



fagorederlandgroup

PURCHASING POLICY

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1. Purpose

The purpose of this Purchasing Policy is to establish the principles and guidelines that govern the management of suppliers and purchasing processes at Fagor Ederlan, through specific goals, strategies and lines of action integrated into Fagor Ederlan's own strategy and management.

2. Scope of application

This Purchasing Policy is applicable to all the activities, businesses and employees of Fagor Ederlan Group, including its relations with third parties and any action carried out on its behalf.

3. Commitments

Fagor Ederlan is firmly committed to the development of suppliers and the purchasing management in a responsible and sustainable manner, requiring adherence to Fagor Ederlan's Supplier Code of Conduct or, failing that, its own code of conduct equivalent to that of Fagor Ederlan.

Purchasing management pursues the following objectives:

- To have a solvent and sufficiently large panel of suppliers to guarantee the continuous activity of the plants and the response to the end customer in the specified parameters of Quality, Cost, Service and Sustainability.
- To develop competitive suppliers of products and services that respond to all the group's plants locally and/or globally.
- Ensure that suppliers comply with applicable legal regulations, both locally and internationally.
- Develop supplier relationships based on respect and collaboration. Not to allow discrimination against a supplier at any stage of the project on the basis of gender, race, nationality, religion, political ideology or any other characteristic that is not objectively related to the basis and conditions of the negotiation.
- Have partnerships and trust with key suppliers, characterized by collaboration, openness and speed of response.
- Opt for materials and products with a lower environmental impact.
- Incorporate new knowledge into our organization through our suppliers of capital goods, raw materials, services and others.
- Explore and strengthen purchasing synergies within the Mondragon Group
- Align suppliers with Fagor Ederlan's Quality and Sustainability Policy.
- The evaluation of suppliers not only for quality, cost and service criteria, but also for their environmental, social and ethical performance, including:
 - Reduction of greenhouse gas emissions.
 - Use of recycled materials and promotion of the circular economy.
 - Active policies of respect for human and labor rights.
 - Transparency in the management of environmental and social risks.
- In addition, internal training of procurement teams on sustainability will be encouraged and key performance indicators (KPIs) will be established to measure the degree of alignment of the supply chain with the Group's sustainability objectives.

4. Approval and monitoring

- **Approval:** This policy has been drawn up and approved by the Board of Directors of the Fagor Ederlan Group, which is responsible for its implementation, thus reflecting the commitment of senior management to the sustainability strategy and ensuring its integration into the company's global strategy.
- **Monitoring:** The review of the Purchasing management plan, which is carried out annually, includes supervising the implementation of this policy and reporting directly to the Board of Directors of the Fagor Ederlan Group.
- **Review:** This policy is reviewed and when necessary, updated periodically, always seeking to reflect the ambitions of Fagor Ederlan Group in this area and taking into account changes in legislation as well as comments and suggestions from stakeholders.

Date	Approved by
21/10/2025	Board of Directors of Fagor Ederlan