



MERCADONA

2024 Annual Report



**2024 Annual Report and
more information:**



The cover shows the façade of the Mercadona supermarket in Benetússer (Valencia), which was affected by the serious floods caused by the DANA disaster on 29 October 2024. The store managed to reopen its doors almost a month after the tragedy.

Another 20 supermarkets located in various municipalities of the province of Valencia suffered damage: Alaquàs, Albal, l'Alcúdia, Aldaia, Alfafar, Algemesí, Alginet, Benetússer, Buñol, Catarroja, Cheste, Massanassa, Paiporta, Picanya, Requena, Utiel and Xirivella.

Thank you to the Mercadona employees and suppliers, who, with their support and effort, made it possible to reopen all these stores and helped to restore service these towns as soon as possible.



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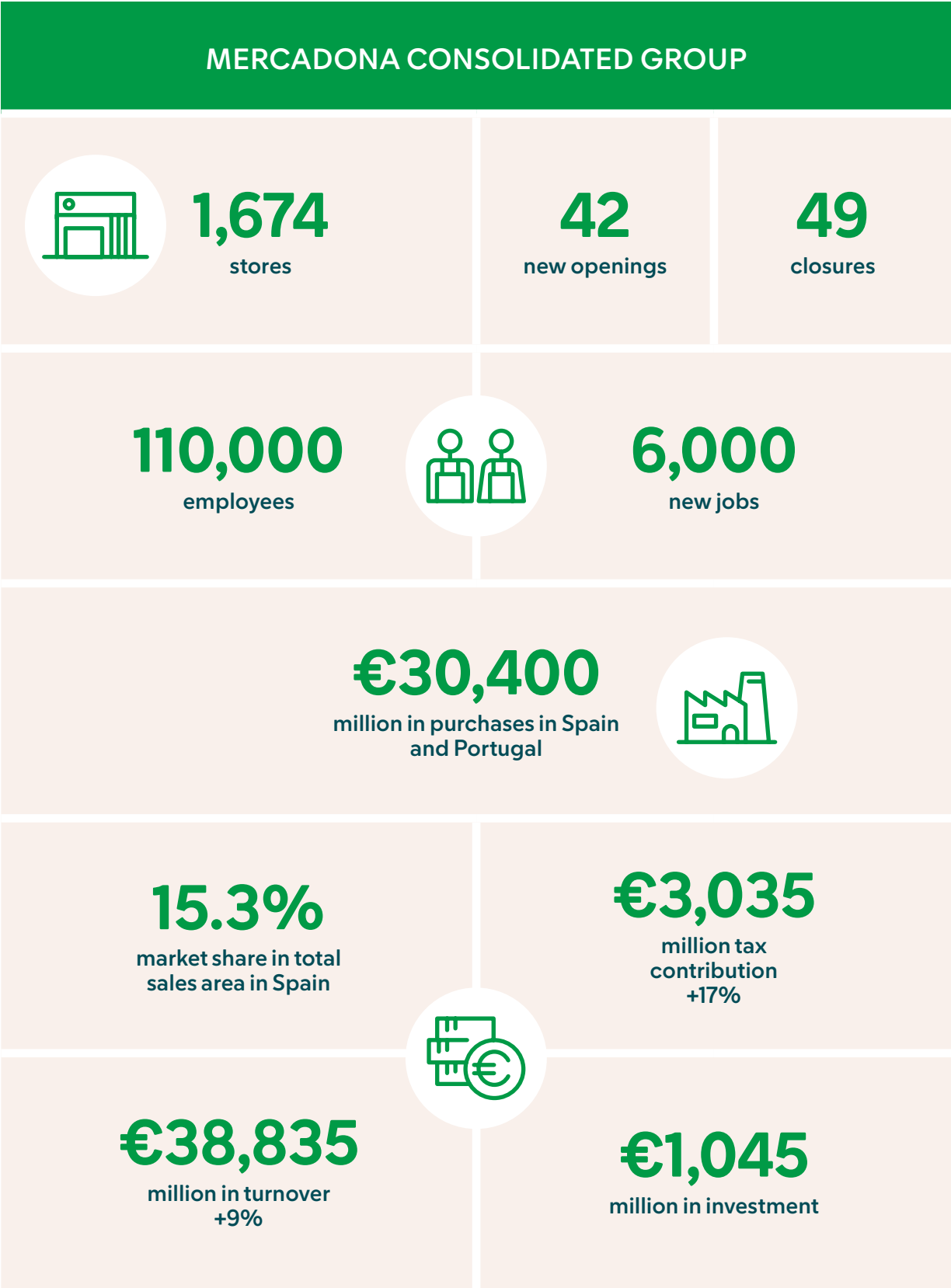
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Our most significant achievements in 2024





Message from the President



2024 has been an outstanding year for Mercadona. However, before going over the year in detail, I would like to acknowledge a point of great pride for me, which was the **rapid response, attitude and efforts of the company's employees, suppliers and shareholders** following the tragedy caused by the devastating floods on 29 October that struck numerous towns and cities across Spain, with particular intensity in Valencia. This response was driven by one shared goal: to provide the thousands of people affected with the necessary knowledge and resources to rebuild their lives and businesses without having to start from scratch.

Indeed, **this same determination**, demonstrated every day by the people who make up the company and the Legacy Project, an initiative led by Mercadona's Vice-President, Hortensia Herrero, and myself for many years, is the **main driver of the company's spectacular results**.

This is also true of the **efforts and collaboration** of everyone who forms part of **purchasing and prescription**, working closely with **specialist suppliers and intersuppliers** to ensure that more and more "Bosses" choose us as the best option and as their trusted supermarket. As a result, and thanks to **our commitment to guaranteeing our**

customers the possibility of getting it right with an Efficient Selection and a Shopping Trolley Menu with conclusive quality at the most affordable price on the market, **we have increased our sales to €38,835 million**, 9% more than in 2023.

Over the last twelve months, conscious of the importance of boosting growth, efficiency, productivity and management improvement for the company's processes, Mercadona once again made **a significant investment effort amounting to €1,045 million**. Thanks to this investment, we have continued to reinforce our Store 8 network and improve our logistics processes and platforms, as well as making further progress in our digital transformation plan, including the roll-out of online shopping throughout virtually all of Spain through the New Teleshopping Model.

This **pursuit of constant improvement**, sustained by the **individual and collective effort, commitment and talent** of the 110,000 people who make up Mercadona, 6,000 of whom joined the company over the last year, forms the **cornerstone of the sustainable success** of this project. A key factor behind this success, which is being cemented year after year, is having a workforce that is 100% satisfied and committed to the company.

For this reason, Mercadona decided to **increase salaries** by 8.5% and **share €700 million of its profits** with its workforce as performance-related bonuses, 17% more than in 2023. After all, we are firmly convinced that the better people are treated and the more initiatives are adopted to provide stable and quality employment, the greater the return. This certainly proved to be the case in 2024, a year in which the company achieved a **net profit of €1,384 million**, 37% more than in 2023. Of this total profit, I would like to note that €180 million can be attributed to the outstanding management performance of our treasury.

At Mercadona, we understand that **true success is not only defined by results but also by our**

impact on the world around us. In this regard, over the past year, the company has maintained a constant, dynamic and focused commitment to society, as reflected by our response to the devastating floods caused by the DANA (Isolated High-Level Depression or "cold drop") disaster in Spain through *Alcem-se!*, an initiative that saw us take immediate action and ultimately reminded us that **when we come together during times of adversity, we come out stronger**. Thanks to *Alcem-se!*, we were able to provide support through **finalist projects** that contributed **more than €100 million** in human and material resources to guarantee the reopening of our affected stores and warehouses, help numerous neighbours by donating basic products and vans to facilitate deliveries, rebuild several soup kitchens, and restore spaces such as streets, parks and gardens. Similarly, we offered financial assistance to affected employees to help them recover from the disaster without having to start again from scratch.

In addition, *Alcem-se!* has joined forces with a number of other projects, which I would like to highlight here. These include the **Hortensia Herrero Foundation**, which is supporting the recovery of traditional Valencian industries, such as textiles, music and education, and the **Fundación Trinidad Alfonso**, which has helped

"I feel immensely proud of the rapid response, attitude and efforts of the company's employees, suppliers and shareholders following the tragedy caused by the devastating floods of the DANA on 29 October 2024"

almost 200 sports clubs in the affected areas to resume their activities, an initiative supported from the outset by **Villarreal CF**. Another example is **Valencia Basket**, which provided shelter at L'Alqueria del Basket to over 200 people from the start of the disaster and turned its facilities into a base camp for two months for the military units sent to provide aid to Valencia. Likewise, **Marina de Empresas** has played a key role in the local business ecosystem, helping to reactivate a total of 4,600 businesses located in 52 municipalities.

2024 has been a spectacular year for Mercadona and the 5 Components: "The Boss", as customers are known within the company, The Employee, The Supplier, Society and Capital, to whom I would like to extend my congratulations. **2025 will undoubtedly be a year full of challenges.** Therefore, I encourage all of us who form part of the Mercadona Project to use the Model as a lighthouse **to adapt quickly and effectively, accept complexity and act with determination and courage**. This means **always questioning processes and methods that are obsolete**, letting go of rigid approaches and embracing flexibility, collaboration, responsibility and the shared vision of "being a company that people want to exist and feel proud of". If we can do this, we will ensure that 2025 is an even more spectacular year than 2024 for the 5 Components.

Finally, I would like to **extend my gratitude to the Board of Directors and our shareholders for putting their trust in the decisions of the Management Committee**. Their support and commitment have been fundamental in making Mercadona the respected and admired company it is today. However, above all, I would like to **honour the memory of all the victims of the DANA disaster**, including four great businesspeople and friends whom I will always hold in the highest esteem.

Juan Roig



Juan Roig
President

Management Committee

Ensures the smooth running of the organisation and the establishment and fulfilment of the policies and procedures established by the Board of Directors.



José Jordá
Managing Director
of Stores and
Human Resources



Paco Espert
Managing Director
of Purchasing
and Prescription



David Cid
Managing Director
of Logistics



Pilar Sanz
Managing Director
of Construction
and Expansion



Patricia Tobía
Managing
Director of IT



Héctor Hernández
Managing Director
of Finance, External
Relations and Legacy

Board of Directors

The Board of Directors is the highest body in charge of the management, organisation and representation of the company.

Executive President

Juan Roig Alfonso

Vice-president

Hortensia Herrero Chacón

Board Member Secretary

Carolina Roig Herrero

Members of the Board

Hortensia Roig Herrero

Amparo Roig Herrero

Juana Roig Herrero

Fernando Roig Alfonso

Rafael Gómez Gómez

Audit Committee

Integrated into the Board of Directors, it is in charge of supervising accounting, tax and financial information, auditing services, compliance and financial risk management.

President

Rafael Gómez Gómez

Secretary

Carolina Roig Herrero

Member of the Board

Juana Roig Herrero

The Model

Having a model and **always applying it every day** in decisions, leading to **great successes** for Mercadona.
Establishing **values and rules that are known and shared** by everyone who forms part of this project drives us towards the **common purpose** of being a company that people want to exist

Having a model + people applying it = Having a treasure





1

Mercadona's Model

Mercadona has its own management model, the Total Quality Model, through which it structures its differential principles and values and pursues excellence. It does this under an unwavering commitment to always satisfy the company's 5 Components to the same degree but in the following sequential order:

"The Boss" (customer)

The Employee

The Supplier

Society

Capital

2

The Mission

Fill bellies

Prescribe the final consumer with products/solutions that meet their needs for food, beverages, personal care, home care, and animal care...

...always ensuring conclusive quality (safe and healthy), maximum service (sustainable), minimum budget and minimum time.

3

The buyer is

| Physical/Online



4

The vision

To achieve a sustainable agri-food chain that people want to exist and feel proud of, led by Mercadona and with "The Boss" as our lighthouse.

5

The Universal Truths

Mercadona's Model takes into account 9 universal truths, principles that are always followed regardless of time or place, whether or not they are believed. The most important one is that in order to receive, we first must give. Because the more we give, the more we receive.

6

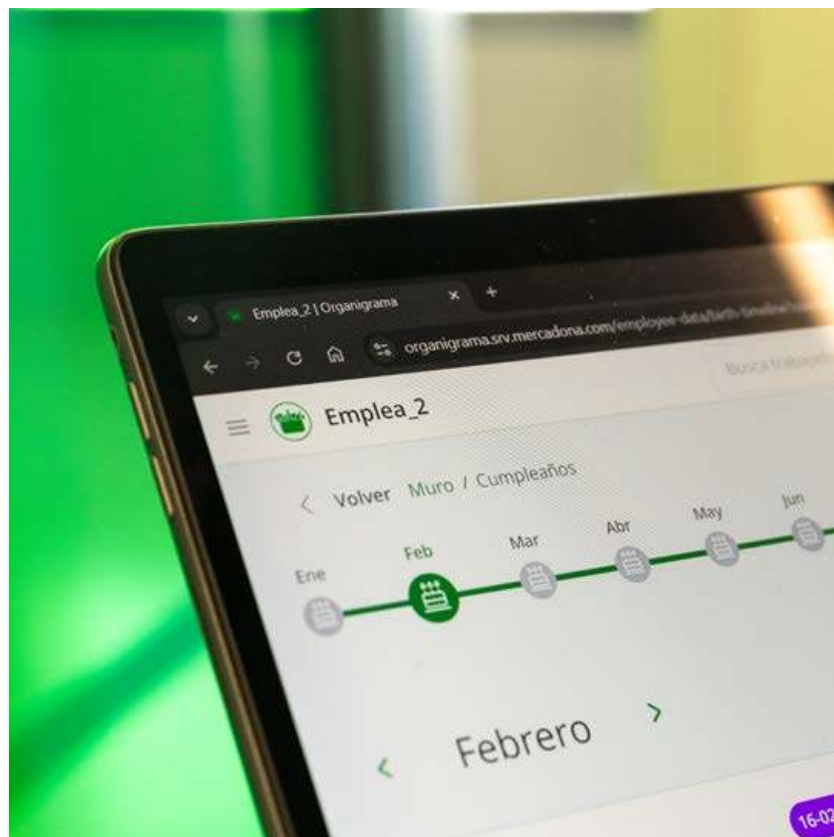
The paradigm

The Mercadona point of view is Total Quality: constantly thinking about the needs of "The Boss" (customer) and making them compatible with the rest of the company's components.

Juan Roig's dream:

"To make Mercadona the company that best satisfies the 5 Components as a whole"





Innovation: Surprising and taking risks

Mercadona implements its own cross-cutting innovation model with the aim of contributing to promoting Sustainable Development Goals 9 (industry, innovation and infrastructure) and 17 (partnerships for the goals) of the United Nations Global Compact and involving the entire assembly line: suppliers, employees and customers.

Process innovation

- 72 million euros invested in digital transformation, including Mercadona Online.
- Fault prediction technologies that reinforce automation in stores.
- Digitalisation of selection management.
- Digitalisation of shelf design tools.
- Digitalisation of the health inspection management tool.
- Digitalisation of the record folder of the HACCP (Hazard Analysis and Critical Control Points) system.
- *Portal Tornillo*, a tool for consulting product data simply and efficiently, whose functionalities and usability have recently been improved (both web and mobile formats), consolidating its role as the main source of updated product, selection, supplier and price data for the entire company.
- Life Cycle—a tool for easily and efficiently managing registration, deregistration and modifications of products through the assembly line.
- Tool for the day-to-day management of the company's human resources (*Emplea_2*).
- Digitalisation of logistics processes.
- Digitalisation of the maintenance process.
- Digitalisation in the management of plans and inventory of physical resources in stores.
- Tool for the management of stock in store.
- Gefidocom tool for the digital signing of contracts and commercial conditions with suppliers and employees.
- Invoicing and information tool for suppliers and the managers in charge (*Factura-Me*).
- Implementation of generative artificial intelligence in the automatic processing of supplier invoices.
- Dedicated tool for managing real estate processes (Real Estate).
- Digitalisation and implementation of the donation process in all stores in Spain.
- New tool for per diems and expense settlements.

- Integration of multicurrency support in all Mercadona financial systems.
- New proprietary IT applications designed to streamline the development of our applications.
- New application to check the expenses certified by each store.

Product innovation

- Co-innovation Model: 20 co-innovation centres in which the "Bosses" share their experiences to develop products that cover their needs with great quality at unbeatable prices.
- 220 improvements to the selection, 330 new products and 23 innovations.

Social innovation

- *Trencadís* murals: social-labour integration project in collaboration with foundations and occupational centres.
- 22 stores with urban gardens on the roofs and façades with a positive environmental impact on their surroundings.
- Collaboration in resource collection campaigns in favour of renowned social entities, giving the "Bosses" the opportunity to make donations at the checkout.
- Society cards: a tool available to public administrations and social entities to direct aid to the most vulnerable groups. It enables the beneficiary to choose the everyday products they need, thereby dignifying their purchasing process and favouring their integration.

Open and collaborative innovation

- 5 partner organisations to promote innovation: COTEC Foundation for Innovation, Forum of Innovative Companies, CEOE, AECOC and AINIA.
- 7 companies participating in the Lanzadera-Mercadona Corporate Programme: Sensei, Hoop Carpool, Midsaic, Invofox, Busup, Kleta and Okticket.

Progress on the Sustainable Development Goals

Mercadona has been a signatory of the UN Global Compact Spain since 2011, an initiative through which the United Nations promotes the Sustainable Development Goals (SDGs). As part of its ongoing commitment to the areas in which it operates, the company uses its Model to promote responsible social, charitable, environmental and governance initiatives with the aim of making a positive contribution to these areas and to society as a whole.

SDG	ONGOING ACTIONS	B E Su So C				
		COMPONENTS IMPACTED				
	- Donations to food banks, soup kitchens, and other entities. - Collaboration in resource collection campaigns in favour of renowned social entities, giving the "Bosses" the opportunity to make donations at the checkout. - Society Cards.					
	- Donations to food banks, soup kitchens, and other entities. - Society Cards. - Stock management in stores to prevent and reduce food waste. - Human rights policy.					
	- Food Safety and Quality Model. - Scientific committees and portfolio of external experts on food safety and quality. - Emerging risk detection tool. - Selection adapted to groups with special needs. - Health and safety protocols for employees in different job positions. - Animal Welfare Commitment. - Corporate Sustainability Policy.					
	- Workforce training and development. - Collaboration with educational institutions such as EDEM. - Efforts to balance the integration of young people with their studies and professional specialisation.					
	- "Equal responsibility, equal pay". - Equality plan. - Support and assistance protocol for victims of domestic violence. - Awareness campaigns for equality and against domestic violence. - Breastfeeding support. - Corporate Sustainability Policy. - Human rights policy.					
	- Telemetry system for water consumption. - Treatment and purification of discharges at all logistics centres. - Auxiliary water tanks in stores in areas with water risk (Guarantee Food Safety). - Stores with discharge infrastructure connected to the urban network for treatment at municipal treatment stations (EDAR). - 100% municipal water supply. - Water saving measures at all centres. - Discharge quality characterisation and improvement project. - Corporate Sustainability Policy. - Analytical control of ice at logistics centres and stores.					
	- Energy savings and efficiency - Self-production of photovoltaic energy through the installation of panels. - Purchasing of renewable energy. - Climate Change Policy.					
	- Stable and quality jobs with pay above the sector average. - Contribution to shared growth in the countries in which Mercadona is present. - Ethical Conduct Guidelines for suppliers. - Corporate Sustainability Policy. - Human Rights Policy. - Own Prevention Service to promote a safe, risk-free work environment for all employees. - 5+2 work week and annual calendar of rest days.					

SDG	ONGOING ACTIONS	B E Su So C				
		COMPONENTS IMPACTED				
	- Efficient Store (Store 8) Model. - Co-innovation Model. - Cross-cutting Innovation Model. - Supplier Relationship Model, which supports an industrial cluster. - Corporate Sustainability Policy. - Climate Change Policy.					
	- Workplace harassment prevention protocol. - Collaboration with entities that encourage the integration of people with disabilities into the world of work. - Corporate Sustainability Policy. - Human Rights Policy.					
	- Proactive Neighbourhood Management. - Own Environmental Management System. - Sustainable logistics measures. - Efficient Store (Store 8) Model. - Landscaped roofs and integration with the surroundings. - Responsible waste management. - Implementation of Smart Distribution and Silent DUM (urban unloading of goods) in cities. - Sustainable vehicles such as lorries and electric vans. - Corporate Sustainability Policy. - Climate Change Policy.					
	- SPB (Always Low Prices) sales policy. - Responsible production models in the agri-food chain. - Food waste prevention strategy. - Animal Welfare Commitment. - Waste management and reduction plans. - Circular management of commercial packaging. - Commitment to energy efficiency. - Corporate Sustainability Policy. - Human Rights Policy. - Climate Change Policy.					
	- Transition plan for mitigation of climate change. - Logistics optimisation. - Own Environmental Management System. - Carbon Footprint measurement. - Corporate Sustainability Policy. - Climate Change Policy.					
	- Sustainable fishing commitment. - Collaboration with organisations for the sustainability of products from fisheries. - Corporate Sustainability Policy.					
	- Landscaped roofs and integration with the surroundings. - Methodology for the protection of swallows and the common house martin. - Collaboration with suppliers to perform an impact analysis on land-based production systems. - In-store pet food collection campaigns. - Circular Economy Policy.					
	- Partnerships with social and sector-based organisations (AECOC, ASEDAS, CEOE, AVE, Interlimentario Forum, EuroCommerce, COTEC Foundation for Innovation, Forum of Innovative Companies, ÉTNOR Foundation, CIP, APED, Portuguese-Spanish Chamber of Commerce and Industry, Portuguese Plastics Pact, Forética, Seres Foundation, GRACE, etc.) to advance compliance with the SDGs. - Collaboration with entities that encourage the integration of people with disabilities. - Working closely with suppliers to develop measures to reduce and manage impacts.					

B - "The Boss" **E** - The Employee **Su** - The Supplier **So** - Society **C** - Capital

Materiality and stakeholders

The Management Model underpinning the company is based on complying with and demanding compliance with current legislation while taking all necessary measures, above and beyond the regulations, to ensure the satisfaction of the company’s different stakeholders, who make up its 5 Components, with which it maintains a relationship based on transparent dialogue.

In line with the recommendations of the Global Reporting Initiative (GRI) standards, a materiality analysis has been carried out, identifying issues considered relevant to the business and stakeholders ("The Boss", The Employee, The Supplier, Society and Capital).

The 2024 materiality matrix has been prepared following the same steps as the previous year:

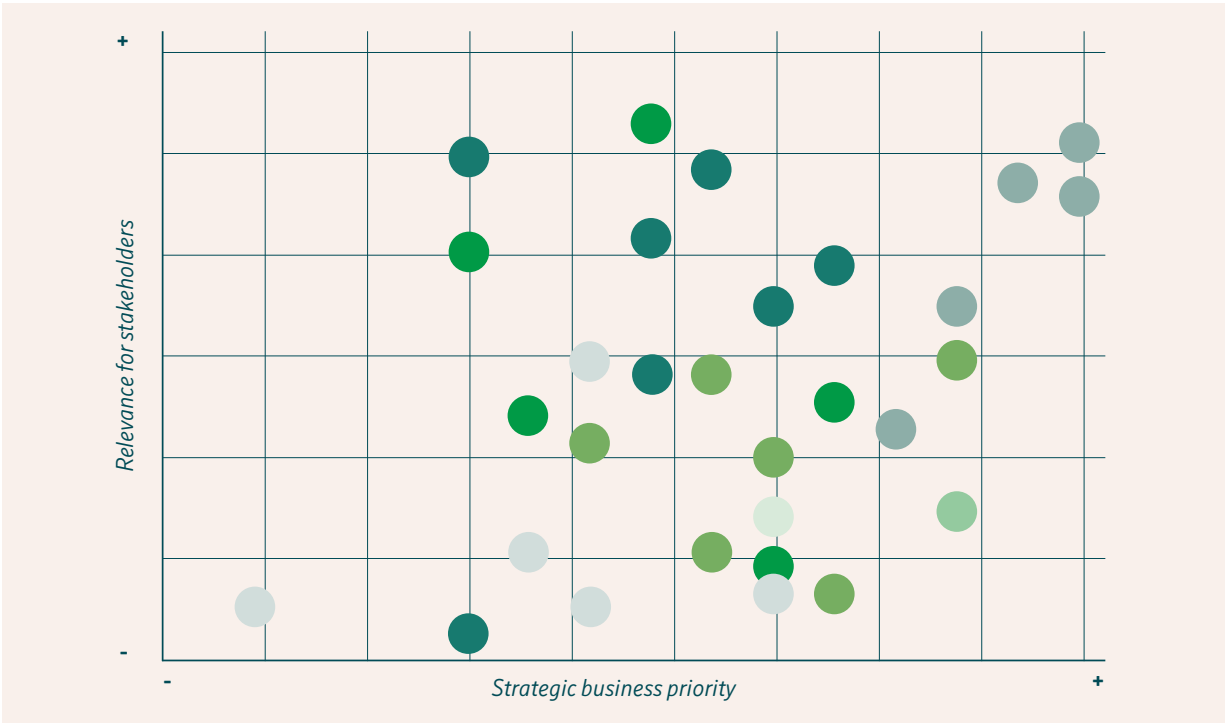
Identification: establishing and evaluating material aspects from internal and external perspectives.

Prioritisation: raising relevant issues with internal and external stakeholders to gauge their relevance in terms of impact and influence on their decisions and/or expectations.

Elaboration: developing the materiality matrix by organising the material aspects graphically.

Validation: reviewing the resulting materiality matrix and verifying that it provides a reasonable representation of all the material issues.

Accordingly, 30 material aspects have been identified and organised into three main sustainability categories (Environment, Social and Governance), which are detailed in the following materiality matrix and covered in greater depth later in this report:



2024 Materiality Matrix

ENVIRONMENT	1	Managing food waste
	2	Recycling and circular economy
	3	Sustainable logistics
	4	Improved energy efficiency and digitalisation
	5	Climate and decarbonisation
	6	ESG criteria in the supply chain
SOCIAL	7	Attracting and retaining talent
	8	Work-life balance
	9	Training
	10	Competitive salary
	11	Equality and diversity
	12	Health and safety
	13	Internal reporting channels
	14	Corporate communication
	15	Supplier relationship
	16	Food safety
	17	Quality
	18	Customer attention/service
	19	Efficient Selection
	20	Competitive price
	21	Food donations and social action
	22	Integration in the community
	23	Economic development of the environment
	24	Promotion and support of entrepreneurship
	25	Sports patronage
GOVERNANCE	26	Corporate governance best practices
	27	Preventing fraud and corruption
	28	Tax contributions and transparency
	29	Profitability and financial solvency
	30	Data security and protection

In 2024, the company conducted an initial analysis according to the double materiality approach outlined in Directive 2022/2464 on corporate sustainability reporting. In this process, the methodology described by EFRAG (European Financial Reporting Advisory Group for the European Commission) has been applied, evaluating impact materiality (how the company's business affects people and the environment) and financial materiality (how sustainability issues in environmental, social and governance aspects can generate risks and/or opportunities leading to positive and/or negative financial effects on the company).

Main risks and strategies

Components

Risks

"THE BOSS"

Quality

Changes in consumption habits

Digital transformation

Data protection

THE EMPLOYEE

Remunerative and workforce commitment strategies

Work-life balance

Equality and diversity

Occupational risk prevention

Data protection

THE SUPPLIER

Good business practices

Data protection

Policies and strategies

- Quality management and food safety system	∞
- Product, sales area and process comparisons	✓
- "Very Very Serious (VVS) Accident" drills	✓
- Efficient Selection and Co-innovation Model	∞
- Healthy food selection	∞
- Global Fresh Products Strategy	∞
- Implementation of the Ready-to-Eat model	∞
- Boosting online shopping through Hives and the New Teleshopping service	∞
- Customer Service	✓
- Cross-cutting innovation	✓
- Mercadona Online	∞
- Process automation	∞
- Application of the General Data Protection Regulation	✓
- Permanent jobs	✓
- Salaries above the sector average upgraded annually based on a policy of brackets and the interannual variation in the CPI	✓
- Performance-related bonuses	✓
- Training, transparency and internal promotion	✓
- Family, professional and personal life balance	✓
- Promotion of joint responsibility	✓
- 5+2 Work Week in stores	✓
- Annual calendar of schedules, holidays and days off known in advance	✓
- Principle of equity	✓
- Equality Plan	✓
- Human Rights Policy	✓
- Medical service available to employees	✓
- Technical team specialising in occupational risk prevention	✓
- Guaranteeing and ensuring that the protection protocols established by the company for each process are guaranteed (each person being responsible for their part)	✓
- Application of the General Data Protection Regulation	✓
- Code of Good Commercial Practices	✓
- Ethical Conduct Guidelines for Suppliers	✓
- Sustainable Agri-food Chain	∞
- Generation of industrial infrastructure	✓
- Animal Welfare Commitment	∞
- Sustainable Fishing Policy	✓
- Co-innovation with suppliers	✓
- Human Rights Policy	✓
- Application of the General Data Protection Regulation	✓

Components

Risks

SOCIETY

Sustainable mobility in cities

Responsible use of resources

Relationships with local communities

Environment and climate change

Data protection

Legal issues inherent to the different aspects within the business
(health, commerce, consumption, industry, employment, finance, environment, etc.)

CAPITAL

Profitability and sustainability

Policies and strategies

- Sustainable Logistics Model	∞
- Own Environmental Management System	∞
- Food waste prevention strategy	∞
- Efficient Store (Store 8) Model	∞
- Circular Economy Policy	✓
- Dialogue and transparency	✓
- Relationship model with local communities, NGOs, social entities, consumer associations and food intolerance and allergy associations	✓
- Promoting entrepreneurship	✓
- Proactive Neighbourhood Management to identify and eliminate potential risks and disturbances	✓
- Management to handle neighbourhood inputs, suggestions and complaints quickly and effectively	✓
- Corporate Sustainability Policy	✓
- Own Environmental Management System	∞
- Strategies to improve the sustainability of our activity in the environment and the supply chain	∞
- Transition plan for mitigation of climate change	✓
- Logistics optimisation	✓
- Efficient Store (Store 8) Model	∞
- Climate Change Policy	✓
- Corporate Sustainability Policy	✓
- Circular Economy Policy	✓
- Application of the General Data Protection Regulation	✓
- Crime prevention and anti-corruption policies	✓
- Staying abreast of legislation and adapting internal processes to comply with legislation	✓
- Financial risk management strategy	✓
- Reinvestment and long-term vision	✓
- Wealth generation and shared growth	✓
- Conscious capital	✓
- Ongoing review of internal processes	✓

Irmãdona: Mercadona in Portugal

In 2016, Mercadona embarked on its internationalisation process in Portugal. Since then, Irmãdona, Mercadona's sister company, operating as a Portuguese company of Spanish origin with headquarters in Vila Nova de Gaia (Porto), has successfully established its business in the Portuguese market, striving every day to develop an in-depth understanding of its unique characteristics, and in line with its mission, to fully satisfy its "Bosses".

Thanks to this approach, and in particular, its Total Quality Model, Irmãdona has successfully met its targets for 2024 and, five years after opening its first store in Portugal, has further strengthened its commitment to internationalisation. The figures speak for themselves: a network of 60 supermarkets, with 11 new openings over the last twelve months; a high-performance workforce of 7,000 highly committed people, with 1,700 new hires this year; a total investment exceeding €1,093 million (€219 million in the last twelve months); and a turnover of €1,778 million, 27% more than in 2023.

As part of its ongoing organic development, in 2024, Irmãdona commissioned a new logistics centre in Almeirim (Santarém), which has been operational since July. The new warehouse involved a total investment of €287 million, has created a total of 600 jobs (a figure set to increase as the company expands in Portugal), and represents a firm commitment to sustainability, as 25% of its energy needs are covered by renewable sources. The company also inaugurated its first software development hub in Vila Nova de Gaia (Porto). This centre will be integrated into Mercadona IT and will enhance the digitalisation and re-engineering of over 300 internal systems and applications.

Now present in 12 districts (Porto, Braga, Aveiro, Viana do Castelo, Setúbal, Santarém, Viseu, Leiria, Lisbon, Coimbra, and from 2024, Évora and Guarda), Mercadona has continued to strengthen its relationship with Portuguese society, as demonstrated by its engagement with local suppliers (with €1,400 million in purchases in 2024) and its active participation in various Portuguese organisations and associations. This project aims to consolidate

its position as a company that Portuguese society wants to exist and feels proud of.





1	2
3	

1. Nazareth, an employee of the Lavradio supermarket in Setúbal. 2. Roberto, a "Boss" at the Moreira supermarket in Porto. 3. Guarda supermarket.

1

"The Boss"

Being guided by the satisfaction of "The Boss" as a lighthouse leads more and more customers to choose and place their trust in Mercadona every day. Offering a shopping experience with **excellent service** and a **Shopping Trolley Menu** with **conclusive quality at the lowest possible price** is the reason for the company's sustained growth



NATURAL KEFIR

Arte Láctico Caprino S.L.
Chiva (Valencia)





An efficient selection designed for "The Boss"

Mercadona has spent years working on its Efficient Selection strategy, with which it offers its "Bosses" (customers) the Shopping Trolley Menu of the best quality at the lowest possible price through a selection of approximately 8,000 products. Additionally, it has continued to consolidate its price drop strategy, which in 2024 was applied to 2,000 products, including olive oil, sugar and milk, with annual savings of €650 million for "The Boss".

Commitment to quality and innovation

Innovation is a cornerstone of Mercadona's Total Quality Model, based on which the company works alongside its specialist suppliers and intersuppliers to respond to the real needs of its "Bosses" by providing specific solutions of conclusive quality that fulfil the company's principle of "being both great and good".

For this purpose, throughout the year, it has allocated significant resources to its innovation policy, an effort which has allowed it to consolidate the conclusive quality of numerous products in its selection, such as scented bleach from the supplier SPB, an anti-frizz treatment produced by Neocos, custard with biscuit from Lácteos Romar, dry-cured pork loin slices from

the supplier Embutidos Monter, Hacendado parsley from Carmencita, and DulZ.Ze frizzante white wine produced by Bodegas Ontañón and J. García Carrión.

Likewise, the company has continued to make noticeable quality improvements to other products, such as the vanilla and honey, amber and vetiver, coconut and lychee, and marine and cedar bath gels made by Ubesol, and the extra-strong coffee capsules from the supplier Delica.

However, the company also operates a Co-innovation Model to keep pace with change and offer its "Bosses" an efficient selection, pursuing total customer satisfaction through specialisation



and the implementation of creative processes stemming from close collaboration between customers, 2,100 specialist suppliers and intersuppliers, and the entire workforce.

For this purpose, the company has 20 co-innovation centres located in Spain and Portugal, including the new centre opened in Sant Boi de Llobregat, Barcelona, in 2024. At these centres, over the last twelve months, a total of 11,000 sessions were held with "The Bosses" (10,000 in Spain and 1,000 in Portugal) to continue strengthening the company's Efficient Selection.

These facilities are equipped with spaces tailored to each specific need, such as kitchens, paella burners, laundry and household cleaning areas, and product showcasing and testing areas, where 200 professionals, referred to internally by the company as specialists, collaborate with the "Bosses", resulting in a total of 220 improvements, 330 new products and 23 product innovations in 2024. Some examples of these improvements, additions and innovations include the cheesecake and banoffee flavour dochi, snack-size cookie

dough-coated ice creams from the specialist Helados Estiu, fish products such as the bluemouth rockfish fillets now with improved quality from the supplier Profand, and corn tortillas from Delibreads, which were added to the selection in 2024 and proved to be a great success.

11,000

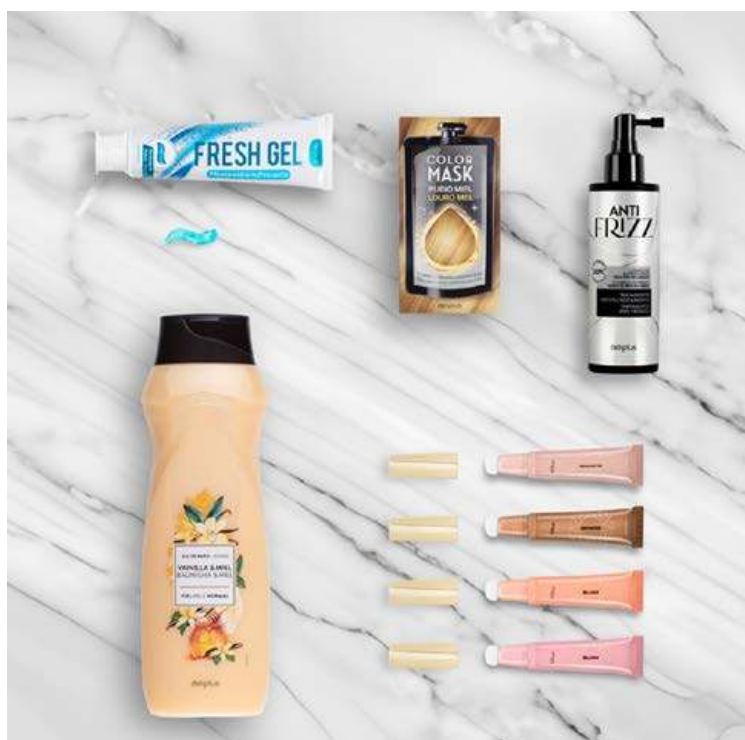
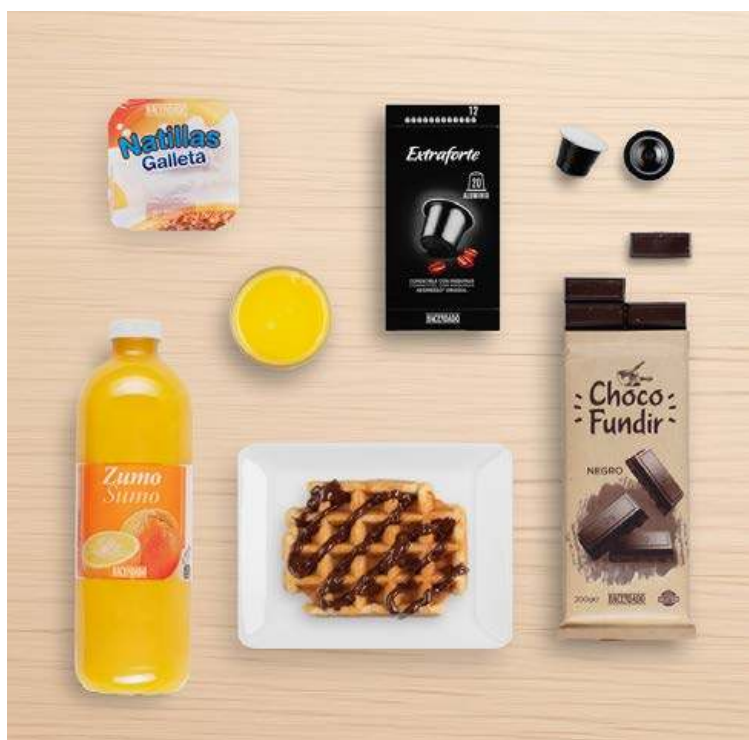
co-innovation sessions with the "Bosses"

10,000

in Spain

1,000

in Portugal



1 2

1. Custard (Postres Lácteos Romar), orange juice (J. García Carrión), chocolate waffle (Punto Gofre), melting chocolate (Sanchis Mira), and coffee capsules (Delica). 2. Toothpaste (Cosmoral), vanilla gel (Grupo Ubesol), liquid blush (Wecolors), anti-frizz (Neocos) and facial mask (Neocos).

Quality with food safety

Mercadona's Total Quality Model aims to guarantee conclusive quality and food safety in all products in its selection. Driven by this goal, the company promotes a food safety culture internally that is shared by all the links in the chain and its suppliers through a proprietary model.

In fact, it has spent almost two decades developing its Food Safety Quality Model with a triple objective (0 defects, 0 risks and 0 crises) through four specific strategies: prevention, reaction, contrasting and deployment of society.

Mercadona employs a preventive strategy to conduct an in-depth analysis of all the processes in its assembly line to identify and anticipate potential risks with solutions. For this purpose, the company uses the REMER

(Emerging Risks) monitoring tool for food and non-food and has other monitoring processes in place to cover different areas, such as legislative changes related to its business.

Furthermore, it employs its HACCP (Hazard Analysis and Critical Control Points) Management System, fully digitalised in all its Spanish supermarkets since 2023, to improve data flow and reliability.

Furthermore, Mercadona and Irmãdona operate active interdisciplinary scientific committees. Thanks to the professionals on these committees (ten in Spain and six in Portugal), crucial training and consultancy are provided in both countries. As such, they play a central role in risk assessment and management of potential solutions.

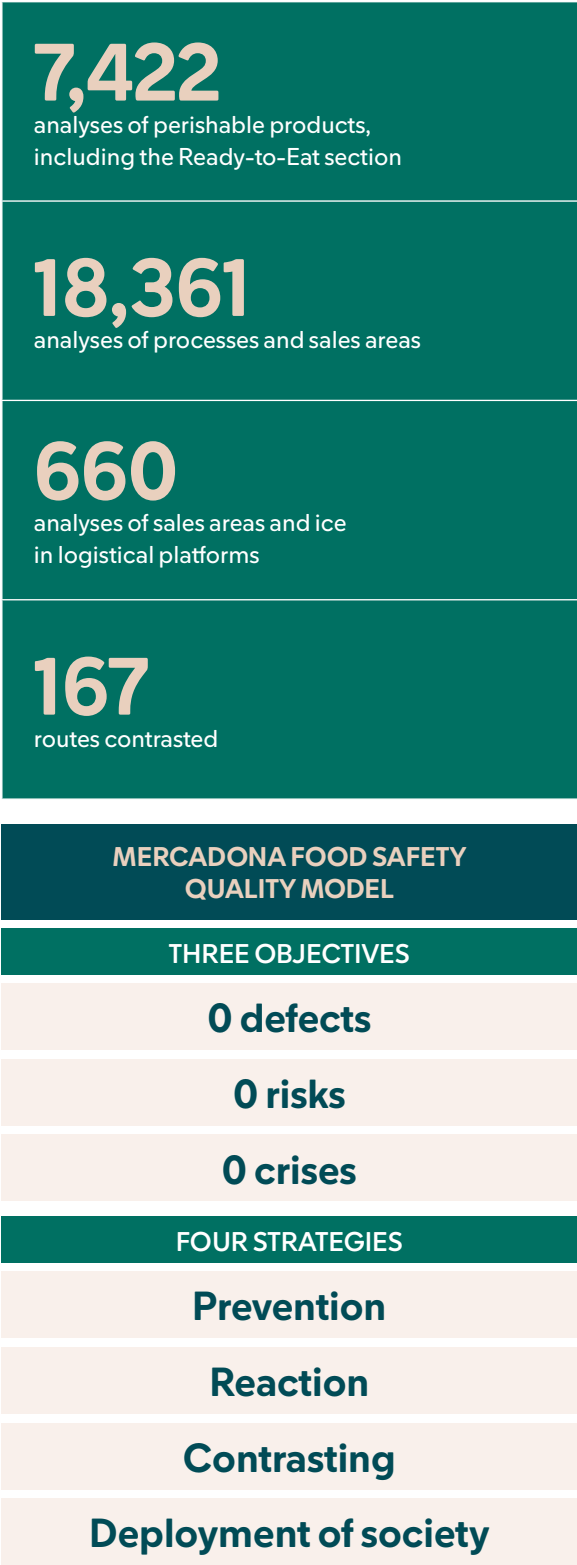


Through its reactive strategy, Mercadona's Model seeks to minimise the impact of food safety incidents, while at the same time learning from any issues related to food safety and quality.

Therefore, in addition to its customer service line, an essential detection and improvement tool, the company also relies on other critical resources, such as INTIE, a software tool that provides immediate information and facilitates agile management. Furthermore, the company has an internal Food Safety Indicator Management method and performs periodic drills (five in 2024).

Regarding the third strategy, i.e. contrasting, Mercadona's Food Safety and Quality Model complies at all times with the company's legally required HACCP (Hazard Analysis and Critical Control Points), a system that it further reinforces with process controls and surface and product testing.

In an ongoing effort to strengthen its commitment to food quality and safety, the company promotes its corporate social mission through a team of in-house technical specialists responsible for keeping Public Authorities informed of Mercadona's strategies and advances in food quality and safety. The company participates in the food safety committees of AECOC, ASEDAS, ENAC, AINIA, AVI, CNTA, SESAL, IFS and APED. Likewise, it collaborates with the Food Safety Authorities and receives support from universities, laboratories and technology centres, such as AINIA, Aquimisa, CNTA, Silliker and Anfaco.





Healthy eating tips

Healthy eating

Mercadona is fully aware that more and more people are opting for a healthy diet. Consequently, it is committed to offering its customers a varied selection so that they can create a balanced basket of products that cover their needs and contribute to a healthy diet. In fact, Mercadona has been training each of its teams on its healthy eating strategy since 2022.

Throughout 2024, it has continued to develop its product offering, guided at all times by the principle that products should be good (good flavour, colour, smell, etc.) and great (healthy, sustainable and socially responsible) while incorporating new solutions and improving recipes.

Over the course of the year, within the framework of its Healthy Strategy, the company has set about making the nutritional information displayed on its products easier to understand for the "Bosses" by improving the labelling to provide clearer information on nutritional values, quantities and cooking methods. One example is the labelling for the tuna pasties, produced by specialist supplier Congalsa, which now includes four different preparation methods: deep fryer, frying pan, oven and air fryer.

Furthermore, Mercadona works closely with its specialist suppliers and intersuppliers to promote responsible food consumption through portion-based formats. One example is the crunchy chocolate bars produced by Dulces Olmedo, which come in individual portions. Meanwhile, Mercadona has continued to incorporate products with high nutritional value, such as its aged beef burger, containing 98.5% meat, while also surprising its customers with products such as crunchy cocoa oat, a healthy chocolate cereal produced by the supplier Dailycer.

Similarly, under the "Your balanced basket" initiative, the company makes recipes and other resources available to customers and employees while also communicating and sharing useful information with consumer associations, administrations and other social agents.





Commitment to the "Bosses" with specific needs



Mercadona has continued to strengthen its commitment to people with specific dietary requirements, such as gluten and lactose intolerance.

In this regard, the company has dedicated several years to refining its selection to cater to specific dietary needs. Thanks to clearly labelled packaging on all products, which has been further improved in 2024, Mercadona offers consumers a diverse range of options of maximum quality at unbeatable prices to guarantee a healthy, safe and balanced diet.

For example, in 2024, it improved the quality of its gluten-free and lactose-free bread while also managing to extend the product's shelf life and eliminate gluten from its choco oat drink.

In addition, it has collaborated for many years with 28 food allergy and intolerance associations in Spain and Portugal. This link provides a constant flow of information on new dietary needs, enabling the company to develop specific solutions for each particular group.

Transparent labelling

Transparency is a key element in Mercadona's relationship with the "Bosses", an unwavering principle reflected, in particular, through the information and design of its labelling, which is constantly being improved.

The company employs a unique method to ensure transparent labelling for products sold under its Mercadona brands (Hacendado, Bosque Verde, Deliplus and Compy).

In addition to indicating the manufacturing supplier, each ingredient is listed according

to its relative presence in the product, and allergens are highlighted in bold.

Product labels now feature larger font sizes and specific colours to facilitate legibility and clarity, and a standardised nutrition table has also been created for all products, a column with nutritional information per product serving having been included since January 2024.

Since 1996, Hacendado, Bosque Verde, Deliplus, Compy, and other brands developed by Mercadona have been clearly identified on the labelling

HACENDADO



deliplus

Compy



Single-dose mayonnaise produced by the supplier Salsa Rica in Agoncillo, La Rioja.

Commitment to excellence in service

For Mercadona, maintaining service excellence is the key to retaining the trust of the 5.9 million households that shop with the company every day. Therefore, in addition to its commitment to conclusive quality at an unbeatable price, in 2024, the company has continued to make improvements to its supermarkets and Mercadona Online, to its selection, with new products in the Ready-to-Eat section and in the New Fish Model, and in the relationship of transparency undertaken by its Customer Service.

Supermarket network

In 2024, Mercadona has dedicated significant resources to strengthening its supermarket network, investing a total of €419 million, with €281 million allocated to new openings, €104 million to refurbishments and €34 million to improvements to its sales model.

As a result, the company had a network of 1,674 supermarkets at the end of the year: 60 in Portugal, following 11 new openings in 2024, and 1,614 in Spain, with 31 new stores opened and 49 existing locations closed after failing

to meet the company's requirements and standards for ensuring the best shopping experience for its customers.

Furthermore, seeking to make its supermarket chain more efficient and modern, the company has focused significant efforts on increasing the number of supermarkets adapted to the Efficient Store Model (Store 8), closing the year with a total of 1,431 pioneering, more sustainable stores with an optimised and more convenient layout and selection, improving the shopping experience for customers and the working experience for employees.

In this sense, as part of its commitment to digital transformation pursued for several years, the company has managed to digitalise the management of fresh products in store, with the aim of guiding store staff and improving service for the 5.9 million households that place their trust in Mercadona every day and shop at one of the chain's 1,674 supermarkets.

In addition, the bakery section staff now have a new mobile device that facilitates product searches and adapts the size and printing of labels.



Alcem-se! local residents

In 2024, Mercadona experienced the catastrophic impact of the DANA disaster that struck on 29 October, as well as the consequences on its business, directly affecting 21 stores.

Over the following days, the company focused its efforts on getting these establishments up and running again as quickly as possible, successfully restoring service in 11 supermarkets in just two days.

The ten remaining stores, which encountered a more complex situation, were progressively opened, the last of which, located in the Valencian town of Catarroja, reopened on 14 January 2025.

These operations required tremendous restructuring and internal collaboration work to optimise all possible personal and material resources. Furthermore, more than 200 suppliers played their part in recovering normal service at these facilities, which required a significant investment by the company amounting to €10 million.

These collective efforts and the involvement of employees who kept going despite the adversity of the situation demonstrated the ability of the company's close-knit workforce to overcome any challenge, a group of people who, when faced with exceptional circumstances, offer exceptional responses.

21 stores affected by the DANA disaster



Fuente Álamo supermarket in Murcia.

Improving the service to "The Boss"



Mercadona remains deeply committed to the total satisfaction of "The Boss", analysing and implementing initiatives and services that facilitate and enhance the shopping experience. With this in mind, the company not only listens to the needs of its customers but also analyses the market closely with the aim of anticipating new consumer trends and habits and always offering products of conclusive quality.

Indeed, based on this commitment and in response to a rising trend in today's society, the company launched its Ready-to-Eat service in 2018 (referred to as "Listo para Comer" in Spain and "Pronto a Comer" in Portugal). This initiative has been consolidated in recent years with prepared meals, including many traditional and "home-cooked" dishes.

From the outset, this project has received strong customer support and has grown steadily ever since,

with 150 more stores than the previous year offering this service, taking the total to 1,260 supermarkets (1,200 in Spain and all stores in Portugal).

Over the course of 2024, this section has incorporated new recipes, including salmon with vegetables (a dish combining salmon with rice, roasted vegetables and romesco sauce), baked ribs, and seafood salad (featuring a pasta base topped with jumbo squid, pickled red onion, king prawn, cooked prawns and vinaigrette).

Through its Co-innovation Model, which has undergone over 200 tests with customers, the company has made quality improvements in this section, such as the double burger, made with two 100% beef patties, cheese and bacon jam, and the salmon poke, with improved quality mango.

Over the last twelve months, Mercadona has also consolidated its geographical positioning



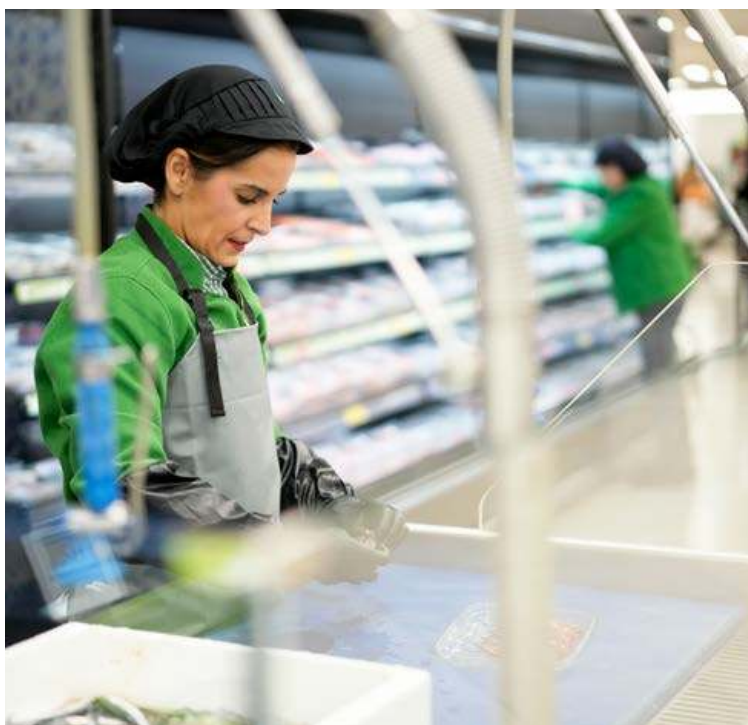
by incorporating traditional dishes from specific regions. For example, the Ready-to-Eat section in stores located in the autonomous communities of Castilla-La Mancha, Aragón, the Community of Madrid, Navarra, Andalucía and La Rioja, and the provinces of Tarragona, Barcelona, Soria and Ávila, offers migas (a traditional fried breadcrumb dish), ready to be enjoyed by the "Bosses".

Furthermore, during 2024, Mercadona has continued to expand the reorganisation of its fish section, which is now present in a total of 260 stores, compared to 77 the previous year, with a view to improving its service. It aims to use this model to promote fish consumption by providing a more flexible and personalised service and a selection of maximum quality and freshness at all times.

Similarly, the company has continued to adapt its selection throughout the year in collaboration

with leading companies and specialists in the sector, introducing new products that have been well received by its customers. Some examples include its salmon nuggets, gluten-free hake fingers, tuna steaks and cleaned sole. In addition, it has introduced quality improvements to other products, including its peeled, cooked prawns and shrimp fritters.

Thanks to the support of the "Bosses", the Ready-to-Eat section has continued to grow, reaching a total of 1,260 supermarkets (1,200 in Spain and 60 already operational in Portugal)



1. M^a José, an employee of the Santa Rosa supermarket in Córdoba. 2. Santiago, a "Boss" at the Carretera de Herencia supermarket in Alcázar de San Juan, Ciudad Real.



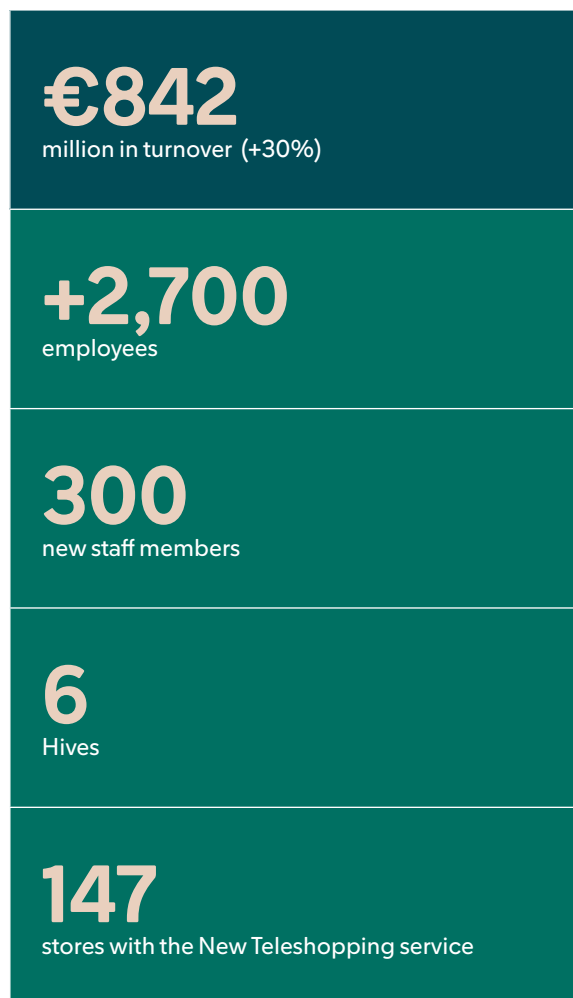
Mercadona Online

Driven by its desire to adapt to the new shopping habits of its "Bosses" and deliver the high-quality service they demand, in 2018, Mercadona decided to modernise its online shopping service, which has now become a viable and increasingly popular option for customers. In 2024, the company continued to develop this service by introducing several improvements, which gained the trust of more and more "Bosses", as proven by the more than 5 million orders placed throughout the year via this channel, generating a combined turnover of €842 million, up 30% on the €650 million recorded in the previous financial year.

A key component of this project are the company's Hives, warehouses used exclusively for online sales, which have helped to optimise processes, boost the efficiency of this sales channel and guarantee excellent service. At the end of 2024, the company had six such facilities located in the cities of Valencia, Barcelona, Madrid, Alicante and Seville and in the town of Boadilla del Monte in the Community of Madrid.

In addition, over the course of the year, it continued to reinforce its preparation and delivery model for areas with lower volumes of online orders, which, in these cases, are prepared and dispatched from physical stores instead of from Hives. In 2024, a total of 147 stores offered this service, following the opening of 88 new stores over the year in cities such as Córdoba, Granada, Ceuta, Melilla, Toledo, Cáceres, Badajoz, Santiago de Compostela, Las Palmas and Santa Cruz de Tenerife among others.

It is also worth noting that during the devastating floods caused by the DANA disaster that struck parts of Spain in October, the Mercadona Online service was temporarily unavailable in the towns affected. However, it was restored gradually and was fully operational by the beginning of January 2025.



In fact, Mercadona Online has grown steadily in 2024, adding value to the 5 Components throughout the year. This increasingly consolidated project is run by a multidisciplinary and close-knit team of over 2,700 people following the integration of more than 300 new members in 2024.

With a view to guaranteeing excellence in its delivery service, Mercadona Online also operates a network of 1,000 ECO vans, helping to reinforce its environmental commitment by reducing the volume of polluting emissions generated during this part of the process.

Customer service

Mercadona is firmly committed to transparency and maintains an attitude of permanent dialogue with its "Bosses", where empathy and active listening make it possible to identify opportunities for improvement, anticipate probable contingencies, and, most importantly, deliver flexible and specific solutions tailored to each particular case. For this purpose, the company relies on its Customer Service Department (CSD), staffed by a total of 82 people (70 in Spain and 12 in Portugal), which facilitates closeness with customers, listening to their concerns and communicating them to the relevant managers, who analyse them to find the best possible solution.

The work and commitment of every member of the team, and in particular, their collaboration with the customers who use the service have made it possible to respond to a total of 233,500 queries (215,300 in Spain and 18,200 in Portugal). In 2024, the telephone customer service system was updated, replacing the original call menu with a tool that asks the "Bosses" what they need and contacts the relevant person straight away, thereby simplifying and streamlining the communication process.

To cater to people who favour social media, the company decided several years ago to create social network accounts on Facebook, X, Instagram, YouTube and LinkedIn. Through these social networks, Mercadona engaged in a total of 368,730 conversations with customers in 2024 (308,640 in Spain and 60,090 in Portugal). Additionally, a new social media tool has been launched to improve customer service and statistical analysis.

Similarly, there is a virtual assistant in Spain called Carol, which is available via WhatsApp and on the website. Thanks to this service available 24/7/365, the "Bosses" had a total of 96,000 online chats in 2024. Furthermore, a FAQ section is available on its website, offering a wide range of answers about the company's services and products.

Digital presence of Mercadona

Spain
info.mercadona.es


www.facebook.com/mercadona


www.x.com/mercadona


www.instagram.com/mercadona


www.youtube.com/mercadona


www.linkedin.com/company/mercadona

Portugal
www.mercadona.pt


www.facebook.com/mercadonaportugal


www.x.com/mercadona_pt


www.instagram.com/mercadona_portugal


www.youtube.com/mercadonaportugal


www.linkedin.com/company/mercadonaportugal

Customer service telephone number





Rocío, an employee of Mercadona's Customer Service.

2

The Employee

Mercadona's excellent results in 2024 would not have been possible without the **commitment** and **dedication** of the 110,000 people who make up its workforce, who once again showed that **exceptional people** rise to the occasion in **exceptional times**, setting an example of solidarity and empathy



MOZZARELLA PIZZA-ROMA

Quesería Lafuente
Heras (Cantabria)



Workforce and job creation

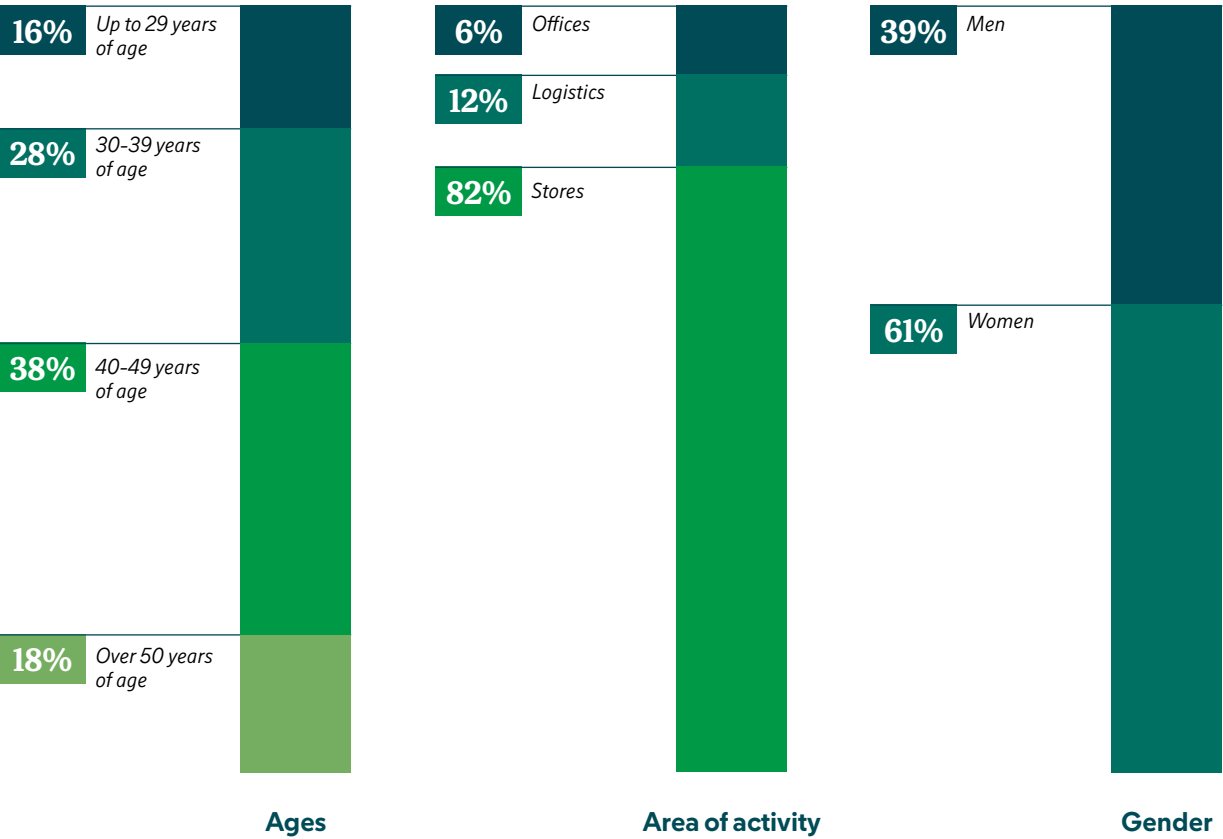
Mercadona employs a Human Resources Model that prioritises people and promotes teamwork. As a result, it has the best staff in its sector, a team that knows that reciprocity is a key factor and that receives a highly competitive value set that prioritises equality and diversity, personal and professional growth, a healthy work-life balance, ongoing training and a remuneration policy above the industry average as non-negotiable elements.

110,000 committed people



Mercadona has continued to bolster its commitment to creating quality employment through its value set, an approach that ensures that it can attract and retain talent year after year. As a result, it hired 6,000 new employees over the last twelve months, ending the year with a total workforce of over 110,000 people (103,000 in Spain and 7,000 in Portugal).

Indeed, as part of the process of attracting and retaining talent, the company has devoted considerable effort in recent years to strengthening its IT department. Consequently, over the course of the year, 120 people joined the team that specialises in software and app development, tasked with designing and building solutions that improve key company processes.



In 2024, this department, formed by 1,200 technology specialists, developed an application called Emplea_2 designed to facilitate day-to-day human resources management, streamlining decision-making and providing traceability of the professional development of the company's workforce.

Together, these 110,000 people form an exceptional team whose example and leadership help to drive forward a unique project that, in the professional sphere, provides a clear roadmap for development, growth and professional recognition. A reflection of this is the fact that a total of 150 employees will retire in 2024, the majority after spending decades working at Mercadona and

demonstrating a level of commitment that is greatly appreciated by the company.

This project, which is constantly growing and adding value to the employment sector in Spain and Portugal, has been recognised by society, as demonstrated by the Empleo'24 award presented by the Portuguese newspaper Expresso in recognition of the "sustained growth in turnover over the last 3 years and the largest increase in employee numbers over the same period".

Similarly, the Randstad Employer Brand Research study concluded that Mercadona was the most desirable company to work for in the distribution sector in Portugal in 2024.



Lorena and Yohana, employees of the San Juan de la Peña supermarket in Zaragoza.

A model that believes and trusts in people

The Mercadona Total Quality Model trusts in people and considers their development and satisfaction as priorities for continued growth and the consolidation of a project that not only creates value but shares it with the 5 components of the company. For this reason, it maintains an attitude based on listening and transparency with the entire workforce, allowing it to create a working environment founded on honesty, respect, equality, equity, mutual support and the creation of opportunities for growth.

Salary and profit sharing with the workforce

Mercadona invests in people and recognises their worth, commitment and effort. Accordingly, it offers salaries above the sector average and seeks to increase the purchasing power of its workforce through specific initiatives. Proof of this commitment is the company's decision last December to increase the salary of all employees by 8.5%, exceeding the CPI of each country by more than 5 points, and in this way, maintaining and increasing the purchasing power of the entire Mercadona workforce.

Furthermore, in line with its profit-sharing strategy initiated by its shareholders in 2001, it has

continued to recognise individual performance and the achievement of targets through bonuses, which in 2024 corresponded to an extra month's salary for employees who had been with the company for less than four years and an additional two months' salary for those who had been with the company for more than four years.

In 2024, an additional bonus was added to the performance-related bonus. By awarding these two bonuses, totalling €700 million, 17% more than last year, the company recognises and rewards the commitment and dedication of the people involved in its project.



Table of employee salaries at Mercadona in 12 monthly payments per year¹

SPAIN		PORTUGAL	
Gross/month	Net/month	Gross/month	Net/month
less than 1 year		less than 1 year	
€1,685*	€1,437	€1,247**	€1,037
2 years		2 years	
€1,851	€1,521	€1,384	€1,132
3 years		3 years	
€2,054	€1,655	€1,536	€1,231
> 4 years		> 4 years	
€2,280*	€1,803	€1,705**	€1,339
€1,685 ≈ 27% ↑ than the Official Minimum Wage		€1,247 ≈ 23% ↑ than the National Minimum Wage	
€2,280 ≈ 72% ↑ than the Official Minimum Wage		€1,705 ≈ 68% ↑ than the National Minimum Wage	

In force 01/01/2025. 8.5% wage increase.

In force 01/01/2025. 8.5% wage increase.

* The minimum wage at Mercadona in Spain is approximately 27% higher than the Official Minimum Wage (€1,323 gross/month in 12 payments), with the last bracket 72% higher (extra holiday and Christmas payments included).

** The minimum wage at Mercadona in Portugal is approximately 23% higher than the Official Minimum Wage (€1,015 gross/month in 12 payments), with the last bracket 68% higher (extra holiday and Christmas payments included).

¹ In both countries, performance-related bonuses must be added to the gross annual salary, which is one monthly payment starting from the first year of employment until the fourth year and two monthly payments starting from the fifth year. In 2024, the company paid an additional bonus to its workforce.

2,194
women in
management (47%)

Diversity, equality and inclusion

Mercadona believes in people and defends equality between men and women transversally, guaranteeing equal pay for the same responsibility or activity and promoting a balance of personal, family and professional life.

The company has implemented its own Equality Plan since 2010. Now in its fifth edition and adapted to current regulations in this area, the plan aims to strengthen the company's commitment to equality year after year by constantly monitoring and launching initiatives to foster a healthy working environment that rejects any form of discrimination based on sex, sexual orientation, disability, age, nationality, union membership or any other factor.

Demonstrating its commitment to integration, it has had a protocol in place in Spain since 2009 to address moral, sexual and gender-based harassment, the purpose of which is to protect the health and safety of employees by identifying potential situations of harassment and resolving conflicts. Similarly, it implements a Code of Conduct in Portugal to prevent workplace harassment, which serves as a reference guide to its ethical principles and is followed whenever an internal complaint is submitted.



Furthermore, the company has operated its own gender-based violence protocol in Spain since 2013, seeking to minimise the effects of gender-based violence on female employees and contribute to their protection and safety. The company employs this protocol to support victims, offering both medical assistance and legal advice. After more than a decade in operation, this work has proven to be a necessary and effective channel, particularly regarding the involvement of the company's medical and legal services. Likewise, in Portugal, Mercadona has a Domestic Violence Protocol in place with the same purpose as the Spanish version but adapted to Portuguese legislation and points of contact.

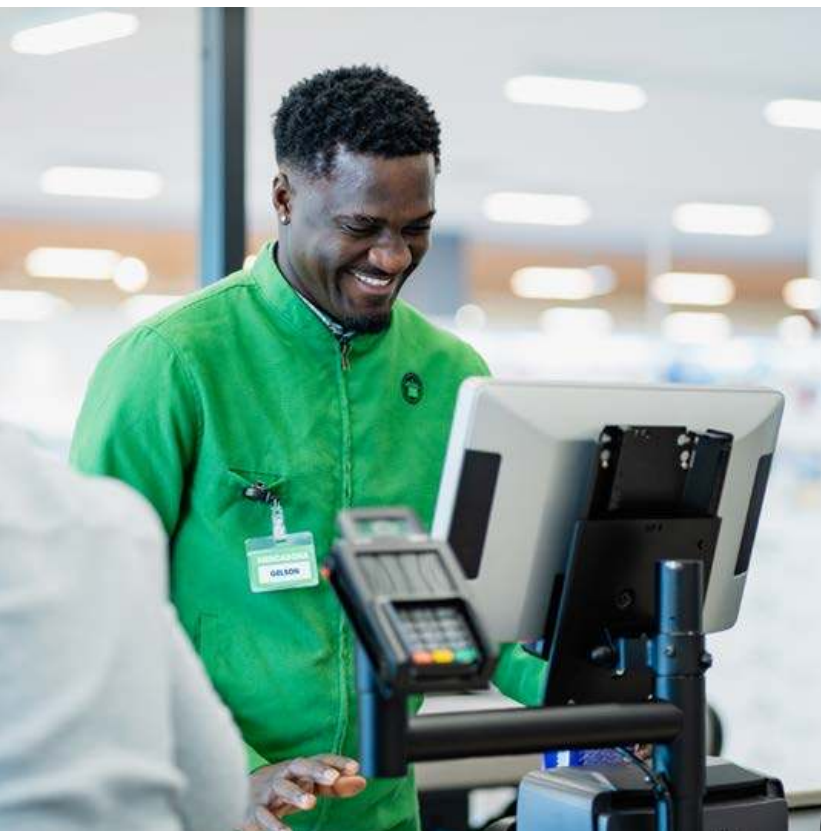
In line with its efforts to combat inequality, Mercadona supports and actively promotes the rights provided for in Spanish and Portuguese laws and its Equality Plan. These include, for example, three years' unpaid leave with job reservation, the right to transfer, reduction and adjustment of working hours, and suspension of the contract with the right to unemployment benefits.

Since 2013, the company has been a member of the Network of Companies for a Society Free from Gender-based Violence, a statement of commitment that the company has continued to renew for more than a decade. Similarly, it has supported the Business Pact against Violence in Portugal since 2020, formalising the commitment established with the Secretary of State for Citizenship and Equality (SECI) and the Commission for Citizenship and Gender Equality (CIG).

In 2024, Mercadona organised awareness-raising campaigns in Spain and Portugal to mark 25 November, the International Day for the Elimination of Violence Against Women. These campaigns helped Mercadona to communicate to society its long-standing and permanent position of zero tolerance towards gender-based violence.

Commitment to people through its Total Quality Model is backed up by data and figures, as 61% of its workforce are women, and more than 1,000 female employees have been promoted to positions of greater responsibility. In addition, a total of 2,194 women (47% of the total) hold managerial responsibilities. In 2024, a total of 3,223 people took parental leave, and more than 12,916 employees opted for reduced working hours.

In addition to all this, the company has continued to strengthen its commitment to diversity and its policy against all forms of discrimination. Accordingly, a total of 671 people with varying degrees of disability were employed during the year.



1	2
3	4

1. Natalia, an employee of the Marcos de Tornello supermarket in Avilés, Asturias. 2. Roberto, an employee at the Guadix logistics centre, Granada. 3. Gelson, an employee of the Rio de Mouro supermarket in Lisboa. 4. Carla, an employee of the Valencia Hive.

Collective Agreement

Since the first day of 2024, Mercadona has had a new collective bargaining agreement in Spain, signed together with the representatives of the General Workers' Union (UGT), the Workers' Commissions (CC.OO.) and the Independent Trade Union (S.I.).

The current agreement reaffirms the importance of shared and sustainable growth of the workforce based on the premises of pay equity (i.e. equal pay for equal responsibility), balance between value and effort through profit-sharing in the form of performance-related bonuses, and maintenance of purchasing power, linked to the increase in the CPI of the base salary and the company's objectives.

It also includes new work-life balance measures, such as eight weekends off per year for staff working in the company's Hives (warehouses for preparing online orders) and logistics centres, and the reduction of the six day working weeks in the logistics centres.

For its Portuguese workforce, the company follows the APED (Portuguese Association of Distribution Companies) Collective Bargaining Agreement, covering all workers in the sector.

Training for the entire workforce

Mercadona is convinced that attracting and retaining talent is just as important as promoting and strengthening it. Therefore, recognising that its entire workforce is fundamental to the continued expansion of its project, overcoming new challenges and successfully adapting to ever-changing needs and situations, the company invests consistently in training.

For this purpose, it allocates considerable human and material resources to training, resulting in a team that shares a belief in leadership and that, through engagement,

teamwork, individual effort and positive example, is constantly improving its skills and knowledge in order to offer the best possible service to "The Boss".

Accordingly, the training policy in place differentiates fundamentally between initial training and training for the execution of a specific process. Initial training, undertaken by all new hires from day one through the Welcome Plan, consists of a general programme lasting approximately six months, covering a range of topics such as occupational risk prevention and food safety, together with specific modules designed to explain and expand on the basic principles of the company's corporate culture, and in particular, its Total Quality Model.

In turn, the company provides specific training programmes to employees working in specialised roles to help them broaden their skills and improve their performance in specific processes to achieve excellence in their routine job.

Additionally, the company has been working for many years with external training services to provide training for its employees in cases that require particular specialisation or knowledge of and compliance with specific legal requirements.

However, besides this, the company has cross-disciplinary training plans for everyone in the company. These training plans are used to inform employees of the company's latest developments, objectives and results, ensuring that the entire workforce shares the same vision, which translates into greater alignment and cohesion, and ultimately, better performance overall.

In 2024, true to its commitment to continuous training, Mercadona allocated a total of €128

million to improving the skills, knowledge and training of its employees. This effort is reflected in over 4 million hours of training, representing an average of 37.8 hours per person and an average investment of €1,164 per employee.

Thanks to the company's commitment to internal talent and personal and professional growth, 1,894 people were promoted to more senior positions at both Mercadona and Irmãdona over the year. This constant drive for internal promotion has not only further increased overall staff satisfaction but has also reaffirmed Mercadona's policy of putting people first, ensuring that it has the best staff to fully satisfy "The Boss".

€128

million invested in training

€1,164

average investment per employee

4

million hours in training

1,894

employees promoted



Daniela, Javi and David, employees of the Calderón supermarket in Madrid.

Alcem-se! employees

The devastating DANA disaster that hit Spain on 29 October 2024 affected several of the company’s employees. In response to this tragedy, Mercadona quickly launched its own initiative, *Alcem-se!* ("Let's rise up" in Spanish) to show solidarity by helping the regions and people affected return to normality to the extent possible.

As regards Mercadona’s workforce, just three weeks after the catastrophic DANA disaster, through donations made by the company, the 1,000 employees directly affected by the catastrophe received the necessary financial support to recover, in each case, their homes or replace lost household goods and vehicles.

The entire workforce was involved in this project, led by the company’s Management Committee and backed by its Board of Directors, demonstrating once again the cohesiveness and ability of Mercadona’s team to overcome challenges by adhering to its own model, the Total Quality Model, which genuinely believes and invests in people.

Activo2: informing the workforce

The company has used the Activo2 application for several years as a means of optimising internal information processes, channelling joint collaboration and promoting new areas for improvement. This proprietary internal app has undergone further improvements in 2024, enabling employees working in the company’s Hives (warehouses dedicated to preparing online orders) to check their holidays, a feature previously only available to store employees.

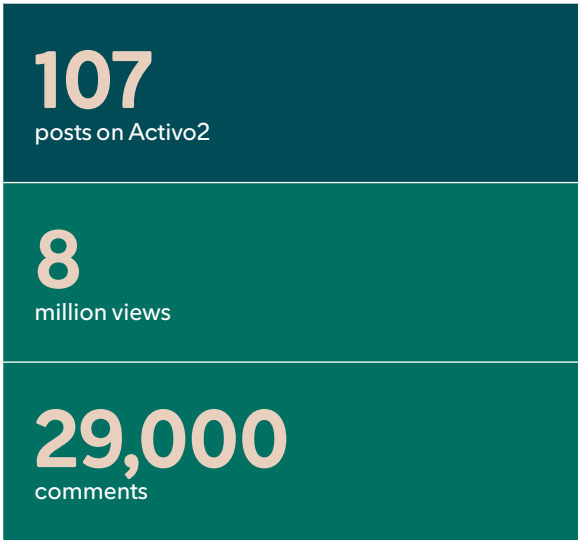
Likewise, the changes that the company has made to its daily management have been shared with the entire workforce practically in real time, as well as other relevant information.

A clear example of this was everything related to the management of the DANA disaster

Mercadona decided to help the 1,000 employees affected by the DANA disaster so that they would not have to start rebuilding their lives from scratch

and the fires in Portugal, which, together with the rest of the information shared with the workforce, amounted to a total of 107 posts and 321 specific examples.

The value of this application can be seen in the usage statistics for the last twelve months, reaching over 8 million views and a total of 29,000 comments from employees, an indication of the interest and engagement of the workforce in the evolution of the business and its specific activities.





1	2
3	

1. Annie, an employee of the Camps Elisis supermarket in Lleida. 2. José David, an employee of the Jaén Plaza shopping centre supermarket. 3. Pablo and Lidia, employees at the Fuente Capala supermarket in Navalmoral de la Mata, Cáceres.

Health and safety of the workforce

Safeguarding the health and safety of all the people who make up its workforce is a permanent and fundamental objective for Mercadona. For this reason, prevention is embedded throughout the production process. Every year, the company works hard to guarantee the most effective occupational safety measures by making constant improvements across all jobs and activities.

Prevention plan and medical service



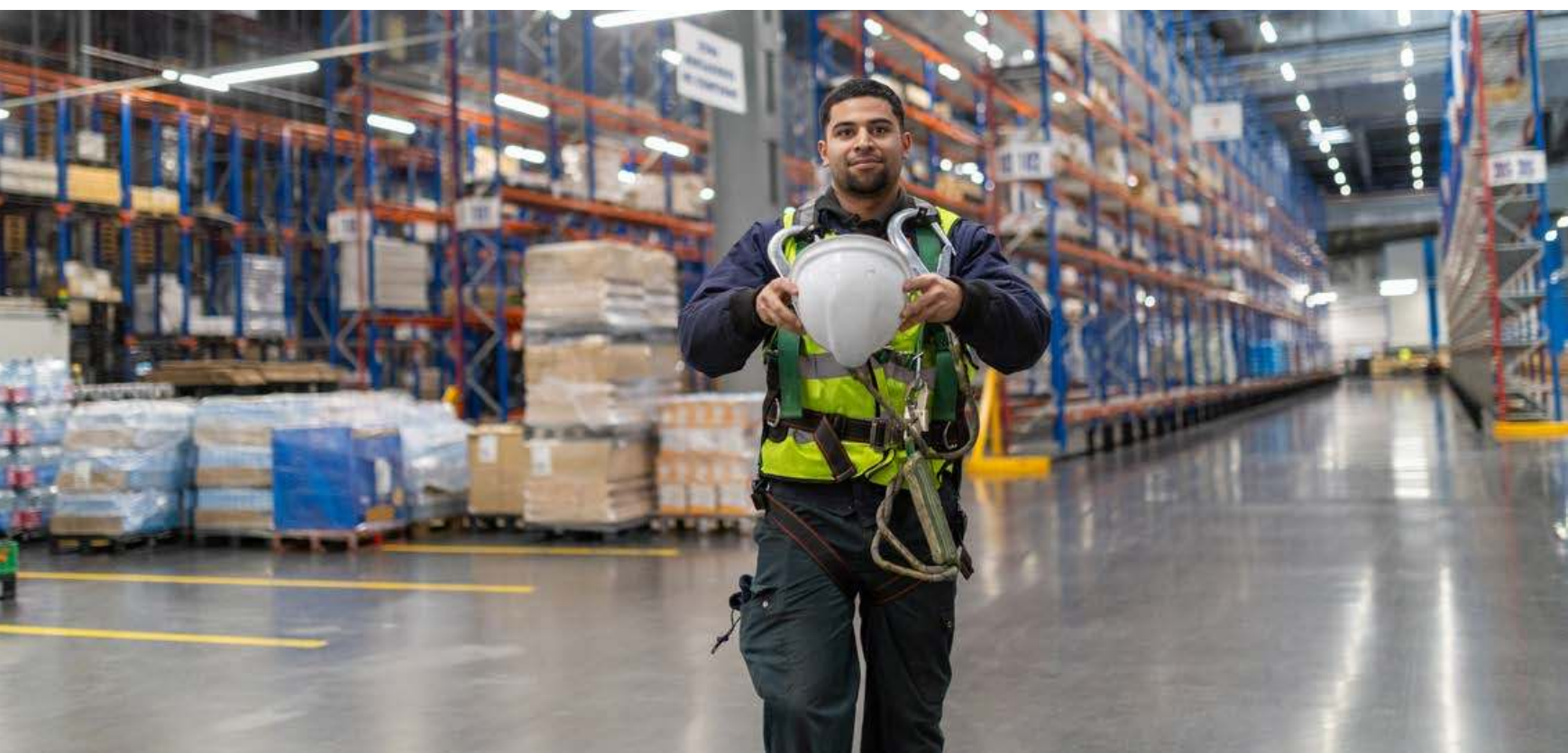
In order to guarantee the safety of all its staff, Mercadona implements its own Prevention Model, which is managed by a multidisciplinary team that assesses and analyses each job position and situation to ensure the highest level of occupational safety.

This prevention team, staffed by women and men specialised in different medical and technical fields, works as a coordinated unit in Spain and Portugal to implement improvements and

identify opportunities for minimising hazardous working conditions and potential contingencies or emergencies.

Likewise, it plays an important role in training, specifically through a continuous, cross-cutting and ongoing awareness-raising campaign on prevention.

The company endeavours not only to minimise the prevention of occupational accidents and



diseases but also to improve working conditions by integrating health and safety in the design of each new job position, process, or tool incorporated.

Mercadona's prevention service also works closely with external experts in health monitoring, training, and the specification of criteria. For example, Quirón Prevención, Previs, Preving and Cualtis have all contributed to developing new processes and detecting new opportunities for improvement.

The work carried out by the company's in-house medical service over the past twelve months should also be noted. Formed by 100 doctors, their work and commitment to occupational health monitoring is essential for the early detection and treatment of work-related and non-work-related health problems.

Prevention service during the DANA disaster

Mercadona's prevention service played a key role in the management of the DANA disaster by protecting the health and safety of its workforce. In this regard, it provided the staff undertaking cleaning tasks at different critical points, such as stores and logistics centres, with the necessary protective equipment from the outset.

Similarly, a number of other measures were implemented to safeguard the health and safety of employees, including modifying the opening hours of stores at risk of flooding and closing certain stores two hours earlier than usual to facilitate commuting for employees travelling through towns left without street lighting.

72 risk assessments completed	26.55 ‰* incidence of accidents at work
15.80 frequency (per million employees)	0.74 ‰** severity
54 days average length of sick leave	€27.3 million invested in occupational risk prevention

* Incidence rate = No. of accidents with sick leave/per 1,000 employees.
** Severity index = No. of days lost per accident/per 1,000 hours of work during the year.

3

The Supplier

In order to become a **Radical Totaler**, Mercadona depends on the work and leadership of its **2,100 leading suppliers and specialist intersuppliers** with whom it forges relationships built on trust and who are responsible for manufacturing **leading products** of the **highest quality at unbeatable prices**



MUSHROOMS

Champinter

Villamalea (Albacete)



Aitor, an employee of the supplier Champinter at its installations in Villamalea, Albacete.



Leading suppliers for conclusive quality

The aim of Mercadona's Total Quality Model is to guarantee conclusive quality and maximum food safety in all products in its selection. In order to achieve this aim, it has focused for many years on specialisation, working closely with specialist suppliers and intersuppliers to not only meet the needs of its "Bosses" but also to deliver the best possible solution to help them get it right: an efficient selection of conclusive quality, with absolute guarantees of food safety and sustainability, and above all, at an unbeatable price.

On the path to Totaler



The Supplier is a cornerstone of the Mercadona Project and the third component of the Total Quality Model, playing a crucial role in shaping the supply chain and the constant transformation process in which the company has been immersed for many years. In this context, Mercadona launched its Totaler Strategy in 2022 for the specific purpose of guaranteeing "The Boss" the possibility of having an efficient selection of conclusive quality at an unbeatable price.

Since then, driven by this goal, the company has continuously pursued numerous initiatives and strategies until reaching the point of establishing a purchasing and prescription general management department formed by more than 245 purchasing managers. This team manages individual relationships with specialist suppliers and intersuppliers with a working approach that has resulted in a qualitative leap forward in terms of processes.

As a result, the company has worked tirelessly to build an industrial cluster that, through leadership, cooperation, knowledge sharing, entrepreneurship, a commitment to innovation and the joint search for solutions, is now in a position to offer a unique selection tailored entirely to the needs of the "Bosses".

Meanwhile, over the last twelve months, Mercadona reaffirmed its commitment to yet another of its policies — to constantly apply the fall in costs to retail prices. Over the course of the year, the company cut 2,000 prices on many everyday consumer products

while maintaining conclusive quality and guaranteeing food safety and the sustainability of the agri-food chain at all times. This initiative has resulted in total savings of €650 million for "The Boss".

For example, the company worked with its specialist suppliers and intersuppliers of olive oil to reduce the price of extra virgin olive oil, cutting the retail price by more than €3 per litre in Spain in 2024 from €9.90 to €6.75 by the end of the year, in line with the price reduction of this raw material.

In 2024, Mercadona continued to advance its commitment to pass on reduced costs to sales prices, which has allowed it to make 2,000 price drops, thereby generating €650 million in savings for "The Boss"

Leading brands produced by leading suppliers





1

Selection

Efficient to **always** guarantee that "The Boss" **gets it right**

2

Quality

Every product must always guarantee **conclusive quality with food safety**

3

Service

Guaranteeing that "The Boss" always **has** the **product they need**

Objective ►



Radical Totaler
Totaler products

4

Price

Always ensuring an **unbeatable price** for each product

5

Profitability

Win-Win for Mercadona and the supplier

6

Continuous improvement

Constant work to keep reviewing, continue improving and always boost growth in a **socially responsible** way

2,100

specialist product suppliers and intersuppliers

Advancing towards being a Radical Totaler with specialist suppliers and intersuppliers, where radical means always doing it to have an Efficient Selection with conclusive quality

Chard from the supplier Verduras Curro in Villa del Prado, Madrid.

Shared responsibility

Mercadona maintains a relationship with specialist suppliers and intersuppliers based on trust and transparency. For this purpose, it applies the highest standards not only in terms of product quality and food safety but also in the defence of human rights, social and environmental responsibility, good animal welfare practices, and sustainable fishing and agriculture.

Human rights and best practices



Ethical Conduct
Guidelines for
Suppliers

Mercadona advocates respect for human rights throughout its entire value chain and endeavours to guarantee decent work free from discrimination and exploitation in undertaking its activity. This is demonstrated by the fact that, in 2024, Mercadona's Board of Directors approved a Human Rights Policy.



Animal Welfare
Commitment

Also falling under this framework are its Ethical Conduct Guidelines for Suppliers, which are aligned with the principles of the United Nations Global Compact and the Core Conventions of the International Labour Organisation, which must be observed by all suppliers. This requires a firm commitment to human rights and work ethics, occupational health and safety, the environment, sustainability, equality and diversity. Failure to observe these requirements entitles Mercadona to terminate the commercial relationship.

In addition, the company has collaborated for many years with various associations in Spain and Portugal to consolidate fair trade practices in the agri-food sector. Join the paragraphs. A clear example of this is its adherence to the Code of Good Commercial Practices in Food Procurement in Spain, promoted by the Ministry of Agriculture, Fisheries and Food (MAPA). As another significant step forward, the company joined the Ethical Trade Forums Association in 2024, promoting better working conditions in the Spanish agri-food sector. In the case of Portugal, it is involved with the Code of Good Practices of the Agri-food Chain, through which it collaborates with the other signatory companies and organisations to make improvements to the commercial relationship between economic agents.

Animal welfare

Mercadona is committed to animal welfare and strives to guarantee compliance with the "five fundamental freedoms" of animal rights: freedom from thirst, hunger and malnutrition; freedom from physical and thermal stress; freedom from fear and distress; freedom to express normal behaviour patterns; and freedom from pain, injury and disease. Based on this premise, the company has maintained an Animal Welfare Commitment for many years that is fully aligned with the principles of the World Organisation for Animal Health (OIE) on animal welfare.

This commitment encompasses the target of guaranteeing that 100% of the fresh eggs it sells are from cage-free hens reared in non-combined systems, whereby the "Bosses" can purchase eggs from cage-free hens throughout the chain originating from both free-range hens and hens reared in cage-free henhouses. Furthermore, all fresh meat, eggs and milk products sold at Mercadona and Irmãdona have been sourced from certified suppliers with recognised and accredited animal welfare standards, from the farm to transport and slaughter.

Similarly, Mercadona's meat and milk suppliers have adhered for many years to the National Antibiotic Resistance Plans (PRAN) promoted by the Spanish Agency of Medicines and Medical Products and the Ministry of Health. In addition, all suppliers with slaughter facilities have recording and image storage systems in their installations to ensure good practice.



Sustainable fishing

Mercadona is acutely aware of the importance of marine ecosystems around the world as rich and diverse habitats and essential sources of food. Therefore, for many years, the company has fostered a number of sustainable fishing commitments with its suppliers.

These agreements foster sustainability in the fields of extractive fishing and aquaculture. The company collaborates with its suppliers to ensure full compliance with current legislation and strengthens its Fisheries Purchasing Commitment through numerous measures.

Examples of these measures include implementing traceability control systems from the point of capture to remove

threatened and endangered species from the company's selection, requiring compliance with protocols for control measures that respect minimum sizes, periods of biological rest and closed seasons, and helping suppliers to make continuous improvements and adopt optimal techniques for fishing nets and gear.

Another clear example of its commitment to sustainability in the fishing sector is Irmãdona's adherence to the Comprobante Compra en Lonja (Proof of Purchase at a Fish Market) initiative. This initiative, launched in 2010 by Docapesca (the body in charge of fisheries management in Portugal), aims to support the Portuguese fishing sector through fairer remuneration for fishermen



while also promoting healthy eating with fresh, local products.

In Spain, the company also works closely with its suppliers to defend sustainable fishing. For example, it collaborates with the supplier Ecurís and the International Seafood Sustainability Foundation (ISSF) to guarantee that all Hacendado tinned tuna is sourced from responsible and sustainable fishing grounds. Similarly, another of Mercadona's specialist suppliers, Mascato, has been leading the fishery improvement project (FIP) for several years to adapt fishing methods for swordfish and blue sharks to ensure the traceability and sustainability of both species. Finally, the specialist supplier Leroy Seafood, which undergoes an annual audit to certify its commitment to all conservation principles, guarantees that all the fresh salmon sold by Mercadona in its fish and seafood section originates from fish farms with food safety, environmental and animal welfare certifications.

Sustainable agriculture

Mercadona advocates a sustainable agricultural model that effectively promotes resource-conserving, environmentally sustainable and economically viable agricultural production. Therefore, for years, it has supported a responsible resource and process management model that seeks balance at every stage of the value chain, is committed to a profitable circular economy and guarantees respect for the environment.

The company views sustainable agriculture as an inalienable ethical and social requirement. As such, it has remained firmly committed to this model for many years, sharing its principles with its suppliers. Accordingly, with the aim of developing sustainable production systems,

Mercadona works directly with its suppliers to guarantee food safety, promote healthy ecosystems, support sustainable land, water and natural resource management, improve the sustainability of the agricultural products on offer to its customers in compliance with European regulations, respond to specific situations of risk, such as the recent drought in parts of Spain, and satisfy the needs of current and future generations through efficient and tested manufacturing processes based on internationally recognised certification systems.

The specialist suppliers and intersuppliers in the primary sector that collaborate with Mercadona have made significant progress in 2024 in terms of growth, innovation and sustainability, which, in turn, has had a positive impact on the quality of the selection of products available to customers in stores.

A prominent example is the work carried out by the Champinter Cooperative, a supplier that leads the way in mushroom production through agreements aimed at shared growth. In its bid to promote its product, this cooperative from Villamalea (Albacete) has not only successfully developed new formats and solutions but also helps to combat depopulation in the rural areas of Castile-La Mancha, thanks to its expansion.

Equally important is the significant work undertaken in Portugal by the supplier Kiwi Greensun, which recently commissioned a new factory to respond to the growing demand for this fruit, with purchases doubling in Mercadona over the last five years. As a result, both Irmadona's "Bosses" in Portugal and Mercadona's customers in Spain can enjoy kiwis of conclusive quality thanks to a process of maximum sustainability that also adds value to all links in the supply chain.



Collaboration and shared growth



Through constant collaboration with its suppliers to provide the highest quality Shopping Trolley Menu on the market at an unbeatable price and an Efficient Selection that offers "The Boss" the chance to get it right every time, the company has been able to establish a leading industrial cluster. This ecosystem, underpinned by transparency, communication and trust, is a driver of growth for the regions in which it operates and provides its services.

This ecosystem, aligned under the Total Quality Model, continues to evolve, rising to challenges and adapting to market circumstances and the needs of its customers. It does so through its commitment to innovation, collaboration and commitment to sustainability with a philosophy that only considers win-win between its participants.

Solidarity and support in times of difficulty, as demonstrated during the devastating DANA disaster in 2024, also play a fundamental role in the company's success. In fact, from the moment the natural disaster struck on 29 October and over

the days that followed, the company provided continuous support to the 72 suppliers affected by power outages, access problems and damaged goods. The support provided, through initiatives such as the release of outstanding payments and the reduction of payment deadlines, enabled these companies to overcome and recover from losses and damages more quickly and to allocate resources to help their own staff and suppliers recover as soon as possible.

Despite the challenging circumstances experienced this year, this industrial cluster has once again proved to be a significant driver of growth, as illustrated by the total volume of purchases generated over the year in excess of €30,400 million in Spain and Portugal, of which €29,000 million corresponded to Spanish and €1,400 million to Portuguese suppliers. This figure, which represents an 8% increase compared to 2023, has been achieved thanks to another twelve months of close collaboration with 2,100 product suppliers and over 14,000 non-commercial and service suppliers, including over 400 haulage companies.

Miguel Burdeos, a great businessman and a dear friend



On 10 November, the death of Miguel Burdeos Baños at the age of 74 was announced as a result of the devastating effects of the DANA disaster in Valencia. As founder and president of the company SPB, a specialist supplier to Mercadona, he was a leading figure in the chemical and cleaning products industry. Miguel contributed to the growth and evolution of the Mercadona Project and always knew how to support the company and his close friend, Juan Roig, even in the most complicated and decisive moments. We are profoundly sorry for his loss and will be eternally grateful for his commitment and friendship.



Bread from the supplier Panidor at its facilities in Monte Redondo, Leiria.

Examples of supplier investment and employment creation in 2024

Casa Tarradellas Gurb (Barcelona) 	2 new factories, dryers and production lines	€104M in investment	210 new jobs
Panamar Puçol (Valencia) 	New factory	€75M in investment	200 new jobs
Entrepinares Villalba (Lugo), Castrogonzalo (Zamora) and Valladolid 	New factory and new installations	€53M in investment	15 new jobs
Schreiber Noblejas and Talavera de la Reina (Toledo), Tenerife (Canary Islands), Castelo Branco (Portugal) 	Expansion of factories and new lines	€40M in investment	27 new jobs
Inquiba Guareña (Badajoz) 	New lines and efficiency improvements	€32M in investment	60 new jobs
Huevos Guillén Valencia, Navarra, Murcia, Toledo, Badajoz, Tenerife and Las Palmas 	Renovations and acquisition of farms	€30M in investment	34 new jobs
Panificadora de Alcalá Alcalá de Henares (Madrid) 	New factory	€25M in investment	90 new jobs
Importaco Beniparrail (Valencia) 	Industrial automation and update	€24M in investment	134 new jobs

Delibreads Liria (Valencia) Delibreads	New factory	€22M in investment	90 new jobs
Rubio Bullas (Murcia) Rubio	New factory	€15M in investment	120 new jobs
Ubesol Atzeneta d'Albaida (Valencia) and Uldecona (Tarragona) GRUPOUBESOL	New lines and adaptation	€15M in investment	51 new jobs
Paturpat Vitoria-Gasteiz (Araba/Álava) paturpat[®] procesados de patata by udapa	Plant expansion	€15M in investment	15 new jobs
United Pet-Food El Burgo de Ebro (Zaragoza) UNITED PETFOOD	New lines	€13M in investment	35 new jobs
Profand Cambre (A Coruña), Vilagarcía (Pontevedra) y Zaragoza Profand	New lines	€10M in investment	315 new jobs
Patricia Pilar A dos Cunhados e Maceira (Lisboa) Patricia Pilar	Construction of greenhouses and production rooms	€10M in investment	120 new jobs
Coolkiwi Pobra do Caramiñal (A Coruña) Coolkiwi	New factory	€7M in investment	20 new jobs

€M: millions of euros.

Logistics network

Mercadona has a team of over 13,000 people who make up its logistics department. This leading, multidisciplinary and highly specialised team works every day to deliver the most efficient logistics solution for every need in a sustainable and environmentally friendly manner, fully aware of the impact generated by the company's operations to supply a network of 1,674 supermarkets every day (1,614 in Spain and 60 in Portugal), where 5.9 million families do their shopping.

Advances in 2024

Mercadona constantly analyses and introduces sustainable initiatives based on the circular economy, developing process automation measures and incorporating strategies in conjunction with logistics providers to boost efficiency and reduce environmental impact.

In order to channel these measures and strategies, it has its own logistics network made up of 17 logistics centres, 2 satellite warehouses, 2 regulating warehouses and 1 material warehouse, which is committed to the elimination of overexertion and whose promotion and improvement continuously allocates significant resources. Specifically, in 2024, the company invested €276 million in new openings, equipment purchases for its logistics centres and a very important milestone: the installation of air-conditioning at its oldest dry storage warehouses, involving an investment of €34 million. In addition, the company spent €7.2 million to install solar panels at certain facilities, most notably at its Abrera logistics centre (Barcelona), where 16,500 solar panels installed on the roof with 8 MW of installed capacity generating 9.5 GWh/year prevent 1,270 tonnes of CO₂ emissions per year, making it the company's largest photovoltaic plant.

Likewise, last July, a new platform was added to its structure with the opening of the logistics centre in Almeirim (Santarém), the company's second such facility in Portugal. Following a total investment of €287 million in construction and commissioning (€88 million in 2024), this new logistics centre, which is now operational and sits on a plot of more than

440,000 square metres, will help to boost the company's distribution in Portugal.

Over the last twelve months, Mercadona invested €23 million in its logistics centre in Parc Sagunt (Valencia), thereby accelerating the construction of the frozen food warehouse that will serve all the stores previously supplied by the Riba-roja warehouse from the first quarter of 2025.

In addition, €31 million has been allocated to the Riba-roja logistics centre to incorporate a Picking Bridge Crane (PPG) system in the fresh goods area in order to automate the process. Meanwhile, the company has also continued to innovate in its Guadix (Granada) logistics centre, investing €25 million to complete the construction of a refrigerated warehouse area and move forward with the construction of a fully automated dry products warehouse that will serve a number of specific stores. Similarly, it has spent €12.6 million on its Vitoria-Gasteiz logistics centre to launch the expansion of the fresh produce warehouse where fish products will be prepared. Moreover, the additional space will enable the company to group together orders from suppliers located close to the city before being shipped to other logistics centres.

In addition to all of this, Mercadona has continued to make progress in its digital transformation strategy. Specifically, it has renewed the devices used by all employees in its logistics network, which can be operated on the move, an initiative involving the renewal of 4,000 terminals and a €7 million investment improving efficiency and productivity.

16,500
solar panels at the
Abrera Logistics Centre

Effects of the DANA disaster

The floods caused by the DANA disaster in October 2024 affected the Riba-roja de Túria platform (Valencia), resulting in the total destruction of the frozen product warehouse.

Mercadona was forced to suspend production at its bread factory for two months, and its regulating warehouse sustained severe flooding and damage. The company allocated €500,000 in this area with the aim of alleviating the consequences and recovering normal operations as quickly as possible.

However, despite the difficulties suffered, Mercadona has sought to collaborate by providing assistance in the recovery of the

l'Oliveral industrial estate, where the logistics centre is located, through an investment of €100,000.

17

logistics centres

1.4

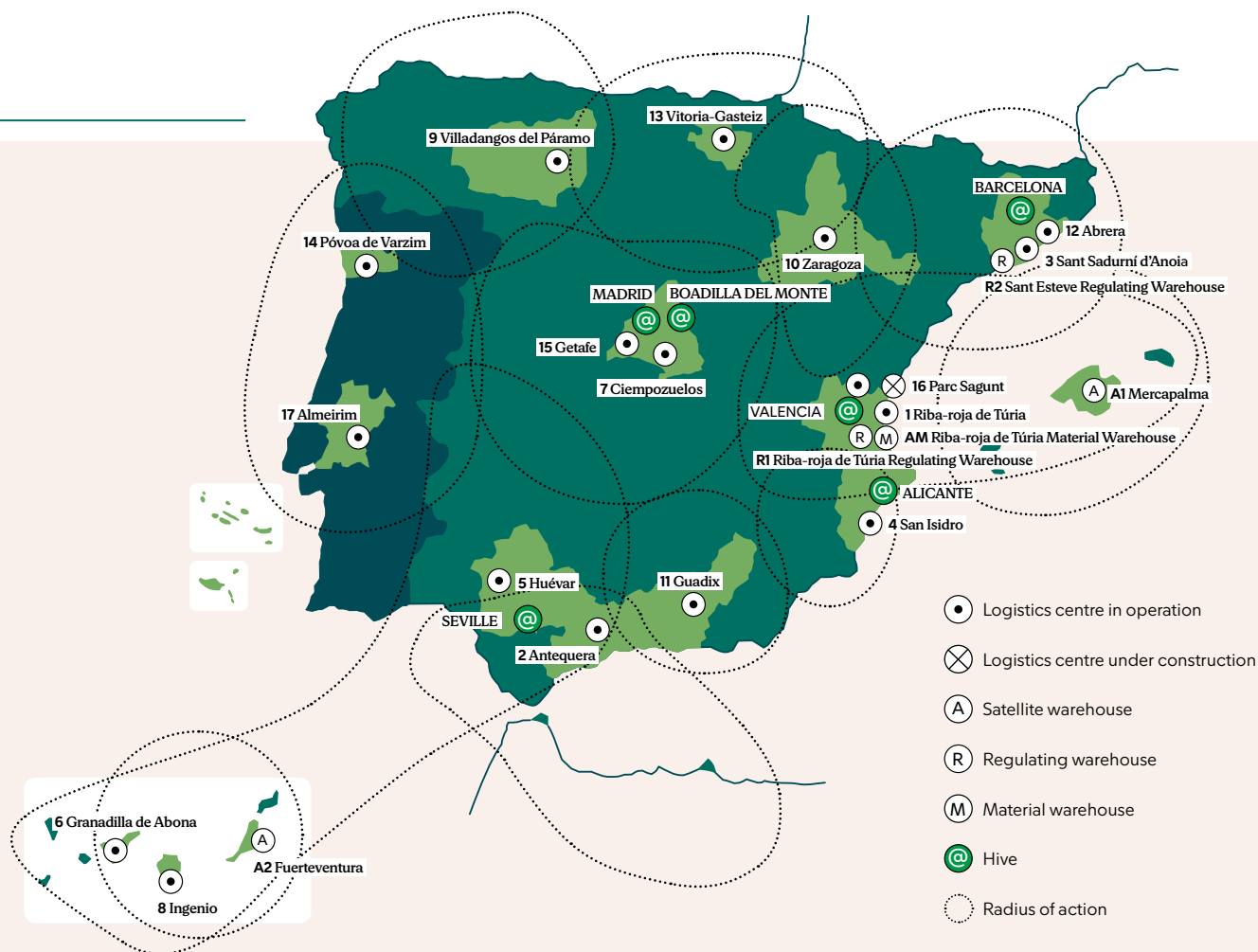
million square metres



Aerial view of the logistics centre in Almeirim, Santarém.

- 1 RIBA-ROJA DE TÚRIA, Valencia
 - 2 ANTEQUERA, Málaga
 - 3 SANT SADURNÍ D'ANOIA, Barcelona
 - 4 SAN ISIDRO, Alicante
 - 5 HUÉVAR, Seville
 - 6 GRANADILLA DE ABONA, Tenerife (Santa Cruz de Tenerife)
 - 7 CIEMPOZUELOS, Madrid
 - 8 INGENIO, Gran Canaria (Las Palmas)
 - 9 VILLADANGOS DEL PÁRAMO, León
 - 10 ZARAGOZA, Zaragoza
 - 11 GUADIX, Granada
 - 12 ABRERA, Barcelona
 - 13 VITORIA-GASTEIZ, Araba/Álava
 - 14 PÓVOA DE VARZIM, Porto
 - 15 GETAFE, Madrid
 - 16 PARC SAGUNT, Valencia
 - 17 ALMEIRIM, Santarém
 - A1 MERCAPALMA, Palma (Balearic Islands)
 - A2 FUERTEVENTURA, Fuerteventura (Las Palmas)
 - R1 RIBA-ROJA DE TÚRIA REGULATING WAREHOUSE, Valencia
 - R2 SANT ESTEVE REGULATING WAREHOUSE, Barcelona
 - AM RIBA-ROJA DE TÚRIA MATERIAL WAREHOUSE, Valencia
- HIVES (online warehouse)**
- VALENCIA
BARCELONA
MADRID
ALICANTE
SEVILLE
BOADILLA DEL MONTE, Madrid





1. Gonzalo, an employee at the Guadix logistics centre, Granada. 2. Alberto, Jairo and Íñigo, employees of the Vitoria-Gasteiz logistics centre, Araba/Álava.

4

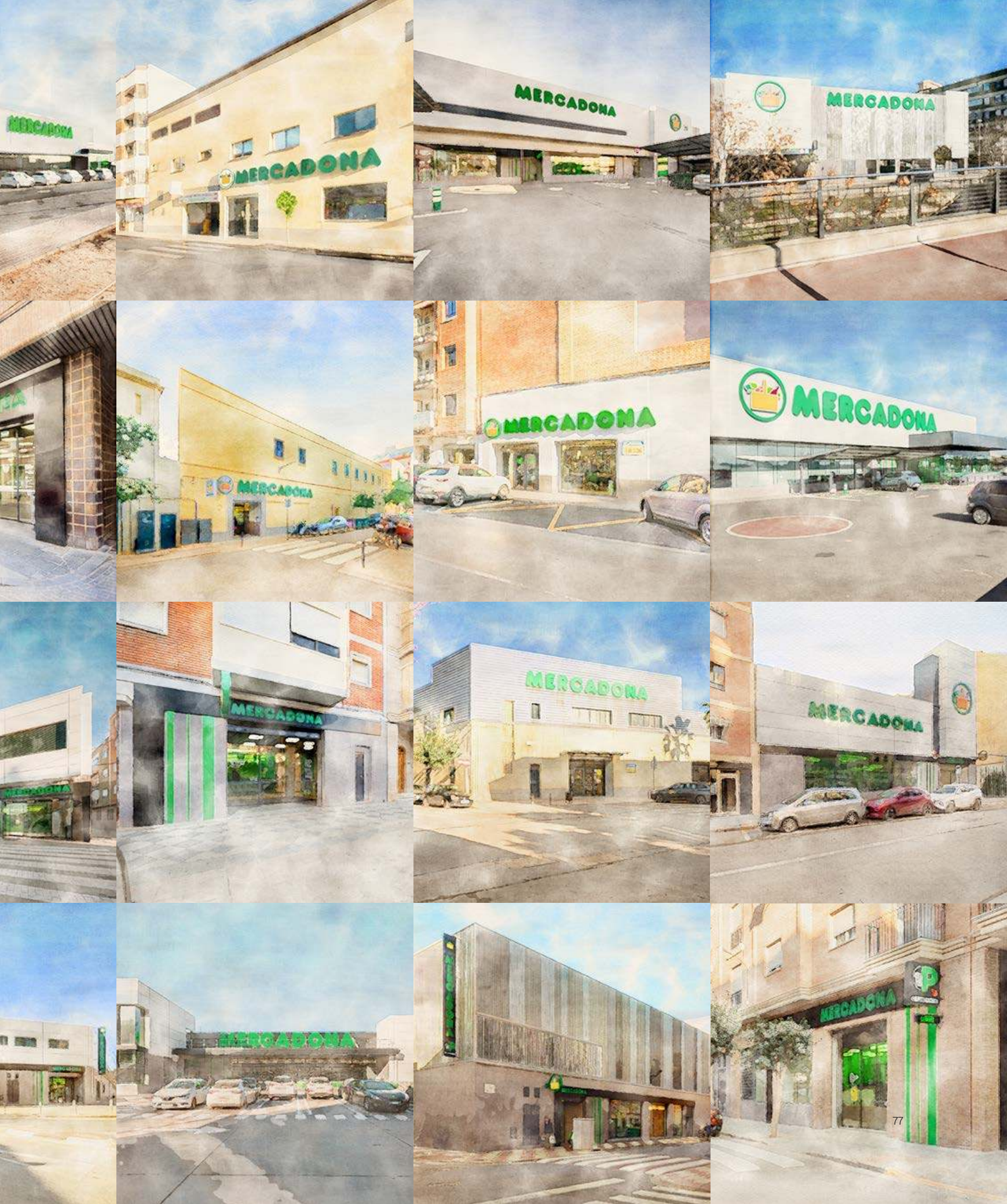
Society

In order to achieve its goal of being a company that people want to exist, Mercadona **actively engages** in the societies and communities in which it is present, pursuing a common purpose based on values such as **transparency, collaboration, and leading by example**

Alcem-se!

Stores in the province of Valencia restored after the DANA disaster.





Committed to our environment

Through its Total Quality Model, Mercadona conducts its business according to ethical and responsible criteria and establishes a relationship with its surroundings founded on values such as empathy, transparency and constant dialogue. The company has also been implementing its own Social Action Plan for several years, which enables it to implement coordinated solutions and consequently strengthen its ties with society based on listening to people's needs.

Donations



Mercadona promotes specific actions to help alleviate, where possible, the needs of different vulnerable groups through donations of food and basic necessities, resulting in a total contribution of 25,200 tonnes at the end of the year.

The company donated a total of 23,900 tonnes of products in Spain in 2024, 9% more than the previous year, collaborating with 758 different organisations, including food banks, soup kitchens and other social entities, a process supported by digitalisation in store.

In keeping with its longstanding tradition, the company participated once again this year in

various fundraising campaigns organised by the Spanish Federation of Food Banks (FESBAL). An example is the Great Collection, which raised €2.3 million thanks to the solidarity of the "Bosses", to which Mercadona donated 10% of the proceeds and made an additional contribution of 5% to aid those affected by the DANA disaster, resulting in a direct contribution of more than €500,000. Mercadona also took part in the Spring Collection, raising more than €1 million for food banks.

Mercadona's commitment to solidarity also extends to Portugal, where the volume of donated products increased by 8.3% over the course



of the year, reaching a total of 1,300 tonnes. In turn, Irmãdona collaborated with more than 80 organisations, including soup kitchens, food banks and other charitable organisations.

In Portugal, it also participated in fundraising campaigns organised by food banks and the Portuguese Red Cross. Likewise, the company took part in an Animalife pet campaign. Thanks to the solidarity of the "Bosses" and the direct contribution of Irmãdona, more than €225,000 was raised.

Extraordinary actions

Mercadona has also shown its commitment to society in the face of the consequences arising from disasters suffered over the last twelve months.

Especially notable is the support provided in response to the DANA disaster, during which Mercadona allocated significant material and

human resources. In order to alleviate the most urgent needs of local residents, the company allocated €1 million to launch a project to rebuild soup kitchens in the affected areas and provide essential physical resources, including the provision of seven delivery vans. It also provided support to the residents affected by the fire that broke out in February 2024 in the Campanar neighbourhood of Valencia. The company decided to keep the store open in the neighbourhood throughout the early morning to distribute food to neighbours affected and firefighters.

Likewise, through Irmãdona, it showed its support to Portuguese society in response to the forest fires that ravaged more than 150,000 hectares last summer. In this case, beverages, food and healthcare products were donated and distributed among the firefighters and members of the civil protection services working to contain and put out the fires.



L'Alqueria del Basket, a base for the army personnel deployed to Valencia to aid in the recovery of the areas affected by the DANA disaster.

Social management in stores



Mercadona is conscious of the potential impact of its business on the environments in which it is present and approaches its relationship with its neighbours based on a coexistence model founded on respect, empathy, communication and transparency. The company engages in ongoing dialogue with the local community to detect existing needs, anticipate possible solutions to problems, and support measures aimed at coordinating its commercial activity to ensure a peaceful and pleasant environment for its neighbours.

For this purpose, it has been implementing its Proactive Neighbourhood Management project for more than a decade. This initiative, launched in 2014, is designed to prevent potential disturbances through collaboration and various verification processes. In 2024, more than 22,500 inspections of loading and unloading processes were carried out in Spain and Portugal, as well as 4,891 internal process reviews at the company's facilities. Likewise, through constant dialogue, the company received a total of 394 suggestions for improvement in both countries, 75% of which were resolved satisfactorily in under 30 calendar days.

In 2024, a number of specific initiatives were undertaken to improve the company's relationship with local residents and their perception of how Mercadona caters to their needs. This is the case for its new supermarket in Cocentaina (Alicante), whose construction has preserved, restored and integrated the façade of a protected building forming part of the former Textiflok textile factory complex. Likewise, Mercadona has redeveloped the whole environment of this new store, with new green areas for public use. In Portugal, the company has opened a supermarket in Leiria, located in the emblematic premises previously belonging

to the company Sarvinhos, a historic reference in wine production in the region.

The company applies the same business philosophy regarding the basic needs of people with disabilities and, through its Store 8 model, adheres to the accessibility strategies recommended by the Spanish Committee of Representatives of Persons with Disabilities (CERMI) to facilitate the shopping experience for people with disabilities. Likewise, customers can request the assistance of any employee while shopping or shopping trolleys adapted to their specific disability. In addition, its principle of accessibility aims to improve the shopping experience for customers by providing aisles with a minimum width of 1.8 metres and parking spaces and toilets adapted to the needs of people with reduced mobility.

Driven by its objective of promoting the best possible coexistence and demonstrating its social commitment, the company is currently developing a pilot project to seek synergies with Public Authorities with the aim of deploying the necessary resources to meet the needs of people living in extreme poverty and facilitate their social integration.

Furthermore, and demonstrating Mercadona's ongoing involvement in the neighbourhoods in which it is present is the support provided to local residents to restore public spaces, such as squares, streets and parks, following the devastation caused by the DANA disaster in October. The company also assisted in clearing debris, cleaning and painting ground floors, entrance halls, garages and shops in the affected areas near its supermarkets and the logistics centre in Riba-roja (Valencia) after obtaining authorisation from the corresponding local councils. This effort, involving the assistance of 16 different suppliers, also created more than 110 jobs and required €3 million in investment by the company's works department.



Façade of the Cocentaina supermarket in Alicante, restored from a protected building of the Textiflok factory.

Global Compact and other forums



Mercadona maintains a proactive relationship based on transparency with different social interest groups. Based on this ethos, it participates in leading international initiatives such as the United Nations Global Compact.



This forum, which spearheads corporate sustainability worldwide, with participation from 25,493 member entities from 168 countries, advocates core values in the areas of human rights, labour standards and the fight against corruption.

While constantly seeking solutions to the challenges outlined by the Sustainable Development Goals (SDGs) in the business world, Mercadona also participates actively in other forums in Spain and is a member, for example, of the social impact, climate change, transparency, good governance and integrity clusters led by Forética.

It also plays an active role in the Seres Foundation's human rights working group, exploring potential cross-cutting social strategies and policies. In 2024, Mercadona also joined the Ethical Trade Forums Association, helping to promote better working conditions in the Spanish agri-food sector.

The company upholds the same level of commitment in Portugal through Irmãdona. Accordingly, it is a member of GRACE (a non-profit and pioneering association dedicated to corporate social responsibility in Portugal), instilling and promoting values such as inclusion, integrity, respect and equity.

Consumers

Transparency and communication are key elements in the company's relationship with society. Within this, consumer associations provide the best channel for the company to share mutual needs and objectives honestly and express in person the ethical commitment with which Mercadona approaches its business and adapts to the new consumer habits of the "Bosses".

In 2024, Mercadona collaborated with 148 different entities, including 90 consumer associations (86 in Spain, 2 in Portugal and 2 in Brussels), 24 consumer administrations (23 in Spain and 1 in Portugal) and 3 consumer institutions in Brussels. As a result, Mercadona gained a deeper understanding of the needs of consumers and specific groups, such as the 31 food intolerance and allergy associations with which it collaborates, including one in Portugal, thanks to numerous meetings and interactions, which, in some cases, resulted in the signing of framework agreements and the implementation of specific projects.

In this context, Mercadona has been running its "Participatory Roundtable" (MPAC) since 2014 in collaboration with the confederations and federations of consumer and user associations FUCI (Federation of Independent Consumers and Users), UNAE (National Civic Union Federation of Consumers and Housewives of Spain), AVACU (Valencian Association of Consumers and Users) and UCAUCE (Union of Consumers of Andalusia). This project analyses changing consumer habits, their possible consequences, and viable solutions. In this regard, the annual "Consumer Habits" survey involving more than 3,600 families is an invaluable tool for this purpose.

In 2024, MPAC held a conference in Valencia with collaborating consumer associations of the Mediterranean Arc, which included a session to present the project, a seminar on artificial intelligence and a visit to the Hortensia Herrero Art Centre.

Specific actions

148 consumer associations, intolerance and allergy associations, and Spanish and European consumer administrations with which the company collaborates	28 collaboration agreements with consumer, coeliac, intolerance and other allergy associations
171 interactions with consumer and intolerance and allergy associations	25 participations in conferences and workdays of the sector



1

2

1. Visit by FEACCU (Extremadura Federation of Consumer and User Associations) to the La Mejostilla supermarket in Cáceres. 2. Visit to the Seville Hive by Juanma Moreno, President of the Regional Government of Andalusia, and Rocío Blanco, Regional Minister of Employment, Enterprise, and Self-Employment.

Support for entrepreneurship



Mercadona believes that fostering entrepreneurship and leadership is a key factor for the development of society. This work is mainly channelled through its president, Juan Roig, the driving force behind Marina de Empresas. This project has been consolidated as a reference ecosystem of entrepreneurship and promotion of knowledge in Europe and is made up of three key pillars: EDEM, chaired by Mercadona board member Hortensia Roig, Lanzadera and Angels.

Through its patronage of EDEM over the past 22 years, Mercadona supports the training of businesspeople and promotes entrepreneurship and a culture of effort. This endeavour is channelled through the different courses, degrees and master's degrees offered by its university centre and business school, which, boasting an employability rate of 95%, trained over 5,000 students in 2024 alone.

This centre also benefits from the direct involvement of the president of Mercadona, Juan Roig, who once again this year participated as a teacher on the "15x15" course, now in its nineteenth edition.

Within this framework, Hortensia Roig endorsed the celebration of the third edition of the Hortensia Roig Prize for children's literature, aimed at promoting science and technology among girls through reading.

The winner of this edition was Ainoa García from Valencia, with her story "*Clara y el enigma de Tihapia*" (Clara and the enigma of Tihapia). Cecilia Ranz took second place once again, as she did in 2022, while among the four finalists was Francisco Javier Parras, an employee at Mercadona's logistics centre in Riba-roja (Valencia).

Through Lanzadera, the second pillar, leading entrepreneurs are provided with a management model (i.e. the Total Quality Model) and the necessary resources to accelerate business projects, totalling more than 1,500 projects since it was launched (220 during the last twelve months).

The third pillar, Angels, focuses its investment on more established projects, helping entrepreneurs to connect with potential investors to further consolidate their growth, helping a total of 64 companies since its inception (20 in 2024), representing an investment effort of €3 million.

Alcem-se! Initiative by Marina de Empresas

Besides its social initiatives linked to education and entrepreneurship, which are normally organised by Marina de Empresas, a special effort was made in 2024 to support SMEs, businesses, start-ups and freelancers directly

4,600

businesses affected by the DANA disaster received aid

€35

million in aid for businesspeople

180

people from Marina de Empresas involved

affected by the devastating DANA disaster in October with the goal of reactivating the economic fabric of the affected areas as quickly as possible and reducing the number of companies forced to close.

Accordingly, through the cross-cutting *Alcem-se!* (Let's rise up!) initiative led by the president of Mercadona, Juan Roig, €35 million in aid has been received by 4,600 businesses in 52 municipalities affected by the natural disaster. This project involved 180 people, mainly linked to Marina de Empresas.

The *Alcem-se!* platform also serves as an aggregator of charity initiatives set up by different organisations and associations, all of which share the common goal of helping companies affected by the floods.

Similarly, entities located close to the Marina of Valencia also offered their collaboration by providing free workspaces and humanitarian aid.

In this regard, a meeting was also held with tax, labour and banking experts to explain the packages of state and EU measures and aid and how to access them. This event was attended online and in person by 320 people.

Meanwhile, 50 EDEM bachelor's and master's degree students received special scholarships amounting to €300,000, while an additional €400,000 was allocated to help affected employees and emotional and psychological support was provided to a total of 160 secondary school students in some of the worst-affected areas.

In memory of Antonio Noblejas, a true friend

We wish to take this opportunity to remember Antonio Noblejas, who sadly passed away on 29 October following the horrific DANA



disaster that struck the province of Valencia. Antonio leaves a lasting legacy to society as a key figure in management education and talent promotion. Many of the people who form part of the Mercadona Project had the honour of working with Antonio over the last two decades, during his work as an auditor after setting up the Deloitte office in Valencia and later, in particular, during his time as Managing Director of EDEM, from November 2005 to 2019. During both stages of his career, it was clear that he was not only an "entrepreneur with a network", as he referred to himself, but also a great person who knew how to share his talent with others.

Environmental management

For Mercadona, respect for the environment is an essential commitment. Therefore, it implements an Environmental Management System made up of three pillars: pollution and climate change, waste prevention and management, and sustainable use of resources. Its aim is to identify and analyse potential sources of risk and to prevent and mitigate potential impacts in accordance with the UN Sustainable Development Goals (SDGs). In 2024, the company approved its Corporate Sustainability Policy, Climate Change Policy and Circular Economy Policy.

Pollution and climate change

Every year, Mercadona analyses its carbon footprint to determine its evolution and establish new objectives and strategies to accelerate the reduction of its impact. Over the last twelve months, following the application of ISO 14064 and the GHG Protocol standard, the company managed to reduce its emissions by 27% from 2015 to 2024 and by 6% compared to the previous year in terms of direct greenhouse gas emissions and removals and indirect emissions and removals from imported energy. This figure, which illustrates Mercadona's firm commitment to environmental protection, is even more remarkable considering that the company has

grown steadily in terms of *kilotres*, increasing by 36% over the decade.

In this regard, Mercadona is currently developing its climate transition plan and, as part of its decarbonisation process, has set a target of achieving a further 36% reduction by 2030, with a view to achieving climate neutrality by 2050.

In recent years, the company has minimised the volume of emissions by installing leak detectors in its industrial refrigeration systems and implementing exhaustive maintenance operations, resulting in a 66% reduction



in fluorinated gas leaks compared to 2015, equating to 238,275 tCO₂e.

The company has also worked hard to reduce emissions derived from the transportation of goods through the use of articulated lorries, reducing the number of journeys, and its commitment to a contracted logistics fleet made up entirely of Euro VI model vehicles. In 2024, the fleet contracted for distribution to stores and loading at suppliers consisted of 10 duo trailers, 33 mega trailers, 5 electric-powered lorries and 79 gas-powered lorries, of which 62 are run on liquefied natural gas and the remaining 17 on compressed natural gas. The company also relies on rail support, which, in 2024, transported a total of 10,800 loads to supply 681 stores for subsequent silent urban unloading.

Furthermore, a large proportion of the company's own online and teleshopping delivery fleet comprises bi-fuel vehicles, with 734 micro-hybrid units having been added since

2022, consolidating this delivery service as a sustainable and environmentally friendly option.

The success of the company's decarbonisation strategy in the area of logistics has been recognised by obtaining a third Lean & Green star, having achieved a 37.5% reduction in its logistics emissions by 2024 and avoiding, in accordance with the Lean & Green Action Plan, the emission of 221,735 tonnes of CO₂e.

The company has also made significant strides in reducing emissions from electricity consumption. By implementing very diverse measures, it has remained committed to renewable energy, with a 4% reduction in grid power consumption over the previous year and different contracts that, alongside its own power generation, have enabled it to achieve the target of 20% of electricity consumption from renewable sources by 2024, while also preventing the emission of 143,667 tCO₂e into the atmosphere in comparison to 2015.

37.5%
reduction in
logistics emissions



Mercadona Online vans.



Mercadona's carbon footprint certification for 2023, issued by SGS.



2023*	2024**
Total emissions (tonnes of CO ₂)	
950,972	894,481
Intensity of emissions (tCO ₂ e/Mill. of KLT sold)	
69.79	61.7
Emissions from fluorinated gas leaks (tCO ₂ e/Mill. of KLT sold)	
11.81	8.75
Direct emissions from goods transportation (KgCO ₂ e/m ³ served to store)	
7.3	7.03
Emissions of ozone-depleting substances	
The company does not use ozone-depleting substances	

* 2023 data verified under ISO 14064 standard.
** Provisional 2024 data pending verification.

Circular economy



More information on
the environment

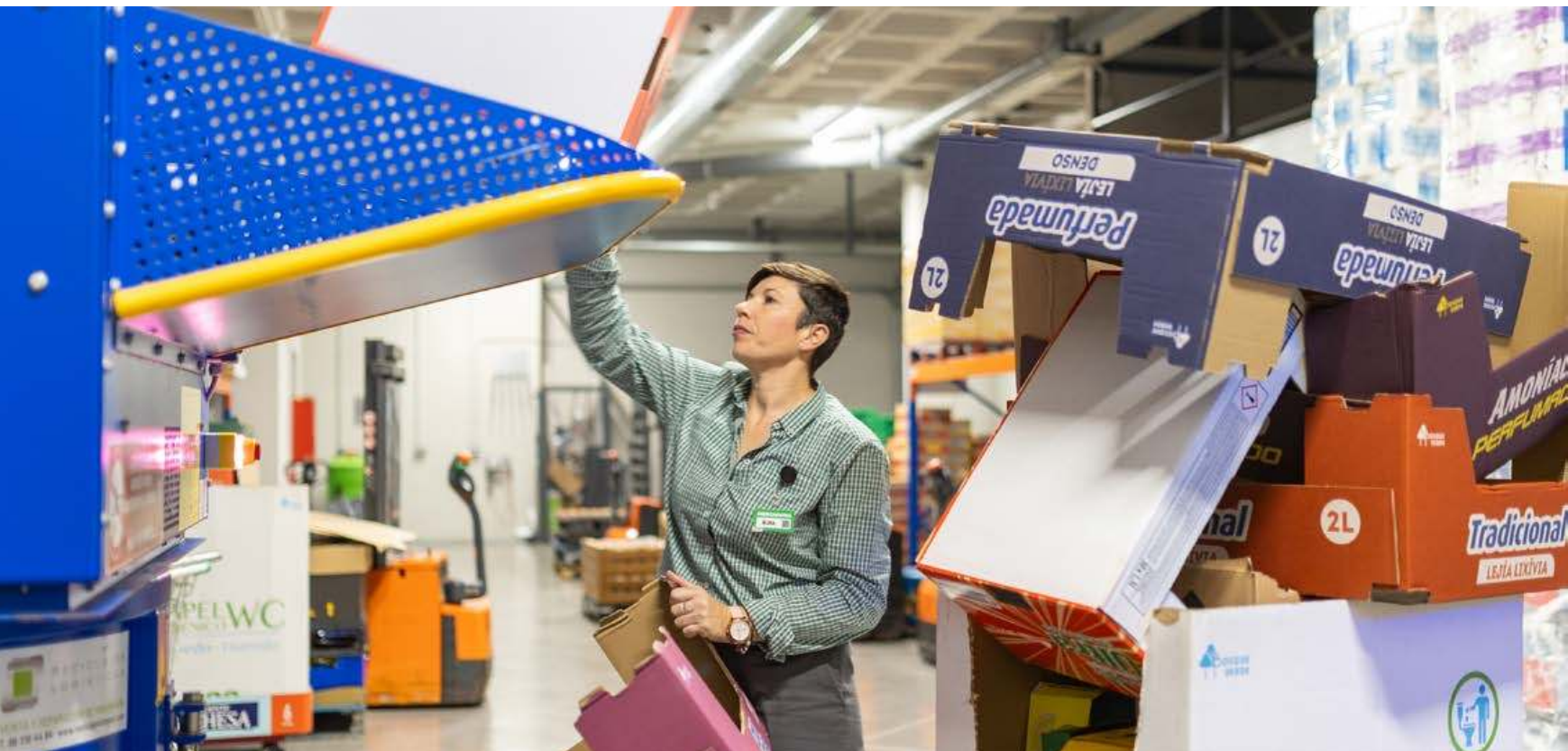
Mercadona is committed to using and consuming resources efficiently, promoting the reduction of waste generation and guaranteeing, where technically and economically feasible, its reuse in new processes.

It pursues these objectives by promoting a variety of strategies, focusing primarily on two areas: prevention and circularity. As regards prevention, it focuses on promoting the responsible use of resources and consumption optimisation; meanwhile, the main goal of circularity is to extend the useful life of resources as much as possible through reuse, recycling and other processes. Due to the volume and complexity of its business, the company applies different circular economy strategies depending on the flow of materials,

such as commercial packaging, household packaging, food waste and waste.

For commercial packaging, Mercadona maintains collaboration agreements with various reusable commercial packaging pooling providers and its suppliers to ensure that packaging is used repeatedly through a closed circuit in which it is washed, sanitised, and where necessary, repaired up to its "end-of-life", thereby reducing the consumption of raw materials.

As regards its Mercadona brand household packaging, Mercadona includes pictograms to inform the "Boss" of the appropriate container to deposit packaging in once it has become waste, thereby making it easier to identify, classify and recycle.



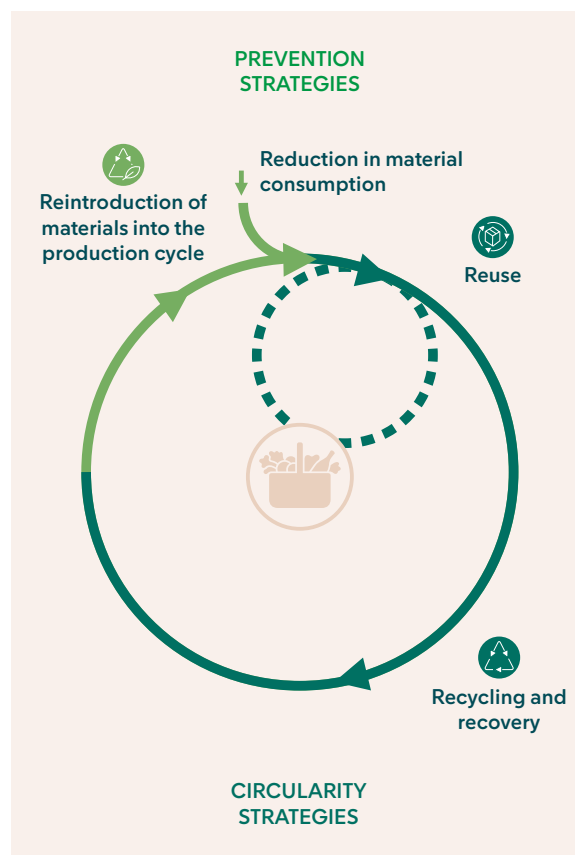
Mercadona has spent many years working to prevent and reduce the food waste generated in its facilities, which is a priority objective for the company. To this end, one of the main tools it employs is the modulation of daily orders sent from its stores to logistics centres. In addition, one of the cornerstones of prevention is the redistribution of surplus food that is fit for human consumption to food banks, soup kitchens and other organisations. Any items that are no longer fit for human consumption are recovered in other processes, such as being used for animal feed.

Similarly, the company provides valuable training to its employees while also promoting good practices, raising awareness among its "Bosses" through its website and social network profiles, and participating in high-impact initiatives in Spain, such as "There is no waste in food. Make the most of it!", coordinated by AECOC. Likewise, the company participates in the "Week Against Food Waste", also organised by AECOC, which promotes responsible food consumption.

Most importantly, the company has been driving forward a key food waste prevention strategy since 1993, which underpins its unique approach to distribution, namely the SPB (Always Low Prices) commercial strategy, designed to guarantee the best possible price for each product, with no special offers or promotions, encouraging responsible consumption by its "Bosses" by discouraging wasteful consumption and stockpiling.

In relation to the fourth pillar, waste management, Mercadona, in view of its business activity, focuses its efforts mainly on the management of secondary and tertiary single-use commercial packaging waste. This waste (cardboard, plastic and wood) is classified and stored at its facilities for subsequent collection and conversion into

Circular economy strategies



raw materials by authorised waste managers for a second life.

As for customer-generated waste, since 2021, Mercadona has worked with Arecafé in Spain (Alliance for the Recycling of Coffee Capsules). Every store has a collection point for used capsules, which are returned through reverse logistics to an authorised manager for processing and recovery. The company is also a member of the SCRAP (Extended Producer Responsibility Collective System) of the ERP (European Recycling Platform), a collaboration that facilitates the collection and appropriate management of used batteries as waste.

Sustainable use of resources



Through its Environmental Management System, Mercadona is committed to sustainable growth as a means of producing more with fewer resources. This transition towards a greener future requires the responsible and efficient management of natural resources, which the company is pursuing in three key areas: energy consumption, water consumption and the protection of biodiversity.

The first of these areas involves energy saving and efficiency measures, which in 2024 contributed to an overall reduction of 9% in energy consumption compared to 2021. Similarly, the company uses specialist energy management software to compare its energy consumption and expenditure in real time and make efficiency-focused decisions.

In addition to these advances, the company has continued to incorporate photovoltaic systems, with an investment effort of €45 million over the last twelve months. Consequently, 259 new solar panel systems with a total capacity of 148 MWp were installed over the last 12 months, which, together with existing systems, make up a total of 300,000 solar panels, generating a saving of 130 GWh in 2024.

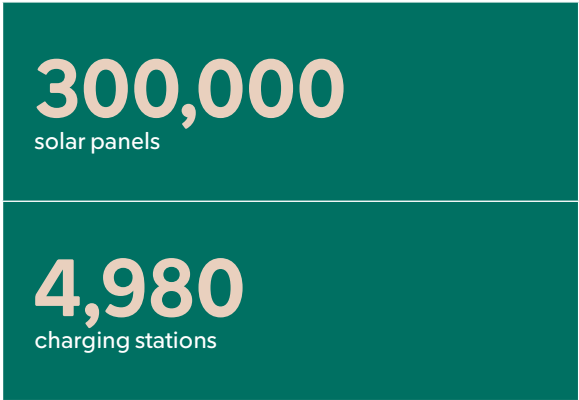
Meanwhile, in line with its commitment to clean and more environmentally friendly energy, the company has further expanded its charging infrastructure for electric vehicles. After spending a total of €18.7 million in 2024, the company ended the year with 4,980 charging points (4,842 in Spain and 138 in Portugal), making it one of the largest public-private charging networks.

In terms of water management, the supply of which is 100% municipal, Mercadona operates a remote metering system in all its stores to monitor and regulate its consumption, detect potential leaks and optimise its use. Its logistics centres also feature wastewater treatment plants

to return pollutant-free water to the environment. Likewise, the company employs methods for preventing and controlling spillages, thereby minimising their environmental impact and improving its water footprint.

Mercadona also incorporates biodiversity conservation into the development of its strategies, which entails collaborating with stakeholders and incorporating measures to reduce its impact. In this context, for several years, it has been a member of the Spanish Business and Biodiversity Initiative (IEEB) under the Ministry of Ecological Transition and Demographic Challenge and of the TNFD (Taskforce on Nature-related Financial Disclosures) advisory group for Spain.

Among the various measures undertaken in this sphere, the company has installed green roofs in courtyards and vertical gardens at 22 stores, contributing to the conservation of biodiversity while capturing CO2 and combating the urban heat island effect. Likewise, it installs several biodiversity-enhancement measures, such as nesting boxes, bird feeders, drinking troughs and insect hotels, thereby creating a more sustainable urban environment and making its business compatible with the adaptation of certain bird species to living in urban gardens.





Solar panels installed on the Calle Alto de Armentia supermarket in Vitoria-Gasteiz, Araba/Álava.

Acknowledgements

Mercadona is a sustainable and responsible project that operates under the principle of reciprocity, seeking to give back to society part of what it receives from it. This philosophy forms the framework for the various strategies pursued by the company to contribute to the development and prosperity of society through shared growth, together with its solidarity efforts in response to specific situations.

This deeply committed management model, as well as serving as the basis for the company's relations with its environment, obtained a particularly positive response from society in 2024, receiving various acknowledgements and prizes for which the company is extremely grateful and which, unquestionably, constitute a clear incentive to further strengthen its efforts and continue to promote charitable and socially responsible measures.

These accolades include the recognition awarded by AECC (Spanish Association Against Cancer) and FADE (Asturian Business Federation) for promoting healthy values

through its participation in the Healthy FADE programme; the Companies with Heart award presented by *Cáritas Diocesana de Toledo* for the company's donations to support the most vulnerable; and the appreciation expressed by various institutions, such as the Majadahonda Local Police, for the support provided to people affected by the floods caused by the DANA disaster in October. In this regard, the Valencia City Council also recognised the cooperation and assistance provided by the *Alcem-se!* platform during the DANA disaster, honouring it at an event held in February 2025 marking the 155th anniversary of the Valencia Local Police.



As a result of its profound commitment to society, in 2024, Mercadona was declared the leading company in its sector for corporate reputation and the second in the general ranking of companies in Spain, as measured by Merco (Business Monitor of Corporate Reputation). Similarly, in 2024, the company's president, Juan Roig, once again topped Merco's General Ranking of Leaders for the sixth year running, fundamentally due to his visionary leadership and commitment to ethical values. Meanwhile, in Portugal, where this assessment is also carried out, Mercadona maintained its position as the eighth most reputable company, an outstanding achievement considering that the company opened its first store in the country only five years ago.

Finally, special mention should be made of the awards promoted for several years by the Gómez

family, shareholders of Mercadona, in recognition of the efforts of police forces, through the Juan Manuel Gómez Serrano Awards, now in their fifth edition, and the dedication and contribution of Antequera's primary health care providers through the Patrocinio Gómez Awards, now in their eighth edition.

***The Alcem-se! platform
received an award from
Valencia City Council
acknowledging its cooperation
and assistance in response
to the devastation caused
by the DANA disaster***



Winners of the Juan Manuel Gómez Serrano awards, organised by the Gómez family, shareholders in Mercadona.

5

Capital

The **outstanding results** obtained in 2024 reflect the **extraordinary commitment and hard work** of Mercadona's workforce and suppliers, together with the continued **trust** of the shareholders and the Board of Directors, resulting in continuous **wealth generation for society** and **improved service** to "The Boss"



"COMO TÚ EXTRATIME A DAY"

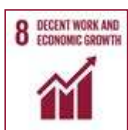
EAU DE PARFUM

RNB

La Pobla de Vallbona (Valencia)







The application of Mercadona's Model, along with the efforts of staff and the involvement of specialist suppliers and intersuppliers, have made it possible to achieve sales and profit targets for yet another year. These results have been achieved after satisfying the rest of the components in the following order: "The Boss", The Employee, The Supplier and Society. This has been possible thanks to a management model that thinks long-term and takes care of people.

The Mercadona Group principally comprises Mercadona, S.A., registered in Spain (Tavernes Blanques, Valencia), and Irmãdona Supermercados Unipessoal, Lda., registered in Portugal (Vila Nova de Gaia, Porto). Both companies share the same business purpose and carry out the same activity: the distribution of food, drink, personal care, household and pet care products.

To perform this task, they also have the support of a series of subsidiaries, branches and representative offices. Thanks to this commercial network, the company channels its international sales, which take place on four continents, and guarantees its "Bosses" an efficient selection of maximum quality at unbeatable prices, also for all products produced outside of Spain and Portugal.

As mentioned throughout this report, at the end of 2024, Mercadona had a network of 1,614 supermarkets in Spain and 60 in Portugal. All these supermarkets, of which 1,431 already operate the Efficient Store Model (Store 8), are supplied by Mercadona's dedicated logistics network, which comprises 17 logistics centres (15 in Spain and 2 in Portugal), 2 satellite warehouses, and 2 regulating warehouses.

In conjunction with this network of stores and logistics centres, it also has its own model of warehouses called Hives, dedicated exclusively to the management and preparation of online orders to serve customers in Spain who opt for the online shopping channel, which are currently up and running in the provinces of Valencia, Barcelona, Madrid, Alicante and Seville.

Furthermore, Mercadona has 20 co-innovation centres where, through the work undertaken by specialists in collaboration with the "Bosses", it develops new products and makes improvements to its selection.

Since 2011, Mercadona has been a voluntary member of the Tax Authority's Forum of Large Companies (Ministry of Finance and Public Function), which promotes a framework of collaboration based on the principles of transparency, mutual trust, good faith and loyalty between large companies and the State Tax Administration Body. Additionally, the company adheres to the Code of Good Tax Practices, which promotes a relationship of mutual cooperation between the Tax Authority and the companies that subscribe to it. Likewise, it voluntarily submits an annual report on Tax Transparency with the year's most relevant information, which is published on the Tax Authority's website, demonstrating compliance with the standards of collaboration and transparency required by the state agency.

In 2024, as in the previous year, the annual accounts of Mercadona and Irmãdona were audited by Ernst & Young, S.L. and Ernst & Young Audit & Asociados-SROC, S.A., respectively, both of which issued a favourable report with no exceptions. These reports, together with the annual accounts, are filed with the appropriate bodies.



Jonathan, an employee of the Barcelona Hive.

Efficiency improvements

In 2024, Mercadona remained committed to offering "The Boss" a high-quality Shopping Trolley Menu at an unbeatable price by applying the reductions in cost prices to selling prices.

€650M
in savings
due to price drops

Accordingly, the company made gradual price reductions throughout the year, specifically in February, July and October, while maintaining its food safety and quality standards and guaranteeing the sustainability of the food supply chain at all times. These measures entailed an impact of €650 million, allocated to cut the price of some 2,000 items, and consequently, reduce the annual cost of the shopping basket for "The Boss".

The efforts and involvement of all of Mercadona's employees, as well as its specialist suppliers and intersuppliers, who collaborate with Mercadona in the search for tools and processes for improvement, have been key to the company's success in this area. These efforts have enabled the company to continue to drive growth through efficiency and productivity, with the implementation of multiple initiatives that have yielded a significant return.

Examples of efficiency improvements, which have entailed a positive return on investment, include the company's investment in improving air conditioning in its logistics centres and store warehouses and the digitalisation of premises plans, which generate considerable current and future savings by streamlining the licensing process.

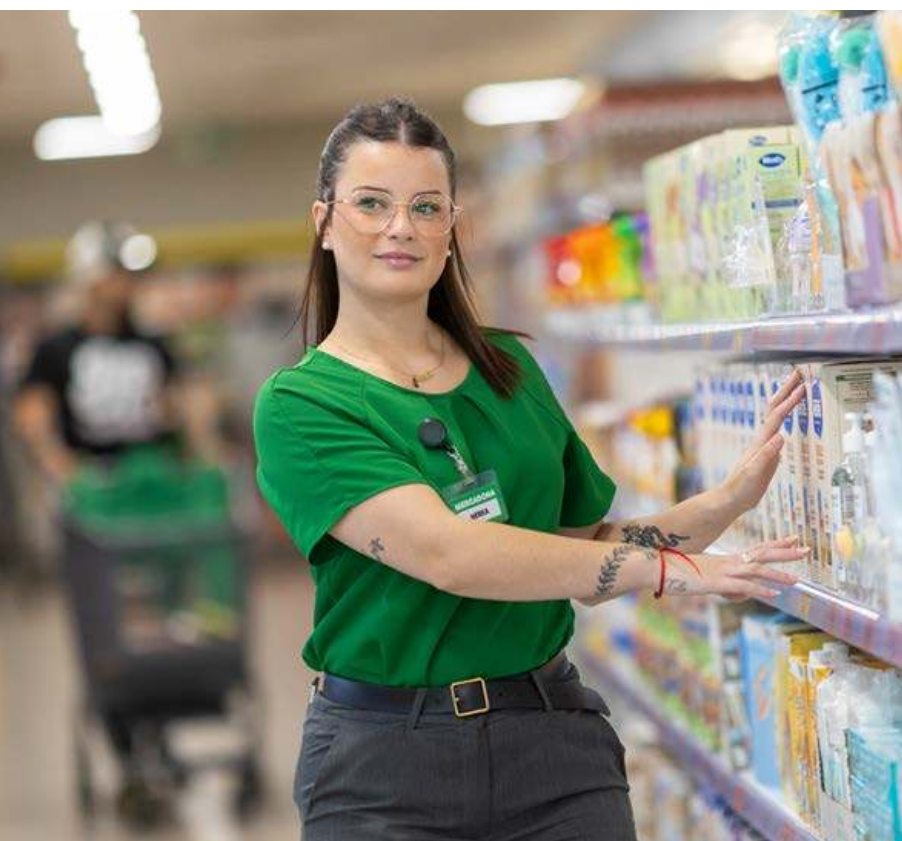
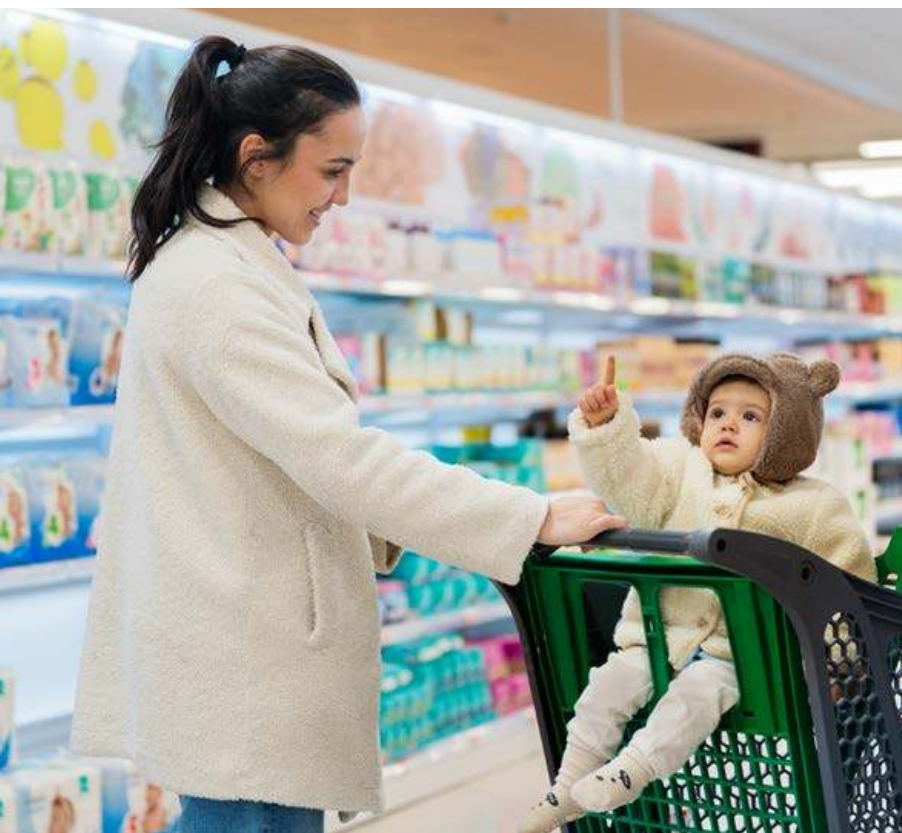
Other notable developments in this area include the improvements made to the extractor trays of the transcritical gas units, the safety of the fryers and ovens in the Ready-to-Eat section, and the upgrading of defrosting systems in its frozen food sections.

Regarding the improvements carried out to improve profitability, the company has invested €90 million since 2021 in the installation of photovoltaic panels, which are now present at 582 stores, logistics centres and Hives, generating more than €18 million in savings each year. Likewise, since 2022, it has invested €3.5 million in the implementation of energy efficiency measures in all processes, saving the equivalent of €24 million a year in energy consumption. These measures include an energy consumption pattern study carried out at the San Isidro logistics centre (Alicante) to adapt the cold room to its specific needs.

Together, these measures clearly illustrate that Mercadona's management model—the Total Quality Model—is based on a system of constant improvement that also relies on thinking and acting consistently according to the following logic: satisfying "The Boss" will lead initially to sales and subsequently to profit.

This successful model has continued to grow thanks to the trust and loyalty of the 5.9 million households that shop at one of the chain's 1,674 supermarkets every day, or in the case of Spain, use the company's digital platforms to shop online. Their loyalty and trust have made it possible in 2024 to achieve a growth in sales in *kilitres* of 6% and 9% in euros.

The increase in comparable sales in euros also amounted to 9% in a highly competitive sector where growth must be accompanied by continuous improvements in quality, supply and service.



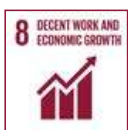
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1. Alexandra and María, "Bosses" at the Guarda supermarket. 2. Nerea, an employee of the Cala d'Or supermarket in Santanyí, Balearic Islands. 3. Packaging line of the supplier Jaencop in Villanueva del Arzobispo, Jaén.

Sustainable and shared growth

The Total Quality Model seeks to create shared value among its 5 Components. Consequently, it is a management model that demonstrates Mercadona as a sustainable and responsible long-term business project that allocates a significant portion of its resources to reinvestment with a view to driving growth and business continuity.

Shared success with the team



In line with Mercadona's Model, when the process is more efficient, all components of the company should benefit. In this context, the company decided to award an additional bonus to its employees (explained in detail in the chapter on the Employee), which, in line with its philosophy that "shared success tastes better", reflects Mercadona's desire to share its good results with its workforce, amounting to €700 million in 2024.

Tax contribution

In 2024, the company continued to give back to society part of what it receives from it. Year after year, Mercadona shares its prosperity in the areas where it operates through tax contributions to Public Authorities. This year, Mercadona recorded a total tax contribution of €3,035 million, including taxes borne and collected, up 17% compared to 2023.

Specifically, in Spain, its 2024 tax contribution amounted to €1,663 million, including €506 million for corporate income tax, €187 million for various taxes and levies and €970 million for Social Security. In the case of Portugal, and through Irmãdona, the contribution was 39 million euros in taxes paid, of which 26 correspond to Social Security and 13 to the payment of other taxes and fees.

Driver of economic growth

Due to its size, Mercadona acts as a driver of economic growth. This is reflected in its contribution to Spain's GDP over the last twelve

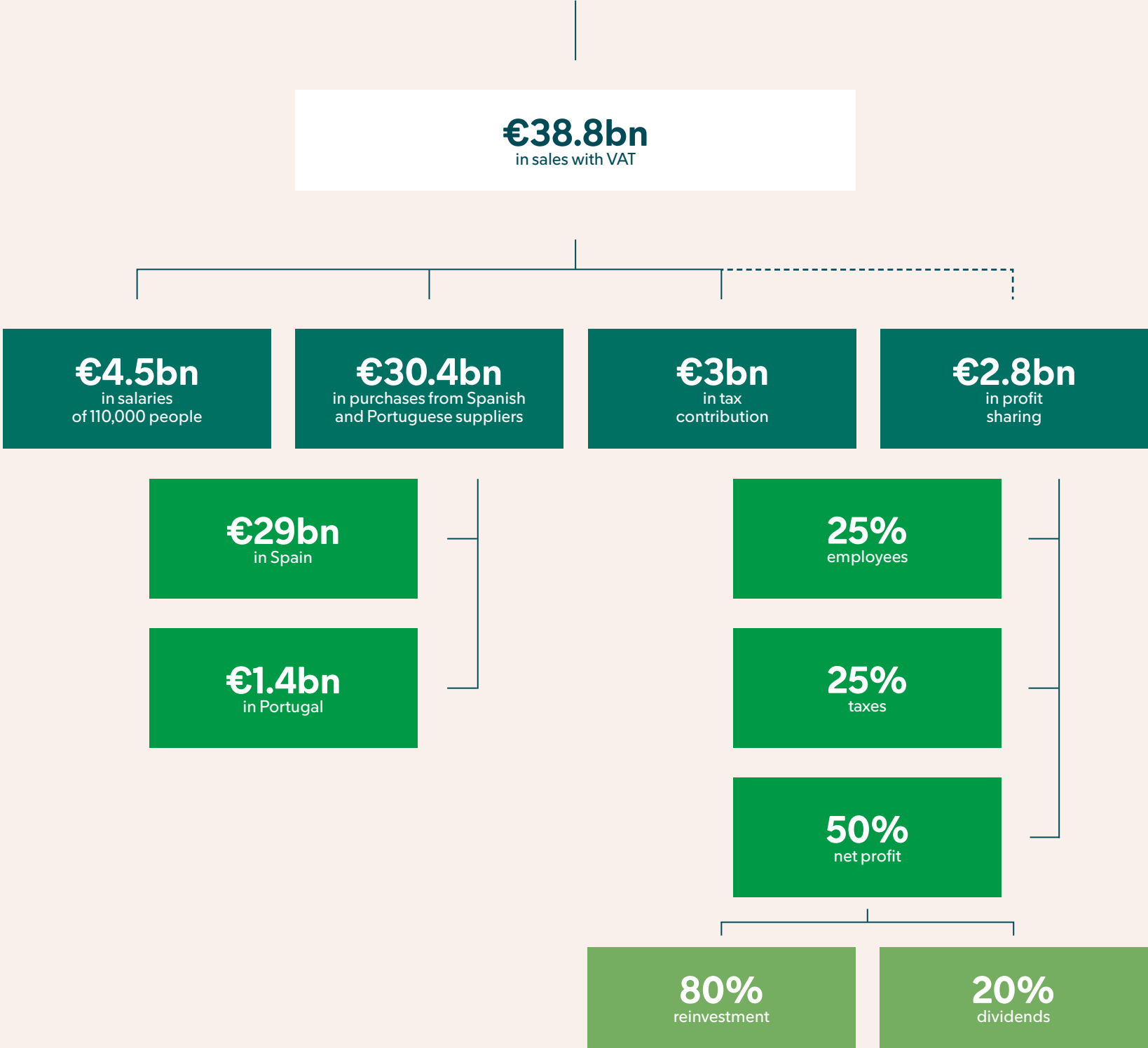
months, totalling €33,350 million, representing 2.1% of the national GDP, according to a study conducted by the Valencian Institute of Economic Research (Ivie).

The company has also continued to generate employment, with a workforce growth of 6,000 people over the last twelve months (4,300 in Spain and 1,700 in Portugal), representing an average of 16 jobs created per day. As a result, Mercadona ended 2024 with 110,000 employees, all of whom have stable and high-quality jobs.

The generation of direct, indirect and induced jobs totalled 743,700 jobs, making up 3.71% of total employment in the country. This metric factors in the employment generated by Mercadona and its value chain, as well as the jobs required to supply the consumption associated with the income generated by this chain, which would not exist without Mercadona.

The combination of these figures has generated the greatest economic impact in the history of the company, proving that the development of Mercadona directly affects the growth of society and is a differential and socially responsible project. Mercadona's activity not only generated wealth through its contribution to GDP and Employment but also had a fiscal impact of €12,600 million in 2024. This represents 2.15% of the estimated total tax collected by Spanish Public Authorities, including Social Security contributions.

Impact of Mercadona's economic activity



* Bn: billion.

Key figures

Sales units (*kilitres*)

Mercadona Group's sales in 2024 have amounted to 14,496 million *kilitres*, a figure that represents an increase of 6% compared with the previous financial year. This growth is the result of managing to reach more households and maintaining the trust of its regular "Bosses", among other factors.

Evolution of *kilitres* sold *millions of kilo-litres (kilitres)*



Turnover

The Group increased its turnover to €38,835 million (9% more than in 2023) thanks to sales through its different purchasing channels (in-store and online).

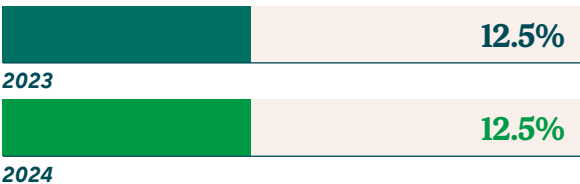
Evolution of gross sales *in millions of euros*



Productivity

The improvements made in all company processes, together with the successful commercial strategy, have resulted in an increase in productivity, which has offset the increased expenditure, keeping staff costs in relation to sales constant.

% sales *related to staff costs*



Profit

The Group's net profit amounted to €1,384 million, representing 3.9% of turnover. This indicator reflects the efforts made to ensure that the Mercadona Project continues to grow in a sustained and sustainable manner while remaining focused on efficiency, productivity and management improvement.

Evolution of net profit *in millions of euros*



Other Indicators

Suppliers

The average payment period to suppliers was 45 days, and the stock turnover period was 11 days.

OPEX

Defined as Personnel Expenses and Other Operating Expenses and Income (without taxes), amounted to €6,300 million.

EBITDA

The Group's EBITDA (defined as Profit Before Taxes - Financial Result + Depreciation and Amortisation) amounted to €2,350 million at year-end 2024. Meanwhile, the Group's operating income evolved in line with profit, consistent with the strategy and in line with its firm commitment to long-term results.

Equity

The profit obtained during the year and the capitalisation of nearly all of it meant that equity capital stood at €9,445 million at the end of 2024, which shows the company's desire to reinvest profits. It is worth noting that the ratio of equity capital to total assets remained at around 63% over the year.

Investments

The company has remained committed to investing in all necessary measures to add value to the 5 Components. In total, €1,045 million have been invested in the brutal transformation in which Mercadona is immersed in order to be able to face future challenges.

Cash flows

The generation of cash flows, taking into account the investment made in 2024, was as follows:

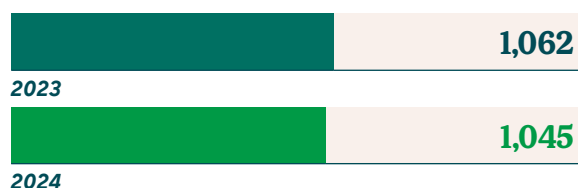
Evolution of EBITDA in millions of euros



Evolution of equity capital in millions of euros



Evolution of investments in millions of euros



€2,360M

Cash flow from operating activities

-€1,050M

Net cash flow from investment and financing activities

€1,310M

Net cash variation

Mercadona Group

Balance sheet at 31 December 2024*
(in thousands of euros)

NON-CURRENT ASSETS	8,256,583
Intangible assets and property, plant and equipment	7,972,255
Financial investments and other assets	284,328
CURRENT ASSETS	6,744,990
Inventory	825,607
Financial investments	227,565
Cash and cash equivalents	5,691,818
TOTAL ASSETS	15,001,573
EQUITY	9,444,769
Capital	15,921
Reserves	8,044,937
Profit for the period	1,383,911
NON-CURRENT LIABILITIES	37,051
Deferred tax liabilities and provisions	37,051
CURRENT LIABILITIES	5,519,753
Suppliers	3,688,863
Creditors and debts with Public Authorities	1,052,634
Personnel	778,256
TOTAL EQUITY AND LIABILITIES	15,001,573

Mercadona Group

Income statement at 31 December 2024*
(in thousands of euros)

Revenue	35,605,805
Provisioning	(26,815,423)
Personnel expenses	(4,452,548)
Other operating income and expenses	(1,936,037)
Fixed asset depreciation	(734,556)
OPERATING INCOME	1,667,241
Financial revenues and expenses	180,528
NET FINANCIAL INCOME	180,528
PROFIT BEFORE INCOME TAX	1,847,769
Income tax	(463,858)
PROFIT FOR THE PERIOD	1,383,911

* Consolidated data for Mercadona and Irmadona calculated solely for this Report.

Juan Roig and Hortensia Herrero Legacy Project

In 2012, Juan Roig and Hortensia Herrero, President and Vice-president of Mercadona, decided to promote a joint initiative, the Legacy Project, with the aim of sharing with society part of what they receive from it. Since then, this common dream shared by them both has continued to grow and consolidate itself, selflessly channelling their knowledge, experience and economic support through charity and sustainable projects in the fields of culture, sport and training, to which they allocated €173 million of their personal wealth in 2024.

Actions in 2024

€173M
in investment

In terms of patronage for the arts, Mercadona's vice-president, Hortensia Herrero, has invested almost €100 million in promoting art and culture through the Legacy Project. Specifically, in 2024, the foundation that bears her name earmarked a total of €8.2 million for various milestones, such as the achievements of the Hortensia Herrero Art Centre.

This museum houses over 100 works by 50 artists from its private art collection and attracted close to 200,000 visitors in its first year of being open to the public, thereby becoming a prominent centre for contemporary art. Another example is the restoration work on the church of Santos Juanes in Valencia, renovating the structure and recovering the frescoes on the vault of this invaluable piece of Valencian heritage.

Meanwhile, the Legacy Project further consolidated its position as a leading force in the promotion and defence of sport. For example, a total of €8 million was invested in 2024 through the Fundación Trinidad Alfonso, which, since its foundation, has invested a total of €120 million, helping more than 5,000 athletes over the last twelve months alone.

Similarly, scholarships were awarded to a total of 146 Valencian athletes, 36 of whom competed in the Olympic Games and the Paralympic Games in Paris. In addition, the efforts of the Fundación Trinidad Alfonso have helped to consolidate the Trinidad Alfonso Zurich Valencia Marathon as a leading event in the running world, with the milestone of having recorded the world's best time in 2024.

Likewise, the Trinidad Alfonso Zurich Valencia Half Marathon further strengthened its position in the sporting arena, as is demonstrated by the 25,000 runners who took part in 2024, the highest participation in its history.

Likewise, Hortensia Herrero and Juan Roig have continued to show their support for the professional and youth teams of Valencia Basket Club through L'Alqueria del Basket. Following a total investment of €18 million in the 2023-2024 season, this project also achieved major milestones in 2024, such as the historic treble achieved by the women's first team, winning the Endesa Women's League, the Queen's Cup and the LF Endesa Super Cup. Furthermore, for yet another year, the men's first team proved its ability to compete with the best European clubs, gaining yet another season of invaluable experience at the highest level.

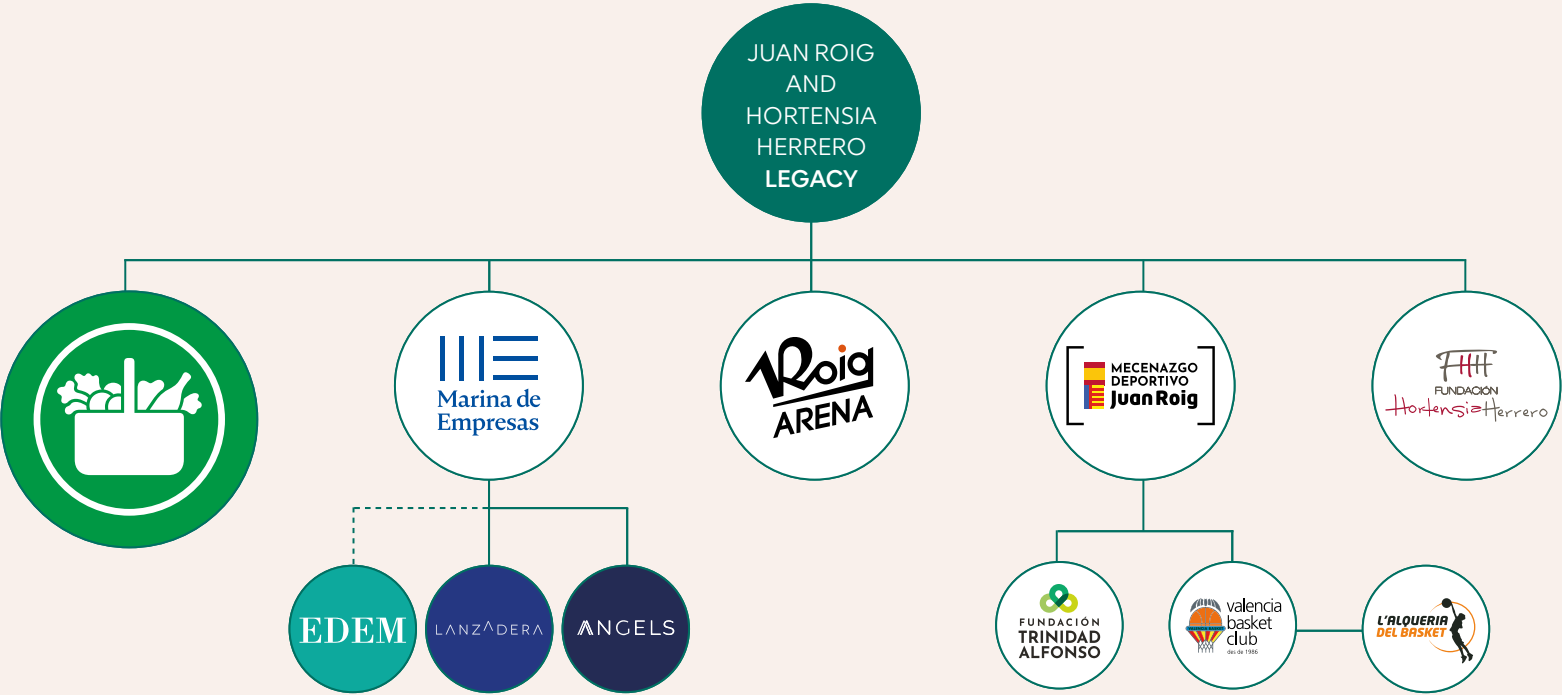
Meanwhile, Fernando Roig, director and shareholder of the company, also played a key role in 2024. Through the Endavant project, Villarreal has allocated €700,000 in financial support and aid to various clubs and athletes, cultural and tourist events, and multiple social actions.

Particularly noteworthy in terms of promoting culture, sport, entertainment and business, given the magnitude of the project, is the construction of the Roig Arena. In 2024, significant progress has been made on this project, such as the opening of a car park with a capacity for more than 1,000 vehicles. This project has an estimated budget of €280 million, with €94.2 million

invested in 2024 alone, the future covered multi-use stadium in Valencia forming part of a City Project that is already boosting the Quatre Carreres neighbourhood where it is located. With plans to host sporting, musical, entertainment and corporate events, it will raise the international profile of Valencia and the Valencian Community following its official opening, scheduled for September 2025.

The Legacy Project has also continued to reinforce its commitment to training and the

development of talent and leadership through Marina de Empresas. Specifically, in 2024, an agreement was reached with the Port Authority of Valencia to enable it to expand its facilities, and as a result, accelerate its growth. Over the last twelve months, a total of €4.9 million has been earmarked to strengthen this major entrepreneurial hub, supported through its three pillars: EDEM, a Business School chaired by Hortensia Roig Herrero; Lanzadera, a business accelerator; and Angels, a company that invests in entrepreneurial leaders.



Support for those affected by the DANA disaster

In 2024, the Legacy Project demonstrated its ability to react to different contexts with efficient responses, as evidenced by the various measures undertaken through its different pillars to help those affected by the DANA disaster in October.

To mention only a few examples, the Hortensia Herrero Foundation allocated a total of €4 million to four specific sectors in the affected towns, namely the traditional Valencian textile sector, musical associations, dance schools and educational centres.

Meanwhile, the Fundación Trinidad Alfonso created a fund of €4 million to help sports clubs in the affected areas resume normal activities.

Villarreal CF subsequently added a further €2 million for the recovery of football pitches. Accordingly, through the Villarreal CF Endavant project, the football club has allocated €500,000 between Cáritas and the Red Cross to help those affected.

Additionally, among other initiatives, the four daughters of Juan Roig and Hortensia Herrero, who are Board Members of Mercadona, Hortensia, Carolina, Amparo and Juana, are promoting the renovation of the Colegio Larrodé school in Catarroja, which was devastated by the DANA disaster. The team of ERRE Arquitectura is taking charge of the reconstruction of this centre, which has over 40 years of history and is attended by more than 1,000 students.

Meanwhile, L'Alqueria del Basket housed more than 200 people during the first night and the following nights after the flooding, during which staff volunteered to work in shifts to guarantee the basic needs of those sheltering at the facility. In addition, the facilities were converted into base camps for two months for units from outside Valencia who travelled

to the city to help the affected areas. Through the support of patrons, financial aid was provided to affected employees, 205 affected members were reimbursed half the price of their season tickets and affected sponsors had their payments forgiven. Furthermore, 13 affected clubs were provided with materials and travel assistance.

Support to those affected by the DANA disaster was also demonstrated by Marina de Empresas, which allocated a total of €35 million to recover 4,600 businesses in 52 different municipalities. Similarly, EDEM decided to grant special scholarships to 50 bachelor's and master's degree students. It also contributed a total of €1 million to support employees involved in the different initiatives of the Legacy Project. Finally, Lanzadera provided support through training focused on facilitating access to the packages of measures and state and EU aid.

All parts of the Juan Roig and Hortensia Herrero Legacy Project have been involved in providing support for the areas and people affected by the DANA disaster through different initiatives



1	2
3	4
5	6
7	

1. Juan Roig and Sabastian Sawe, winner of the 44th Valencia Trinidad Alfonso Zurich Marathon. 2. Hortensia Herrero and her daughters, Hortensia, Carolina, Amparo and Juana, at the Hortensia Roig Prize for Children's Literature. 3. Aerial view of the Roig Arena in Valencia. 4. Valencia Basket Club women's first team, winner of the 2023-2024 Endesa Women's League. 5. La Torre football pitch restored after the DANA with the support of the Fundación Trinidad Alfonso and Villarreal CF. 6. Employees of Marina de Empresas managing the *Alcem-se!* platform. 7. "Endavant Esports" promoted by the President of Villarreal CF and shareholder of Mercadona, Fernando Roig.

Mercadona's History 1977-2024



Sustainable evolution of Mercadona bags from the 1980s to today.

Mercadona started out as part of the Cárnicas Roig Group, a business promoted by Francisco Roig Ballester (1912-2003) and Trinidad Alfonso Mocholí (1911-2006).

1977

Juan Roig and Hortensia Herrero became the company's majority shareholders.

1990

Creation of the Hacendado, Bosque Verde, Deliplus, and Compy brands.

1996

All staff members with permanent contracts: a commitment to stable and high-quality employment.

1999

Juan Roig and his wife, Hortensia Herrero, together with his siblings, Fernando, Trinidad and Amparo, bought Mercadona from their parents.

1981

Implementation of the SPB (Always Low Prices) commercial strategy and the Total Quality Model.

1993

Association agreement with Almacenes Gómez Serrano in Antequera (Málaga).

1997

Realignment of Mercadona with the Total Quality Model and Shopping Trolley Menu (the highest-quality and cheapest shopping trolley on the market).

2008



Development of the Global Fresh Products Strategy.
Launch of the new online sales service.
Implementation of the Ready-to-Eat section.

2018

Commitment to conclusive quality by all departments.

2021

Over 100,000 employees.
Since 2016, Mercadona has invested over 10,000 million euros in the brutal transformation.

2023

2016

Start of the brutal transformation.
The company approves its internationalisation in Portugal.
Opening of the first two supermarkets with the New Efficient Store Model (Store 8).

2019

Opening of the first 10 stores in Portugal.

2022

Radical Totaler strategy, offering "The Boss" the chance to get it right with products of conclusive quality.

2024

Commissioning of the second logistics centre in Portugal, in Almeirim (Santarém).
More than €100 million in aid to those affected by the DANA disaster through the *Alcem-sel* platform.

Additional information

Independent Verification Report

"In compliance with Law 11/2018, of 28 December, the Consolidated Group Inmo-Alameda, S.L.U., to which Mercadona, S.A. and Irmãdona Supermercados, Unipessoal, Lda. belong, has submitted a Consolidated Non-Financial Information Statement (NFIS), which forms part of the consolidated management report, and which has been verified by EY as an independent provider of verification services, which issued its verification report without qualifications on 6 of february 2025. As part of this assignment, EY verified a significant part of the indicators that are included, among many others, in this corporate Report. The attached table, 'Impact of Mercadona' economic activity', lists the indicators that appear in this Report and which, in turn, have been verified by EY (identified with √). In the event of a discrepancy, the information included in the NFIS prevails over the latter".

**For more information, this verification report, together
with the Non-Financial Information Statement,
will be available at the following website:**



Impact of Mercadona's economic activity

NO.	INDICATOR	PAGE/COMMENT	
1	Name of the organisation	MERCADONA, S.A.	✓
2	Activities, brands, products, and services	Pp. 12, 13, 20, 21, 22, 23, 34, and 35	✓
3	Location of headquarters	Calle Valencia, 5 Tavernes Blanques, Valencia, Spain	✓
4	Location of operations	Spain and Portugal Pp. 4-5	✓
5	Ownership and legal form	Pp. 12-13 and 96-99	✓
6	Markets served	Pp. 4, 5, 12, and 13	
7	Scale of the organisation	Pp. 4-5	✓
8	Information on employees and other workers	Pp. 4, 5 and 44-57 Mercadona has 110,000 permanent employees (103,000 in Spain and 7,000 in Portugal) and has no subcontractors in its primary activity	✓
9	Supply chain	Pp. 4, 5 and 58-71	
10	Significant changes to the organisation and its supply chain	Pp. 6-9, 14-15, 28-29, and 60-63	✓
11	Information on how the company addresses the precautionary principle	Pp. 20-23	✓
12	External initiatives	Pp. 30-31, 64-67 and 78-83	
13	Relationship with associations of which the organisation is a member	Pp. 15, 17 and 82-83	✓
14	Statement from the President	Pp. 6-7	
15	Key impacts, risks, and opportunities	Pp. 20-23	✓
16	Values, principles, standards and norms of behaviour	Pp. 12-23 Mercadona is governed by the Total Quality Model, which forms the basis of the company's values and paradigms. The internal conduct that all employees share is defined therein. In addition, the company has a Code of Conduct whose mission is to ensure compliance with our values and with the Law	✓
17	Governance structure	Pp. 8-9	

NO.	INDICATOR	PAGE/COMMENT	
18	Executive positions or positions with responsibility for economic, environmental, and social aspects	Responsibility for economic, social, and environmental issues lies with the members of the Board of Directors, who take their decisions collectively	
19	Consulting stakeholders on economic, environmental, and social topics	Pp. 78-85	
20	Composition of the highest governance body and its committees	Pp. 8-9 and 20-23	
21	Information on whether the person chairing the highest body also holds an executive position	The President of the Board of Directors also chairs the Management Committee	
22	Conflicts of interest	There are no conflicts of interest All members of the Management Committee are Mercadona employees, and there are no conflicts of interest	
23	Role of the highest governance body	Pp. 8-9 and 20-23	
24	Collective knowledge of the highest governance body	Pp. 8-9	
25	Evaluation of the highest governance body's performance	Pp. 8-9	
26	Identification and management of economic, social, and environmental impacts	Each department submits the relevant economic, social, and environmental aspects related to its activities to the Management Committee, specifically during coordination meetings	✓
27	Effectiveness of risk management processes	Pp. 18-23	✓
28	Review of economic, environmental, and social topics	Pp. 16-23 The company's governance bodies supervise and approve everything related to economic, environmental, and social topics	✓
29	Highest governance body's role in sustainability reporting	The company's governance bodies supervise and approve all externally reported information	✓
30	Process for communicating critical concerns to the highest governance body	Each department submits the relevant aspects related to its activities to the Management Committee, specifically during coordination meetings	✓
31	Total number and nature of critical concerns that were communicated to the highest governance body	All concerns related to its activities and under its responsibility are submitted	

NO.	INDICATOR	PAGE/COMMENT	
32	Remuneration policies	P. 49 The company's remuneration policy has been based on the principle of "equal responsibility, equal pay" for years	✓
33	Processes for determining remuneration	Pp. 46-49	✓
34	Stakeholders' involvement in remuneration	The company has a Collective Agreement in force, signed and agreed with the employees' union representatives	✓
35	List of stakeholders	Pp. 18-23	✓
36	Collective bargaining agreements	Pp. 52-53 The company has its own labour agreement covering 100% of employees	✓
37	Identifying and selecting stakeholders	Pp. 18-23	
38	Approach to stakeholder engagement	Ongoing dialogue with all stakeholders in order to capture and meet their needs and expectations	✓
39	Key topics and concerns raised	Pp. 18-23 The relationship maintained with the stakeholders allows us to apply product improvements made with the "Bosses", innovate with the suppliers and add knowledge with the primary sector to improve the fresh produce selection	✓
40	Definition and contents of the Report	The structure of the report corresponds to the Total Quality Model and reports on the five components of the company (stakeholders)	
41	List of material topics	Pp. 18-23 Each section details the strategies and actions carried out that are relevant to each component (stakeholders)	✓
42	Restatements of information	There have been no relevant changes	✓
43	Reporting period	1 January 2024 to 31 December 2024	✓
44	Date of most recent report	2023	✓
45	Reporting cycle	Annual	✓
46	Contact point for questions regarding the report	Contact information on the back cover	

NO.	INDICATOR	PAGE/COMMENT	
47	Ratio between the starting salary broken down by gender and the minimum wage by significant locations of operation	Pp. 46-49 The remuneration policy responds to the principle of equity: "equal responsibility, equal pay", without making distinctions by gender or any other differentiation	
48	Percentage of spending at significant locations of operation corresponding to local suppliers	Pp. 4-5, 68 and 106	
49	Number and percentage of departments where corruption-related risks and significant risks have been detected	100% of the activities and internal procedures of the various departments have been assessed where possible corruption-related risks have been identified	
50	Communication and training about anti-corruption policies and procedures	The rejection of corruption is a fundamental principle in Mercadona's Model	✓
51	Confirmed incidents of corruption and actions taken	No cases of corruption have been detected during the period analysed	✓
52	Number of judgements for unfair competition and monopolistic or anti-competitive practices and their outcome	None recorded during the reporting period	
53	Internal energy consumption	7,216,675 GJ	✓
54	Energy intensity	497.8 GJ/MKilitres sales	
55	Savings in energy consumption	306.6 million kWh	
56	Water consumption	Total consumption 3.16 hm ³ (2.26 hm ³ for shops and 0.9 hm ³ for logistic centres)	✓
57	Water withdrawal by source	100% from municipal public water supply Rainwater harvesting at 3 logistics platforms, which is used for irrigation and washing	✓
58	Direct greenhouse gas emissions from leakage of fluorinated gases	8.75 tCO ₂ eq/MKilitres sales	✓
59	Indirect greenhouse gas emissions from energy consumption	30.13 tCO ₂ eq/MKilitres	✓
60	Direct greenhouse gas emissions from freight transport	7.03 kg CO ₂ eq/m ³ of goods delivered to stores	✓
61	Intensity of total greenhouse gas emissions	61.70 tCO ₂ eq/MKilitres sales	✓
62	Annual variation in greenhouse gas emissions	-56,491 tonnes of CO ₂	✓
63	Emissions of ozone-depleting substances	The company does not use ozone-depleting substances	

NO.	INDICATOR	PAGE/COMMENT	
64	Total weight of waste generated by type and processing method	393,621 tonnes of waste, of which 92% goes to recycling/recovery	✓
65	Percentage of new suppliers reviewed in terms of environmental criteria	Mercadona requires all its specialist suppliers and intersuppliers to be certified under an internationally recognised environmental management standard (ISO 14001, EMAS or equivalent)	
66	New employee hires and employee turnover, broken down by age group, gender, and area of activity	P. 46	✓
67	Social benefits provided to full-time employees that are not provided to temporary or part-time employees, broken down by significant locations of activity	There is no such differentiation	
68	Minimum notice periods regarding operational changes and possible inclusion in collective agreements	Any relevant event that may affect staff is reported to the employees and their representatives sufficiently in advance and always within the time limits established by the legislation in force	
69	Percentage of employees who are represented on formal joint management and employee health and safety committees established to help monitor and advise on health and safety programmes	Existing committees represent all employees at the same level, and all agreements are confirmed by Management	✓
70	Accident rate, hours lost and absenteeism	Incidence of work accidents with sick leave: 26.55% Lost hours: 10,648,968 Absenteeism: 4.79%* Male absenteeism: 1.46% Female absenteeism: 3.33%	✓
71	Workers with high incidence or high risk of illness related to their occupation	In general, no employees involved in activities with a high incidence or high risk of specific illnesses have been identified	
72	Health and safety topics covered in formal agreements with trade unions	There are agreements in force with the trade unions that include aspects such as improvements in the design of workstations and the choice of equipment and production methods to ensure safety at work, as well as promoting the information and training necessary to minimise risks in each position	✓
73	Average hours of training per year per employee, broken down by gender and professional category	Per employee: 35 hours of training and €1,085.5 invested on average per person in Spain and 78.9 hours of training and €2,315.4 invested on average per person in Portugal	✓

NO.	INDICATOR	PAGE/COMMENT
74	Skills management and ongoing training programmes that promote employability for employees and help them manage the end of their career	Pp. 52-53 ✓
75	Percentage of employees receiving regular performance and career development reviews by gender and professional category	P. 46 All employees are evaluated annually in the performance of their duties, both downstream and upstream
76	Composition of the governance bodies and breakdown of employees by professional category and gender, age, minority group membership, and other diversity indicators	Pp. 8-9, 46 and 50-51 ✓
77	Ratio of base salary of women to men, broken down into women's versus men's remuneration	Pp. 46, 48 and 49 The "equal responsibility, equal pay" principle of equity is applied without any difference in terms of gender ✓
78	Incidents of discrimination and corrective actions taken	In 2024, Mercadona did not record any discrimination cases through the available channels ✓
79	Identification of significant operations and suppliers where freedom of association and the right to benefit from collective agreements may be infringed or threatened, and measures taken to support these rights	The company guarantees freedom of association in all its operations, as set out in the current collective agreement. No significant suppliers considered at risk have been identified
80	Identification of operations and suppliers with a significant risk of cases of child labour and measures adopted to contribute to the abolition of child labour	The company guarantees that there is no incident of child labour in its operations. No significant suppliers considered at risk have been identified ✓
81	Operations and suppliers at significant risk of being the source of forced labour incidents, and measures taken to contribute to the elimination of all forms of forced labour	The company guarantees that there are no incidents of forced labour in its operations. No significant suppliers considered at risk have been identified
82	Number and percentage of operations that have been subject to human rights reviews or impact assessments	The company complies with the standards required in this area, in accordance with current legislation ✓
83	Hours of employee training on policies and procedures related to those aspects of human rights relevant to their activities, including the percentage of employees trained	All staff receive training in Mercadona's Model, which shapes values and behaviour within the company ✓
84	Percentage of centres in which development programmes, impact assessments and local community engagement have been implemented	The company does not have this indicator, but the different actions carried out are specified in the Society section (pp. 78-93)

NO.	INDICATOR	PAGE/COMMENT	
85	Operations with significant potential or actual negative impacts on local communities	Pp. 20-23 and 80-81 No operations with negative effects on local communities have been identified	
86	Percentage of new suppliers reviewed in terms of criteria relating to human rights, labour practices and social impacts	P. 68 85% of the selection is of Spanish origin, obtained from suppliers audited according to Mercadona's Model, which includes meeting the needs of employees	
87	Financial contributions made to political parties by country and recipient	None made during the reporting period	
88	Number of incidents of non-compliance with regulations or voluntary codes concerning health and safety impacts on products and services during their life cycle, broken down by type of outcome of such incidents	During the reporting period, no significant incidents of non-compliance have been identified in this area	✓
89	Type of information required by the organisation's procedures relating to the information and labelling of its products and services, and percentage of significant product and service categories that are subject to such requirements	Pp. 32-35	
90	Number of non-compliances with regulations and voluntary codes relating to product and service information and labelling, broken down by type of result	During the reporting period, no significant incidents of non-compliance have been identified in this area	
91	Number of cases of non-compliance with regulations or voluntary codes concerning marketing communications, such as advertising and sponsorship, broken down by type of result	During the reporting period, no significant incidents of non-compliance have been identified in this area	
92	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	The company is not aware of any in the reporting period	✓
93	Amount of significant fines for non-compliance with regulations and legislation regarding the supply and use of products and services, monetary value of significant fines and number of non-monetary penalties for non-compliance with regulations and legislation	There was no significant non-compliance with regulations*	

*The company considers any financial sanction in excess of €50,000 to be significant.



MERCADONA

Trusted Supermarkets

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