



With you more than ever

Corporate Report 2022



with you

Contents

With you more than ever

- Welcome**
- 2022 at a glance**
 A review of the year
 Our data
- 1
More EROSKI
 Mission, Vision and Values
 Corporate governance
- 2
Closer to home - A multi-format business model
 A dynamic retail network
 Diversity of brands and businesses
 We generate value through our brands
 More digital
 Competitive and efficient
- 3
More committed
 To health
 To environmental sustainability
 To the local environment
 To society
- 4
More team - Committed to quality employment
 A great human team
 Training to be better
 With equality and diversity at the forefront
 Work-life balance
- 5
More transparent - Financial information

Welcome

Letter from Rosa Carabel

It is increasingly more common for us to start our annual analysis by discussing uncertainty. Of course, there is no shortage of reasons to do so. The health crisis which led to an economic and social crisis and now, war in Europe, as well as the human tragedy that implies, have seen significant increases in the costs of energy and raw materials. All of that, combined with other factors, has seen economies grow slower than initial forecasts and has seen inflation reach levels not seen in decades. If we put the focus on the costs of food, we will be in agreement on the fact that we cannot remember a situation such as that we are managing at present. Despite this, I want to refrain from using this hackneyed phrase to focus on what has affected our management throughout the year and to use perhaps more appropriate terms to describe the way in which we have tackled such a complex situation as this: with responsibility and commitment.

All the actions we have carried out this year have been geared towards helping, facilitating, mitigating and alleviating. These are terms that could be used indistinctly as synonyms for our sense of responsibility and our unbroken commitment to the consumer. This is evident in all the decisions that each and every one of us who make up this project have applied over the course of the year. In today's environment, when companies in our sector are being unfairly questioned, here at EROSKI we want to make it clear that we have always been, remain and will remain on the side of the consumer. Unfortunately, despite our best efforts, we do not have the capacity to absorb in full the cost overruns we face. Let there be no doubt that we have made all efforts to implement all the measures possible to reduce the impact.

Thanks to our firm conviction, we have managed to pass on savings to consumers through our particularly intense promotional activity and a fine-tuned monitoring, follow-up and adjustment of prices or our own lines. To be able to do that, we have taken key decisions. Firstly, we reduced our margins so as

not to pass on the totality of cost increases to our customers and, as a result, we have fostered greater efficiency in all internal processes, from logistics and management of stores, to our platforms and head offices. We have all assumed the responsibility to identify savings opportunities to build an efficient and sustainable plan.

These two decisions have resulted in an increase in the shopping basket that is below the national average.

Our partnerships

In September 2002 we celebrated the first anniversary of our partnership with EP Corporate Group in Catalonia and the Balearic Islands. We are really satisfied with the results obtained that respond fully to the business objectives we had set for ourselves for both perimeters.

One of those main objectives was the re-branding and commitment to Catalonia through the relaunch of the Caprabo brand under the slogan *Benviguda la vida* (Welcome Life). This campaign was the public face of a strategic plan for the expansion of the company, one that will continue over the coming years. We also sought to strengthen and consolidate our commitment to the Balearic Islands, where we are one of the established leaders, among other reasons because we have managed, better than anyone else, to combine a range of local products at very competitive prices. Another of our strategic alliances is the one that unites us with the González Iglesias Family in Vegalsa-EROSKI, with whom we will celebrate 25 years in 2023.



Our difference

The promotion of local products, sustainability and healthy eating remain a constant, despite the complexity we are generating. We firmly believe that these are reasons that set the difference. In 2022, we have strengthened our commitment to these values through the creation of the first marketplace of a distribution company in Spain for local producers, EROSKI Azoka, a space where our customers and small producers can meet. We have also renewed our agreement with the Basque Government for the development of the agri-food sector and with the transformation in Aragón to remain a key factor in the region.

Our commitment to the producer extends to tools like the mentoring programme through which we help ensure small producers design their roadmap to making their processes sustainable and their products better quality, for the benefit of all parties, especially the consumers.

On the other hand, we continue to place the focus on the food for children through our training programme on healthy eating habits which once again reached hundreds of schools and thousands of pupils.

Once again this year, EROSKI's social contribution, together with the different contributions of customers to the different causes proposed over these twelve months, have proven fundamental to understanding the impact of our organisation. 23 million euros were invested in solidarity and social action; supporting families and groups with special needs; consumer information and training and local culture, entertainment and the environment. We must not forget the global view of the contribution to the achievement of the Sustainable Development Goals by virtue of EROSKI's sign-up to the Global Compact.

Our difficult decisions

2022 will remain in our memory as the year we reached an agreement with Grupo Iberostar for the transfer of 100% of the Viajes EROSKI business. This

was a difficult decision but a responsible one with the aim of guaranteeing the future of the business and therefore the employment future of its people. We are deeply proud of what Viajes EROSKI has meant to the company. It was founded more than four decades ago with the ambition of offering a quality service at a time that was a boiling point for tourism as an industry. Now, this project will have its continuity in one of the leading sectors in the company. We would like to thank all the people who have been part of our history.

People

Without a doubt, our main asset is the people who make up this project and this year I would like to highlight the capacity to adapt and the flexibility our people have shown over the course of a difficult year that has required extraordinary effort from each and every one of the areas of the organization, platforms and our stores. It is necessary to appreciate and recognise the professionalism and mastery with which we have all managed a situation of constant change.

Personally, it has been a special year for me. This is the first time I have had the honour of writing this letter as the leader of a business project that I am immensely proud of, one that is cooperative in its roots and soul and one that makes us do things the way we do. We want to transmit our values to society: equality, sustainability, solidarity and equitable distribution of wealth. We believe they are values we should aspire to as a society. We have a clear proposition to contribute to the sustainable development of society and its transformation. We are committed to being a trusted name for consumers and we want to evolve with them, offering responses and contributing solutions to their needs at each stage of their lives. This year, in 2023, we will remain on the side of consumers. With you more than ever.

Rosa Carabel
CEO of EROSKI

Letter from Leire Mugerza

If I were forced to offer a headline for these short lines, *thanks* would most likely be the word that best surmises what is to follow. Thanks to the teams of people who make up EROSKI for their effort, for their dedication and for their passion.

The contribution of people, like I say, has been essential to understanding the way in which our organisation has responded to a period clearly marked by high inflation of food products. Simplistic and populist messages only prevents public opinion from being able to distinguish between different business activities, because there is no distinction between sectors and no discrimination between some companies and others. These words serve to assert the fact that one model is different from another. At times, we tend to lose sight of the fact that EROSKI is an association of consumers, a cooperative of consumers, and this is a clear differentiating factor in the sector. Because everything that is generated is distributed among the owners, who are the consumer members and working members. We make decisions and approach the business management taking into account the perspective of both groups, because both are part of the decision-making process. It is the reality that looking for a balanced distribution of wealth generated by a distribution company is a differential factor in how we make decisions and how we apply them and this is proven by our actions as well as our words. This is who we are and this serves as a roadmap to understanding why we behave the way we do.

Because the consumer is our starting point, over this period, we have made great efforts not to pass on cost increases to the public in full, reducing the profit margin of the company, which ultimately belongs to its 9,500 employee members and the company in which its profits are reinvested.

Transparency of information

One of the ways we show our commitment to consumers and to society, is with the 10 commitments to health and sustainability, which frame many of the actions defined jointly with thousands of consumers, explicitly stated and shared between everyone. Transparency with consumers, our partners, is one of them.

The same transparency that we apply in the transfer of previous messages, exists when we offer our range of products in stores. The demand for information from consumers in the configuration of the shopping basket is one of the most distinctive features in these new times. Confidence in tangible elements like product or intangibles like brands has gained importance for the consumer when it comes to defining their shopping habits. This is an essential factor for EROSKI. Proof of this can be seen in the two new labelling systems we have introduced in 2022. The first, a pioneering system in

domestic food distributions, shows us simply and visually the overall impact of a certain product on the environment. An initiative that will be enriched by the opinions of the thousands of consumers EROSKI has asked.

The second label relates to the organisation's commitment to more ethical and sustainable food with animal welfare at its core: an internal classification system that helps identify the characteristics of the raising of chicken and facilitates access to information and fosters the necessary critical spirit that helps us progress as a society.

Social commitment

If 2022 has stood out for anything it is having witnessed the outbreak of a bloody war that has affected the heart of Europe and thousands of people, including entire families and children. There is no relief possible for those who have lost everything, but here at EROSKI we wanted to contribute to the work being done on the ground by organisations like UNICEF to rescue those effected. Once again, customers put their hands in their pocket to contribute over 560,000 euros to the emergency humanitarian campaign. This is not the first time and, unfortunately, it will not be the last, but we will always act because solidarity is not a once off action but is part of who we are.

Cooperativism. Not the destination but the path

Allow me to dedicate the final lines of this letter to the business model that has undoubtedly placed EROSKI in the position it now holds. A fair and democratic model that promotes equality and diversity; that generates and distributes wealth on an equitable basis. A model in which we firmly believe. Our model. Being a cooperative boosts the values we want to commit to society. Everything we do, from our commercial offering to our 10 Commitments to Health and Sustainability, we do because we are a cooperative. Alliances that make us stronger. We come together to multiply our contribution to society, to the owners of this project, who are our consumer and employee partners. Because we want to continue to make progress so that our cooperative project, with its values of solidarity and cooperation, is the best place for our consumer and employee partners, which is what we do and how we do it. Together we are stronger. EROSKI with you.

Leire Mugerza Garate
Consumer Partner and
Chairwoman of the Governing Council of EROSKI

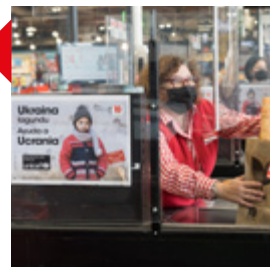


2022 at a glance

A review of the year

February

We raised more than 560,000 euros in the emergency humanitarian aid campaign for people affected by the war in Ukraine, channelled through UNICEF.



March

We developed a new tool for agri-food producers to assess their practices according to ESG criteria.



August

We are launching EROSKI Azoka, the first marketplace aimed at offering small producers in the Basque Country the possibility of selling their products online.



September

We won three awards at the Commerce of the Year Awards 2022-2023 in the categories of 'online commerce', 'local supermarkets' and 'franchises', and the 'Customer Service of the Year' awards for EROSKI Online and EROSKI Club, organised by Sotto Tempo Advertising.



April

We join the European Chicken Commitment (ECC) for own brand products. An agreement that boosts the improvement of animal welfare standards.



May

Together with the Basque Government's Department of Economic Development, Sustainability and Environment, we signed a collaboration agreement to strengthen and develop the local agri-food industry in the three Basque territories.



At Caprabo we designed the communication campaign 'Benvinguda la vida' (Welcome to life) to cover the region of Catalonia. Starring young women, the campaign focuses on innovation, without abandoning the brand's traditional values.



October

We became the first distribution company in Spain to implement new environmental labelling on a dozen own-brand products, in order to provide consumers with useful information to make more responsible purchasing decisions.



December

We are launching our Christmas campaign focused on making it easier for customers to save money. To this end, we are maintaining last year's Christmas prices on a dozen basic products for this period.



November

We now have 600 franchised shops, half of which have been launched in the last five years.

June

In Pamplona (Navarra) we put our first 100% electric delivery truck on the road, thus investigating the viability of the different sustainable mobility options.



July

Rosa Carabel takes over from Agustín Markaide and becomes the CEO, the first female director, of EROSKI.



January 2023

We opened a new Vegalsa-EROSKI hypermarket in the Nasas-Nigrán shopping centre, with an investment of more than 4 million euros.



Our data

 **€5,476 M**
billing

 **1,656**
establishments

 **3,663**
estimated franchise employees

 **468,615** people served through the Customer Service Department

 **+6,400,000**
Customer Members

78 openings and 
1 new marketplace online:


 Nutri-Score **100%** implemented in own brand products

 We have avoided more than
68,000 meals going to waste

 **97%** of waste destined for recycling or recovery

 **32,734** people have used the EROSKI Club nutritional information service

 **3,468** national commercial suppliers (95%)

+ 21,000 local products, 
of which
1,529 have been new registrations

 More than **2,300** gluten-free products **963** audits of points of sale and platforms

 **2,065** agri-food producers (59.5%)

 **27,308** employees

 **77%** women in the workforce

 **74%** senior positions held by women



Awards

Euskadi Consumer
Euskadi Trade of the Year



Trade of the Year 2022-2023



'Customer service of the year', by Sotto Tempo Consulting for EROSKI Online and EROSKI Club, Capraboacasa and Club Caprabo.

Green Pact of the Vitoria-Gasteiz City Council

Recognition of Rosa Carabel's professional career AED Bizkaia

ARDÁN Award for Business Excellence. Vegalsa-EROSKI



More EROSKI

At EROSKI, use our foundations of responsibility and honesty when it comes to responding to the concerns and expectations of our stakeholders.

We are committed to responsibility, because we are aware of the impact of our business and seek

sustainability in our actions. We are committed because we strive to create value and improve the quality of life of our stakeholders. And we are defined by honesty, because we believe that transparency builds trust, credibility and solidity.

Mission

We are a cooperative retail products and services distribution group. We look to differentiate ourselves through:

- Involving customers, listening to them and meeting their demands.
- The high degree of commitment and involvement of our people.
- Friendly, healthy supermarkets updated through permanent innovation.
- Turning a profit that will allow us to generate more wealth and distribute it on the basis of the principles of solidarity.
- Integration into our strategy of a firm commitment to consumer health and well-being and the sustainable development of society.

Vision

To be the preferred supermarket of consumers.

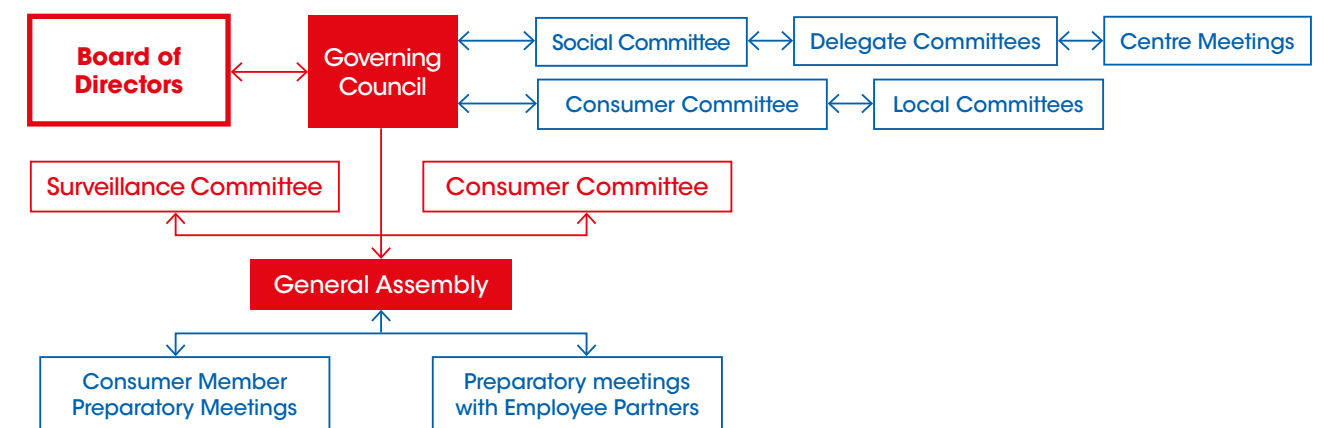
Values

- **Cooperation:** owners and protagonists.
- **Participation:** commitment of management.
- **Innovation:** constant renewal.
- **Social and environmental responsibility:** distribution of wealth on the basis of the principles of solidarity and involvement in the local community.
- **Commitment:** committed to consumer partners and consumers.

Corporate governance

Our governance model has a well-defined and separate decision-making structure, ensuring effective and coordinated management between all parties. The executive Board of Directors proposes and designs the organisation's policies and strategy. The Governing Board is responsible for monitoring management and approving the policies proposed by the executive.

Governance of EROSKI, S. Coop.



Strategic alliances



Vegalsa-EROSKI is the partnership created in 1998 between Grupo EROSKI and Familia González Iglesias, a leader in food distribution in Galicia. It is currently also active in the neighbouring regions of Asturias and Castilla y León. Vegalsa-EROSKI has implemented the good governance model of Grupo EROSKI, which it combines with its own responsibilities and competencies, consensually agreed with the Group and developed through its own management and governance bodies.

SUPRATUC2020 S.L.

Supratuc2020 is the alliance created in 2021 between the EROSKI Group and EP Corporate Group whose scope of action is Catalonia and the Balearic Islands. Supratuc2020 implements the EROSKI Group's model of good governance, which is combined with its own responsibilities and competencies agreed with the Group and developed through its own management bodies, co-owned by both partners.

2

Clloser to you A multi-format business model

A dynamic retail network

We are characterised by our multi-format company model, designed to respond to the different needs of our customers. In this regard, our range includes a broad spectrum of brands from food, our main business, to petrol stations, sporting goods stores, opticians and insurance.

In order to offer a guaranteed service, we have a diversified and efficient sales network, made up of:

1,656 physical establishments
1,399 for food 247 diversified businesses

1,180,000 m²
of retail space

10 online stores for food, sporting equipment, and insurance businesses

Our intention to grow in the north of Spain is firm. So, in 2022 we have opened:

78 new shops 11 own
67 franchises

The new online marketplace:



The expansion of the Caprabo commercial network stands out, which has incorporated 18 new stores thanks to an investment in excess of 6.1 million euros.



We opened a shop in Sant Joan Despí (Barcelona).

VEGALSA-EROSKI opened a new hypermarket in Pontevedra, in the Nasas Nigrán shopping center.



We opened a supermarket in Amorebieta (Bizkaia) which has a sales area of more than 1,280 m² and follows the parameters established by our new energy model.

We opened a new inclusive supermarket in Sorraluze (Gipuzkoa) in partnership with GUREAK.



"Business advice and ongoing support throughout the year is what they value most and what sets us apart from the rest. As a worker-consumer cooperative, we understand the concerns of entrepreneurs and their needs."



Alberto Cañas, Franchise Director

We have reached 600 franchised shops, of which 294 have been opened in the last five years.



Distribution of physical stores per Autonomous Community



Diversity of brands and businesses

| Business in 2022 | Own | Franchises | Total |
|--------------------------------|--------------|------------|--------------|
| Hypermarkets | 36 | 0 | 36 |
| Supermarkets | 743 | 603 | 1,346 |
| Cash&Carry | 17 | 0 | 17 |
| Petrol stations | 40 | 0 | 40 |
| Opticians | 11 | 0 | 11 |
| Travel agents ¹ | 104 | 25 | 129 |
| Leisure and sport ² | 66 | 1 | 67 |
| Online stores | 10 | 0 | 10 |
| Total | 1,027 | 629 | 1,656 |



1. The Viajes EROSKI business was transferred in March 2023.
2. Including the brands FORUM SPORT and Doovers.

We generate value through our brands

We work to offer the best products in terms of quality and value for money because we want to satisfy our customers' expectations and surprise them with the variety of our range.

In 2022 we added a total of 320 new own-brand products, 22% more than in 2021. We have also launched our EROSKI VEGGIE brand, with 17 new items.



| | Products | Description |
|--------------|--------------|--|
| | 2,492 | Wide range of products offering everything you need with the best value guaranteed. |
| | 210 | The best of the best. Products tested by the Basque Culinary Center. |
| | 456 | Fresh products and from responsible producers with all the flavour, full traceability and controlled quality and the best sources at their best. |
| | 105 | New brand launched in 2020 for products with organic certification guaranteeing they have been produced in the best environmental protection conditions. |
| | 17 | New brand launched in 2022 for products with the V-Label that ensures they are suitable for vegans. |
| | 366 | Cosmetic products, hygiene and personal care free from parabens and triclosan, dermatologically tested and at the best price. |
| | 223 | Ordinary consumption product for all days, with all EROSKI life guarantees at the lowest price. |
| | 1,082 | Own-design clothing and footwear and the best value for money. |
| | 66 | Own-design clothing and footwear and the best value for money. |
| | 26 | Electronic devices and electrical appliances with different functional levels and the best value for money. |
| Total | 5,043 | |



EROSKI/City shop Calixto Díez (Bilbao)

| Supermarket Brands in 2022 | Own | Franchises | Total |
|----------------------------|------------|------------|--------------|
| | 310 | 301 | 611 |
| | 192 | 107 | 299 |
| | 164 | 3 | 167 |
| | 0 | 103 | 103 |
| | 76 | 0 | 76 |
| | 0 | 43 | 43 |
| | 1 | 46 | 47 |
| Total | 743 | 603 | 1,346 |

More digital

In 2022, we maintained our commitment to the omni-channel strategy ensure our customers have a unique and differential experience in any of the shopping channels available.

Digital ecosystem



10 online stores:

Online supermarket, Electronics, Household appliances, Leisure, Insurance.



EROSKI App



1.8 million downloads

142% increase in users/month



Caprabo App



FORUM SPORT App



We also offer different channels to expand the offering and possibilities adapted the uses and needs of customers, such as:



15 Click&Drive points



44 Click&Collect points



5 smart lockers

"We have expanded our non-food product range to 3,500 products and have extended our network of Click & Drive, Click & Collect and lockers, where customers can pick up their orders free of charge within a few hours"

Mari Mar Escrig
Director of e-commerce



In 2022, we received the award 'WebShop of the year' in the online supermarket category at the Premios Comercio del Año 2022-2023.



Competitive and efficient

We are constantly seeking to increase the efficiency of processes at our sites, points of sale and logistics in order to pass on greater savings to our customers. The tools to achieve this include innovation and improved technology.

We continue moving forward



Transport

- We optimise distribution routes through cost reduction plans, adjusting delivery time slots, process integration, etc.
- We implement distribution shuttle platforms services to optimise the fleet and the kilometres travelled.
- We improved the filling volume of trucks with transport operators on long distance routes.
- We reduce empty kilometres through partnerships with transport operators.



Platforms

- New Sigüeiro Platform, more modern and efficient and with the implementation of automation for the preparation of refrigerated goods with stock.
- Remodelling of the San Agustín de Guadalix (Madrid) platform
 - Installation of photovoltaic panels.
 - Remodelling of the transformation centre.
 - Replacement of the cover to improve thermal insulation
- LED lighting on all our platforms.



Shops

The new energy model for our shops involves:

- Use of natural refrigerants through a CO₂ system.
- Installation of refrigeration units with the latest advances in R&D.
- Intelligent, self-regulating LED lighting system.
- Energy efficiency in air conditioning, through improvements in thermal insulation and the use of external heat and cold.

Modern and eco-efficient logistics

In 2022 we continued with a global project to redesign the fresh produce platform map, aiming to modernise and improve the efficiency of our value chain. As part of this project, we worked on the physical renovation of the facilities to provide them with cutting-edge technology that allows optimal treatment of each type of fresh product, in terms of temperature, handling and storage.

Our logistics network

23 own platforms

10 third-party platforms

384,034 m² of warehouse space

Capacity for the distribution of **one million boxes per day**

"We are obsessed with providing consumers with the best commercial proposal and doing so responsibly and at the best price. That is why service, sustainability and efficiency guide our actions in all operations and processes of the organisation. We use innovation, advanced analytics, technology, automation and digitalisation in every process, from the farm to the consumer's home, to make them more efficient and sustainable, passing on millions of euros in savings to customers, improving working conditions and reducing environmental impact"

Enrique Monzonis
Director of Innovation and Logistics and IT



Innovation to adapt to trends

During this financial year we have allocated more than 11.7 million euros to innovation and development projects, participated in 20 collaborative innovation initiatives, nine of them in European collaboration projects with technology centres, universities and startups from all over the continent.

3 More committed



To health

At EROSKI, we are committed to food safety as the only valid foundation on which to base a robust proposal in terms of health and well-being. Our Quality Management Model ensures that the final product that reaches consumers has passed all safety controls. Thus we stand out for our:

- Being the only company certified by MSC to market sustainable bulk fisheries over the counter.
- Control and improvement of the cold chain.
- Continuous evaluation of shop processes.
- The procedure for handling food safety alerts.



We continue to progress in our 10 Commitments to Health and Sustainability

- | | |
|------------------------------------|---|
| Committing to food safety | Offering more local products |
| Promoting a balanced diet | Making healthy eating affordable |
| Preventing child obesity | Listening with clarity and transparency |
| Meeting specific nutritional needs | Taking care of ourselves as workers |
| Fostering responsible consumption | Encouraging a healthier lifestyle |

"Our 10 Commitments cut across the entire organisation and set the path for us to continue to facilitate healthy and sustainable food for consumers"

Alejandro Martínez Berriochoa
Director of Health and Sustainability



EROSKI Group Quality Management Model

In 2022 we carried out:

- 963** quality audits at our sales outlets and logistics platforms
- 306** audits at production sites of own-brand suppliers
- 41** audits of production plants of suppliers of other brands

In total, we carried out:

- 33,375** analytical controls, both chemical, microbiological and genetic

In 2022 we certified the fuel quality of 100% of our petrol stations with the Intertek laboratory.



More products with better nutritional qualities

In addition to quality, we study the composition of products to improve their nutritional profile. The measures taken in this area are:



100% own-brand products have the Nutri-Score labelling

70.3% of our own-brand range has had a Nutri-Score A, B or C rating

Products A, B and C accounted for 80.7% of the total of the units sold and 73% of the total sales of Nutri-Score products



Consumer: more information at the fingertips of all consumers

This informative project seeks to promote healthy and sustainable lifestyles among consumers. Every year, 1,365,052 printed magazines are distributed and we have 38,229,481 visits to the website and 117,950 followers on social networks (Facebook, Twitter and YouTube). This year we are proud of the following milestones:

- Launch of the EROSKI Consumer magazine in digital format, 100% suitable for mobile phones.
- New website www.consumer.es.
- Euskadi Consumption Award for the work of the publication to encourage responsible consumption.
- Renewal of the [EROSKI Consumer Baby Guide](#).
- New [Guide to the Camino de Santiago](#).

Consumer



In accordance with AESAN criteria, we have:



186 products low in fat



62 products low in sugars



36 products low in salt



140 products high in fibre



Healthy habits from childhood

We are committed to education from childhood to promote change towards healthy and responsible eating. For this reason, we promote Educational Programmes on Nutrition and Healthy Lifestyles (PEAHS), which provide children with educational tools on these topics in a didactic and playful way.

During the 2021/2022 academic year



159,442 students from **1,853** schools throughout Spain participated in PEAHS:



Childhood obesity indicator

In 2021, the EROSKI Foundation and Caprabo launched an action to annually measure and monitor the prevalence of childhood excess weight and obesity in different autonomous communities. In 2022 we prepared and sent to the participating schools the individual reports with the results obtained and proposals for personalised improvement.

1,800 participating students,
9 Autonomous Communities,
 Overweight rate: **22.31%**
 Obesity rate: **8.76%**

We also cater for special nutritional needs, such as gluten or lactose intolerance. To this end, we have 558 gluten-free products in our range and we collaborate with associations that cater for people with coeliac disease, through EROSKI Club and Club Caprabo.



Signing of the agreement between EROSKI and the Association of Coeliacs of the Balearic Islands

To environmental sustainability

At EROSKI we are convinced that caring for our natural environment is crucial to both for the success of our activity and promoting a healthy society. We are aware of our unwavering responsibility for the environment and want to promote this commitment throughout our value chain.

"We work for EROSKI's environmental progress with the eco-design of our products and packaging, which ensures that they are more sustainable; with eco-efficiency measures and circular waste management in our shops and logistics processes, which reduce our carbon footprint; and with transparency and training for consumers, which help them to make responsible purchasing decisions"

Cristina Rodríguez
Head of Sustainability



More green and sustainable products

At EROSKI we work to offer a wide range of products with certifications that guarantee production in line with sustainability criteria:

 **+1,400 organic products** within our commercial range

In 2022 we incorporated **15 new examples of Organic/Eco products**, reaching a total of **105**



441 counters and 8 MSC and GGN-certified fishing logistics platforms



100% of our canned tuna complies with ISSF principles



395 FSC®, PEFC, or SFI® labelled products



17 belle NATURAL products with COSMOS Natural certification by ECOCERT



456 products of our EROSKI NATUR brand with certifications such as GlobalG.A.P., Integrated Production or animal welfare



Animal welfare

We promote and adhere to different initiatives to ensure animal welfare in our product offer:

- European own-brand chicken commitment in 2026: in fresh and frozen products as well as in processed products containing more than 50% chicken in the recipe.
- New labelling of own-brand chicken that helps to recognise the characteristics of its rearing.
- Elimination of eggs from caged hens as an ingredient in all our own brand by 2025.
- No marketing of eggs from caged hens of any brand by 2024, which has already been 100% complied with at Caprabo.
- Welfare animal welfare certificate for 100% of the white meats of our own brand, as well as for EROSKI Natur pork and EROSKI Natur Ternasco de Aragón.



Sustainable fisheries

We are the only MSC and GlobalG.A.P. Chain of Custody certified retailer.

We have sold 5,059 tonnes of certified fresh, frozen and canned fish. In addition, in 2022 we sold 2,597 tonnes of canned tuna caught with sustainable fishing gear.



More eco-design in packaging



At EROSKI, our goal is for our packaging to be **100% recyclable, compostable or reusable by 2025** and to **reduce the tonnes of conventional plastic sold by at least 20%**.



By 2022 we have reached a total of **307 eco-designed packages**, of which **188** have been added **this year**.



We analysed data from **3,352 products from 390 suppliers** to measure their plastic footprint and recyclability.



Thanks to these actions, **966 tonnes of plastic per year** have been avoided.

We have become the first retailer in Spain to implement new environmental labelling on a dozen own-brand products. This is **Planet-Score**, a label that communicates, in a scale of letters and colours, the environmental impact of the product.



More eco-efficiency



We are committed to achieving carbon neutrality by 2050



We have put our first electric truck on the road in Navarra. It is the first to be used by a distribution chain in the region and is estimated to avoid 27.6 tonnes of CO₂ emissions per year.

AECOC granted us the second Lean&Green star for reducing our transport carbon footprint by more than 30% since 2015. The next target is to reduce it by a further 5% over the next two years.



Juan Luis Arambarri, transport director, receives the award

Some measures to become more eco-efficient:

- Closing of refrigeration cabinets, use of less polluting refrigerants.
- New platforms and shop in Lakua-Arriaga built according to LEED gold certification requirements.
- Improvements in routes and vehicles for transporting products.

To the local environment

Very local

We understand that sustainable food also means taking advantage of the multiple opportunities offered by local products from a threefold perspective:

- **Environmental:** less transport and greater promotion of local varieties to ensure their survival against the homogenising trend of mass production.
- **Social:** More wealth and quality jobs that benefit communities.
- **Cultural:** More support for the preservation of culinary traditions and culture.

Our relationship with the environment goes beyond commercial support and also includes a commitment to generating employment and supporting the surrounding communities through solidarity with social causes.

"We continue to be close to local producers, this year even more so, if possible, helping them to grow with the tools to support the sector: the support programme and EROSKI Azoka. In addition, we continue to increase our range of local products, incorporating more than 1,500 products to reach 21,000"

Asun Bastida
Local Product Sales
Manager



More circularity

At EROSKI we develop different initiatives to manage waste, ranging from actions to prevent food waste to strategies for recycling and reusing waste.

We market

787 tonnes of ugly fruit and vegetables across our network

13,375 tonnes of discounted products, close to best-before or use-by dates

84,850 packs of products close to their best-before or best-before dates via the app Too Good to go.



Vegalsa-EROSKI obtains the AENOR certificate for the circular economy project for plastics.

We allocate

3,632 tonnes of food per year to hundreds of social organisations

5,369 tonnes of organic waste to raw material for the manufacture of animal meal and oils and animal feedstuffs

We recycle (through third parties)

24,960 tonnes of paper, cardboard, wood, plastic and others

740 tonnes of textiles

109 tonnes of coffee capsules

61 tonnes of used oil



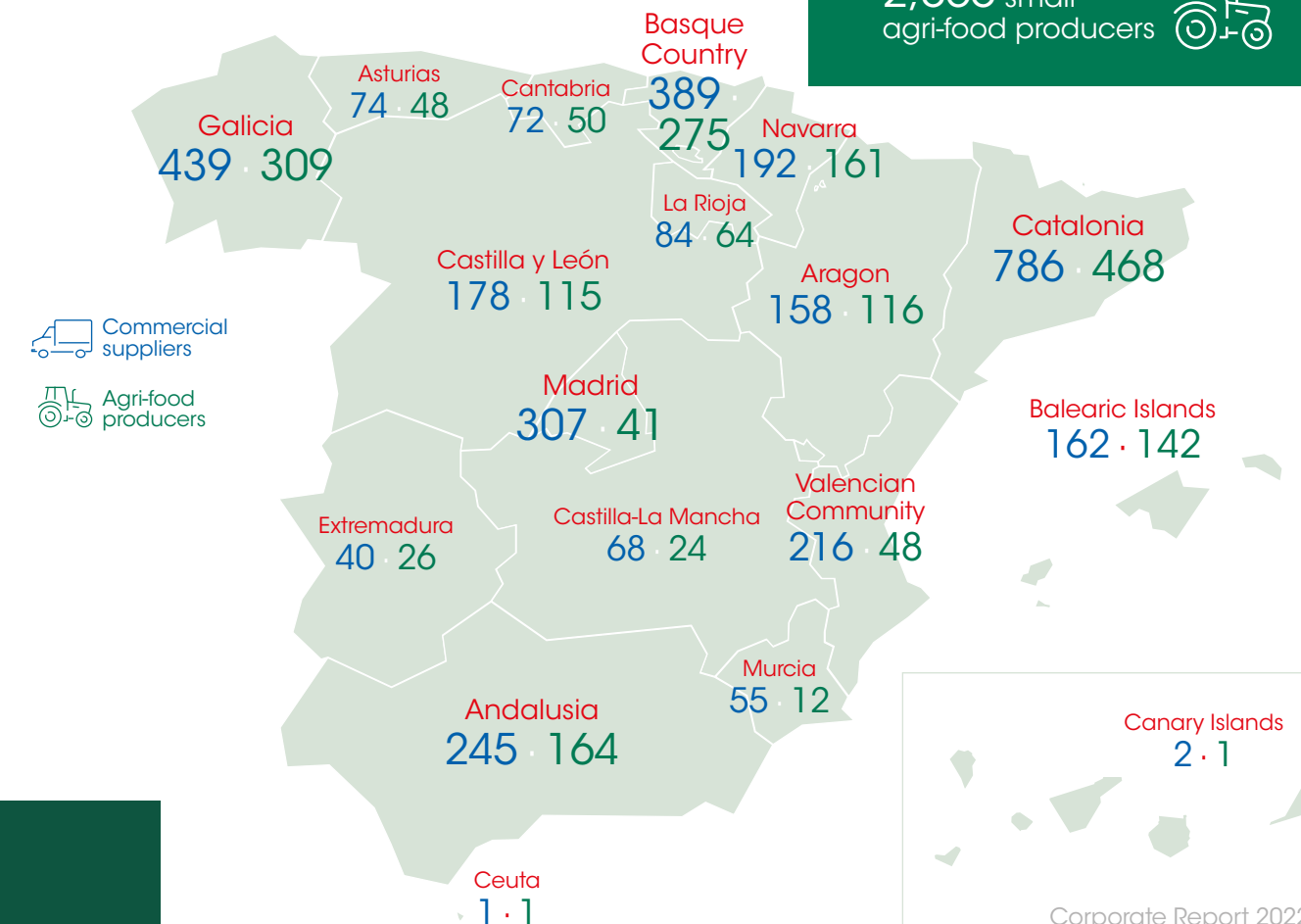
We reduce

Paper consumption by **13%** compared to 2021

We reuse

4,989,326 pallets and **41,180,841** plastic crates

Number of commercial suppliers and small agri-food producers per autonomous community in 2022



3,468 commercial suppliers

2,065 small agri-food producers

Together with local producers

We articulate our collaboration with agri-food suppliers through three commitments for action:

- Bring small producers' products closer to consumers.
- Develop commercial management adapted to micro-enterprises, SMEs and cooperatives.
- Collaborate on plans for their professionalisation and business growth.

In 2022, we recruited 1,529 new additions of local and regional products, of which 852 were in the Fresh section and 677 in Food. These new registrations have generated sales of more than 23.8 million euros.

In addition, we continue to renew and generate new collaboration agreements with sectoral organisations to promote local food: Protected Designations of Origin (PDO) and Protected Geographical Indications (PGI).



9th edition of EROSKI's Local Produce Fair in Zaragoza.

More promotion of regional products

Collaboration agreement with the Basque Government

We have signed a collaboration agreement with the Basque Government's Department of Economic Development, Sustainability and Environment to strengthen and develop the agri-food industry in the Basque Country. The framework agreement provides for:

- An annual promotion calendar for Basque food products.
- Educational activities aimed at consumers to be carried out.
- To undertake activities related to the promotion of healthy and sustainable food based on local products.
- Promote actions to communicate with and educate the public on organic products.

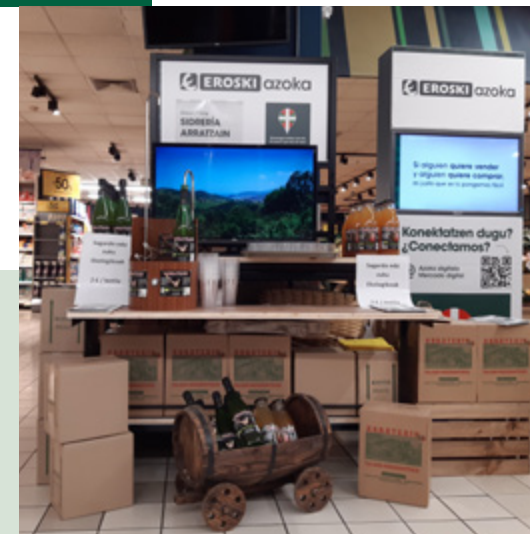


Support programme for local producers

In 2022 we launched a new tool for agri-food producers to assess their environmental, social and corporate governance practices. This year we have evaluated 85 local Basque agri-food producers. In the course of 2023 we will extend the Programme to other regions.

EROSKI Azoka: shorter sales circuit

We have launched EROSKI Azoka, a digital platform that connects more than 50 small producers in Gipuzkoa with the consumer. We are the first distributor to launch such an initiative, putting the shop and logistics at the service of the smallest productions.



2,489 products with PDO or PGI



More than **1,500** wines



More than **700** cheese products



More than **230** meat products



100 canned vegetables, oils, pulses and rice products



More than **1,189** products with differentiated quality brands such as Eusko Label, Reyno Gourmet or Tierra de Sabor



We collaborate with local producers in the Balearic Islands with the campaign 'Productes de Sa Nostra Terra', which seeks to encourage the consumption of local produce, through agreements with 158 local food and fresh produce suppliers.



Caprabo has organised 11 Proximity Product Fairs in 2022.



We promote local culture

We consider it essential to support local initiatives in line with our policy of closeness to local communities. We also seek to promote the welfare of people close to our commercial network and to highlight their culture and traditions.

Promotion and dissemination of local languages

At EROSKI we consider local languages to be an essential part of the cultural heritage of the communities around us, which is why we work continuously to promote and disseminate them.



Basque Country



Durango Azoka:

We participate in the Durango Basque Book and Record Fair, where we have been present for decades.

Galicia



Día das Letras Galegas:

We join the celebration of the Día das Letras Galega with a tribute to the Galician poet Florencio Delgado Gurriarán. Commemorative posters were hung in 176 establishments to raise awareness of the writer's life and work.



Ikastolas Festivals:

We promote Basque in the education sector in each territory (Herri Urrats, Ibilaldia, Araba Euskaraz, Kilometroak, Nafarroa Oinez), through events organised by the EROSKI Foundation Food School, with the participation of more than 9,600 people.

Euskaraldia:

We have collaborated with the third edition of this social initiative that seeks to change the oral language habits of those who understand Basque.



We support local languages by labelling own-brand products in the four official languages and through the Consumer EROSKI magazine, which is published in Castilian Spanish, Basque, Galician and Catalan. The EROSKI Club and Sabor-Caprabo magazines can also be read in the official languages of the territories in which we operate.

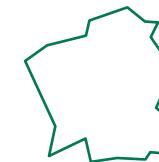


Leisure and culture

At EROSKI we bring culture closer to consumers by sponsoring leisure and cultural activities in the regions where we have a strong presence.



Galicia



Basque Country



- Sponsorship of Musikaire in Elorrio.
- Artxanda climb in Bilbao.
- From FORUM SPORT we have organised the Kosta Trail, a running and hiking event.

Catalonia



- CAPRABOSport programme, which works with amateur clubs to promote healthy lifestyles through sport.

Balearic Islands



At EROSKI we have sponsored the following events:

In Mallorca:

- Climb from Güell to Lluç a Peu.
- Mamá Optimist Regatta in Portixol.
- Cala D'Or Ferrobikers Club Ciclista Race.
- II Endurance MTB Race Ferrobikers On The Run.

Ibiza:

- Setmana del Mar.



We collaborated with the estropatada organised by WOP and held in the Bilbao estuary (Bizkaia).

With society

At EROSKI we have always worked to build a fairer and more caring society. That is why we carry out different actions and solidarity campaigns at local and national level in which workers, customers and social organisations take part.

Sustainability Plan 2022

In 2022 we allocated 23 million euros social action together with our stakeholders. Among the initiatives carried out, the following stand out:

'Céntimos Solidarios' (Cents in Solidarity) Programme

Together with our customers, we have donated almost 1.7 million euros to 67 social organisations. The beneficiary causes selected for 2022 have been selected thanks to suggestions from more than 12,000 customers, including the fight against cancer, as well as support for victims of gender-based violence, people with neurodegenerative diseases or disabilities, children, families and the elderly at risk of social exclusion, refugees, people with mental health problems, environmental protection and stray animals.

Zero Waste Programme

Every year we collaborate with more than a hundred social organisations by providing them with items that are close to their expiry date. As a result, in 2022 we donated 3,632 tonnes of food and commodities, equivalent to 14 million basic meals for people at risk of social exclusion. We have also donated food unfit for human consumption to animal shelters and zoos.

Distribution of contributions for social action

Charity and social action
€ 19,711,880

Support for families and groups with special needs
€ 1,818,000

Consumer information and training
€ 1,068,000

Cultura, ocio y entorno local
€ 576,000

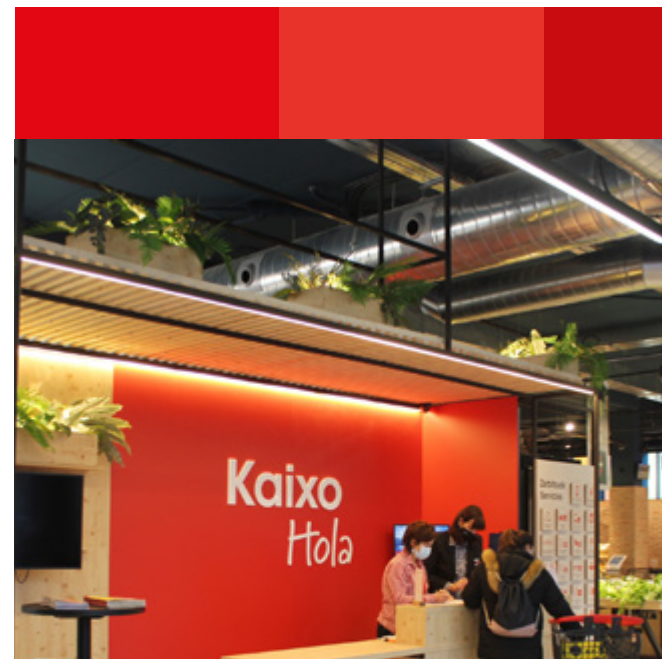
Total
23 million euros
(6 more than in 2021)

Food collection

In partnership with Food Banks, we organise various actions in our shops to collect food for families at risk of social exclusion, including Operation Kilo in spring and the Gran Recogida in November. As a result, we have been able to donate 1,484 tonnes of food, equivalent to almost 6 million meals. In this way, it has contributed to the feeding of 1,600 families during the year.

Emergency campaign for war-affected people in Ukraine

Together with our customers, we have donated 562,845 euros, the largest emergency campaign fundraiser to date, which has been channelled through UNICEF. In addition, the *Céntimos Solidarios* collected on April were also destined to help refugees from this conflict through entities such as UNHCR and CEAR. Along the same lines, we also collaborate with organisations such as the Ukraine-Euskadi Association, Caritas Basque Country, Catalonia Red Cross, Matia Foundation and Caritas Gipuzkoa, providing them with surplus textiles, food and hygiene products, mattresses and hammocks, among others, for refugees.



Lakua-Arriaga shop in Vitoria-Gasteiz (Araba)

We drew up the Solidarity Plan 2023 by listening

During 2022, we drew up the Solidarity Plan for 2023 by listening to thousands of customers, employees and the general public, and based on the assessment of the 525 projects presented by 330 social organisations. In this way, the selection of those chosen to be the recipients of *Céntimos Solidarios* donations in 2023 will address causes such as vulnerable children, the fight against cancer, rare diseases and mental health, among others.

This listening initiative responds to Commitment 8 on Health and Sustainability, which ensures transparency and stakeholder engagement.

4

More team Committed to quality employment

Through teamwork, we have been able to overcome all the challenges we have faced as a company and as a society, and we are ready to take on the new challenges ahead, always focused on our commitments to health and sustainability.



A great human team

This way of working is based on the **10 core values** of our work:

- 1 We encourage participation.
- 2 We promote personal and professional development through the improvement of knowledge, skills and abilities.
- 3 Sense of belonging: we are proud to belong to EROSKI and we look for areas for improvement.
- 4 We promote two-way information and communication within the organisation.
- 5 Thanks to internal solidarity, we put the collective above the individual and the long term over the short term.
- 6 Dynamism to adapt to change and promote innovation.
- 7 Customer-oriented in order to adapt and anticipate their needs.
- 8 We continuously improve working conditions to ensure an adequate quality of life.
- 9 We practise external solidarity in order to give back to society.
- 10 We aim for the highest level of professionalisation.



27,308
professionals



21,039 women

77%



6,269 men

23%



9,500
Employee Members



1,268
new Employee
Members

As a cooperative-based company, a significant proportion of its employees are also owners: 9,500 of EROSKI's workforce are Employee Members, which represents 35% of the total. This figure allows for greater employee participation in the cooperative management of the company.

"EROSKI offers me the opportunity to develop a professional career in a benchmark company in the sector and with the best tools within my reach to grow. But what I would mainly emphasise is the feeling of belonging. We are a big family"

Aitor García. Member in 2022.
EROSKI/City Monumental (Bilbao)



Training to be better

In 2022 we have continued to advance and grow in the development of our best internal talent, maximising resources, combining face-to-face and e-learning to adapt to people's needs.



With equality and diversity at the forefront

EROSKI is governed by the principle of non-discrimination already provided for in its founding statutes in relation to sex, race, sexual orientation, religious beliefs, political opinions, nationality, social origin, disability or any other characteristic that could give rise to it.

In this regard, since 2005 we have had an Equality Commission and the Equality Observatory, a tool that ensures compliance with this principle throughout the organisation, which celebrated its 17th anniversary in 2022.

It should be highlighted that 77% of our workforce is female, with women occupying 74% of senior positions in 2022, far above the industry average.

There is also a female majority across corporate governance bodies, where 86% of the representation is female. Since 2022 the CEO has also had a female Managing Director in Rosa Carabel.

"We continue to make progress in the development of the equality plan, highlighting in 2022 the increase in training for women in management and leadership positions, the implementation of online training in equality and diversity for the entire group and the 9th Cómplices conference where we reflected on diversity and equality in film"

Marta Carazo
Director of the Equality Observatory of EROSKI



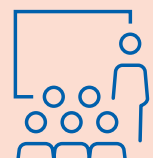
Work-life balance

Work-life balance is one of the cornerstones of our Equality Plan. At EROSKI we have additional leaves of absence to those established by law, and we promote flexible working environments and schedules that allow for a balance between personal and professional life. True to this commitment, we offer the possibility of reducing working hours without having to provide specific

grounds and maintaining the right to recover the full working hours once the reduction period has ended, and granting voluntary temporary leave for those who request it for the purpose of collaborating in NGO projects or other personal development plans.

This year we have taken a further step in this direction by approving a voluntary reduction in working hours with no time limit and with the right to return to their original working hours for people aged 58 and over, with the aim of enabling this group to reduce their hours in the final years of their professional career.

In 2022, 3,614 people took a reduction in working hours or leave of absence, or 13% of the workforce.



€1,642,499 for training programmes (+3%)
242,445 training hours (+37%)

"The School of Command has served as a training and inspiration for me. The former, because it offers you some of the most relevant keys to team management. The latter, because it is based on the cooperative-based people model, a model I believe in"

Olga Toro
Employee Member
EROSKI Castro
Urdiales



We have a Management Development and Talent Management model that promotes the incorporation and development of talent in management positions, with the aim of securing our competitive position.

Through this, we can highlight the 'managers with potential', people with characteristics and traits to cover future management positions with whom we develop management which stands out with the aim of transforming their potential into a real possibility of covering management positions.

We also have a School for Managers which includes different Professional Development Programmes in which you can learn the technical and transversal skills necessary to become a qualified manager at the point of sale.



5

More transparent Financial Information

We closed 2022 with an operating revenue of 204 million euros, in a context of rising pressure on the costs of our products sold as well as other direct costs, which have been partially assumed, resulting in tighter margins and compensated, in part, by the continuation of measures to improve efficiency in the value chain and in our business logistics processes undertaken in previous years.

The final result for the year reflects a profit of 64 million euros, while sales reached 4,828 million euros, 6.3% higher than the previous year.

| Economic value generated and distributed (thousands of euros) | 2022 | 2021 |
|--|------------------|------------------|
| Net retail sales | 4,828,195 | 4,541,380 |
| Other revenue | 261,579 | 251,009 |
| ORDINARY REVENUE | 5,089,774 | 4,792,390 |
| OPERATING PROFIT (before impairment, profits from sale of fixed assets and non-current activities) | 204,014 | 185,475 |
| Impairment, profits from sale of fixed assets and non-current assets | - 21,945 | - 63,913 |
| PRE-TAX AND FINANCIALS PROFIT | 182,068 | 121,562 |
| Financial profit (loss) | - 97,248 | 33,147 |
| Share of profit (loss) from investments using equity method | 81 | 221 |
| LOSSES FROM CONTINUED ACTIVITIES BEFORE TAX | 84,901 | 154,930 |
| Tax on profits | - 20,987 | - 50,316 |
| ANNUAL PROFIT (LOSS) | 63,914 | 104,614 |

Consolidated Balance Sheet of Grupo EROSKI

Extract in thousands of euros as of 31 January 2023

| ASSET | 31/1/23 | 31/1/22 | Variation |
|--|------------------|------------------|------------------|
| Intangible assets, tangible fixed assets and property, plant and equipment | 2,669,744 | 2,842,300 | (172,557) |
| Financial Assets | 189,839 | 189,923 | (84) |
| Assets by Deferred Tax | 275,482 | 284,799 | (9,317) |
| TOTAL NON-CURRENT ASSETS | 3,135,065 | 3,317,022 | (181,957) |
| Inventory | 400,556 | 368,275 | 32,281 |
| Financial assets | 13,117 | 12,961 | 156 |
| Debtors and other accounts receivable | 146,976 | 161,445 | (14,469) |
| Cash and other cash equivalents | 220,114 | 213,359 | 6,755 |
| Non-current assets held for sale | 21,738 | 3,385 | 18,354 |
| TOTAL CURRENT ASSETS | 802,500 | 759,424 | 43,077 |
| TOTAL ASSETS | 3,937,565 | 4,076,446 | (138,881) |
| NET AND LIABLE EQUITY | 31/1/23 | 31/1/22 | Variation |
| Assets attributed to Parent Company | 146,433 | 113,210 | 33,223 |
| Minority shareholders | 213,025 | 205,082 | 7,943 |
| NET EQUITY | 359,458 | 318,292 | 41,166 |
| Non-current financial liabilities | 2,176,901 | 2,394,125 | (217,224) |
| Other non-current liabilities | 230,618 | 231,685 | (1,067) |
| TOTAL NON-CURRENT LIABILITIES | 2,407,519 | 2,625,810 | (218,291) |
| Current financial liabilities | 178,772 | 139,071 | 39,701 |
| Creditors and other accounts payable | 991,815 | 993,272 | (1,457) |
| TOTAL CURRENT LIABILITIES | 1,170,587 | 1,132,343 | 38,244 |
| TOTAL NET AND LIABLE EQUITY | 3,937,565 | 4,076,446 | (138,881) |



EROSKI

with you