10	93
- landfill	t	-	70	1	1	72
other disposal operations (describe in Additional explanation)	t	-	-	-	-	-
Total mass of non-hazardous waste directed to disposal and broken by the waste treatment:	t	84,028	9,405	1,218	1,007	95,658
- incineration	t	83,419	5,224	21	5	88,668
- landfill	t	609	4,182	1,197	1,002	6,990
other disposal operations	t	-	-	-	-	-
Total mass of non-recycled waste	t	84,087	9,497	1,220	1,019	95,823
Percentage of non-recycled waste	%	17%	1%	27%	11%	5%

* Operations in the United Kingdom are not considered material with respect to waste management and have therefore been excluded from this calculation.

Romanian entities (Comtim Romania, Elit SRL and Goodies) – Waste Management

Indicators	Unit of measure	Comtim Romania	Elit SRL	Goodies	TOTAL Romania
Total amount of waste from the company’s own operations, including total mass of hazardous and radioactive waste	t	1,381,317	6,346	774	1,388,437
Total mass of hazardous waste	t	90	11	0	101
Total mass of non-hazardous waste	t	1,381,227	6,335	774	1,388,336
Total mass of hazardous waste diverted from disposal broken by the recovery operations:	t	5	3	0	9
- preparation for reuse	t	-	-	-	-
- recycling	t	3	2	-	5
- other recovery operations Romania - R 9 Oil re-refining or other reuses of oil	t	3	1	0	4
Total mass of non-hazardous waste diverted from disposal and broken by the recovery operations:	t	1,374,758	3,626	547	1,378,931
- preparation for reuse	t	-	-	-	-
- recycling	t	2,893	377	422	3,692
Recovery Natural Fertilizer	t	1,327,634	-	-	1,327,634
Recovery Recycling R3 Rendering	t	38,507	-	-	38,507
Recovery RI_Use principally as a fuel	t	5,711	2,893	-	8,604
Recovery Recycling R3 Composting	t	14	355	126	494
other recovery operations	t	-	-	-	-
Total mass of hazardous waste directed to disposal and broken by the waste treatment (in Mg):	t	85	8	-	92
- incineration	t	14	8	-	22
- landfill	t	70	-	-	70
other disposal operations (describe in Additional explanation)	t	-	-	-	-
Total mass of non-hazardous waste directed to disposal and broken by the waste treatment:	t	6,469	2,709	227	9,405
- incineration	t	2,935	2,242	46	5,224
- landfill	t	3,534	467	181	4,182
other disposal operations	t	-	-	-	-
Total mass of non-recycled waste	t	6,553	2,717	227	9,497
Percentage of non-recycled waste	%	0%	43%	29%	1%

EU Taxonomy Disclosures according to Article 8 of Regulation (EU) 2020/852

Regulatory context and reporting scope

This report has been prepared in accordance with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council (the EU Taxonomy Regulation) and the related delegated acts, with the objective of disclosing the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with taxonomy-eligible and taxonomy-aligned economic activities for the financial year ended 31 December 2025 for Morliny Foods. The reporting perimeter covers Morliny Foods Holding. (hereinafter referred to as Morliny Foods) and its consolidated subsidiaries, as included in the consolidated financial statements for the reporting period:

- Morliny Foods Limited and Morliny Foods Holding Limited – hereinafter referred to as “UK”
- Animex Foods, Agri Plus, and Animex Holding – hereinafter referred to as “Poland”
- Argal Alimentación, Embutidos Monells – hereinafter referred to as “Spain”
- Mecom Group, Kaiser Food Kft., Schneider Food S.R.O. – hereinafter referred to as “Slovakia”
- Comtim Romania, Elit and Goodies – hereinafter referred to as “Romania”

Consolidated figures are used for all KPIs in order to prevent double counting, including through the elimination of intra-group transactions.

This section presents the manner and extent to which the economic activities of Morliny Foods Holding and its subsidiaries are associated with activities considered environmentally sustainable, as well as the related key performance indicators, as defined in the EU Taxonomy Regulation and the corresponding delegated acts.

The information complies with the reporting requirements set out in Article 8 of the EU Taxonomy Regulation (Regulation (EU) 2020/852), the Delegated Act (Commission Delegated Regulation (EU) 2021/2178), and subsequent amending acts, namely Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2022/1214, Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486, Commission Delegated Regulation (EU) 2024/3215, the Simplification Regulation (Regulation (EU) 2026/73), as well as Directive 2013/34/EU on non financial reporting.

As part of the European Commission’s efforts to streamline sustainability reporting, Morliny Foods aligned its EU Taxonomy disclosures with the Simplification Regulation and applied the updated reporting templates, as permitted under the revised framework. In line with these changes, an eligibility assessment was carried out based on a comprehensive analysis of the Group’s economic activities against those listed in the annexes to the climate and environmental delegated acts.

Although the EU Taxonomy framework allows entities to optionally apply a 10% threshold when reporting taxonomy-eligible or taxonomy-aligned activities, Morliny Foods chose not to apply this threshold when identifying eligible economic activities. Accordingly, all activities identified as taxonomy-eligible were included in the eligibility assessment, regardless of their respective share of turnover or CapEx, in order to ensure a transparent and comprehensive presentation of the Group’s taxonomy-related exposure under the EU Taxonomy. Following a separate assessment of operating expenditure (OpEx) in relation to the Group’s business model, Morliny Foods concluded that OpEx is not material from an EU Taxonomy perspective. Eligible OpEx represents less than 10% of total operating expenditure and does not have a significant influence on the economic activities assessed. In line with the applicable provisions of the EU Taxonomy Delegated Act, the OpEx KPI numerator is therefore reported as zero. While OpEx is excluded from the KPI calculation, the total OpEx is disclosed separately, in line with reporting requirements.



Article 8 of the EU Taxonomy Regulation

The EU Taxonomy Regulation is a key component of the European Commission’s action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving climate neutrality by 2050, in line with EU objectives, as the Taxonomy establishes a classification system for environmentally sustainable economic activities.

In the following section, Morliny Foods, as a non-financial undertaking, presents the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period 1 January 2025 – 31 December 2025 that is associated with EU Taxonomy-eligible and EU Taxonomy-aligned economic activities related to the six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, pollution prevention and control, transition to a circular economy, and protection and restoration of biodiversity and ecosystems. These disclosures are prepared in accordance with Article 8 of the EU Taxonomy Regulation and the related delegated acts, as amended.

An economic activity is considered EU Taxonomy-eligible if it corresponds to the description of one of the activities set out in the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852, regardless of whether the activity meets the technical screening criteria defined in those delegated acts.

An economic activity is considered EU Taxonomy-aligned if it makes a substantial contribution to one or more environmental objectives, does not significantly harm any of the other environmental objectives, complies with the applicable technical screening criteria, and meets the minimum social safeguards.

Following the eligibility assessment performed for the reporting period, taxonomy-eligible activities were identified, for which the contribution to the relevant environmental objectives was subsequently assessed.

No EU Taxonomy-aligned activities were identified for the financial year 2025.

The sections below present the economic activities identified as taxonomy-eligible for each of the three key performance indicators (KPIs). Consolidated figures are used, and intragroup transactions are eliminated in order to avoid double counting.

Assessment of the eligibility of economic activities under the EU Taxonomy

In order to identify the EU Taxonomy-eligible economic activities carried out by Morliny Foods, a comprehensive assessment of the Group's economic activities was performed against the activities set out in the applicable EU Taxonomy delegated acts for the environmental objectives. The eligibility assessment aimed to identify economic activities that fall within the scope defined by the EU Taxonomy, while the analysis of the technical screening criteria for substantial contribution and EU Taxonomy alignment was conducted separately, in accordance with Article 8 of Regulation (EU) 2020/852.

The eligibility assessment was carried out for the reporting period 1 January 2025 – 31 December 2025 and covered turnover, capital expenditure (CapEx) and operating expenditure (OpEx) at Group level. The assessment was based on a detailed review of financial and operational information, with NACE codes used as a reference, without limiting the analysis to the NACE classification alone. During the reporting period, Morliny Foods did not carry out EU Taxonomy-eligible economic activities in the nuclear energy or natural gas sectors.

Morliny Foods operates as the European arm of WH Group, the world's largest pork company, and follows a vertically integrated business model covering livestock farming, hog harvesting and processing, packaged meats, distribution and sales. The Group also invests in research and development and in the expansion of pre-prepared food products, leveraging this integrated platform to support its competitive position in the European food industry.

Considering the sectors of activity of Morliny Foods and its subsidiaries included within the reporting perimeter, the eligibility assessment indicates that the principal economic activities carried out by the Group do not fall within the list of economic activities currently defined as eligible under the EU Taxonomy. Consequently, for the reporting period under review, Morliny Foods does not carry out main economic activities that are considered EU Taxonomy-eligible within the meaning of Regulation (EU) 2020/852.

Eligibility was identified only in relation to specific secondary activities, which are addressed in the sections below.

The following sections present the results of the eligibility assessment of economic activities for turnover, CapEx and OpEx at Morliny Foods level for the reporting period.

Turnover

Morliny Foods operates as a non-financial undertaking with a vertically integrated business model covering livestock farming, meat processing and food production activities across multiple European jurisdictions. The Group's principal economic activities, which generate the majority of turnover, are not included among the economic activities currently defined as eligible under the EU Taxonomy.

As a result, the main revenue-generating activities of Morliny Foods do not qualify as EU Taxonomy-eligible. Eligibility was identified only in relation to specific secondary activities performed at Group level, for which turnover could be allocated in accordance with the activity descriptions set out in Annex I of the Climate Delegated Act (Regulation (EU) 2021/2139) and Annex I of Commission Delegated Regulation (EU) 2023/2485.

The economic activities identified as eligible for turnover are presented in the table below.

Capital expenditure (CapEx)

For the purposes of the EU Taxonomy eligibility assessment, CapEx was evaluated based on additions to tangible and intangible assets incurred during the reporting period, as reflected in the consolidated financial statements. CapEx was assessed against the activity descriptions set out in the relevant delegated acts, taking into account the nature and purpose of the underlying investments.

EU Taxonomy-eligible CapEx was identified only in relation to specific investments linked to secondary activities, where the assets acquired are associated with activities falling within the scope of the EU Taxonomy. CapEx related to the Group's core operational activities, which are not listed as eligible under the EU Taxonomy, was classified as non-eligible.

The economic activities identified as eligible for CapEx are presented in the table below.



Operating expenditure (OpEx)

Operating expenditure was assessed in accordance with the definition set out in Commission Delegated Regulation (EU) 2021/2178, based on non-capitalised direct costs relating to the daily operation and maintenance of assets associated with economic activities.

Following the eligibility assessment, certain operating expenditure items were identified as potentially associated with EU Taxonomy-eligible activities.

However, as further detailed in the OpEx KPI section, operating expenditure was assessed as not material from an EU Taxonomy perspective in relation to the Group's business model.

Accordingly, while eligibility was assessed for OpEx, the OpEx KPI is reported with a value of zero, in line with the applicable provisions of the EU Taxonomy Delegated Act.

List of taxonomy-eligible activities identified for each specific entity

Activity	Code	Poland			Slovakia and Hungary			Spain and France			Romania										
		Turnover	CapEx	OpEx	Turnover	CapEx	OpEx	Turnover	CapEx	OpEx	Comtim			Elit			Goodies				
											Turnover	CapEx	OpEx	Turnover	CapEx	OpEx	Turnover	CapEx	OpEx		
Electricity generation using solar photovoltaic technology	4.1 CCM	-	✓	✓	-	✓	✓	-	-	✓	-	✓	-	-	-	-	-	-	-	-	Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.
Construction, extension and operation of wastewater collection and treatment	5.3 CCM	-	✓	-	-	-	✓	-	-	✓	-	✓	✓	-	✓	✓	-	-	-	-	Construction, extension and operation of centralised wastewater systems including collection (sewer network) and treatment.
Material recovery from non-hazardous waste	5.9 CCM	-	✓	-	-	-	✓	-	-	-	✓	-	✓	-	-	-	-	-	-	-	Construction and operation of facilities for the sorting and processing of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes.
Urban and suburban transport, road passenger transport	6.3 CCM	-	-	-	-	-	✓	-	-	-	-	✓	-	-	-	-	-	-	-	-	Purchase, financing, leasing, rental and operation of urban and suburban transport vehicles for passengers and road passenger transport. (personnel transport - EURO 6 and above)
Transport by motorbikes, passenger cars and light commercial vehicles	6.5 CCM	-	-	✓	-	✓	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	EURO 6 and above - light commercial vehicles - vans for delivery
Freight transport services by road	6.6 CCM	-	-	-	-	-	✓	-	-	-	-	✓	-	-	-	-	-	-	-	-	EURO 6 and above - delivery trucks
Renovation of existing buildings	7.2 CCM	-	✓	-	-	-	✓	-	-	-	-	✓	-	-	-	-	-	-	-	-	Renovation of existing buildings (roofs, walls) (2025 capex additions) that lead to energy efficiency/improvement (e.g. better insulation)
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	-	✓	-	✓	✓	-	-	✓	✓	-	✓	-	-	✓	-	-	-	-	-	Equipment or maintenance/repair of equipment that leads to energy efficiency

EU Taxonomy Alignment Assessment

In accordance with the EU Taxonomy Regulation, the assessment of Taxonomy alignment requires Taxonomy-eligible activities to be evaluated against the applicable technical screening criteria for substantial contribution, compliance with the Do No Significant Harm (DNSH) principle, and the minimum social safeguards.

Based on the assessment performed for the reporting period, although certain activities of Morliny Foods have been identified as Taxonomy-eligible, these activities do not meet all the technical criteria required to demonstrate substantial contribution and/or DNSH compliance, as defined by the EU Taxonomy framework. Consequently, no activities qualify as Taxonomy-aligned in FY25.

Accordingly, Morliny Foods reports no Taxonomy-aligned turnover, CapEx or OpEx for the 2025 financial year.

Morliny Foods continues to integrate resource efficiency considerations, assess the environmental impacts of its operations, and strengthen due diligence processes related to the minimum social safeguards. The alignment of activities with EU Taxonomy requirements will be reassessed in FY26.

KEY PERFORMANCE INDICATORS (“KPIs”): Turnover, CapEx and OpEx

The key performance indicators (“KPIs”) include the Turnover KPI, the CapEx KPI and the OpEx KPI. For the 2025 reporting period, the KPIs disclose taxonomy-eligible and non-eligible activities in accordance with the reporting requirements set out in the EU Taxonomy Regulation and its subsequent amending acts.

To prevent double counting, consolidated figures are used, following the elimination of intra-group transactions, and by ensuring that the same eligible activity is not reported more than once under different categories, in particular with respect to capital expenditures (CapEx) and operating expenditures (OpEx).

This is achieved through the allocation of cost centres, the use of analytical accounts for specific activities, and comprehensive financial monitoring systems, which ensure accurate allocation and prevent overlaps. This approach is fully compliant with the requirements of the EU Taxonomy, enhancing data accuracy, transparency and comparability, and providing a reliable representation of our sustainability performance.

Turnover KPI

Definition – The proportion of taxonomy-eligible economic activities in total turnover was calculated as the share of net turnover derived from products and services associated with taxonomy-eligible economic activities (numerator), divided by total net turnover (denominator), expressed in mil USD, for the financial year from 01.01.2025 to 31.12.2025.

Net turnover for the financial year ended 31 December 2025, with a total value of mil USD 4,400.71, of which mil USD 5.23 was generated by taxonomy eligible activities, representing 0.119% of total turnover.

CapEx KPI

Definition – The CapEx KPI is defined as taxonomy-eligible CapEx (numerator) divided by total CapEx for the 2025 financial year.

Total capital expenditures, amounting to mil USD 137.84, of which mil USD 23.21 are associated with taxonomy eligible activities, representing 16.837% of total CapEx.

OpEx KPI

Definition – The OpEx KPI is defined as taxonomy-eligible OpEx (numerator) divided by total OpEx.

Total operational expenditures (as required or defined in taxonomy-eligible OpEx) are part of the operational expenditures and are amounting to mil USD 131.39. Following the assessment, Morliny Foods determined that only a limited share of operating expenses is related to EU Taxonomy-eligible activities, and that eligible OpEx is not material to the company's business model. Consequently, Morliny Foods applies the exemption provided for in Annex I to Commission Delegated Regulation (EU) 2021/2178, and reports the OpEx KPI numerator as zero.

Morliny Foods – consolidated values

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities													
		Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)	Proportion of Taxonomy-aligned activities in previous financial year (2024)
KPI	Total	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	4,400.71	0.119%	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	137.84	16.837%	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	131.39	0%	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of **Turnover** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	Turnover	Environmental objective of Taxonomy-aligned activities											
Financial year	2025												
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Material recovery from non-hazardous waste	CCM 5.9	0.118%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.001%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					-	-	-	-	-	-			
Total KPI (Turnover)		0.119%		-	-	-	-	-	-	-	-	-	-

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities											
Financial year	2025												
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	CCM 4.1	0.356%	-	-	-	-	-	-	-	-	-	-	-
Construction, extension and operation of wastewater collection and treatment	CCM 5.3	1.231%	-	-	-	-	-	-	-	-	-	-	-
Material recovery from non-hazardous waste	CCM 5.9	4.726%	-	-	-	-	-	-	-	-	-	-	-
Urban and suburban transport, road passenger transport	CCM 6.3	0.303%	-	-	-	-	-	-	-	-	-	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.214%	-	-	-	-	-	-	-	-	-	-	-
Freight transport services by road	CCM 6.6	0.254%	-	-	-	-	-	-	-	-	-	-	-
Renovation of existing buildings	CCM 7.2	3.036%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	6.718%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					-	-	-	-	-	-			
Total KPI (CapEx)		16.837%	-	-	-	-	-	-	-	-	-	-	-

Poland

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities														
		KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)
(1)	(2)															
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	3,138.082	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	93.453	15.324%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	91.938	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities														
		Financial year	2025	Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity
(1)	(2)															
Text					%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	4.1 CCM				0.107%	-	-	-	-	-	-	-	-	-	-	-
Construction, extension and operation of waste water collection and treatment	5.3 CCM				1.009%	-	-	-	-	-	-	-	-	-	-	-
Material recovery from non-hazardous waste	5.9 CCM				6.971%	-	-	-	-	-	-	-	-	-	-	-
Renovation of existing buildings	7.2 CCM				1.441%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM				5.797%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective								-	-	-	-	-	-			
Total KPI (CapEx)					15.324%	-	-	-	-	-	-	-	-	-	-	-

Slovakia & Hungary (Mecom operations)

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities													
		Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)	Proportion of Taxonomy-aligned activities in previous financial year (2024)
KPI	Total	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	207.294	0.025%	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	8.480	5.040%	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	4.202	0%	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of **Turnover** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities													
Financial year	2025	Environmental objective of Taxonomy-aligned activities													
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.025%	-	-	-	-	-	-	-	-	-	-	-		
Sum of alignment per objective					-	-	-	-	-	-					
Total KPI (Turnover)		0.025%		-	-	-	-	-	-	-	-	-	-		

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities											
Financial year	2025												
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	4.1 CCM	0.153%	-	-	-	-	-	-	-	-	-	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	6.5 CCM	3.474%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	1.413%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					-	-	-	-	-	-			
Total KPI (CapEx)		5.040%	-	-	-	-	-	-	-	-	-	-	-

Spain & France (Argal operations)

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities										Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)	Proportion of Taxonomy-aligned activities in previous financial year (2024)
		Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity						
KPI	Total	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	mil USD	%	
Turnover	560.270	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
CapEx	10.502	8.079%	-	-	-	-	-	-	-	-	-	-	-	-	-	
OpEx	14.048	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities												
Financial year	2025													
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%	
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	8.079%	-	-	-	-	-	-	-	-	-	-	-	
Sum of alignment per objective					-	-	-	-	-	-				
Total KPI (CapEx)		8.079%	-	-	-	-	-	-	-	-	-	-	-	

Romania

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities														
		KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	510.306	1.016%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	24.626	30.906%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	20.977	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of **Turnover** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities													
Financial year	2025	Environmental objective of Taxonomy-aligned activities													
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%		
Material recovery from non-hazardous waste	5.9 CCM	1.016%	-	-	-	-	-	-	-	-	-	-	-		
Sum of alignment per objective					-	-	-	-	-	-					
Total KPI (Turnover)		1.016%	-	-	-	-	-	-	-	-	-	-	-		

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities											
Financial year	2025												
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	4.1 CCM	1.536%	-	-	-	-	-	-	-	-	-	-	-
Construction, extension and operation of waste water collection and treatment	5.3 CCM	3.058%	-	-	-	-	-	-	-	-	-	-	-
Urban and suburban transport, road passenger transport	6.3 CCM	1.696%	-	-	-	-	-	-	-	-	-	-	-
Freight transport services by road	6.6 CCM	1.419%	-	-	-	-	-	-	-	-	-	-	-
Renovation of existing buildings	7.2 CCM	11.525%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	11.672%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					-	-	-	-	-	-			
Total KPI (CapEx)		30.906%	-	-	-	-	-	-	-	-	-	-	-

Comtim operations

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities													
		Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)	Proportion of Taxonomy-aligned activities in previous financial year (2024)
KPI	Total	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	272.757	1.900%	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	19.806	26.885%	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	17.738	0%	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of **Turnover** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities													
Financial year	2025														
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%		
Material recovery from non-hazardous waste	5.9 CCM	1.900%	-	-	-	-	-	-	-	-	-	-	-		
Sum of alignment per objective					-	-	-	-	-	-					
Total KPI (Turnover)		1.900%	-	-	-	-	-	-	-	-	-	-	-		

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities											
Financial year	2025												
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	4.1 CCM	1.909%	-	-	-	-	-	-	-	-	-	-	-
Construction, extension and operation of waste water collection and treatment	5.3 CCM	2.351%	-	-	-	-	-	-	-	-	-	-	-
Urban and suburban transport, road passenger transport	6.3 CCM	2.108%	-	-	-	-	-	-	-	-	-	-	-
Freight transport services by road	6.6 CCM	1.765%	-	-	-	-	-	-	-	-	-	-	-
Renovation of existing buildings	7.2 CCM	14.329%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	4.422%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective					-	-	-	-	-	-			
Total KPI (CapEx)		26.885%		-	-	-	-	-	-	-	-	-	-

Elit operations

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year	2025	Breakdown by environmental objectives of Taxonomy-aligned activities														
		KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)
(1)	(2)															
Text	mil USD	%	mil USD	%	%	%	%	%	%	%	%	%	%	%	mil USD	%
Turnover	185.400	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	3.373	67.777%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	2.300	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of **CapEx** from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI	CapEx	Environmental objective of Taxonomy-aligned activities													
Financial year	2025	Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
(1)	(2)														
Text				%	mil USD	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Construction, extension and operation of waste water collection and treatment	5.3 CCM			8.522%	-	-	-	-	-	-	-	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM			59.255%	-	-	-	-	-	-	-	-	-	-	-
Sum of alignment per objective							-	-	-	-	-	-			
Total KPI (CapEx)				67.777%	-	-	-	-	-	-	-	-	-	-	-

ESRS S1

OWN WORKFORCE

Strategy

Interests and views of stakeholders

SBM-2

The workforce at Morliny Foods is a key stakeholder group that plays an active role in shaping the Group’s strategy and business model. Their interests, views, and rights, including respect for human and labor rights, are central to this process. Morliny Foods fosters a safe, inclusive, and supportive workplace, invests in education and training to empower its people, and contributes to the well-being of its employees. These are embedded in Group policies, safety and inclusion objectives, and workforce KPIs overseen by the ESG Steering Committee.

Morliny Foods acknowledges that its workforce is essential to its operations, with over 18.500 people employed across processing sites in Poland, Slovakia, Hungary, Spain, Romania and also in its own farms in Romania and Poland and commercial teams in UK. Additionally, the Romania and Poland operate their own feed factories. The Group seeks to continuously meet regulatory requirements for fair and safe working conditions, as outlined in the present chapter, and embeds these standards within its organisational practices. Ongoing efforts aim to ensure that policies translate into meaningful improvements for employees, recognising that sustained progress requires transparent monitoring and continued attention to workplace realities. Morliny Foods’ people strategy reflects the Group’s understanding of the mutually occurring dependencies between business resilience and workforce empowerment. The ESG Steering Committee, reporting to senior management, oversees labour practices, ensuring that material risks, such as injuries, discrimination, or turnover, are identified and managed, while opportunities for improvement and inclusion are actively pursued.

The Group operates within countries with labour regulations and oversight mechanisms that ensure fair working conditions, and its ambition extends beyond compliance by fostering a culture of respect and continuous improvement. Commitments to labour rights are anchored in international standards, including the UN Guiding Principles on Business and Human Rights, the ILO Fundamental Conventions, and the OECD Guidelines for Multinational Enterprises, which inform management systems and people policies.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

Morliny Foods’ business success relies on the quality of the working conditions, equal treatment and opportunities and privacy for all its employees. A double materiality assessment maps the most relevant impacts regarding the workforce across the Group’s processing and distribution model. These insights guide targeted adjustments to health and safety investments, skills development, and diversity objectives and others. Disclosures cover all individuals in the workforce who could be significantly affected by business activities across operations and the value chain. The workforce consists primarily of permanent, full-time employees with balanced gender representation across job levels, and includes non-employee workers engaged through licensed third parties who comply with national labor laws; all workers in own workforce, as well as employees of temporary agencies, receive equivalent safety training, onboarding, and access to grievance channels.

Furthermore, ESG oversight, KPI tracking, and adherence to the EU Taxonomy Minimum Safeguards help mitigate material impacts by strengthening safe working conditions, fair treatment, inclusion, and an open workplace culture. Where significant actual or potential effects are identified, the Group adjusts its strategy and operating model by investing in health and safety and skills, refining diversity and well-being objectives, updating policies and procedures, and strengthening expectations across operations and the supply chain to uphold fundamental labour rights.



Morliny Foods operates in compliance with national and European workforce laws and UN and OECD guidelines. As such, the Group entities are not assessed to be at significant risk of incidents involving forced or compulsory labour, including child labour.

Material negative impacts are characterized as either systemic and widespread in operating contexts (for example, seasonal overtime patterns) or incident-related (for example, an operational accident). Material positive impacts are identified by linking the Groups intentional initiatives to the groups of employees and non-employees who benefit from them. This includes training and development programs, improved employee facilities, or benefits provided to temporary or agency workers. The corresponding risks and opportunities, spanning retention, productivity, employer reputation, and compliance, are integrated into the Group’s workforce strategy.

In addition to sector-typical risks such as physical injury, fatigue, and turnover, the Group operates an occupational health management system and applies structured overtime limits, complemented by role-based upskilling and preventive healthcare offerings, to reduce incidents and support loyalty and productivity. Furthermore, in response to labor market dynamics, several of the facilities have integrated international workers into their teams. In Poland, 21% of the workforce are foreign nationals, with particularly high representation in locations with labor shortages. Employees from Ukraine, Belarus, Georgia, the Philippines, Nepal, and Uzbekistan now form an integral part of Morliny Foods’ operations.

Across working conditions, Morliny Foods identifies both positive and potential negative impacts. On employment security, the main risk is job insecurity where permanent roles are limited; this is mitigated by prioritizing permanent contracts over fixed-term arrangements, providing comprehensive social security, and sustaining long tenures to strengthen social protection and retention. All employees across the Group are hired under formal employment contracts or legally recognized alternatives.

Across the Group, clear procedures govern employment changes, onboarding, probation, and terminations, ensuring transparent, respectful, and secure working conditions. Employees are supported by collective bargaining agreements where applicable and protected under national labor law. Working time pressures during seasonal peaks pose a risk of prolonged overtime with potential physical and mental health impacts; hybrid and flexible arrangements are used where feasible, alongside overtime controls, to support well-being. Pay remains a mixed impact as, despite salaries above many regional competitors and extensive benefits, maintaining competitiveness across geographies is challenging and may drive hiring difficulties, turnover, and reputational risk. Entities address this with performance-based adjustments, fair job evaluation, broad non-wage benefits, and salary indexation where relevant. Social dialogue can falter without regular, honest communication and robust grievance processes, risking mistrust and disruption; the Group upholds freedom of association, maintains active works councils, and ensures information, consultation, and participation rights, while acknowledging that a lack of clarity on collective bargaining coverage remains a potential source of dissatisfaction. Work-life balance gaps can lead to stress and burnout, partially mitigated by flexible options. In the context of health and safety the Group reports low workplace incident rates and strong health, and safety performance, ongoing attention and training are essential to maintain these standards and prevent future issues. Equal treatment and opportunity impacts are predominantly positive. Morliny Foods emphasizes gender equality and equal pay for work of equal value through transparent practices that bolster fairness, morale, and the Group’s sustainability objectives. Training is comprehensive and inclusive, with 100% of employees regularly trained on quality standards, workplace safety, animal welfare, and equality, supporting a safer, more capable, and engaged workforce across the Group. Though all employees have access to various training programs, tracking metrics differ across the different locations. Poland is actively working on improving training data collection and harmonizing reporting practices across the Group. Morliny Foods is also committed to fostering an inclusive workplace by providing personalized assessments and matching individuals with disabilities to roles that support their abilities, ensuring equal access, meaningful participation, and a safe working environment.

Measures against workplace violence and harassment enhance psychological safety and an inclusive culture. Diversity is actively supported through equal working conditions regardless of gender, religion, age, or race; the inclusion of minority communities, students, graduates, and persons with disabilities; balanced representation of women and men in managerial roles; and team-building initiatives such as health, sports, and volunteer days.

The assessment considered higher-risk characteristics and contexts, including night shifts, manual handling roles, sanitation, new hires, migrant or agency workers, and seasonal peaks. Certain risks and opportunities are group-specific: overtime and fatigue risks primarily affect production and logistics staff during seasonal peaks; injury risk is higher in processing and sanitation roles; pay competitiveness risks are more acute in specific regions and hard-to-fill technical roles; upskilling opportunities focus on line operators, maintenance, and H&S roles, while foundational training is provided to all. Effectiveness is reviewed annually using indicators such as accident rate indicator, absenteeism, and turnover. Resulting actions, including salary indexation, targeted upskilling by role, and internal promotion, reinforce long-term retention, equitable development, and sustained workforce performance.

Impacts, risks, and opportunities related to the Group’s own workforce were identified and assessed through Morliny Foods’ double materiality assessment. The findings are summarized in table under section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities* starting on the page 20.

Impact, risk and opportunity management

Policies related to own workforce S1-1

Morliny Foods has implemented a comprehensive set of internal policies and procedures that govern all aspects of the employee lifecycle from recruitment and onboarding to development, compensation, and grievance mechanisms. Through the implemented policies, the Group commits to employee satisfaction, development and safety, through current and future investments in Morliny Foods.

The Group’s commitment is to prioritize a safe workplace that is free from any form of discrimination and provides comprehensive training programs. Group policies explicitly prohibit trafficking in human beings, forced or compulsory labour, and child labour in the own workforce. Controls include age verification prior to hiring, due diligence on labour agencies, and compliance with the UK Modern Slavery Act and relevant EU and national laws.

Code of Conduct

The Group’s Code of Conduct covers the entire MF Group and applies to employees and suppliers. The Code of Conduct is integrated into onboarding and ongoing communications. New employees receive instruction on the Code during induction, typically delivered by HR with supporting, printed or video materials, and acknowledges understanding by signature. All updates to the Code and relevant policies are communicated to employees and made accessible on the employees’ portal, intranet, and the subsidiaries’ websites. Supplier expectations are embedded contractually through a Supplier Code of Conduct that must be signed as part of the contracting process. The policy explicitly covers the following grounds: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion or belief, political opinion, national extraction or social origin, and other grounds protected by Union and national law. The Group commits to inclusion and positive action for people at particular risk of vulnerability, including persons with disabilities (reasonable accommodation and accessible recruitment), young or new workers (enhanced supervision and training), migrant or agency workers (induction in relevant languages), and parents and caregivers (flexible work measures where feasible). Implementation is ensured through mandatory training, clear conduct and anti-harassment procedures, confidential reporting channels, defined investigation and disciplinary processes, HR and payroll controls to prevent bias, and periodic reviews of outcomes (e.g., pay equity, promotion rates, grievance themes). The Group also maintains a child labor remediation policy, and adherence to the Supplier Code is monitored, including through dedicated software (e-gestiona) within Argal. See more details on the Supplier Code of Conduct in chapter S2 – *workers in the Value chain* starting from page 96.

Labor Rights and Workplace Policy

Morliny Foods’ comprehensive Labor Rights and Workplace Policy was put into effect from June 2025 and is aligned with the ESRS, specifically ESRS S1 – Own Workforce. This alignment ensures transparent disclosure of labor practices, working conditions, and workers’ rights across the Group’s operations. The policy is anchored in internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Alignment with the UN Guiding Principles, the ILO Fundamental Principles and Rights at Work, and the OECD Guidelines is operationalised through policy commitments, risk-based due diligence, stakeholder engagement, and remedy mechanisms, with annual reviews to assess effectiveness and update controls. Compliance with the CSRD is embedded, ensuring that labor policies support the Group’s broader ESG disclosures and responsible business conduct. This policy outlines the Group’s commitment to ensuring fair labor practices, upholding employee rights and maintaining a respectful and safe workplace environment. The Labor Rights and Workplace policy applies to all employees of Morliny Foods, including full-time employees, part-time contract workers and temporary workers, across all departments and locations. It also extends to third-party vendors and contractors while working on company premises or conducting business on behalf of the Group. This policy is embedded within Morliny Foods’ Human Resources (HR) Procedures and overseen by the Group’s ESG Committee.

Working Hours Policy

Morliny Foods also has a Working Hours Policy which is fully compliant with EU standards. Fewer than 2% of the Group’s employees exceed 48 hours per week. Paid leave exceeds statutory minimums, with additional days granted based on tenure through collective bargaining. All employees participate in national pension, health, and unemployment insurance programs. Moreover, the entities provide supplementary medical coverage and targeted financial support to promote well-being beyond the workplace.

Whistleblowing Policy

A Group-wide Whistleblowing Policy establishes secure, confidential, and accessible channels for reporting actual or suspected misconduct for employees, business partners, and other stakeholders, with a strict prohibition on retaliation. The policy sets a common framework across jurisdictions and incorporates country-specific legal requirements where applicable. For the UK, it references the Public Interest Disclosure Act and informs employees how to make a protected disclosure under UK legislation. See more about this policy in the *GI – Business conduct* chapter.

Equal Opportunity and Non-Discrimination, Fair Remuneration, and Occupational Health and Safety Policies

Morliny Foods maintains Group-wide policies on Equal Opportunity and Non-Discrimination, Fair Remuneration, and Occupational Health and Safety, embedded in core HR processes and systems and applicable to all employees (permanent or fixed-term, full-time or part-time) as well as non-employee workers at Group sites, including agency and self-employed contractors. A structured onboarding programme communicates these policies and provides induction training on anti-discrimination, modern slavery, and health and safety. Career development is transparent through role-specific competency frameworks, internal certification programmes, and a formal training procedure, while HR administrative and payroll controls ensure equal treatment and prevent bias in hiring, pay, and promotion. Child labour forced or compulsory labour, and discrimination are strictly prohibited, and the Group complies with the UK Modern Slavery Act. A significant share of the workforce is covered by collective bargaining agreements or, where such agreements are not in place, by internal regulations and arrangements adopted in accordance with applicable labour law. In Poland, employment conditions are governed by national labour legislation and internal regulations, ensuring employee rights and protections in line with legal requirements. The Group tracks key workforce indicators to drive continuous improvement, including accident rate indicators, training hours per employee, engagement and satisfaction survey results, pay-equity gaps, and employee turnover.

Policies are available in relevant languages, displayed in common areas, and accessible via the employee portal, intranet, and company websites. In Spain, Group businesses operate under SMETA 4-Pillar (SEDEX) social compliance certification, reinforcing adherence to recognised labour and ethical standards. In Poland, meat processing plants are also subject to SMETA audits – second pillar audits.

The Group is committed to maintaining the highest standards of occupational health and safety across all operations. To ensure the effectiveness of its safety policies, the Group conducts systematic reviews of its safety management system in collaboration with senior management and performs regular internal audits. Continuous monitoring covers the entire risk assessment process and the implementation of corrective and preventive actions arising from these assessments. Health and safety objectives and plans are tracked on an ongoing basis, including the execution of audit recommendations, the status of mandatory training programs, and the timely completion of scheduled audits. Workplace environment measurements are carried out to verify compliance with legal requirements and internal standards. To strengthen preparedness for emergency situations, the Group organizes regular evacuation drills simulating scenarios such as fire or ammonia leakage. These measures form part of a broader commitment to proactive risk management, continuous improvement, and fostering a strong safety culture throughout the organization.

All the above policies including those governing labour rights, non-discrimination, fair remuneration, and occupational health and safety apply to all employees (permanent and fixed-term, full-time and part-time) and to non-employee workers engaged at Group sites, including agency and self-employed contractors.

Processes for engaging with own workforce and workers' representatives about impacts SI-2

Morliny Foods considers constructive dialogue with the workforce essential to maintaining a healthy, respectful, and transparent working environment. Across all the Group's operations in Poland, Romania, Spain, Slovakia, and Hungary, and the UK, Morliny Foods has implemented a variety of engagement mechanisms designed to ensure that employees are not only informed but also actively involved in decisions affecting their rights, working conditions, and overall wellbeing.

In Poland, employee interests are represented through 11 active trade union organisations, which cover approximately 15% of the workforce. In companies or sites without trade union presence, employees elect representatives through formalised, democratic elections guided by internal directives. These representatives engage with management on a wide range of issues, including consultations on collective redundancies, input on remuneration and internal work rules, and cooperation with Occupational Health and Safety (OHS) committees.

Outside of Poland, national contexts shape the representation frameworks. In Romania and Spain, all employees are formally represented by elected employee representatives, and 100% collective bargaining coverage, in accordance with national labour laws. Elections typically occur every two to four years, and representatives play a vital role in company dialogue, including participation in disciplinary committees and collective bargaining negotiations. In Spain, meetings with representatives are legally required to be held quarterly, supported by a jointly agreed calendar. In Slovakia and the UK, representation models differ. While there are no formal trade unions, structured engagement exists through regular communication channels. For instance, in the UK, Morliny Foods ensures direct quarterly communication between managers and staff, in addition to departmental meetings. Although there are no collective agreements in place, employees are given the opportunity to engage with leadership and raise concerns directly. Across all Group operations, Morliny Foods provides formal channels for feedback and concern-raising. Internal grievance procedures are in place in every company, enabling employees to submit claims or complaints confidentially. Depending on the country, these systems range from dedicated email addresses (such as conduita@comtim.ro, oznam@mecom.sk, administracion.rrhh@argal.com and prawnny@animex.pl) to web-based reporting platforms and direct access to HR or line managers. In all cases, the aim is to resolve issues fairly, promptly, and transparently.

In Poland, the Internal Reporting Procedure for Whistleblowers, updated in line with the 2024 Whistleblower Protection Act, allows any professional stakeholder, including employees, ex-employees, job candidates, suppliers, and collaborators, to report legal violations through secure digital or in-person channels. Reports are investigated confidentially and are subject to structured review timelines, such as seven days to acknowledge and three months to resolve.

The procedure is communicated to all staff and forms part of onboarding training. In the UK a third-party Whistleblower Service (Safecall) offers anonymous reporting by phone or online. Similarly, in Spain, dedicated channels exist for compliance issues, harassment prevention, and general HR concerns. These systems are designed to ensure comprehensive protection for all employees and to promote a culture of ethical accountability.

Listening to employee feedback is central to the Group's organisational culture. Morliny Foods uses employee satisfaction and engagement surveys as a recurring tool to assess working conditions, leadership quality, collaboration, development, and organisational perception. These surveys are conducted periodically and supported by external research agencies. Participation rates have historically been high across the Group. In Slovakia, a Group-level survey conducted in 2025 reached a participation rate of 79 percent (1,110 employees). The results showed positive engagement levels, with a satisfaction rate of 66%, commitment at 72%, and identification with the company at 77%, placing the organization above the average for manufacturing companies. The survey also highlighted areas for further improvement, supporting targeted actions to strengthen the workplace environment.

In Poland, The Employee Opinion Survey is conducted every two years across the Group as an anonymous online and paper questionnaire, available in multiple languages to ensure broad employee participation. The survey assesses satisfaction, engagement, and the quality of the work environment across six areas: working conditions, development opportunities, collaboration, relationships with supervisors, communication, and overall company perception. Results are analysed by an external research agency, with a minimum satisfaction target of 65%, and are used at both local and Group level to define and monitor action plans. In Poland, the most recent survey was conducted in the last quarter of 2025, with participation from 9,107 employees, representing 88% of the workforce and a 68% satisfaction rate. All assessed categories showed improvement compared to the previous survey, with increases ranging from 2% to 5%. An overview of the results was presented by management during a December 2025 town hall meeting, and a series of team-level workshops is planned to commence in March 2026 to further analyse the findings and support employee engagement.



Exit interviews are another key engagement tool. In all companies of the Group, departing employees are invited to share their reasons for leaving and offer candid feedback. This information is used to improve retention strategies and identify systemic issues. In Spain, these interviews are targeted at managerial and mid-level roles, while in other countries, they are offered more broadly.

The Spanish operations within Morliny Foods are characterised by a strong focus on people development, social dialogue, and structured workforce practices, operating within a well-established national framework for labour relations and sustainability. The workforce combines the recruitment of early-career professionals with the retention of experienced technical staff, contributing to a balanced workforce structure.

A key feature of the Spanish operations is the maturity of their social compliance and employee protection systems. Several sites are certified against SMETA (four-pillar) and ISO 45001, supporting standards related to human rights, working conditions, occupational health and safety, and ethical business conduct. Employees are covered by sector-level collective agreements and have access to formal mechanisms for worker representation and consultation.

Inclusion and equality are supported through a formal Equality Plan, anti-harassment procedures, and ongoing measures to improve workplace accessibility, facilitating the inclusion of individuals with disabilities and diverse backgrounds.

Processes to remediate negative impacts and channels for own workers to raise concerns

SI-3

Morliny Foods has established a framework to address and remediate negative impacts affecting its workforce. The Group’s approach is grounded in international standards, including the UN Guiding Principles on Business and Human Rights and the ILO Fundamental Conventions.

Oversight of labour practices is managed by the ESG Steering Committee, which is responsible for identifying and managing risks such as workplace injuries, discrimination, and employee turnover. When material negative impacts are identified, Morliny Foods implements remedial actions through structured processes, including salary adjustments, targeted training and upskilling, and opportunities for internal promotion. The effectiveness of these measures is assessed annually using indicators such as the accident rate indicators, absenteeism, and turnover, with further corrective actions taken as necessary. Morliny Foods provides several formal channels for employees to raise concerns or communicate their needs directly to the Group. These channels include an anonymous whistleblower hotline, access to HR and designated committees, and representation through trade unions or elected employee representatives. In each country of operation, specific mechanisms are available, such as dedicated email addresses and web-based platforms for confidential claims or complaints. These channels are designed to ensure that all employees, regardless of location or contract type, can report issues safely and confidentially.

The Group maintains a grievance and complaints handling mechanism that is accessible to all employees. Reports submitted through these channels are managed by independent teams and are protected by their Group-wide Whistleblowing policy. Morliny Foods follows structured review timelines, such as acknowledging reports within seven days and resolving them within three months in Poland. Training is provided to ensure that employees understand how to use these mechanisms, and grievance records indicate that there have been no unresolved or material cases in the past year. To support the availability and effectiveness of these channels, Morliny Foods integrates information about grievance mechanisms into onboarding and training programmes. Policies are made accessible through both digital and printed formats, and efforts are made to provide translations into local languages where necessary. Procedures are regularly communicated to staff and included in onboarding sessions. The Group also conducts internal audits and third-party reviews to monitor compliance and the effectiveness of these processes. Issues raised through grievance channels are tracked and monitored using structured incident reporting forms, which are reviewed monthly by site-level officers.



Morliny Foods evaluates the effectiveness of its channels by analysing data from employee satisfaction and engagement surveys, as well as feedback collected through exit interviews. Stakeholders, including workers’ representatives, are involved in the review and follow-up process. Audit findings are documented, and corrective action plans are developed with clear responsibilities and deadlines. Morliny Foods assesses workforce awareness and trust in these structures through regular employee surveys, which consistently achieve high participation rates. Survey results are openly communicated and used to inform improvement plans. Policies are in place to protect individuals who use grievance channels, including workers’ representatives, from retaliation. These protections are embedded in the Whistleblower Policy and reinforced through training and independent handling of reports.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

SI-4

Morliny Foods implements comprehensive action plans for its own workforce and tracks their effectiveness across compensation, skills, working time, and health and safety, using measures such as internal audits, accident rate indicators, and absenteeism trends. All corrective action plans (excluding capital projects) are implemented within 30 days of audit or incident investigation.

A tiered training program linked to pay progression operates in Romania across production, feed mill, and maintenance departments, coordinated by the Training Coordinator and the Department Manager. The program combines theoretical training delivered by HR trainers and practical training led by supervisors and designated mentors, with competency levels structured by each production line’s technological flow. Employees who pass practical assessments and the theoretical test advance to the next competency level in line with the applicable salary grid; those who do not pass repeat both assessments. Annually, competence evaluations for employees in charge and high-potential employees identify development needs and establish training plans focused on hard and soft skills.

Morliny Group also invests in continuous professional development to strengthen food safety, efficiency, and employee growth. Throughout the Group, new employees receive structured onboarding training, including orientation on Morliny Foods’ values, workplace safety, and key policies such as the Code of Conduct. All operations offer role-specific training programs, performance evaluations, and skills certification. Training sessions cover operational best practices, food hygiene, safety, and supervisory skills. To further enhance this within its operations, Poland is actively working on improving its training data collection processes to ensure higher quality, accuracy, and relevance of data.

The Group is committed to refining its data sources, enhancing validation methods, and implementing more robust collection standards, in order to build more reliable and effective systems. These improvements will support better performance, reduce bias, and enable continuous innovation across products and services. In addition to training, employees undergo a structured review process that helps tailor their development paths and identify potential candidates for promotion. Morliny Foods is piloting a Career Mobility Program aimed at filling open positions through internal promotions and cross-functional transfers, fostering talent retention and growth. The Group operates an occupational health and safety management system based on the ISO 45001 standard. This system encompasses key elements such as risk identification and planning of actions to mitigate those risks, comprehensive workplace safety training, effective communication and engagement at all organizational levels, operational control, regular reviews of the health and safety management system, and continuous improvement initiatives.

All employees, regardless of contract type, enjoy equal access to healthcare, training, paid leave, and advancement opportunities. The Group monitors representation of workers with disabilities and makes reasonable accommodations where needed. The Group is committed to ensure fair representation across the organisation, and plan for a comprehensive D&I Policy across the Group.

Health monitoring is conducted in partnership with private medical providers. Employees also benefit from annual wellness screenings and access to additional medical care through country level plans. Employee health measures include compulsory periodic examinations one to two times per year depending on job profile, basic medical exams, and screenings such as ophthalmological, cardiological, and EKG assessments, with an equipped medical office in certain locations (Comtim Romania). Additional measures include voluntary flu vaccination, sport benefits, work accidents and life insurance, and a flexible compensation program that includes private medical insurance. The Group also provides insurance for diagnostic tests with specialists in private health centers, available to employees under medical prescription.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

SI-5

In 2025, as part of Morliny Foods' commitment to sustainable development and in accordance with the ESRS, the Group has established clear and measurable targets to guide their progress across key own workforce areas. These targets will be regularly monitored through defined indicators and reported transparently in the Group's reports to ensure accountability and continuous improvement.

Morliny Foods' short-term targets:

- Zero work-related fatalities annually
- 100% occupational risk assessment coverage across all sites annually
- 100% completion of mandatory health and safety training for active employees in line with the annual training schedule.
- Total Recordable Incident Rate \ consistently below the European average for food manufacturing (11.53 incidents per 1,000,000 hours worked).
- 5% annual increase in participation in diversify our internship programmes, over the next three years
- Improve training data collection and average training hours per employee increased by to 10 annually

Morliny Foods' medium-term targets (2030):

- Collective bargaining coverage at 90% of eligible employees within three years (2028),
- Minimum share of women in management roles 30% by 2027
- Retention rate above 50% after 18 months, for new international talent.
- Entry-level wages at least 5% above the national minimum for 90% of core business employees.

Characteristics of the undertaking's employees

SI-6

Morliny Foods' employees, with their diverse expertise and backgrounds, play an important role in fostering collaboration and driving success across all areas of the Group's operations. This section presents an overview of Morliny Foods' employees, including total headcount with breakdowns by gender, region, and country. The Group also provide information on contract types, gender representation, and employee turnover during the reporting period. Morliny Foods operates production activities in rural areas, including regions with limited local employment opportunities. In several locations, the Group is among the larger employers, contributing to local job creation. In addition, Morliny Foods sources a significant share of its feed grain locally, supporting agricultural suppliers, including family-owned farms, in the areas where it operates.

Morliny Foods' workforce consists primarily of permanent, full-time employees, with gender representation balanced across job levels. All workers receive equivalent safety training, onboarding, and access to grievance channels. Employee data is reported based on headcount as of 31 December 2025, as recorded in each entity's central HR system. The figures below encompass Morliny Foods employees only and exclude non-employee workers. Please refer to *note SI-7* for details on non-employees within the Group's workforce on page 87.

The subsequent table provides a comprehensive breakdown of Morliny Foods total employee count, categorized by gender and country. This breakdown specifically includes countries where the Group has 50 or more employees, representing at least 10% of the workforce.

Employee Headcount by Gender and Country

Gender	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Female	20	511	5,408	1,901	445	170	8,455
Male	26	1,107	5,314	2,970	712	141	10,270
Other*	0	0	0	0	0	0	0
Not reported	0	0	0	0	0	0	0
Total number of employees	46	1,618	10,722	4,871	1,157	311	18,725

* Gender as specified by the employees themselves.

During the financial year 2025 Morliny Foods' direct workforce included 18,725 individuals across Poland, Romania, Spain, Slovakia, Hungary and the UK. The vast majority, around 99%, are employed under full-time contracts, reflecting the stability and long-term orientation of Morliny Foods' operations. Part-time roles are limited and typically aligned with specific operational needs where shorter engagements are appropriate.

Across the Group, gender representation varies by country. In the UK, 43% of employees are women. In Spain, women represent 32% of the workforce. In Poland, women represent 50% of employees. In Romania, women represent 39% of the workforce. In Slovakia, women represent 38% of employees, while in Hungary women account for 55% of the workforce. Across the Group, gender representation is relatively balanced, with 45% of the workforce being women.

Employee Headcount by Region, Gender and Contract Type

The following table illustrates the total number of employees by headcount for the subsequent categories, offering a breakdown by gender as permanent employees, temporary employees, non-guaranteed hours employees.

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Total number of employees	46	1,618	10,722	4,871	1,157	311	18,725
Total number of female employees	20	511	5,408	1,901	445	170	8,455
Total number of permanent female employees	19	505	5,408	1,857	445	170	8,404
Total number of temporary female employees	1	6	0	44	0	0	51
Total number of female employees with non-guaranteed hours	0	0	0	0	0	0	0
Total number of male employees	26	1,107	5,314	2,970	712	141	10,270
Total number of permanent male employees	26	1,106	5,314	2,917	712	141	10,216
Total number of temporary male employees	0	1	0	53	0	0	54
Total number of male employees with non-guaranteed hours	0	0	0	0	0	0	0
Total number of other gender employees	0	0	0	0	0	0	0
Total number of permanent other gender employees	0	0	0	0	0	0	0
Total number of temporary other gender employees	0	0	0	0	0	0	0
Total number of other gender employees with non-guaranteed hours	0	0	0	0	0	0	0

* Gender as specified by the employees themselves.

Employee Headcount by Contract Type and Region

table also illustrates the total number of employees by headcount for the subsequent categories, offering a breakdown by region of full-time and part-time employees.

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Number of full-time/part-time employees	46	1,618	10,722	4,871	1,157	311	18,725
Total number of full-time employees	44	1,546	10,680	4,817	1,157	311	18,555
Total number of full-time female employees	19	473	5,378	1,862	445	170	8,347
Total number of full-time male employees	25	1,073	5,302	2,955	712	141	10,208
Total number of full-time other gender employees	0	0	0	0	0	0	0
Total number of part-time employees	2	72	42	54	0	0	170
Total number of part-time female employees	1	38	30	39	0	0	108
Total number of part-time male employees	1	34	12	15	0	0	62
Total number of part-time other gender employees	0	0	0	0	0	0	0

* Gender as specified by the employees themselves.

At Morliny Foods, employees consist of both full-time and part-time staff on permanent contracts. In accordance with specific country legislation and local practices, contracts will be classified as permanent where applicable. Temporary employees include full-time and part-time staff on fixed-term contracts or specified-purpose contracts. Non-guaranteed hours employees are those with zero guaranteed contracted weekly hours. Morliny Foods does not employ any individuals with zero contracted hours. Full-time employees are defined as those whose standard and contracted weekly hours are equal, while part-time employees are those whose standard and contracted weekly hours differ.

Employee Turnover

Employee turnover in the reporting period	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
The rate of employee turnover in the reporting period	27%	8%	23%	23%	14%	36%	22%
Total number of employees who left the company in the reporting period	12	130	2,546	1,123	151	117	4,079
Total number of employees who left the company by transfer or secondment to another company within Morliny Foods Limited	0	0	0	0	0	0	0
Total number of employees at the end of the previous reporting period	45	1,637	10,923	4,867	1,093	323	18,888

Employee turnover at Morliny Foods is defined as the number of permanent employees who leave the organization voluntarily or as a result of dismissal, retirement, or death in service during the year. Voluntary departures include resignations and retirements. Dismissal refers to the termination of an employee’s contract due to underperformance, misconduct, redundancy, restructuring, or a compromise agreement. Employees range from students and apprentices to experienced technicians and long-serving employees, highly skilled specialist, managers at all levels, from line and small operational team management to senior executives. Internal promotion and competency development frameworks support long-term career pathways, contributing to high retention rates across most locations.

The employee turnover rate is calculated by taking the number of permanent employees who left the Group for any of the aforementioned reasons during the year, dividing it by the total number of permanent employees at the end of the year, and then multiplying by 100.

Characteristics of non-employee workers in the undertaking’s own workforce
SI-7

While the core of Morliny Foods’ workforce is employed directly, the Group also engage non-employee workers, particularly in response to seasonal or technical needs.

These individuals, sourced through licensed agencies or contracting arrangements, are integrated into the organizational culture and subject to the same high standards of safety, conduct, and legal compliance.

In Spain, temporary and outsourced labor continues to play a significant role in the workforce structure. During financial year 2025, Spain engaged 710 non employees, including 239 individuals working under service contracts and 471 individuals performing work under agency agreements. Although engaged through different contractual channels, all such workers follow the same onboarding processes, receive training in internal safety standards, and are fully covered by labor rights protections and external audits. The company does not distinguish between direct employees and agency supplied personnel in safety enforcement or incident reporting.

In Poland, the workforce was supported by 588 non employees, including 9 individuals under contracts of mandate and 579 individuals engaged through agency agreements. In Poland agency workers receive the same safety training and onboarding support as direct employees. Whereas contract workers receive different safety and onboarding training. Employees’ rights are protected by both national labor law and internal audit protocols. These workers are included in inspections by state authorities (e.g., labor, health, environment) and reviewed as part of internal and third-party audits.

In Romania, the UK and Slovakia, non employee labor was not used. In Slovakia operations were managed entirely by internal staff, with outsourcing limited to rare technical or project specific situations governed under strict compliance standards.

Hungary engaged 10 non employees, all of whom were contracted through employment related agency agreements, with no additional outsourced or temporary labor categories recorded.

Number of non-employees	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Total number of non-employees	0	710	588	0	0	10	1,308
Total number of self-employed non-employees	0	0	0	0	0	0	0
Total number of non-employees under a contract of mandate	0	0	9	0	0	0	9
Total number of non-employees under a service contract	0	239	0	0	0	0	239
Total number of non-employees under a deed contract	0	0	0	0	0	0	0
Total number of non-employees performing work based on an agreement with an agency conducting employment-related activities	0	471	579	0	0	10	1,060

* Gender as specified by the employees themselves.

Collective bargaining coverage and social dialogue
SI-8

In Romania and Spain, 100% of employees are covered by collective bargaining agreements. These agreements are renegotiated every two years in collaboration with employee representatives and are monitored by the respective National Labor Agencies to ensure alignment with EU labor standards. In Spain, the agreement is negotiated at the state level without company involvement, and its renewal frequency depends on the terms agreed; the current agreement is set to expire on 31 December 2025. The data is sourced from the HR systems. In Slovakia, and the UK, Morliny Foods does not currently operate under collective bargaining agreements. In Poland, Morliny Foods does not operate under binding collective labour agreements. Instead, employment conditions are governed by two internal documents: the Work Regulation and the Remuneration Regulation, which are tailored to each employer.

These documents are formally consulted with trade unions and/or employee representatives, whose signatures confirm agreement on their scope and content.

The Work Regulation outlines the organization and order of the work process, including start and end times, work time systems, and breaks. It also defines the rights and obligations of both employees and the employer, conditions for staying on site, the scope of disciplinary liability, rules for protecting company property and maintaining confidentiality, procedures related to workplace accidents and hazards, and other relevant provisions. The Remuneration Regulation sets out the conditions of remuneration, including pay systems, the amount and rules for granting allowances such as night work, overtime, and bonuses, and the criteria for awarding bonuses and rewards. It also specifies the deadlines, method, and place of salary payment, rules for paying work-related benefits, provisions on wage protection in line with the Labour Code, and conditions for granting additional benefits where applicable.

The following table shows the coverage of collective bargaining agreements and social dialogue for Morliny Foods’ own employees:

Description	UK (outside EEA)	Spain (EEA)	Poland (EEA)	Romania (EEA)	Slovakia (EEA)	Hungary (EEA)	Total
The percentage of total employees covered by collective bargaining agreements	0%	100%	0%	100%	0%	0%	35%
Percentage of own employees covered by collective bargaining agreements are within coverage rate by country with significant employment (in the EEA)	0%	100%	0%	100%	0%	0%	35%
Percentage of own employees covered by collective bargaining agreements (outside EEA) by region	0%	0%	0%	0%	0%	0%	0%
Percentage of employees in country with significant employment (in the EEA) covered by workers’ representatives	0%	100%	0%	100%	0%	0%	35%

There have been no strikes or lockouts causing material operational impact in the last five years. National Labor Authorities have not outlined confirmed issues or violations linked to own operations regarding Freedom of Association and Work-Related Rights.

Diversity metrics

SI-9

In line with ESRS requirements, Morliny Foods monitors and reports diversity metrics to assess representation and inclusion across its workforce. Morliny Foods is committed to fostering a diverse and inclusive leadership structure, recognising that balanced representation at management level strengthens decision-making and long-term business resilience. In line with ESRS SI-9 requirements, the Group monitors gender diversity across its workforce, and representation in top management roles.

In 2025, women represented approximately 33% of top management positions across the Group (78 out of 233 roles), reflecting continued progress towards a more balanced leadership structure. This level of representation is broadly aligned with commonly recognised industry benchmarks, where a minimum of 30% female representation in leadership is considered a meaningful threshold for advancing gender diversity. While the overall Group position demonstrates solid progress, variations exist across countries, reflecting differences in labour market dynamics, talent pipelines, and historical workforce structures. The Group’s approach to diversity in management is grounded in equal opportunity principles and supported by structured HR processes, including transparent recruitment practices, and ongoing leadership development programmes.

Morliny Foods present in the following table the gender distribution in number and percentage at top management level:

Gender Distribution at top management level	2025						
	Number						
	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Female	1	9	50	16	2	0	78
Male	5	26	89	33	2	0	155
Other*	0	0	0	0	0	0	0
Not reported	0	0	0	0	0	0	0

* Gender as specified by the employees themselves.

Gender Distribution at top management level	2025						
	Percentage						
	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Female	17%	26%	36%	33%	50%	0%	33%
Male	83%	74%	64%	67%	50%	0%	67%
Other*	0%	0%	0%	0%	0%	0%	0%
Not reported	0%	0%	0%	0%	0%	0%	0%

* Gender as specified by the employees themselves.

Age Distribution at top management level	2025						
	Number						
	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Under 30 years old	0	0	0	0	0	0	0
30 – 50 years old	2	7	92	31	1	0	133
Over 50 years old	4	28	47	18	3	0	100

Across the Group, gender representation at the top management level in 2025 shows that women hold 33% of senior positions, with notable variation across countries. Female representation ranges from 17% in the UK and 26% in Spain to 36% in Poland, 33% in Romania, and reaches parity at 50% in Slovakia.

Men account for 67% of top management roles overall. No individuals are reported under “other” or “not reported” categories. This distribution underscores the need for continued focus on equitable career progression and leadership opportunities.

The table below presents a distribution of employees by age group: under 30 years old, 30-50 years old and over 50 years old:

Age Distribution All Employees	2025						
	Number / Percentage						
	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Under 30 years old	5	167	1,743	587	122	59	2,683
	11%	10%	16%	12%	11%	19%	14%
30 – 50 years old	26	861	5,587	2,631	568	131	9,804
	57%	53%	52%	54%	49%	42%	52%
Over 50 years old	15	590	3,392	1,653	467	121	6,238
	33%	36%	32%	34%	40%	39%	33%

In 2025, Morliny Foods Group employed a generationally diverse workforce, ranging from students and apprentices to experienced technicians and long-serving employees. Poland holds the largest share of employees, while the UK has the smallest. The majority of employees in all countries fall within the 30-50 age range, with Slovakia having the highest proportion of staff over 50. Internal promotion and competency development frameworks support long-term career pathways, contributing to workforce stability across most locations, with 52% of employees aged between 30 and 50 years.

Adequate wages

SI-10

Morliny Foods applies a structured remuneration framework designed to ensure that all employees receive wages that meet or exceed applicable statutory minimum wage requirements in the countries where the Group operates. In 2025, 100% of employees across all operating countries earned remuneration at or above the relevant national minimum wage.

Wage levels are determined based on standardized, gender-neutral job classifications and salary grids, which take into account job responsibilities, required qualifications, experience and market benchmarks.

Salary grids are reviewed annually and are informed by independent market benchmarking studies. Salary increases consider inflation developments and, where applicable, collective bargaining agreements. For employees not covered by collective agreements, market trends are monitored regularly to support consistent and equitable salary adjustments.

Wage-setting mechanisms vary by country in line with local regulatory and industrial relations frameworks. In Spain, salary scales are defined through national collective bargaining agreements. In Romania and Poland, structured administrative procedures are applied to ensure consistency in payroll classification and calculation, reducing the risk of discrepancies or unequal treatment.

For the 2025 reporting year, Morliny Foods has not conducted a formal assessment of wages against external living-wage benchmarks. At this stage, wage adequacy is ensured through compliance with national legal requirements, collective bargaining agreements and the Group’s internal remuneration framework. The Group will consider the feasibility of developing additional approaches to assessing wage adequacy in future reporting periods, taking into account data availability and country-specific contexts.

Social protection

SI-11

Morliny Foods provides comprehensive social protection for all employees across its operations. Every employee is enrolled in national statutory systems, which include pension, health, disability, and unemployment insurance, ensuring baseline coverage in line with local legal requirements. In addition to these statutory benefits, certain locations offer supplementary support through private or employer-sponsored programs such as life insurance, private healthcare, and welfare assistance. These additional benefits are designed to provide targeted support for employees facing serious personal challenges, including illness, financial hardship, or household emergencies, reinforcing the Group’s commitment to employee wellbeing beyond legal compliance.

Persons with disabilities

SI-12

Morliny Foods monitors and reports the representation of employees with disabilities across its operations, taking into account national legal frameworks and data collection limitations. Disability is defined as “a physical or mental impairment that has a ‘substantial’ and ‘long-term’ negative affect on your ability to do normal day-to-day activities”. Long-term is defined as 12 months or more. Across the Group, approximately 2.5% of employees are registered as having certified disabilities and are supported through adjusted working arrangements where required.

Starting in 2025, Romanian legislation requires that 4% of all open positions be available to candidates with disabilities. In response, Morliny Foods collaborates with state-approved non-governmental organisations to support outreach and recruitment, with the process subject to monitoring by the relevant Romanian authorities.

Please see below the percentage of persons with disabilities within Morliny Foods’ own workforce:

Description	UK	Spain	Poland	Romania	Slovakia	Hungary
The percentage of its own employees with disabilities	4.35%	0.99%	2.93%	0.31%	4.32%	1.61%
The percentage of persons with disabilities amongst its employees subject to legal restrictions on the collection of data	2%	0%	3%	0%	4%	2%
The percentage of male employees with disabilities	2.17%	0.68%	1.32%	0.16%	2.25%	0.96%
The percentage of female employees with disabilities	2.17%	0.31%	1.61%	0.14%	2.07%	0.64%

Across Morliny Foods, the representation of employees with disabilities varies significantly by entity, with the highest reported percentage in the UK (4.35%) and the lowest in Romania (0.31%). The Group employs 297 certified individuals with disabilities, primarily in production roles, and supports them through tailored work arrangements.

In the UK, national UK labour law (Equality Act 2010) determines that the organisation must make reasonable adjustment to make sure workers with disabilities, or physical or mental health conditions are not substantially disadvantaged when performing their jobs. The higher percentage reported in the UK reflects structural factors rather than differences in Group policy, including a smaller workforce and a role profile more compatible with adjusted working arrangements.

Training and skills development metrics

SI-13

Morliny Foods invests in continuous professional development to strengthen food safety, operational efficiency, and employee growth across all its operations. Training programmes are designed to support both operational excellence and individual career development, with a strong focus on role-specific competencies. Core training includes mandatory programmes such as food safety, occupational health and safety, animal welfare, and operational procedures. These trainings are essential to daily activities and are delivered across all sites to ensure compliance with internal standards and regulatory requirements. In addition, employees benefit from supervisory, technical, and professional development programmes tailored to their roles and career progression. Due to the operational nature of mandatory training, particularly those delivered at site level, training hours are not yet fully captured in a harmonised manner across all countries and systems. Existing data primarily reflects training recorded within HR systems and therefore does not comprehensively include all mandatory training activities undertaken by employees. Morliny Foods is currently working to enhance its data collection and reporting processes to ensure more complete and consistent tracking of training hours across the Group. This includes the integration of operational training data into central systems and the alignment of reporting methodologies across countries. The Group remains committed to expanding access to training and development opportunities, supporting workforce capability, and strengthening a culture of continuous learning across all functions.

In the UK, professional development is tightly integrated with performance reviews and industry accreditation. Employees receive support to obtain food safety and quality certifications alongside sales, finance, and supply chain qualifications, and digital and leadership skills are embedded across roles. The UK maintains a collaborative apprenticeship program with a local college focused on finance positions, which has a strong conversion rate to full-time employment and underpins the retention strategy. Training is also embedded into onboarding through required modules covering compliance, health and safety, and the entity’s quality systems, ensuring new starters meet the applicable standards from day one.

In Poland, the approach at Animex Foods is grounded in structure, inclusivity, and a long-term vision for workforce resilience. Every employee has access to development opportunities supported by a personalized pathway aligned with their role and aspirations. Skill development is documented through over 335 skills matrices, maintained by 293 managers and covering more than 6,000 employees, providing traceability and enabling targeted upskilling, particularly in operational roles such as butchers, trimmers, and machine operators. Poland runs its proprietary internal programs for production and technical teams, including training for machine operators; bone trimmers and slaughterhouse technicians; automation technicians and refrigeration mechanics. Leadership capacity is strengthened through initiatives such as Leaders of Tomorrow, the Quality Leader Academy, and the Leadership Development & Transformation Lab, reinforced by mentoring and individual development plans. Managerial effectiveness is further supported by the Managerial Espresso series, while selected leaders pursue executive education through INSEAD and MBA programs. To secure long-term talent pipelines, Poland partners with vocational schools and universities, offering co-financed internships, scholarships, and dual education programs in which students alternate between academic learning and hands-on practice in Morliny Foods’ facilities. Since inception, hundreds of young professionals have been trained, many of whom have joined us full-time.

Agri Plus University – Strengthening Responsible Livestock Farming

Agri Plus University is our flagship educational initiative designed to bridge scientific research and practical livestock production. Organized annually in partnership with veterinary faculties at leading agricultural universities in Poland, the conference has become a recognized platform for knowledge exchange within the pig production sector. As main organizer and sponsor, we bring together over 100 participants each year, including researchers, producers, veterinarians, experts and students from Poland and abroad.

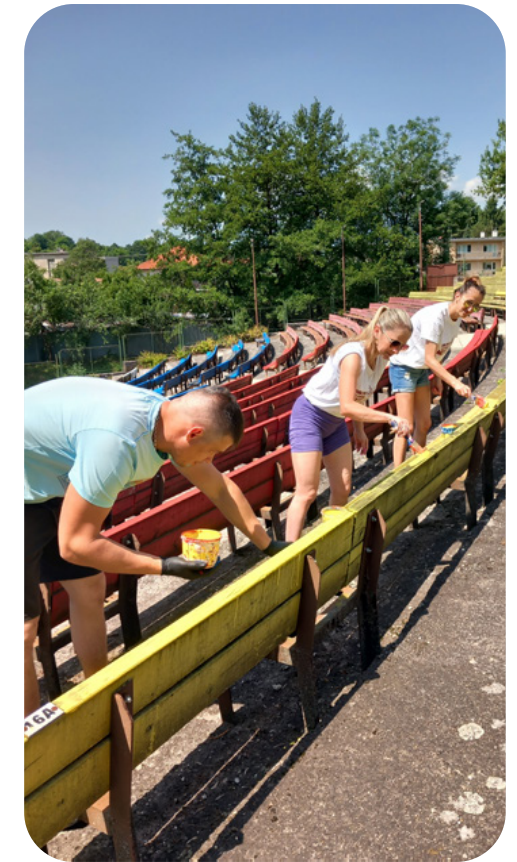
In Spain, training programs are expanding in 2025. Employees receive technical and soft skills training, including induction and compliance (food safety, health and safety, and anti-harassment), managerial development, and IT and digital competencies. The HR team has launched structured partnerships with local vocational training centers and universities to attract emerging talent and align curricula with operational needs. A new internship strategy, active from 2025, supports workforce planning.

In Romania, training is coordinated by the Internal Training Department within HR and is delivered through a blend of in-house trainers and external professionals. All employees complete structured onboarding and refresher training in food safety, hygiene, health and safety, and internal rules. Notable internal certification programs include forklift operation and project management, hygiene certification for operators, veterinary technician training, and digital skills development. Training is closely tied to career progression: in production and feed mill departments, employees advance through a tiered technical skill pathway that includes theoretical and practical assessments, supported by departmental mentors. Progression at each level results in pay increases aligned with the company’s transparent salary grid. Romania also leads the Group’s internship efforts; since launching the program in 2005, over 900 students from top national universities have completed internships across production, logistics, HR, and food safety. In 2025, partnerships were extended to new technical high schools, expanding on the early talent strategy.

The program addresses key sector challenges, including animal health and welfare, biosecurity, piglet quality, respiratory diseases and responsible antibiotic reduction. Discussions also cover broader risks such as African Swine Fever, climate change and evolving regulatory requirements. Practical, science-based solutions presented during the event support direct implementation at farm level.

An important pillar of the initiative is the active involvement of veterinary students, contributing to the development of future specialists. Agri Plus University represents a long-term investment in knowledge, risk mitigation and higher farming standards across the sector.

In Slovakia, training emphasizes occupational safety, technical proficiency, and employee retention, with high-risk job roles subject to mandatory annual certification and targeted upskilling. Mecom maintains dual education programs and school partnerships across machinery, electrical, and food processing disciplines to strengthen technical pipelines. Employees in risk categories benefit from reconditioning stays and health-focused programs, and internal mentoring and team workshops support departmental goals and cohesion. Training needs are identified annually during performance evaluations, forming the basis for both soft and technical skills planning. Customized leadership development initiatives help cultivate and stabilize the middle management pipeline across the market.



The following information shows the number and percentage of employees that participated in regular performance and career development reviews:

Total number of employees that participated in regular performance and career development reviews							
Metric	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Total number of employees (after exclusions due to reasons such as extended absence)	46	1,618	10,722	4,871	1,157	311	18,725
Employees that participated in regular performance and career development reviews	37	727	3,059	1,914	1,157	311	7,205
Percentage of employees that participated in regular performance and career development reviews	80.43%	44.93%	28.53%	39.29%	100%	100%	38.48%

The following summarizes average training hours per employee and by gender. Employee counts exclude individuals on extended absence.

Average number of training hours per employee and by gender	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Average training hours for female employees	26	2	0	7	4	1	2
Average training hours for male employees	26	1	0	8	5	1	3
Average number of training hours per employee	26	2	0	8	4	1	2

No employees were reported in the “other” gender category in this reporting period, so no participation figures apply to that category. The reported training hours reflect data captured within HR information systems and primarily include structured training programmes. Certain mandatory operational trainings, such as food safety and occupational health and safety sessions delivered at site level, are not yet fully captured in a harmonised manner across all locations. As a result, the figures presented may not fully represent total training hours undertaken by employees. In Poland training hours are not currently monitored in an integrated system in order to facilitate reporting.

Variations across countries reflect differences in workforce size, role profiles, and local approaches to performance reviews and training delivery. The higher figures reported in the UK are mainly attributable to a smaller workforce and a higher share of professional roles subject to formal, documented reviews and training, while production-focused entities rely more on on-the-job and role-based training that is not always captured in these metrics.

Health and safety S1-14

The Group’s commitment to employee safety is reinforced through standardized health and safety management systems and site-specific goals.

The 2025 Occupational Health and Safety strategy focused on five priority areas: systematizing health and safety management, identifying and mitigating risks, delivering regular training to employees, maintaining low workplace accident rates, and ensuring the execution of internal safety audits. These pillars support the long-term objective of keeping accident rates below European food sector averages, while fully aligning with ESRS S1 disclosure requirements on health and safety.

At the end of 2025, 100% of Morliny Foods’ sites had implemented an internal health and safety management system. These systems are designed to comply with national legislation and WH Group standards and are being aligned with the ISO 45001 Occupational Health and Safety Management standard.

All operational areas undergo periodic occupational risk assessments covering physical, chemical, ergonomic, and psychosocial hazards. Risk assessment is carried out across the entire Group, covering all countries, locations, and operational areas. This process is conducted in the following situations:

- implementation of new machines or processes,
- modifications to existing machines or processes,
- following workplace accidents.

Case study: Technology Ahead of Risk – BladeStop Implementation at K4

In 2025, the K4 facility in Kutno completed the full implementation of the BladeStop system on ten band saws, reinforcing a proactive approach to occupational safety in high-risk production environments. Initially introduced in five elevated-risk areas, the project has now been fully scaled across the plant. BladeStop technology fundamentally transforms machine safeguarding by stopping the blade within milliseconds upon contact. With the integrated GloveCheck function, the system can even detect a gloved hand approaching the blade and halt operation before contact occurs. This automation shifts critical accident prevention from reactive human intervention to real-time, technology-driven protection.

Comprehensive training was delivered to operators and maintenance teams to ensure seamless integration into daily operations. The system is continuously monitored to evaluate performance and assess opportunities for further deployment. Beyond significantly reducing the severity of potential injuries, the system also enhances operational efficiency. Unlike conventional emergency stops that often damage blades and cause extended downtime, BladeStop enables controlled stops without breakage, allowing rapid restart and minimizing production disruption.

This initiative reflects our commitment to embedding advanced safety technologies into our core operations, positioning employee protection as a strategic priority rather than solely a regulatory requirement.

Risk assessments are also subject to regular reviews. Based on these assessments, the OHS department, in cooperation with technical and production departments, develops improvement plans. Recommended measures follow the hierarchy of risk control: elimination of the hazard, substitution, application of technical measures, use of personal protective equipment, and administrative measures such as training, instructions, or signage. The implementation of improvement plans and objectives is monitored by management, and the results and proposed actions are consulted with OHS committees, which include employee representatives in each country. Risk assessment outcomes and improvement actions are systematically reviewed with both management and OHS committees, ensuring transparency and continuous enhancement of safety processes.

Furthermore, in all countries where Morliny Foods operates, emergency response procedures have been established and are tailored to site-specific risks and local potential hazards. All locations have procedures in place to address fire incidents and ammonia leaks, as ammonia is used as a refrigerant across the facilities. In Poland, Spain, and Romania, emergency procedures also cover severe weather events. Each procedure defines the roles and responsibilities of personnel involved in evacuation and rescue activities. To test preparedness and reinforce effective response, evacuation drills are conducted at least once per year at each location across all countries of operation.

In Romania, Poland, Slovakia, and Hungary, the fire brigade regularly participates in drills to familiarize themselves with the facility layout and premises. In one Spanish plant, silent drill exercises have been implemented, where technical staff are tasked with locating a “simulated fire” detected by a sensor before the acoustic alarm is activated. Additionally, all locations have employees trained in first aid, who are regularly retrained and prepared to respond quickly in emergency situations.

Health and safety training remains a cornerstone of Morliny Foods’ safety culture. Training programs include both onboarding modules and periodic refresher courses, ensuring that the workforce is equipped with the knowledge and skills to work safely and confidently.

Training programs cover a comprehensive range of topics, including:

- National and EU regulations and company-specific requirements,
- Workplace hazards and health risks, along with preventive measures,
- Emergency response procedures and first-aid principles,

Case study: Health & Safety – Ergonomic Improvements and Injury Reduction in our Spanish operations

In 2025, targeted health and safety initiatives were implemented across multiple production sites to improve ergonomics and reduce musculoskeletal risks associated with manual handling and repetitive tasks. These projects focused on high-workload sections, aiming to prevent occupational injuries and enhance employee wellbeing. At the Lumbier (INCANASA) production site, €26,619 was invested in ergonomic equipment, including a tractor for handling, electric scissor-lift pallet trucks, a guillotine, and back and neck exoskeletons. Additionally, a company-supported physiotherapy program was introduced, co-financed at 50%.

These measures led to a 45% reduction in sick leave cases (from 20 in 2024 to 11 in 2025) and a 28% decrease in sick leave hours (from 24,439 to 17,496 hours). At the Miralcamp (ARGAL) site, a new ergonomic tub system was introduced in the bacon section, significantly reducing repetitive strain and improving posture. The accident frequency rate decreased from 147 to 103, while manual handling risk levels improved from an unacceptable 1.85 to a safe 0.87 under the NIOSH method.

These results demonstrate measurable progress in reducing workplace risks through proactive ergonomic investment.

- Safety and hygiene rules for operating technical equipment and internal transport,
- Steps to follow in the event of a workplace accident,
- Guidelines for the allocation and proper use of workwear, footwear, and other personal protective equipment (PPE).

Special attention is given to high-risk activities, such as fire-hazard tasks, working at heights, and operations in confined spaces. For these areas, Morliny Foods provides specialized training combined with practical exercises, ensuring employees are fully prepared for real-world scenarios. The Group also recognizes and addresses language barriers, implementing measures to minimize them through training in different languages and materials adapted to different literacy levels.

In 2025, the rate of recordable work-related accidents across our operations was 9.07 incidents per one million working hours when considering both employees and non-employees working on our sites. For our direct employees alone, the accident rate was 8.24 per one million working hours, calculated in line with ESRS methodology (number of recordable accidents × 1,000,000 / total working hours). Both indicators remain below the benchmark rate for the European food industry, which stands at 11.53 accidents per one million working hours based on Eurostat data converted to the ESRS calculation methodology. This performance reflects our continued focus on strengthening workplace safety systems, preventive training, and risk management across our operations.

Each accident and near-miss incident is thoroughly investigated, taking into account all circumstances and causes, down to the root sources of the event. Based on the results of these analyses, post-incident recommendations are developed, aimed at preventing similar occurrences in the future. Poland and Spain, a practice has been implemented to share information on workplace accidents with other locations within the country. This serves as a source of knowledge and experience exchange, ensuring that employees in other facilities are aware of potential hazards and can take preventive measures.

Internal audits underpin continuous improvement and as such in 2025, 100% of planned internal OHS audits were completed across European sites.

The Group conducts regular audits across all facilities as part of its commitment to maintaining a safe and compliant work environment. These audits, led by the OHS department, cover all operational areas and verify adherence to established safety standards. Key aspects assessed during audits include:

- whether employees perform their duties in accordance with safe work practices,
- proper use of designated personal protective equipment (PPE),
- compliance with applicable procedures and internal safety protocols.

When non-conformities are identified, recommendations for corrective actions are issued. Immediate corrective measures are implemented where feasible, while more complex issues require the development of detailed improvement plans and objectives. The implementation of all recommendations is systematically monitored by management and reviewed during OHS committee meetings, ensuring accountability and continuous improvement.

Audit findings are documented and analyzed to identify recurring themes and opportunities for preventive measures.

OHS committees have been established in all countries, providing a platform for active employee participation in occupational health and safety matters. The committee includes both employee representatives and employer representatives, allowing employees to actively engage in OHS issues within the facility. Committee members participate in tasks such as developing preventive actions and improvement plans, analyzing the circumstances of workplace accidents, identifying training needs, and proposing investments to reduce accident risk. This enables employee representatives to engage in dialogue with management, report observed hazards, suggest safety improvements, and monitor the implementation of OHS procedures. In Spain, Romania, and Poland, dedicated one-to-one safety conversations are conducted by OHS staff as part of a structured and documented process. These in-depth discussions focus on workplace safety and cover topics such as identification of hazards and associated risks, preventive measures and required actions, proper use of personal protective equipment (PPE) and suggestions for improving occupational health and safety practices.

100% of Morliny Foods’ own workforce is covered by health and safety management system. Furthermore, there were no recorded fatalities in Morliny Foods’ own workforce from work-related injuries or work-related ill health in 2025. There were also no recorded fatalities resulting from work-related injuries or work-related ill health of other workers working on any of Morliny Foods’ sites in 2025. In 2025, only Poland recorded a total of 6 cases of recordable work-related ill health among employees. UK, Spain, Romania and Slovakia recorded no such cases among their employees.

The following table shows the percentage of people in Morliny Foods’ own workforce who are covered by the health and safety management system based on legal requirements and recognised standards:

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Percentage of people in the company’s own workforce covered by health and safety management system	100%	77%	100%	100%	100%	100%	100%
Number of people in own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party	0	789	10,367	4,871	0	0	16,027
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party	0%	38%	92%	100%	0%	0%	81%
Number of employees covered by the company’s health and safety management system and which has been internally audited and (or) audited or certified by external party	0	608	9,779	4,871	0	0	15,258
Number of non-employees covered by the company’s health and safety management system and which has been internally audited and (or) audited or certified by external party	0	181	588	0	0	0	769

The following table shows the **number of accidents** in Morliny Foods’ own workforce in 2025:

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Rate of recordable work-related accidents for own workforce	0	32.35	7.91	0.70	12.75	18.35	9.07
Rate of recordable work-related accidents among employees	0	26.20	8.27	0.70	12.75	18.35	8.24
Rate of recordable work-related accidents among non-employees	0	52.25	0	0	0	0	24.88
Total number of work related accidents in its own workforce	0	118	169	6	24	11	328
Total number of work related accidents among employees	0	73	169	6	24	11	283
Total number of work related accidents among non-employees	0	45	0	0	0	0	45
Total hours worked by people in its own workforce	82,414	3,647,853	21,370,995	8,582,102	1,882,719	599,592	36,165,675
Total hours worked by employees	82,414	2,786,623	20,423,243	8,582,102	1,882,719	599,592	34,356,693
Total hours worked by non-employees	0	861,230	947,752	0	0	0	1,808,982

The following table shows days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees:

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
Number of days lost to work-related injuries	0	1,836	5,719	196	957	188	8,896
Number of days lost to work-related ill health	0	301	0	0	0	0	301
Number of days lost to work-related fatalities	0	0	0	0	0	0	0

*In Poland, there is no system for tracking “lost days” due to occupational diseases because the diagnosis of an occupational disease often comes only after the employee has returned from sick leave, and sometimes even after their employment has ended. The process of diagnosing an occupational disease: Diagnosing an occupational disease is a complex and time-consuming process. It requires specialized medical tests and a review of the employee’s entire work history, which can take months.

Lack of early information for the employer: Employers often find out about an occupational disease only when the employee returns from long-term sick leave. In some cases, this information is received after the employment has ended. In such cases, the employer has no control over how long the employee was absent due to the occupational disease or whether the sick leave was related to an occupational disease or another reason for absence.

Work-life balance metrics

SI-15

Morliny Foods recognizes that a healthy balance between professional responsibilities and personal life is essential to employee well-being and long-term performance. Across all operations in Romania, Slovakia, Spain, the UK and Poland, the Group has implemented supportive work-life balance frameworks that go beyond legal minimums and are reinforced through internal policies, collective agreements, and national regulations. All employees are entitled to family-related leave, including maternity, paternity, parental, and caregiver leave. Return rates after parental leave remain high, over 90% in Romania and Slovakia, and in the UK, more than half of eligible employees have returned to work after such leave in the past two years. Additional paid leave days are provided in all countries for life events such as marriage, birth of a child, bereavement, or change of residence. For example, employees in the UK receive up to 33 paid leave days annually (compared to a statutory minimum of 28), while Spain offers 15 days for marriage and up to 5 days for hospitalization or outpatient surgery of a close relative. In Slovakia, family care responsibilities are also supported by leave provisions for caring for sick children or close relatives, in alignment with national labor codes. In Poland, the regulatory framework is further strengthened through a comprehensive internal policy package that grants additional rights such as extended parental leave (up to 43 weeks), nine non-transferable weeks per parent, and restricted overtime or night shifts for parents of young children.

The percentage of Morliny Group’s employees eligible for family-related leave is 100%. The following table indicates the percentage of employees that took family-related leave, and a breakdown by gender:

Description	UK	Spain	Poland	Romania	Slovakia	Hungary	Total
The percentage of male employees that took family-related leave	26.92%	1.77%	19.38%	8.96%	1.26%	1.42%	12.99%
The percentage of female employees that took family-related leave	40.00%	2.27%	37.37%	10.99%	6.74%	11.76%	27.20%
Total percentage of employees that took family-related leave	32.61%	1.93%	28.46%	9.75%	3.37%	7.07%	19.40%

* Average percentage across the Group.

Morliny Foods ensures compliance with national labor laws and to preserve work-life balance. Overtime is strictly regulated, monitored and capped across all countries. In Romania, overtime is strictly monitored and capped: a maximum of 32 overtime hours per month (year average), a maximum of 3 overtime hours per day, and in extreme cases 4 hours per day followed by 24 hours off. In Spain, the maximum annual overtime is 80 hours (except for force majeure), overtime is voluntary and based on production needs. Work during legal holidays is very rare and kept to a minimum; when necessary for operational reasons, it is done in accordance with the law. In Spain, employees receive 22 working days of vacation per full year worked for full-time roles. At group level, overtime and work during national holidays is below 6% of the total working time and is in all cases additionally compensated.

Morliny Foods also complies with national legislation on work during legal holidays, offering additional pay or compensatory leave and extra leave is granted for long-service employees across the Group.

Compensation metrics (pay gap and total compensation)

SI-16

Morliny Foods applies the principle of equal pay for work of equal value through a structured remuneration framework in which compensation is determined based on job responsibilities, qualifications, experience and market benchmarks. All roles are aligned to standardized job classifications and salary grids, which are reviewed annually to ensure internal equity and compliance with applicable wage regulations. Employees performing the same or equivalent roles within the same job grade are remunerated consistently, irrespective of gender.

In accordance with ESRS SI-16, the Group discloses its gender pay gap as an unadjusted aggregate metric, calculated on total remuneration, including base salary and variable components. The gender pay gap across the Group amounts to 22.19%, with variations across countries primarily reflecting workforce composition, distribution across functions and seniority levels, sector-specific remuneration differences, and differences in experience, tenure and working patterns.

The reported gender pay gap does not indicate unequal pay for equal work. To better understand its drivers, Morliny Foods performs internal analyses at entity level, including reviews of base and variable pay components and pay levels by job category. These analyses inform ongoing actions aimed at strengthening pay transparency, promoting equal opportunities and addressing any unjustified disparities, in line with EU Directive 2023/970 on equal pay.

The Group ensures fair remuneration practices across all countries of operation. Entry-level salaries are set above applicable national minimum wage levels, and performance-based bonuses provide opportunities for additional earnings linked to individual and company performance. Remuneration frameworks and career progression pathways are regularly reviewed and communicated to employees.

The annual total remuneration ratio has not been calculated for 2025.

Incidents, complaints and severe human rights impacts

SI-17

Morliny Foods maintains zero tolerance for forced labour, child labour, human trafficking, discrimination, harassment, and other violations of its Code of Conduct, in alignment with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Grievance mechanisms are available to all members of the own workforce, including internal reporting channels and whistleblowing systems. All reported concerns are recorded, assessed, and investigated in accordance with internal procedures. Registers of incidents, grievances, and legal cases are maintained and regularly reviewed by compliance and HR teams.

Independent labour inspections and internal reviews during the reporting period identified no severe human rights violations within the own workforce.

During the reporting period, six complaints related to the Code of Conduct were reported across the Group. These included cases related to workplace health and safety conditions, rules for granting holiday leave, mobbing and unequal treatment, and inappropriate behaviour in the workplace.

Out of these:

- one case was substantiated and confirmed as a breach,
- four cases were investigated and closed, and
- one case remained under investigation at the reporting cut-off date (mid-February 2026).

The confirmed case related to a breach of internal policies and was addressed in accordance with the Group’s disciplinary and remediation procedures.

None of the reported cases were classified as severe human rights incidents, such as forced labour, child labour, or human trafficking, nor did they constitute breaches of fundamental rights under the UN Guiding Principles, ILO standards, or OECD Guidelines. Where relevant, corrective actions were implemented following investigations, including management follow-up and reinforcement of internal policies and training.

No material fines, penalties, or compensation payments were incurred in relation to these cases during the reporting period. The disclosures cover Morliny Foods’ own workforce for the reporting year 2025. Data was compiled from incident logs, grievance registers, and legal case tracking systems and validated through internal review processes.

Morliny Foods will continue to strengthen its grievance mechanisms and due diligence processes to ensure that all concerns are effectively identified, investigated, and addressed.

Key Highlights Across Our Operations

- **Secure and Fair Employment:** All employees across the Group are hired under formal employment contracts or legally recognized alternatives. In Poland, Romania, and Spain, clear procedures govern employment changes, onboarding, probation, and terminations, ensuring transparent, respectful, and secure working conditions.

- **Remuneration and Equal Pay:** The Group operates under location specific dedicated salary grids and job classification systems that promote fairness and transparency.

- **Onboarding and Internal Communication:** New employees receive structured onboarding training, including orientation on company values, workplace safety, and key policies such as the Code of Conduct. All policies are available via intranet and printed formats, and efforts are made to ensure translation into local languages.

- **Grievance Mechanisms and Whistleblowing:** All employees have access to confidential and accessible grievance channels. In Poland, these include internal and third-party reporting systems compliant with EU Whistleblower Directive (2019/1937). In the UK local legislation such as the Public Interest Disclosure Act is integrated. Reports are handled by independent teams with protections against retaliation.

- **Anti-Discrimination and Equal Opportunity:** We prohibit all forms of discrimination, harassment, forced labor, or child labor. Our policies promote inclusive hiring, equal treatment in compensation and development, and support for underrepresented groups. Gender pay gap and training KPIs are monitored regularly, and job levels are linked to internal certification systems to ensure fair progression.

- **Training and Development:** All operations offer role-specific training programs, performance evaluations, and skills certification



ESRS S2

WORKERS IN THE VALUE CHAIN

Strategy

Interests and views of stakeholders

SBM-2

Morliny Foods engages with a wide range of partners across the value chain, including suppliers of raw materials, equipment, and packaging, as well as logistics providers and retailers. The Group maintains a structured and ethical approach to these collaborations, promoting sustainable and responsible practices. Morliny Foods acknowledges that its procurement and operational practices can impact workers across the value chain, particularly seasonal and migrant workers, as well as third-party laborers at the Group's sites, through factors such as health and safety and measures to prevent violence and harassment. Accordingly, the Group actively seeks and uses workers across the value chain's interests and views to shape its strategy and business model while respecting their human rights. Input is obtained via risk-based supplier audits with confidential worker interviews, an anonymous multilingual grievance channel open to workers in the value chain, engagement with unions, worker representatives and NGOs. These insights, together with the Group-wide Supplier Code of Conduct (CoC) aligned with the ESRS, drive actions such as contractual requirements for licensed labour providers and zero recruitment fees. As well as mandatory H&S training with adequate PPE, and prioritising suppliers with effective worker-voice mechanisms.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

Morliny Foods considers value chain workers a key group of affected stakeholders whose interests, views, and rights inform the Group's strategy and business model through the double materiality assessment. These impacts originate from core elements of the Group's business model, including sourcing terms and lead times, the subcontracting of on site services, and supplier selection and pricing practices, which can influence working conditions at suppliers and third party providers. Insights gathered from value chain workers and their representatives contribute to adapting the Group's strategy and business model by guiding purchasing practices, supplier requirements, and contracting approaches.

Morliny Foods applies a comprehensive, ESRS-aligned approach to ESG risk assessment and supplier screening that covers all value chain workers likely to be materially impacted by the Group's operations, products, services, and business relationships, consistent with ESRS 2 SBM 3. The scope includes workers present on Group sites but not directly employed by the Group—such as outsourced cleaning, maintenance, laboratory, and security staff—workers in the upstream value chain, including suppliers of slaughtered livestock, feed ingredients, and packaging, and workers involved in downstream logistics and distribution, as well as any joint ventures or special purpose vehicles that are material to the Group. Temporary, subcontracted, agency, seasonal, and low-skilled foreign workers are recognised as more vulnerable segments. This understanding is informed by supplier feedback, local audits, and enhanced risk assessment questionnaires that include targeted questions on the conditions of vulnerable workers.

The Supplier CoC sets baseline requirements for labour rights, health and safety, decent working conditions, and freedom of association and collective bargaining. Morliny Foods engages value chain workers primarily through their employers and therefore sets clear expectations for supplier conduct and verification rather than managing workers directly. Compliance is assessed through ESG supplier questionnaires that document grievance mechanisms and worker communication channels, with responses corroborated via supplier feedback and local audits.



Procurement prioritizes suppliers that demonstrate strong labour standards, and contractual clauses formalize specific requirements on working conditions. Information gathered through these mechanisms feeds into corrective action plans and, where necessary, adjustments to purchasing and supplier management practices.

Supplier screening and due diligence are structured by procurement spend, ESG risk exposure, and strategic importance. High- and medium-risk suppliers—particularly in animal protein, feed, transport, and labour services—undergo detailed ESG questionnaires covering environmental impacts, labour practices, and animal welfare. Category-specific criteria focus attention where impacts are greatest: feed and meat suppliers must demonstrate deforestation-free commitments and robust welfare standards; soy suppliers, including industry leaders, are monitored for adherence to zero-deforestation commitments; packaging, logistics, and utility providers are reviewed for contributions to circularity and renewable energy use; and animal suppliers are assessed against the Five Freedoms framework. More specifically, packaging suppliers across the Group are required to maintain FSC (Forest Stewardship Council) certification and transparency regarding fibre origin.

Meat suppliers are evaluated against BRCGS (Brand Reputation Compliance Global Standards), IFS (International Featured Standards), ISO 22000 and animal welfare standards where applicable. Local sourcing is prioritised where feasible to reduce transport emissions and support regional economies.

A formal ESG Supplier Risk Assessment is applied across all Group entities, classifying suppliers into low, medium, or high-risk tiers based on factors such as geography, industry, and potential ESG exposure, with proportionate follow-up actions defined for each category. Higher-risk suppliers are subject to enhanced scrutiny, including additional documentation reviews, verification steps, and closer monitoring by procurement teams, while lower-risk suppliers are reviewed periodically. The framework is jointly implemented by the ESG, Procurement, and Legal functions and is embedded throughout supplier selection, onboarding, monitoring, re-engagement, and contract renewal processes. Assessment results, follow-up actions, and corrective measures are documented and reviewed at least every three years, or earlier where risk indicators arise.

Where concerns are identified, the Group investigates the issue, agrees corrective actions with the supplier, verifies their implementation, and escalates cases where remediation is not achieved, up to and including suspension or termination of the business relationship. Although formal third-party social audits are not currently conducted, the Group maintains long-term contractual relationships with most material suppliers operating under EU law or equivalent regulatory frameworks, and grievance processes are designed to enable remedy, including restoring safe working conditions, addressing unpaid wages where applicable, and preventing retaliation.

Value chain worker conditions present both operational and reputational risks. Material exposures include potential human rights violations in outsourced services, labour disputes or work stoppages, regulatory non-compliance, and supply disruptions, while reputational risk is heightened for deforestation-linked soy in upstream feed supply chains. Ensuring high standards among suppliers mitigates these risks and creates opportunities for stronger, longer-term partnerships, improved service reliability, and greater supply chain resilience, directly linking material risks and opportunities to the Group's strategy and business model. Based on current assessments, Morliny Foods has not identified geographies or commodities with a significant risk of child labour or forced or compulsory labour in its value chain. Nonetheless, higher inherent risk areas remain under close watch, including soy within upstream feed supply chains, packaging sourced from outside the European Union, and certain labour service providers in Eastern Europe. The Group does not operate in countries with systemic forced labour risk and maintains internal controls and supplier requirements designed to prevent indirect exposure.

To date, no systemic human rights violations have been found in the supply chain, though isolated gaps in worker-safety procedures have been identified and addressed. The transition toward greener, climate-neutral operations has not resulted in material negative impacts on value chain workers; however, the Group continues to monitor potential effects from packaging changes, energy efficiency projects, and supplier process adjustments. Current risks relate primarily to working conditions and equal treatment and opportunity, particularly health and safety and measures against violence and harassment in the workplace. These risks are most acute for temporary, subcontracted, agency, seasonal, and migrant workers at Group sites and in upstream farming and processing.

Risk mitigation and resilience are supported by mandatory on-site health and safety training for all external workers, updated purchasing practices, supplier capacity-building, and a preference for local and regional suppliers. To further enhance continuity, Morliny Foods maintains multi-sourcing strategies for critical raw materials, collaborates with key suppliers on contingency planning—especially for zoonotic disease scenarios affecting animal suppliers in Poland and Romania—and monitors developments in soy supply chains to anticipate regulatory changes related to deforestation and certification. These measures support communities and labour markets in Romania, Poland, Slovakia, Hungary, and Spain, while strengthening supplier relationships, supply chain resilience, and long-term supplier development.

A full list of material impacts, risks, and opportunities, and their interaction with the Group's strategy and business model, is provided in section *ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities* starting on page 20. These impacts, risks and opportunities inform the Group's policies and procurement requirements described below.

Impact, risk and opportunity management

Policies related to value chain workers S2-1

Morliny Foods is committed to respecting and promoting human rights across its value chain, including workers employed by contractors and suppliers. To operationalise this commitment, the Group established and began implementing a Supplier Code of Conduct across all entities in June 2025. The Code requires suppliers to comply with applicable national laws and international labour standards, including requirements related to safe working conditions, freedom of association, and non-discrimination. Prior to the Group-wide implementation, supplier oversight was managed through local evaluation procedures, with Poland being the only entity that had a local code of conduct in place. In 2025, the Supplier Code of Conduct was implemented and communicated to suppliers representing approximately 80% of total procurement spend. Implementation is coordinated centrally at Group level and carried out locally, with integration into active contracts with core suppliers across the European Union.

As of year-end, integration rates reached 100% in Spain, 91% in Romania, and 77% in Slovakia and Hungary, and is being in initiating phase in Poland at 14%. Progress is monitored through structured reporting cycles under Group-level ESG governance.

The Supplier Code of Conduct establishes mandatory minimum standards for all current and future suppliers. Compliance with these standards is a prerequisite for cooperation with any company within the Group. Compliance is monitored through ESG Supplier Selection and Evaluation Procedure, including risk classification, questionnaires, and corrective action tracking.

The Code covers the following core areas:

- Human rights and labor standards, including prohibition of forced labour and child labour, non-discrimination, equal treatment, freedom of association, safe and hygienic working conditions, fair remuneration and regulated working time. Supplier ESG screening includes evaluation of labor practices, occupational safety measures and grievance procedures. High-risk suppliers are subject to enhanced due diligence and corrective action monitoring.
- Environmental responsibility, including emissions management, waste reduction, responsible resource use, biodiversity protection, deforestation prevention and implementation of environmental management systems
- Business ethics, including zero tolerance for corruption, prevention of conflicts of interest, compliance with competition law, confidentiality obligations, sanctions compliance, prevention of money laundering and financing of terrorism, and personal data protection under the General Data Protection Regulation
- Animal welfare, including documented animal welfare policies, compliance with European Union legislation and supervision by competent food safety authorities

In the event of non-compliance, corrective action plans must be implemented within agreed timelines. Serious or persistent breaches may result in suspension or termination of contractual relationships.

These commitments are aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work (including the ILO Core Conventions), and the OECD Guidelines for Multinational Enterprises.

By grounding its policies and actions in these frameworks, the Group aims to maintain a consistent and internationally benchmarked approach to sustainability and responsible sourcing.

The supplier CoC address working conditions and equal treatment and opportunities across the value chain by contractually requiring suppliers to comply fully with applicable labour, safety, and human rights legislation. This compliance is embedded through:

- Signed Supplier Code of Conduct,
- ESG self-assessment questionnaires,
- A procurement process that reviews supplier background, and
- Direct supplier relationships established over several years, allowing us to assess practices and behaviours consistently.

As of December 2025, about 38% of prioritised suppliers have signed and acknowledged compliance. A structured follow-up process is driving progressive adoption toward 100% adherence by 2027. Complementing the Supplier CoC, Morliny Foods designed and rolled out a Group-wide ESG Supplier Selection and Evaluation Procedure that integrates human rights, environmental compliance—including greenhouse gas emissions, water use, waste management, and deforestation-free sourcing—and governance standards into procurement decisions. Suppliers are assessed through structured ESG questionnaires that cover environmental, social, and governance dimensions; the results inform sourcing, onboarding, and contract renewals, and are used to set corrective action plans where gaps are identified. Together, the Supplier CoC and the ESG evaluation procedure establish a consistent, Group-wide framework for supplier responsibility and continuous improvement.

The Group communicates its CoC and ESG expectations through contractual clauses and annexes that set clear requirements, and it engages strategic suppliers through annual meetings and periodic updates to reinforce standards, address concerns, and promote continuous improvement. To improve engagement with value chain workers, the Group is exploring enhanced communication methods tailored to different audiences, with a focus on accessibility for at-risk worker groups. Integration of the Supplier CoC is overseen by the Sustainability Committee and embedded by the procurement team into category strategies and contracts.

To date, Morliny Foods has not identified or been informed of violations or serious human rights concerns, such as forced labour, child labour, trafficking, or harassment, in its upstream or downstream operations. No cases of non-compliance with the UN Guiding Principles, the ILO Declaration, or the OECD Guidelines involving value chain workers have been reported through the Group’s channels. Regular procurement team meetings review supplier performance and any reputational or operational incidents.

Beyond risk management, Morliny Foods sees opportunities in supplier capability-building and workforce upskilling to support responsible sourcing. As such, The Group recognises the need to broaden internal policy coverage across the full ESRS S2 scope and to deepen monitoring of working time, wages, gender equality, and work life balance. As part of its ESG roadmap, the Group is exploring steps to strengthen supplier audits and data collection. Overall, Morliny Foods remains committed to continuous improvement in protecting value chain workers and increasing transparency through its policies.

Processes for engaging with value chain workers about impacts

S2-2

Morliny Foods engages with value chain workers indirectly through supplier management teams as part of its supplier management and due diligence processes. This approach aligns with EU business practices and applicable labour and contracting legislation and is used to identify and address actual or potential impacts raised by suppliers, as well as to inform operational follow-up actions by procurement, site management, and ESG functions. Engagement takes place at multiple stages, including during contracting through the integration of ESG requirements and the Supplier Code of Conduct into contracts, during regular operations through periodic coordination meetings with suppliers’ supervisors or designated representatives, and on an ad hoc basis when incidents or workforce concerns are escalated. Site technical and HSE teams provide health and safety briefings and site-specific instructions to suppliers’ supervisors, who act as the primary communication channel and escalate issues related to workforce conditions or safety.

Responsibilities for engagement with value chain workers are embedded across existing functions.

Procurement teams oversee contractual terms and ESG requirements, site managers and technical coordinators ensure compliance with operational and health and safety standards, and ESG teams monitor supplier adherence through questionnaires, risk assessments, and performance reviews. There is no single dedicated function or senior role solely responsible for engagement with value chain workers. The Group does not have Global Framework Agreements or formal arrangements with global trade unions covering suppliers, nor does it currently assess the effectiveness of engagement through formal metrics or structured outcome evaluations beyond routine issue resolution. The Group recognizes this as a development area and plans to enhance engagement effectiveness monitoring.

Morliny Foods rigorously screens all material suppliers using a Supplier Evaluation and Selection procedure that encompasses key areas such as human rights and labour conditions, environmental compliance, and public ESG disclosures. Specific focus is given to Morliny Foods’ soy suppliers to ensure compliance with deforestation-free commitments and the publication of sustainability reports. This aligns with the Group’s voluntary commitment to zero-deforestation sourcing. Animal suppliers undergo evaluations aligned with the Five Freedoms of animal welfare, monitored through internal compliance reviews. In Spain, the Group complies with EUDR regulations – EU Deforestation Regulation/Forest Stewardship Council, achieving FSC-Forest Stewardship Council- certification for 96% of the paper, cardboard, and wood materials used.

Supplier engagement is supported by a Group-wide Supplier Selection and Evaluation Procedure implemented in 2025, which integrates environmental, social, and governance criteria into procurement decisions. Suppliers are assessed based on factors including procurement spend, sector-specific risks, geographic exposure, reliance on subcontracted labour, and previous compliance history. ESG screening is conducted through structured questionnaires, documentation reviews for higher-risk suppliers, mandatory acceptance of the Supplier Code of Conduct, and formal risk classification. Based on this process, suppliers are categorised as approved, pending, or not approved, with reassessments conducted at least every three years or earlier where risk indicators arise.

The Supplier Code of Conduct sets minimum expectations related to human rights, labour standards, occupational health and safety, non-discrimination, freedom of association, and the prohibition of forced, bonded, and child labour. As part of ESG screening, suppliers are evaluated on labour practices, health and safety arrangements, and the presence of grievance mechanisms. Higher-risk suppliers are subject to enhanced due diligence, including follow-up reviews and corrective action plans.

In 2025, ESG assessments were conducted for a defined group of suppliers based on risk prioritisation, while all material suppliers were subject to initial ESG screening. Where non-compliance is identified, Morliny Foods engages with suppliers to agree corrective actions, monitors their implementation, and escalates cases where remediation is not achieved, up to and including suspension or termination of the business relationship.

The table below shows the supplier evaluation status for financial year 2025 for Morliny Foods:

Supplier Evaluation Status Morliny Group 2025	Romania	Spain	Slovakia	Poland	Total suppliers evaluated 2025	Categories Supplier evaluations
ESG Assessment	24	0	2	0	26	29%
Questionnaire and CoC	71	0	18	0	89	21%
CoC	81	69	69	135	354	50%
Total	176	69	89	135	469	38%

Morliny Foods has not yet established formal mechanisms to gather direct feedback from individual value chain workers or conducted dedicated studies to identify and engage vulnerable or marginalised groups. While suppliers are contractually bound by the Supplier CoC, the absence of direct engagement limits proactive identification of issues affecting at-risk groups. The Group has not adopted a general process to engage directly with workers in the value chain and has not set a timeframe for establishing one; this remains a potential area for future development.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

S2-3

While Morliny Foods does not yet have a formal remediation process or dedicated channels for value chain workers to raise concerns, its whistleblowing channels are accessible to all workers, including those in the value chain. Through these channels, Morliny Foods has not identified, nor been informed of, any violations or serious human rights concerns—such as forced labour, child labour, or harassment—across its upstream or downstream operations.

Nevertheless, the Group acts proactively by providing health and safety induction training to all subcontractors’ workers entering its premises, maintaining whistleblowing channels accessible to everyone working on-site regardless of employment status, and holding regular procurement team meetings to review supplier performance and discuss any reputational concerns or operational incidents, with no cases reported through these channels to date.

While formal third-party audits of suppliers’ social practices are not currently conducted, the Group mitigates risk through long-term contractual relationships with most material suppliers, ongoing collaboration with suppliers operating under EU law or equivalent regulatory frameworks, and a structured supplier risk assessment that categorises vendors by geography, industry, and potential ESG risk exposure; suppliers identified as higher risk are subject to additional scrutiny through follow-up enquiries and verification by procurement teams.



Morliny Foods does not currently assess the value chain workers’ awareness and trust in the reporting mechanisms for addressing their concerns or needs, however the Group is working on a process to identify the effectiveness of these channels in regard to workers in the value chain. Furthermore, the Group has implemented policies to protect individuals who use these channels against retaliation. For further information, please refer to *ESRS G1-1 Business conduct* starting on page 110.

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

S2-4

Morliny Foods has implemented actions to prevent and mitigate material negative impacts on value chain workers and to manage the associated material risks and opportunities. The Group requires its suppliers, through contractual terms, to comply with applicable labour, safety, and human rights legislation, and it encourages suppliers to adopt the Group’s Supplier Code of Conduct or an equivalent standard. Significant suppliers are required to adhere to this Code, enabling the Group to assess relevant ESG criteria across its supply chain. Furthermore, supplier due diligence processes include ESG self assessment questionnaires and background reviews conducted as part of procurement procedures. The Group’s long standing direct supplier relationships facilitate ongoing assessment of supplier practices and behaviours.

Morliny Foods monitors the effectiveness of its actions through supplier compliance and supplier feedback in regard to the above-mentioned actions. The Group also identifies other necessary actions through assessment processes that evaluate actual or potential negative impacts on value chain workers, and its responses may include adjusting internal practices, supporting capacity building activities, or engaging with entities in the value chain. Where material negative impacts occur, Morliny Foods maintains processes designed to provide or enable remedy. The Group also implements actions aimed at mitigating material risks arising from its dependencies on value chain workers and considers opportunities related to improving value chain practices.

In addition, Morliny Foods assesses whether its own procurement or other internal practices could cause or contribute to material negative impacts on value chain workers and takes steps to address such situations. The Group monitors for severe human rights issues or incidents in its upstream and downstream value chain and discloses such cases when applicable.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S2-5

In 2025, as part of its ESG strategy and in response to the material impacts and risks identified in the double materiality assessment related to workers in the value chain, Morliny Foods has established measurable, outcome-oriented targets.

Morliny Foods’ short-term target:

- Develop and distribute the Supplier Code of Conduct to 100% of new contractual suppliers.
- Engage and ensure that 100% of soy suppliers disclose deforestation-free commitments, either through recognised certifications or by own public sustainability reporting.

Morliny Foods’ long-term targets (2030):

- 90% of selected suppliers, based on Supplier selection and ESG assessment policy, adopted our Supplier Code of Conduct or similar by 2030, and conducted an ESG questionnaire-based assessment.
- Audit coverage of at least 10% of significant suppliers.

The baseline for these targets is the 2025 reporting year, prior to the formal rollout of the Supplier Code of Conduct and structured supplier ESG assessments. Progress against the targets is monitored annually by the Group, and performance is reviewed and refined in subsequent reporting periods to strengthen accountability and impact.

ESRS S3

AFFECTED COMMUNITIES

Strategy

Interests and views of stakeholders

SBM 2

Morliny Foods recognizes the importance of engaging with affected communities and ensures that their perspectives, needs, and rights are reflected in strategic decisions and day to day operations through ongoing dialogue and a commitment to responsible business conduct. The Group's operations are primarily located in rural areas where agriculture play a central role in local economies, and where Morliny Foods is often a significant employer, business partner for local farmers and economic contributor. As a result, community interests related to employment stability, environmental impacts, food security, and long-term regional development are closely linked to the Group's business model and strategic decisions.

Morliny Foods prioritises ongoing, two-way dialogue with affected communities to ensure that business activities align with local values, expectations, and human rights considerations. The Group conducts regular consultations and open dialogue with local communities around production and operational sites to gather feedback on operational impacts, employment opportunities, supply chain practices, and environmental stewardship. These engagements are particularly relevant in rural regions, where community resilience, demographic stability, and access to economic opportunities are material topics. Insights gathered through these processes are considered in operational planning, site management, and the design of community initiatives.

The Group's approach to community engagement reflects its recognition that its long-term success depends on maintaining constructive relationships with the communities in which it operates. Morliny Foods' activities create both opportunities and responsibilities: while the Group supports local economic stability through employment, cooperation with farmers, and investments in local infrastructure, it also acknowledges its responsibility to manage potential social and environmental impacts associated with its presence. Issues such as food insecurity, rural depopulation, and social resilience are therefore considered relevant to both affected communities and the Group's strategic priorities.

Information about the Group's strategy, activities, and community initiatives is shared through its websites, local portals, and ongoing relationships with local and regional media, opinion leaders, and public authorities. Morliny Foods maintains transparent and timely communication with these stakeholders to ensure that communities are informed about the Group's activities and their potential impacts. As the interests and views of affected communities influence strategic decisions and the way the business operates locally, Morliny Foods considers, and discloses these perspectives through regular engagement. This approach supports the Group's objective to operate as a responsible partner within society, strengthen community trust, and contribute to the long-term social resilience of the regions in which it operates.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM 3

Morliny Foods considers material risks and opportunities related to affected communities as important inputs to strategic planning. Through engagement with local farmers on agricultural efficiency, the Group addresses risks associated with supply chain reliability and community relations, while also creating opportunities to improve operational efficiency and support local communities. Responsible sourcing and production efficiency are integrated into strategy and directly affect local communities' access to adequate food.



Manufacturing expansion is linked to improved agricultural practices to support local food security, focusing on positive impacts in upstream supply chains and surrounding communities. Morliny Foods incorporates experiences in local food security and infrastructure development into its strategic planning, guided by impacts on communities. This process underscores the importance of engaging with communities to address their needs, which informs the Group's adjustments, such as investments in agricultural practices aligned with community welfare considerations.

Morliny Foods defines affected communities as the residents, farmers, and local businesses in the areas where it operates. The Group also engages with other external stakeholders such as local, regional, and national authorities, representatives of community groups benefiting from the Group's donations, key opinion leaders, local media, and business partners. Agricultural communities and farmers supplying raw materials may be affected by purchasing practices, agricultural standards, and land use. Communities associated with local and regional suppliers and logistics partners involved in upstream and downstream activities are also considered. As well as NGOs and civil society organizations, such as animal welfare groups, environmental NGOs,

consumer rights organizations who advocate for responsible practices in the meat and animal farming sectors. These stakeholders represent broader societal concerns, including animal welfare, sustainable farming, environmental impact, such as livestock farming and water usage, as well as ethical treatment and transparency across the supply chain. Morliny Foods conducts activities like ethical supplier management, responsible sourcing of raw materials, and expanding production facilities to positively impact local communities. The Group actively supports social and community initiatives, including food donations, scholarship programs, and support during crises.

Morliny Foods' activities offer opportunities to improve community relations and secure funding through agricultural development, education, and food security initiatives. Investing in the well-being and resilience of local communities strengthens the Group's operational reputation, increases brand loyalty, and attracts stakeholder support. Programs such as scholarships, sports sponsorship, and local food donations create a positive perception of Morliny Foods and may foster future talent pipelines.

However, dependencies on local communities create risks, such as reputational damage if expectations are not met or if social engagement is perceived as insufficient. Morliny Foods recognizes smallholder farmers and local suppliers as vulnerable groups, particularly in regions with limited access to infrastructure or public services. These groups may be economically dependent on a single buyer and thus more vulnerable to changes in procurement policies. Morliny Foods identifies several opportunities related to specific groups: innovation and long-term cooperation with small-scale farmers, educational programs to build future talent, strengthened reputation through crisis aid, and building trust with local civil society organizations and NGOs.

For details regarding IROs, please refer to the table in section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities*, starting on page 20.

Impact, risk and opportunity management

Policies related to affected communities

S3-1

Morliny Foods fosters community well-being through a comprehensive Community Support and Engagement Policy aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The policy embeds respect for human rights, non-discrimination, inclusion, and the “Do No Harm” principle, ensuring ethical, inclusive, and meaningful engagement with affected communities and their legitimate representatives so their perspectives inform decisions that affect them.

Morliny Foods’ commitment to respecting the human rights of communities is embedded in its Code of Conduct and reflected in practical actions, including scholarship programmes, and active participation in charitable initiatives – particularly donations of goods to food banks and organisations assisting those in need. The approach is founded on “Do No Harm,” tangible impact, two-way dialogue, transparency, partnerships, and inclusion. Communication channels include email, online forms, and phone lines, complemented by regular information meetings with residents and participation in dialogue councils and NGO or municipal consultations.

The policy emphasises open communication and rapid response to urgent community needs, providing a framework for identifying issues and taking corrective action. Community commitments are integrated into ESG governance, with oversight by the ESG Committee’s Community Pillar, which reviews programmes, KPIs, and alignment with human rights commitments and international standards (UNGPs, ILO principles, OECD Guidelines).

The Community Support and engagement Policy focuses on four interconnected pillars: food security, education, health and well-being, and local communities. Through financial support, in-kind food donations, structured partnerships and employee engagement, Morliny Foods aims to deliver meaningful social impact aligned with the ESRS and references the United Nations’s Sustainable Development Goals (SDGs):

Within the downstream value chain, no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines have been reported. Should cases arise, they will be reviewed immediately and addressed in cooperation with relevant stakeholders, underscoring the Group’s commitment to ethical and responsible practices. The effectiveness of the Policy is monitored regularly to assess reach and alignment with Group values and objectives, with priority support for vulnerable groups such as low-income households, children, and seniors. The reach of the policy is monitored annually through KPIs such as meals donated, beneficiaries reached, and the value of community investments. Stakeholder feedback loops with local authorities, NGOs, and community members inform impact assessments and programme adjustments.

Processes for engaging with affected communities about impacts

S3-2

Morliny Foods employs a comprehensive approach to engage with affected communities on actual and potential impacts, using multiple communication channels to ensure interaction and systematic feedback collection. Community perspectives are gathered through ongoing engagement channels, including email, social media channels, and phone lines, as well as through ad-hoc meetings and participation in dialogue councils. This information is incorporated into operational reviews and community assessments to inform improvements to activities, site level practices, and strategic decision making. The Group engages directly with local communities and their representatives and, where appropriate, through credible proxies such as non-governmental organisations, municipalities, and public institutions, ensuring that diverse viewpoints are captured and addressed. Engagement takes place throughout the planning and implementation of community initiatives, during day-to-day operations near production sites, and in crisis situations where timely dialogue is required. Regular engagement is conducted around operational sites, complemented by ad hoc sessions to address urgent matters and maintain flexibility and responsiveness.



SDG 2: Zero Hunger

End hunger, achieve food security and improved nutrition, and promote sustainable agriculture. SDG 2 aims to break the cycle of poverty and malnutrition by ensuring access to nutritious food for all and supporting sustainable farming practices.



SDG 3: Good Health and Well-being

Ensure healthy lives and promote wellbeing for all at all ages by promoting community wellbeing through engagement processes that identify health-related impacts and inform initiatives such as nutrition programmes, food donations, and support for vulnerable groups in communities affected by the Group’s operations.



SDG 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. SDG 4 focuses on eliminating barriers to education, improving learning outcomes, and empowering individuals through knowledge and skills.



SDG 10: Reduced Inequalities

Reduce inequalities by prioritising inclusive engagement and targeted support for vulnerable groups, ensuring that community perspectives are systematically considered and that actions are designed to mitigate unequal social impacts and improve access to essential support.



SDG 11: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient, and sustainable. SDG 11 promotes urban planning that supports community well-being, environmental sustainability, and cultural heritage preservation.



SDG 17: Partnerships for the Goals

Strengthen the means of implementation and revitalise the global partnership for sustainable development through structured cooperation with NGOs, public institutions, and local authorities, enabling collaborative engagement, shared responsibility, and coordinated responses to community impacts and needs.

At a broader level, Morliny Foods acknowledges its role, as a large food producer, in contributing to food security and social resilience. Community perspectives gathered through engagement processes inform the Group’s approach to product donations, crisis response, and support for vulnerable groups, including cooperation with food banks, schools, and social organisations. Feedback from communities also supports decisions related to educational and social initiatives, such as scholarships, partnerships with schools, and support for health, environmental, cultural, and sports activities that contribute to local wellbeing and social cohesion. These initiatives are designed and adjusted based on insights received through ongoing engagement with affected communities.

Operational execution of community engagement activities is managed by local public relations teams or ESG specialists to ensure direct and context specific communication with community members. Oversight, coordination, and periodic reporting are provided by the ESG Committee’s Community Pillar, which ensures alignment with the Group’s strategy and policies. The effectiveness of engagement processes is monitored through internal reporting and regular reviews, with key indicators – including meals donated, value of community investments, number of beneficiaries or volunteering hours – reported annually as part of the Group’s commitment to transparency and accountability.

Inclusion is a core element of Morliny Foods’ engagement approach, with particular attention given to vulnerable groups such as low-income households, children, and seniors. The Group cooperates with non-governmental organisations and hunger relief partners and supports schools and social care institutions through targeted donations and nutrition programmes. These engagement channels support the systematic identification, consideration, and response to the perspectives and needs of vulnerable groups affected by the Group’s activities.

Processes to remediate negative impacts and channels for affected communities to raise concerns

S3-3

Morliny Foods is committed to mitigating negative impacts within affected communities through a structured, proactive, and responsible approach. The Group prioritizes open dialogue and cooperation with local stakeholders to understand and address concerns, ensuring that all reported cases are diligently monitored and responded to. Morliny Foods actively engages with community members to assess impacts and expectations, developing tailored remediation plans that may include technical improvements, compensation, or community support initiatives. This engagement is ongoing and involves continuous monitoring to ensure issues are effectively addressed, fostering improvements for the communities where Morliny Foods operates.

The Group has established several dedicated communication channels to enable affected communities to directly raise their concerns or needs such as:

- A dedicated helpline, email address, and online form on the official website for submitting complaints, suggestions, or feedback as well as direct messages received on social media accounts.
- Regular information and clarification meetings are held with residents and stakeholders near operational sites.
- Active participation in local dialogue councils and consultations organized by third-party entities, including NGOs and local authorities.

These channels are designed to be accessible, transparent, and responsive, ensuring community concerns are heard and integrated into Morliny Foods’ continuous improvement processes.

Morliny Foods follows confidentiality rules resulting from GDPR and internal data protection procedures, maintaining trust and security in communication. The Group supports the availability of grievance and communication channels both within operations and through business relationships, encouraging partners to provide accessible avenues for concerns.

Stakeholders can communicate through various methods such as telephone contact with designated staff, direct meetings with community members or stakeholders, dedicated email addresses for feedback or complaints, and official written correspondence. Morliny Foods has established mechanisms to track and monitor issues raised through grievance channels, ensuring their effectiveness with the involvement of affected stakeholders. This includes independent and confidential channels like a whistleblowing system, dedicated ethics line, and email, ensuring accessibility and trust.

Follow-up and monitoring processes involve registering, reviewing, and addressing reported cases, applying corrective actions as necessary. Suppliers undergo verification, receiving recommendations, and in some cases, contracts are terminated due to non-compliance. Regular effectiveness checks through external social audits, supplier assessments, and internal awareness raising activities further reinforce these processes. Morliny Foods has taken comprehensive steps to ensure affected communities are aware of and trust the grievance and feedback structures in place. This includes integrating grievance mechanisms in the publicly available Code of Business Conduct, distributing printed leaflets and posters in common areas, providing information during community meetings, and featuring mentions in local media. The Code of Business Conduct explicitly includes policies and commitments that protect individuals from retaliation for using grievance or feedback channels. Morliny Foods promotes a culture of openness and non-retaliation, ensuring safety for all those in affected communities to speak up.

The **Contract-Grower Program** in Romania offers a unique, fully integrated collaboration model supporting local farmers. Designed for livestock farmers seeking stability and long-term growth, the program ensures guaranteed, predictable earnings and 100% free technical expertise from industry specialists.

Partners benefit from a secure business model in which Comtim Romania supplies high-performance piglets, premium feed, veterinary support, biosecurity standards, and continuous consultancy throughout the production cycle.

Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

S3-4

Morliny Foods acts on material impacts affecting communities through targeted measures designed to prevent or mitigate negative impacts and to strengthen positive socio-economic outcomes in regions where the Group operates. Actions are prioritised based on identified material impacts, risks, and opportunities, with a particular focus on rural areas where the Group’s operations and supply chains are closely linked to local livelihoods, food security, and economic stability.

To manage material risks related to economic dependency and social vulnerability, Morliny Foods supports local sourcing and rural development through stable employment, local recruitment, and long-term cooperation with farmers and business partners. This includes the Contract-Grower Program in Romania, which provides farmers with predictable income, technical support, and guaranteed purchase of production, thereby reducing exposure to market volatility and supporting resilient rural livelihoods.

The company purchases 100% of the animals raised, protecting farmers from market volatility and ensuring transparent, on-time payments and stable cash flow. With proven success in Romania, the EU, and the USA, this partnership supports the development of modern, family-run farms through know-how transfer, efficient management systems, and high animal welfare standards.

This model strengthens local sourcing and rural development by creating stable jobs, investing in infrastructure, and supporting resilient farming communities.



As part of its approach to managing material impacts on affected communities, Animex Foods engaged in a long-term partnership with Caritas Polska under the “A Little Warmth for the Homeless” campaign, addressing seasonal risks related to food insecurity and health among people experiencing homelessness in urban areas. The initiative responds to heightened social vulnerability during winter months, when exposure to low temperatures and limited access to adequate nutrition pose increased risks to life and health. During the 11th edition of the campaign, implemented between 25 November 2025 and 28 February 2026, Animex Foods acted as the main partner and supplied meat and meat products used in the preparation of hot meals distributed to people experiencing homelessness in Warsaw. Food distribution was carried out twice a week through coordinated outreach involving Caritas, municipal services and medical partners, targeting non-residential locations such as vacant buildings, allotment gardens and areas surrounding railway infrastructure. The products provided contributed to the nutritional content of the meals, supporting immediate food needs and physical wellbeing. The action is implemented through a partnership model combining the social outreach expertise of Caritas, the logistical capacity of public services and the company’s operational resources. This cooperation enables access to individuals who often remain outside formal support systems.

In Romania, ComTim Romania implemented the “Jurnalul Lui Tim” educational programme as an action addressing identified social and environmental impacts linked to food waste and responsible consumption in local communities. Launched in 2025, the programme responds to the need for early education on sustainable food practices, recognising that long-term reduction of food waste requires behavioural change supported by knowledge and awareness from an early age. The programme was developed in partnership with the Regional Food Bank Timișoara, an organisation with experience in food insecurity and waste prevention, ensuring alignment with local community needs and educational credibility. “Jurnalul Lui Tim” is structured as an interactive learning initiative, centred on an illustrated activity book and complemented by practical workshops, family-oriented activities and digital educational materials. Through age-appropriate content, children are introduced to topics such as meal planning, responsible shopping, food storage and reuse of leftovers. To extend access and community reach, the programme is supported by a dedicated website and social media presence, which serve as channels for sharing educational resources and promoting participation beyond direct workshop settings. The initiative contributes to mitigating longer-term risks associated with food waste and resource inefficiency by supporting awareness-raising and skills development among children and families in the communities where ComTim Romania operates, in line with the Group’s approach to managing impacts on affected communities through preventive and education-based actions.

Actions addressing food insecurity, access to education, and economic dependency in rural regions are directly linked to the Group’s identified material impacts on affected communities. Food donation programmes and crisis support mitigate negative impacts related to access to adequate nutrition, while education-related actions, including scholarships and support for schools, contribute to long-term social resilience and skills development in regions where the Group operates. In parallel, Morliny Foods pursues material opportunities related to affected communities through investments in public engagement and social cohesion, such as youth sports and initiatives promoting health, nutrition, and environmental awareness. Support for local farmers and rural development further reduces risks associated with economic dependency and supply chain instability, while strengthening long-term relationships with local stakeholders and community wellbeing.

Actions related to affected communities are governed by the Community Support and Engagement Policy and implemented by local operational teams in the countries where the Group operates, with oversight provided by the ESG Committee – Community Pillar. Financial and non-financial resources are allocated annually to support food security, education, and community initiatives, and partnerships with NGOs, schools, public institutions, and local authorities are used to extend reach and effectiveness. In 2025, the Group contributed more than 300,000 kilograms of food products and provided more than USD 3.5 million in financial and in-kind support across the countries where Morliny Foods operates.

The effectiveness of actions addressing impacts on affected communities is monitored through internal reporting and annual reviews using harmonised KPIs reported by country. Morliny Foods tracks indicators including the number of beneficiaries, meals donated, the value of community investments, and volunteering hours, disaggregated by focus area and geography. Stakeholder feedback collected through engagement channels is integrated into operational reviews to support continuous improvement and to ensure that actions remain aligned with identified material impacts, risks, and opportunities. Results are reviewed by the ESG Committee’s Community Pillar as part of ongoing oversight of community-related actions.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S3-5

Targets are managed under the group level Community Support and Engagement Policy. Each country prepares an annual community action plan defining priority areas (food security, education, medical support, sport, local events) and measurable KPIs, coordinated by local public relations departments and approved by the ESG Committee. Progress is monitored through annual reporting and KPI analysis, with improvements guided by data evaluation and ongoing dialogue with local authorities.

Positive impacts are advanced through a range of educational projects, including support for schools, outreach to students, and the awarding of scholarships. These efforts are complemented by local events and an employee volunteering program, which is tracked through the total number of volunteering hours. Food donations remain a core pillar of community engagement, with the number of meals donated annually serving as a central metric. All data related to these initiatives is reported and monitored on an annual basis, ensuring transparency and accountability.

Morliny Foods’ key targets for the financial year 2025 are as follows:

Morliny Foods’ short-term targets:

- Zero major security related incidents in the communities as confirmed by the appropriate authorities, annually
- 100% of countries within the Group adopt and implement the Community Support and Engagement Policy annually, and report on the indicators
- 5% increase in volunteering hours at Group level, annually

Morliny Foods’ **medium-term target** is a 10% increase for flagship community programs indicators at Group level, by 2030 for the:

- Number of meals donated in a year
- Number of supported students, schools, and scholarships
- Number of direct beneficiaries

ESRS S4

PROTECTION OF CONSUMERS AND END-USERS

Strategy

Interests and views of stakeholders

SBM 2

Consumers and end-users are critical stakeholders for Morliny Foods, shaping its operations and strategic direction. While the Group primarily operates on a B2B model, it acknowledges its responsibility to those who ultimately consume its products, ensuring their interests and rights are respected. To uphold this commitment, Morliny Foods maintains product safety and quality systems that prioritize health, transparency, and satisfaction. This includes compliance with EU labelling regulations for allergens and nutritional content, as well as GDPR-compliant systems for managing consumer data linked to digital interfaces.

Engagement with consumers occurs through retail partners and B2B clients, supported by monitoring of feedback and inquiries to identify trends and improve product quality. Morliny Foods continuously evaluates how its strategy and business model influence consumer outcomes. While strategic decisions are not solely based on consumer impacts, insights from feedback inform operational improvements and reinforce high standards of safety and quality. Consumers and their representatives consistently expect transparency, compliance, and the delivery of safe, high-quality products that meet regulatory and ethical standards.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

The identified actual and potential impacts on consumers and end-users are directly connected to Morliny Foods' business model, as the food safety, quality, legality and authenticity of the Group's products are fundamental components that influence consumer health and satisfaction. The Group's risk management system identifies potential food safety incidents – such as recalls, allergen cross-contamination, and labelling errors – as critical risks with medium to high operational impact. Additionally, evolving regulatory requirements necessitate continuous adaptation of the business model to maintain compliance and safeguard consumer interests.

The relationship between the material risks and opportunities arising from impacts and dependencies on consumers and end-users on one hand, and Morliny Foods' business model on the other hand, results from the inherent need to manage food safety, quality, legality and authenticity throughout the value chain. This includes proactive risk mitigation efforts to prevent food safety incidents and labelling non-compliance, as well as seizing opportunities for product reformulation to align with health trends, innovating packaging, and enhancing transparency through clear labelling and digital traceability tools. The Group's requirement for suppliers to hold GFSI certifications further strengthens customer trust by demonstrating adherence to recognized food safety standards. In 2025, all 32 production sites across six countries retained their GFSI-recognized certifications, including IFS Food, BRCGS, FSSC 22000 and other certificates for ISO 22000. These certifications are upheld by rigorous internal audits and annual reviews. In Romania, all facilities achieved IFS "Higher Level" and BRC "AA+" certifications. A similar performance was recorded in Poland, Hungary, Slovakia, France and Spain. Morliny Foods' compliance is reinforced by public authorities: over 2497 official inspections were conducted in 2025, including 1953 in Poland, 18 Slovakia, 8 Hungary, 379 Spain and France and 135 in Romania.



These inspections validated the robustness of the systems, and no major non-conformities were reported across the Group in 2025. These measures not only protect consumers but also support the resilience and competitiveness of Morliny Foods' business model.

All individuals who consume products manufactured by Morliny Foods can potentially be impacted by the Group's operations and value chain. This stems from the Group's operations and value chain, including its products and business relationships. The material impacts, specifically those related to information, personal safety, and social inclusion, were identified through a double materiality assessment and are prevalent within the context of the Group's products. The internal assessments and surveys helped the Group understand that consumers and end-users who could be negatively affected, particularly belong to areas related to information disclosure, privacy, product safety, and responsible marketing. Additionally, failure to maintain certifications such as IFS, BRCGS, FSSC 22000 and ISO 22000 or to implement food safety standards like HACCP could expose consumers to health risks and lead to regulatory penalties or costly recalls.

On the opportunity side, responsible marketing practices that ensure all product claims are substantiated and compliant with EU and local regulations enhance consumer trust and strengthen market positioning. Conversely, misleading or discriminatory marketing may result in legal and financial consequences. These risks and opportunities apply across various consumer groups and remain a key focus for the Group's ongoing strategy to manage impacts on consumers and end-users.

For details regarding IROs, please refer to the table in section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities*, starting on page 20.

Impact, risk and opportunity management

Policies related to consumers and end-users S4-1

At Morliny Foods, the objective is to deliver safe, high-quality, and nutritious meat products that meet international food safety standards. Morliny Foods' approach is anchored in globally recognized food safety management systems, rigorous traceability, and full compliance with EU consumer and privacy regulations. As such, the Group commits to:

- Deliver sustainable products aligned with consumer preferences;
- Maintaining full certification across all production sites and continuously monitoring changes in food safety legislation;
- Ensuring food safety through stringent controls and independent audits;
- Building sustainable, inclusive, and health-conscious food systems;
- Providing transparent, accurate, and accessible product information.

Morliny Foods has adopted policies in accordance with ERS 2 MDR-P, which cover all activities related to consumers and end-users. These policies are operationalised through certified food safety management systems, internal procedures, and audit mechanisms applied across all production sites.

Food Safety Policy

Morliny Foods' Food Safety Policy is central to its strategic approach to consumer protection and product quality. The policy aims to ensure the delivery of safe, high-quality, and nutritious meat products. It addresses material impacts such as contamination risks, labelling errors, and allergen cross-contamination. The policy is monitored through certified audits, traceability systems, and annual testing of recall protocols. Food safety responsibilities are embedded across all functions through clear governance structures:

- **Poland:** A central Quality Management Department oversees GMP/GHP programmes and HACCP, QACP, VACCP, TACCP plans. Site Quality Assurance managers are supported by their local QA teams as well as by a central QA team consisting of internal experts in scope of food safety and quality, quality management system

and animal welfare.

- **Romania:** Quality Assurance Managers, Food Safety Managers and Labelling Managers hold authority over production line halts, food safety, product quality control, labelling oversight, R&D and traceability tracking. Daily training is provided at line level.
- **Slovakia:** A Regional Quality Assurance Director coordinates the systems and oversees four plants in both Slovakia and Hungary, with each plant having its own Quality Manager.
- **Spain:** Facility-level Quality Assurance managers lead HACCP, recall simulations, and microbiological hazard controls.

Privacy and Data Protection

Morliny Foods ensures the protection of personal data through its GDPR compliance framework, which governs all data processing activities across the Group. While the Group does not currently maintain a standalone Privacy Policy, data protection requirements are embedded in internal procedures, IT security protocols, and legal compliance practices aligned with the General Data Protection Regulation (GDPR).

The Group does not systematically collect personal data directly from end consumers, thereby limiting exposure to consumer privacy risks. Where personal data is processed—such as in employee records, business relationships, or customer interactions, it is handled in accordance with GDPR principles, including data minimisation, purpose limitation, and confidentiality.

Governance of data protection is ensured through the involvement of the ESG Committee, IT Security teams, and Legal/Compliance functions, which are responsible for overseeing GDPR compliance, conducting periodic risk assessments, and maintaining secure data environments. Country-specific Data Protection Officers (DPOs) are appointed where required.

Though the Group does not collect consumer personal data directly, it manages traceability and labelling in full compliance with GDPR:

- Country-specific Data Protection Officers are appointed
- Internal guidance documents are enforced, particularly in Romania
- No GDPR breaches were reported in 2025

At Morliny Foods the Marketing and Quality Assurance Departments collaborate in order to ensure that all product claims are verified according to labelling laws, aiming to build consumer trust and prevent misinformation. Having this procedure in place, addresses impact such as reputational risks and legal compliance, monitored through departmental reviews and audits. Furthermore, the Quality and legal department validate all label requirements. These sectors are responsible for continuous improvement based on audit results, consumer feedback, and stakeholder engagement.

Anti-retaliation

Morliny Foods Whistleblowing policy includes a clear anti-retaliation clause that prohibits retaliation against individuals who report concerns. Grievance mechanisms are designed to allow for anonymous reporting to protect individuals' identities. Monitoring and enforcement processes are in place to track and investigate potential retaliation cases. Morliny Foods actively ensures that affected individuals feel safe using grievance mechanisms through stakeholder engagement.

Morliny Foods' practices also align with EU and national General Food Law and labelling directives and the UN Sustainable Development Goals (SDGs) 2, 3, and 12:



SDG 2: Zero Hunger

Through the production and distribution of affordable, safe, and nutritious meat and processed meat products across Europe, Morliny Foods supports food security and access to high-quality protein. The Group's operations in Romania, Poland, and other countries contribute to regional food supply resilience through traceable, high-standard production processes. Morliny Foods donated 51 tons of product in Spain and 23 tons in Romania.



SDG 3: Good Health and Well-being

Morliny Foods protects consumer health by enforcing strict food safety standards, traceability systems, and hygiene controls across all facilities. The Group's ongoing efforts to reduce added salt and sugar in processed products, combined with full labelling transparency and allergen control, promote healthier dietary choices and reduce health risks. In addition, Morliny Foods has reduced sodium levels, removed additives from several products (e.g., E621, E120), and launched plant-based innovations.



SDG 12 – Responsible Consumption and Production:

Morliny Foods promotes responsible food production through certified processes (IFS, BRCGS, FSSC 22000, ISO 22000), reduced food waste, and traceability systems that ensure transparency and safety. Continuous staff training, proactive recall systems support sustainable practices across the Group's supply chain. Morliny Foods has maintained 100% certified production and enhanced its traceability and waste management systems.

Processes for engaging with consumers and end-users about impacts

S4-2

Morliny Foods recognizes that the perspectives of consumers and end-users are crucial in guiding the decisions and activities aimed at managing their actual and potential impacts. To this end, Morliny Foods conducts customer satisfaction surveys and hosts quarterly focus groups to gather feedback on product safety and accessibility. Insights from these engagements are reviewed by the sustainability and product development teams and have led to the redesign of packaging for better accessibility

Although the business operates under a B2B model, the Group acknowledges the responsibility toward the consumers of Morliny Foods’ meat and processed products. The Group’s approach to managing actual and potential impacts on consumers and end-users is structured around product safety, transparency, and regulatory compliance. Morliny Foods engages indirectly with consumers through retail partners and B2B clients and ensures:

- EU-compliant labelling, including allergen information and nutritional content.
- Regular updates and reviews of customer feedback systems.
- Monitoring of inquiries and complaints to identify quality trends.
- Adoption of GDPR-compliant systems for any data handling in digital product interfaces.

Morliny Foods engages with consumers and end-users to understand their experiences and needs through various methods, including online and in-person surveys, customer service feedback, focus groups. This engagement enables the collection of both quantitative and qualitative feedback on satisfaction and product accessibility. The Group also monitors social media channels to gauge consumer sentiments.

For contexts where direct engagement is impractical, especially for vulnerable or marginalized groups, Morliny Foods relies on reliable proxies. National consumer protection agencies offer regulatory insights, while NGOs focused on digital rights and accessibility contribute expertise on key issues. Collaborating with academic institutions conducting independent research allows the Group to gather data-driven insights relevant to its products and services. This multifaceted approach helps the Group inform its strategies and effectively manage impacts on consumers and end-users.

Engagement with affected consumers takes place at several key stages of the product and service lifecycle:

- Design and Development: During early development, Morliny Foods conducts focus groups and usability testing to understand consumer needs and expectations.
- Pre-launch: Beta testing and pilot programs are used to collect feedback on a products functionality, safety, and accessibility.
- Post-launch: Continuous engagement is maintained through customer service interactions, surveys, and product reviews to monitor satisfaction and identify potential issues.
- Incident Response: In the event of complaints or adverse incidents, Morliny Foods initiates targeted outreach to affected users to support remediation efforts.

To facilitate engagement, the Group uses a mix of qualitative and quantitative methods to gather insights from consumers. This includes online and in-person surveys that allow the Group to collect valuable data efficiently. Morliny Foods also conducts focus groups and interviews to facilitate in-depth discussions. Social media listening helps the Group capture public sentiment and consumer reactions, while its complaint and grievance mechanisms provide a means for consumers to report concerns. Additionally, co-creation workshops with user communities involve users in the product development process.

The engagement efforts of the Group are structured to ensure timely feedback. Surveys are conducted annually to assess consumer satisfaction and gather input on products and services. Customer service feedback is collected continuously, with monthly reviews to track trends and identify areas for improvement. Furthermore, incident-driven engagement occurs as needed, depending on the nature and severity of specific issues, allowing us to respond appropriately.

To facilitate effective engagement, the Group has implemented capacity-building initiatives, including annual training workshops on stakeholder engagement principles. The Group evaluates consumer engagement using qualitative and quantitative methods. Key performance indicators (KPIs) such as response rates and satisfaction scores are tracked annually.

While multiple engagement mechanisms are in place (surveys, focus groups, KPIs and monthly reviews), these are not yet consolidated into a single, Group-wide formalised engagement framework. The Group acknowledges the need for stakeholder engagement and is exploring a more consistent approach to involving consumers, especially in product development and sustainability impacts.

Consumer and end-user engagement is managed by the Quality Assurance Department, which works closely with the Product Development, Sales Department, and Compliance teams.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3

Morliny Foods is committed to accountability and recognizes its responsibility for any negative impacts it may have caused. The Group’s consumer-centric approach prioritizes the well-being and fairness of customers, ensuring that remedies are designed with their needs in mind. Morliny Foods aligns its practices with international standards, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Remedy processes include accessible grievance mechanisms, such as complaint hotlines and online portals, thorough investigation procedures to identify root causes, and the implementation of corrective actions like refunds, compensation, policy changes, or service improvements. Morliny Foods also engages with affected consumers to ensure fair and inclusive resolutions.

Morliny Foods has different processes to remediate negative impacts, and cultivating a robust food safety culture is essential to achieving this. In 2025, the Group delivered 93,240 training sessions (person-time) across all its markets. Trainings covering topics such as:

- Good Manufacturing Practices (GMP), Good Hygiene Practices (GHP), HACCP, and CCP monitoring
- Food labelling accuracy
- Allergen control
- Internal audit readiness
- Monthly training on animal welfare
- Complaint handling and traceability systems

In Romania, over 610 hours of FSQA training was conducted during 2025. Spain (1,092 training hours) marked World Food Safety Day with internal awareness campaigns and recognition programs, while Slovakia and Hungary (170 training hours) introduced training on ingredient reformulation in line with EU regulations. Additionally, Poland (7,506 training hours) launched the Qualitek campaign, an internal initiative featuring posters and messages from a fictional Quality Assurance mascot to reinforce Morliny Foods’ “quality-first” mindset across all operational levels to assess the effectiveness of the remedy provided, the Group collects consumer feedback through satisfaction surveys, monitors and reports on the implementation and impact of corrective actions and conducts independent audits and reviews to ensure transparency and accountability. Insights from these assessments are used to refine policies and processes, contributing to continuous improvement. Morliny Foods provides various channels for consumers and end-users to express their concerns. These include official email addresses and contact forms, and in-person assistance.

Responding to feedback from clients is an important step towards food safety and quality improvements. In 2025, the Group received 16,349 complaints across all countries, ranging from packaging issues to sensory feedback. Romania resolved over 100% of complaints within 48 hours, while Poland averaged 25 hours. In Spain, average resolution times stood at 6.5 days due to the broader internal investigation timeline, although all customers received a first response within 48 hours. Each complaint undergoes root cause analysis, ensuring systemic corrections are implemented. This data-driven feedback loop not only supports compliance with IFS and BRCS requirements but also builds long-term consumer trust.

Morliny Foods tracks and monitors issues raised by consumers and end-users through a complaint management system, at each operational unit where concerns are logged, categorized by severity and urgency, and followed through resolution. Internal teams conduct regular audits and reviews to ensure proper handling, and stakeholder feedback is collected via surveys to assess satisfaction with the resolution process.

Taking actions on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users

S4-4

For Morliny Foods, food safety is a core priority and a key element of responsible engagement with consumers and end-users. This priority is upheld through stringent operational controls, independently audited management systems, robust traceability mechanisms, and science-based product reformulation. Food safety management is further informed by continuous dialogue with business partners and consumers. Looking ahead to 2030 and beyond, the Group’s ambition is to contribute to food systems that are not only safe, but also more sustainable, inclusive, and health-conscious across Europe.

Morliny Foods recognises that access to accurate, transparent, and comprehensible information is essential for enabling consumers to make informed choices and understand the nutritional, environmental, and ethical characteristics of its products. During the reporting period, the Group implemented several actions to improve access to high-quality consumer information. These actions included enhanced product labelling with clear nutritional information, mandatory allergen declarations, and the use of QR codes linking to company websites that provide additional sustainability-related information. In parallel, consumer education initiatives were conducted in cooperation with nutritionists and non-governmental organisations, delivering educational content on healthy diets and food literacy through social media channels and in-store activities.

Labelling accuracy and data integrity are subject to multiple layers of control. Internal verification procedures are complemented by customer and regulatory checks. In 2025, Morliny Foods reviewed more than 179 million labels prior to product release, achieving 100% label verification coverage. In Poland, 607 external labelling complaints were recorded; however, these represented approximately 0.0003% of all labels printed, reflecting a very low error rate in high-volume production. In Spain and France, 60 external labelling issues were identified, primarily relating to minor misprints or incorrect label placement. None of these cases resulted in product recalls or consumer health incidents.

All labels are reviewed against the requirements of EU Regulation (EU) No 1169/2011, including validation of voluntary claims such as “low fat” or “natural.” These actions support responsible consumption and align with SDG 12 (Responsible Consumption and Production). In Spain and France, food safety, health, and sustainability considerations are further integrated across product development, packaging decisions, and Research & Development investments.

Traceability is a key element of Morliny Foods’ approach to managing food safety risks and preventing negative impacts on consumers and end-users. During 2025, a total of 591 traceability tests were conducted across the Group to verify system effectiveness and recall readiness. Where applicable, recalls and simulations were managed promptly and transparently. At country level, 123 traceability exercises and five mock recalls were conducted in Romania; 346 traceability exercises were logged across 12 plants in Poland; 85 exercises were completed in Spain; and mock recalls and traceability tests were conducted in Slovakia and Hungary in line with EU best practice.

Morliny Foods maintains robust food safety and quality management systems to ensure product integrity and consumer protection across all operations. During the reporting period, a total of nine product recall incidents were recorded across the Group. These recalls represented a limited and non-material volume, amounting to approximately 2 tons of product and a combined financial impact of approximately EUR 0.064 million, compared to more than 1.3 million tons of products sold. Recalls were concentrated in Poland and Romania, reflecting the scale and operational complexity in these markets. No recall incidents were reported in Slovakia, Hungary, or Spain. None of the recall events resulted in material consumer harm. All incidents were managed in accordance with established procedures, including:

- rapid product withdrawal and traceability activation
- root cause analysis
- implementation of corrective and preventive actions

These events are monitored as part of the Group’s food safety management systems and are subject to internal review and continuous improvement processes. Morliny Foods continues to strengthen its prevention and monitoring mechanisms to minimise product safety risks and ensure high standards of consumer protection.

Morliny Foods operates under public veterinary oversight in all countries where meat-origin products are manufactured. In 2025, this included daily monitoring and 135 official inspections in Romania, 1,953 inspections in Poland, approximately 379 inspections in Spain and France, 18 inspections in Slovakia, and eight inspections in Hungary. These inspections provide external validation of the Group’s HACCP systems and hygiene controls. These inspections further validate the robustness of the Group’s HACCP systems and hygiene controls. Planned and ongoing actions include the implementation of a consumer grievance mechanism to respond to claims received via social media and email. In parallel, Morliny Foods is taking decisive action to address increasing consumer demand for healthier diets through product reformulation, clean label development, and research driven innovation.

These initiatives are aligned with the EU Farm to Fork Strategy and are designed to ensure that the product portfolio supports consumer well being in addition to satisfaction. Actions are implemented across Romania, Poland, Slovakia, Hungary, Spain, and France, and are tailored to local dietary habits, legislative developments, and technological capabilities.

In 2025, under the Comtim brand, Romanian operations launched a new generation of flexitarian products under the Comtim brand, incorporating pea protein and meeting clean label, allergen free, and high protein criteria. The products respond to growing demand for hybrid protein solutions that combine meat with plant-based ingredients. The range is designed for both domestic and export markets and offers reduced saturated fat, zero artificial additives, and full compliance with EU Regulation 1169/2011.

In Slovakia, 2025 marked significant progress in health focused reformulation through cross functional collaboration between technology, quality, and regulatory teams. Slovakia advanced its clean label strategy by eliminating monosodium glutamate (E621) and carmine (E120) from more than 95% of its products.

These changes responded to consumer expectations for more natural product compositions and addressed sensitivities related to allergens and animal derived additives. The resulting product range is suitable for both domestic and export markets and offers reduced saturated fat, zero artificial additives, and full compliance with allergen declaration requirements under EU Regulation 1169/2011.

Innovation activities in Spain include research projects aimed at alternative preservation methods and plant-based product development. Spain is piloting advanced biotechnology initiatives such as “NITRATES” and “IMPROVE”, which aim to eliminate nitrates and develop functional, plant based alternatives.

A flagship innovation initiative, the “NITRATES” project, explores additive free preservation methods for cured meats. The project integrates:

- Innovative microbial blends adapted to curing processes
- Advanced physical technologies, including Pulsed Electric Fields (PEF) and ultrasound
- Predictive microbiology models that consider food matrix structure
- Industrial scale validation to ensure commercial viability

The project responds to both consumer expectations and regulatory trends favouring additive free labelling while maintaining food safety and shelf life.

- IMPROVE: Focuses on fermented plant based products using solid state fermentation to reduce antinutrients, improve bioavailability, and enhance flavour and texture in meat analogues, supporting SDG 12 and the protein transition.
- ALIMENS: Aims to develop foods with neuroprotective functions to support healthy ageing, combining ingredient research with consumer accepted food matrices and scalable production technologies.

In Poland, 2025 activities focused on formulation simplification, removal of controversial ingredients, and fat reduction in high-volume products, resulting in the launch of two reduced-fat products for the mass retail segment, enhanced ingredient transparency, and closer alignment between Quality Assurance and Research & Development functions to ensure microbial and nutritional safety, in response to concerns related to non-communicable diseases and in alignment with SDGs 3, 12, and 13.

Slovakia further advanced its clean label strategy by removing monosodium glutamate (E621) and carmine (E120) from more than 95% of products. E621 was removed from all applicable recipes, while E120 was replaced with natural alternatives derived from vegetables and microbial cultures. Final implementation is expected to be completed in 2026, accompanied by labelling updates.

Morliny Foods prepares for evolving EU regulatory requirements related to nitrites, sodium, fat, and sugar thresholds through ongoing product reformulation and compliance checks. Reformulated products are subject to heat-stability testing to verify nutrient retention after processing. Reformulation activities are led by Technology and Research & Development teams, with Quality Assurance providing oversight through risk assessments, labelling verification, and compliance reviews in line with EFSA and Codex Alimentarius recommendations.

The Group manages impacts identified within its value chain, including those linked to business partners, through contractual requirements on consumer protection, data privacy, and product safety, as well as a mandatory Supplier Code of Conduct covering consumer rights and ethical marketing. These measures are supported by regular audits, self-assessments, partner training, and participation in industry initiatives. Where adverse impacts are identified, corrective action plans are agreed with partners, and repeated or severe non-compliance may result in the suspension or termination of business relationships.

As part of its reformulation programme, Morliny Foods has adjusted core product lines to meet stricter EU requirements. Measures include reducing sodium content through the partial replacement of sodium chloride with potassium chloride in salt blends, with formulations tested for stability,

microbial safety, and sensory acceptability. Product reformulation activities also address fat and additive reduction, in line with applicable regulatory and food safety standards. A portfolio of nutrient-enriched products is under development for commercial launch in 2026, including meat products with reduced salt content and fortified micronutrients. These products are undergoing heat-stability testing to confirm nutrient retention following processing.

Morliny Foods identifies and addresses actual or potential material negative impacts on consumers and end-users through a structured process that includes consumer feedback, internal reporting, media monitoring, audits, and stakeholder engagement.

Identified issues are assessed based on severity, likelihood, and the vulnerability of affected groups. A cross-functional team comprising Quality Assurance, Legal, Product, and Sales functions reviews findings, determines materiality, and proposes preventive, mitigative, or remedial actions. Actions are approved by senior management, implemented with defined accountability, and monitored through key performance indicators and feedback mechanisms.

The Group also pursues material opportunities related to consumers and end-users through product and service innovation aimed at improving safety, accessibility, and nutritional profiles. Preventive measures include responsible marketing practices, ethical conduct training, and accessible grievance channels. Oversight is ensured through governance structures and the integration of consumer-related risks into risk management frameworks. Remedy mechanisms are designed to be accessible and culturally appropriate, with complaints tracked, resolved within defined timelines, and reviewed to support continuous improvement.

Human, financial, technological, and operational resources are allocated to manage consumer-related impacts. Cross-functional teams led by Quality Assurance and ESG functions conduct assessments and reporting, with Legal and Compliance overseeing regulatory and data-privacy requirements. Systems are in place to track feedback, complaints, and incidents, supported by analytics and multi-channel grievance mechanisms, including social media.

For the financial year 2025, Morliny Foods reported no severe human rights incidents related to consumers or end-users; accordingly, no incident-related explanations are required.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S4-5

Morliny Foods has set a series of strategic targets aligned with ESRS, based on the identified material topics. The process of setting strategic targets for the material topic of consumers was carried out through a structured and collaborative approach. It began with stakeholder engagement activities, including annual surveys and focus groups with consumers to identify key concerns such as food safety, labelling clarity, and animal welfare. Input was also gathered from retailers and food safety authorities. These insights were integrated into Morliny Foods' double materiality assessment, where consumer-related risks and opportunities such as allergen management and traceability were prioritized. Benchmarking against industry peers and alignment with EU regulations (e.g., General Food Law, Farm-to-Fork Strategy) ensured relevance and compliance. Guidance from ESRS S4 and standards like IFS, BRC, and ISO 22000 was also incorporated.

For the material topic of Consumers and End-users, with a focus on food safety impacts and outcomes, the Group's targets are:

Morliny Foods' short-term (annual) targets:

- 100% of official inspections completed transparently and documented
- 100% of production sites certified under globally recognized food safety schemes
- Zero major non-conformities in third-party audits
- 100% of employees received food safety and quality training
- Zero product recalls due to health or safety risks, on a yearly basis
- 100% compliance – product batches tested according to plan and legal requirements, all product labels, all new products for added health benefits as part of the reformulation strategy, marketing and nutritional claims are substantiated and compliant with EU and local regulations.

Morliny Foods' medium-term target (2030):

- Sustainable, inclusive, and health-conscious food systems achieved



ESRS G1

BUSINESS CONDUCT

Governance

The role of the administrative, supervisory and management bodies

GOV-1

The administrative, management, and supervisory bodies at Morliny Foods play a role in ensuring ethical business conduct and compliance with regulations, a role that is strengthened by their substantial expertise derived from extensive industry experience and professional qualifications. Morliny Foods establishes, develops, promotes, and evaluates its corporate culture through a robust governance structure overseen by the ESG Committee (ESGC), which sets strategic directions on ethics, compliance, and ESG matters. The ESGC includes key executives such as the CEO, CFO, CSO, and country leaders, ensuring ethical governance is implemented across all areas. This governance framework supports adherence to responsible business conduct, with mechanisms in place for identifying, reporting, and investigating concerns related to behaviour that goes against the Group's code of conduct.

The ESGC:

- Oversees implementation of the Responsible and Ethical Governance Policy
- Reviews ethics and compliance risks
- Monitors whistleblower system and corruption prevention measures
- Ensures alignment with CSRD and ESRS G1 disclosure requirements

The Executive and ESGC, exhibit significant cross-functional leadership experience in food, agribusiness, sustainability, and corporate governance, with many serving over a decade in their current roles.

Country general managers and functional leaders, encompassing legal, HR, compliance, environment, food safety, sales, and operations, possess deep sectoral knowledge and regulatory understanding, ensuring effective translation of group-level policies into local practice.

The ESG Implementation Task Force (ITF) complements these efforts with specialized officers focused on environmental impact, social responsibility, food safety, animal welfare, and ESG reporting. Each ESG pillar is led by highly experienced managers with 15–20 years of professional expertise in their respective domains:

- Environmental leadership is overseen by specialists with deep experience in environmental compliance, resource efficiency, emissions management, and industrial sustainability.
- Health & Safety and Labour Rights are managed by senior professionals with extensive backgrounds in occupational safety systems, workforce engagement, HR governance, and regulatory compliance.
- Governance, Ethics, Finance, and Internal Audit oversight is provided by experienced finance and audit professionals, ensuring strong internal control systems, anti-corruption frameworks, and transparent reporting.
- Sustainable Procurement is led by purchasing professionals with long-standing expertise in supplier risk assessment, commercial negotiations, and responsible sourcing practices.
- Sustainability coordination and ESG reporting are managed by professionals experienced in corporate sustainability strategy, regulatory alignment, and international reporting standards.

This depth of function-specific experience ensures that each ESG pillar is managed by individuals who combine technical knowledge with managerial accountability.

All team members receive ongoing training and informative reports from ESG/Legal, compliance departments in sustainability, business ethics, EU regulations, and follow sector-specific developments. This ensures their capabilities remain aligned with evolving stakeholder expectations and legislative requirements.



Board members and senior leaders also undergo annual training on anti-corruption and anti-bribery regulations and ethical leadership and conflict of interest management. This training is aligned with governance best practices from the OECD and UN Global Compact principles. In 2025, specialized training was also conducted focusing on CSRD-aligned governance disclosures.

Continuous training and updates from the ESG/ Legal and Compliance departments ensure all members remain informed on sustainability, business ethics, EU regulations, and sector-specific developments, enabling the Group to align with evolving stakeholder expectations and legislative requirements efficiently. Through these measures, Morliny Foods reinforces its commitment to ethical business conduct and proactive governance.

Morliny Foods prioritizes governance structures with clearly defined roles, responsibilities, and accountability mechanisms at both the board and executive levels. This commitment enables the Group to achieve several key objectives:

- Promote ethical leadership, with board-level oversight of sustainability and ESG (Environmental, Social, Governance) issues.

- Incorporate ethical considerations into strategic decision-making and risk management processes.

- Ensure full compliance with all applicable national and international laws, including anti-corruption, anti-money laundering, and fair competition regulations.

- Uphold fair competition by adhering to antitrust laws and avoiding practices such as price-fixing, market allocation, or abuse of market power.

- Ensure fair business practices, responsible marketing and truthful communication about our products and operations.

A focus on Animal welfare is also a core component of ethical business conduct across the Group, reflecting society's increasing expectations around the respectful treatment of animals and recognition of their sentience. In many regions—particularly in Europe—consumer behaviour is evolving rapidly. Trends include reducing meat consumption, opting for plant-based protein alternatives, and favouring products sourced from more sustainable and animal-friendly farming systems. These shifts are accelerating, and agricultural practices must adapt accordingly to remain aligned with both regulatory developments and consumer values.

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1

In the process of identifying and assessing material impacts, risks, and opportunities related to business conduct, Morliny Foods employs a structured Enterprise Risk Management (ERM) framework. This aligns with the parent company, WH Group, guidelines and ESRS disclosure obligations, covering operations in Poland, Romania, Spain, and Slovakia, including farms, slaughterhouses, meat processing, and logistics.

Risk Identification and Assessment

Regular risk assessments identify complex and emerging risks, ensuring mitigation processes and controls are in place and provide timely and effective reporting. During the double materiality assessment, risks were prioritized based on their likelihood, severity, and impact on stakeholders, while considering risks associated with climate-related events, as outlined by the TCFD. Risk Identification and Assessment covers risks related to:

- Climate Change and Environment
- Human rights violations.
- Labour practices (e.g., child labour, forced labour, workplace safety).
- Community engagement and impacts.
- Social risks arising from climate change or supply chain disruptions
- Product quality and food safety
- Animal Welfare/Biosecurity/Epidemic
- Supply Chain
- Government Regulations and Policies, Planning and Strategy
- Litigation
- Competitor Activity
- Customer Relations
- Information Security and Cybersecurity

Risk assessment involves group-wide coverage, with evaluations considering local factors such as disease prevalence, legal regimes, and production dependencies. Cross-functional input is gathered from site-level workshops, production teams, veterinary and compliance leads, and legal and HR stakeholders. Each risk is scored for probability and impact, plotted on a heatmap to prioritize resource allocation for mitigation. Employee and supplier awareness of social risk management is enhanced through training programs.

In 2025, Morliny Foods conducted a double materiality assessment, involving workshops with functional leaders, internal auditors, and sustainability experts. Business conduct impacts, risks and opportunities were evaluated based on country-specific factors, operations involving supplier selection, sector-specific risks like biosecurity, and transaction structures involving outsourcing and high-risk suppliers. For details regarding IROs, please refer to the table in section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities*, starting on page 20.

Corporate culture and business conduct policies and corporate culture

GI-1

Morliny Foods Group has established several key policies to foster a corporate culture grounded in ethics, compliance, and transparency, emphasizing the importance of responsible business conduct.

Code of Conduct

Code of Conduct in business and company ethics serves as a guiding framework for all Morliny Foods employees, ensuring that the Group operate responsibly and in accordance with the latest European laws and regulations. It covers topics such as integrity in decision-making, compliance with laws, avoidance of conflicts of interest, and fair treatment of employees and stakeholders. By aligning Morliny Foods' practices with corporate governance, sustainability, and ethical business principles, the Group reinforces its commitment to ethical leadership. See more details on the Code of Conduct in chapter *S1 – Own workforce* starting from page 81.

Responsible and Ethical Governance Policy

Morliny Foods' Responsible and Ethical Governance Policy is grounded in principles of people and animal welfare, ethical conduct, and environmental responsibility. Key aspects include adhering to a global Code of Business Conduct for ethical trading, a Whistleblowing Policy to report concerns, commitments to minimizing its environmental footprint, ensuring the humane treatment of animals, fostering a safe and inclusive workplace, supporting the community, and promoting food safety and quality.

Whistleblower Policy

Established in accordance with EU Directive 2019/1937, it provides secure and anonymous reporting channels via hotline and online platforms. Whistleblowers may submit a report exclusively through a designated independent channel or arrange a meeting with a representative from the department delegated to this. This department receives and investigates all reports. To protect whistleblowers, measures have been implemented to prevent the disclosure of their identities, and employees were trained on the prohibition of retaliatory actions.

Anti-Bribery and Anti-Corruption Policy

The Group enforces a zero-tolerance policy regarding bribery, extortion, or embezzlement. Regular risk assessments and business partner screenings for ethical risks help maintain this standard. The Code of Conduct includes clear guidelines on identifying corruption red flags and outlines the reporting process to ensure accountability. The prevention of money laundering, terrorist financing, and other illicit activities remains a core priority for the Group. Morliny Foods actively implements measures to safeguard its operations from misuse for unlawful purposes.

Conflict of Interest Policy

The policy's main purpose is to protect the company's integrity by preventing, identifying, and managing conflicts of interest, ensuring that employees act in the best interests of the company, and maintaining transparency and trust within the organization.

Anti-Money Laundering (AML) Policy

The Group maintains strict compliance with AML regulations, preventing any misuse of its financial systems for unlawful purposes.

These policies collectively contribute to a robust framework that supports ethical business conduct, compliance with international standards, and protection for stakeholders at all levels of the organization. To reinforce integrity at all levels, Morliny Foods requires mandatory training sessions for employees and managers, equipping them with the knowledge to recognize and address potential conflicts of interest. To ensure that all employees can easily access its policies, Morliny Foods employs several communication tools. The intranet ethics portal serves as a convenient hub for important policies and resources. Policies are also translated into local languages to promote understanding across the workforce. Additionally, visual guides are provided for frontline staff, making key information clear and engaging. This approach helps to promote awareness and fosters a culture of compliance and ethical behaviour throughout the Group.

Each business conduct and governance policy at Morliny Foods includes defined targets to support accountability and continual improvement, such as objectives related to supplier ESG evaluations and the timely resolution of whistleblowing cases. The effectiveness and implementation of these policies are reviewed annually by the ESG Committee, drawing on internal audit findings, whistleblowing data and external assurance feedback, with outcomes reported to the Committee and summarized in the Group's annual sustainability report. To ensure consistent understanding across the workforce, policies are published on the intranet and corporate website, translated into local languages and supported by simplified visual guides, while awareness of ethical standards is reinforced through mandatory certification processes and recurring training.

Animal welfare

At Morliny Foods, we are committed to the highest sustainable farming practices, animal welfare and biosecurity across our integrated pork and poultry value chain. We view animal welfare not only as a regulatory obligation but as a cornerstone of responsible food production, product quality, and corporate sustainability. On-farm practices focus on practical, proven measures such as enriched housing, effective monitoring, disciplined water and feed management, and robust biosecurity to manage ASF and other risks. Responsible feed sourcing and flexible formulations support sustainability goals. External certification and customer schemes provide additional assurance.

A prevention-first approach to animal health, combined with targeted investments in infrastructure, cooling, insulation, handling, and transport, reduces stress and builds climate resilience. Through transparency and accountability, Morliny Foods aims to lead responsibly while strengthening a trusted and resilient value chain.

Morliny Foods upholds rigorous standards of animal welfare and biosecurity throughout the entire production process, from breeding and rearing on farms in Poland and Romania, to the humane handling of animals in our slaughterhouse receiving areas. Morliny Foods’ practices are grounded in full compliance with applicable laws and industry standards, and the Group is committed to the Five Freedoms of Animal Welfare:

- **Freedom from hunger and thirst** – ensured through properly maintained feeders and sanitized water systems;
- **Freedom from discomfort** – supported by climate-appropriate housing with ventilation and heating systems;
- **Freedom from pain, injury, or disease** – achieved through veterinary oversight, injury-prevention housing, and regular health checks;
- **Freedom to express normal behaviour** – facilitated by appropriate space, group housing, and enrichment;
- **Freedom from fear and distress** – secured by calm animal handling and trained, certified personnel.

The Group aims to exceed compliance by aligning our practices with international benchmarks and continuously improving animal welfare conditions. This is achieved through comprehensive staff training, clear accountability across all roles, and a management focus on KPIs related to animal health.

In 2025, Morliny Foods’ Priority Focus Areas include retraining staff in animal care to improve handling at slaughterhouses and farms, standardizing farm-level welfare by aligning all owned and contract farms with internal animal welfare protocols through annual audits and implementing routine biosecurity audits across all farms. The company will also enhance animal welfare in the supply chain by enforcing welfare and biosecurity clauses in live animal purchase contracts, work to reduce mortality rates to meet or exceed industry benchmarks and maintain transparency in antibiotic usage through monthly reporting and oversight mechanisms to support responsible use and reduction goals.

Governance and policy framework

Animal welfare at Morliny Foods is governed by internal protocols grounded in EU and national law and implemented through clearly defined roles and accountability. Animal Welfare Officers at slaughterhouses, farm service managers, and licensed veterinarians are responsible for day-to-day execution, monitoring, and continuous improvement. Supplier expectations are set out in a Supplier Code of Conduct that incorporates EU welfare legislation and customer-specific requirements, and compliance is verified through internal audits, third-party assessments, and CCTV monitoring of handling from reception to bleeding.

Farm animal welfare standards and implementation

Group-wide, the housing of sows in groups is standard from day 28 post-mating until 110–112 days of gestation, in line with EU directives. Pens are enriched with occupational materials such as metal chains and wooden blocks to support natural behaviors. All personnel involved in animal care receive regular training in low-stress handling, welfare protocols, hygiene, and emergency response, and structured daily health and welfare checks are conducted with results captured in a centralized dashboard that tracks indicators including mortality and productivity. Antimicrobial products are used responsibly under veterinary oversight, with treatments recorded for full traceability and withdrawal periods observed before animals enter the food chain. A portion of farms also hold third-party certifications, which are audited externally; details are provided in the country sections below.

Romania: standards in practice

All Comtim farms comply with EU and national legislation (such as ANSVSA Order No. 202/2006, transposing Council Directive 91/630/EEC) and are subject to regular audits by internal specialists and official veterinary authorities. Furthermore, all Comtim farms in Romania hold the following certifications, with annual third-party audits:

- ISO 9001:2015 – Quality Management
- ISO 14001:2015 – Environmental Management
- ISO 22000:2018 – Food Safety Management
- ISO 45001:2023 – Occupational Health and Safety

As of 2025, 82% of farms (39 of 48) participated in Romania’s Enhanced Animal Welfare Program. This program increases living space for finishing pigs over 110 kilograms to 1.15 square meters from the legal minimum of 1.00 square meter, improves air quality with measured reductions of approximately 30% in dust and 15% in ammonia, and enhances resting areas through scheduled application of hygroscopic bedding. Sow farms benefit from additional space and air quality controls, and all program data are tracked digitally and validated by independent laboratories. Group housing for sows and environmental enrichment are implemented across Comtim farms, and annual training covers low-stress handling, welfare practices, and biosecurity, aligned with Romanian Law No. 122/2023 and EU Regulation (EU) 2020/687. Effectiveness is verified through assessments, documentation, and at least two internal biosecurity and animal welfare audits per year, with corrective actions tracked to closure.

Poland: standards in practice

In Poland, Agri Plus applies Group welfare protocols and complements them with external certification. Own farms and feed mills in Poland have ISO 14001:2015 – Environmental Management coverage. Approximately 8% of finisher farms (69 units) are certified under the internationally recognized GLOBAL SLP standard, which covers animal welfare, housing, hygiene, biosecurity, and veterinary treatment protocols; certified farms undergo annual external audits and at least one unannounced inspection per cycle by accredited third-party auditors. In our Polish poultry operations, 139 farms currently participate in external certification schemes. All certified farms undergo recertification every two years, supported by internal audits conducted annually to verify implementation and continuous adherence to standards.



Personnel training and audit oversight

Training is standardized and documented across the Group, but cadence differs by country and farm model to reflect operational needs and regulatory context. In Romania, all animal care personnel receive monthly internal training supported by legal references, internal procedures, and welfare recommendations, with comprehension verified through assessments and records retained for compliance. Internal biosecurity and animal welfare audits are conducted at least twice annually using structured checklists, and independent audits by veterinary authorities provide additional assurance. In Poland, training on company-owned farms occurs quarterly, led by service managers, while contract farms receive annual sessions delivered by the same managers, who serve as the primary liaison with contract partners. Audit programs are designed and coordinated by the Animal Welfare and Environmental Department, with service managers overseeing operations. Both company-owned and contract farms are subject to routine inspections by the Polish veterinary authorities. Audit frequencies vary by farm type and scale: sow farms, both owned and contract, are audited twice per year; gilt development unit coverage scales with the number of sites, for example around ten audits per year across a network of twenty-five GDUs; nursery and finisher farms are audited on a proportionate schedule based on network size; poultry farms owned by the company are audited at least annually, while contract growers follow a scaled annual schedule. Every two years, the Group completes a full audit cycle across third-party finisher farms supplying animals to its slaughterhouses; the most recent campaign in 2023 covered 812 farms, and the current cycle is underway.

Veterinary monitoring and daily health checks

Veterinary oversight is embedded in daily operations. In Romania, qualified veterinarians conduct daily inspections of each farm and log observations in line with national veterinary requirements, escalating deviations from normal health status to farm management immediately. Health and welfare performance are monitored through a centralized dashboard that tracks key metrics including mortality and productivity.

In Poland, all pig farms supplying the Group are under regular veterinary supervision; on contract grower farms, veterinarians perform weekly on-site herd health checks covering behavior, welfare indicators, morbidity, and treatment protocols, while company-owned farms are overseen by full-time resident veterinarians or farm managers who conduct daily health assessments.

Biosecurity and disease prevention

Biosecurity is a cornerstone of the Group’s approach to animal health, food safety, and operational resilience. Protocols exceed national legal requirements and align with international best practices, with a particular focus on ASF in pigs and HPAI in poultry.

Animal health remains one of the most significant risks affecting the European protein sector. Over recent years, African Swine Fever (ASF) and Highly Pathogenic Avian Influenza (HPAI) have continued to shape the operational landscape in the regions where we operate, particularly in Romania and Poland. These diseases are not only veterinary challenges but also complex socio-economic disruptions that affect farmers, supply chains. Since its emergence in Romania in 2017, ASF has had a lasting impact on the national swine sector. The disease is particularly affecting backyard farms and smallholders, where biosecurity levels are inherently more difficult to control. While large-scale commercial operations have strengthened biosecurity and resilience, the continued presence of the virus in wild boar populations and small farms creates persistent reinfection risks.

In Poland, ASF follows a different epidemiological pattern. The disease is primarily sustained within wild boar populations, which act as a natural reservoir and continuous source of infection. As a result, outbreaks in domestic pigs are relatively limited, reflecting the effectiveness of biosecurity measures implemented in commercial farming. However, the widespread presence of the virus in wildlife means that the risk remains environmental and cannot be fully eliminated. This dynamic requires constant monitoring of wildlife, reinforced perimeter biosecurity, and adaptive risk management at farm level. Alongside ASF, the poultry sector continues to face challenges from Highly Pathogenic Avian Influenza, particularly in Poland, one of Europe’s largest poultry producers.

HPAI outbreaks are driven by migratory wild birds, which introduce the virus seasonally, especially during autumn and winter periods. While commercial farms apply strict biosecurity protocols, the high density of poultry production in certain regions increases the risk of farm-to-farm transmission once the virus enters domestic settings. The impacts of these animal health crises extend beyond immediate production losses.

In response, our approach focuses on prevention, preparedness, and partnership. We continuously invest in strengthening biosecurity standards throughout our operations, including controlled access zones, sanitation protocols, and employee training. We work closely with veterinary authorities and industry partners to ensure rapid response capabilities and alignment with EU animal health regulations. At the same time, we engage with suppliers to raise awareness and support improvements in farm-level practices, particularly in higher-risk environments.

In 2025, two farms were affected and are being repopulated in full compliance with national biosecurity and compensation protocols. The Group has embedded comprehensive controls at all entry and exit points, including monitored vehicle disinfection, visitor registration, and surveillance systems. Quarantine is used proactively to prevent pathogen introduction, with a 30-day quarantine for all incoming raw feed materials and live pigs. Testing is performed at origin, upon arrival, and post-quarantine, and weekly diagnostic sampling of deceased animals is analyzed by accredited veterinary laboratories. Each farm maintains rapid response procedures, including lockdown protocols, contact traceability, and coordination with veterinary authorities. Physical safeguards include automated shower systems at wean-to-finish sites and dry showers at other farms, thermal disinfection chambers for incoming materials and personal items, road disinfectors and wheel washers at sow farms, gilt development units, and finishing sites, online visitor registration, and video surveillance. Farm-specific biosecurity plans are submitted annually to national veterinary authorities and whenever changes occur, and the measures are monitored by site managers and verified through internal audits and official inspections.

All farms—company-owned and contracted—must comply with national veterinary health regulations, with compliance enforced through contractual agreements and regular audits as well as external inspections by competent authorities. Strict hygiene protocols govern entry to animal areas. Company-owned farms use dry shower systems with controlled access and mandatory clothing and footwear changes. Many contract sow, nursery, and finisher farms maintain shower-in/shower-out protocols, and farms without built-in showers require personnel to change into farm-dedicated clothing or certified disposable protective gear. All company-owned sow farms are protected by double fencing, including an outer concrete barrier to deter wildlife. Feed is managed as a critical biosecurity vector: all pig farms, including contract growers, use feed exclusively from in-house mills, and feed logistics follow strict internal protocols for vehicle disinfection, route planning, and scheduling to prevent cross-contamination. Leadership prioritizes ongoing biosecurity training, communication, and enforcement, and managers, veterinarians, and operational teams are regularly updated on evolving threats, control measures, and national guidance. Veterinary and production leaders participate in national and international ASF prevention forums to ensure practices remain aligned with current science and regulation.

Disease monitoring and eradication programs

Morliny Foods maintains robust disease monitoring and prevention programs. All incoming pigs are pre-tested for ASF, PRRS, PEDV, Mycoplasma hyopneumoniae, swine dysentery, and APP, and routine herd health monitoring is carried out through an in-house veterinary laboratory using serological and molecular diagnostics. ASF testing prior to slaughter is performed by official veterinary services in accordance with Romanian legislation. Romanian operations have eradicated Mycoplasma hyopneumoniae, PRRS, swine dysentery, and APP in recent years, reflecting the effectiveness of vaccination and health management protocols.



Transport welfare

Humane handling during transport is a core element of the Group’s animal welfare program. Morliny Foods prioritizes sourcing live animals from areas within 250 kilometers to minimize transportation stress and comply with all national and EU regulations during transport. All transport personnel, including drivers and handlers, receive formal training at least every five years in line with Council Regulation (EC) No 1/2005; training is delivered by accredited providers and certified by veterinary authorities. Modern livestock trailers are equipped with internal pen dividers, ventilation systems, climate control, and hydraulic lifts for low-stress loading and unloading. Over the past three years, approximately USD 350 K has been invested in Romania to upgrade transport trailers, and in Poland USD 810 K was approved in 2025 for three new livestock trucks and three specialized trailers. Our focus on prevention, training, and equipment quality has led to an exemplary performance record:

- One transport-related incident occurred in our Romanian operations, in 2025 during the movement of hogs from a farm to a slaughtering plant, involving third-party contractor vehicles while 3 incidents happened in Poland in 2025.

At slaughterhouses, unloading is performed by trained personnel, lairage areas are designed for rest with adequate ventilation and hydration, and most trucks are unloaded within 25 minutes, with the majority of waiting times under two hours.

Slaughterhouse welfare

The Group upholds high animal welfare standards at slaughterhouses in line with EU legislation and international best practices. All suppliers of live animals must adhere to the Supplier Code of Conduct, which incorporates EU animal welfare legislation and customer-specific requirements. Each slaughterhouse appoints a certified Animal Welfare Officer responsible for training, audits, and policy implementation, and all personnel involved in animal handling hold valid certificates of competence renewed on a four-year cycle. Internal training occurs at least twice annually. CCTV systems monitor animal reception through to bleeding, with approximately forty cameras installed across the Group, and footage is reviewed under formal internal protocols.

Stunning systems meet or exceed EU welfare standards under Council Regulation (EC) No 1099/2009. Pigs are stunned using carbon dioxide systems at or above 80% concentration with backup electrical systems available, and poultry are stunned using gas or electrical water baths in line with species-specific guidance. In Romania, around 90% of pigs are sourced from Comtim farms within 150 kilometres, staff receive monthly internal training and four-year external certification, and welfare checks include documentation, cleanliness, handling, and stunning performance indicators. In Poland, a structured audit program covers external suppliers, with audits conducted for roughly 80% of pig suppliers, equating to about 1,475 audits, and about 40% of poultry suppliers, equating to approximately 220 audits. Poultry are sourced predominantly within 250 kilometres, and between half and most pigs fall within that range; longer transports comply with EU limits. Annual driver training is maintained, and new welfare guidance leaflets were introduced in 2025.

Antibiotic stewardship

Morliny Foods is committed to responsible, transparent antibiotic use to safeguard animal health and minimize antimicrobial resistance risks. Antibiotics are administered only under the supervision of licensed veterinarians and based on diagnostic evidence and strict protocols. Chief veterinarians oversee treatment decisions in Romania, and a team of three key veterinarians provide oversight in Poland. The use of antibiotics classified as critically important for human medicine is permitted only when essential for animal welfare. Individual treatments are prioritized over mass medication, which is used only after formal veterinary assessment. Withdrawal periods are strictly observed, and all treatments are logged for traceability and compliance. Prevention comes first through routine health monitoring, vaccination programs targeting PRRS and Mycoplasma hyopneumoniae, improved housing and ventilation, and high biosecurity standards.

Investments and technology supporting animal welfare

Continuous investment in infrastructure, equipment, and technology enhances animal welfare from farms to transport and slaughterhouse reception. In Romania, a multi-year program launched in 2021 targets heat stress mitigation in sows, a major risk to reproductive performance and survivability.

More than USD 700,000 has been invested in cooling systems for farrowing barns, with full implementation across all sow farms targeted by 2026. Cooling pads and advanced ventilation systems have been installed in two reproduction farms, with a third underway. Roof replacement projects using thermally efficient insulation materials have been initiated, totalling approximately USD 7 million since 2023, and these measures have significantly improved sow survivability during peak summer months. In Poland, Agri Plus has invested in thermal comfort and climate resilience through a modernization project launched in 2022 on the largest sow farm, including thermal insulation upgrades and roof replacements using sandwich panel systems, with USD 1.5 million committed through 2025. In 2025, USD 50,000 was allocated for evaporative cooling systems using cellulose-based cooling pads and USD 62,000 for thermal upgrades to farrowing rooms, while additional roofing upgrades at nursery and finisher sites totaled USD 500,000. These improvements support animal welfare, reduce reliance on mechanical cooling, and contribute to lower Scope 1 and Scope 2 emissions. Adequate hydration and water quality are ensured through quarterly testing by official veterinary laboratories and ongoing maintenance of water nipples in pens, which has reduced dehydration-related issues and supported consistent growth. To reduce competition and stress in group-housed sows, automatic sow feeding systems are being piloted at one farm in Romania and two farms in Poland, enabling precision nutrition and better behavioral management. Structural upgrades completed in 2024–2025 include pen repairs, modernization of delivery and reception ramps, improved absorbent bedding in sow and gilt pens, replacement of old concrete grates with animal-friendly alternatives, and modernization of floors to reduce injury risk and improve mobility, with approximately USD 3.6 million invested in Poland.

Transport sourcing and performance

The Group prioritizes sourcing live animals from areas within 250 kilometers to minimize transport stress and improve welfare outcomes. Low-stress unloading and handling are ensured, with trained personnel present at all times. The design of lairage and stable areas facilitates rest and adequate ventilation, and waiting times are limited, with most trucks unloaded within 25 minutes and the majority waiting under two hours. Investments in modern truck and trailer fleets in both Romania and Poland support these outcomes.

Genetics and ESG alignment

Genetic selection is used to improve production efficiency and reduce environmental impact in line with ESRs E1 and E2 objectives. Through partnerships with providers such as Topigs Norsvin, PIC, and DanBred, animals are selected for superior feed efficiency, growth performance, and disease resistance. In 2025, Romania’s feed conversion ratio improved by approximately 0.14 points compared to 2024. This improvement translates into a reduction in feed resources per kilogram of pork produced and contributes to Scope 3 emission reductions. The genetics program reduces feed demand and pressure on land, water, and energy, improves nitrogen efficiency and lowers manure volumes, and minimizes pollutant outputs, thereby enhancing the environmental profile of pork products.

Across the Group, welfare and biosecurity measures are integrated into daily operations, validated through internal and external audits, and supported by targeted investments. To this end, as part of the 2025 ESG strategy implemented in 2025, Morliny Foods implemented short-term targets regarding animal welfare:

short-term targets:

- 100% of owned and contract farms compliant with our Animal Welfare Procedure (annual audit)
- 100% annual training for farm and plant staff on receiving and stunning
- Mortality rate is to match the SIPSA average across the entire system, with the rate monitored monthly
- Achieve 100% biosecurity and ASF monitoring on all farms, verified by internal audits by end of 2025.

medium-term target (2030):

- Reduce antibiotic usage by 3–5% per kilogram of live weight by 2030 compared to 2025 baseline, specifically for nursery and finishing phases, measured in grams of antibiotics per kilogram of live weight (reviewed quarterly).

Prevention and detection of corruption and bribery

GI-3

To effectively manage business conduct violations, Morliny Foods Group has implemented a comprehensive framework aimed at preventing and detecting corruption and bribery. This framework includes the establishment of confidential reporting channels, allowing employees and other stakeholders to report potential violations securely and anonymously.

The procedures for reviewing and investigating reported cases involve the HR, Compliance, and Legal Departments, along with Internal Auditors. These investigations are conducted independently from line management to ensure objectivity and integrity in the process. Internal Audit plays a critical role in reviewing compliance programs regularly, assessing their effectiveness and recommending improvements where necessary. Additionally, all whistleblower reports are meticulously logged in a central register, where they are monitored to track the efficiency and outcomes of investigations. This comprehensive approach underscores Morliny Foods’ commitment to upholding the highest standards of anti-corruption and fair competition, ensuring that any instances of unethical conduct are addressed.

Morliny Foods provides mandatory annual anti-corruption and anti-bribery training, delivered by the Legal or Compliance Department, in accordance with its Anti-Bribery and Anti-Corruption Policy. The training covers key corruption and bribery risks and controls, including prohibited payments, conflicts of interest, gifts and hospitality, facilitation payments, political and charitable contributions, high-risk indicators, interactions with public officials and third-party partners, record-keeping requirements, reporting obligations, and compliance with applicable anti-corruption legislation, including the UK Bribery Act 2010. The programme applies to functions exposed to corruption and bribery risks and is mandatory for members of the Board, top management, department managers at headquarters and plants, and employees in sales and marketing, purchasing, legal and compliance, PR, finance, human resources, and technical functions involved in investment and procurement processes.

Based on internal assessment, 99% of functions-at-risk are covered by the training, and the administrative, management, and supervisory bodies are explicitly included among the target groups receiving recurring training. This structure ensures that Morliny Foods’ administrative, management, and supervisory bodies receive comprehensive, recurring training aligned with the company’s governance expectations and compliance framework.

Metrics and targets

Confirmed incidents of corruption or bribery

GI-4

In 2025, no confirmed incidents of corruption or bribery were reported. There are no ongoing or past public legal cases involving Morliny Foods related to corruption and bribery.

As part of Morliny Foods’ ESG strategy, the Group has defined measurable timebound targets in line with the ESRs to strengthen business conduct and support the prevention and detection of corruption and bribery. The objective of these targets is to prevent incidents of corruption and bribery and to address material impacts, risks, and opportunities related to unethical business conduct.

Morliny Foods’ short-term targets include:

- ESG policy training for 100% Board members annually
- 100% of management is trained on anti-bribery practices, reinforcing its commitment to ethical leadership.
- Zero non-compliance cases with the following business conduct policies: Responsible and Ethical Governance Policy, Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy
- Ensure 90% of employees are aware of Code of Conduct and Anti-Bribery Policies through yearly surveys. Current year achievement are at 75% for Code of Conduct and 99% achievement for Anti Bribery Policy
- Ensure zero regulatory non-compliance or severe issues, ensured through quarterly audits and incident reporting.
- Investigate 100% of reported incidents within 90 days

Management of relationships with suppliers

GI-2

Morliny Foods Group has implemented a formal Payment Practices Procedure at Group level, which standardizes fair, transparent, and timely payment processes across all supplier relationships. The procedure ensures timely payments across the supplier base, equal and fair treatment of small and medium-sized enterprises (SMEs) to prevent financial strain from delayed payments, and transparency in payment terms with corrective measures for any deviations. A data collection process is in place to monitor actual versus contractual payment timelines and to identify systemic delays with corresponding corrective actions.

Morliny Foods views business resilience and integrity as inseparable from a transparent and responsibly managed supply chain, aligning the Group’s practices with WH Group’s global commitment to ethical sourcing and environmental stewardship. Across all countries in which the Group operates, Romania, Poland, Slovakia, Spain, the UK and Hungary, we continue to embed sustainability principles into supplier engagement, evaluation, risk management and performance monitoring, treating responsible sourcing as a strategic driver of operational stability, risk mitigation and long term value creation. In 2025, we reinforced our governance framework through the introduction of a unified Group Supplier Code of Conduct and a standardised Supplier Selection and Evaluation Procedure, covering key procurement categories such as animal protein, soy and grains, packaging and logistics, utilities, maintenance services and labour intensive on site services, thereby establishing consistent expectations for supplier ESG performance and readiness for evolving regulations including the Corporate Sustainability Reporting Directive and the EU Deforestation Regulation. Compliance with the Supplier Code of Conduct is contractually binding and monitored through a combination of ESG questionnaires, supplier audits, and ongoing procurement reviews. Non-compliance may result in corrective action plans, suspension, or termination of business relationships, in line with contractual provisions.

In Romania, the standard contractual terms require net payment within 30 days. In Poland, payment terms should not exceed 60 days. However, for large companies, longer payment terms may be negotiated between the parties. In Mecom, we adhere to a 30-day payment term and actively monitor actual payment behavior across all business units on an annual basis. In Spain, the Group employs a reverse confirming contract for invoice collections, which allows suppliers to receive payment within legally established deadlines. Although the payment terms are intended to be limited at 60 days, the current average payment time is 88 days. We are implementing measures to align with the standard payment terms.

To monitor compliance with payment terms, the Group employs a payment performance dashboard, which tracks actual payment behavior annually across all business units. Corrective actions are initiated when deviations from standard terms are identified, ensuring adherence to agreed timelines. Payment performance is tracked through an annual dashboard, which in 2025 showed that 76% of invoices were settled within the contractual payment terms. In cases where delays occur, corrective actions are implemented and subsequently reviewed by both Finance and Procurement leadership to ensure continuous improvement. The Finance and Procurement departments oversee this policy, which is integrated into supplier contracts to maintain fair and consistent practices across all operations.

Supplier Relationship Management and Sustainability Risk Considerations

Morliny Foods bases its supplier relationships on principles of long-term collaboration, mutual accountability, and transparency. Suppliers are categorized according to their strategic importance and exposure to sustainability risks, with engagement plans tailored to their specific contexts. The Supplier Code of Conduct, integrated into all contracts starting from June 2025, outlines expectations related to human rights, labor practices, environmental responsibility, and anti-corruption. Suppliers are subjected to a risk-based ESG assessment that considers their geographical exposure, commodity risks (such as soy and pork), and historical collaboration with Morliny Foods. Compliance is monitored through ESG questionnaires, supplier risk classification and periodic assessments. See more information on the Supplier Code of Conduct in section S2 *Workers in the Value Chain* on page 96.

Morliny Foods implements multi-sourcing strategies for critical raw materials, such as feed and protein, to reduce reliance on single suppliers and mitigate risks associated with supply disruptions and market fluctuations. Collaborating closely with key suppliers, particularly in Poland and Romania, the Group develops and refines contingency plans to address potential disruptions from zoonotic disease outbreaks, ensuring both supply stability and animal welfare. The Group’s ESG team plays an essential role in monitoring developments within critical supply chains, such as soy, to anticipate impacts from regulatory changes and deforestation-related certifications. This proactive approach allows them to adapt swiftly to global changes, maintain alignment with sustainability standards, and ensure long-term operational continuity. By reinforcing their supply chain resilience, Morliny Foods supports its sustainable growth and strategic objectives in an increasingly dynamic global environment.

Morliny Foods Group approaches the sourcing of grains and soy with a strong focus on environmental responsibility. For grains, we prioritise European and national-local procurement that aligns with the environmental standards of the EU Common Agricultural Policy. In the case of imported soy, we work exclusively with suppliers that have publicly committed to eliminating deforestation and land conversion. According to supplier sustainability disclosures, more than 90% of our sourced volumes comply with post 2020 deforestation cut off dates, and suppliers report adherence to the Amazon Soy Moratorium as well as commitments aligned with the European Union Deforestation Regulation (EUDR). Our Supplier Code of Conduct includes a dedicated deforestation free requirement, obliging soy suppliers to provide annual traceability reporting, demonstrate compliance with EUDR criteria, and maintain clear commitments to deforestation and conversion free supply chains.

Morliny Foods enhances the capabilities of its procurement teams through targeted training programs. These programs focus on supplier engagement best practices, equipping team members with the skills necessary to foster collaborative relationships with suppliers. Additionally, the training emphasizes ESG risk identification in sourcing, enabling the procurement teams to effectively assess and manage these ESG risks within the supply chain. This training ensures

that our procurement efforts align with Morliny Foods’ commitment to sustainability and ethical business practices, supporting our overarching goals of resilience and responsible sourcing.

Morliny Foods prioritizes local sourcing to minimize transportation emissions and support regional economies. As of 2025, the Group’s procurement spend is concentrated within the EU, with 100% in Spain, 99% in Poland, and 100% in Slovakia, while ensuring that 100% of feed suppliers declare soy origin in their Sustainability reports. Local suppliers of slaughterhouses and processors are evaluated for compliance with BRCGS, IFS, ISO 22000 certifications, and additional animal welfare certifications in Spain. Vulnerable suppliers, particularly those with limited ESG capacity or heavily reliant on Morliny Foods for income, are engaged through longer-term contracts to ensure stability and growth. We recognize these suppliers as critical partners, despite not identifying any operating within regions of weak governance at present. Site visits and supplier self-assessments are essential to our verification process, especially for high-risk animal or meat suppliers and labor providers. These assessments ensure compliance and alignment with our standards. Packaging suppliers across the Group are required to maintain FSC (Forest Stewardship Council) certification and ensure full transparency regarding the origin of the fibre used.

Animal Welfare and Supplier Audits

Animal welfare is a cornerstone of Morliny Foods’ responsible sourcing program. Across Poland and Romania, the Group engages both integrated and external livestock suppliers through structured audit programs and welfare monitoring systems. Compliance is assessed against key EU requirements, including Directive 98/58/EC on the protection of animals kept for farming purposes, Directive 2007/43/EC on broiler welfare, the Council Directive of 19 July 1999 on minimum standards for the protection of laying hens, and Council Regulation (EC) No 1099/2009 on the protection of animals at the time of killing. The audit approach reflects the different operating models in each country. In Romania, operations are predominantly vertically integrated, with more than 90% of animals sourced from internal farms. In Poland, integration is closer to 50%, resulting in a larger share of external suppliers and, accordingly, a more extensive supplier audit program.

In 2024, the Group conducted over 1,475 audits of pig suppliers, representing approximately 80% coverage of the supplier base, and 220 audits of poultry farms, representing around 40% coverage; audit selection and frequency were determined by risk tiering. Audits evaluate a consistent set of welfare indicators, including handling and transport practices, cleanliness and facility hygiene, compliance with requirements for emergency slaughter, injury rates and incident reporting, and verification of veterinary and movement records. Meat and auxiliary suppliers are audited by the internal Food Safety Department under a scheduled location audit plan that is integrated with quality management and food safety procedures.

These audits are conducted on a biennial cycle and feed into internal compliance reviews and corrective action plans to drive continuous improvement.

Payment practices

G1-6

Morliny Foods applies standardised contractual payment terms tailored to each market in which it operates. In Spain, for the Argal Group, the payment terms are set at 30 days for raw materials and 60 days for all other types of suppliers. In Poland, Romania, Hungary, and Slovakia the standard payment term is 30 days across all supplier categories.

Description	UK	Spain	Poland	Romania	Slovakia	Hungary
Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated in the reporting period	79.49	24.39	36.16	24.4	23.1	0
Percentage of payments aligned with standard payment terms in the reporting period	36%	91%	86.80%	76%	59%	0
Total number of payments aligned with standard payment terms in the reporting period	20,916	99,972	95,434	12,975	2,868	0
Total number of payments	58,060	109,576	109,946	17,074	4,886	0
Total number of outstanding legal proceedings for late payments as of the end of the reporting period	0	83	2	0	0	10

The data shows variation in adherence to standard contractual payment terms across Morliny Foods’ operations in Spain, Romania, Poland, Slovakia, and Hungary. Spain has the longest average payment time at 79.49 days, with 36% of payments made within the standard terms. The extended timeline reflects specific product-related processes, including longer curing periods for Spanish cured hams. Spain reports no outstanding legal proceedings related to late payments. Romania records an average payment time of 24.39 days, with 91% of payments aligned with standard terms. At the same time, Romania has 83 outstanding legal proceedings, indicating the presence of disputes related to payment practices. Poland reports an average payment time of 36.16 days, with 86.8% of payments made within the agreed terms.

There are 2 outstanding legal cases concerning late payments. In Slovakia, the average payment time is 24.4 days, and 76% of payments fall within standard terms. Slovakia reports no legal proceedings related to late payments. Hungary has an average payment time of 23.1 days, with 59% of payments aligned with standard contractual terms and no outstanding legal proceedings reported. Overall, the data indicates differing payment practices across countries, influenced by local operational and commercial factors.

The Data for G1-6 Payment practices from UK was not available for financial year 2025, as more than 90% of UK supplies are Intra Group.

Digital Security

Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1

Morliny Foods maintains IT/IS control frameworks designed to safeguard IS business assets including operations, protection of data, to improve cybersecurity, cyber resilience and compliance with regulatory requirements. The frameworks, led by local IT leaders and CISOs, ensures accountability at both site and group levels, with a focus on protecting assets, sensitive data, meeting ESG compliance obligations, and supporting business continuity. Key components include comprehensive IT/IS policies on access control, data protection, and acceptable use, as well as structured risk management processes and annual security assessments. System protection measures, such as network segmentation, endpoint defense, and regular vulnerability testing, are reinforced by disaster recovery procedures.

Emphasis is placed on security measures, incident management aligned with EU NIS2 directives, including but not limited to employee awareness through mandatory training, phishing simulations, and onboarding integration.

The Group's approach combines clear policies, preventive and detective measures, regular audits, and ongoing employee awareness initiatives.

Recognizing that ineffective management of digital security poses significant risks, including the potential loss of sensitive group, customer, and employee IS assets such as data, the Group reassesses and updates its security protocols yearly and, on a demand bases. Ensuring the confidentiality, integrity, and availability of information systems and data, whether internal or received from customers and partners, is a top priority across all Morliny Foods operations.

For details regarding IROs, please refer to the table in section *ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities*, starting on page 20.

Policies related to cybersecurity

MDR – P

Morliny Foods has established a comprehensive set of digital security policies to ensure the confidentiality, integrity, and availability of information systems and data across all operations. These policies are designed to safeguard sensitive data and business-critical systems from unauthorized access, disclosure, alteration, or destruction, while also enabling business continuity and resilience. These policies are connected to the organization's impacts, risks, and opportunities, ensuring that security measures not only mitigate risks but also address potential impacts and leverage opportunities for resilience and compliance.

Information Security Policy

The Information Security Policy establishes the minimum-security standards required across the organization. It defines the governance structure, responsibilities, and controls needed to protect group assets and data from unauthorized access, loss, or misuse. It serves as the foundation for all other security-related policies and ensures consistent practices across all departments.

Access Control Policy

The Access Control Policy regulates how employees access digital systems and data. Access is granted based on job roles, ensuring that individuals only have access to the information necessary for their responsibilities. Authentication methods, such as multi-factor authentication, are used to verify user identities. Privileged accounts are subject to strict controls and monitoring to prevent unauthorized use or escalation of access rights.

Data Protection Policy

Aligned with the General Data Protection Regulation (GDPR), this policy governs how personal and sensitive data is handled. It includes guidelines for classifying data based on sensitivity, determining appropriate retention periods, and ensuring lawful and transparent data processing. The policy helps safeguard the rights of individuals and ensures compliance with legal and regulatory requirements.

Acceptable Use Policy

The Acceptable Use Policy outlines the acceptable use of the Group IT resources, including computers, networks, and communication tools. It defines what constitutes appropriate and inappropriate behaviour when using these assets, helping to prevent misuse, data breaches, and security incidents. Employees are expected to follow these guidelines to maintain a secure and productive digital environment.

Procedures are applied by entities within the Group to enhance the prevention, detection, and management of digital security risks, ensuring consistent protection of information assets and compliance with regulatory requirements across all operations.

In Romania, a comprehensive set of cybersecurity procedures have been established to address the specific cybersecurity and IT needs:

- **Information Owners Procedure:** Maintains a current and accurate record of who is responsible for each information system.
- **User Management Procedure:** Governs the creation, modification, deactivation, and deletion of user accounts to ensure secure access to company systems.
- **Privileged Users Management Procedure:** Manages the process for creating, modifying, or deleting user accounts with elevated privileges, ensuring strict control over privileged access.
- **Change Management Procedure:** Maintains the integrity and availability of information by controlling changes to IT and physical infrastructure.
- **Backup and Recovery Procedures:** Outlines the processes for safeguarding and restoring IT systems and data to ensure business continuity.
- **Physical Access Management Procedures:** Regulates access to technology infrastructure to protect physical assets and sensitive information.
- **Security and Audit Procedure:** Aims to protect the confidentiality and integrity of company assets through regular security checks and audits.
- **Incident Management Procedure:** Details the steps for effective response to security incidents, ensuring timely mitigation and recovery.

Data Protection and Privacy Policies and Procedures, aligned with GDPR, cover personal data processing, breach notification, employee monitoring, handling data subject requests, risk assessment, and maintaining records of processing activities. All these policies are reviewed annually and updated as necessary to reflect changes in technology, regulations, or the threat landscape.

In Spain, Morliny Foods supplements group-wide policies with robust locally governed procedures under the supervision of the Corporate IT and Security leadership. Annual security assessments, asset inventories, and structured vulnerability management cycles are conducted to identify and mitigate threats such as phishing, ransomware, and infrastructure vulnerabilities, with documented remediation tracking. System protection is reinforced through firewall segmentation, endpoint defense, regular patching, vulnerability testing, and disaster recovery planning. Incident management is closely aligned with EU NIS2 directives, ensuring that logging, escalation, and breach notification processes are in place. Spain has also reinforced its business continuity and disaster recovery capabilities, ensuring that critical IT assets and services are supported by tested recovery procedures aligned with group resilience standards.

In the UK, Morliny Foods has implemented a suite of procedures to support its digital security policies. These include an IT Business Continuity Plan, a Disaster Recovery Plan, comprehensive IT guides, and HR Data Protection and Privacy Policies aligned with GDPR. All policies are reviewed annually and updated to reflect changes in technology, regulations, or evolving cybersecurity threats. This ensures that the organization remains resilient and compliant, with clear guidance for responding to business interruptions and safeguarding personal data.

Poland operates under a detailed policy framework that includes the IT Systems Access Authentication Policy, which governs user verification; IT Principles, which guide technology usage; and policies for personal device usage (BYOD) and mobile device security.

The approach to cybersecurity is grounded in preventative procedures, such as annual mandatory security awareness training, a restrictive “block all, allow what is needed” firewall policy, and a complete prohibition on file-sharing services. Detailed procedures support these policies as follows:

- **Change Management Procedure:** Provides a standardized process for managing changes to IT systems to minimize disruption and security risks.
- **Process for Updating Supervisor Information:** A specific operational procedure for maintaining organizational data accuracy.
- **Process for Revoking IT System Permissions for Departing Employees:** A critical security procedure to ensure timely removal of access for former employees.
- **Cybersecurity Incident Response Procedure:** A step-by-step guide on how to act when a cybersecurity incident occurs, from detection to resolution.
- **IT Project Management Recommendations:** Guidelines and best practices for managing IT projects securely and efficiently.

Additional guidelines provide detailed instructions for software installation, inventory, maintenance, updates, and hardware servicing. There is a specific procedure for granting SAP system permissions to associates and consultants, ensuring secure access for non-employees. Change management in SAP systems during project development is also addressed through a specialized procedure. The effectiveness of these procedures is measured by the team’s ability to respond to and recover from significant incidents, ensuring business operations continue and data remains protected.

Slovakia has a comprehensive set of IT and cybersecurity procedures, largely aligned with NIS2 requirements. Key areas include governance, access management, incident response, business continuity, asset management, and supply chain security. Procedures are defined and in place to manage cyber risks associated with the use of third-party products, processes or services. Compliance with the cybersecurity strategy, security policies, and standards is reviewed annually, or more frequently if major changes take place. Clear rules are established for conducting audit and control activities in the area of cybersecurity, supporting a structured and proactive approach to maintaining a secure and compliant environment.

However, some controls such as regular vulnerability assessments, multi-factor authentication, training, and supply chain contracts are not yet fully implemented or compliant.

Actions and resources related to the prevention and detection of digital security risks

MDR – A

Morliny Foods is committed to strengthening digital security awareness and resilience across its operations. To accomplish this, the Group is adopting a multi-layered approach that encompasses several key initiatives. Regarding IT risk management, Morliny Foods conducts annual security risk assessments and maintains a detailed inventory of its IT assets. This process helps identify and mitigate cyber risks such as phishing, ransomware, and insider threats. Critical applications are regularly analysed to ensure they meet security and performance standards, and that vulnerabilities are addressed proactively. System protection is achieved through a combination of technical controls and continuous monitoring. Firewalls and network segmentation are used to isolate sensitive systems and reduce exposure to external threats. Endpoint protection and patch management ensure that devices are secure and updated. Regular vulnerability scanning and penetration testing are conducted to identify and remediate security gaps. These efforts are supported by robust data backup and disaster recovery procedures, which ensure business continuity in the event of a system failure or cyber incident. Incident management is a key component of Morliny Foods’ digital security strategy. The Group has implemented an Incident Response Plan (IRP) aligned with the new EU Cyber Law (NIS2) Directive, which outlines procedures for containment, investigation, and recovery. Security incidents are logged and escalated through a structured process, and notification protocols are in place to ensure timely communication in the event of a data breach. Morliny Foods continuously adapts its security systems to meet evolving business needs and industry standards. This includes aligning with recognized frameworks, integrating automated tools for vulnerability detection, and maintaining a culture of awareness and accountability across the organization.

Romania employs a comprehensive set of measures to prevent and detect digital security risks. The network is safeguarded by NextGen firewalls, routers, access segregation, and network access control solutions, with adhoc penetration tests conducted to identify vulnerabilities.

Multi-factor authentication is mandatory for O365 accounts, and users receive adhoc IT security training and phishing simulations through the KnowBe4 platform. Teleworking is secured by two-factor authentication for all remote access, and mobile devices are managed through a dedicated solution enforcing compliance with security guidelines. Access management follows structured workflows, with administrative access strictly limited and approved, and automated monitoring and reporting are in place for unsuccessful logins, administrative actions, VPN activity, and firewall logs. Internal and external audits assess IT controls, including GDPR compliance. In 2026, Romania intends to further develop its Disaster Recovery plan, expand IT and Information Security policies and procedures, and implement an internal vulnerability management programme focusing on critical and high-risk vulnerabilities. A key strategic priority in 2026 is adapting to the EU NIS2 directive by reinforcing policies and procedures to ensure full compliance.

During the reporting year, Spain’s strategic focus was on adapting to the EU NIS2 directive by reinforcing policies and procedures to ensure full compliance. Disaster recovery plans were implemented and regularly tested to strengthen operational resilience. Employee security awareness remained a priority, with mandatory annual training and phishing simulations conducted. Spain also placed emphasis on increased automation to improve SLAs and strengthened data management systems to support faster, more reliable decision making.

In the UK, operational resilience is ensured through mandatory induction and IT security awareness training for all new employees. Compliance with cybersecurity rules and policies is required as part of employment terms. Internal IT controls ensure user and privileged access is granted only after proper approval, with permissions strictly limited. Accounts are terminated within one business day upon employee departure. Server rooms are protected by access controls, smoke detection, fire suppression systems, UPS units, and backup generators.

To ensure the security, integrity, and availability of IT systems and data, Poland has implemented a multi-layered control framework. Access management follows the principle of least privilege, with all requests managed through a structured workflow and quarterly recertification of user permissions.

System logs and anomalies are continuously monitored. A centralized Cyber Security Incident Reporting Tracker (CSIRT) supports incident reporting and management. Controls related to system changes, access, and IT operations are regularly tested and reviewed through internal and external audits, including preparatory NIS2 audits and biennial third-party security assessments. A comprehensive Disaster Recovery Plan is regularly tested and has proven effective in real world scenarios, as demonstrated during a critical Hitachi storage array failure, when systems successfully ran from the Disaster Recovery Center. Poland plans (in 2026–2028) to separate its IT network from the operational technology (OT) network, beginning in 2026 and expected to conclude in 2028. Additional initiatives include updating IT policies, enforcing completion of IT security training, and strengthening vulnerability management with a focus on high and critical vulnerabilities.

The actions described under MDR-A directly mitigate the risk of data breaches and cyberattacks identified in the IROs analysis, reducing potential negative impacts on business continuity and regulatory compliance while strengthening overall resilience.

Digital Security Targets

MDR-T

As part of Morliny Foods’ ESG strategy, the Group has defined measurable timebound targets in line with the ESRS to improve Digital Security, while addressing material impacts, risks, and opportunities.

Morliny Foods’ short-term targets include:

- Zero incidents related to GDPR compliance - annually
- Achieve completion of cybersecurity training for 90% employees on a yearly basis

Morliny Foods’ medium-term target (2030) include:

- Zero major cybersecurity incidents - annually

Confirmed incidents of cybersecurity

At Group level, Morliny Foods reported zero incidents related to digital security during the reporting year. However, during the reporting period, Spain experienced three security alerts related to zero-day vulnerabilities in VMware and firewall systems. These incidents were addressed swiftly by following vendor recommendations, ensuring that daily operations were not impacted.

Annex 1 IRO-2 – ESRS disclosure requirements in ESRS covered by the undertaking’s sustainability statement

The presentation requirements for this report are included in the table below.

Standard	No	Designation of the DRs	Page	Additional information
ESRS 2 General information				
ESRS 2	BP-1	General basis for preparation of the sustainability statements	9	-
	BP-2	Disclosures in relation to specific circumstances	9-11	-
	GOV-1	Role of the administrative, management and supervisory bodies	11-12	-
	GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	12	-
	GOV-3	Integration of sustainability-related performance in incentive schemes	12	-
	GOV-4	Statement on sustainability due diligence	12-13	-
	GOV-5	Risk management and internal controls over sustainability reporting	13	-
	SBM-1	Strategy, business model and value chain	13-15	-
	SBM-2	Interests and views of stakeholders	15	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	16	-
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	16-33	-
	IRO-2	Disclosure Requirements in ESRS covered by the undertaking’s sustainability statements	117 (Annex 1)	-
	MDR-P	Policies adopted to manage material sustainability matters	33	-
	MDR-A	Actions and resources in relation to material sustainability matters	33	-
	MDR-M	Metrics in relation to material sustainability matters	33	-
MDR-T	Tracking effectiveness of policies and actions through targets	33	-	
ESRS E1 Climate Change				
ESRS E1	GOV-3	Integration of sustainability-related performance in incentive schemes	34	-
	EI-1	Transition plan for climate change mitigation	34-35	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	35	-
	IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	35	-
	EI-2	Policies related to climate change mitigation and adaptation	35-36	-
	EI-3	Actions and resources in relation to climate change policies	36-38	-
	EI-4	Targets related to climate change mitigation and adaptation	38	-
	EI-5	Energy consumption and energy mix	38-41	-

Standard	No	Designation of the DRs	Page	Additional information
	EI-6	Gross Scopes 1, 2, 3 and Total GHG emissions	41-49	-
	EI-7	GHG removals and GHG mitigation projects financed through carbon credits	-	Carbon credits are not enabled
	EI-8	Internal carbon pricing	-	No internal carbon pricing applied
	EI-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	-	Not reported with a transition period
ESRS E2 Pollution				Not material
ESRS E3 Water and Marine Resources				
ESRS E3	IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	50	-
	E3-1	Policies related to water and marine resources	50-51	-
	E3-2	Actions and resources related to water and marine resources	51-53	-
	E3-3	Metrics Targets related to water and marine resources	53	-
	E3-4	Water consumption	54-55	-
	E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	-	Not reported with a transition period
ESRS E4 Biodiversity and Ecosystems				
ESRS E4	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	56	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	56	-
	IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	56	-
	E4-2	Metrics Policies related to biodiversity and ecosystems	57	-
	E4-3	Actions and resources related to biodiversity and ecosystems	57-58	-
	E4-4	Targets related to biodiversity and ecosystems	58	-
	E4-5	Impact metrics related to biodiversity and ecosystems change	58	-
	E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	-	Not reported with a transition period
ESRS E5 Resource Use and Circular Economy				
ESRS E5	IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	59	-
	E5-1	Policies related to resource use and circular economy	59	-
	E5-2	Actions and resources related to resource use and circular economy	60-62	-

Standard	No	Designation of the DRs	Page	Additional information
	E5-3	Targets related to resource use and circular economy	62	-
	E5-4	Resource inflows	62-63	-
	E5-5	Resource outflows	63	-
	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	-	Not reported with a transition period
ESRS S1 Own Workforce				
ESRS S1	SBM-2	Interests and views of stakeholders	81	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	81-82	-
	SI-1	Policies related to own workforce	82-83	-
	SI-2	Processes for engaging with own workers and workers’ representatives about impacts	83-84	-
	SI-3	Processes to remediate negative impacts and channels for own workers to raise concerns	84	-
	SI-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	84-85	-
	SI-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	85	-
	SI-6	Characteristics of the undertaking’s employees	85-87	-
	SI-7	Characteristics of non-employee workers in the undertaking’s own workforce	87	-
	SI-8	Collective bargaining coverage and social dialogue	87-88	-
	SI-9	Diversity metrics	88-89	-
	SI-10	Adequate wages	89	-
	SI-11	Social protection	89	-
	SI-12	Persons with disabilities	89	-
	SI-13	Training and skills development metrics	90-91	-
	SI-14	Health and safety metrics	91-93	-
	SI-15	Work-life balance metrics	94	-
SI-16	Compensation metrics (pay gap and total compensation)	94	-	
SI-17	Incidents, complaints and severe human rights impacts	94-95	-	

Standard	No	Designation of the DRs	Page	Additional information
ESRS S2 Workers in the Value Chain				
ESRS S2	SBM-2	Interests and views of stakeholders	96	-
	SBM-3	Material impacts, risks and opportunities and their interaction of with strategy and business model	96-97	-
	S2-1	Policies related to value chain workers	97-98	-
	S2-2	Processes for engaging with value chain workers about impacts	98	-
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	98-99	-
	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	99	-
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	99	-
ESRS S3 Affected Communities				
ESRS S3	SBM-2	Interests and views of stakeholders	100	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	100-101	-
	S3-1	Policies related to affected communities	101	-
	S3-2	Processes for engaging with affected communities about impacts	101-102	-
	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	102	-
	S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	102-103	-
	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunitie	103	-
ESRS S4 Consumers and End-users				
ESRS S4	SBM-2	Interests and views of stakeholders	104	-
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	104	-
	S4-1	Policies related to consumers and end-users	105	-
	S4-2	Processes for engaging with consumers and end-users about impacts	106	-
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	106	-
	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	107	-
	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	108	-

Standard	No	Designation of the DRs	Page	Additional information
ESRS G1 Business Conduct				
ESRS G1	GOV-1	The role of the administrative, supervisory and management bodies	109	-
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	110	-
	G1-1	Corporate culture and business conduct policies and corporate culture	110	-
	G1-2	Management of relationships with suppliers	113-115	-
	G1-3	Prevention and detection of corruption and bribery	113	-
	G1-4	Confirmed incidents of corruption or bribery	113	-
	G1-5	Political influence and lobbying activities	-	Morliny Foods has no political interests
	G1-6	Payment practices	115	-
Additional topic – Digital Security and Digital				
Additional topic	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	116	-
	MDR – P	Policies related to cybersecurity and Digital & Technology Innovation	116	-
	MDR – A	Actions and resources related to the prevention and detection of Digital Security and Digital & Technology Innovation risks	117	-
	MDR – T	Digital Security and Digital & Technology Innovation Targets	117	-
	-	Confirmed incidents of cybersecurity	117	-

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

align with ESRS requirements, data points arising from other EU legislation related to this report are included in the table below:

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
	Not applicable	Not applicable			
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ⁵ , Annex II		ESRS 2 General information
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2 General information
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				ESRS 2 General information
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ⁶ , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable

¹ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

² Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

⁴ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

⁵ Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

⁶ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS EI-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	No climate transition plan
ESRS EI-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Not applicable
ESRS EI-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		ESRS EI-4 Targets related to climate change mitigation and adaptation
ESRS EI-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				ESRS EI-5 Energy consumption and mix
ESRS EI-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				ESRS EI-5 Energy consumption and mix
ESRS EI-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				ESRS EI-5 Energy consumption and mix

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS EI-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		ESRS EI-6 Gross Scopes 1, 2, 3 and Total GHG emissions
ESRS EI-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		ESRS EI-6 Gross Scopes 1, 2, 3 and Total GHG emissions
ESRS EI-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not applicable
ESRS EI-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS EI-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS EI-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			Not applicable
ESRS EI-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not applicable
ESRS EI-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not applicable

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				ESRS E2-4 Pollution of air, water and soil
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				ESRS E3-1 Policies related to water and marine resources
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				ESRS E3-1 Policies related to water and marine resources
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				ESRS E3-1 Policies related to water and marine resources
ESRS E3-4 Total water recycled and reused paragraph 28 c	Indicator number 6.2 Table #2 of Annex 1				ESRS E3-4 – Water consumption
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				ESRS E3-4 – Water consumption
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not applicable
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not applicable
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not applicable
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not applicable
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not applicable

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				ESRS E4-2 – Policies related to biodiversity and ecosystems
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				ESRS E5-5 – Resource outflows
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				ESRS E5-5 – Resource outflows
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not applicable
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not applicable
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Not applicable
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-1 – Policies related to own workforce
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Not applicable
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				ESRS S1-1 – Policies related to own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				ESRS S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		ESRS E1-14 – Health and safety metrics
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				ESRS S1-16 – Compensation metrics (pay gap and total compensation)
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		ESRS S1-16 – Compensation metrics (pay gap and total compensation)
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not applicable
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				ESRS S1-17 – Incidents, complaints and severe human rights impacts
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		ESRS S1-17 – Incidents, complaints and severe human rights impacts
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and 13 Table #3 of Annex I				ESRS S2
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				ESRS S2-1 – Policies related to value chain workers
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and 4 Table #3 of Annex I				ESRS S2-1 – Policies related to value chain workers

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		ESRS S2-1 – Policies related to value chain workers
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		ESRS S2-1 – Policies related to value chain workers
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				ESRS S3-1 – Policies related to affected communities
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		ESRS S3-1 – Policies related to affected communities
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				ESRS S4-1 – Policies related to consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not applicable
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not applicable

Disclosure Requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark Regulation ³ reference	EU Climate Law ⁴ reference	Location in the Sustainability Statement
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				ESRS G1-1– Corporate culture and Business conduct policies and corporate culture
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		ESRS G1-4 – Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				ESRS G1-4 – Confirmed incidents of corruption or bribery

Annex 2 abbreviation table

See the abbreviation table below:

Abbreviation	Full term
AI	Artificial Intelligence
AML	Anti Money Laundering
AMR	Antimicrobial Resistance
AR6	Sixth Assessment Report of the IPCC
ASF	African Swine Fever
BAT	Best Available Techniques
BESS	Battery Energy Storage System
BRCGS	Brand Reputation through Compliance Global Standards
CAP	Common Agricultural Policy
CAPEX	Capital Expenditure
CE	Circular Economy
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHP	Combined Heat and Power
CO ₂	Carbon Dioxide
CO ₂ e	Carbon Dioxide Equivalent
CP	Crude Protein
CSO	Chief Sustainability Officer
CSRD	Corporate Sustainability Reporting Directive
DMA	Double Materiality Assessment
DNSH	Do No Significant Harm
ESG	Environmental, Social and Governance
ERM	Enterprise Risk Management
ETS	Emissions Trading System

Abbreviation	Full term
EUDR	EU Deforestation Regulation
EU	European Union
FLAG	Forest, Land and Agriculture
FCR	Feed Conversion Ratio
FMCG	Fast Moving Consumer Goods
FSC	Forest Stewardship Council
GAEC	Good Agricultural and Environmental Conditions
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GMP+	Good Manufacturing Practice Plus
GWP	Global Warming Potential
HACCP	Hazard Analysis and Critical Control Points
H&S	Health and Safety
HR	Human Resources
IED	Industrial Emissions Directive
IFS	International Featured Standards
IPCC	Intergovernmental Panel on Climate Change
IPPC	Integrated Pollution Prevention and Control
ISO	International Organization for Standardization
KPI	Key Performance Indicator
LPG	Liquefied Petroleum Gas
MBO	Management by Objectives

Abbreviation	Full term
MBM	Meat and Bone Meal
NDA	Non Disclosure Agreement
NGO	Non Governmental Organization
OECD	Organisation for Economic Co operation and Development
OPEX	Operating Expenditure
PET	Polyethylene Terephthalate
PPP	Public Private Partnership
PV	Photovoltaic
R&D	Research and Development
RETRAY	Packaging recyclability certification scheme
SBT	Science-Based Target
SOP	Standard Operating Procedure
SRL	Societate cu Răspundere Limitată
SSP	Shared Socio-economic Pathway
tCO ₂ e	Tonnes of Carbon Dioxide Equivalent
TCFD	Task Force on Climate-related Financial Disclosures
UN	United Nations
USD	United States Dollar
UK	United Kingdom
WACC	Weighted Average Cost of Capital
WHO	World Health Organization
WWTP	Wastewater Treatment Plant