Sustainability Report 2024.

Aranco Summary Executive

Service for a Better World



A few words from our CEO.

Two tragic and unexpected events have marked the year 2024 in Aranco. The death in April of our colleague Gustavo González in Galicia as a result of a fishing accident left the entire Aranco team in shock. Fishing and the sea were his passion, but the Atlantic Ocean can be very cruel.

In October the province of Valencia suffered a real tragedy caused by a Dana (an isolated depression at high altitudes), a terrible flood that devastated several towns. Although neither our staff nor their families suffered irreparable personal damage, we have lived and continue to live with a lot of pain and suffering around us. We would like to express our condolences to the families affected, our complaint to different administrations for their neglect and abandonment of their responsibilities and our commitment to continue doing our bit by collaborating with organisations that directly help those who continue to suffer the consequences. Almost a hundred of our wrapping machines were damaged, and our priority has been to help these customers return to their normal business as quickly as possible, a task that has taken us months.

Fortunately, 2024 has also brought good news and experiences. We continued to make progress with our 5X2 Strategic Plan and our internationalisation process: following the opening of our subsidiary and team in France in 2023, in 2024 we opened a subsidiary and recruited staff in Germany. With this milestone, we are now able to offer our services in Spain, Portugal, France, Germany, the Netherlands and Belgium.

True to our model, this internationalisation process pivots on innovation, a unique business model and sustainability. Thus, during 2024, we launched a new range of wrapping machines (Endurance); films with RFID technology; and films with certified PCR recycled raw material.

With this technology we are giving control tools to our customers so that they can optimise and automate their pallet packaging processes and control their consumption and savings, both in terms of film tonnes and ${\rm CO_2}$ emissions. Our commitment is to help our customers to have quality packaging, using the minimum amount of plastic necessary and increasing the productivity of their processes.

In 2024 we have also taken important steps on our path towards decarbonisation. Among other actions, last year we processed new energy supply contracts with companies that certify the renewable origin of the energy we consume. We have thus brought forward our objective by one year, and by 2025 all the electricity consumed in Aranco will be from renewable origin.

We have also set out the guidelines of our social impact policy, collaborating with other entities on youth training, cleaning up the Mediterranean and actions to help people affected by the Dana floods.

We close 2024 with the smile, the optimistic legacy and strength that Gustavo has left us, and with the spirit of the Valencian people, who rise up and rebuild themselves every time they suffer adversity. I invite you to read about our progress in this 2024 Sustainability Report, which I hope you will find interesting.

Best regards.



Summary Executive

More than 35 years transforming the end of line in Europe

Aranco is a group of companies with a presence in several European countries, formed by a Spanish family SME founded in 1988, as a parent company, and its subsidiaries Aranco France and Aranco Deutschland. The group specialises in packaging services with connected wrapping machines without investment (Wrapping as a Service), high-performance stretch films, in-house technical technical service and digital platforms.

We design and manufacture our wrapping machines and all the necessary technology for the digitalisation of our services. Together with European leaders in the sector, we develop high-quality, reduced-thickness stretch films that help our customers to reduce consumption, waste and emissions.

Headquartered in Massamagrell (Valencia, Spain) and a workforce of 54 people in 2024, we provide Wrapping as a Service packaging services with more than 2.200 wrapping machines operating in more than 800 customers in Spain, Portugal, France, the Netherlands and Germany.

During 2024, we have given a boost to our social impact policies and received two awards that highlight our commitment to innovation and sustainability.

+54

people on staff

+2.200

wrapping machines in operation

+800

european customers

Main sectors in which we work:

Large distribution

Pharmaceutical

Presence

- Spain
- Portugal
- France
- Germany
- Belgium, the Netherlands and Luxembourg











Rewinding Plant



Warehouse



Mission, vision and values

Mission

To transform Europe's industrial packaging sector by adding value and productivity, improving people's lives and having a positive impact on the environment.

Vision

To improve our world

Values

Respect, trust, commitment, sustainability

Code of Ethics and Conduct available at www.aranco.com/en/company/sustainability

Awards



Revoluciona 2024 Award

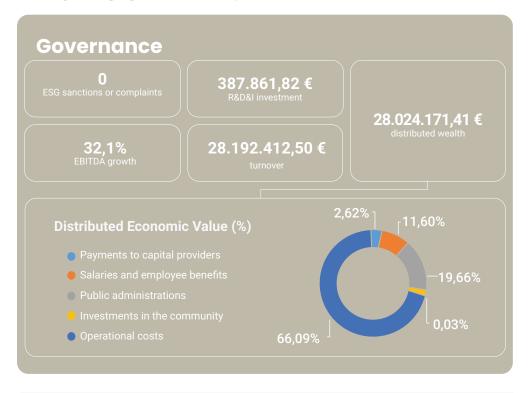
In May we received the 2024 Revoluciona Award in the Valencian Region companies category, awarded by BBVA in collaboration with the University of Valencia. The jury highlighted Aranco's achievements in implementing innovative strategies, including process digitalisation, the development of our own technology and our ability to adapt to market challenges.



Sustainable SME Runner-up

In October we were awarded the Runner-up Prize for Sustainable SMEs at the 8th edition of the SME of the Year 2024 awards for companies in the province of Valencia, awarded by the Valencia Chamber of Commerce and Banco Santander in collaboration with Levante-EMV newspaper. This recognition highlighted our commitment to sustainability and social responsibility.

Aranco 2024.





¹As of 31 December 2024

²Non-profit organization "Pedalea por la Dana" ("Ride for the Dana")

Renewal of Zero Waste Seal 99,72% of waste recycled or reused 1 year in advance zero emissions in electricity 6,255 efficiency ratio of corporate carbon footprint per million euros

MAIN FINANCIAL FIGURES	2022	2023	2024
Turnover	25.405.045, 34 €	27.067.177,29 €	28.192.412,50
Turnover growth	21,98%	6,50%	4,20%
EBITDA	4.639.352,77 €	4.898.849,50 €	6.473.685,67
EBITDA growth	8,30%	5,60%	32,20%
Fixed assets	16.704.151,28 €	16.594.126,09 €	20.534.405,68
Net assets	9.173.402,44 €	9.285.047,54 €	11.134.079,94
COMPOSITION OF DISTRIBUTED ECONOMIC VALUE	2022	2023	2024
Payments to capital suppliers	441.684,30 €	628.417,60 €	734.570,88 €
Salaries and employee benefits	2.633.331,17 €	2.773.706,61 €	3.249.436,77
Public administrations	3.278.000,53 €	4.965.757,42 €	5.509.919,95
Investments in the community	4.069,84 €	4.264,51 €	9.750,14 €
Operational costs	18.723.451,10 €	17.792.361,00 €	18.520.493,67
	25.080.536,94 €	26.164.507,14 €	28.024.171,41



Innovation.

"Innovating Together"

In 2024, we launched the "Innovating Together" strategy, an initiative aimed at democratising, systematising, encouraging, recognising and rewarding innovation within Aranco.

Through the "Innovation Mailbox," any employee can submit innovative ideas that contribute to the continuous improvement of our processes, services, and organisational culture.

Each month, a jury made up of staff from different areas of the company selects the "Best Idea of the Month", which receives recognition.

A new Service: CDS, the value of data

In 2024 we added a new Service to our packaging services catalogue: the Control and Data Service (CDS), which provides our customers with valuable data on their own packaging operations.

The customer uses their own wrapping machines and stretch film purchased from their own supplier. We digitalise their wrapping machines with our technology. The customer now has access to relevant data on their wrapping process through various channels (Client Website, APIs, reports, etc.) and achieves savings, lower film consumption and less waste.



Successful completion of the Smart Film project

Launched in 2022 and successfully completed in 2024, the Smart Film project marks a milestone in the digital transformation of the industrial packaging process.

Its main objective has been to acquire and validate knowledge, techniques and technologies in the field of IoT, Big Data, Artificial Intelligence and Business Intelligence, in order to build a Digital Twin of the rewinding process, thus optimising the production and supply cycle of the film.

Smart Office for AI implementation and use

In 2024 we started the Smart Office project to implement Artificial Intelligence (AI) in the day-to-day operations of Aranco Group.

Smart Office aims to implement Al tools for greater automation of internal processes, improve decision-making and risk mitigation, increase our competitive advantage and optimise our customer services, among other objectives.

The project will initially focus on four strategic areas of the business group. A roadmap has been drawn up for the execution and development of the project, led by our Digital Area together with a prestigious external partner.

New milestone in micron reduction

During 2024 we developed our new 5-micron stretch film. This film, now available in our catalogue, is a milestone in sustainability, as it allows safe wrapping processes with less stretch film consumption and less waste generation.

This 5-micron stretch film is the result of several years of development and collaboration with one of the leading European partners in packaging products.



New range of Endurance smart wrapping machines

Ten years with the **Innovative SME** seal (2014-2024). Renewed until 2030

16 innovative ideas awarded in 2024 through **the Innovation Mailbox**

Digital and Innovation Areas accoun for 11% of Aranco's workforce

11 patents by the end of 2024



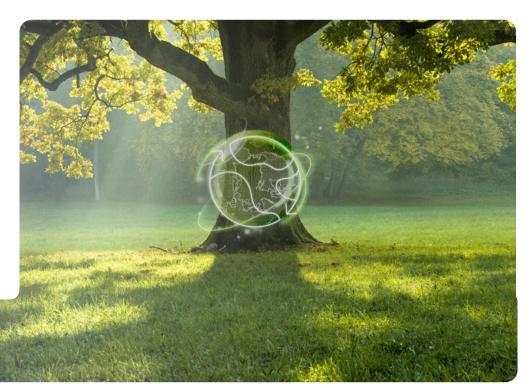




Affordable and clean energy

dn	a clean energy
Scope	Actions and impacts
Renewable energy	Our 100 kW photovoltaic plant became operational in August 2023. During 2024 the plant was operational all year round and provided us with approximately 30% of the electricity consumed.
Energy savings	Our buildings have intelligent lighting and climate control systems, and we use LED luminaires for lower electricity consumption. In addition, the very design of our facilities (opened in 2021) allows natural light to enter and be used in the buildings and reduces insolation during the hottest months.
	The air conditioning in the meeting rooms and offices is independent from the general system, and saves energy when they are empty.
	2024 milestones
Renewable energy	At the end of 2024 we changed our electricity supplier. From January 2025 all electricity consumed is 100% renewable (30% from the photovoltaic plant and the rest from the new supplier). Our carbon footprint from electricity consumption is now zero.
Energy savings	During 2024 we continued to renew our car fleet, and more than 90% of our vehicles have some type of electric motorization (hybrid or 100% electric). This is the highest percentage of hybrid or electric use in the group's history.







Decent work and economic growth

Scope

Actions and impacts

Decent work During 2024, the policies and actions of the People and Talent Area continued to be developed. These actions include the deployment of Career Plans, to align the demands, expectations and needs of each person responsible for an Area at Aranco with the achievement of the milestones of the Aranco Strategic Plan 2022-2026.

We offer all members of our staff a health insurance, 60% of the cost of which is covered by the group, with access for other family members and tax benefits

We offer a collective pension plan for all staff members and make two annual financial contributions to the plan.

Our staff have access to various free complementary services, such as a corporate canteen with daily catering, a fully equipped gym and locker rooms, and weekly language classes taught by external teachers.

Our wrapping machines improve the working conditions of our customers' staff, offering more ergonomics and safety.

Economic growth

Turnover in 2024 was 28.192.412,50 \in , an increase of 4,2% over the previous year.

2024 milestones

Scope	Actions and impacts
Decent work	At the end of 2024, the Aranco Group's workforce reached 54 people, an increase of 5,88% compared to 2023.
	In 2024, 97% of our workforce had permanent contracts, one percentage point more than in the previous year.
	During 2024, we completed the full automation of our industrial plant, maintaining employment and improving working conditions for our workforce with higher levels of ergonomics and comfort.
Economic growth	In 2024, we established our second subsidiary outside Spain, Aranco Deutschland, following the creation of our first subsidiary, Aranco France, in 2023. In both cases, new jobs were also created in the two countries.
	In 2024, tax payments to public administrations exceeded €5 million for the first time, reaching €5.509.919,95, approximately 11% more than the previous year.





Industry, innovation and infrastructure

Scope	Actions and impacts
Innovation	During 2024, investment in R&D&I was 387.861,82 €.
	At the end of 2024, Aranco held 11 patents.
	During 2024, the number of hours dedicated to innovation projects was 2.481 hours.
Digital	Aranco has been drawing up Digitalisation Master Plans since 2017. The current Plan covers the period 2022-2026.
Digitalisation, innovation	Aranco's Digital and Innovation Areas accounted for 11% of Aranco's workforce by the end of 2024 (total workforce 54 people).



2024 milestones

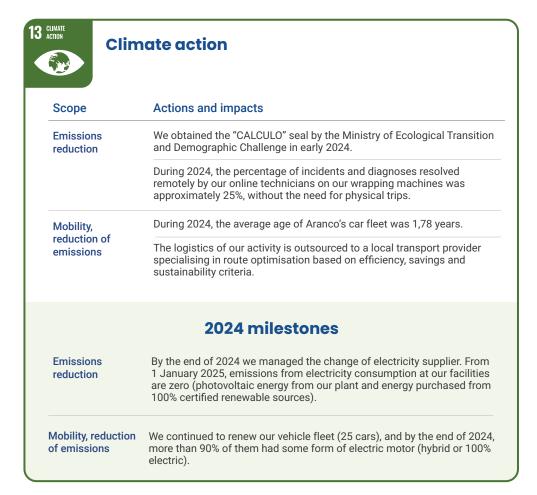
Scope	Actions and impacts
Industry	By the end of 2024, the number of Aranco wrapping machines installed at customer was 2.200 units.
	During 2024, we brought to market a new range of intelligent wrapping machines, Endurance, and developed the Quadriga autonomous wrapping solution with an AGV wrapping machine.
Innovation	In 2024, we continued to hold the INNOVATIVE SME seal (first obtained in 2014). At the beginning of 2025 we renewed the seal, valid until 2030.
	In 2024, the Innovation Area launched the "Innovating Together" strategy and the "Innovation Mailbox".
Digital	In 2024, our Digital Area launched the Smart Office project for the development and implementation of Al-based tools in the operations of several Aranco areas.
Digitalisation, innovation	In May 2024 we received the 2024 Revoluciona Award for companies in the Valencian Region, which recognises the implementation of innovative strategies, including the digitalisation of our processes, the development of our own technology and our ability to adapt to market challenges.















Governance.

ESG risk control and management

During 2024, the main risks under supervision and on which we carried out mitigation or elimination were as follows:

Dimension	Risk	Mitigation or elimination actions
	Regulatory changes and compliance	Monitoring of regulatory changes throughout 2024 through various channels and partners.
	Fraud and unfair competition	Possible cases of fraud regarding the composition and dubious certification of stretch films with recycled content detected in the Spanish market during 2024.
	rnance	Reliable and established suppliers. Long-term purchasing policy. Price monitoring.
Governance		Development during 2024 of our 2022-2026 Digitalisation Master Plan (DMP 22-26).
	Cybersecurity	Development of our specific cybersecurity plan during 2024, as set out in our DMP 22-26.
	Choice of business partners	Relationship with trusted strategic business partners who share our values.
	Attracting, retaining and developing talent	Development of our Career Plans during 2024; improvements to the onboarding plan, etc.
	Protection of human rights within our sphere of influence	Training sessions during 2024 on our Code of Ethics and Conduct.
Social	Workplace well-being	Development of our workplace wellbeing policies during 2024 (see Sustainability Report 2024 for more details).
	Changes in customer tastes or preferences and those of society in general	Development of new products and services during 2024.
	Loss of image or reputation	During 2024, provision of rigorous and verifiable information and data to our customers.
	Extreme weather events	Facilities opened in 2021 designed with resilience and durability criteria.
	Climate	During 2024, 30% of our energy came from photovoltaic plants. Since 1 January 2025, all energy purchased on the market is from 100% renewable sources. Our carbon footprint from electricity consumption is now zero.
	Circularity	Our business model reduces film consumption, waste generation and emissions. 100% recyclable films. During 2024, we will continue to develop and market films with certified PCR recycled content.
Environmental	Use of sustainable materials	Development of our new 5-micron thick film during 2024.
	Eco-innovation and adaptation to global needs	Development of our new Endurance range of wrapping machines during 2024.
	Energy transition	In 2024, we changed our electricity supplier to ensure that our energy came from 100% renewable sources. By the end of the year, more than 90% of our vehicles were equipped with some form of electric motor.
	Responsible management of natural resources	Electricity is our main source of energy: from 1 January 2025, we only use 100% renewable energy.

Sustainability Master Plan 2022-2030

Our Sustainability Master Plan (SMP) is the framework document and strategy that establishes objectives and projects to enhance the sustainable management of our companies.

Its scope covers the period 2022-2030. By 2030, the main challenges for Aranco set out in the SMP are as follows:

- Decarbonisation
- Strengthening our compliance and due diligence model
- Developing increasingly sustainable products and services

The Plan is structured around eight main axes or lines of action:



Social.

Aranco with purpose: people at the centre

Free corporate Pension plan Health insurance canteen Salary conditions In-house Weekly language above the collective sports facilities classes agreement Participation and **Equal Opportunities** collaborative internal **Career Plans** Plan structure

Milestones in our talent management in 2024

New selection protocol

In collaboration with a strategic recruitment partner, during 2024 our People and Talent Area has standardised the staff selection process, including the definition of key actions and the incorporation of competency tests for a more objective assessment of candidates.

Improving the Onboarding Plan

During 2024 we improved the onboarding process for new employees, with a more appropriate information protocol and a new roadmap for the onboarding and incorporation stages.

A Welcome Manual was also drawn up and the onboarding process has been standardised with digital tools

A decade of commitment to Vocational Education & Training: 2014-2024

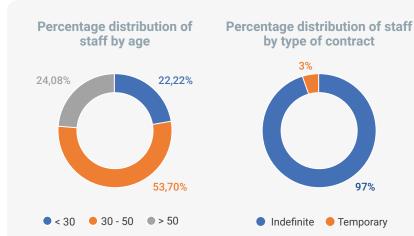
In 2014, we joined the Vocational Education & Training (VET) programme (called *FP Dual* in Spain), which provides students with professional qualifications that combines training at an educational centre with practical and formative work experience at a company.

In 2024, 16% of Aranco's workforce came from Dual Vocational Training. Over the last decade, 19 students from three educational centres have completed internships at our facilities in five Aranco areas.

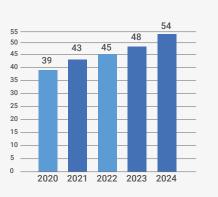
Key indicators:	2023	2024
Number of FP Dual (VET) students on placements at Aranco in the year		
Number of people recruited by Aranco from FP Dual (VET) in the year		0
Total number of students in FP Dual (VET) (cumulative since 2014)	19	19
Total number of people recruited by Aranco from FP Dual (VET) (cumulative since 2014)	9	9
Percentage of Aranco's workforce from FP Dual (VET)	18%1	16%²

¹For a total workforce of 51 people (including the Aranco France subsidiary) at the end of 2023.

²For a total workforce of 54 people (including subsidiaries Aranco France & Aranco Deutschland) at the end of 2024.



Evolution of the average staff



Social.

Contribution to the environment

Beyond our business activity, actions that have a positive impact on our environment are a priority for Aranco. We carry out these actions through our own initiatives or by collaborating with specialised and sectoral organisations and entities with which we can be more effective and helpful.

Our goal with these positive impact actions is to contribute to the economic and social development of our environment and improve its environmental conditions.

Priority areas for our positive impact actions:

Education, training and employability

Environmental impact (climate change, circular economy, waste)

Collaboration with organisations providing direct aid in municipalities affected by the Dana floods

Collaboration with sector associations that promote sustainable development



Collaboration with *Pedalea por la Dana*: bicycles to regain mobility

On 29 October 2024, the *Dana* floods severely affected many municipalities in the province of Valencia and other parts of Spain. The floods caused more than 200 deaths and enormous material damage. A few days later, a group of volunteers near the city of Valencia organised themselves to collect donated bicycles, repair them and deliver them to residents of the affected municipalities so that they could use them as a means of daily transport. Aware of this initiative, at the end of 2024 we decided to make a financial donation of 5.000,00 euros so that this group of volunteers, *Pedalea por la Dana* ("Ride for the Dana"), could purchase spare parts and new bicycles for donation.

Pedalea por la Dana carried out its voluntary work for almost four months, during which time they delivered more than 680 repaired and new bicycles to people for whom access to a bicycle meant a substantial improvement in their mobility and a return to some kind of normality.

In January 2025, we had the opportunity to welcome the volunteer group to our headquarters, where we were able to personally thank them for their great work.



We will continue this policy of collaboration with organisations directly involved on the ground in helping people affected by the *Dana* floods at least throughout 2025, with financial donations and direct volunteer activities by our staff.

Summary Executive

Environmental.

Reuse: new life for our wrapping machines

We extend the lifespan of our wrapping machines through eco-design and restoration. Thanks to restoration, we are able to reuse wrapping machines that have been withdrawn from the market, are obsolete or damaged, and have already served a customer for many years but can be used again after updating their electronic devices and software or repairing certain components.

Our business model and the fact that we manufacture our own wrapping machines encourage reuse.

In recent years (2021-2024), the average number of wrapping machines restored annually has been 75. During 2024, the number restored was 84 units.

Reduce: lower consumption and emissions with our services

We achieve the main reduction in consumption and emissions thanks to our products, services and business model.

Less waste and shrinkage	Our films are of high quality. With them, our customers improve the quality of their wrapping process and reduce film waste and losses.
Less film consumption	Average reduction of 67% in film consumption for customers.
Less cardboard consumption	Average reduction of 85% in cardboard consumption per roll.
Reduced thickness films	We develop stretch films with reduced thickness while maintaining or increasing their quality. In 2024, we began developing our new 5-micron stretch film.
Circularity	We develop stretch films with certified PCR recycled content (minimum 30% PCR).
More metres of film per roll, less cardboard	We develop rolls with up to 2.200 metres of film, for fewer roll changes and lower cardboard consumption.
Less transport emissions	Reduction of transport-related emissions, together with our logistics partner, through efficient management of delivery times and routes.
Less trips and better technical response	Our wrapping machines are connected to a central monitoring system, allowing our online technicians to solve up to 25% of incidents remotely, without physical trips.
More digitisation, productivity and savings	Packaging services based on digitisation (RFID, connected wrapping machines, etc.), which include maintenance plans for wrapping machines and improve productivity.
Repairability and efficiency	We manufacture our wrapping machines with the lowest possible consumption of resources and materials, avoiding superfluous aesthetic elements and packaging, prioritising durability, repairability and lower weight for a more efficient transport.
Lower electricity consumption	During 2024, 30% of our electricity consumption came from our photovoltaic plant. Since January 2025, the electricity purchased from a supplier has come from 100% renewable sources. Now our emissions from electricity consumption is zero.

Recycling: Zero to Landfill seal

Obtained for the first time in 2022, in 2024 we renewed for the third time the "Zero to Landfill - From Waste to Resources" seal issued by Saica Natur and TÜV SÜD

This seal recognises companies that recycle or energetically revalue more than 95% of the generated waste. Since 2022, we have been improving that percentage of waste recycled or recovered at our headquarters in Massamagrell every year.

Percentage of waste recycled or recovered for energy:

99,59% in 2023

99,72% in 2024



Environmental.

Corporate carbon footprint

In 2024 we calculated the mandatory scopes 1 and 2 of our carbon footprint.

Total carbon footprint	2023	2024
Scope 1 + Scope 2 (Tn CO ₂ eq)	181,547	176,365

As in previous years, we used turnover and number of employees to calculate emission intensity ratios. Both ratios, linked to the activity and size of the Group's companies, clearly show the efficiency of the measures implemented. In both cases, the ratios for 2024 show an improvement on the previous year.

With regard to the turnover ratio, we increased turnover by 4,20% in 2024 compared to the previous year and reduced emissions: the number of tonnes of CO2 emitted in 2024 per million euros of turnover was 6,74% lower than the previous year 2023.

Efficiency ratios

Efficiency ratio: turnover	20231	2024²
Tn CO₂eq/1M€	6,707	6,255

Efficiency ratio: employed	2023³	2024⁴
Tn CO₂eq/empleado	3,7823	3,266

¹Turnover 2023: 27.067.177,29 euros ²Turnover in 2024: 28.192.412.50 euros ³Average workforce 2023: 48 people ⁴Average workforce in 2024: 54 people



In February 2024, the Spanish Ministry of Ecological Transition confirmed our registration in the Carbon Footprint Register, applied for at the end of 2023.



Towards zero emissions in electricity consumption

Our photovoltaic plant, on the roof of our industrial plant in Massamagrell (Spain), became operational in August 2023. During the 12 months of 2024 approximately 30% of the energy consumed at our entire headquarters (three buildings) came from the plant. The rest, which is our main source of energy, was purchased on the market from a supplier.

At the end of 2024, we took steps to change our electricity supplier so that all the electricity purchased on the market would be 100% certified renewable. This change has been implemented, and since January 2025, all the electricity purchased from the new supplier (70% of our consumption) is from renewable sources.

Since January 2025, all the electricity we consume is renewable and our carbon footprint from electricity consumption is zero.

Mobility and logistics with lower emissions

During 2024, we continued to renew our corporate vehicle fleet (25 cars) to ensure safe and reliable travels for our employees with mobility obligations and to reduce emissions, gases and polluting particles through increasingly cleaner engines.

By the end of 2024, 96% of our cars had some type of hybrid or fully electric motorisation

Our headquarters in Massamagrell (Spain) has a charging area for electric and hybrid cars, with four charging points. The average age of our corporate cars in 2024 was 1,78 years.

The logistics of our activity is outsourced to a local transport provider specialising in route optimisation based on efficiency, savings and sustainability criteria, which means we do not have our own vans or trucks.

Vehicle fleet 2024:

Vehicle type	Diesel	Petrol	Electric	Hybrid
Cars	1	0	1	23
Trucks	0	0	5	0



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