



**FRICON**  
SUSTAINABILITY  
AND SOCIAL  
RESPONSIBILITY

Report

# SUSTAINABILITY AND SOCIAL RESPONSIBILITY

2021 → 2024

[fricon.pt](http://fricon.pt)



## THE PURITY OF BEING **SUSTAINABLE**

The purity of being sustainable is more than a motivation. It's a mindset, it's a lifestyle, it's how we want to impact the world and how we want our customers to feel: pure and sustainable.  
In each of our products. In each of our partnerships.

# WHO ARE WE?



Frigocon S.A. (FRICON) operates in the refrigeration and freezing industry. It was founded in 1976 under the name Irmãos Azevedo, Lda. Currently, the company, headquartered in Touguinha - Vila do Conde, is managed by administrators Isabel Azevedo, Maria Abília Azevedo, and Rui Azevedo, all of whom have a family connection to the founder Artur Martins Azevedo. Our mission is to develop, produce, and sale refrigeration equipment for food and beverage preservation. We provide solutions for four segments: supermarket, ice cream and frozen food, beverage, and mobile.



Supermarket



Ice Cream & Frozen Food



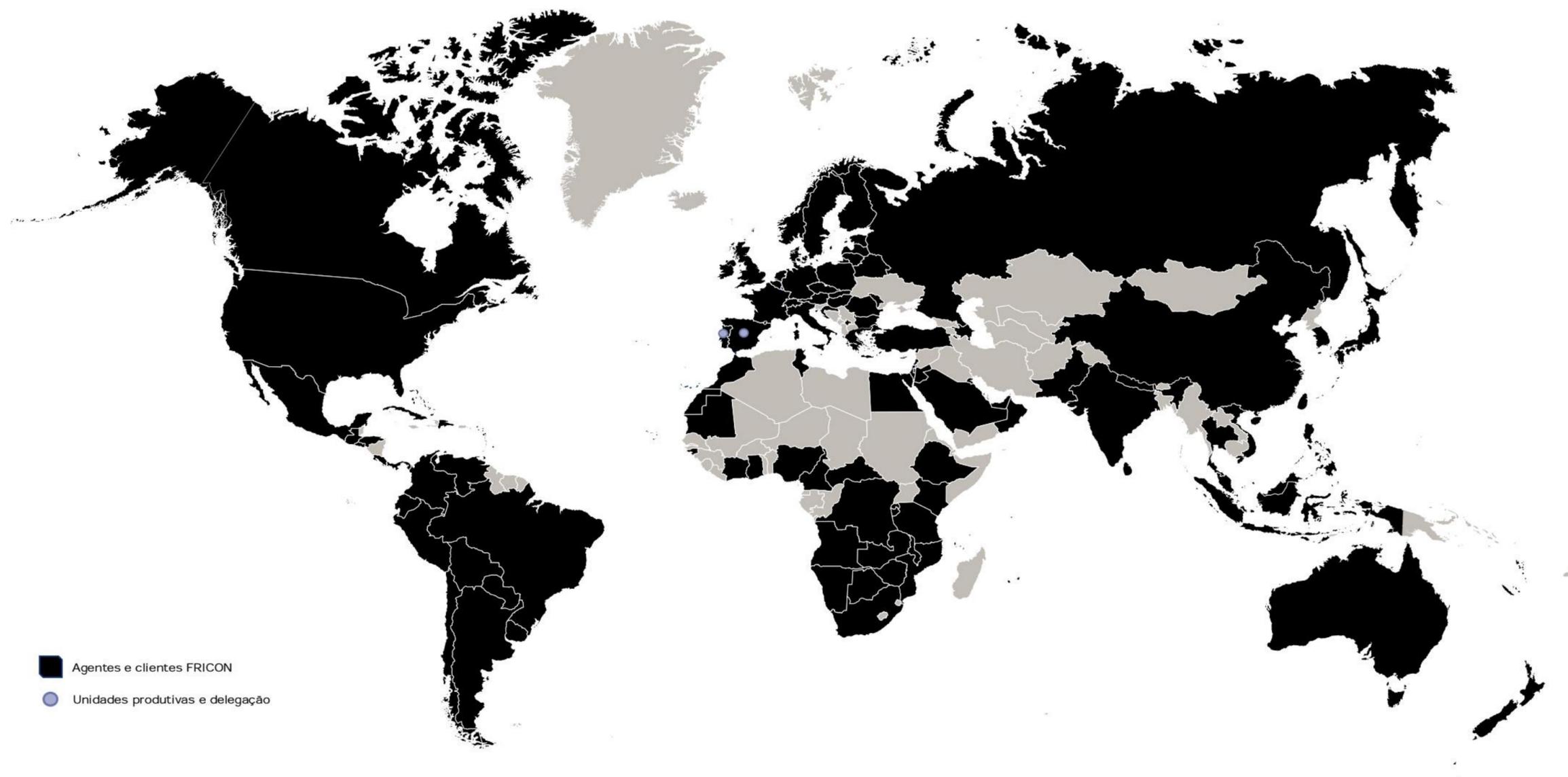
Beverage



Mobile

We also offer our customers the possibility of customizing their FRICON products and an E-commerce eutectic refrigeration system developed to optimize logistical processes in the delivery of online food retail orders, thus demonstrating our ability to adapt to the needs of a constantly changing market.

In addition to the **two production units (end products and intermediate products) in Vila do Conde (Portugal)**, we have a **branch in Madrid (Spain)**.



We export our products to more than **120 countries** on **5 continents**, including Spain, Poland, Colombia, Brazil, South Africa, the United Kingdom, Australia, Indonesia, Japan and the United Arab Emirates.

# 2024

## HIGHLIGHTS



<b>36,1M€</b> TURNOVER	<b>88%</b> WEIGHT OF EXPORTS	<b>2,5M€</b> PRODUCTIVE INVESTMENT/CAPEX	<b>FINANCIAL CAPITAL</b>
<b>293</b> AVERAGE NUMBER OF EMPLOYEES	<b>12 605</b> AMOUNT OF TRAINING HOURS	<b>2/3</b> FEMALE REPRESENTATION ON THE DIRECTORS BOARD	<b>HUMAN CAPITAL</b>
<b>0</b> GWP <sub>100</sub> R290 e R600a	<b>13</b> MODELS DISTINGUISHED BY HIGH ENERGY EFFICIENCY	<b>95,3%</b> RECYCLED PRODUCTION WASTE	<b>PRODUCTIVE CAPITAL</b>

# OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS

In 2015, several world leaders adopted the United Nations' 2030 Agenda for Sustainable Development, thus committing to achieving a set of economic, social and environmental goals and supporting the transition to a more resilient and sustainable society. In order to achieve the 17 Sustainable Development Goals (SDGs), the contribution of companies is essential.



Companies can contribute through their core activities, and we urge businesses worldwide to assess their impacts, set ambitious objectives, and communicate the results transparently.

Ban Ki-moon

Secretary General of the United Nations at the time of the launch of the SDGs



**FRICON** recognizes its importance in meeting the Sustainable Development Goals, particularly in the following areas:



- 3. Good Health and Well-Being**
- 4. Quality Education**
- 5. Gender Equality**
- 7. Affordable and Clean Energy**
- 8. Decent Work and Economic Growth**
- 9. Industry, Innovation and Infrastructure**
- 11. Sustainable Cities and Communities**
- 12. Responsible Consumption and Production**
- 13. Climate Action**

Over the past four years (2021-2024), we have developed a set of environmental and social actions, within these domains. In this report we seek to compile those that we consider relevant to our organization, to our stakeholders and that reflect our commitment to sustainability and social responsibility.

We are aware that the path towards achieving the Sustainable Development Goals is long and that the future holds risks, but also opportunities. We are motivated to set new goals and allocate more resources to environmental sustainability projects, in order to protect our competitiveness, which is increasingly dependent on the ability to efficiently manage resources, and contribute to the development of the community in general.

FRICON is a pioneering company, in the sector and in Portugal, in the creation of the Sustainability and Social Responsibility Report, available on our website: [www.fricon.pt](http://www.fricon.pt).

On an annual basis, this report comprises relevant environmental and social actions developed over the last 4 years.

The selection of material topics was the result of a structured consultation process with internal stakeholders, industry benchmarking and analysis of the Global Reporting Initiative (GRI) Standards.

For each topic addressed in this report, the Sustainable Development Goals to which we are contributing are presented in the top left corner. At the end, an index related to the SDGs can be found.

The present document has not been subject to external verification.

# SCOPE OF THE REPORT

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# ENVIRONMENTAL SUSTAINABILITY



#### Environmental Sustainability

# Ecodesign and Energy Efficiency

**In compliance with European guidelines, FRICON equipment is carefully developed to have the least possible impact on the environment:**

- Top energy rating on the market;
- Use of natural refrigerant gases R290 and R600a;
- Design aimed at reducing material;
- Standardization of components between equipments in order to reduce waste as well as machine set-up times and speed up the replacement or repair process;
- Use of high-quality components to avoid breakdowns, increase product lifetime and ensure customer satisfaction;
- Reduction of the plastic film used in SMR packaging;
- Availability of user manuals, maintenance instructions, and electrical diagrams on the website, eliminating the need to print these documents;

# Energy label for refrigeration equipment

On March 2021, it became mandatory for all EU member states to include an energy label (ecolabel) on all refrigeration equipment with a direct sales function. To determine the energy efficiency class of a given equipment, tests are carried out in a controlled environment and independent laboratories.

The rating can go from A to G, with class A being the most efficient product. You may consult the energy rating of our equipment at the following link: <https://eprel.ec.europa.eu/>.

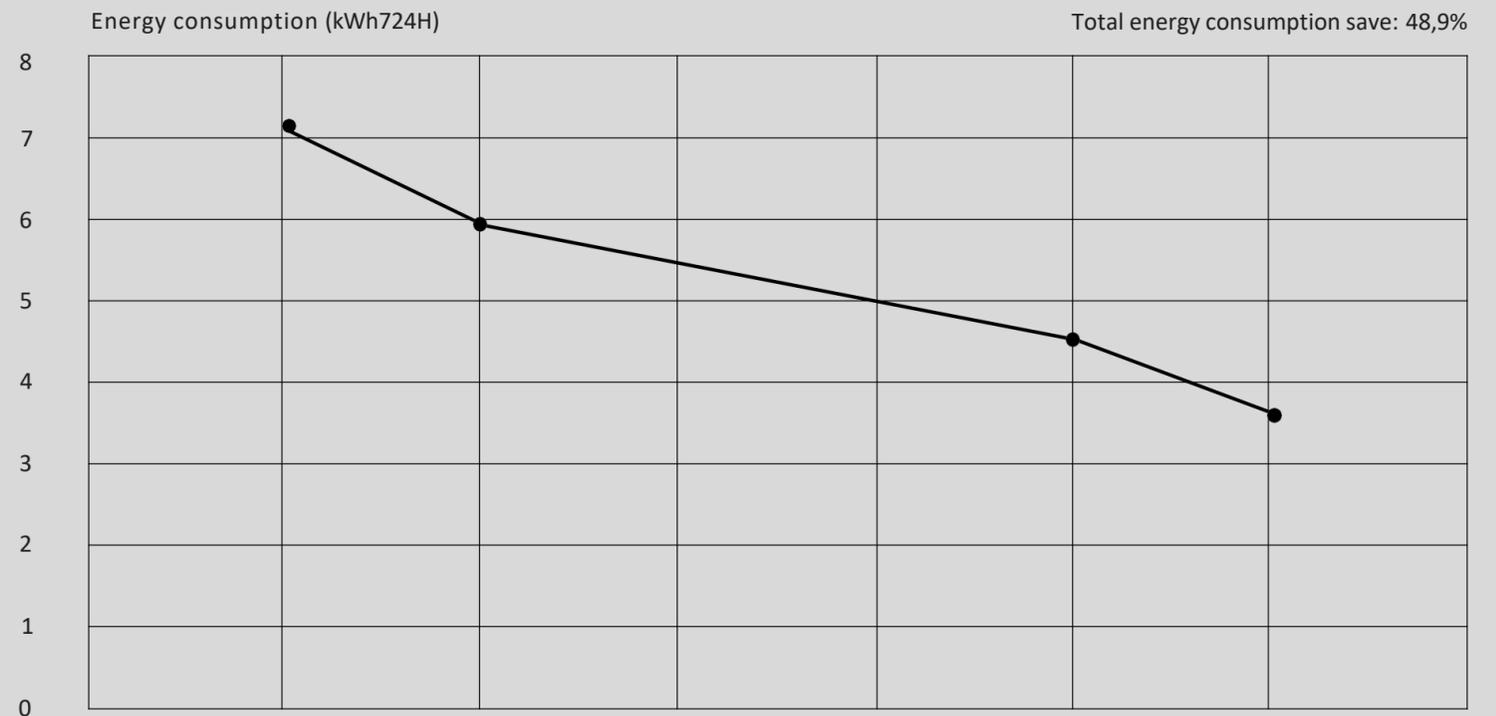


TopTen.eu is an online platform that lists the best products on the European market, particularly in terms of energy performance. FRICON's efforts to design more efficient products have led to 13 of our models (CLS 210 L, CLS 210 T, CLS 250 L, SLB 170, SLB 194, SLB 220, SLB 250, DA 220, CL 220, LSMR 165, HCE 305 S, HCE 305 SG and THC 590 B) being recognized by TopTen.eu with "Energy Efficiency Leader" label in two consecutive years (2022 and 2023).

# Energy efficiency: driver for innovation

Energy efficiency is a significant part of our product development within the engineering team. This strategy will be maintained and even strengthened, considering it's an increasingly pressing need in the market. The use of compressors with variable speed drive systems (VSD) combined with optimized refrigeration system adjustments and improvements in thermal insulation allow us to develop equipment that is more energy efficient, with consumption savings of around 50% (Graph 1). Additionally, this solution ensures greater stability of energy flow, reducing the risk of damage and increasing the lifetime of the equipment.

## Evolution of energy consumption: from SMR LSL AD (2017/2018) to SMR SLB VCC (2021/2022) model



Graph 1: Tests carried out in FRICON laboratories according to ISO 23953-2:2015 – Refrigerated Display Cabinets – Part 2: Classification, requirements and test conditions. Equipment considered in 2017/2018: SMR LSLAD. Equipment considered in 2021/2022: SMR SLB VCC (evolutionary model of the SMR LSL, considering a compressor with a variable speed system, optimized adjustments to the refrigeration system and improvements in thermal insulation).

# R290 e R600a: environmentally-friendly refrigerant gases

At FRICON, through the use of natural refrigerant gases R290 and R600a in the design of our equipment, we guarantee that the impact on global warming is minimal, as well as compliance with legislation that prohibits the sale of equipment containing fluorinated gases with global warming potential. (PAG) equal to or greater than 150 (Regulation (EU) No. 517/2014 of the European Parliament and of the Council of April 16, 2014).

R290 and R600a have the lowest global warming potential (GWP) compared to alternative gases. The global warming potential of a refrigerant gas is a measure that compares its impact on global warming in relation to carbon dioxide that has a GWP of 1. In the particular case of refrigerant gases, the impact on global warming is generally analyzed for a period of 100 years. According to the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report, the GWP100 of R290 (propane) is 0,02 and of R600a (isobutane) is 0.



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Environmental Sustainability

# ISO 9001:2015: Quality Management System



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“

“Adopting a Quality Management System is a strategic decision for an organization that can help improve its overall performance and provide a solid foundation for sustainable development initiatives.”

Subcomité ISO TC 176/SC2

Responsible for the development of ISO 9001

”

Currently, FRICON is certified by the ISO 9001:2015 standard, an international reference for the Certification of Quality Management Systems. This certification is an integral part of FRICON's efforts to improve the organization's global performance and promote sustainable development.

A Quality Management System (QMS) has as its main focus customer satisfaction. Customer satisfaction increasingly depends on offering equipment produced in an environmentally friendly way and with high energy efficiency, appropriate and recyclable packaging, etc. In this sense, the adoption of a QMS that aims to increase customer satisfaction through continuous improvement constitutes a driver for the adoption of environmentally responsible and socially acceptable practices.

Furthermore, the implementation of a Quality Management System implies the adoption of risk-based thinking. Managing technological, social, political, environmental and economic risks, as well as complying with new legal and regulatory requirements is the key to ensure the sustainability of organizations. Therefore, it is good management practice to identify risks, opportunities and adopt actions within the organization's strategic orientation to minimize unwanted impacts and maximize desirable effects.

In short, according to the requirements imposed by ISO 9001:2015 certification, organizations must adopt a set of continuous improvement actions to ensure customer satisfaction, minimize their weaknesses and exposure to risks, and maximize their strengths and opportunities, thus guaranteeing their success and reinforcing their value.



AFFORDABLE AND CLEAN ENERGY



INDUSTRY, INNOVATION AND INFRASTRUCTURE



CLIMATE ACTION



RESPONSIBLE CONSUMPTION AND PRODUCTION

Environmental Sustainability

# Energy

# Management

As part of its sustainability strategy, FRICON has set a goal to assess its carbon footprint and define emission reduction targets, taking 2024 as a reference year.

In 2024, Fricon emitted a total of 474,2 tCO<sub>2</sub> eq..

Scope 1 emissions totaled 264,3 tCO<sub>2</sub> eq. (56%), with the main source of emissions in this context being stationary combustion at the UPI, associated with the use of natural gas in thermal processes, followed by mobile combustion. For simplification purposes, all mobile combustion emissions were attributed to the UPA, however, the fleet is used by both units. In scope 2, emissions associated with purchased electricity totaled 209,9 tCO<sub>2</sub> eq. (44%).

Considering the total per production unit, the UPI is responsible for the largest share of emissions, representing 65% of the total, while the UPA contributes approximately 35%.

GHG Emissions	tCO <sub>2</sub> eq. 2024		
	UPA	UPI	Total
<b>Scope 1</b>	<b>26,0</b>	<b>238,3</b>	<b>264,3</b>
Stationary combustion	1,8	238,3	240,1
Fugitive emissions	0,0	0,0	0,0
Mobile combustion	24,1	0,0	24,1
<b>Scope 2</b>	<b>137,7</b>	<b>72,2</b>	<b>209,9</b>
Heat and steam purchased	0,0	0,0	0,0
Electricity purchased	137,7	72,2	209,9
Own production	0,0	0,0	0,0
<b>Total</b>	<b>163,7</b>	<b>310,5</b>	<b>474,2</b>

Table 1: greenhouse gas (GHG) emissions in tCO<sub>2</sub> eq. throughout 2024.

The company aims to monitor its carbon footprint annually, ensuring it tracks progress towards its goals and allows it to adjust its strategies to achieve the desired environmental outcomes.

# Photovoltaic Panels

In 2024, photovoltaic panels enabled the production of approximately 560 MWh of energy, about 32% of the organization's total electricity consumption, avoiding the emission of approximately 99 tCO<sub>2</sub> eq. and contributing to a reduction in FRICON's carbon footprint.

# Replacement of old lighting systems with LED

The replacement of old lighting systems with LED has been occurring gradually in both production units.

# Electric fleet

In 2024, 14% of our automobile fleet was made up of 100% electric vehicles. In the same year, we had 3 electric charging points (2x22kW) in our car park.





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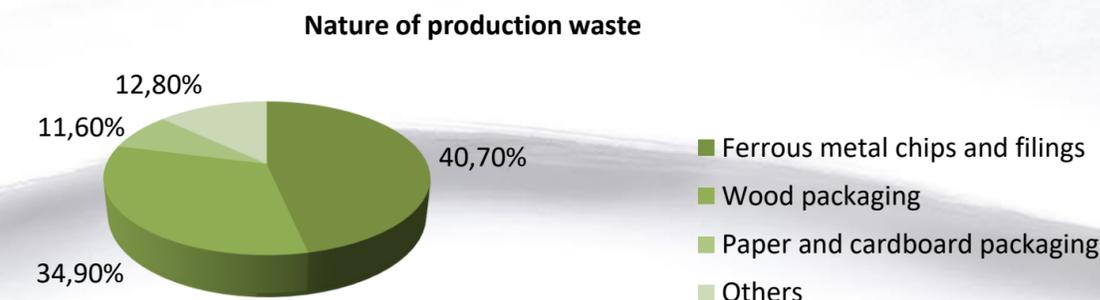
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In the course of our activity, waste of diverse nature is generated. Ferrous metal chips and filings from our production process and wood, paper and cardboard packaging, the vast majority of which come from the purchase of raw materials from suppliers, represented 87,2% of the waste sent for recovery/recycling in 2024.



Graph 2: :Nature of production waste; internal data (relating to 2024) provided to the Regional Waste Information System, as part of the obligation to issue the e-GAR document.

In 2024, 95,3% of waste produced internally was sent for recovery/recycling. Local companies licensed in waste management are responsible for collecting and treating this waste.

**Waste Recovery**

	2021	2022	2023	2024
Total waste (tn)	629,3	664,9	772,0	552,6
Total hazardous waste (tn)	-	-	-	13,3
Total non-hazardous waste (tn)	-	-	-	539,3
Recovered waste (tn) (*)	619,9	655,4	755,6	526,6
<b>Waste Recovery rate</b>	<b>98,5%</b>	<b>98,6%</b>	<b>97,9%</b>	<b>95,3%</b>

Table 4: Percentage of waste recovery, according to internal data (relating to 2021, 2022, 2023 and 2024) provided to the Regional Waste Information System, as part of the obligation to issue the e-GAR document.

(\*) all recovered waste is non-hazardous waste.

FRICON is committed to reducing waste and to the responsible management of hazardous materials. Specifically, next year we intend to eliminate the use of methylene in cleaning processes.

Environmental Sustainability

# Waste

# Management

# Waste Management of Electrical and Electronic Equipment (WEEE)

Waste of Electrical and Electronic Equipment (WEEE) is regulated at European level by Directive No. 2012/19/EU, of July 4, 2012. At national level, the matter is regulated by Decree-Law No. 71/2016, which proceeds to the first amendment to Decree-Law nº 67/2014 that approves the legal framework for WEEE management.

The legislation that regulates the flow of WEEE is based on the principle of extended producer responsibility, whereby the EEE producer is assigned responsibility for its management when it reaches the end of its life, which can be assumed individually or transferred to a collective system. At FRICON, responsibility for managing waste electrical and electronic equipment was transferred to *Entidade Gestora Eletrão – Associação de Gestão de Resíduos* (a Portuguese entity responsible for waste management) and packaging waste was transferred to *SPV – Sociedade Ponto Verde* (responsible for taking back and recycling packaging in Portugal).

EcoWEEE are the financial compensation charged by management entities, per ton of equipment placed on national market, for assuming responsibility on behalf of producers for the management of EEE placed on the market. EcoWEEE are calculated based on the price per ton of each category of WEEE defined by the management entities.

## Avoided greenhouse gas (GHG) emissions (tCO<sub>2</sub>) through adherence to the Integrated Packaging Waste Management System managed by Sociedade Ponto Verde

2020	2021	2022	2023
89,44	44,96	60,49	34,22

Source: Official Declaration of Avoided Carbon Footprint (2020, 2021, 2022 and 2023) issued by Sociedade Ponto Verde.



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PRODUCTION



Environmental Sustainability

# Internal Awareness Actions

## 1. Energy saving

- Raising awareness through quarterly international communications;

## 2. Paper saving

- Raising awareness about weighted printouts and economical print settings;
- Developing a manual for creating digital signatures, avoiding printouts whose sole purpose its to sign documents;
- Eliminating the use of single-use paper tablecloths in the cafeteria, representing a saving of approximately 12 000 sheets/year;
- Raising awareness about reducing the use of paper dispensers: “1 may not be enough; 3 are too many; try 2!”.

## 3. Distribution of reusable water bottles to employees

## 4. FRICON’s Bazaar

At the beginning of 2024, an internal communication group was created, accessible to all employees, aimed at facilitating the exchange and donation of items, thus promoting a circular economy and reducing waste.

FRICON Bazaar has 73 members and, in 2024, 45 internal donations were made through this channel.



CLIMATE ACTION



SUSTAINABLE CITIES AND COMMUNITIES



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### 1. Collecting trash from beaches

In 2021, 46 students from *Agrupamento de Escolas Dr. Carlos Pinto Ferreira* were challenged to collect garbage from the beaches, an activity carried out in partnership with *Centro de Monitorização e Interpretação Ambiental -CMIA* (an environmental monitoring center) of Vila do Conde. 2.5 kg of plastic, cigarette butts and fishing nets were collected.

### 2. Offer of reusable plastic water bottles

Also in 2021, the Chairman of the Board of Directors, Isabel Azevedo, took part at *Agrupamento de Escolas Dr. Carlos Pinto Ferreira's* day to offer reusable plastic water bottles to all students. Through this action, we ensure that hundreds of single-use plastic bottles are saved every day.

### 3. Arbor Day Celebration

We celebrated Arbor Day – March 21st 2022 – with a symbolic planting of a tree at the school *EB 2.3 Dr. Carlos Pinto Ferreira* and with the donation of 750€ for the purchase of more trees that would be planted by the students throughout the year.

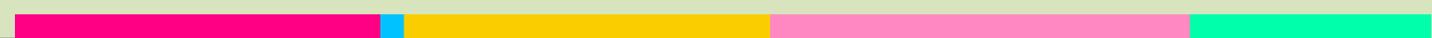
Environmental Sustainability

# External Awareness Actions



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# SOCIAL RESPONSIBILITY



FRICON suppliers are selected, fundamentally, for the quality of the raw materials they offer. We produce our equipment with **high quality raw materials** to avoid breakdowns, increase the product's useful life and guarantee customer satisfaction.

In addition to quality issues, we are concerned with selecting suppliers that do not adopt behaviors that are harmful to the environment, the community, unethical or illegal. To assess compliance with social and environmental criteria, 3 questions were included in the supplier opening form (attached) related to these themes and each supplier is now required to declare that they have read and agreed with our **Sustainable Purchasing Policy** ( attached). In 2024, 100% of new suppliers signed the Sustainable Purchasing Policy.

At FRICON, we recognize that progress in responsible/sustainable purchasing is possible, particularly through training, the use of sustainability ratings for supplier evaluation, etc. In 2024, 50% of purchasing department employees received training in responsible/sustainable purchasing. By 2030, the goal is to increase this percentage to 100%.

Social Responsibility

# Suppliers

At FRICON, **customer satisfaction is our priority.**

For over 45 years, we have been developing quality, energy-efficient and customizable solutions for the most important retail chains on the planet. In addition to selling equipment, FRICON also offers after-sales services (technical assistance and sale of accessories).

In order to assess the quality of FRICON's relationship with its customers, **satisfaction surveys** are carried out on an annual basis. The results of these surveys are consolidated, critically analyzed and presented during internal meetings where solutions are proposed to overcome the problems identified. In 2024, in addition to issues related to the shopping experience, product quality, after-sales service and/or customer support, it also began to include issues related to environmental sustainability and social responsibility.

Our **customers reveal their environmental and social concerns** and showcase their practices, initiatives and strategies on their websites.

Social Responsibility

# Clients



DECENT WORK  
AND ECONOMIC  
GROWTH



GENDER  
EQUALITY



QUALITY  
EDUCATION



GOOD HEALTH  
AND WELL-  
BEING

## Employees are the most important asset of any company.

In order find out **how satisfied our employees are**, FRICON took part in the **Índice de Excelência** study in 2021, and conducted an internal satisfaction survey in 2024. The participation rate increased in 2024 (73,10% vs. 65,70% in 2021). The overall result improved (3,54 vs. 3,43), with the dimensions showing the most significant improvement being: excellence in practices and excellence in people management. By 2030, the aim is to continue improving the employee satisfaction indicator, bringing the overall result closer to the 4 values.

Social Responsibility

# Employees

# Health and well-being

Over the last few years, FRICON has carried out a range of actions to promote the health and well-being of its employees.

## **1. Health insurance**

In 2024, we provided health insurance to our entire staff, covering 247 employees. Partners and descendants of our employees can also participate through the company and, in this way, benefit from more developed access conditions.

## **2. General and family medicine consultations**

FRICON guarantees its employees free access to weekly general medicine and family consultations held at our facilities.

## **3. Oral health support**

In partnership with *Mundo a Sorrir* organization, FRICON supports employees in situations of socioeconomic vulnerability in accessing oral health services. In 2024, this initiative included 3 employees.

## **4. Daily fruit and soup**

Every day, we provide fruit and soup to our employees. In this way, we seek to promote the practice of healthy eating and support local businesses.

## **5. FRICON baby kit**

In 2024, FRICON allocated 8 baby kits - with hygiene and childcare items, worth an estimated €60 - to all of our employees' newborns.

## **6. Active reform**

We enable people who have already reached legal retirement age to remain active and integrated into their work environment, on their own initiative. In 2024, we had two employees actively retired.

## 7. Family Day FRICON 2022

Family Day is an event that seeks to highlight FRICON as a company that **promotes a healthy and balanced company-family lifestyle** but also to bring employees together in a positive and motivating way.

In 2022, the event took place at the Rates Park adventure park in Póvoa de Varzim. We held many activities such as the FRICON Values Hunt and the Mystery Family. For the little ones, we offered activities such as tree climbing, slides, inflatables, trampolines, face painting, etc.

Amid moments of good cheer and togetherness, the Artur Martins Azevedo Merit Awards were presented and thanks were given to former employee Manuel Solinho, who received a photo album with memories of decades of service to FRICON and dedications from colleagues as a gift. Street food and drinks - stored in vertical refrigeration equipment produced at FRICON - were made available to all employees and their families.

## 8. Team building activities

- **Celebration of Epiphany Day, St. John's Day and St. Martin's Day;**
- **April, occupational health month:** yoga class, fitness, healthy meal cooking class and sleep hygiene workshop;
- **Creation of a football team to participate in the Business League Championship,** the largest competition between companies in Portugal;
- Realization of the **Christmas Workshop**, a moment of togetherness between parents and children, full of activities: cookie factory, movie session and a magical encounter with Santa Claus;
- Ending the year with the classic **Christmas dinner**, a moment of togetherness and sharing.





## 9. Partnerships and protocols

Employees have access to a set of partnerships and protocols established with national or local entities, covering areas as diverse as clinics, gyms, opticians, among others.

- *Adavilla* Dental Clinic
- *Dental Lovers* Dental Clinic
- *Vila* Clinic
- *Viva Mais* Clinic
- *Sports Spirit* Gym
- *Vila FIT* Gym
- *Physical* Gym
- *Áshrama* Yoga School
- *Jorge Oculista* Optical
- *Opticenter* Optical
- *Mais Ótica* Optical
- *Arte Dótica* Optical
- *Lusitana* Pharmacy
- *Nova* Pharmacy

For more information, consult the **Partnership Manual**, available on the employee portal.

# Diversity and equal opportunities

At FRICON, we are committed to fostering diversity and equal opportunities.

As in previous years, in 2024, FRICON established a protocol with Santa Casa da Misericórdia de Vila do Conde, within the scope of the Incorpora Program, which aims to promote the social and professional inclusion of people at risk of exclusion, improving their quality of life through opportunities, training and employment. Of the 8 participants, it was possible to integrate 2 who demonstrated good performance.

Despite the progress made in recent years, we believe there is room to implement more actions aimed at enhancing equal opportunities within our organization, namely: increasing the representation of women in leadership and responsibility positions, developing a project for the inclusion of people with disabilities, and conducting a study on wage inequality.

**26%**

REPRESENTATIVENESS OF THE FEMALE GENDER IN THE ORGANIZATION (2024)

**2/3**

REPRESENTATION OF WOMEN ON THE BOARD OF DIRECTORS (2024)

**13%**

REPRESENTATION OF WOMEN IN LEADERSHIP/MANAGEMENT POSITIONS (2024)

**0%**

PERCENTAGE OF EMPLOYEES FROM MINORITY GROUPS (2024)

**0**

NUMBER OF REPORTED INCIDENTS OF DISCRIMINATION OR HARASSMENT (2024)

**9,98%**

RATIO BETWEEN THE TOTAL COMPENSATION OF THE HIGHEST-PAID INDIVIDUAL AND THE AVERAGE TOTAL COMPENSATION (2024)

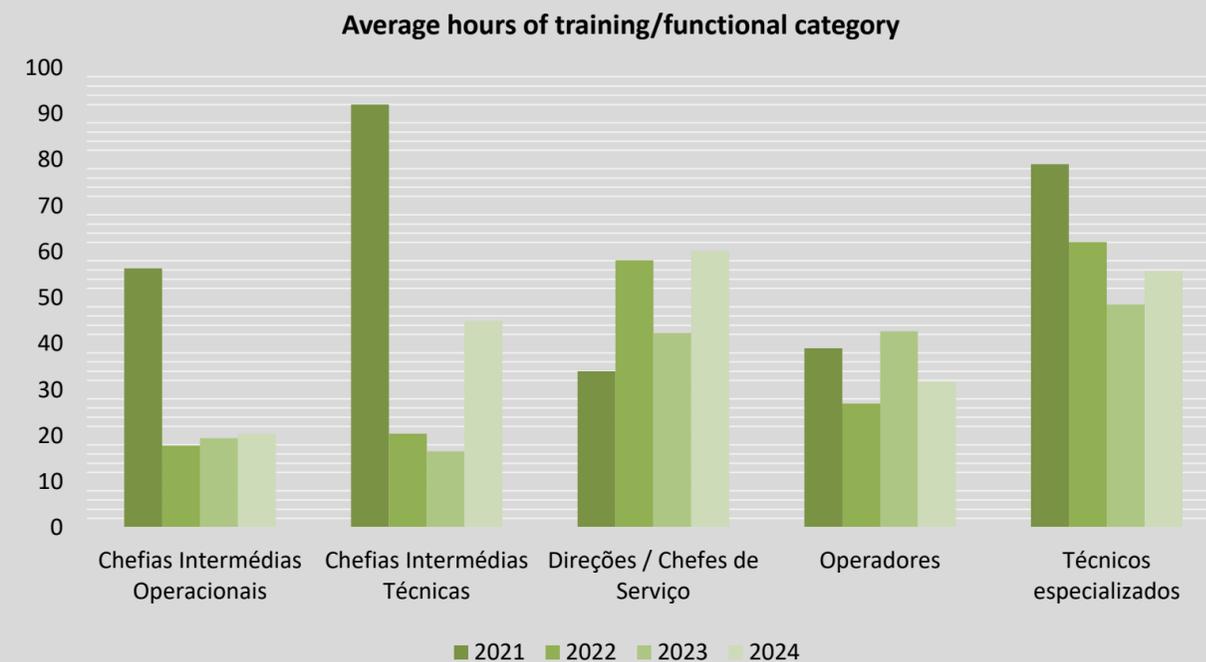
# Professional training and development

At FRICON, the annual training plan is based on a diagnosis of the organizational, departmental and individual needs of our employees. These needs are identified through the performance evaluation system, formally implemented in 2020. All employees are annually assessed by their line managers in terms of their technical, personal and social skills and the achievement of goals. The result of this assessment is the definition of an individual development plan which aims to address, most of the time through training, the gaps identified in employee's performance and the needs highlighted by the Board, taking into account the organizational and departmental purposes.



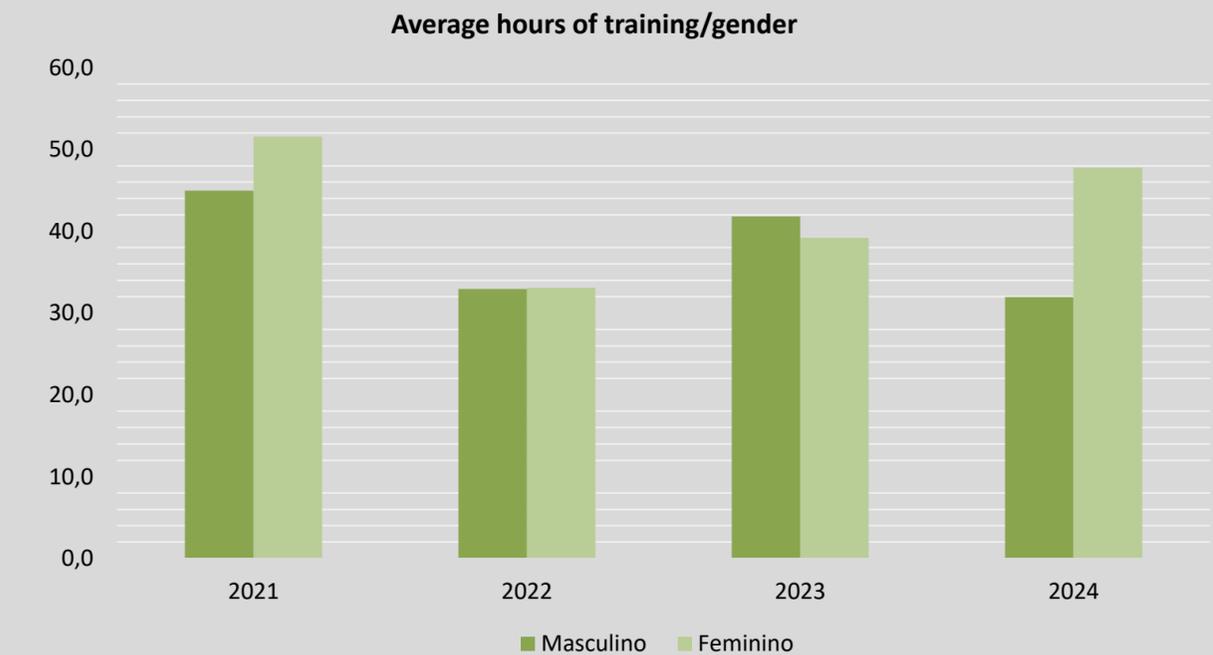
Graph 3: Average training hours per employee (2021-2024). For the purposes of calculating the average number of training hours per employee, the total number of employees in each year was taken into account.

On average, specialized technical workforce has benefited the most from training hours in recent years (graph 4). However, FRICON makes it possible for employees who start work in less qualified/specialized positions to also have access to training and can participate in internal mobility processes – job changes or transfers between areas – allowing employees’ skills to be aligned with the organization’s needs. During the reporting period, 23 cases of internal mobility were recorded.



Graph 4: Average hours of training per functional category (2021-2024). For the purpose of calculating the average number of training hours per functional category, the total number of employees for the year was considered.

It should also be noted that there are no potentially discriminatory criteria in access to training between men and women (graph 5).



Graph 5: Average hours of training per gender (2020-2023). For the purposes of calculating the average number of training hours per employee category, the total number of employees (female and male) in each year was taken into account.



## 1. RVCC School

In partnership with the Institute of Employment and Professional Training (IEFP), FRICON promoted and made available the necessary resources so that interested employees could obtain a diploma equivalent to the 9th year of basic education or 12th year of secondary education, through the completion of the program of Recognition, Validation and Certification of School Skills (School RVCC). A total of 7 employees were enrolled, 3 of whom successfully completed this certification.

## 2. Partnerships and protocols

FRICON entered into a set of partnerships and protocols to benefit our employees in accessing training and related services.

- *Anglo-American Academy* of Vila do Conde
- *Lancaster College* Language Institute
- ISLA – Instituto Politécnico de Gestão e Tecnologia
- *Smile Stationery*

For more information, consult the **Partnership Manual**, available on the employee portal.

# Safety at work

It is extremely important to create a safety culture so that everyone is aware of the risks and dangers they face when carrying out their duties, in order to minimize the occurrence of work accidents and the emergence of occupational illnesses.

Since 2020, we have been implementing a set of actions to reduce accidents in the company, namely:

- Training actions with operational leaders to prevent workplace accidents;
- Occupational safety training actions (annual) aimed at all employees;
- Hiring an external Senior Occupational Safety Technician (TSST), to ensure higher quality monitoring;
- Carrying out internal work accident investigation reports, with the aim of understanding the causes of accidents and whenever possible implementing measures to prevent recurrences.

	2021	2022	2023	2024
<b>Frequency rate</b> Number of workplace accidents per million hours worked	125,0	116,1	69,7	128,2
<b>Severity rate</b> Number of days lost per million hours worked	84,8	76,0	58,1	90,3
<b>Absenteeism rate due to occupational illness</b> Hours of absence in total potential hours worked	0,3%	0,5%	0,7%	0,4%
<b>Absenteeism rate due to work accidents</b> Hours of absence in total potential hours worked	0,7%	0,7%	0,5%	0,5%
<b>Number of work-related deaths</b>	0	0	0	0
International Labor Organization Reference Values				
Frequency rate	Severity rate			
<20 Very good	<500 Very good			
20 a 40 Good	500 a 1000 Good			
40 a 60 Medium	1000 a 2000 Medium			
>60 Bad	>2000 Bad			

Table 5: Occupational safety indicators (2021, 2022, 2023, 2024) and reference values from the International Labor Organization.



DECENT WORK AND ECONOMIC GROWTH



SUSTAINABLE CITIES AND COMMUNITIES



QUALITY EDUCATION



GOOD HEALTH AND WELL-BEING

The community plays a pivotal role in the success of organizations, and in turn, these organizations have a responsibility towards the community they are part of.

At FRICON, we strive to generate value for the community through the course of our activities. Our impact includes cash donations, in-kind donations, among others.



Through our actions, we aim not only to establish a solid reputation and a **relationship of trust with the community** but also to **respond to its needs and concerns**.

Social Responsibility

# Community

# Health and sport

FRICON sponsors local sports clubs and associations to encourage sports and well-being.

Every year, FRICON encourages its employees to participate in the Caminhada de Apoio à Liga Portuguesa Contra o Cancro, covering the registration fees.



# Education and culture

FRICON recognizes education as a fundamental pillar for building a better society. For this reason, we seek to support young people with academic merit and outstanding research projects, in the hope that the results of this learning/research will contribute to sustainable development.

We also support artistic and cultural initiatives that contribute to socioeconomic development and the preservation of traditions, histories and values that form the basis of a community.

## **1. Artur Martins Azevedo Merit Award**

The Artur Martins Azevedo Merit Award aims to recognize all dependents of FRICON employees who are, at the end of each academic year, on the honor and/or merit list of the educational establishment they attend, from the 1st cycle to secondary.

In 2024, 8 prizes worth €250 were awarded to the children of our employees, as a reward for their excellent academic performance in the 2023/2024 school year.

## **2. Municipal School Award**

Presentation of prizes and incentives to 10 outstanding students from Vila do Conde, in partnership with the city council, as part of the 3<sup>rd</sup> edition of “Education Week”.

## **3. School voucher**

In 2024, FRICON once again provided all employees with school-age children with a voucher for the purchase of school materials. This voucher was established in collaboration with a local stationery store, thus promoting commerce in our community. 94 vouchers were awarded and 72 employees were covered.

## **4. FRICON of professions**

Still within the scope of promoting education, together with the families of our employees, we carried out a new initiative “FRICON of professions”, which had as its main objective to show the children of graduating employees (9<sup>th</sup> and 12<sup>th</sup> grades) the day-to-day work of each profession, thus supporting them in their professional career decision.

## **5. Solar Boat Technical Project**

The Solar Boat Technical Project consists of the creation of an autonomous boat, powered by solar energy or hydrogen, which is being developed by Naval Engineering students at Instituto Superior Técnico (IST) in Lisbon. FRICON believes this is a pioneering and promising project that can contribute to a more sustainable world. For this reason, it is proud to have sponsored it as a Cooper Sponsor in 2021.



## 6. CURTAS Vila do Conde Film Festival

The CURTAS Vila do Conde Film Festival is one of the most prestigious events in the film industry, standing out for its creativity and diversity.

For the 3<sup>rd</sup> consecutive year, the President of the Board of Directors, Isabel Azevedo, presented the audience award in the international competition.

The FRICON-CURTAS collaboration allows FRICON to affirm itself as a company that supports culture.

## 7. Association for the Defense of Crafts and Heritage of Vila do Conde

FRICON supports the Association for the Defense of Crafts and Heritage of Vila do Conde, which was created with the aim of preserving and promoting centuries-old Bobbin Lace but, over the years, has strengthened its position and expanded its scope of action through the organization of various events.

## 8. Center for Regian Studies

FRICON supports the Centro de Estudos Regianos, a public benefit entity that aims to publicize and study the work of writer José Régio.

## 9. Escola Superior de Hotelaria e Turismo do Porto

FRICON annually sponsors the award for the best student in the Bachelor's Degree in Tourism Management at the Escola Superior de Hotelaria e Turismo do Porto, located in Vila do Conde.

# Social responsibility



## 2024

- Donation of goods for animals – Associação “A Cerca”
- Donation of food – Liga Nacional Contra a Fome
- Donation of food – Bombeiros de Vila do Conde e Póvoa de Varzim
- **Porta 55+ Project**

A moment of fellowship with the users of Porta 55+ project, an initiative that aims to improve the quality of life of the elderly, offering psychosocial support and physical and cognitive activities to promote active, healthy and happy aging.

## 2023

- **Donation of food – ASAS Association**

## 2022

- **Donation of essential goods - Ukraine**
- **Santa Claus FRICON**

Solidarity action directed to the Children's House of *Santa Casa de Misericórdia* in Vila do Conde. The challenge consisted of creating FRICON Family teams that would take on the role of Santa Claus for each of the children/young people and respond to their letters, offering the desired gifts. The gifts were delivered by a group of employees, who had the opportunity to get to know these children/young people and the *Casa da Criança* facilities. A moment of conviviality, sharing and lots of smiles.

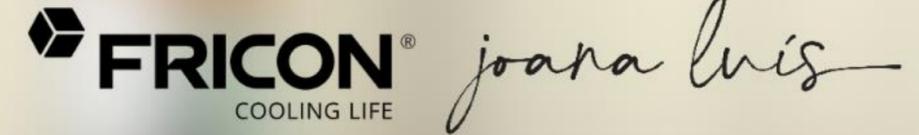
## 2021

- **FRICON Solidarity Train x Ginásio Clube Vilacondense**

Collecting books and toys from our employees so that, together, we could brighten Christmas for institutionalized children.

# Social responsibility

In 2024, FRICON embraced a project to remodel the common room for children and young people at the Casa da Criança unit, run by the Santa Casa da Misericórdia de Vila do Conde. The project, which was completed in december 2024, involved fund raising initiatives among FRICON's employees (St. John's Day raffles and charity fair), as well as their collaboration in the remodeling work.





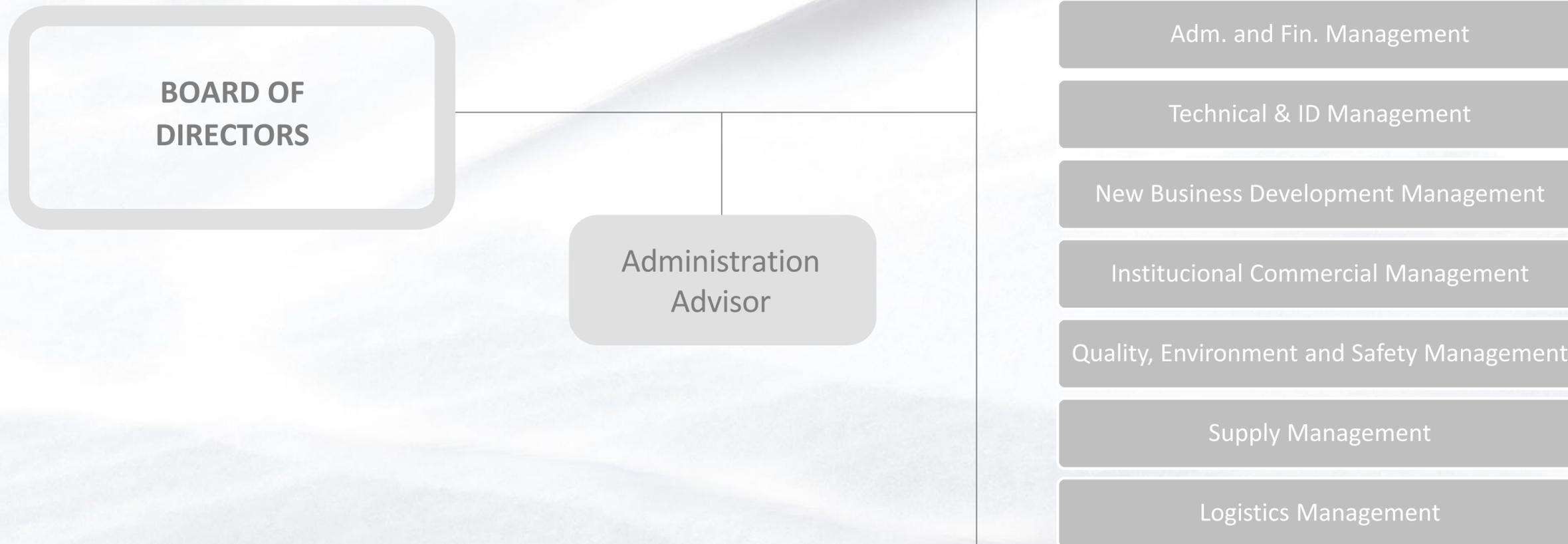
**FRICON**  
SUSTAINABILITY  
AND SOCIAL  
RESPONSIBILITY

# GOVERNANCE



# Organizational chart

Governance



# Values, strategy and commitment

## Governance

For more than 45 years, FRICON has sought to develop its business based on a set of **values**: customer orientation, sustainability, trust, innovation and quality.

Our **strategy** involves increasing our production capacity, focusing on the external market, and developing innovative products in the commercial refrigeration segment, seeking to minimize the environmental impact and maximize the social impact of our actions.

Our **commitment** is to remain true to our values while contributing to the Sustainable Development Goals.

“

Growth is the product of the future  
that we have been able to foresee.

Artur Azevedo, Fricon Founder

”

# Ethics and business conduct

## Governance

FRICON has internal policies (**internal regulations, code of conduct for the prevention of corruption and related offenses, code of conduct for the prevention and combating of harassment in the workplace, personal data protection policy, sustainable purchasing policy, etc.**) that establish clear principles and requirements regarding ethics, human rights, and responsible labor practices, applicable to its operations and value chain.

In particular, FRICON adopts a zero-tolerance policy towards child and forced labor, communicated to our suppliers through the Sustainable Purchasing Policy. During the reporting period, no incidents of child or forced labor were identified, either in internal operations or in the supply chain. No other incidents related to ethical issues, particularly in the area of information security, were identified either.

# Prevention of corruption

## Governance

On June 7, 2022, Decree-Law No. 109-E/2021 came into force, creating the “Mecanismo Nacional Anticorrupção – MENAC” and establishing the “Regime Geral da Prevenção da Corrupção – RGPC” (a plan of rules for the prevention of corruption). This Decree-Law arises from the need to increase transparency, prevent and detect corruption risks in the public and private sectors, and the RGPC applies to all legal entities with headquarters or branches in Portugal that have 50 or more employees. “ MENAC refers to the entity responsible for promoting and guiding the implementation of the RGPC, as well as monitoring and deciding on the practice of administrative offenses provided for in this regime. The system of penalties will take effect from June 7, 2024 for private entities.

As part of the implementation of RGPC, companies covered by it are expected to create:

- A plan to prevent risks of corruption and related offenses;
- A code of conduct;
- An internal training program to make employees aware of prevention policies and procedures;
- An internal complaints channel that meets the requirements of the directive;
- An internal control system that ensures the effectiveness of the program and impartiality of procedures and decisions.

# Risk management and control

Governance

At FRICON we carry out a periodic assessment of the risks that may affect the business and operations. After identifying them, measures are defined to reduce our exposure.



**OPERATIONAL RISK:**

Abrupt changes in technology, issues with equipment on the market, lawsuits, among others, which could have a negative impact on competitiveness and brand awareness. We try to keep an eye on market trends, develop new solutions and produce high quality, durable equipment in order to reduce our exposure to this risk.



**CLIMATE CHANGE:**

According to the European Environment Agency, climate change poses increasingly serious risks to the European economy. We seek to minimize the impact of our operations and products on the environment and are motivated to allocate more resources to sustainability projects.



**PRICE/AVAILABILITY RISK OF RAW MATERIALS:**

Fluctuations related to the price/availability of raw materials can negatively affect the business and operations. We seek to adopt a supplier diversification strategy to minimize the negative impacts of this risk.



### **ECONOMIC INSTABILITY AND INTERNACIONAL CONFLICTS:**

Economic cycles and geopolitical conflicts have a considerable impact on the markets and, consequently, on the business and operations development. We seek to maintain our thriving financial structure, adopt a strategy of diversifying our customers and suppliers, and increase our energy autonomy in order to minimize the negative impacts of these risks.



### **TALENT SHORTAGE:**

According to the Talent Shortage Survey 2024, developed by ManpowerGroup, Portugal is the fifth country in the world where employers find it most difficult to hire. This context has an impact on all sectors of activity, creating greater competitiveness in the search for talent. Hence, we seek to offer our employees a range of benefits in terms of access to health and well-being services, as well as the possibility of professional development through access to training.



### **ADAPTING TO GROWING REGULATORY:**

Increasingly demanding tax, socio-environmental and labor legislation, among others, represents a risk to the business if they are not properly monitored and implemented in the organization. For this reason, every year we urge employees interested in these matters to take part in training sessions, seminars, congresses/conferences to update their knowledge and clarify any doubts.



At FRICON, we seek to integrate sustainability into business strategy and operations, by identifying drivers for creating sustainable value, risks and opportunities associated with ESG (Environmental, Social, Governance) themes and measures that make it possible to mitigate these risks, explore these opportunities and contribute to increasing the company's maturity in addressing these topics.

# OUR AGENDA FOR 2030



## ADOPTION OF ENVIRONMENTAL SUSTAINABILITY PRACTICES IN OUR ORGANIZATION'S DAY TO DAY

- Provision of collection points for electrical waste
- Awareness-raising session on waste separation, given by Eletrão
- Joint project between Câmara Municipal de Vila do Conde and Lipor for the selective collection of waste from companies



## INCREASING ESG MATURITY

This project aims to increase employee capacity in sustainability and social responsibility issues, as well as compliance with European Union reporting requirements. It includes: (1) training for senior and technical staff, (2) preparation for the development of a sustainability and social responsibility report in accordance with European reporting standards, (3) adoption of the EcoVadis rating.



## INNOVATION IN THE OFFER

In parallel with the development of new products, at FRICON we seek to adopt a strategy to improve existing products, namely in order to increase their energy efficiency, use more sustainable materials and, in this way, comply with legal requirements and requirements of the market.



## FOCUS ON THE INDIVIDUAL NEEDS OF EMPLOYEES

At FRICON we strive to be attentive to the individual needs of our employees, so that they feel motivated and happy in their work. To that end, we intend to: (1) create structured career plans; (2) promote physical activity through the creation of the Cooling Run Club; (3) improve our facilities.



## PROMOTING GENDER EQUALITY AND INCLUSION

Despite the progress made in recent years, we believe there is room to implement further actions aimed at enhancing equal opportunities within our organization, namely: (1) increasing the representation of women in leadership and responsibility positions, (2) developing a project for the inclusion of people with disabilities and (3) conducting a study on wage inequalities and defining an action plan, if necessary.



## ADOPTING RESPONSIBLE/SUSTAINABLE PURCHASING PRACTICES

At FRICON, we recognize that it is possible to make progress in the area of responsible/sustainable procurement, namely through training, the use of sustainability ratings for supplier evaluation, etc.



## OPTIMIZATION OF THE PHOTOVOLTAIC PANEL SYSTEM

In 2025, an increase in the number of photovoltaic panels at the UPI is planned, with a view to optimizing energy production, especially during periods of lower irradiance.

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