

SUSTAINABILITY REPORT **EINF**2025



SUMMARY 2025

GLOBAL SUPPLIER AUTOMOTIVE

INDUSTRIAL COOPERATIVE

COMMITTING TO SUSTAINABILITY

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SUMMARY 2025

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1.1 Letter from President and CEO

The 2025 financial year unfolded against a global backdrop characterised by rapid industrial transformation and the need to move towards more sustainable, resilient and responsible economic models.

Against a backdrop where economic stability remains fragile and where geopolitical and trade tensions are having a direct impact on supply chains, this report sets out how our organisation has responded to these challenges and the key factors that will shape our immediate future.

Internationally, the global economy continues to grow at a moderate pace, underpinned by the gradual normalisation of inflation and by demand which, although subdued, is recovering at varying rates across regions. At the same time, regulatory pressure relating to sustainability, the energy transition and the need to move towards low-carbon industrial models continues to grow in importance and shapes the competitive environment in which we operate.

To develop industrial activities, with local roots and global projection, that guarantee the sustainability of our cooperative project

For the automotive sector, 2025 has been a year of strategic realignment. The transition towards sustainable mobility is progressing, albeit at a more uneven pace than anticipated. Electrification continues to grow, but this is happening alongside the consolidation of hybrid technologies in emerging markets and the adoption of differentiated strategies in mature markets. The entry of new global players and the growing im-

portance of software as a central component of the vehicle are reshaping the sector, demanding greater levels of flexibility, innovation and efficiency across the entire value chain.

In this changing environment, the Fagor Ederlan Group has maintained a strong position. The results achieved in 2025 confirm that our commitment to innovation, coopera-

tion, long-term vision and responsible management remain our greatest strengths. The adaptability shown by the people involved in this project has been crucial in sustaining our industrial operations, building trust with our customers and continuing to create value in our local communities.

This year, we have also begun to roll out our Strategic Plan 2025–2028, which sets out the key challenges we face in ensuring the present and future sustainability of our cooperative project. This plan is structured around three key areas:

- **Improving profitability and competitiveness**, essential for operating in an increasingly demanding global market.
- **Developing people and strengthening commitment**, promoting environments that foster talent, participation and well-being.
- **Diversification and the creation of new businesses**, moving forward with initiatives that extend our impact beyond the automotive sector and contribute to a more balanced and sustainable future.

In line with these three key areas, we have developed strategic projects in 2025 that represent significant growth for our Group.

Firstly, a key partnership has been established with the Chinese group Duoli Technology, which has acquired a stake in our Kunshan plant, now known as **Duoli Ederlan Kunshan**. This partnership opens up new opportunities for us in the Chinese market and strengthens our growth potential in the region.

Following our progress in China, we have explored new areas of collaboration with Duoli Technology, leading to the creation of the joint venture **Lieder Automotive**. This initiative will enable us to reopen the Borja plant and expand both our industrial footprint and our technological capabilities.

In line with the strategy of creating new businesses, the company has also acquired a stake in a US-based plant specialising in the production of recycled aluminium ingots, which now operates under the name **Fagor Regen Aluminum**. This transaction strengthens our strategic position in the circular economy and consolidates our industrial presence in the North American market.

In addition, **Fagor Ederbatt**, the new joint venture with Orkli, Mondragon Assembly, SPRI and Mondragon Inversiones, has been established. The company specialises in the design and manufacture of high-voltage battery systems for electric mobility applications.

Our mission statement *“To develop industrial activities with local roots and a global reach that ensure the sustainability of our cooperative project”* guides every decision we make. This commitment is reflected in our focus on technological innovation, reducing our environmental footprint, the circular economy, and a model of responsible and transparent governance.

We look to the future with a mixture of realism and confidence. We are aware that the coming years will be full of challenges, but also of great opportunities for those who are able to anticipate change and adapt. We are convinced that, by working together, we will be able to continue offering high value-added industrial solutions, strengthening our global competitiveness and leaving future generations a more robust, innovative and sustainable enterprise.

We would like to thank all our members and staff, as well as our customers, suppliers and stakeholders, for their commitment and trust. Thanks to them, this project continues to grow and move forward, even in the most challenging times.

We continue to build a sustainable industrial future through cooperation.

**Mikel Uribeetxebarria**

President

**Jon Zuazo**

Managing Director

1.2 Balance Sheet 2025, Fagor Ederlan in numbers



€ GROUP


18
production plants


36 million
components


531 M€
Turnover


48.8 M€
EBITDA

PEOPLE

3186
Total

71%
Individual mem-
bers


-11.3%
Gender
Pay Gap


Education:
24.7
hours/person


87%
certified
production
plants

COMPANY


3.09 M€
Allocation
of the Fagor Group
social fund

SUPPLY CHAIN


Relevant suppliers in
Sustainability
68%
average score
in SAQ 5.0

ETHICS AND TRANSPARENCY


100%
People
with anti-corruption
training


93%
certified production
plants

ENVIRONMENT


-44%
GHG emissions
Scope 1 and 2
(2022 base year)


-40%
GHG emissions
Scope 3
(2022 base year)


72.5%
Renewable energy
97.1%
Renewable electricity


93%
certified
production
plants


67%
certified
production
plants

SUSTAINABILITY RATING


CDP Climate
Change, A


NQC Supplier
assurance 92/100


EcoVadis
bronze medal 70/100

2

GLOBAL SUPPLIER TO THE MOTOR INDUSTRY

- 2.1 Experts in motor industry components and systems
- 2.2 Charting the future of our business



2.1 EXPERTS IN MOTOR INDUSTRY COMPONENTS AND SYSTEMS

The Fagor Ederlan group is a world leader in the manufacturing and supply of key components and systems for the vehicles of today and those of the future. We offer a wide range of solutions for chassis, powertrain and body-in-white applications for light vehicles, commercial vehicles and industrial vehicles. Our strategy is to offer safe, high-performance components with the most advanced technologies and a lower carbon footprint in an innovative and global arena.

2.1.1 Our products and their use

BODY-IN-WHITE

We adapt to the requirements of new vehicles; we design and manufacture components that help to improve vehicle structures, enhancing their strength and safety.



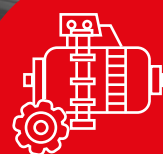
CHASSIS

With a high level of functional expertise, we manufacture suspension components such as hose carriers and braking solutions such as brake discs, drums, brackets and brake housings.



POWERTRAIN

As experts in highly complex powertrain components, we offer engine and transmission components for combustion, hybrid and electric vehicles.

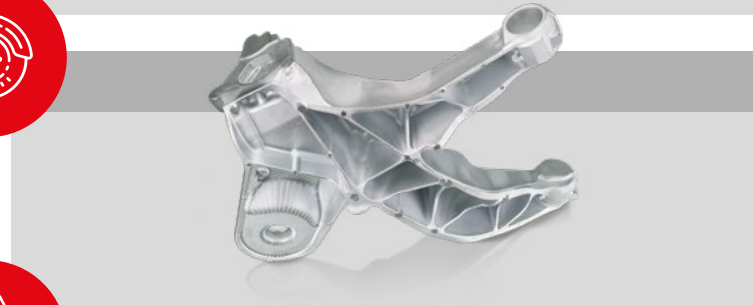


Advanced components for the sustainable future of automotive, commercial and industrial vehicles

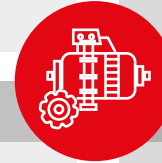
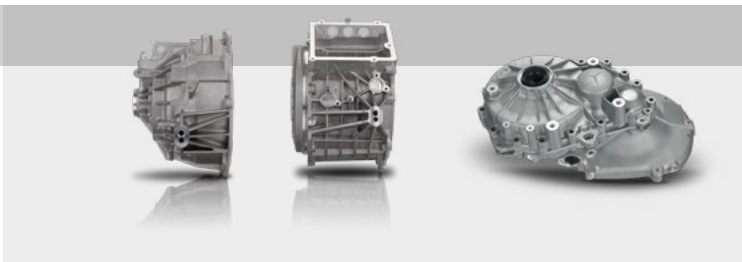
BRAKE



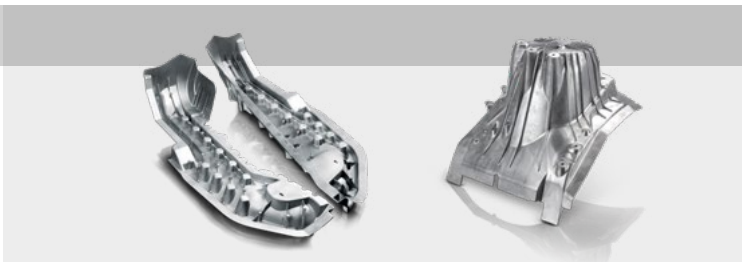
SUSPENSION



ENGINE AND TRANSMISSION



STRUCTURAL COMPONENTS



LIGHT VEHICLE

HEAVY VEHICLE

High added value solutions: Experts in technology.

Our value proposition is based on our technological leadership in key technologies within the sector for the manufacture of these types of components, such as iron casting, aluminium casting and die-casting, and the machining and assembly of both components and systems. Furthermore, we have added the production of aluminium ingots to our technological portfolio, reinforcing our **commitment to decarbonising** our industrial activities and our focus on sourcing raw materials **locally**.



Over 70% of our products are delivered directly to customer plants around the world machined and component-assembled. Multi-material, multi-technology and multi-product, the installed productive capacities per technology are as follow:

Technology	Capacity	Plants per technology
Iron casting	190,000 tonnes	5 Iron Foundries
Aluminium casting	30,000 tonnes	4 Aluminium Foundries
HPDC Aluminium injection	35,000 tonnes	3 Aluminium Injection Plants
Machining	45,000,000 units/year	4 Iron Machining Plants 7 Aluminium Machining Plants

Quality and safety of our products

The quality and safety of our products is key for Fagor Ederlan. Following the procedure for launching new products, in which all the milestones of the product and process definition, design, development and validation phases are established, the quality and safety of each and every one of the products launched to the market is guaranteed, also complying with the documentation and labelling requirements.

All our plants comply with the IATF 16949 certification which guarantees that our supplied products meet the current regulations and the specific demands of the customer.

2.1.2 Our customers

Mobility experts: a cross-segment offer

All the main OEMs and Tiers 1 of the **motor industry and Industrial and Commercial Vehicle brands** are Fagor Ederlan customers, which allows us to speak from experience and knowledge of the needs of the sector.



Customers in 2025

With a clearly international character: wherever the customer needs it.

OEM	TIERS 1	INDUST.-COM. VEH

2.1.3 Global supplier

The Fagor Ederlan group has a presence in the main areas of the industry.

We want to be close to our customers. The proximity of our plants and personnel enables us to offer our customers the best solution for their needs, in terms of product, technology and service.

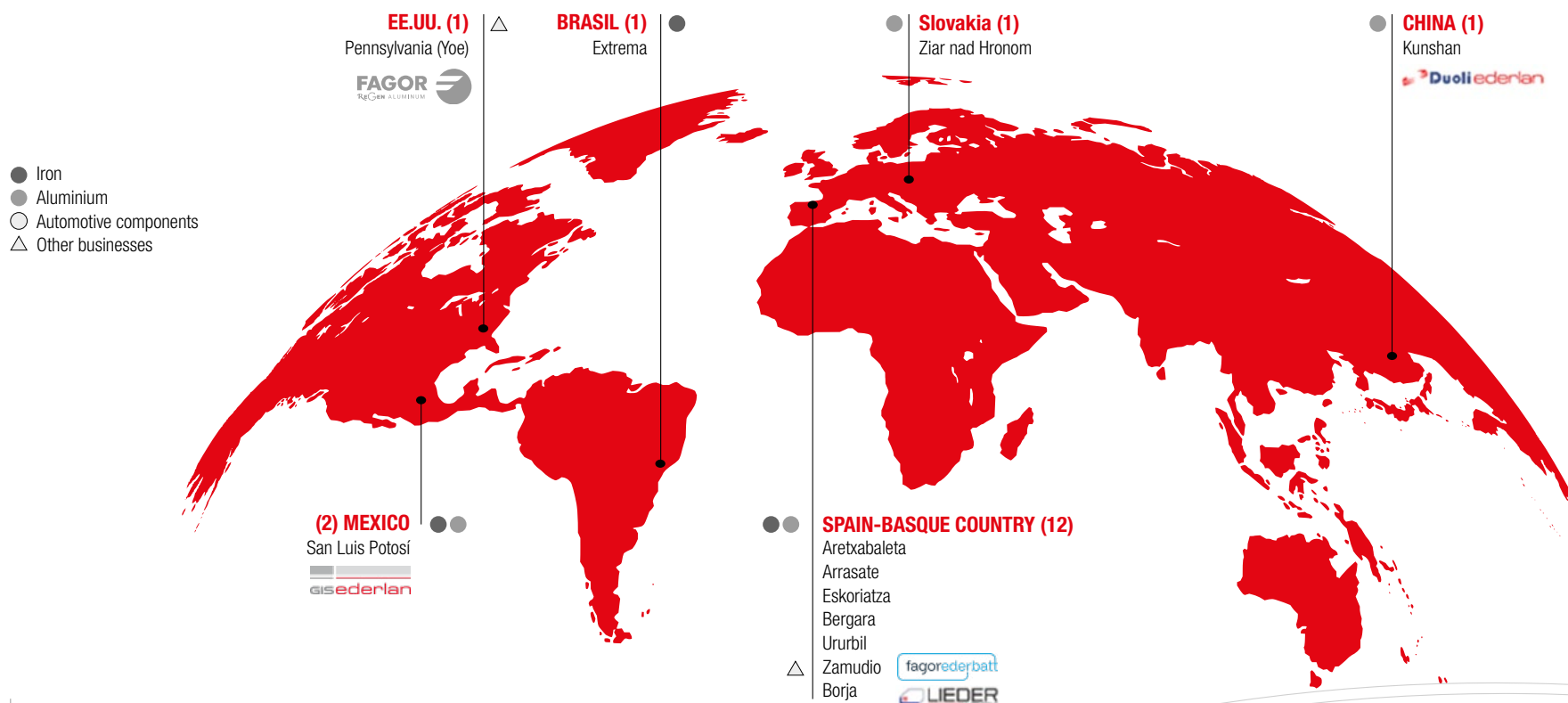
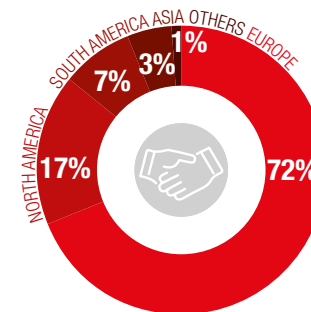
18 production plants of automotive parts from the in 5 countries - Spain, Mexico, Brazil, Slovakia and China - reflect the international character of our venture.

In addition to our manufacturing plants, the Fagor Ederlan Group operates an aluminium recycling plant in the USA and has four of its own sales offices in the UK, Germany, France and the USA.

Where to find us

The destination of our sales

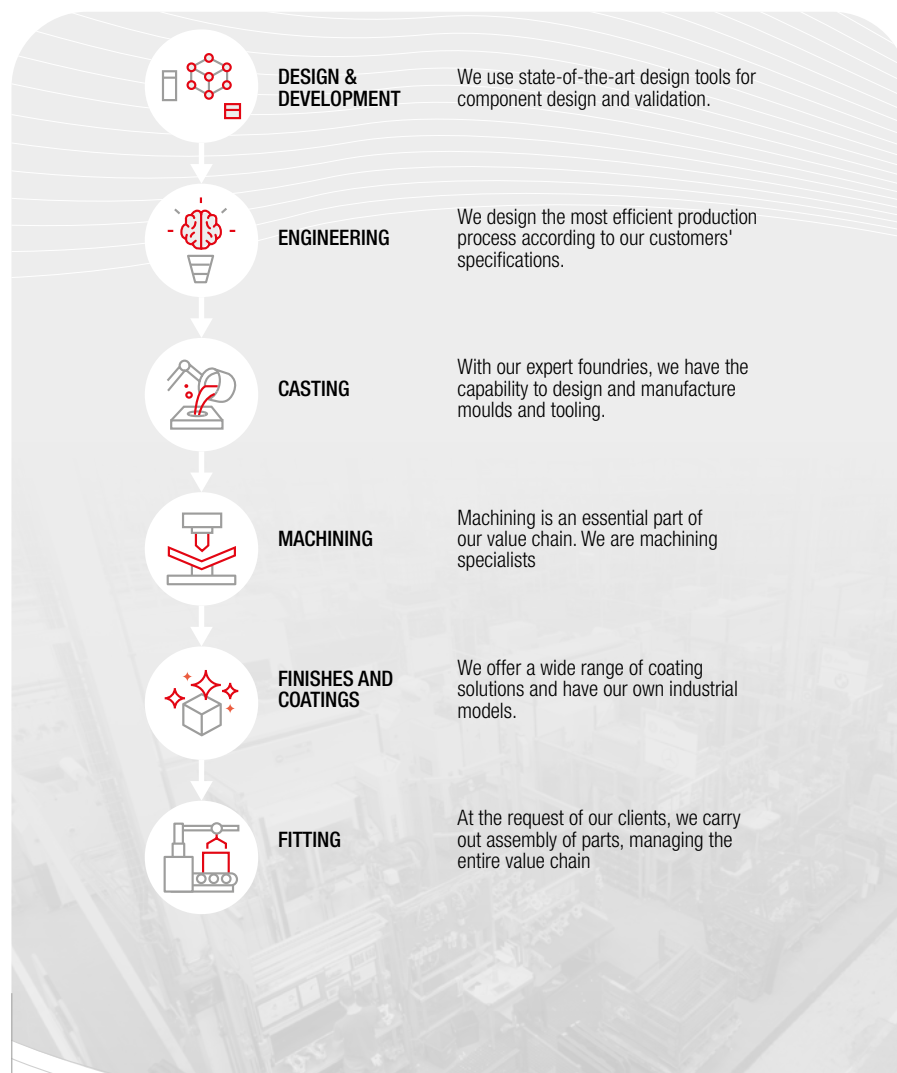
Being our home market, Europe is the main sales destination, although we operate in all regions of the world. We support our clients, being close to their sites and responding globally and regionally to their interests and needs.



2.1.4 Value Proposition

Our value proposition is based on offering a comprehensive service. We are not only experts in casting and machining, our know-how in product function allows us to design the most advanced solutions to meet the needs of our customers, and our knowledge in engineering allows us to offer more efficient production processes.

We manage the entire value chain, our products are supplied finished and with the necessary assemblies if required.



2.2 CHARTING THE FUTURE OF OUR BUSINESS

2.2.1 Keys and trends in the motor industry



The sector is showing a positive trend, although not to the same extent in all regions

The global light vehicle (LV) market has continued to perform well in 2025, with 91.9 million vehicles sold, representing a 4% increase on the previous year, although demand has varied across different regions. The South American region (Argentina/Brazil) stands out in particular, with growth of 8.8% and sales reaching 3 million vehicles. China also saw growth of 5.6% compared with the previous year, with sales figures reaching 26.8 million vehicles, but above all India, which recorded growth of 5.9% and surpassed the 5 million mark in vehicle sales for the first time. Sales have also risen in the US, albeit by a smaller margin of 2.5%. Sales in Europe, by contrast, have stagnated, with growth of just 0.3%.

As for vehicle production, growth has been more moderate, at just 2% higher than in 2024. China, India and South America are the only regions where production has increased, by 7.2%, 6.6% and 3.8% respectively, the former as a strategy to continue growing as the world's leading vehicle manufacturer, and the latter as developing and emerging economies. In Europe and North America, production levels have fallen by 2.7% and 2.1% respectively, whilst Japan and South Korea have maintained their production levels.



Strategic factors affecting the automotive market at European and global level

- **The pressure of high costs:** High inflation in Europe and the arrival of new competitors, mainly from China, are intensifying the **price war**.
- **The costs of a Chinese vehicle** are between **50% and 70% lower** than those of a European car manufacturer, mainly in areas such as engineering, where development cycles are faster and focus primarily on testing and prototyping. They also have a clear advantage in terms of battery material costs, as they have mastered the technology and have access to the key raw materials. Furthermore, they are 20–30% cheaper in the supply chain, with fewer logistical requirements, and, above all, they have a cheaper and highly efficient workforce with high levels of automation in direct roles.

- **China remains the leading exporter of light vehicles.** It overtook Germany in terms of exports to become the second-largest car exporter in 2022. In 2023, it overtook Japan to become the world's largest car exporter. Although growth is set to continue in 2025, saturation in key markets such as Russia will slow the pace as they explore new, accessible markets, primarily in Europe.
- **European manufacturers are losing ground in China.** Whilst Chinese OEMs are expanding into new markets such as Europe, European manufacturers are experiencing a significant drop in sales in China, driven by the rise of electric vehicles in the region. In 2019, only 15% of vehicle sales in China came from Chinese OEMs; this figure now stands at 37% and is expected to remain stable over the coming years.
- **Western manufacturers are failing to match their 2019 production figures.** Although overall production figures for 2023 have already matched those of 2019, the reality is quite different when analysed on a manufacturer-by-manufacturer basis. None of the 'traditional' OEMs has yet reached the production figures for 2019, and they will not do so until 2028. In fact, most are currently at 70–80% of 2019 levels, with no sign of improvement. However, many Chinese manufacturers are set to double their production in the coming years, with some, such as Chery and BYD, set to increase their output by more than 400% and 1100% respectively.
- **Growth in electrification at global and European level.** Electrification remains one of the key trends in the automotive sector. Although its growth remains unstoppable, it is fraught with uncertainty (13.6 million battery electric vehicles sold worldwide, accounting for 17.4% of total sales and representing a 30% increase on the previous year).

In Europe, sales are not going as expected to the benefit of hybrid vehicles. 2.5 million electric vehicles were sold, accounting for a 19% market share and representing a 24% increase on the previous year. Sales of hybrid vehicles have risen by 18% compared with 2024, reaching 6 million units and accounting for a 45% market share.

The lack of a charging network and the high price of electric vehicles mean that consumers are not opting for a 100% electric solution and are instead opting for intermediate solutions such as hybrid vehicles.

In light of this situation, several European Union countries have postponed the ban on combustion-engine vehicles from 2035, creating further uncertainty.

However, although the situation appears to have stalled for the time being, the growth of electric vehicles in Europe and the rest of the world will be unstoppable. .

2.2.2 Products and Processes Innovation: we are committed to a sustainable automotive future

The automotive industry is leading first-hand the transformation towards a sustainable mobility model where one of the main decarbonisation strategies is the electrification of the vehicle.

The electric vehicle represents a new product portfolio with new needs that require new developments, materials and advanced technology proposals. Aware of this and committed to **decarbonisation and sustainable mobility, we developed our innovation programme.**

EDERTEK

EDERTEK, TECHNOLOGY CENTRE.

Our innovation project is led by our technology centre Edertek, an R&D&I business unit belonging to the Basque Science, Technology and Innovation Network (RVCTI) and centre of the Group's R&D&I programme.

Technological collaboration with external agents is a key aspect of our innovation management system, certified on the basis of the **ISO 56001**, standard. Proof of this is the fact that currently around 78% of the R&D&I projects developed by the Centre involve the participation of technological agents.

Edertek also has strategic collaboration agreements with leading technology centres such as Tecnalia, Ikerlan, and the Faculty of Engineering University of Mondragón.



INNOVATION

The purpose of our pioneering research programme is to work proactively to respond to market challenges by developing advanced Components and Systems and deploying activities linked to new energy vectors.



Advanced Chassis Components

Reducing the weight of components, and therefore of the vehicle, is one of the main strategies for reducing CO2 emissions. But if this is important in a combustion vehicle, it is even more important in an electric vehicle, where the weight of the battery is even more critical. We take a holistic approach to **lightweighting** through product design, material innovation and the development of our technologies. We are also working to develop expertise in new suspension components, such as **subframes**, with the aim of offering the market our own designs based on our proprietary technological and industrial models.

The coating of brake discs to **reduce their emission of PM10** particles is another field where Fagor Ederlan is investing resources. The aim is to research and offer the market different **low-emission disc and drum** solutions to meet the needs of our customers and to anticipate upcoming European regulations.



Advanced Powertrain components

Electrification has completely transformed the vehicle powertrain, generating a new product portfolio with new technical specifications that require new technological know-how. A new system, with new technologies and new components. In anticipation of the advances in electrification, Fagor Ederlan has been working for some time on a technological ROAD MAP as a guide for developing components and systems identified as opportunities in electrification. In this technology plan we address different types of technological activities for developing components for the electric powertrain such as **electric motor and power electronics housings** among others with different degrees of integration with the **transmission** (3-in-1 motors).



Advanced Body-in-White components

We design and manufacture components that help to optimise vehicle structures, enhancing their strength, structural performance and safety levels in both light vehicles and commercial vehicles. Our approach combines specialist engineering, continuous innovation and a thorough understanding of the technical requirements of each application.

In addition, we have extensive production capacity across a range of aluminium technologies, including low-pressure and high-pressure processes. This enables us to select and recommend the most competitive option for each project, based on the design, the required specifications and the specific characteristics of the product. In this way, we ensure that our solutions are efficient, reliable and tailored to the needs of the market and our customers.



Batteries

At Fagor Ederlan we not only seek to innovate in products related to chassis, powertrain and structural components and systems. At the same time, projects have been opened to develop new systems far removed from our current business, such as the battery project for buses, industrial vehicles, agriculture, the maritime and railway sector, which has recently been set up as a **FAGOR EDERBATT** company, in which other industrial partners participate and which currently manufactures different lightweight and small-volume battery solutions.



TECHNOLOGY TRANSFER

We evolved our 4 core technologies: Iron Foundry, Aluminium Foundry, Aluminium Injection and Machining and Assembly, developing and transferring technology to our production plants, improving our profitability and positioning.



High transfer capability: no gap between R+D and production plants

We have facilities dedicated exclusively to our innovation programme that allow for the faithful recreation of an environment similar to mass production and the direct transfer of developments to our plants.

- Advanced Innovation Unit with state-of-the-art foundry, HPDC, LPDC, and Machining facilities.
- Validation and testing
- Material science laboratory

We also work on the continuous improvement of our production plants, increasing their efficiency and profitability, with projects to implement automations and eliminate non-value-added operations that help to reduce defects, cycle times and improve metal point and plate yield.



Reducing the carbon footprint and optimising energy efficiency in facilities

As well as working to reduce our carbon footprint through **eco-design**, by making components lighter and reducing particulate emissions, we also promote sustainability through our **production processes**. Our aim is to develop technological solutions that help reduce energy consumption and incorporate increasingly clean and sustainable processing technologies.

Recognising the strategic role that **hydrogen** will play as the fuel of the future in our sector, at Fagor Ederlan we are analysing and exploring various opportunities related to its use. A notable example is the **H2EAT** project, which focuses on the use of hydrogen in aluminium smelting furnaces as a more sustainable alternative to conventional fuels.

We also promote the **efficient use of raw materials** by encouraging reuse, increasing the use of recycled materials and developing new secondary alloys. Through these initiatives, we aim to significantly reduce our carbon footprint and move towards our goal of becoming a **carbon-neutral industry**.



Digitization

In the field of **digitalisation**, work is underway to comprehensively improve and modernise production processes. To this end, advanced manufacturing technologies are being developed and implemented, helping to transform key areas such as quality, maintenance and energy management.

Furthermore, the integration of **artificial intelligence-based systems** enables the automation of data analysis, optimises real-time decision-making and helps to anticipate potential faults or deviations. Thanks to these tools, we achieve greater control over the process, continuous performance improvements and greater overall efficiency across the plant.

3

INDUSTRIAL COOPERATIVE

- 3.1 Cooperative group
- 3.2 Cooperative government



3.1 COOPERATIVE GROUP



3.1.1 Fagor Ederlan Group

Fagor Ederlan Group is an industrial cooperative that came into being in 1963 from the merger of three capital companies.

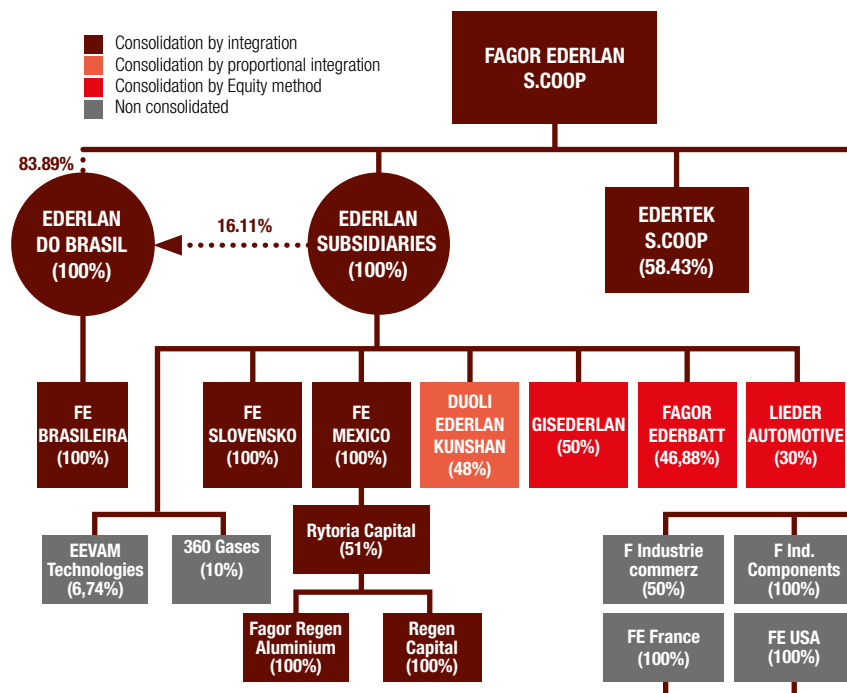
fagorederlandtaldea

From the very beginning, we have known that a cooperative is the best way to do business and that it allows us to advance in terms of social transformation towards a more just, equitable and supportive business model and society.

Our values, principles and culture as a cooperative go beyond our business. Our management model focuses on the people and the environment that surrounds us and encourages participation of all people in three areas:

- As working partners
- In management: through their contributions to improve products, processes and services.
- In results: in terms of the work delivered.

In response to strategies such as internationalisation and diversification, the Fagor Ederlan Group has evolved over time. Today, it is made up of the following companies:





3.1.2 Fagor Group

Since our inception, we have been part of the Fagor Group, which has evolved from a group of pioneering industrial cooperatives founded in the 1950s and 1960s into a diversified and resilient group that has managed to retain its cooperative spirit, adapt to change, and remain a leading industrial and social force.



The cooperative group currently comprises nine independent cooperatives, all leaders in their respective sectors, with an annual turnover in excess of €1.78 billion and more than 9,700 employees worldwide.



At Group level, we mainly share the key elements for our People and Social Transformation strategy.

To this end, we have developed the Fagor 2030 strategy, which pursues 5 goals:

- Transform our businesses to remain competitive and create jobs in a digital, decarbonised and circular economy.
- To continue to improve and develop our democratic governance model, which is our main hallmark.
- Create appropriate contexts for people to be able to offer the best of themselves.
- Reducing the carbon footprint to cope with the climate emergency.
- Promote community development as a tool to achieve the Sustainable Development Goals.

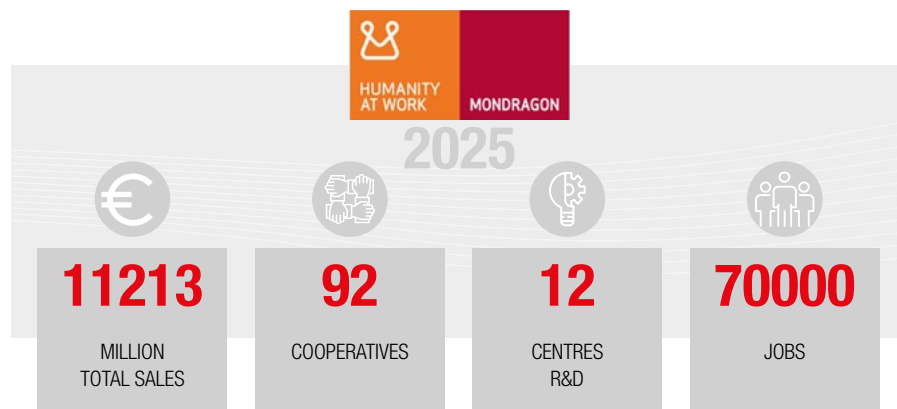
Within the framework of this fifth goal, we are founding members of the Debagoiena 2030 network for sustainable development. As the Fagor Group, we are strongly involved in the sustainability of the territory where most of our industrial activity is concentrated, collaborating with local administrations, the university and social agents in the development and financing of various projects that aspire to turn Debagoiena into a smart, inclusive and climate-neutral territory by 2050.





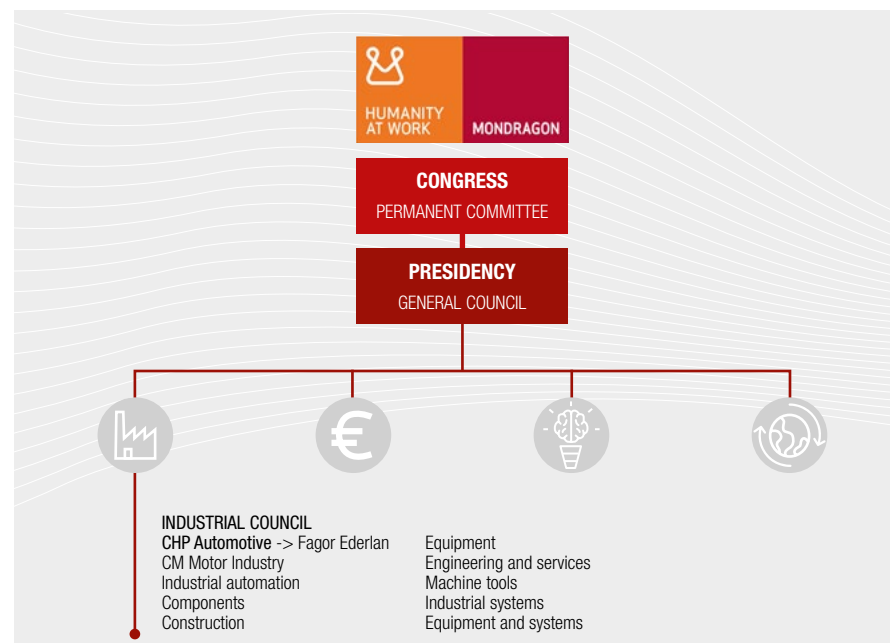
3.1.3 MONDRAGON Corporation

We are part of a movement, part of a wider network of cooperatives. We are the founding members of the MONDRAGON Corporation, the world's largest cooperative group, regarded internationally as a model of inclusive competitiveness.



It comprises more than 80 cooperatives, has over 140 subsidiaries across five continents, and is organised into four business areas: Finance, Industry, Retail and Knowledge. The MONDRAGON Corporation has its own university and 12 research and development centres, designed to provide talent for the cooperatives and drive their innovation strategies.

Fagor Ederlan is part of the Industrial division, and more specifically the Chassis and Powertrain (CHP) Automotive Division.



3.1.4 Inter-cooperation in terms of resilience and competitiveness

Both in the Fagor Group and in MONDRAGON we have various inter-cooperation and solidarity mechanisms that make us more competitive. These mechanisms are aimed at supporting the cooperatives in three key aspects:



Conversion of results This mechanism, on the one hand, is designed to support and contribute to the economic recovery of cooperatives in difficulty by offsetting part of the losses generated during the tax year to enable them to channel their business projects within difficult economic scenarios.

This allows cooperatives with account surpluses to contribute at least 10% of their financial results to offset negative results by up to 30%, and in so doing mitigating impairment for the cooperative with losses. On the other hand, the distribution of cooperative returns and rebates (part of the profits or losses returned to the member based on their cooperative activity once the mandatory reserves have been funded) also establishes solidarity that goes beyond individual development.

Likewise, within the Conversion framework, those cooperatives with positive results allocate 5% to establish another inter-cooperation and solidarity mechanism used to help and support cooperatives to reduce, to a certain extent, wage differences among the Group's cooperative worker members, given the fragile financial situation they may be experiencing.



Business development support: Each year all MONDRAGÓN Cooperatives generally contribute 5% of their positive results as sunk costs to the MONDRAGON Foundation Cohesion and Development Fund, aimed at developing projects that encourage cohesion and development of the MONDRAGON Cooperative Experience. Specifically, this fund is channelled accordingly to finance the Promotion Centre, conduct feasibility studies and finance R+D+i projects, among other things. Likewise, and also generally, contributions equivalent to 5% of the positive results are also made to the International Expansion Fund managed by MONDRAGON Inversiones S.C.. These resources are used to support cooperatives during their international expansion and growth processes; promote different business projects or even strengthen cooperatives' asset structures, among other things.



LagunAro benefits MONDRAGÓN cooperatives form part of a Voluntary Social Welfare institution called LagunAro, responsible for managing an equity fund made up of contributions from members based on their job index and which seeks to guarantee a defined benefit pension scheme for its members that complements the public retirement benefits recognized by Social Security based on contributions to the Self-Employed Workers' Scheme, which LagunAro makes on behalf of each member. Alongside these retirement benefits, it also manages those relating to members' widow(er)s/orphans' pensions.

Similarly, another part of the contributions made by members is used to fund the various mutual benefits, such as health care, maternity and paternity, temporary disability processes or employment assistance. The employment assistance program is an inter-cooperation tool designed to combat adverse economic periods, and among the measures proposed and co-financed together with the cooperatives are those directly related to maintaining the employment of members through early retirement financing, restructured work schedules, effective unemployment, member retraining and relocation among cooperatives associated with LagunAro, whether temporarily and permanently.

3.2 COOPERATIVE GOVERNMENT

The cooperative government model itself guarantees transparency in decision-making, management and accountability to all members. It is a democratic and inclusive way of doing business, with owners and workers participating in management to make projects competitive and sustainable.

3.2.1 Cooperative Principles, Vision, Mission and Values

Our company is based on people and cooperation, key elements of our project. As a cooperative we are independent and self-governed. Capital is the means, however, employment, sustainability and social transformation are the ends.

Cooperative principles

There are ten basic cooperative principles that guide the MONDRAGON Cooperative Experience in general and Fagor Ederlan in particular:



OPEN ADMISSION

It is open and non-discriminatory for all individuals who assume the basic principles and accredit professional competence for the jobs that may exist, without any kind of discrimination.



DEMOCRATIC ORGANISATION

The basic equality of all working members in terms of the rights to be, to possess and to know is demanded. This inevitably brings with it the assumption of a democratic business organisation.



SOVEREIGNTY OF LABOUR

Work is seen as the main factor in the transformation of nature, society and human beings themselves.



INSTRUMENTAL AND SUBORDINATE NATURE OF CAPITAL

Capital is seen as a tool subordinate to labour, essential for the development of the enterprise.



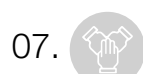
PARTICIPATION IN MANAGEMENT

Beyond the relationship between members, the democratic nature of cooperativism implies the progressive development of self-organisation and participation in the management of the enterprise.



RETRIBUTIVE SOLIDARITY

As a basic management principle, sufficient and solidarity-based remuneration is established.



INTER-COOPERATION

Cooperation is seen as a prerequisite for a concrete implementation of solidarity and for business efficiency.



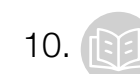
SOCIAL TRANSFORMATION

It expresses the desire for social transformation in solidarity with other towns, through the actions carried out in Euskal Herria, in order to contribute to social and economic reconstruction and to build a freer, fairer and more supportive Basque society.



UNIVERSALITY

As an expression of the universal vocation, solidarity with all those who work for economic democracy is called for in the field of the "social economy". Cooperativism has also taken on the goals of Peace, Justice and Development corresponding to international cooperativism as its own.



EDUCATION

In order to promote the establishment of the principles mentioned above it is essential to allocate the human and financial resources necessary in all aspects to education.



MISSION

To develop industrial activities, with local roots and global projection, that guarantee the sustainability of our cooperative project.

By means of the following levers:

- Innovating and qualifying our products and services
- Diversifying customers and markets
- Improving all our processes
- Promoting new activities
- Revitalising our cooperative identity
- Developing committed and empowered people
- Being an active agent in the transformation of the environment
- Working together to achieve more ambitious goals



VISION

Sustainable, transformative and open cooperative project. Recognised:

- As a **benchmark in technology and innovation**, a leader in its sectors of activity, developing sustainable products and services.
- With **people with a strong sense of belonging, committed** to their personal development, to the development of the cooperative project and to the transformation of their environment.
- Open to **cooperation** with other agents to solve current social needs.



VALUES

- **Involvement with (Self)demands and (Co)responsibility.** We are the owners of our project, a project situated in a global reality where corporate competitiveness grows incessantly. To respond to this increasingly demanding situation, we have to continue to increase the involvement and commitment of individuals with the long-term sustainability of our project.
- **Responsible solidarity** Prioritise the collective good (the cooperative) over personal and local interests. Solidarity that helps to overcome specific difficulties and to develop valuable projects that would not otherwise be possible. Promoting solidarity without sacrificing the high level of self-demand and responsibility.
- **Innovation.** Readiness for change, understood as change toward a nonconformist, creative attitude, open to collaboration with others in the search for new concepts, ideas and solutions. Entrepreneurship. Be pioneers and take the lead in the search for new businesses and activities, encouraging collaboration and partnerships with others.
- **Inter-cooperation.** Only by being capable of inter-cooperating can we achieve more ambitious collective goals. We wish to continue promoting open, ambitious attitudes toward inter-cooperation within our cooperatives.
- **Social transformation.** We have a clear calling to transform, we aspire to build a better, more just, equitable and supportive society. We intend to give renewed impetus to this challenge and move towards experiencing this value through updated lines of action.

3.2.2 Cooperative Governance Model

Ours is an experience that has established democracy at a company level, duly adhering to the principle of one member one vote. Our highly committed worker members actively participate in ownership, profit sharing and management.

This leads us to be jointly responsible for the business project and to prioritise the common good and the long-term economic and financial stability of the cooperative over short-term individual interests.

Guided by the cooperative way of doing business

The cooperative model strives to satisfy the human and social aspirations of our members by establishing a sound, profitable business structure, putting cooperation at the service of people, in solidarity with the world and the environment to which we belong.

- We view **work as a resource for progressively satisfying human aspirations and developing personally**, from a sense of selflessness that encourages both individual and collective commitment to achieve a business reality ideal for all.
- **The ownership of the means of production belongs to the working members** and the exercise of social rights is linked to the work of the individual and not to the ownership of capital.
- **All Cooperative members participate in electing their governing and representative bodies, as well as deciding on their corporate destiny**, advocating a democratic model that allows and encourages shared responsibility as a community, both within in the corporate regime and in business management.

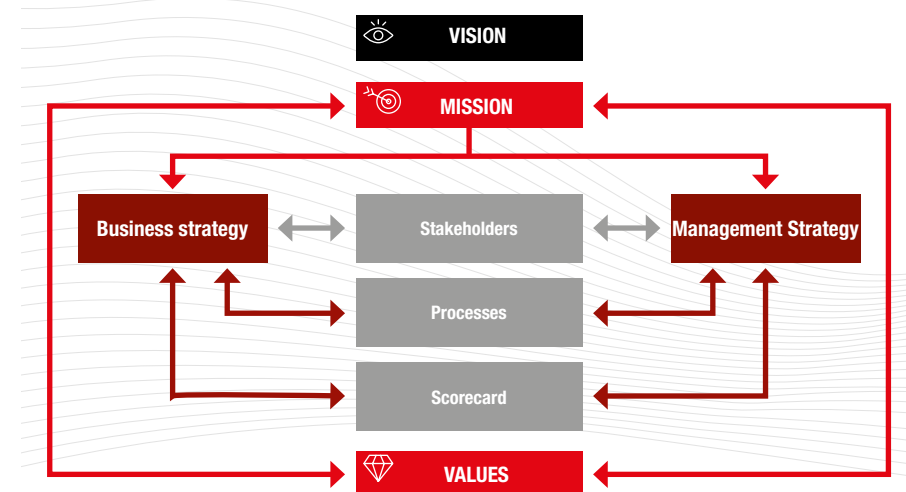
These cooperative principles provide behaviour guidelines for all those within our organization, putting the values of the Cooperative into practice.

To ensure that the Cooperative's governing bodies and the way they perform their duties are truly democratic, members are encouraged to be involved in their election, form part of the said bodies, and actively participate in the communications and decision-making network, characteristic of a system of participation and sovereignty of labour.

The democratic nature of the Cooperative also implies progressive development of self-management and, consequently, of member participation in the area of business management, through mechanisms and channels of monthly participation and information transparency in relation to the development of Cooperative's basic management variables.

Management Model

Fagor Ederlan's management model promotes systemic and sustainable management over time, which is continuously reviewed and improved.



This management strategy is based on generating value for the customer through management excellence of processes by involving people trained and committed to continuous improvement.

Every four years the Group prepares its strategic planning, which defines the strategic challenges and the change and improvement projects needed to achieve them, considering the following elements:

- Quantifying the necessary resources and prioritising projects;
- Defining the organisation most appropriate for the planned strategy;
- Strategy scorecard to allow progress made in each of the defined challenges to be monitored

Deployment of the Strategic Plan is done annually via a Management Plan, the progress of which is assessed monthly. Likewise, each year an internal and external analysis plus an of the challenges are carried out to fine tune the future action plans.



3.2.3 Governance bodies

The organisational structure of our cooperative is based on the following governance bodies:

General Assembly

The highest social body made up by the members to deliberate and pass resolutions on matters within its competence, such as: examining and censuring the management, approving the accounts and the balance sheet, agreeing on the distribution of surpluses and establishing the criteria for the application of the Contribution for Cooperative Education and Promotion and other public interest purposes, among others.

Governing board

A governing body that is exclusively responsible for the management and representation of the Cooperative, exercising all the powers not expressly reserved by law or the Articles of Association to the General Assembly or other company bodies. Its members are elected from among the Co-operative's worker-members at the General Assembly. The Governing Board is responsible for appointing the management and, on its say so, appointing the departmental heads and establishing their powers, duties and remuneration, among other things.

In 2025, the Cooperative's Governing Board consisted of 12 people, **7 women and 5 men.**

Board of Directors

The Management is accompanied and advised by a Board of Directors, made up of senior executives of the Co-operative, under the chairmanship of the CEO or Managing Director. The Board of Directors is defined as the body that coordinates the functions of the management team and advises the Governing Body, and its main duty is to foresee, plan and promote the management and business development of the Cooperative.

In 2025, the Board of Directors was composed of **3 women and 6 men.**

Workers' Council

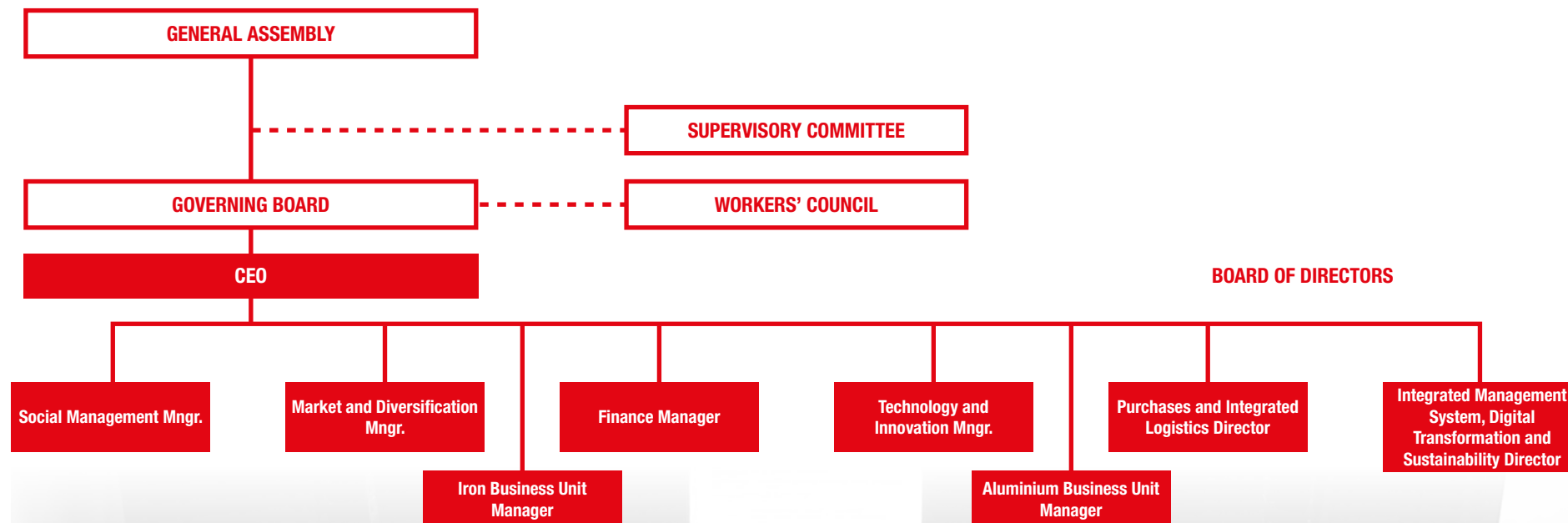
A permanent participation body of the working community in the administration of the Cooperative, the basic functions of the Workers' Council are those of information, advice and consultation, as well as negotiation and social control. Representing the working members before the internal governing bodies, it is the advisory and consultative body of the Governing Body and Management.

In 2025, the Co-operative's Social Council was composed of **9 women and 41 men.**

Supervisory Committee

In particular, this body has the power to audit and report on annual accounts, as well as to monitor and guarantee electoral processes. It is made up of three members elected by the General Assembly. This committee does not have any capacity to directly intervene in the management of the Cooperative or represent it before third parties.

In 2025, the Supervisory Committee was made up of **3 women.**



The Minutes of the General Assembly define and record the nomination and selection processes of those who form part of these bodies and other executive positions. These minutes are available in the Registry of Co-operatives of the Basque Country.



4

COMMITTING TO SUSTAINABILITY

- 4.1** Sustainability Strategy
- 4.2** Ethical governance. “Committed to good governance and ethics of our business”
- 4.3** People. “People are at the centre of our project”
- 4.4** Society. “Promoting cooperative development”
- 4.5** Environment. “Moving towards neutrality”
- 4.6** Supply chain. «Key role for sustainable procurement»
- 4.7** Finance. “Financial soundness of our cooperative project”



4.1 SUSTAINABILITY STRATEGY AT FAGOR EDERLAN

Corporate Social Responsibility (CSR) has been a permanent and inherent part of Fagor Ederlan's work since its beginnings, based on the cooperative principles that are more valid today than ever.

It has been part of its corporate strategy that through different statutes, regulations and bodies it balances economic decisions by assessing their social and environmental impact, taking into account the expectations of the different stakeholders.

4.1.1 IRO and Dual Materiality Analysis

In preparation for the CSRD, Fagor Ederlan carried out for the first time a Dual Materiality assessment in line with the new methodology. This assessment was carried out at Fagor Group level and at cooperative level, considering the participation of stakeholders and covering the company's own activities and its total value chain.

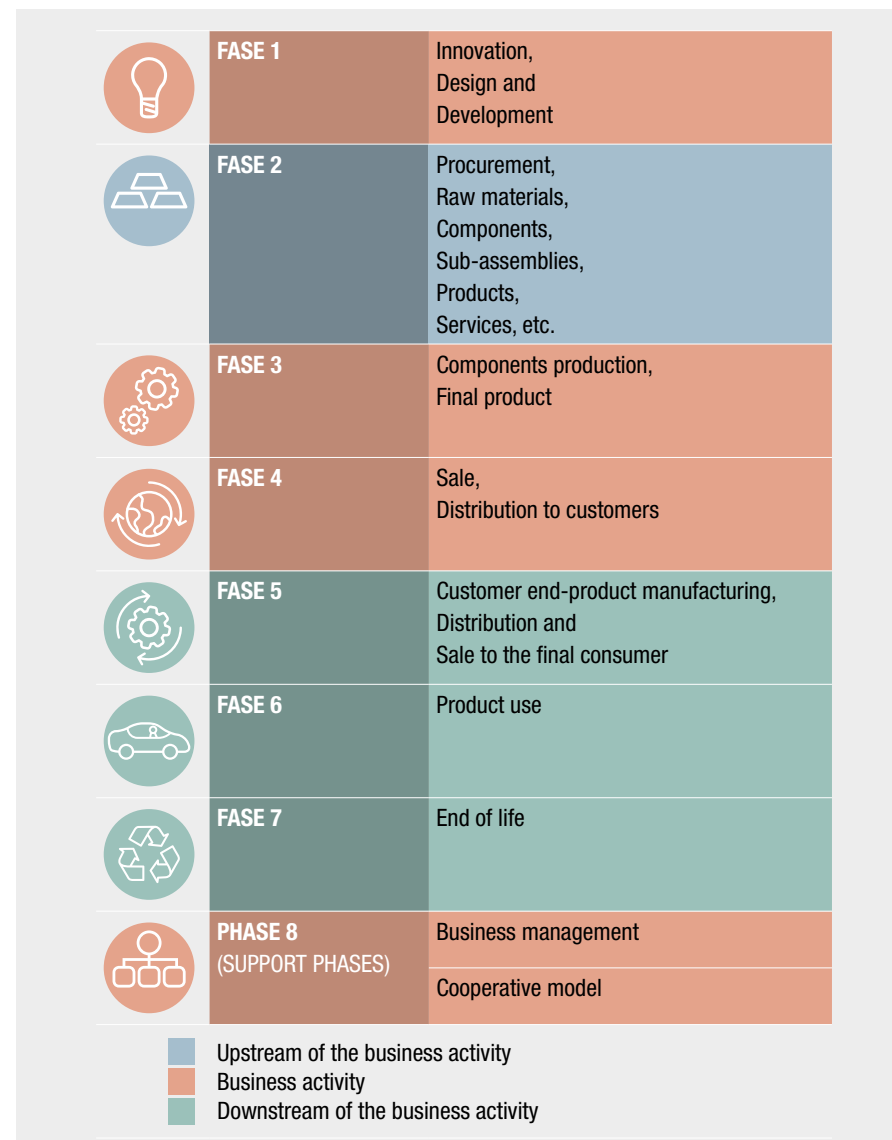
4.1.1.1 Value Chain

Fagor Ederlan carries out different **business activities** that guarantee the supply of automation products to its customers, including the following activities:

- innovation, design and development of components, according to customer requirements
- the production of components, final product including industrial processes for the manufacturing
- sales, distribution to customers

Furthermore, aware of its value chain, Fagor Ederlan considers the activities it relies on in order to be able to carry out and promote its business activity. Thus, upstream activities include the sourcing of materials, components or by-products (i.e. the extraction and acquisition of raw materials from both the company's direct and indirect suppliers) while downstream activities include the manufacturing of the customer's final product, its distribution and sale to the consumer, the use of the product and its end-of-life management.

Fagor Ederlan's value chain is structured as follows:



4.1.1.2 Stakeholders

Guaranteeing continuous, fluid, open communication with our stakeholders at all times is a priority for the Fagor Ederlan group. Such communication allows us to be close to each of them, enabling us to share and add more value in all our relationships as a company, cooperative and our role as an actor for social transformation.

In line with the SMB-3 requirements of the CSRD, the company has identified its stakeholder groups and described them in terms of their composition, with the aim to accommodate all stakeholders in the identification of IROs.



ESRS	Interest group	Breakdown	Description
Own staff ESRS S1	Working people	Working partners	Paid staff made up of people over 18 years of age with fixed-term partner contracts and permanent partner contracts. These staff have shares in the company and the possibility to participate in business decisions taken by vote. They account for 90% in the matrix and 70% in all FET.
		Employed Workers (EW)	Paid staff made up of people over 18 years of age with permanent and temporary contracts.
		Students (with Final Degree Projects)	Paid staff (young men and women) made up of students (local or international) who are gaining their first work experience while doing their degree work.
	Governance bodies	General Assembly	The highest corporate body constituted by the members to deliberate and pass resolutions on matters within its competence, such as: examining and auditing the management, approving the accounts and the balance sheet, agreeing on the distribution of surpluses, and establishing the criteria for the application of the Contribution for Cooperative Education and Promotion and other public interest purposes, among others.
		Governing board	A governing body that is exclusively responsible for the management and representation of the Cooperative, exercising all the powers not expressly reserved by law or the Articles of Association to the General Assembly or other company bodies. Its members are elected from among the Co-operative's worker-members at the General Assembly. The Governing Board is responsible for appointing the management and, on its say so, appointing the departmental heads and establishing their powers, duties and remuneration, among other things.
		Workers' Council	A permanent participation body of the working community in the administration of the Cooperative, the basic functions of the Workers' Council are those of information, advice and consultation, as well as negotiation and social control. Representing the working members before the internal governing bodies, it is the advisory and consultative body of the Governing Body and Management.
		Board of Directors	The Management is accompanied and advised by a Board of Directors, made up of senior executives of the Co-operative, under the chairmanship of the CEO or Managing Director. The Board of Directors is defined as the body that coordinates the functions of the management team and advises the Governing Body, and its main duty is to foresee, plan and promote the management and business development of the Cooperative.
	Value chain workers ESRS S2	Subcontracted personnel	Workers outside the organisation who provide services on our premises or who deliver material to our premises. Example: cleaning staff, intralogistics and transport service, security service, canteen service, etc.
		Raw Material Suppliers	Suppliers of both primary and secondary materials such as aluminium, iron ingot, ferroalloys, sands and derivatives, etc. mostly EU-based but with very diversified primary sources.
		Suppliers of Components	Suppliers of elements or components that are subsequently assembled into our products, such as ball-joints, bearings, bushings, etc. located in the EU.
		Energy Suppliers	Suppliers and distributors that supply us with both fossil and renewable energies, such as electricity, natural gas, diesel, etc. based in countries where our activities are located (Spain, Mexico, Brazil, China).

Affected Communities ESRS S3	Government bodies	Cooperative bodies	Cooperative groups where we are members: Mondragon, Fagor Taldea, Lagun Aro, ...
	Community and social partners	Local community	Communities where our contribution to social actions is mainly channelled and where the company has a direct impact: Debagoiena (EH), San Luis P (Mexico), Kunshan (China), Extrema (Brazil), Ziar Nad Hronom (Slovakia)
		Social partners	Entities, foundations and associations where we collaborate to carry out social actions: Debagoiena 2030, Mundukide, Gizabidea, local associations (sport, inclusion, diversity, support for the sick, ...)
	Public Administration	Local government	City councils (Aretxabaleta, Mondragón, Bergara, Usurbil, SLP, Extrema, Kunshan, Ziar Nad), Provincial Councils (Gipuzkoa, ...), BAC
		General Administration	Governments and state ministries (Spain, Mexico, Brazil, China, Slovakia)
	Partners and alliances	Universities	Public and private universities for training agreements and research projects: University of Mondragón, UPV
		Technology centres	Centres for the joint development of R&D&I projects: Ikerlan, Azterlan, Tecnalia
Trade associations		Associations through which we are present in different sectoral forums: CLEPA, ACICAE, Sernauto, FEF, ...	
Customers and end users ESRS S4	Customers	OEMs	Assembler and final seller of the vehicle: BMW, Mercedes, Ford, Stellantis, VW group, Toyota, JLR,
		Tier 1	Mounter-assembler of our product supplying the OEM: Mando, Magna, Continental, Benteler, Brembo, Schaeffler, Mobis, ...
	End-users	Drivers and passengers	Car users who want to perceive the safety and reliability of the car itself and, as a result, of everything related to our parts (even if they do not perceive us as a brand).
Others	Financial Institutions	Banks	Entities that provide us with financial support: Laboral Kutxa, BBVA, Santander, Sabadell, Caixa Bank,
		Government Bodies	Entities through which we obtain different subsidies: Miteco, SPRI, EVE, ...
		Insurance companies	Entities that guarantee our facilities, activities, assets, etc.

In all cases, direct communication is facilitated through the following means:



Own staff

- Internal communication app
- Corporate intranet
- Information sessions, shareholders' meetings, partner meetings
- Ordinary General Assembly
- Communication, prevention and intervention in the event of any harassment conflict.
- Ethical Channel or Internal Information System (IIS)



External

- Corporate website: www.fagorederlan.com
- Social Media
- E-mail address: info@fagorederlan.es
- Post mail
- Ethical Channel or Internal Information System (IIS)

4.1.1.3 Dual Materiality Process

Below is the methodology followed in the Dual Materiality process for Fagor Ederlan, which is aligned with the requirements and recommendations of EFRAG and will be explained in detail in the following paragraphs. Material impacts, risks and opportunities will be integrated into Fagor Ederlan's strategy, helping to ensure that material sustainability issues are mainstreamed throughout the company.

FASE 1 ESG CONTEXT			PHASE 2 IROS IDENTIFICATION	FASE 3 IROS ASSESSMENT	FASE 4 DUAL MATERIALITY VALIDATION

The IRO analysis will be updated annually on the basis of relevant changes that may occur in the market or in the Group's internal organisational changes, so that changes compared to previous years may be contemplated in subsequent years.



PHASE 1 ESG context

The Dual Materiality process begins with an exhaustive study of the market in which the Fagor Group participates and its value chain; breaking down the different phases that make up its value chain and taking in the activities, sectors, regions and stakeholders involved in its own operations, the upstream and downstream value chain.

After understanding the scope, the business model and strategy of Mondragón, the Fagor Group and the cooperative were studied. In addition, externally, the market context was studied through a sectoral risk analysis, global risk analysis through the annual report of the World Economic Forum and analysis of ESG trends and regulations under the umbrella of leading sustainability prescribers.



PHASE 2 Identification of Impacts, Risks and Opportunities

By understanding this study, the Fagor Group identified impacts, risks and opportunities. For each of these IROs, the Group considered the factors discussed above, such as geographic location, business relationships and how these can influence the specific activities and resources involved.

The Fagor Group's value chain was analysed to identify actual and potential impacts, with a view to compiling a list of issues and sub-issues. The degree to which each impact affects the value chain was detailed and its characteristics described in depth. In addition, it was indicated whether specific impacts generate positive or negative results, classified according to time horizons: short term (one year in the financial year), medium term (up to 5 years) and long term (more than 5 years).

Through this process, the Fagor Group seeks to identify the most material sustainability issues for its business and its stakeholders, and to prioritise the company's actions accordingly.

The result of the IRO identification was a list for the Fagor Group of 101 impacts, risks and opportunities on ESG issues along the value chain, of which 40 were impacts (26 negative and 14 positive) and 61 were risks and opportunities (48 risks and 13 opportunities). This Group list was then passed on to each of the cooperatives to customise it according to their industrial activity and to take it for evaluation.

Stakeholder engagement

Both for the identification and assessment of impacts, risks and opportunities, the Fagor Group carried out internal consultations and workshops in order to ascertain expectations and concerns. Consultation methods facilitated communication and interaction with the Focus Groups to ensure that all ESG aspects were addressed.

- Internal and external consultations were carried out to identify impacts, risks and opportunities. Regarding internal consultations, the Group held group sessions, interviews and participatory sessions per cooperative digitally, thus gathering the main views of the areas regarding positive and negative impacts (actual and potential), risks and opportunities faced by the Group and the cooperative. In addition, internal information derived from TCFD, risk map or other relevant documents was considered. The interviews addressed specific questions, aligned with the interviewee's experience, to gain a deeper understanding of possible vulnerable groups and areas in the interaction with the activities.
- With regard to external consultations, advice is sought from external experts such as sustainability consultants, non-governmental organisations and standard-setting bodies to ensure that it is aware of the latest trends, best practices and emerging issues in related sectors and beyond.
- In the assessment of impacts, risks and opportunities, workshops were held with Fagor Ederlan's Sustainability Team to address the probability and severity of actual and potential impacts and workshops with Ederlan's Sustainability and Finance Team to address the probability of occurrence and potential magnitude of potential risks and opportunities, with the weightings for both exercises being based on the thresholds previously established by the Group.



PHASE 3. Assessment of Impacts, Risks and Opportunities

Fagor Ederlan assessed a list of 61 impacts, risks and opportunities on ESG issues along the value chain, of which 29 were impacts (19 negative and 10 positive) and 32 were risks and opportunities (26 risks and 6 opportunities).

It should be noted that both the identification and the assessment have taken into account the perspective required by Law 11/2018 regarding Risk Management and have taken into account environmental, labour, social, human rights and anti-corruption aspects.

Financial Materiality

Financial materiality captures the results of material risks and opportunities from external events that may have a positive or negative impact on the company's finances. From this perspective, the origin of risks and opportunities has been identified, determining whether they stem from negative impacts, positive impacts or dependence on natural, human and social resources.

The Group establishes thresholds (weighted from 1 to 4) for the probability of occurrence and potential magnitude for the correct assessment of risks by taking into account financial effects such as financial position, financial performance, cash flows, access to finance or cost of capital. These criteria include the time horizons of risks and opportunities and include the external and internal sources captured in the ESG Context, with an emphasis on key risks through interviews, emerging trends and industry outlook.

Risks and opportunities are assessed as follows:

	Potential risks	Potential opportunities
Potential magnitude	- The financial significance that an external event has or could reasonably be expected to have on the financial effects on the company. - In order to be more comprehensive, the ESG Context is considered by taking into account the perspective of internal and external stakeholders.	
Probability of occurrence	- The possibility of occurrence details the likelihood of a risk or opportunity occurring. - For the sake of completeness, the time horizon of potential risks and opportunities is considered.	

ESG Impact Materiality

ESG impact materiality captures the results of positive impacts and negative impacts from the influence the company has on its environment due to its business activity.

The Group establishes thresholds (weighted from 1 to 4) for likelihood and severity. The impacts are assessed as follows:

- **Real negative impacts:** the mean value was calculated from the assessments of scale, scope and irremediable nature. The probability is total, due to the fact that it is a current impact.
- **Potential negative impacts:** the average of scale, extent and irremediable nature and multiplied by the probability. In the case of human rights impacts, severity was considered to outweigh likelihood.
- **Positive impacts:** for potentials an average of the scale and range is calculated and multiplied by the probability. For the real ones an average of the scale and scope is calculated, the probability is total because it is a current impact.

In summary, the impacts are assessed as follows:

		Real negative impact	Real positive impact	Potential negative impact	Potential positive impact
Gravity	Scale	■ The severity of the impact, i.e. how pronounced the negative impact is or how beneficial the positive impact is for people or the environment. ■ For the sake of completeness, the study of the ESG Context is considered, taking into account the stakeholders' perspective and the direct or indirect affectation of Human Rights by the negative impacts.			
	Scope	■ How widespread the impact is, i.e. how widespread the impacts are, expressed as the number of individuals affected or the extent of the environmental damage ■ For the sake of completeness, the value chain studied earlier in the Long List is considered.			
	Irremediable nature	Extent to which the impact can be repaired	It is not considered	Extent to which the impact can be repaired	It is not considered
Probability		100% ■ Possibility of an impact ■ For the sake of completeness, the time horizon is considered.			



PHASE 4. Validation of material Impacts, Risks and Opportunities

The Dual Materiality methodology and approach was redefined by subject matter experts under guidance from EFRAG and the Fagor Group's Materiality Project Team to ensure awareness and understanding. The results were presented to the Board of Directors in November 2025 for review and validation by senior management, and feedback was sought from risk assessors and stakeholders to identify areas for improvement or refinement.

In 2025, during the drafting phase of the 2026 Management Plan, the Sustainability Committee **reviewed the Double Materiality exercise** and concluded that there were no significant changes; consequently, **the results (material IROs) remain valid**.



Material Subject for Fagor Ederlan	Alignment with ESRS	IRO	Value Stream	Time horizon	Material impacts, risks and opportunities description
Climate change	ESRS E1. Climate change. Climate change mitigation.	Negative impact	Own activity and downstream value chain	Short term	Generating emissions during the manufacturing, distribution and transportation of raw materials, by-products, components or products, as well as semi-finished components and finished products and during product use.
		Opportunity	Own activity	Medium term	Development of carbon neutral/low carbon products in order to meet customer demands to meet their emission reduction commitments.
	ESRS E1. Climate change. Adapting to climate change.	Risk	Own activity and value chain	Short term	Climate transition risks along the value chain and own activity such as; dependence on carbon intensive supply sectors such as aluminium, steel or electrical material (cables, motors...), new regulations related to emissions in the supply chain such as the Carbon Border Adjustment Mechanism (CBAM), new regulation of the carbon market and related taxes
		Risk	Own activity and value chain	Medium term	Extreme weather events due to climate change (rising temperatures, storms, hurricanes, heat waves, etc.)
	ESRS E1. Climate change. Energy	Negative impact	Own activity and downstream value chain	Short term	High energy consumption during manufacturing (e.g. use of gas and electricity in machinery such as ovens, etc.) and during end-user use of the product
Circular economy	ESRS E5. Circular economy. Resource outflows related to products and services	Positive impact	Own activity and value chain	Short term	Use of eco-design techniques, recycling and promotion of the recyclability of products in the innovation, design and development stage of components / products (Fagor Ederlan Group) or in the manufacturing of the final product (Fagor Ederlan Group or customer)
		Opportunity	Own activity	Medium term	Design promotion with raw materials, secondary materials and components, assembly-classification, parts traceability in order to know the life cycle and reuse, etc. Accompanied by customer demand for products generated with reused materials and/or components
		Risk	Own activity and value chain	Medium term	New circular economy regulation that creates a captive market of large manufacturers with the possibility of developing such circularity practices (preventing the entry of competition and turning the market into a monopoly or oligopoly).
Own staff (Work conditions)	ESRS S1. Own staff. Secure employment	Positive impact	Own activity	Short term	Creation of secure employment (as members and cooperative) and quality employment in the cooperative's own activity
	ESRS S1. Own staff. Health and Safety	Negative impact	Own activity	Short term	Unsafe (physical and mental) or hazardous working conditions that may expose workers to health and safety risks (including lack of adequate safety measures, poor equipment and/or unsafe work practices)
	ESRS S1. Own staff. Retention and attraction	Risk	Own activity	Short term	Lack of specific profiles in the professional market with the necessary expertise, especially in technical fields (engineering and digitalisation, among others)
		Risk	Own activity	Short term	Retaining and attracting talent risks such as; new talent attraction policies in the market and high competitiveness in the sector, which makes it difficult to retain talent due to the inability to offer competitive economic conditions and other benefits within the cooperative model. And retirements and employee turnover to more competitive sectors reducing the skilled labour force in the industrial sector affecting productivity, operational efficiency and retention
Affected groups (Community Relations)	ESRS S3. Affected groups. Economic, social and cultural rights of communities	Positive impact	Own activity	Short term	Contribution to the GDP of the Basque Country Creation of local employment and promotion of the well-being of the surrounding communities, generating a positive impact on the economy and social cohesion
Business conduct	ESRS G1. Business conduct. Business culture.	Positive impact	Own activity	Short term	A cooperative business model where profits and responsibilities are shared equally, Basque culture and the Basque language are promoted and synergies are established between the different cooperatives in the Mondragón Group to improve processes and products
		Risk	Own activity and value chain	Medium term	New regulation related to human rights and the elaboration of a due diligence procedure, guaranteeing human and labour rights throughout the company's value chain (CSDDD Regulation)

4.1.2 Business strategy aligned with sustainability

True to our origins and character, the Fagor Ederlan group understands **Sustainability as an Opportunity to innovate in the Cooperative project.**



To this end, the Fagor Ederlan group's Sustainability strategy is based on and aligned with the **5 commitments** made by the Fagor Group (<https://www.fagor.eus/es/sostenibilidad/>), focusing mainly on 12 of the 17 SDGs of the 2030 Agenda:

1. Transform our businesses to improve competitiveness and continue to **create jobs** in the context of a **digital and** circular economy.



2. Developing our democratic governance model.



3. Developing an advanced company culture: horizontal organisational models, employability, responsible conciliation, gender equality, health monitoring, standardisation of the Basque language.



4. Working to reduce the environmental impact of our products and production processes in order to place industrial activity within the biophysical limits of the planet.



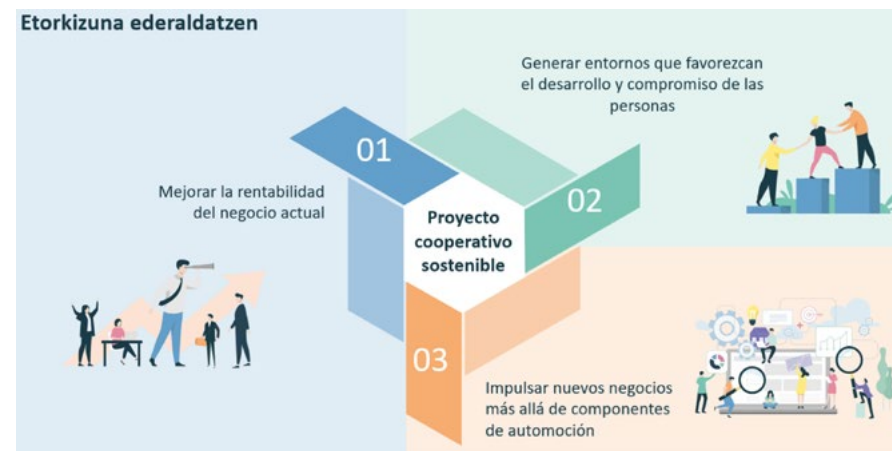
5. Promote the self-organisation of society and collaboration between different agents to achieve sustainable cities and communities.



Strategic Plan 2025-2028

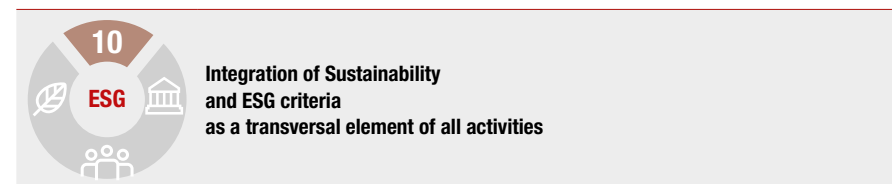
2025 marked the first year of the **2025–2028 Corporate Strategic Plan (CSP 25–28)**, which aims to ensure the long-term sustainability of the cooperative project.

To this end, we have **3 strategic challenges**:



In the development of the PEC, both the IRO analysis and the definition of double materiality are key inputs, which are updated each year as part of our strategy reviews.

In order to meet these challenges, 10 strategic lines have been defined, the last of which encompasses the need for ESG criteria linked to sustainability to be present transversally in each of the activities we undertake:



This tenth strategic line seeks to **make structured progress in the integration of ESG criteria linked to Sustainability in order to satisfy the demands of FET's different stakeholders and to respond to the increase in regulatory and market requirements.** To this end, within the scope that this entails, 4 areas have been defined where it is intended to place special focus:

- **Progress on the Decarbonisation Roadmap**, developing projects related to energy efficiency, use of renewable energies, increase of secondary and/or low-carbon materials and reduction of waste generated (E)
- **Structuring of a Social Transformation model**, internally activating initiatives, campaigns and activities to have a positive impact on the communities and the environment in which Fagor Ederlan Taldea is present (S)
- **Responsible management of the supply chain** (G)
- **Adaptation** to the new requirements of the **CSRD Directive** (G)

Sustainability Policy

Also linked to the Fagor Ederlan group's strategy, at the end of 2025 the group's **sustainability policy** was approved, which together with the set of ESG (Environmental, Social and Governance) management elements associated with it, make up a working framework that guides the adoption of responsible and sustainable practices.



It establishes the commitments to respond to the material or priority sustainability issues that are materialised through specific goals, strategies and lines of action integrated in the Fagor Ederlan Group's own Strategy and Management.

4.1.3 Sustainability Governance

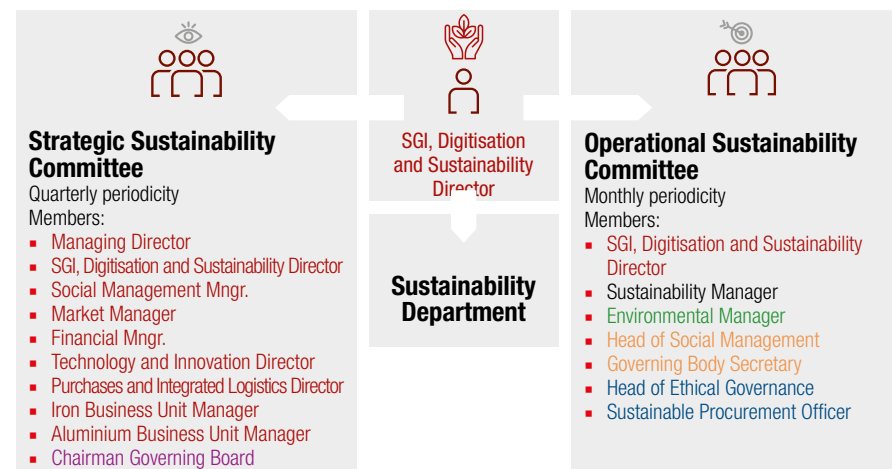
As of 2022, the Fagor Ederlan group took decisive steps to define, coordinate and manage Sustainability and Environmental, Social and Governance (ESG) criteria from a more integrated, coherent and transversal perspective.



At the level of the Board of Directors, and reporting directly to the General Manager, the figure of the **Integrated Management System, Digitalisation and Sustainability Director** (see section 3.2.3), with the task of integrating sustainability and all the concepts, strategies and indicators related to it into the company's daily activity.

The Sustainability Department has also been created which, led by the **Sustainability Manager**, is the reference and the visible face of Fagor Ederlan to the different stakeholders.

From a governance point of view, pivoted in the Director of SGI, digitised and Sustainability, there are **2 Sustainability Committees: the Strategic and the Operational.**



The **Strategic Sustainability Committee**, determines and supervises the guidelines and strategies in the field of sustainability, which are then transferred to both the Strategic Plan and the annual management plan and submitted for approval to the General Assembly. On a quarterly basis, it monitors sustainability strategies, objectives and key indicators. Likewise, once a year, this committee is in charge of reviewing Risk and Opportunity Management, where those circumstances and scenarios that could potentially impact the company and its business and that could entail a review of the strategies proposed are identified, assessed and managed.

The **Operational Sustainability Committee**, with an ESG vision, analyses the group's strategy, objectives, policies and commitments and monitors the indicators and action plans foreseen in each section of the management plan, ensuring their integrity, compliance and exemplary nature, reviewing the roadmaps and their implementation.



4.2 Ethical governance. “Committed to good governance and ethics of our business”

4.2.1 Compliance Program

The Fagor Ederlan group's Compliance Program, implemented since 2018, is one of the pillars that demonstrate the Fagor Ederlan group's commitment to good governance and ethics. This programme is based on:



- A **risk assessment** based on the consideration of potential crimes contemplated in Organic Law 1/2015 of 30 March 2015 and the identification of the most critical risks, based on their probability of occurrence and potential impact, as well as the requirements of stakeholders.



- A **prevention model** approved by the Governing Board, the key elements of which are as follows:
 - The **Code of Conduct** is compulsory for all the people who make up the Fagor Ederlan group and aims to consolidate a corporate culture that already exists in the Group. The Code of Conduct reflects the values and principles of the Fagor Ederlan group, its subsidiaries and investee companies and establishes specific guidelines for behaviour. In addition, it covers all areas relating to human rights and people, occupational health and safety, anti-corruption policy, environment, dealing with business partners and third parties, information management and the protection and use of intellectual and industrial property.



- The **Compliance Committee**, The Compliance Committee, a body with autonomous powers of initiative and control whose purpose is to supervise, monitor and control the Compliance Programme of the Fagor Ederlan group and its subsidiaries. The Compliance Committee has its own regulations governing its composition, operation and functions. This committee is in charge of monitoring the prevention model on the basis of a compliance evaluation system (check list) with a calendar of actions. Monitoring takes the form, among other things, of an Annual Assessment which, together with what is derived from the Internal Information System, the needs of the company and legal developments, serves as input to form an Annual Action Plan.
- An **Ethics Channel or Internal Information System (IIS)** An Ethics Channel or Internal Information System (IIS) for queries, suggestions, management and redress of abuses, the regulation of which is also established in the Code of Conduct and ethical governance Manual. The Internal Information System has its own Policy and General Principles. Since 2023, and in response to the requirements of Law 2/2023 of 20 February on the protection of persons reporting regulatory breaches and combating corruption (hereinafter the LPI), the ethics channel has been replaced by the Internal Reporting System, a new secure channel that guarantees the confidentiality of the whistleblower and allows for anonymous reports, both in writing and verbally.



The IIS is available to all people who have or have had any work or professional relationship with the Fagor Ederlan group, through our website and Intranet, so that everyone can make queries related to the Compliance Programme, request advice on this matter or report possible serious and very serious criminal or administrative offences. The Fagor Ederlan Group's Compliance Programme is comprehensive, and consequently communications can be made through the IIS regarding all ESG aspects, such as human rights and working conditions, occupational health and safety, anti-corruption, environment, dealings with business partners and third parties, information management and protection and/or use of Group property.



- The **dissemination** of all this to the whole of the organisation. To ensure that the values and principles set out in the Code of Conduct are translated into behaviour, it is essential that everyone in the organisation is aware of them and of the communication and consultation mechanisms in place.

Throughout 2025, we have carried out the **analysis and assessment of criminal risks** in accordance with the four-year cycle established by the Fagor Ederlan Group. In this process, all risks associated with each type of crime are identified and assessed individually, with the primary focus being on the objective likelihood of the crime being committed. Subsequently, following an analysis of the organisation's existing general and specific controls, this probability is recalculated to take account of their actual mitigation capacity. Finally, the potential impact of each risk is assessed, taking into account its possible negative effects on the company's operations, any applicable penalties or sanctions, and the potential reputational impact. This analysis identifies the highest-risk areas, for which a specific action plan is drawn up with a view to mitigating them. It is the Compliance Committee that regularly monitors this plan and the progress of the measures set out therein.

In addition, various outreach activities have been carried out this year through our internal communication channels, the main ones being:

- A presentation and explanation of the Ethical Governance system, with a focus on the Code of Conduct, for all new employees at Fagor Ederlan.
- To coincide with the annual general meeting, to which all members are invited and which takes place in May, we have produced a video to highlight the importance of the ethical governance system and the obligation to comply with the Code of Conduct.

The year **2025** marked the eighth year of operation of the Compliance Programme within the Fagor Ederlan Group, as well as that of the Ethics Channel (SII), and this year we received **1 written report** which was not accepted as it concerned a company outside the scope of the system. However, the Compliance Committee, in collaboration with the Compliance Officer at the relevant plant, has handled the matter in accordance with the Communications Management Process approved by the Fagor Ederlan Group. This report did not allege any criminal offence and was ultimately **closed**.

4.2.2 Human Rights Commitment

Human Rights and the Anti-Corruption Policy form an essential part of the ethical principles and standards of conduct and behaviour contained in the Group's Code of Conduct.

The fundamental principles of the **Declaration of Human Rights**, as defined by the United Nations, constitute a frame of reference in the way the Fagor Ederlan group acts.

Within this framework, the Group's Code of Conduct becomes a guide that explicitly states the values to be promoted by all people, at all professional levels and how relationships between all people linked to the Group are based, in order to bring about a respectful work environment and a positive working atmosphere:

- mutual respect
- integrity
- cordiality
- trust
- collaboration
- effort
- teamwork



People and Human Rights in the Code of Conduct.

All the elements contained in the Code of Conduct have been established on the basis of respect for the regulations and legislation in force in each country, as well as the promotion of and compliance with the conventions of the International Labour Organisation (minimum working age, freedom of association, right to collective bargaining, non-discrimination, etc.).

The Code of Conduct expressly provides for continuous training in matters relating to Corporate Social Responsibility, Social Affairs and Anti-Corruption Policy. Accordingly, 213 hours were dedicated to training in human rights policies or procedures throughout the Group in 2025. This consisted of training new staff as part of the reception process.

It is also worth noting that in 2025, the company published its first Statement on Modern Slavery, covering the previous financial year, as part of its commitment to ethical business practices and global human rights standards. The statement outlines the steps that Fagor Ederlan has taken and continues to take to ensure that modern slavery is not taking place within its operations or supply chain.

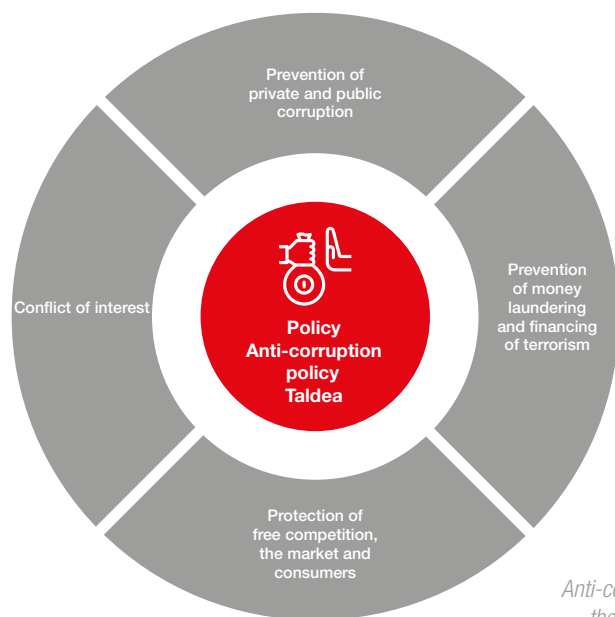


No reports of human rights violations within the company have been recorded in 2025 either.

4.2.3 Fighting corruption and bribery

The Code of Conduct includes the anti-corruption policy of the Fagor Ederlan group. This policy establishes the ethical principles, rules of conduct, instruments and measures to prevent and combat, among others, the following risks:

- **Corruption**, bribery or extortion, as well as influence peddling by members of the group in their relations with Suppliers, Associated Persons, Customers, as well as with Public Administrations, both national and those of third countries and international organisations.
- **Money laundering** and the financing of terrorism by means of mandatory compliance with applicable national and international laws on such matters.
- **Other risks** associated with contributions to non-profit making foundations and bodies, conflicts of interest, abuse or unlawful restriction of competition, unfair practices, misleading or denigratory advertising, etc..



Anti-corruption policy in the Code of Conduct

As established in the Group's Code of Conduct, managers and those who manage or lead teams of people must ensure that the people who report to them receive adequate information and training to enable them to know and comply with the legislation, the Code of Conduct, the controls and the contracts linked to the Fagor Ederlan group that affect them.

With the aim of achieving maximum dissemination of these commitments and the transmission of a single, distinct message to all those within the Fagor Ederlan group, the following actions have been implemented:

- Explanation of what is regulated in our Compliance Program and delivery of Code of Conduct to all new recruits.
- Announcement at the General Meeting, to which all members are invited, regarding the importance of the ethical governance system and the obligation to comply with the Code of Conduct.

	Employees who have received anti-corruption training*									
	North America		South America		China		Europe		Total	
	Nº	%	Nº	%	Nº	%	Nº	%	Nº	%
Direct labour	79	65	349	64	27	31	1307	54	1762	55
Indirect labour	42	35	198	36	60	69	1124	46	1424	45
Total	121	100	547	100	87	100	2431	100	3186	100

* This table shows the number of employees registered as of 31 December 2025, who have received such training. It does not account for people who have received this training but who no longer work within the Group (staff additions and terminations are not considered).

	Governing body members who have received anti-corruption training									
	North America		South America		China		Europe		Total	
	Nº	%	Nº	%	Nº	%	Nº	%	Nº	%
Num. of people	3	100	4	100	3	100	24	100	34	100

It should be noted that, **during 2025**, as in previous years, **no reports of corruption have been received** at Fagor Ederlan Taldea.

4.2.4 Secure information management and intellectual property protection

We are aware of the importance of information security and the security of our ICT systems, which is why we have an Information Security Policy and have implemented an Information Security Management System, which, in addition to complying with current legislation and other voluntary commitments, allows for implementation and continuous improvement.

The Information Security Committee promotes and encourages this area and to this end:

- Identifies risks related to information security that may impede the achievement of objectives.
- Defines plans to mitigate risks and guidelines to effectively achieve goals.
- It provides employees with a channel for reporting information security risks so that they can be quickly remedied with the least damage to the Group.
- It establishes training/information programmes so that all the people in the Fagor Ederlan group take responsibility for carrying out the actions planned to comply with the Information Security Policy.

In the Fagor Ederlan group we understand information security in a broad sense:

- From the protection of privacy and the use of personal data.
- The treatment and protection of confidential information.
- And the truthfulness and accuracy of the Group's assets and liabilities.

The erroneous or imprudent use of the assets and resources that the Fagor Ederlan group makes available to individuals may entail a serious risk both for the company and for the individuals themselves, which is why the Group endeavours to protect computer security in all cases and prohibits the use of unauthorised software and the downloading, installation and use on computer equipment of programmes or applications whose use is illegal or entails the risk of introducing any element dangerous to the security of the computer systems.

Furthermore, the Fagor Ederlan group is committed to the protection of intellectual property, industrial property and business secrets, both its own and those of third parties, which is why through the Code of Conduct it establishes that all individuals must respect the legitimate owners of intellectual property and industrial property rights, as well as business secrets, whether they belong to the company itself, the people who form part of it or to third parties. All Individuals must protect the information subject to such rights by seeking, in each case, licences or authorisations from the legitimate owners.



Our Information Security Management System has been audited by an independent third party and complies with the VDA ISA standard required by the ENX-TISAX association. **93% of our plants are already magnetised and certified.**

4.3 PEOPLE. "People are at the centre of our project"

The year 2025, as in previous years, has ended in a changing and uncertain context marked by multiple factors that require, from the point of view of individuals, **a faster response and adaptation**. The People Departments **work with the aim of attracting new talent and retaining existing** talent with exciting projects and competitive salaries.

In this scenario, the Fagor Ederlan group maintains as one of its signs of identity to **place people at the centre of the Company in a real, democratic and efficient way with a focus on economic stability and sustainable welfare**.

Based on co-responsibility for the project we share, we are the people who build the future with the commitment to leave new generations a better Company than the one we have received. We believe in equity and solidarity between people and institutions.

The co-operative model of the MONDRAGON corporation, whose motto is "Humanity at work" has the following signs of identity:

- **Rooted in the territory:** a local decision-making sphere that integrates economic and social logic. Economic development (means) in the service of human welfare (end).
- **Equitable generation and distribution of wealth:** a business model that generates equity, quality of life and equal opportunities.
- **The person at the centre:** integral participation that generates greater commitment, motivation and identity. Transparent people-based governance.
- **Employment and employability:** long-term and quality employment. Training as a means of personal and community development.
- **Intercooperative ecosystem:** globally competitive ecosystem based on strong solidarity mechanisms leading to greater resilience.
- **Adaptation and innovation:** an innovation ecosystem that strengthens long-term competitiveness.
- **Commitment to the environment:** strengthening local agents. International solidarity.

The original purpose of the Co-operative Experience continues to be to transform business by giving people and work a central role, and to place it at the service of a fairer society, generating wealth and distributing it fairly.

The Fagor Ederlan Group has a **People Policy** that was revised and approved in 2025, which provides a framework to guide the development of people who demonstrate responsible and sustainable behaviour and relationships. This policy sets out the principles and establishes the commitments, which are translated into specific targets, strategies and courses of action that are integrated into the Fagor Ederlan Group's strategies and management.



We highlight the following achievements in 2025:

- The Fagor Ederlan group is committed to **stable, quality employment**. 97% of the Cooperative's workforce is made up of Cooperative Members (permanent and fixed-term members).
- It has made a total of 88 new appointments, opening up this opportunity to Band 1 roles for the first time.
- The Fagor Ederlan group **has devoted a total of 92540 hours to training its teams**. Of particular note is the retraining course for Band 1 roles that has been held, which will enable a total of 33 people to join the company.
- **We remain committed to internal promotion**, having **filled 76%** of the 65 vacancies that arose within the organisation with existing staff members.
- **We have continued to promote our "employer brand"** by attending numerous job fairs (7 in 2025), visiting 5 training centres and welcoming over 400 students to our premises across a total of 14 visits. 29 students have joined our DUAL programme to combine work and study, and 18 people have completed their work placements at our premises.
- With the aim of fostering internal communication, strengthening a sense of belonging and encouraging the active participation of all staff, **64 sessions** have been held to present the **2025–2028 Strategic Plan** attended by a total of **2022 staff members**.

- Various initiatives continue to be promoted to **improve staff well-being and reduce absenteeism rates**; these include remote working, a physiotherapy service, and access to free psychological support, ...

4.3.1 Employment

4.3.1.1 Our Staff

The Fagor Ederlan Group, for its part, closed the year with a workforce of **3,186 people**, which represents a decrease of 4% compared to the previous year. These people are distributed in various regions, with the aim of efficiently meeting the challenges of a sector as demanding as the automotive industry. The reduction in staff numbers has mainly affected the plants in Europe and China, where adjustments have had to be made due to falling sales.

	Number of employees		
	2025	2024	2023
NORTH AMERICA	121	127	163
Women	32	31	40
Men	89	96	123
SOUTH AMERICA	547	549	448
Women	24	25	27
Men	523	524	421
ASIA	87	110	139
Women	27	33	46
Men	60	77	93
EUROPE	2431	2538	2695
Women	510	519	563
Men	1921	2019	2132
TOTAL	3186	3324	3445
Women	593	608	676
Men	2593	2716	2769

As regards member-employees—that is, employees who are also members and who participate in the management and decision-making of the cooperative—the Fagor Ederlan Group ended 2025 with a workforce of 2,272 member-employees, representing 71% of the total workforce and underlining its strong commitment to job security.

Number of members	2025
Fagor Ederlan S.Coop + Edertek S.Coop.	2272
Members	1760
Fixed-term partners	512
Total Members out of S.Coop. workforce	99%
Total Members out of FE Group workforce	71%

The Fagor Ederlan Group continues to maintain good gender ratios in an industry such as foundry work, with women accounting for 19% of its workforce in 2025.

	Number of employees, according to gender and professional category					
	2025		2024		2023	
	Abs.	%	Abs.	%	Abs.	%
DL	1762	100%	1793	100%	1925	100%
Women	281	16%	275	15%	322	17%
Men	1481	84%	1518	85%	1603	83%
MOI	1424	100%	1531	100%	1520	100%
Women	312	22%	333	22%	354	23%
Men	1112	78%	1198	78%	1166	77%
TOTAL	3186	100%	3324	100%	3445	100%
Women	593	19%	608	18%	676	20%
Men	2593	81%	2716	82%	2769	80%

As for the distribution by professional category, of the 3,186 people in the Fagor Ederlan group, 1,762 people work in Direct Labour or MOD (directly linked to the manufacturing of the part) and 1,424 work in MOI (maintenance professionals, tooling, processes, functional areas, corporate services, etc.).

	Number of employees by country					
	2025		2024		2023	
	Abs.	%	Abs.	%	Abs.	%
NORTH AMERICA	121	100%	127	100%	163	100%
DL	79	65%	52	41%	74	45%
MOI	42	35%	75	59%	89	55%
SOUTH AMERICA	547	100%	549	100%	448	100%
DL	349	64%	322	59%	290	65%
MOI	198	36%	227	41%	158	35%
ASIA	87	100%	110	100%	139	100%
DL	27	31%	42	38%	51	37%
MOI	60	69%	68	62%	88	63%
EUROPE	2431	100%	2538	100%	2695	100%
DL	1307	54%	1377	54%	1510	56%
MOI	1124	46%	1161	46%	1185	44%
TOTAL	3186	100%	3324	100%	3445	100%
DL	1762	55%	1793	54%	1925	56%
MOI	1424	45%	1531	46%	1520	44%

The distribution by age group is very similar in percentage terms to last year's. More than half of the workforce (1,881 employees, 59%) are aged between 30 and 50, 29.5% (940 employees) are over 50, and the remainder (11.5%) are under 30. The current workforce distribution meets Fagor Ederlan's current needs and is a factor that must continue to be managed to ensure a natural turnover of staff, both in terms of staff leaving due to retirement and the arrival of new generations.



	Age group and type of contract								
	2025			2024			2023		
	Permanent Contract	Temporary Contract	Total	Permanent Contract	Temporary Contract	Total	Permanent Contract	Temporary Contract	Total
Under 30 years old	158	207	365	183	226	409	268	237	505
Between 30 & 50	1557	324	1881	1695	319	2014	1762	302	2064
Aged 50 or more	862	78	940	796	105	901	766	110	876
TOTAL	2652	534	3186	2674	650	3324	2796	649	3445

The Fagor Ederlan Group carries out regular internal audits to verify that there is **no child labour** in our facilities and that all the Group's plants comply with the regional regulations in force in this area.

A total of 359 people work in the Fagor Ederlan group as non-employees of the Organisation. Of these, 170 are full-time and 189 are part-time. These people provide complementary services to the main activity of the company, such as maintenance services (electrical, mechanical, etc.), cleaning, security, company canteen, IT, logistics/transport, etc.

	Number of non-employed workers					
	2025			2024		
	Men	Women	Total	Men	Women	Total
NORTH AMERICA						
Full time	4	3	7	5	4	9
Part time	0	0	0	0	0	0
Total	4	3	7	5	4	9
BRAZIL						
Full time	74	0	74	46	2	48
Part time	0	0	0	0	0	0
Total	74	0	74	46	2	48
CHINA						
Full time	0	0	0	0	0	0
Part time	2	1	3	2	0	2
Total	2	1	3	2	0	2
EUROPE						
Full time	81	8	89	123	12	135
Part time	169	17	186	153	19	172
Total	250	25	275	276	31	307
TOTAL						
Full time	159	11	170	174	18	192
Part time	171	18	189	155	19	174
Total	330	29	359	329	37	366

4.3.1.2 Contract modalities

Despite the difficult situation in the automotive sector and the decline in its business activity, the Fagor Ederlan Group remains committed to providing stable, high-quality employment. In 2025, 81% of the workforce were on permanent contracts.

	Total number and distribution of contract modalities					
	2025		2024		2023	
	Nº	%	Nº	%	Nº	%
Recruitment	3186	100%	3324	100%	3445	100%
Permanent	2577	80.89%	2673	80.45%	2796	81.16%
Temporary	609	19.11%	651	19.58%	649	18.84%
Workday	3186	100%	3324	100%	3445	100%
Full	3186	100%	3323	99.97%	3444	99.97%
Partial	0	0.00%	1	0.03%	1	0.03%

In 2025, 121 employees were made redundant compared to 65 in the previous year, 6 women and 115 men. In addition, 165 people left their contracts, compared to 211 in the previous year. There were 427 new registrations during the year, compared to 505 the previous year.

	Dismissals					
	2025		2024		2023	
	Total	%	Total	%	Total	%
Women	6	5%	7	11%	5	8%
Men	115	95%	58	89%	54	92%
Total	121	100%	65	100%	59	100%

	Voluntary leave					
	2025		2024		2023	
	Total	%	Total	%	Total	%
Women	28	17%	38	18%	119	23%
Men	137	83%	173	82%	388	77%
Total	165	100%	211	100%	507	100%

	New Enrolments					
	2025		2024		2023	
	Total	%	Total	%	Total	%
Women	68	19%	74	15%	260	20%
Men	359	81%	431	85%	1058	80%
Total	427	100%	505	100%	1318	100%

4.3.1.3 Solidarity in Wages, Living Wages

In line with the Fagor Group's cooperative principles, and specifically its remuneration model based on equity and social justice, **all employees of the Group receive a salary that exceeds the living wage in their respective countries.** This remuneration is 267% higher in Brazil, 490% higher in Mexico, 391% higher in China, 63% higher in Slovakia and 121% higher in the Cooperative, respectively.

	Difference (%) between Minimum Inter-professional Wage and Gross Annual Wage by Country		
	2025	2024	2023
México	490%	337%	390%
Brazil	267%	257%	419%
China	391%	217%	188%
Slovakia	63%	72%	68%
Spain	121%	126%	116%

In addition to a living wage, the Fagor Ederlan Group's co-operative model is committed to an **equitable distribution of wealth** that generates equity, quality of life and equal opportunities, thus contributing to generating a more sustainable and egalitarian environment.

Financial compensation in the Co-operative is governed by **the principle of equal pay** with a **salary range or scale** that aims to homogenise incomes at the top and bottom, with a pay scale between the minimum and maximum salary, from 1 to 6.

Remuneration is updated under a **shared reference** which means that the range of remuneration cannot be less than 80% or more than 110% of a reference established annually by Lagun Aro for all the MONDRAGON Group co-operatives.

The profits or returns obtained by the cooperative are distributed according to a principle of **equitable distribution of profits**, and are allocated to funds for common use, for the promotion of new cooperatives, research, etc., obligatory reserves, contributions to social and cultural projects, and returns or "dividends" for the workers.

4.3.1.4 Remuneration and the Pay Gap

The Mondragon Co-operative Experience declares itself to be **open to all men and women who accept its Basic Principles without discrimination of any kind.** The regulations of the Cooperative and its productive subsidiaries regulate minimum remuneration and establish criteria of equity between similar jobs regardless of the gender of the person occupying them. Therefore, the same job and the same type of work, the same pay, regardless of the sex of the person who performs it.

Compensation policy updates made in a financial year are applied in the same way to all employees, without any discrimination based on gender, race, religion, age, sexual orientation, nationality, marital status, socio-economic status, etc.

The bonuses for relief, night work, seniority, etc. are related to the regulations and reference agreements of each region and are applied to people in coherence with the position held and regardless of their gender.

€	Average remuneration by age (€)											
	2025				2024				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
North America	15534	16747	30078	17137	10702	15411	22000	14566	9213	14179	35748	13348
South America	7892	10045	13957	10414	8194	10870	16581	11280	6971	13906	12568	11957
Asia	12818	14694	15089	14470	10605	8895	18592	9351	10259	9016	0	9284
Europe	29781	35563	37670	35707	29284	34837	37040	34976	25937	31885	34069	31807
Total	22828	29072	34909	30079	21666	28565	34906	29435	19365	27625	31673	27444

The planned switch to the euro: 1 Mexican peso = €0.0461, 1 US dollar = €0.8855, 1 Brazilian real = €0.1586, 1 Chinese yuan = €0.1232

€	Average remuneration by professional category (€)								
	2025			2024			2023		
	DL	MOI	Total	DL	MOI	Total	DL	MOI	Total
North America	13094	24742	17137	8269	18931	14566	14034	12777	13348
South America	7317	15874	10414	7932	16030	11280	7578	19994	11957
Asia	9860	16545	14470	4115	12585	9351	3914	12397	9284
Europe	30713	41514	35707	30334	40483	34976	27335	37506	31807
Total	24969	36402	30079	25057	34562	29435	23227	32784	27444

The planned switch to the euro: 1 Mexican peso = €0.0461, 1 US dollar = €0.8855, 1 Brazilian real = €0.1586, 1 Chinese yuan = €0.1232

The gender pay gap behaves differently depending on the region. Mexico has the widest pay gap, standing at 31.67%, whilst the other sites continue to show a pay gap that favours women, due to the higher proportion of women in MOI roles. Europe is the region with a wage gap closest to 0, at -0.86%. At Group level, **the gap is -11.30%.**

	Average remuneration by gender								
	2025			2024			2023		
	Men	Women	Wage gap	Men	Women	Wage gap	Men	Women	Wage gap
North America	18703.82	12780.16	31.67%	14936.28	13417.39	10.17%	13479	12944	3.97%
South America	10258.11	13815.07	-34.67%	11065.58	15773.48	-42.55%	11904	12776	-7.32%
Asia	14824.23	13684.05	7.69%	8328.50	11738.22	-40.94%	8487	10896	-28.38%
Europe	35642.69	35947.94	-0.86%	34916.72	35208.54	-0.84%	31825	31742	0.26%
Total	29460	32788	-11.30%	28855	32024	-10.98%	27197	28454	-4.62%

The planned switch to the euro: 1 Mexican peso = €0.0461, 1 US dollar = €0.8855, 1 Brazilian real = €0.1586, 1 Chinese yuan = €0.1232

No specific or different compensation criteria are applied to the Group's employees, including senior management or the Governing Board.

The average compensation of the Governing Board was 88,516.09 euros. The pay gap between the six men and three women who make up this body stands at 9%, having halved over the past year.

The average remuneration for the Governing Board was €53,979. The pay gap between the 5 men and 7 women members of this body is 12%.

Senior Management Salary (€)	Average Salary 2025	Average Salary 2024*	Average Salary 2023*
Women	83175.83		
Men	91186.22		
	88516.09	96399.98	85379.44
Wage gap	9%	18%	16%

* For data protection reasons, the information is not broken down by gender.

Governing Board Salary (€)	Average Salary 2025	Average Salary 2024	Average Salary 2023
Women	50594	59154	48815
Men	57365	64000	57636
	53979	61163	52490
Wage gap	12%	8%	15%

The incumbent of a job can initiate a complaint if he/she does not agree with the result of an assessment. These complaints are analysed and responded to in a reasoned manner and, if there are grounds for doing so, the result is amended.

In strict compliance with the laws applicable in each country and consistent with the Articles of Association and the Code of Conduct (Compliance Programme), all employees are entitled to the legally established benefits and entitlements (social security, pensions and equivalents, etc.), regardless of their geographical location.

All members of the Cooperative are covered by a life insurance policy in the event of death in the event of an accident at work or outside work. This cover is complemented by the additional cover offered by Lagun Aro.



4.3.1.5 Work organisation

The organisation of work and the way in which social and labour relations are developed are set out in various internal policies and regulations, which, as a general philosophy, take into account the specific cooperative requirements of the organisation:

- **Adaptation to the characteristics and needs of the economic and social environment**, seeking a human and professional balance within it.
- **Respect for the dignity and aspirations of workers**, the ongoing improvement of working conditions and adaptation to their professional aptitudes, without prejudice to inducing a constant desire and stimulus for professional improvement and retraining through the development of their own work and the enrichment of tasks.
- The development of management and leadership models that facilitate **the participation of workers in decision-making**.
- **The information and involvement of workers and their representatives in defining and monitoring organisational changes**.
- **Acceptance by workers of the requirements stemming from business efficiency**, taking on board the professional obligations and responsibilities assigned to them, the individual and collective objectives that apply to them, the monitoring of their performance, the constraints arising from the coordination of efforts of individuals and groups in the company, and the consequences of establishing staffing levels at an appropriate level in line with maintaining, in terms of aspirations, a full employment of the worker-members.
- **The collaboration of workers in improving work procedures and methods** and in the achievement of productivity, the gradual implementation and further development of which constitute a fundamental part of the institution's social commitment.

Organisation of work is designed to ensure the efficiency and profitability of the business, without detriment to the participation of people in the decisions that affect them and respect for their human and professional interests, in such a way that the work favours their participation and overall development

4.3.1.6 Social and labour relations

The social and labour relations of the Fagor Ederlan group are organised according to the existing regulatory frameworks in each Region. The Code of Conduct specifies the respect for the performance of social and public activities by its members, the right to organise, freedom of association and collective bargaining in the workplace, provided that they do not interfere with their professional activity.

The people in the Fagor Ederlan group exercise their rights in accordance with the legal and statutory regulations and the agreements validly adopted by the bodies of each work place. The management of social and labour relations is carried out in accordance with labour and trade union legislation, as well as the regulatory frameworks in force in each geographical area.

The entire Fagor Ederlan group workforce is covered by collective bargaining agreements and/or specific labour legislation in each region.

	Percentage of employees covered by collective bargaining agreements					
	2025		2024		2023	
	Total	%	Total	%	Total	%
North America	121	100%	127	100%	118	72%
South America	547	100%	549	100%	448	100%
Asia	87	100%	110	100%	139	100%
Europe	2431	100%	2538	100%	2695	100%
Total	3186	100%	3324	100%	3400	99%



The dynamics of social relations and dialogue are well-established in the Fagor Ederlan group. In the case of the Co-operative, the mechanisms for social relations and dialogue are set out in the Articles of Association and in the Internal Co-operative Regulations.

Each Region has specific channels for communication and participation between the company and its employees to provide information, receive and learn about people's concerns, demands, contributions and suggestions. In the case of the Cooperative, we would highlight the following:

- The **General Assembly** as the Cooperative's highest management body, is the forum in which the Executive Committee reports on the situation of the Company and submits its proposals for validation
- The **Workers' Council** is the representative body for all workers that is responsible for communication, discussion and decision-making at the level of the Business Unit and Production Plant.
- The **informative talks** (Hitzaldi informatiboak) or **member meetings** (Bazkideen batzarrak) are communication forums in which the Board of Directors, the Governing Board and the Workers' Council share important information about the Company with the entire Workforce. The Organisation's people, for their part, channel their contributions, queries or concerns through these forums.
- The **contributors meetings** (Laguntzaileen bilera) are also spaces for upward and downward communication within each Department, where information is provided on many aspects related to the Cooperative..



4.3.1.7 Promoting diversity and equality

The Fagor Ederlan group recognises the cultural differences and the different standards applicable to each Region. The Group has an ethical principle to provide equal opportunities in access to employment and professional promotion, ensuring at all times the absence of discrimination based on gender, sexual orientation, race, disability, illness, religion or any other circumstance that could be a source of discrimination.

The Fagor Ederlan S. Coop., **Equality Plan 2025-2028** serves as a reference for the plans and measures to be adopted in the rest of the Group's plants. The Equality Plan aims to:

- Guarantee effective equality between men and women, providing equal income opportunities and career advancement at all levels.
- Guarantee balanced representation of women within the company.
- Ensure that opportunities for access to positions of responsibility are given on the basis of merit and ability.
- Ensure that staff management is done in accordance with applicable legal requirements in terms of equal opportunities.
- Prevent sex discrimination within the workplace, establishing a protocol of action for such cases.
- Strengthen the company's role as one committed to effective implementation of equality policies as a strategic action, in that it contributes to its future sustainability, projecting an internal and public image of a company committed to equality.

By 2025, the governance structure of the Equality Plan had been established. During the year, the annual management plan was drawn up and a system was put in place to monitor the actions set out in the plan. In addition, work has begun on incorporating a gender perspective into various databases and personnel management lists. This has made it possible to begin analysing certain indicators broken down by gender in order to identify any differences.

In the field of communication, the criteria for inclusive communication within the organisation have been redefined, based on reflection and training sessions with the relevant stakeholders. Throughout the year, a range of awareness-raising and communication in-

initiatives have also been carried out to highlight the organisation's commitment to equality, both internally and externally.

Finally, initiatives relating to work-life balance and well-being, such as the ONGIZAN programme, have been promoted, and the uptake of work-life balance measures has been monitored from a gender perspective.

Fagor Ederlan group's policy against all types of discrimination also includes **social inclusion** of people with disabilities, as well as universal accessibility. Our plants/locations have the facilities required by the regulations to improve the inclusion of people with reduced mobility.

In 2025, in line with its objective of promoting social inclusion, the Group employs a total of 45 people (28 MOD staff and 17 MOI staff, respectively) with a recognised disability, representing 1.41% of the workforce in 2025. The Group's plants that include people with recognised disabilities make the necessary modifications and adaptations so that the environments, processes, tools and devices are understandable, usable and practicable in conditions of safety and comfort and in the most autonomous and natural way possible. When this alternative is not possible, the organisation seeks an alternative employment placement in a location appropriate to the worker's situation.

Both the areas responsible for Social Management, Risk Prevention and the Social Transformation Team are committed to this process, which, through social inclusion projects, contribute to diversity management.

	Number of employees with disabilities		
	by occupational classification		
	2025	2024	2023
DL	28	43	39
Women	1	2	2
Men	27	41	37
MOI	17	6	6
Women	4	3	2
Men	13	3	4
TOTAL	45	49	45

The **"Action against moral, sexual and gender-based harassment at work protocol"**, has been in force throughout 2025, and is applied according to the following principles:

- Principle of confidentiality and data protection
- Principle of speed
- Principle of protection of privacy and dignity of individuals
- Principles of legal certainty, impartiality and the rights to defence of the people involved
- Prohibition of reprisals (guarantee of indemnity)
- Principle of collaboration
- Principle of support from trained people
- Principle of non-victimisation
- Principle of reparation for the victim in the work environment

The protocol includes 2 complementary management channels, "informal procedure" and "formal procedure", to properly channel each complaint, via a multidisciplinary team that assumes different roles:

- **Confidential advice:** receiving the complaint and informing the Social Management Directorate of the initiation of the process
- **Conflict assessment and management committee:** to take precautionary measures, if necessary, and to carry out the appropriate investigation and report
- **Social Management Directorate:** responsible for handling the disciplinary case, when this is determined by the Evaluation and Conflict Management Committee's report

In 2025, 1 communication have been registered through the harassment protocol: In this case, the formal procedure was activated and the Conflict Evaluation and Management Commission was convened, which is responsible for analysing, evaluating, arbitrating and, if necessary, drawing up proposals for the resolution of situations of violence and/or harassment in the workplace. Following a thorough review, the Conflict Assessment and Management Committee concluded that this was not a case of harassment, but rather a workplace dispute; consequently, the RIC was applied and the necessary measures were taken.



4.3.1.8 Flexibility and Work-Life Balance

The Fagor Ederlan group has various initiatives aimed at promoting flexibility and the balancing of work, personal and family life. The organisation promotes the progressive implementation of these measures in the Group, based on the socio-cultural reality of each Region, and their use by both men and women without undermining their legitimate training opportunities and promotion expectations.

In 2025, 195 people (60 women and 135 men) took advantage of work-life balance measures, such as reduced working hours, leave of absence or parental leave.

	Work-life balance measures		
	2025	2024	2023
People who have benefited from work-life balance measures	195	166	166
Women	60	72	72
Men	135	94	94
Shorter working hours	98	114	114
Women	48	58	59
Men	50	56	55
Leaves of absence	22	5	6
Women	8	4	3
Men	14	1	3
Parental leave	75	47	46
Women	4	10	10
Men	71	37	36

in 2025, 91 people took parental leave, of which 87 returned, bringing the return rate to 96%. This represents an improvement of 20 percentage points compared with 2024.

	Parental leave		
	2025	2024	2023
Employees that have taken parental leave	91	83	90
Women	7	15	19
Men	84	68	71
Persons who have returned to work after parental leave	87	63	58
Women	6	13	14
Men	81	50	44
Return to work rate	96%	76%	64%
Women	86%	87%	74%
Men	96%	74%	62%

The teleworking programme is already a reality at Fagor Ederlan. In 2025, the range of roles eligible for this scheme was expanded, and a pilot scheme was carried out to assess its effectiveness. In addition, a flexible working hours scheme has been introduced, allowing staff to work from home in the event of personal circumstances. Building on the pilot scheme, work is currently underway to define a new regulatory framework that will enable this measure to be consolidated, with its conditions adapted to meet organisational needs.



4.3.2 Occupational Health and Safety

The Fagor Ederlan group, aware that the activities conducted at its plants entail risks, always puts the safety and health of people first, making the development of its industrial activity compatible with environmental protection and the protection of people. Consequently, it seeks to develop a culture where people are committed to safety and occupational health, also prioritising their well-being as a key factor for the sustainable development of the business.



The Fagor Ederlan group has defined a **model for the development of Safety, Health and Well-being** with six levels of specific objectives. Each objective represents a stage in the development of Safety, Health and Well-being at work. The objectives associated with each level are as follows:

- Guarantee safe, healthy work conditions.
- Implement and improve the Occupational Health and Safety Management System.
- Integrate Occupational Safety and Health into business management.
- Develop a Preventive Culture.
- Manage people within a Healthy Company environment.
- Contributing to the development of a culture of safety, health and well-being.

Consequently, the Occupational Health and Safety Management System based on ISO 45001, which has been implemented at Fagor Ederlan S.Coop.'s plants, has been progressively rolled out to the remaining plants, initially as part of the 2021–2024 Strategic Plan, and subsequently as part of the 2025–2028 Strategic Plan.

Although the management system is in place in 100% of the plants, **87% of the production plants are certified under ISO 45001**. It should be noted that during 2025, the follow-up audits of the ISO 45001 Occupational Health and Safety System Certifications of all the certified plants have been successfully passed: Fagor Ederlan S.Coop, Edertek S.Coop, Fagor Ederlan Slovensko, Fagor Ederlan Mexico and Duoli Ederlan Kunshan plants. Thus, by 2025, 82% of the total employees of the Fagor Ederlan group will be working in locations certified under this Standard.



4.3.2.1 Organisation and participation in Health and Safety prevention

In terms of Health and Safety, the Fagor Ederlan Group has different ways of organising Prevention; from its **Internal Joint Prevention** Service in the plants of the cooperative part, to its **Internal and External Prevention Services** in the rest of the Group, thus covering the four defined specialities: safety at work, industrial hygiene, ergonomics and applied psycho-sociology, and occupational medicine.

The Group has a team of people in the corporate structure with specialists in the four specialities; and, in addition, each plant has its own resources to respond to the specific needs of Occupational Risk Prevention, with its own development plan within the framework established by the Group.

In terms of Health Surveillance of workers, the Fagor Ederlan Group plants carry out annual medical check-ups of all their workers, depending on the risks they are exposed to, with the aim of preventing and promoting Health and Safety at work. In addition, all Fagor Ederlan employees are covered by healthcare benefits through LagunAro, whilst temporary staff are covered under the agreement established with the Workers' Mutual Insurance Society.

As part of the right of workers to effective occupational safety and health protection, mechanisms are in place for the information, consultation and participation of workers in preventive matters. In order to guarantee this protection, workers are consulted and their participation is made possible, expressed in the form of proposals to improve existing levels of protection.

In order to fulfil the duty to protect workers' health and safety, information, consultation and participation are channelled through the workers' representatives (health and safety representatives; trade union representatives at plants that are not cooperatives) and the Health and Safety Committees, in relation to the following aspects:

- The planning and organisation of work in the company and the introduction of new technologies, in all matters relating to the consequences that these may have on the Safety and Health of workers, arising from the choice of equipment, the determination and suitability of working conditions and the impact of environmental factors at work.
- The organisation and development of health protection and risk prevention activities in the company, including the designation of the workers in charge of these activities or the use of an external prevention service.
- The appointment of workers responsible for emergency measures.
- The annual training plan.
- Any other action that may have substantial effects on the Safety and Health of workers.

With regard to the legal framework, Fagor Ederlan group cooperatives are governed by a Special Regime for Cooperatives, which also regulates aspects related to Occupational Health and Safety. In the case of non-cooperative personnel in Spain, such aspects are regulated by the Metal Sector Collective Agreement, although there are no differences when dealing with both groups. As for the rest of personnel in overseas plants, aspects on Occupational Health and Safety are regulated according to the existing legislation in each country.



The **Health and Safety Committee**, as a joint body established for the regular and periodic consultation on policies, programmes and measures relating to health and safety at work, is an internal participatory mechanism within the company, whose role is to facilitate the exchange of views between the parties, creating a stable forum for structured dialogue. It is made up of the Prevention Delegates and an equal number of representatives designated by the Organisation's Management. It is, therefore, a collective, joint consultative body of participation.

The Health and Safety Committee represents all employees belonging to the Organisation. As a mechanism for workers' participation, the following functions and powers are attributed to it:

- Participate in the elaboration, development and evaluation of the Prevention Plan.
- Discuss, prior to their implementation, projects concerning work organisation and the introduction of new technologies, with regard to their impact on risk prevention.
- Promote initiatives for the prevention and improvement of working conditions.
- To report on the annual report and programming of the Prevention Services.
- Visiting workplaces to gain first-hand knowledge of the risk prevention situation.
- Access to all information and documentation necessary for the performance of their duties.
- To analyse health damage in order to assess its causes and propose preventive measures.

Across all the plants belonging to the Fagor Ederlan group, there are 65 health and safety representatives, representing 2.01% of the total workforce.

The Prevention Delegates, for the exercise of their functions, have the following Competences and powers:

- Collaborate with the organisation's management in the improvement of preventive action.
- Promoting and encouraging cooperation among workers in the implementation of regulations concerning occupational risk prevention.
- To be consulted and informed about decisions on occupational risk prevention.
- Monitoring and controlling compliance with occupational risk prevention regulations.

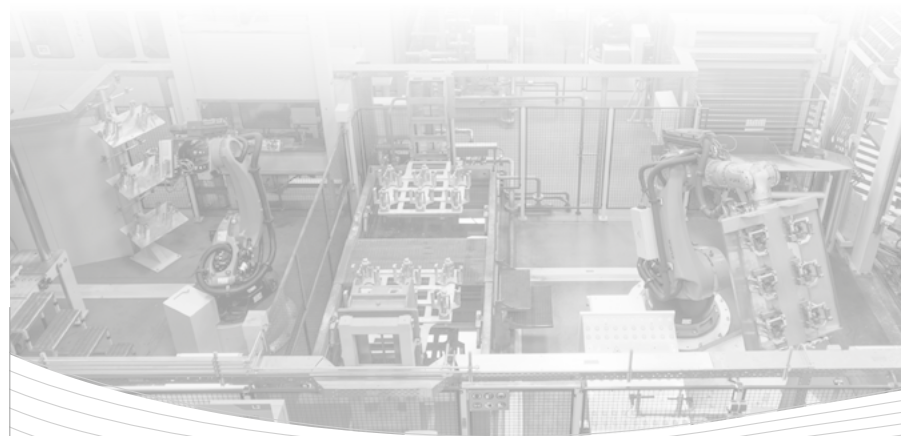
Similarly, all external plants, within the regulatory framework of their own legislation, comply with the obligation to have internal participation bodies for regular and periodic consultation on actions in the area of occupational risk prevention.

At an organisational level, the Fagor Ederlan group has a **Prevention Department** made up of Prevention Technicians who cover the four specialities: Safety at Work, Industrial Hygiene, Ergonomics and Applied Psycho-Sociology, and Occupational Medicine. This is complemented by an internal department that periodically audits the plants for occupational risk prevention.

At plant level, the Occupational Risk Prevention Technicians carry out and manage the Occupational Risk Assessment and the actions generated; participate in inspections and audits; carry out emergency drills; carry out the investigation of Accidents, Incidents and Potential Risks; carry out preventive campaigns; participate in work teams for new projects and in the procurement processes for new goods, products and substances. They all contribute to the identification of risks, their assessment and their elimination or minimisation, in order to minimise the impact on the Safety and Health of workers.

All jobs - in all Plants - have a Risk Assessment, which identifies the existing risks, the assessment of the level of risk, and the actions necessary to eliminate the risks, or minimise them if they cannot be totally eliminated.

As a preventive and proactive action in favour of the health and safety of workers, all Fagor Ederlan group personnel can take part in the identification of Potential Risks, as well as in the detection of any Serious and Imminent Risk. These, together with accidents with sick leave, accidents without sick leave and incidents, are recorded and analysed in the shortest possible time. In addition, targets, actions and accident rate indicators are monitored on a monthly basis, with the aim of improving results to reduce the impact on workers' health and safety. The information is presented at safety briefings, plant and business management meetings, information sessions, and at the established health and safety committees.



4.3.2.2 Health and Safety Prevention Training

Training in occupational risk aspects is a fundamental and priority aspect at Fagor Ederlan.

Employees of the Fagor Ederlan group receive specific training on the risks associated with their jobs, as well as other training. At the cooperative, health and safety training is very much geared towards meeting the requirements of the metalworking industry collective agreement.

Training is received upon entry to the job, according to the training identified for the job, and is repeated periodically according to the established frequency.

With regard to the training provided at the various plants of the Fagor Ederlan group in 2025, the following topics are particularly noteworthy:

- ATEX Explosive Atmospheres.
- Confined Spaces:
- Machinery Consignment.
- Legionella.
- Lone Working Devices (Dead Man's Switch).
- In-house Inspector of Chemical Warehouses CPS.
- Roles and Responsibilities in Occupational Risk Prevention.
- CE self-certifications.
- Preventive Resource (training Basic Prevention Course).
- Welcome plan (on an ongoing basis).
- State Metal Agreement: Core roles and trades relevant to the business (forklift operators; overhead crane operators).
- Chemical products.
- Manual stackers.
- Lifting platforms.
- Work at heights.
- Electrical hazard
- Emergency Plan; Firefighting.
- First aid and the use of a defibrillator.
- Transport, loading and unloading of dangerous goods (ADR).
- Lifting elements.
- Ergonomics. Weightless
- Exposure to noise at the workplace.
- Exposure to silica in the workplace.
- Control of Orphan Sources (Radioactivity).
- X-ray Supervisor and Operator.

4.3.2.3 Accident rates and absenteeism

The accident rate recorded in 2025 in the Fagor Ederlan Group plants as a whole has decreased compared to the previous year. The frequency rate and severity rate for the Fagor Ederlan group have fallen significantly compared with the previous financial year (10.1% and 31.2% respectively). One factor that has had a significant impact on reducing the severity rate has been the elimination of long-term sick leave due to accidents, with the Fagor Ederlan S.Coop. plant being the site where this has been achieved. The reduction in the duration of sick leave, the elimination of long-term sick leave and the absence of significant after-effects from accidents have led to a significant reduction in the severity rate across all Fagor Ederlan Group plants.

The total number of accidents at the Fagor Ederlan Group's plants fell by 18% in 2025 compared with 2024. The predominant types of accidents in 2025, with the highest number of sick leave hours are due to contusions (blows, wounds, fractures) and, in second place, to musculoskeletal injuries.

With the aim of reducing the number of accidents and the resulting absenteeism, the following measures were proposed in 2025 across the various plants of the Fagor Ederlan group, and all of them will be maintained in subsequent years:

- Strengthen the training of workers: Welcome Plan. Training Licence. Training Plan (Metal Trades Agreement and other ORP training).
- Workshop surveillance of compliance with prevention standards.
- Continue to improve the Preventive Culture: behaviours linked to unsafe actions, lack of perception of risks and their consequences. I-O Programme in force and extension to other Plants. Leadership of the ORP by Managers Routes. Routes for monitoring the use of PPE.
- Minimise risks through the use of work equipment.
- Improvement in Ergonomics (work equipment; ways of working; musculoskeletal improvement programmes).
- Further improve the Coordination of Business Activities CAE with the Contractors.
- Optimise the day-to-day management of FM's in the field of ORP: SGOs and weekly operations.
- Continue to improve working conditions (safe and healthy), working on: Machine Consignment; CE Self-Certification and Adequacy of Safe Environments; Alternatives to Temporary and Controlled Deactivation of Machine Safety.
- Continue to reduce risk situations Grades G5, G4, G3sig.

It is worth noting the involvement of employees in identifying potential risk situations; across all Fagor Ederlan Group plants, a total of 611 opportunities for improvement were identified in 2025.

The plants that form part of the Fagor Ederlan group promote the health of workers through Health Surveillance, providing assistance and medical check-ups depending on the risks of the job. In addition, with a view to promoting a healthy workplace environment, awareness campaigns on healthy habits are run throughout the year. For example, at the cooperative level, campaigns have been launched on vaccination, prevention (e.g. regarding plantar fasciitis), healthy eating habits and physical exercise, digestive health, participation in a back clinic programme, use of physiotherapy and orthopaedic services, and the provision of exercise machines for the neck and lower back.

Breaking down the aforementioned lines of action implemented in 2025, the following measures can be specified in the area of occupational health and safety across all Fagor Ederlan Group plants:

- Reduction in the number of significant risk situations (Levels 5, 4 and 3).
- Accident, Incident and Potential Risk Assessment.
- Observations made during the workshop on unsafe working conditions and unsafe practices by workers.
- Integration of Prevention in the Line of Command.
- Training and awareness-raising on OHS Roles and Responsibilities for Line Management.
- Improving the use of ergonomic elements, ways of working, use of work equipment, etc.
- Improvement of working conditions.
- Optimisation of the management of the activity of contractors (Coordination of Business Activities CBA).
- Improving working conditions regarding exposure to health and safety risks (chemical, physical and biological agents).
- At the cooperative's plants, the implementation of controls to identify potential orphan sources in raw materials.
- Management of risks associated with ATEX explosive atmospheres, confined spaces and hot work.



**No. accidents:**

	Work-related injuries (for all employees)														
	2025					2024					2023				
	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total
Total number	0	7	2	77	86	3	10	2	90	105	2	21	1	95	119
Women	0	0	2	10	12	0	0	0	15	15	1	0	0	12	13
Men	0	7	0	67	74	3	10	2	75	90	1	21	1	83	106

The trend and results regarding accidents in 2025 are very positive across all the plants of the Fagor Ederlan group. The figures confirm a significant 18% year-on-year decline in the TOTAL accident rate in 2025, mainly due to an improvement in accident rates across Europe and, to a lesser extent, to better results at plants in North and South America.

Within the European plants, there is a decrease in the accident rate, due entirely to the Fagor Ederlan S.Coop. plants as a whole. The rest of the Plants have similar results to those of the previous year.

Frequency Index (FI) and Severity Index (SI):

	Frequency and Severity Indicators														
	2025					2024					2023				
	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total
Frequency	0	4.93	9.91	20.61	15.24	9.00	7.37	5.82	21.80	17.04	4.86	16.8	2.26	23.93	19.60
Gravity	0	0.07	0.78	0.42	0.32	0.24	0.1	0.06	0.66	0.48	0.12	0.1	0.01	0.56	0.39

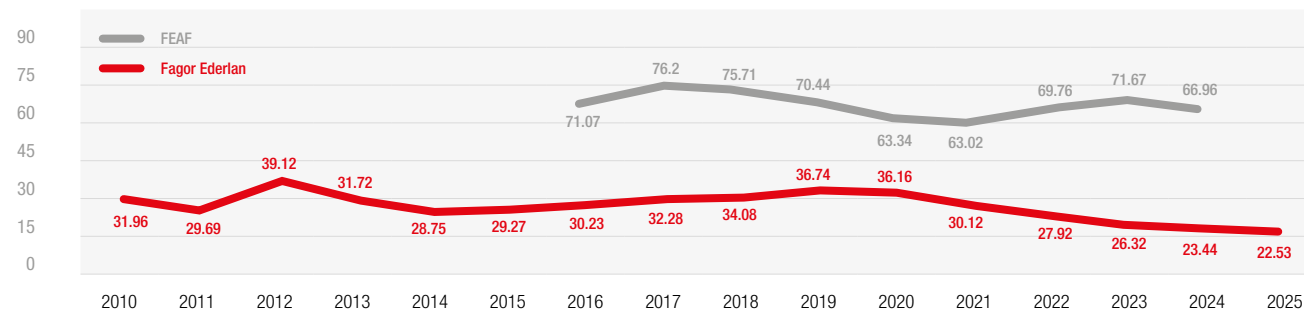
The progress and results in 2025 are very positive. The Fagor Ederlan Group's frequency rate and severity rate have fallen significantly compared with the previous financial year (by 10.1% and 31.2% respectively).

There is a clear difference in the frequency and severity results between the plants in Europe and the rest. They are significantly higher in European plants on both indicators. In the overall data for both indicators, the weight of the European plants prevails, which is why they are more similar to the results of these plants, due to the higher number of accidents in relation to the hours worked, and the fact that sick leave is of a much longer duration in terms of days lost.

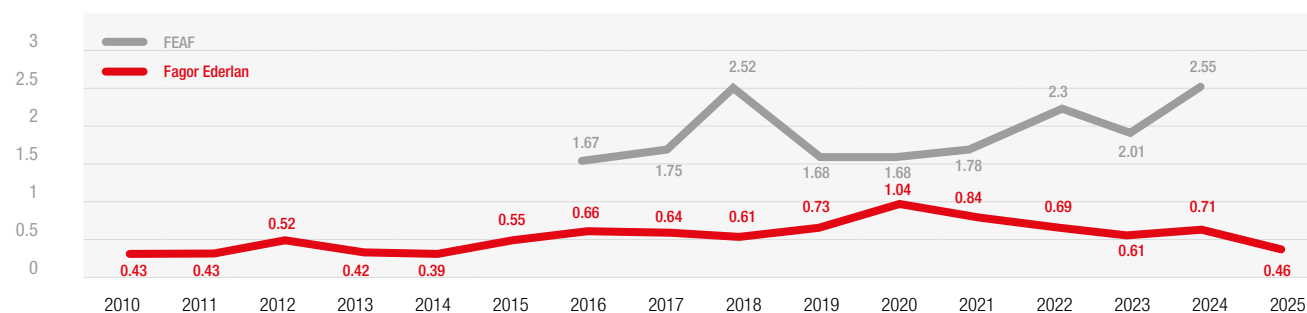
If we compare the results obtained with the average for the foundry sector in Spain as reported by the FEAF, it is clear that the results achieved at the plants belonging to the Fagor Ederlan group are significantly better.



Comparison of Fagor Ederlan's financial results with those of the FEAF foundry sector



Comparison of Fagor Ederlan's operating profit results with those of the FEAF foundry sector



Number of days lost due to work-related injuries and illnesses:

	Work-related injuries (for all employees)														
	2025					2024					2023				
	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total
Absenteeism	0	93	158	1611	1861	81	132	22	2713	2948	24	130	8	2685	2847
Women	0	0	0	112	112	71	0	0	315	386	11	0	2	409	422
Men	0	93	158	1499	1749	10	132	22	2399	2562	13	130	6	2276	2426

In line with the previous sections, the trend regarding days lost due to accidents or occupational illnesses is also proving to be very positive, both by region and by gender, and in both absolute numbers and ratios.

**Absenteeism Rate:**

	Absenteeism Evolution														
	2025					2024					2023				
	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total	North America	South America	Asia	Europe	Total
Absenteeism	1.96	0.31	1.6	8.60	5.93	0.98	1.03	0.28	8.93	6.27	1.06	0.62	0.48	7.52	5.25

It can be seen that the TOTAL absenteeism rate in 2025 stands at below 6, which represents an improvement on 2024, when it stood at just over 6.

There is a significant difference between absenteeism in Europe, which stands at around 8% (primarily due to the impact on the cooperative), and that at plants outside Europe, which stands at around 2% or below. These have much lower absenteeism. The number of workers in these plants is a determining factor for lower absenteeism, in addition to cultural factors that are specific to non-European countries, when it comes to workers' absenteeism.

Given the impact this has not only on our plants in North America, South America and Asia, but particularly on the cooperative measures have been taken to reduce absenteeism, based on the following key lines of action:

- More detailed and regular monitoring of staff turnover.
- Analysis of individual absenteeism in each of the plants: implementation of Plant Absenteeism Committees and Central Absenteeism Committee. Identification of posts or tasks to evaluate possible incorporations of workers on sick leave.
- Adoption of corrective and preventive measures to improve the monitoring of absenteeism and the management of associated behaviours.
- Preventive and corrective measures for musculoskeletal disorders: introduction of a physiotherapist; introduction of mini-clinics (conducting musculoskeletal exercises).
- Establishment of an orthopaedic surgeon's practice.
- Personalised psychological support service.
- Health promotion initiatives: a study on workers' digestive health.

4.3.3 Training and Professional Development

Attracting and retaining talent is another key element for the Fagor Ederlan group. The organisation is proactive in the training and continuous development of people to meet the challenges we face as a multinational company in the automotive sector.

Lifelong learning, together with professional and personal development, is a core element at the origin of the Co-operative Experience, as it is "the natural and indispensable fulcrum for the promotion of a new, humane and just social order". With this in mind, the companies of the MONDRAGON Corporation include education and training among their fundamental principles.

Principle 10 - Education

Promotion of the co-operative person and culture, allocating human and economic resources to the Co-operative and Professional Education of members and young people in general

In 2025, the Fagor Ederlan Group invested a total of 92,540 hours in training initiatives aimed at developing the core, technical and management skills identified for the organisation's staff. By gender, women have received an average of 28.05 hours and 23.93 hours per man, respectively.

By professional category, the MOD has received a total of 40,826 hours, compared to 51,714 hours received by the MOI. This amounts to an average of 19.09 hours per MOD and 26.59 per MOI.

	Total hours of training					
	2025					
	Women	Men	Total	DL	MOI	Total
North America	1494	4822	6316	3421	2895	6316
South America	475	9894	10369	5383	4986	10369
Asia	664	1787	2451	620	1831	2451
Europe	16331	57073	73404	31402	42002	73404
Total	18964	73575	92540	40826	51714	92540

	Average hours of training					
	2025					
	Women	Men	Total	DL	MOI	Total
North America	46.69	49.20	48.58	49.20	38.09	48.58
South America	15.84	14.51	14.56	14.51	18.40	14.56
Asia	18.97	22.62	21.50	22.62	25.43	21.50
Europe	28.21	25.75	26.26	25.75	28.17	26.26
Total	28.05	23.93	24.67	19.09	26.59	24.67

	Total hours of training					
	2024					
	Women	Men	Total	DL	MOI	Total
North America	2210	4870	7080	2434	4646	7080
South America	1033	22522	23556	15243	8313	23556
Asia	871	2424	3295	849	2446	3295
Europe	21541	88015	109556	53067	56490	109556
Total	25655	117831	143486	71592	71894	143486

	Average hours of training					
	2024					
	Women	Men	Total	DL	MOI	Total
North America	47.01	35.55	38.48	28.30	47.40	38.48
South America	35.64	42.49	42.14	41.76	42.85	42.14
Asia	18.53	25.52	23.20	16.33	27.18	23.20
Europe	34.36	36.10	35.74	29.24	35.66	35.74
Total	34.21	36.82	36.33	30.89	35.73	36.33

	Total hours of training					
	2023					
	Women	Men	Total	DL	MOI	Total
North America	1400	3947	5347	3646	1701	5347
South America	817	5929	6746	2956	3790	6746
Asia	2434	3928	6362	2419	3943	6362
Europe	25844	100726	126570	85470	41100	126570
Total	30495	114530	145025	94421	50534	145025

	Average hours of training					
	2023					
	Women	Men	Total	DL	MOI	Total
North America	22.22	24.82	24.09	28.71	17.91	24.09
South America	26.34	11.42	12.27	9.24	16.48	12.27
Asia	38.03	31.17	33.48	27.80	38.28	33.48
Europe	36.20	36.67	36.57	39.61	24.02	36.57
Total	34.97	32.25	32.79	35.10	22.77	32.79

In addition to technical or management training actions, the Fagor Ederlan group promotes other initiatives aimed at the development of its employees.

With the **general Welcoming Plan**, all new recruits in the Fagor Ederlan group receive an initial training or "Welcoming Plan" in which the new recruits are instructed in a number of subjects, for example:

- **General Welcoming Plan:** code of conduct and policy on information and standards for the use of information systems.
- **Structure and organisation:** organisational structure of the Department, organisation chart, hierarchical and functional units, etc., operational work meetings (daily, fortnightly, monthly, etc.)
- **Equality plan and protocol for moral, sexual and gender-based harassment:** equality between men and women, whistleblowing procedures, ethical channel or IIS, etc.
- **Occupational risk prevention:** general and specific risks in the workplace, mandatory PPE, incident response, emergency plan, ORP policy and management systems, ergonomics, workplace risk assessment, etc.
- **Environment:** environmental policy, the Fagor Ederlan group's commitment to the environment, waste collection and separation, energy and sustainability, etc.
- **Quality:** quality policy, impact of quality on the product and on the customer, requirements of the automotive market, products, product functions and main product features, parts and safety features, risks of supplying defective products, levels of quality assurance, personal quality behaviour, zero-defect strategy, etc.
- **Management skills:** business strategy and management strategy.

Cooperative and Corporate Welcoming Plan, focusing on new members to raise awareness, train and educate them in the principles and values of the Mondragón Co-operative Experience. Among other topics, it addresses issues such as the origin of the co-operative movement, inspiring principles, management and governance bodies in the co-operative, the rights and obligations of co-operative members, etc.

The Fagor Ederlan group's Leadership programme focuses on training people who are in charge of employees and work teams. Participants in the Leadership Programme receive theoretical and practical training in communication skills, personal and management competencies..

Aware of the need for constant intergenerational renewal, the **Future Professionals Programme** has been launched. The programme focuses on students studying in dual

or partial mode, Final Degree (TFG) or Final Master's (TFM) students and incorporates a hybrid learning pathway that includes original digital course material and practical workshops in various key competences such as teamwork, customer orientation or achievement orientation, among others.



4.3.4 Employee benefit plans

4.3.4.1 Lagun Aro

The MONDRAGON cooperatives, including Fagor Ederlan S.Coop, form part of a Voluntary Social Welfare Entity called LagunAro, responsible for managing an endowment fund made up of the contributions made by the members (mutual members) according to their employment index, which aims to guarantee defined benefit pension cover for its mutual members to complement the public retirement benefits recognised by the Social Security on the basis of the contributions to the self-employed workers' scheme made by LagunAro on behalf of each mutual member. Alongside these retirement benefits, it also manages those relating to members' widow(er)s'/orphans' pensions.



Similarly, another part of the contributions made by members is used to fund the various mutual benefits, such as health care, maternity and paternity, temporary disability processes or employment assistance. The employment aid benefit is an Intercooperation tool designed to combat adverse economic periods and, among the measures that it proposes and co-finances together with the cooperatives, are those directly related to maintaining the employment of members through the financing of early retirement, the mobile calendar, effective unemployment, the professional reconversion of mutual members and the relocation of members between the cooperatives associated with LagunAro, both temporarily and permanently.

The benefits provided by LagunAro, EPSV are classified below from a double point of view:

- Its financing (Distribution or Capitalisation)
- Exclusive coverage by LagunAro or mixed coverage with the Special Regime for Self-Employed Workers (RETA). In the latter case, the LagunAro benefit may be complementary to that provided by the self-employed or completely independent of it.

	Financing		Exclusive LagunAro coverage	Mixed coverage with the Reta	
	Distribu- tion	Capitali- sation		Comple- mentary	Independ- ent
Temporary incapacity	✓	–	✓	–	–
Employment aid	✓	–	✓	–	–
Health care	✓	–	✓ Complementary to that granted by the Public System	–	–
Maternity	✓	–	–	✓	–
Paternity	✓	–	–	✓	–
Risk during pregnancy	✓	–	–	✓	–
Risk during breastfeeding	✓	–	–	✓	–
Care for children affected by cancer or other serious illnesses	✓	–	–	✓	–
Help for people with disabilities	✓	–	✓ Complementary to that granted by the Public System	–	–
Death grants	✓	–	–	–	✓
Retirement	–	✓	–	–	✓
Widowhood (and orphanhood)	–	✓	–	–	✓
Permanent incapacity	–	✓	–	✓	–

Benefits of LagunAro, EPSV



4.3.4.2 Arogestión

Arogestión, Ahorro-Jubilación, Entidad de Previsión Social Voluntaria de Empleo, (hereinafter Arogestión, EPSV) was set up on 23 March 1999 with the aim of providing its members, both male and female, both as protectors (cooperatives) and as members (mutual members of the affiliated cooperatives), with the necessary instruments to improve their retirement cover.



It is a non-profit defined-contribution EPSV with LagunAro, EPSV as a sponsoring protective partner, but independent of its contributions and benefits system.

Through this instrument, cooperatives can make contributions for the benefit of their members and workers, just as these people can also make contributions for their own benefit.

The rights constitution system in the case of Arogestión is similar to that of the EPSV or pension plans marketed by banks and insurance companies. In other words, during an initial phase, contributions are made, which are invested collectively in the financial markets to obtain an efficient return, so that when one of the contingencies giving entitlement to the benefit (retirement, permanent disability or death) occurs, an accumulated right is available as a result of the developed capitalisation process.

Arogestión currently has two different investment profiles or pension plans, and people can freely choose in which of them to make contributions, as well as transfer, partially or totally, their rights (capital) from one to the other at any time:

- Mixed Plan, balanced investment profile, with a medium-long term vision and seeking a combination of different types of assets that allow it to find the right balance between security and profitability.
- Money Plan, with a more conservative investment profile and a more short-term vision, in which security and liquidity are more important than profitability.

Each of these two schemes has its own Regulations and Investment Policy Statement, which sets out the investment policy principles and guidelines, as well as the investment management decision-making process.

Given the role of Arogestión as a social welfare Entity that was created to improve the retirement cover of cooperative members and the impact that its policies and actions can have on them, Corporate Social Responsibility is the voluntary commitment to integrate sustainable management into its strategy as part of the Entity's commitment to its environment and within the framework of the cooperative values and principles of the MONDRAGON Corporation.



4.4 SOCIETY “Promoting cooperative development”

4.4.1 Intercooperation through the Fagor Group

Fagor Ederlan belongs to a regional group called the Fagor Group. The Fagor Group was born more than 60 years ago to respond to the needs of our community. Society's challenges are also ours, which is why we are involved in transforming our territory.

The Fagor Group's link with the community has been a constant since its beginnings. Fagor is a cooperative group created to promote socio-economic development of the Debagoiena region, based on solidarity and community self-organisation.

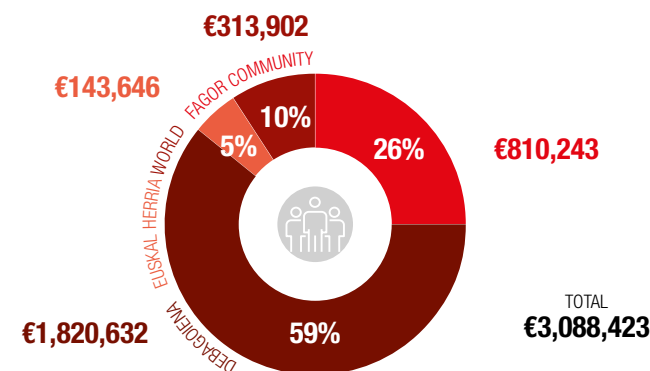
The Fagor Group's commitment to sustainability is not limited to the internal level. Based on community self-management, we are committed to the path towards sustainability that must be taken by the territories and communities where our cooperatives are located. To this end, the Fagor Group collaborates with the rest of the agents in the region so that we can work together to achieve the Sustainable Development Goals.

According to the BAC Cooperatives Act, cooperatives have to allocate 10% of their annual profits to the Social Fund, for the promotion and support of different social projects. In our case, we allocate 12% to this fund as a demonstration of our commitment to society.

Most of this fund goes towards promoting strategic projects aimed at generating a long-term impact, while the rest is used to collaborate with numerous small actors in our immediate environment who work in the fields of culture, education, sports and social integration.

Through the Social Fund we want to promote the achievement of the Sustainable Development Goals and, in this sense, we have supported projects at different scales:

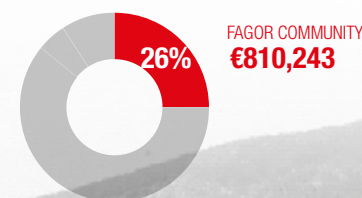
Distribution of the social fund. 2025



The Social Transformation Committee is the committee responsible for working on this commitment, in which at least one person representing each cooperative in the Fagor Group participates.

Fagor Community: Involving Fagor's people in the Sustainable Development Goals

We are working to ensure that the commitment to the Sustainable Development Goals is not only institutional, but also of the people who make up the Fagor Group. For this we offer different possibilities to be part of the transformation.



■ Fagor Mugí

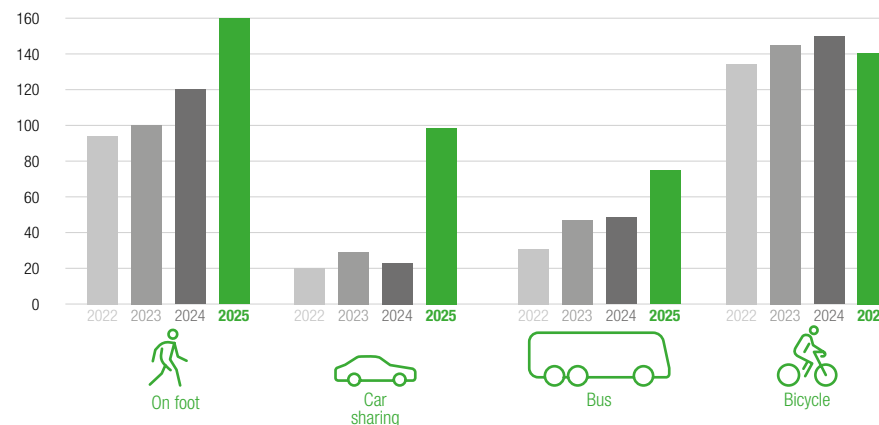
In 2020, we launched the Fagor Mugí initiative to promote sustainable mobility when commuting from home to the workplace by encouraging the use of bicycles, scooters, public transport and car sharing, among others. Since then, a total of 1,597,807 kilometres have been travelled by Fagor Group members and employees using a more sustainable means of transport, which has prevented the emission of almost 193 tonnes of CO₂ (192,250 kg) and has led to a saving of €302,406.

In 2025 we have travelled 470,242 kilometres more sustainably among 332 people. The figures show that passenger numbers are on the rise, and this year has seen a significant increase in both passenger numbers and the number of kilometres travelled, reaching the highest figures on record. As a result, CO₂ savings have also increased significantly.

	KILÓMETROS RECORRIDOS	AHORRO CO ₂	PERSONAS USUARIAS
2022	242,796 km	31,235 kg	208
2023	320,843 km	38,527 kg	216
2024	282,218 km	34,469 kg	241
2025	470,242 km	52,681 kg	332

A number of factors have contributed to these results. On the one hand, to mark the fifth anniversary of the Fagor Mugí initiative in 2025, we have launched a number of campaigns to promote sustainable mobility, with a particular focus on encouraging car-sharing and cycling. Furthermore, the benefits of the Energy Saving Certificates (CAE) scheme, promoted by the Ministry for Ecological Transition and Demographic Challenge, have provided an additional incentive for car-sharing.

In fact, car-sharing has seen the most significant growth in 2025, with both the number of users and the number of kilometres travelled tripling compared to 2024. This increase has been the main driver behind the rise in total mileage, although it is worth noting that, overall, the use and distance travelled by all modes of transport have increased, particularly for journeys on foot and by bus.



For the first time in the last three years, cycling is no longer at the top of the rankings for total kilometres travelled; buses and car-sharing have gained ground as people travel longer distances. However, if we look at the number of recorded journeys, cycling remains the preferred mode of transport for commuting to work (16,436 journeys in 2025), followed by walking (12,839). Carpooling and the bus follow, with around 4,500 journeys each.

To reward our users' loyalty, we have distributed various incentives via the Fagor Mugí app. To mark our fifth anniversary, we have introduced new items to our rewards catalogue, including vouchers for the canteens at Fagor's plants, vouchers for electric vehicle charging points, and vouchers for cycling shops.

By 2025, 158 people had exchanged their "cycles" (points accumulated on the app) for prizes. In total, we have allocated €12,800 to these incentives (compared with €7,410 in 2024), with top-ups for the Gipuzkoa MUGI card being the most popular reward.

In this context, it is also worth noting the excellent response to the installation of **electric vehicle charging points** by Fagenezer. As a result, throughout 2025 we had 66 charging points in operation, recording more than 2,000 charging transactions. These sessions have enabled us to cover 150,000 km 'green' (with no direct emissions). The data also show that this upturn has been concentrated in the second half of the year, suggesting that these figures are likely to continue growing steadily in the coming years.

To finance the Fagor Mugí programme, **€39,878** has been earmarked from the Social Fund in 2025.

■ Fagor Elkarrekin

With the aim of strengthening the Fagor Group's community of people, the Fagor Elkarrekin dynamic was launched in 2022, a dynamic that we have maintained in 2025. Through this initiative, we promote dynamics and initiatives to engage people in the Sustainable Development Goals. These include solidarity campaigns, collaboration dynamics with social agents, voluntary work, etc.

The following were the main initiatives in 2025:

- Volunteering campaigns: We have expanded our call for Fagor staff to volunteer for initiatives such as the First Lego League and Mundukide.
- Promotion of charity campaigns: We have continued to foster collaboration with organisations such as Errigora, Harreman and Mundukide.

Alongside these initiatives to encourage active participation, this year we have organised, for the third time and in collaboration with the Zaporeak association, a food drive across all our sites to support refugees on the island of Lesbos (Greece). In total, 1,400 kg of food has been collected, bringing the figures back up to 2023 levels after the 1,000 kg recorded in 2024.

Furthermore, to mark Mundukide's 25th anniversary, we have updated the terms and conditions governing members' participation in inter-cooperative projects and have signed a new partnership agreement.

In addition to encouraging individual involvement, the Fagor Group has made a number of direct financial contributions, including:

- A donation of €12,000 to EITB Maratoia, earmarked for research into cardiovascular diseases.

In total, we have allocated **€17,000** from the Social Fund to finance initiatives related to the Fagor Elkarrekin programme.

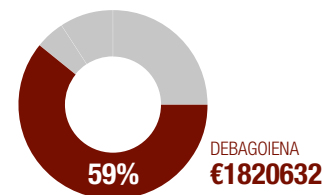
■ Fagor Euskaraz

Fagor Euskaraz includes the item earmarked for investment in plans to revitalise the Basque language in the Fagor Group's cooperatives. In general, this is an item that we have earmarked for initiatives to finance the Basque language revitalisation plans of both the Group and the co-operatives and the actions specified therein.

The total amount allocated in 2025 for initiatives in favour of the Basque language was **€753,365**

Promoting the sustainable development of Debagoiena

Most of our cooperatives' production centres are located in Debagoiena, which is why the Fagor Group works with a special commitment to this region. The initiatives that we promote in Debagoiena respond to a long-term intervention strategy to which we allocate most of our economic resources.



■ /Debagoiena 2030

Debagoiena 2030 is a collaborative network designed to drive the region's sustainable transition. Convinced that this challenge requires cooperation between stakeholders in the valley (educational establishments, institutions, businesses and social organisations), the Fagor Group has been committed since 2018 to leading and promoting this network. This is a strategic partnership aimed at building more sustainable towns and communities through the following priority areas:

- Energy transition.
- Sustainable and intelligent mobility.
- Food sovereignty and local production.
- Conservation and recovery of ecosystems and biodiversity.
- Social cohesion and inclusion in the workplace.

The key milestones of 2025 were as follows:

We have stepped up our efforts to promote energy communities through the "[Energia-
ren puntua](#)" initiative. In addition, we have become a collaborating partner of the Esnargi cooperative (Eskoriatza), adding to our existing involvement with [Ekiola](#), [Ixotzen](#) and [Berener](#). We are also taking part in the [Argitzen](#) consultation process to jointly define the roadmap for the energy transition in the region.

Together with the Rural Development Agency and Erein da Jan, we have launched the [Tokixan](#) project, which aims to supply Debagoiena's community canteens with local produce. In line with this, we have continued to revamp the Fagor Ederlan canteen in Bergara, increasing the proportion of locally sourced food in the daily menus.

As regards mobility, significant progress has been made with the [Plaza Bizi](#) project, a comprehensive initiative in the Arima Zubi area (Arrasate). By involving a range of stakeholders, we are seeking mobility solutions that can serve as a model for other sectors or public policies.

In total, in 2025, we have allocated **€784,755** to the Debagoiena 2030 initiative.



■ / Gizabidea Foundation

Through the [Gizabidea Foundation](#), we have been working alongside cooperative educational organisations in our local area for over 40 years. Our work focuses on co-funding the infrastructure needed to ensure a high-quality education for children and young people in the region.

Throughout its history, the Gizabidea Foundation has played a key role in the development of Mondragon University, driven by the firm conviction that education is a strategic driver for the progress of Debagoiena and the strengthening of its business community.

As part of this long-term commitment, in 2022 we signed a number of agreements with MGEF, HUHEZI and Arizmendi Ikastola, setting out the projects to be funded over the coming decade.

In 2025 we have allocated **€784,755** to the **Gizabidea Foundation**.

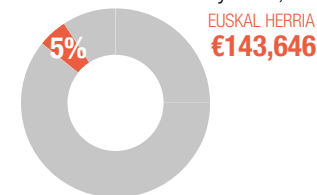
■ Promotion of local partnerships

Through the **Social Fund**, we subsidise and support the activities of local associations in the municipalities where the Fagor Group's cooperatives operate, thereby strengthening the community network in our local area. Specifically, in 2025, we have allocated **€251,122** to promoting local associations.



Support projects that pursue sustainable development in the Basque Country.

The Basque Country is the next natural port of call for the Fagor Group. In this case, our capacity to influence is smaller than at the county level, so our intervention is more limited.



■ Fagor Herrigintza

[Fagor Herrigintza](#) is a partnership programme designed to support projects that offer unique and innovative solutions to the Sustainable Development Goals. This is a scheme designed to support initiatives originating within Basque society, organised through a public call for proposals under which three main grants are awarded.

In 2025, we held the third edition of the programme, receiving 38 proposals via the Group's website. After verifying compliance with the terms and conditions and carrying out a technical assessment in accordance with the established criteria, the Social Transformation Committee selected nine projects (three from each category) to proceed to the voting stage.

Finally, the members of the Fagor cooperatives voted to select the three winning projects. This year's edition has been notable for its high turnout, with a total of 1,585 votes (representing almost 40% of the group).

The projects selected in 2025 are:

- **ARIZARI HEKUNTZA ELKARTEA.** *Mugarik gabeko ikasgelak, Arizmendi ikastola:* a project to refurbish decommissioned IT equipment in schools and transfer it to schools in Morocco, the Sahara and Senegal. **€60,000**
- **HAIZE BERRI AISIALDI ELKARTEA.** An initiative to ensure that young people with disabilities have equal access to leisure and cultural activities. **€40,000**
- **SHIFA ELKARTEA.** Expedition to the Sahrawi refugee camps in Tindouf to provide medical care and medical supplies. **€20,000**

In addition to this direct funding, we are committed to exploring new avenues of collaboration with the other organisations that applied for the call for proposals.

■ Other projects at Euskal Herria level

In addition to the Fagor Herrigintza programme, the Fagor Group continued to support other associations and organisations operating in the Basque Country in 2025, thereby reinforcing our commitment to the region. In total, we have allocated **€23,646** to this area.

Cooperating with developing countries (World)

Solidarity is one of our pillars, so sharing what we have learned is fundamental. This is the basis of our way of doing things on a global scale, sharing what we have learned from our own cooperative experience and bringing back what has been developed elsewhere.



In order to respond to the universal vocation of cooperativism and to help developing countries to create endogenous community development processes, we created the [Mundukide Foundation](#) over ten years ago, together with other Mondragón cooperatives and various local NGOs.

Mundukide, which focuses its activities primarily on **Mozambique and Brazil**, has for many years been promoting the endogenous development of these communities in full accordance with the cooperative philosophy. As members of the Board of Trustees, we play an active role in addressing the Foundation's strategic challenges.

In addition to direct funding, members of our cooperatives have the opportunity to work as volunteers on the programmes that Mundukide runs in the field

In 2025 we have allocated **€303,902** to the Mundukide Foundation.



[Garabide](#) is an organisation that works on language revitalisation initiatives, sharing its experience of reviving the Basque language with minority language communities in other countries. Their work aims to enhance the socio-economic development of these communities by strengthening their linguistic identity, through mutual learning and the sharing of strategies.

In 2025 we have allocated **€10,000** to the Garabide association.

4.4.2 Fagor Ederlan plants' direct intercooperation

Plants Fagor Ederlan S.Coop.

In addition to the initiatives carried out by the Fagor Group, each cooperative has a sum of 8% to distribute in activities/proposals defined by the cooperative itself. The following is the distribution agreed at Fagor Ederlan S.Coop. for 2025:

- A total of **€2,690**, as earmarked for training courses for the cooperative's employees on topics of personal interest not linked to business needs, of which 11 people benefited.
- The rest, plus the amounts collected by application of internal regulations, are allocated to community distribution among the applications received from any non-profit association in the area working in the areas defined as priorities in Fagor Ederlan.

Community-related associations	Culture-education	Sports clubs for children
50%	30%	20%
€6,961.78	€3,480.9	€3,480.9
7 beneficiary associations	15 beneficiary associations From parents' associations at local schools to organisations working to promote Basque culture.	15 beneficiary associations All of these include a personal development project among their goals.

Intercooperation of outdoor plants

This inter-cooperation strategy developed in Fagor Ederlan S.Coop. is complemented by the initiatives developed in the rest of the Group's organisations and geographical areas. The Fagor Ederlan group thereby guarantees its active commitment to the environment in all the regions where it operates (100%).



Fagor Ederlan Slovensko

The company's resources allocated to environmental cooperation or social action during the year 2025 amounted to €2,376.64 and the resources of the NADÁCIA FAGOR EDERLAN SLOVENSKO Foundation allocated to environmental cooperation according to its objective amounted to **€2,258.23** and were distributed as follows:

■ Fagor Ederlan Slovensko company:

- Social inclusion: **€300**
- In the cultural sphere: **€1000** Organisation of activities that promote Basque culture and identity in Slovakia
- In addition, **€1,076.64** (from 2% of corporate tax) has been included in the Fagor Ederlan Slovensko Foundation's fund for aid aimed at supporting sport, science and research, health protection, protection of cultural and intellectual assets, environmental protection and humanitarian aid through non-profit organisations.

■ NADÁCIA FAGOR EDERLAN SLOVENSKO Foundation, Direct aid for specific events or activities:

- Sports grants: Organising sporting events and facilitating the participation of representatives from the region in football, ice hockey, bowling and running events: **€2,258.23**



Fagor Ederlan Mexico

FAGOR EDERLAN MEXICO: The Fagor Ederlan Mexico plant promotes and collaborates in various social initiatives in the San Luis Potosí area. In 2025, the following stand out:

- The return to school is one of the moments of greatest economic impact in the year for Mexican families, as this is when they have to buy school supplies. For this reason, Fagor Ederlan Mexico makes a contribution of **1852.00 pesos** per child, covering 31% of the total population of the company's workers.
- In order to promote and strengthen the academic development of workers at the upper secondary and higher education levels, Fagor Ederlan Mexico contributes with an employee's financial contribution and a flexible timetable that allows them to work and study alternatively. This benefit is granted to 5% of the staff.
- As part of the personal and professional development of the employee, in the pursuit of reinforcing and perfecting the use of the English language, Fagor Ederlan Mexico offers the opportunity to provide this training at its own facilities and free of charge to 10% of the administrative staff.
- Also, in conjunction with the central workers' union, they organise an annual internal football tournament with all employees, the aim of which is to promote a healthy lifestyle among workers..



Fagor Ederlan Brasileira

The Fagor Ederlan Brasileira plant has allocated **€125,798.37** to social initiatives:

- Educational: Community initiatives, youth development programmes, post-graduate studies for two employees and technical courses for six employees' children, totalling **€41,786.67**.
- Cultural: Through an incentive law implemented by the local council for musical, culinary and festive events. With a value of **€50,952.66**.
- Sports: Through an incentive scheme implemented by the local council for sporting events. With a value of **€33,059.03**.





GisEderlan

GisEderlan has collaborated in different local initiatives for the promotion of culture, sport, education and support for people at risk of exclusion for a total amount of **\$204,095.80**:

- In August, a school grant is awarded to unionised employees who submit their children's school reports and enrolment forms for the school year. In 2025, 59 unionised employees at GisEderlan received a total of \$153,883.80
- In August, school kits were awarded to the children of employees who achieved a minimum academic average of 9.0; in 2025, the children of 19 unionised employees at GisEderlan benefited from this scheme, with a total value of \$17,632.00
- In 2025, trade union grants totalling \$6,800.00 were awarded for the birth of employees' children and for the death of immediate family members of GisEderlan employees.
- In December 2025, GisEderlan staff donated \$15,000.00 to support vulnerable children at an institution linked to the state DIF called "Casa Cuna Margarita Maza de Juárez" in San Luis Potosí.
- Support for the GisEderlan football team in the Industrial Zone companies' tournament, amounting to \$12,000.00



Fagor Ederlan Kunshan

The intercooperation of our Kunshan plant is summarised as follows:

- Working with local authorities:
 - ◆ In 2025, a research and development cooperation agreement was signed with the Changshu Institute of Technology, with the aim of establishing close collaboration on product process requirements.
 - ◆ To actively participate in relevant training organised by government employment departments and the Federation of Trade Unions
- Accident prevention: Medical check-up for all employees with the purpose of early disease prevention, such as some types of cancer and other pathologies that are of concern to the population for the value of **¥44716**.
- Culture: To cooperate actively with the parent union on publicity and guidance work.



4.5 ENVIRONMENT "Moving towards neutrality"



4.5.1 Environmental management

The environment encompasses all the natural, physical and biological elements that surround people and industrial activities, including air, water, soil, natural resources, biodiversity and climate. Industrial activity interacts with this environment both directly and indirectly, generating impacts that must be identified, assessed and managed responsibly.

For an industrial company such as the Fagor Ederlan Group, **environmental management is a strategic element** that enables the integration of environmental protection into operational and strategic decision-making, aligning production activities with the principles of sustainable development.

Environmental management is not limited to controlling negative impacts; it also promotes resource efficiency, technological innovation, risk reduction and the creation of opportunities linked to the transition towards a more sustainable industry. In this regard, it is a key factor in boosting competitiveness, resilience and long-term value creation.

Based on this approach, the organisation identifies and prioritises its environmental issues, the most significant of which are climate change and the circular economy; these are discussed in the following sections as key pillars of the environmental strategy.

The Fagor Ederlan Group has adopted an **Environmental Policy**, which provides a framework to guide the organisation in adopting responsible and sustainable environmental practices. It sets out commitments and defines the guiding principles that are translated into specific objectives, strategies and courses of action, which are integrated into the organisation's overall strategies and management.



It states that:

The Fagor Ederlan group is committed to Sustainable Development, with the protection of the Environment being a fundamental part of its contribution to this, and to this end it assumes the following commitments:

- To have a **Management System** that, in addition to complying with current legislation and other voluntary commitments, allows for its implementation and continuous improvement, adopting a preventive approach to avoid causing harmful impacts on natural resources and biodiversity and encouraging initiatives that promote the improvement of environmental performance.
- To incorporate into the **Strategic and Management Plans** the resources devoted to the development of the following areas:
 - Perform a **Sustainable Consumption of Natural Resources**, including water consumption, as well as the use of raw materials.
 - To reduce **Greenhouse Gas Emissions**, monitoring emissions from all three of its scopes and overseeing a plan of Decarbonisation.
 - To make **Efficient Use of Energy** and fuels, encouraging the use of **Renewable Energy**.
 - To promote **Circularity**, driving for the **Reduction, Reuse and Revalorisation/Recycling of Materials and Wastes** throughout the value chain.
 - To manage the **Air, Water and Soil Quality**, preventing their contamination by continuous monitoring and reducing the use of pollutants.
 - To avoid **Noise Pollution** by controlling industrial noise levels.
 - To ensure a **Responsible Management of Chemicals**, identifying, minimising and, if possible, eliminating the use of restricted substances in the manufacturing processes of its products and ensuring regulatory compliance at all times.
 - To protect the **Biodiversity, land use and deforestation**, analysing the ecosystems affected by the activities, especially key biodiversity areas, and minimising our impact.
- To establish **training/information programmes, as well as channels for participation** so that all the people in the Fagor Ederlan group assume responsibility for carrying out the initiatives planned in order to comply with the Environmental Policy, Objectives and Management System.
- To collaborate with the different **stakeholders in the value chain** in order to reduce the environmental impact generated by our activity and our products, as well as to promote progress in their environmental commitments and standards.



All of the Fagor Ederlan Group's production plants have an integrated environmental management system, and **93% of them hold ISO 14001 certification**, which was renewed in 2025.

The **environmental costs** for the 2025 financial year amounted to **€3,258,114**, whilst **investments totalling €632,655 were approved to improve environmental conditions**, many of which were aimed at preparing non-hazardous waste for recovery and preventing landfill.



4.5.2 Climate change

Both in the environmental policy and in the materiality of the Fagor Ederlan group, the reduction of Greenhouse Gas emissions is a firm and unavoidable commitment.

Following a major effort the previous year to make a detailed calculation of the organisation's carbon footprint for the year 2022 for all its plants and locations, this year was established as the base year and starting point for our Decarbonisation Roadmap.

Based on this roadmap, and following the criteria established by SBTi within the Near Term SBT, we are committed to achieving GHG emission reductions in both Scopes 1+2 and 10-year Scope 3, which have been approved by SBTi itself and will serve as an initial guide towards achieving Net Zero by 2050.

Thus, during 2025, Climate Change has Further one of the strategic issues that has been monitored in detail at board level. The KPIs at the core scorecard level have been reviewed for monthly monitoring, in addition to the strategic A3 report on the material issue for presentation to the Strategic Sustainability Committees.

Decarbonisation Plan: All of this is accessible in the climate change risks and opportunities analysis report.

The detailed calculation of the 2022 Organisational Carbon Footprint has been an important starting point for understanding our impact on GHG emissions in order to outline a clear strategy for achieving decarbonisation.

Taking into account the size of our group and the room for manoeuvre in the face of the risks and opportunities identified, the strategies and objectives set are framed in the medium term (10 years), focusing on the reduction of the footprint as such, without considering the possibility of carbon offsets for the time being.



Thus, the strategies for the coming years are as follows:

Scope 1+2

- **Energy Efficiency:** Reduction of Electricity and Gas consumption à Certify ISO50001 in all plants
- **Increase in Renewable Energy:** Increase Renewable Electricity to 100% at all plants
- **Electrification** of installations/processes using natural gas
- Green hydrogen as a replacement e... still in the pipeline

Scope 3

- Increase in **Secondary Raw Materials***
 - Aluminium (Al) > HPDC, SRQ 100% (RC 100%); LPDC, SRQ 85% (RC 80%)
 - Iron (Fe) > Grey, SRQ 98% (RC 96%); Nodular, SRQ 92% (RC 86%)
- * SRQ: Secondary Raw Quote (including internal flow)
RC: Recycled Content (not including internal flow)
- Primary Raw Material with **low carbon certificates**
 - Primary Aluminium <4 tCO₂e/t Al
 - Ingot, Ferroalloys (FeSi, Graphite-Recarburants, ...)
- **Transport** (MP, Internal, Products)

These strategies have been set out in the **Decarbonisation Roadmap 2022-2032**, where, depending on the business, location or technology, the reduction impacts have been estimated and assessed both financially and over time.

With this, **Near Term SBT 2022-2032 reduction targets** have also been set and approved by SBTi on a linear path with annual milestones.



- Fagor Ederlan commits to a 50.4% reduction in absolute GHG emissions in scopes 1 and 2 by 2032 from a base year of 2022.
- Fagor Ederlan also commits to a 30% reduction in absolute Scope 3 emissions within the same time frame.

Risk and Opportunity Analysis associated with Climate Change according to the TCFD methodology.



The identification of risks and opportunities related to climate change is aligned with the EC reporting guidance and recommendations of the FSB through its Task Force on Climate-related Financial Disclosures (TCFD) as well as the requirements set out in the European Sustainability Reporting Standards (ESRS).

It has therefore been an important input for the IRO and Dual Materiality Analysis exercise as recommended by the CSRD.

By way of summary, a preliminary analysis has been made of Physical Risks (Chronic and Acute), Transitional Risks (Political and Legal, Technological, Market and Reputation) and Opportunities (Resource Efficiency, Energy Sources, Products and Services, Markets and Resilience). Those preliminarily identified for subsequent prioritisation and detail, always from the perspective of the Fagor Ederlan group and taking into account their activities, value chain and locations, were as follows:

Physical hazards:

- PR-23: Heat wave
- PR-26: Storm

Transitional Risks:

- TR-3: Application of the Border Carbon Adjustment Mechanism (CBAM) for the import of raw materials
- TR-9: Increased cost of raw materials or resources
- TR-12 Change in customer behaviour

Opportunities:

- OP-2 Energy efficiency initiatives
- OP-3 Use of low-emission electricity sources
- OP-7 Production of low-carbon goods and services and development of new products or services through R&D&I.

For each of these, a more detailed analysis has subsequently been carried out, approximating their possible financial impact according to different scenarios. All of this is accessible in the climate change risks and opportunities analysis report and has been instrumental in defining the material IROs.

CDP Climate Change Report

The CDP (Carbon Disclosure Project) is an international non-profit initiative that operates one of the world's leading environmental information disclosure systems. Through its annual Climate Change questionnaire, CDP assesses organisations' transparency, management of climate-related risks and opportunities, and their performance in reducing greenhouse gas emissions.

In 2025, Fagor Ederlan was included in CDP's 'A List' for Climate Change, the highest level of recognition awarded by this international initiative. This distinction places the cooperative among the smallest group of leading global companies —approximately 4% of the organisations assessed— for its excellence in transparency, governance and climate performance.

Inclusion in the CDP Climate Change A List 2025 recognises Fagor Ederlan's comprehensive approach to climate change management, which encompasses the definition of a decarbonisation strategy aligned with scientific criteria, the measurement and reduction of greenhouse gas emissions across Scopes 1, 2 and 3, the management of climate-related risks and opportunities, as well as the integration of climate change into the business strategy.

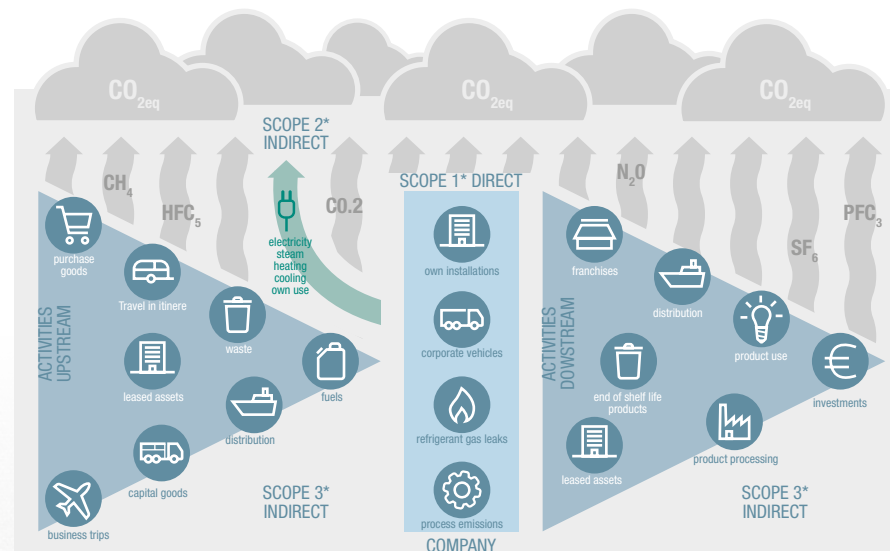
This recognition reinforces Fagor Ederlan's position as a leading industrial company in the field of climate action and underscores its commitment to the transition towards a low-carbon economy, in line with the expectations of customers, investors and other stakeholders.



4.5.2.1 Carbon Footprint - Greenhouse Gas Emissions

The carbon footprint, as defined by both the ISO 14060 series of standards and the GHG Protocol, is structured into three scopes to quantify greenhouse gas emissions in units of carbon dioxide equivalent (tCO₂e):

- Scope 1: Direct Emissions generated at sources owned and controlled by the company
- Scope 2: Indirect Emissions associated with energy consumption
- Scope 3: Other Indirect Emissions generated as a consequence of the company's activity but which are produced by sources that are not owned or controlled by the company.



Thus, the composition of our Organisational Carbon Footprint (CCF) according to the scopes and categories of the GHG Protocol is as follows:

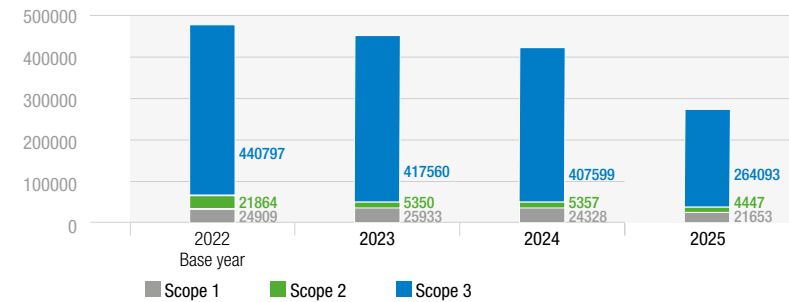
Thus, the composition of our Organisational Carbon Footprint according to the scopes and categories of the GHG Protocol is as follows:

	GHG emissions by sources (tCO2e)			
	2025	2024	2023	2022 Base year
SCOPE 1	21653	24243	25936	24909
1.1 Direct emissions from stationary combustion	20816	23261	25113	23063
1.2 Direct emissions from mobile combustion	620	645	549	1268
1.3 Fugitive emissions (refrigerants)	217	422	274	578
1.4 Direct emissions and removals from industrial processes	0	0	0	0
SCOPE 2	4447	5357	5350	21864
2.1 Electricity Emissions (Market based)	4426	5336	5334	21847
2.1 Electricity Emissions (Location based)	38387	46190	55980	96922
2.2 Imported energy emissions	21	21	16	17
SCOPE 3	264093	407590	417560	440797
Upstream Scope 3 Emissions	226108	363390	378475	406770
3.1 Goods and services purchased	178136	288991	321397	353209
3.2 Capital goods	10299	32841	26913	21794
3.3 Power Generation and Transmission	17863	20070	11848	12740
3.4 Transport and distribution upstream	10848	12600	10795	13288
3.5 Waste generated in the operations	2260	2630	2128	2056
3.6 Business trips	2168	1562	847	133
3.7 Displacement of employees	4534	4705	4548	3551
3.8 Upstream leased assets	0	0	0	0
Downstream Scope 3 Emissions	37984	44200	39085	34027
3.9 Transport and distribution downstream	24535	27496	22098	19293
3.10 Processing of sold products	9860	13369	14025	12038
3.11 Use of sold products	0	0	0	0
3.12 End-of-life treatment of sold products	1347	1369	1336	1209
3.13 Downstream leased assets	0	0	0	0
3.14 Franchises	0	0	0	0
3.15 Investments	2243	1967	1627	1487
TOTAL (tCO2e)	290193	437284	448846	487570

Whilst the GHG emissions for the base year 2022 were calculated using the IPCC AR5 framework and Ecoinvent 3.8 emission factors, the GHG emissions for 2025 have been based on AR6, with secondary emission factors derived from Ecoinvent 3.11 being used primarily. In general, the equivalent emission factors are higher. Nevertheless, it is considered not to exceed the significance threshold, so the comparison with the original base year is retained.



GHG emissions (tCO2e)



Overall, the 2025 financial year has seen the downward trend accelerate, with a real reduction in total GHG emissions of 40% compared with the base year of 2022 and 33% compared with the previous year.

Scope 1+2 account for 9% of total emissions (using the Location Based method it would have been 19%). The use of natural gas processes accounts for 80% of the emissions from these scopes.

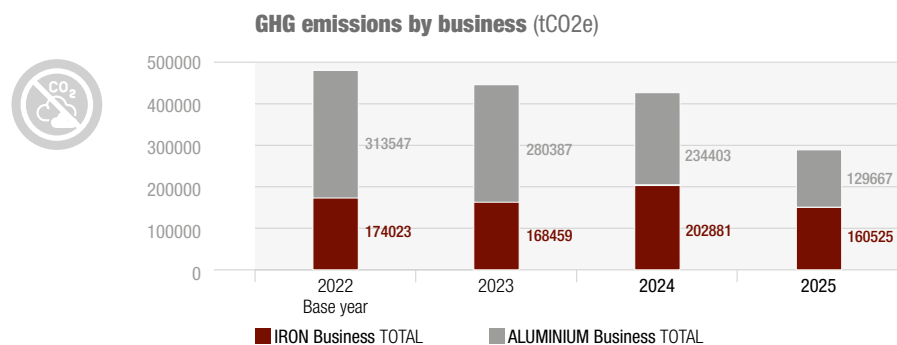
Scope 3 accounts for 91% of total emissions, with procured goods (mainly raw materials, auxiliaries and components) accounting for 61% of the total (67% of Scope 3).

Note on verification: Fagor Ederlan's 2025 Organisational Carbon Footprint calculation across all three scopes has once again been verified by SGS, an accredited third-party organisation.



From the point of view of the Iron and Aluminium businesses, the breakdown is as follows:

		GHG emissions by business (% tCO2e)			
		2025	2024	2023	2022 Base year
IRON Business	Alcance1	7519	8980	8534	7817
	Alcance2	6	6	6	16054
	Alcance3	153007	193901	159918	150151
	Total	160525	202881	168459	174023
ALUMINIUM Business	Alcance1	14135	15348	17402	17092
	Alcance2	4446	5357	5343	5810
	Alcance3	111086	213698	257642	290645
	Total	129667	234403	280387	313547
TOTAL	Alcance1	21653	24328	25936	24909
	Alcance2	4447	5357	5350	21864
	Alcance3	264093	407599	417560	440797
	Total	290193	437284	448846	487570

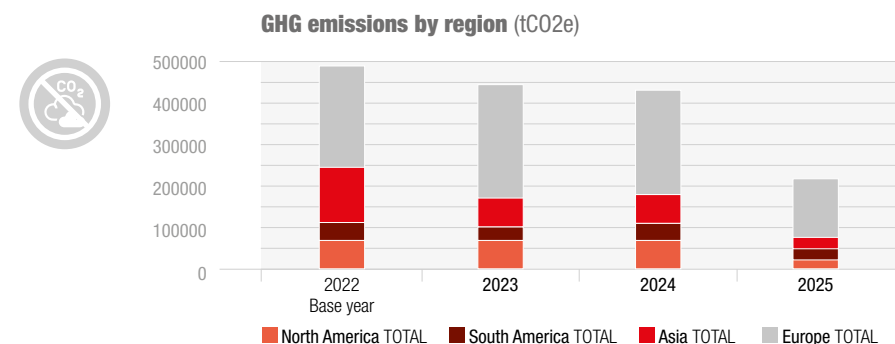


The downward trend in aluminium continues, due mainly to two factors: reduced activity at all aluminium plants and the increased use of secondary aluminium in LPDC processes (see SRQ trends in section 4.5.5.1).

In the iron sector, alongside a slight decline in activity, efforts to improve energy efficiency and reduce the use of ingots have also had a positive impact.

The above arguments also explain the evolution of emissions by region:

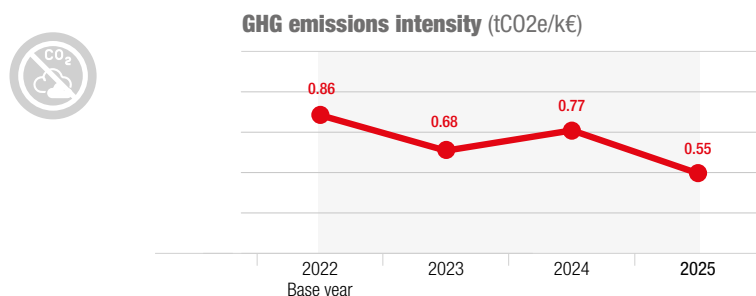
		GHG emissions by region (tCO2e)			
		2025	2024	2023	2022 Base year
North America	Alcance1	2370	1831	2452	2605
	Alcance2	66	0	0	0
	Alcance3	17804	63560	66861	57800
	Total	20240	65391	69313	60406
South America	Alcance1	983	870	765	853
	Alcance2	0	0	0	16047
	Alcance3	33175	42055	33282	32831
	Total	34158	42925	34048	49731
Asia	Alcance1	1371	2207	2525	3024
	Alcance2	2464	3473	4715	5281
	Alcance3	31496	62418	63706	126089
	Total	35331	68098	70946	134394
Europe	Alcance1	16929	19335	20194	18427
	Alcance2	1917	1884	634	535
	Alcance3	181618	239557	253710	224076
	Total	200464	260776	274539	243039
Total	Alcance1	21653	24243	25936	24909
	Alcance2	4447	5357	5350	21864
	Alcance3	264093	407590	417560	440797
	Total	290193	437190	448846	487570



GHG emissions intensity

By 2025, the upward trend in terms of intensity had resumed once market prices had stabilised. When analysed by region, with the exception of Asia, the other regions are also returning to a downward trend.

CO ₂	GHG emissions intensity by region GHG (tCO ₂ e/k€)			
	2025	2024	2023	2022 Base year
Mexico	0.49	1.97	1.54	1.29
Brazil	0.80	0.91	0.73	1.13
China	2.91	2.55	2.29	3.31
Europe	0.46	0.56	0.51	0.56
Total	0.55	0.77	0.68	0.86



The average price of energy and raw materials in 2025 has remained stable, showing a slight upward trend compared with the previous year. As these concepts are directly linked to the price of our products, the retail price of the same product has been higher, which has been reflected in our turnover and, consequently, in the emissions intensity ratio.

Other GHG emissions

Within the calculation of GHG emissions, the Fagor Ederlan group also has the greenhouse gas emissions point of view through another point of view.

On the one hand, the breakdown of direct emissions in 2025 by type of gas and by business gives us another picture of the origin of these emissions.

CO ₂	Direct GHG emissions by gas type (tCO ₂ e)			
	2025	2024	2023	2022 Base year
CO ₂	21407	23.8431	25628	24275
CH ₄	13	14	14	37
N ₂ O	18	20	20	18
NF ₃	0	0	0	0
SF ₆	0	0	0	0
HFC	215	365	274	578
PFC	0	0	0	0
OTHER	0	0	0	0
Total GHG	21653	24243	25936	24909

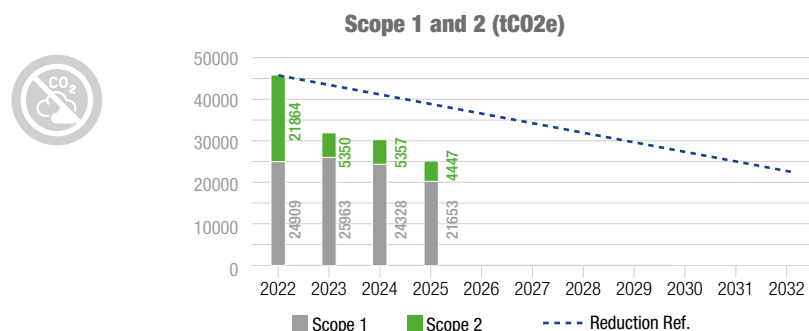
On the other hand, although it is not significant for the activity of the Fagor Ederlan group, the biogenic CO₂ emissions per business are also available, which gives a picture of the carbon dioxide released during the decomposition of organic matter due to the activity of the group's value chain.

CO ₂	Organisation-wide biogenic emissions (tCO ₂ e)			
	2025	2024	2023	2022 Base year
Direct biogenic CO ₂ emissions	0	0	0	0
Indirect biogenic CO ₂ emissions from electricity	1198	1461	3484	3161
Other indirect biogenic CO ₂ emissions	7486	9833	9684	29637
Total biogenic emissions	8684	11294	13169	32798

Evolution of compliance with Near Term SBT reduction targets 2022-2032

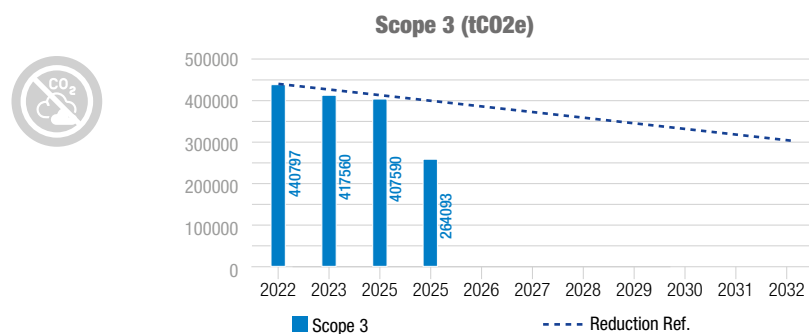
With regard to Scopes 1 and 2, the decarbonisation pathway approved as a target sets a reduction of 50.4% by 2032, using 2022 as the base year.

In 2025, Scope 1 emissions were 21,653 tCO₂e, while Scope 2 *market based* emissions were 4,447 tCO₂e (Scope 2 *location based* emissions were 38,387 tCO₂e). The total Scope 1 and 2 emissions are 44% lower than the base year 2022 and are in line with the science-based target to 2032.



With regard to Scope 3, the target pathway sets a 30% reduction by 2032 with a base year of 2022.

In 2025, Scope 3 emissions stood at 264,093 tCO₂e, representing a 40% reduction compared with the base year of 2022. The reduction has been significant, falling well short of the proposed trajectory and even having already met the science-based target for 2032, which opens the door to committing to more ambitious targets.



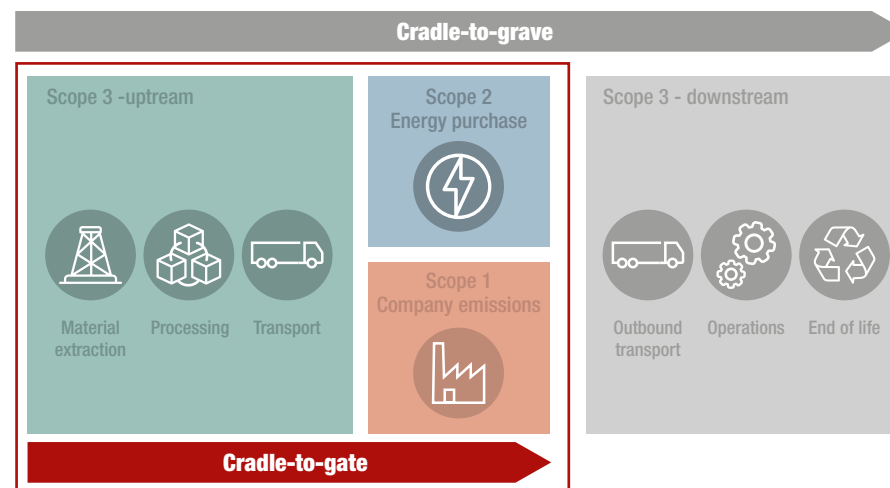
Product Carbon Footprint (PCF)

The Fagor Ederlan Group recognises that, in addition to the organisation's overall vision, it is also important to focus on the product, with the dual aim of improving specific internal processes and providing reliable data to stakeholders (primarily automotive customers) so that they can make progress with their emissions reduction strategies.

In accordance with the ISO 14040/44 standards for Life Cycle Assessment (LCA) and following the guidelines of ISO 14067, a **Product Carbon Footprint (PCF) calculation tool** has been developed for each product line and region.

Fagor Ederlan calculates the LCA using a **Cradle-to-Gate approach**, taking the following inputs into account:

- Scope 1: Petrol, Diesel
- Scope 2: Electricity
- Scope 3 Upstream: Materials (extraction, processing and transport), Waste (transport and end-of-life treatment)
- Scope 3 Downstream: Delivery of the product to the customer (optional, if requested by the customer)



It has modelled systems for each product line to provide PCF data quickly and reliably. Furthermore, it is capable of 'importing' the breakdown of the results into the various customised formats used by different automotive clients.



4.5.2.2 Energy

The Fagor Ederlan group has energy specialists who guide the plants in the study and reduction of energy consumption, both gas and electricity, in order to improve the energy performance of the activity carried out, in line with the group's energy policy.



All plants have specific work teams and an information reporting system to monitor their performance.

Based on the experience and dynamics of the plants, it has been decided to adapt the work system and achieve certification in energy management systems according to ISO 50001 in the group's plants.



During 2025, the energy management system certification according to ISO 50001 has been maintained in all the plants of the cooperative matrix, a process that we expect to extend to the rest of the Group's plants in the coming years. Thus, 67% of the production plants are certified under this standard.

In the case of plants with melting, moulding and machining processes for metal products (iron and aluminium), the demand for energy required is significant and has a high economic and environmental impact.

Energy consumption by source and by region has been as follows:

Energy consumption per source (kWh)	2025	2024	2023	2022 Base year
Electricity	357142154	395978240	378136050	343844202
Gas	114048352	129442735	138049818	127923247
LPG	4458573	3918124	3416016	3788528
Diesel	2649437	3218594	3029303	2525547
Coke	0	0	0	0
TOTAL	478298516	532557693	522631187	478081524

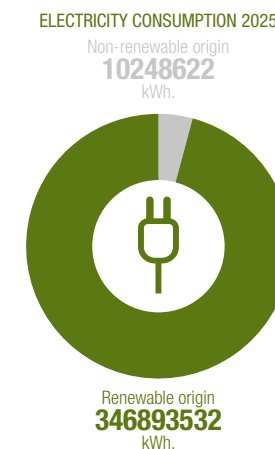
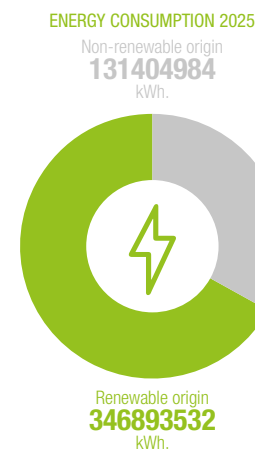
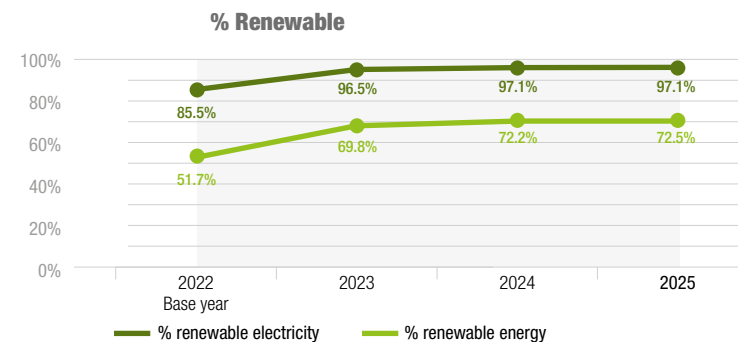
The largest demand was for electricity with 357 GWh, followed by gas (114 GWh of natural gas and 4.5 GWh of liquefied petroleum gas).



Going into more detail, we can see on the one hand the regional breakdown and the split between renewable and non-renewable energy:

	Energy consumption (kWh)					
	Type of energy	Source type	2025	2024	2023	2022 Base year
North America	Electricity	Renewable	5994580	7948540	9400594	9638950
		Non-Renewable	245922	0	0	0
	Gas	Non-Renewable	12411532	10209196	12126628	12887591
	Diesel	Non-Renewable	69	0	0	0
	Total		18157736	18157736	21527222	22526541
South America	Electricity	Renewable	60046364	60315390	55785179	7095600
		Non-Renewable	5298	0	0	48298562
	LPG	Non-Renewable	4458573	3918124	3416016	3788528
	Diesel	Non-Renewable	66577	81855	98176	7095600
	Total		64576812	64315369	59299371	59182690
Asia	Electricity	Renewable	0	0	0	0
		Non-Renewable	4018952	6192292	7612837	8526873
	Gas	Non-Renewable	7720554	12614432	14453275	13648571
	Diesel	Non-Renewable	13	6	0	0
	Total		11739519	18806729	22066112	22175444
Europe	Electricity	Renewable	280852588	316071162	299866102	265682887
		Non-Renewable	5978450	5450857	5471338	4601330
	Gas	Non-Renewable	93916266	106619107	111469914	101387086
	Diesel	Non-Renewable	2582778	3136733	2931127	2525547
	Total		383330082	431277858	419738482	374196849
TOTAL			478298516	532557693	522631187	478081524

It is worth highlighting the efforts made by the Fagor Ederlan group in the use of **renewable energies**, in accordance with its policy. Thus, following the policy initiated in 2023, the Brazilian plant has opted for the purchase of I-RECs to certify the renewable origin of its electricity, thus joining the parent cooperative's plants certified by guarantees of origin (GDOs). As a result, **72% of the total energy** used in 2025 in our plants will be of renewable origin, and **97% of the electricity** used will already be from renewable sources.

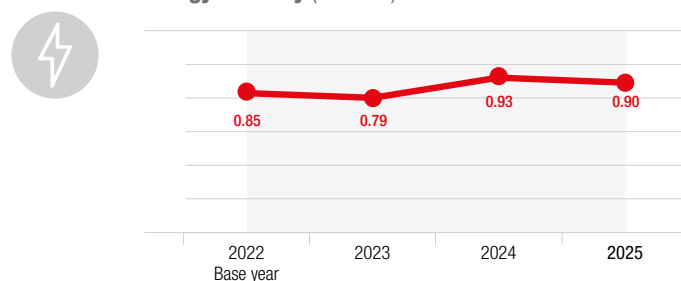


Energy intensity

The intensity ratio has improved compared with the previous year, although it remains high compared with the base year. The improvements currently being made in European plants in terms of energy efficiency are not fully reflected in the 2025 ratio, as the MWh/€ figure is significantly higher for iron products than for aluminium. Consequently, the fact that the proportion of iron products has risen relative to aluminium products also has a detrimental effect on the Fagor Ederlan group as a whole in terms of the overall ratio.

	Energy intensity (MWh/k€)			
	2025	2024	2023	2022 base year
Mexico	0.44	0.55	0.48	0.48
Brazil	1.51	1.37	1.27	1.35
China	0.97	0.70	0.71	0.55
Europe	0.88	0.93	0.78	0.86
Total	0.90	0.93	0.79	0.85

Energy intensity (MWh/k€)



4.5.2.3 Other atmospheric emissions

In relation to other significant atmospheric emissions resulting from the activity of the Fagor Ederlan group, we have that:

Other significant air emission data (kg)	2025	2024	2023	2022 Base year
Nitrogen oxides (NOx)	65273	53826	60930	73228
Sulphur oxides (SOx)	1509	998	349	679
Volatile Organic Compounds (VOC)	161989	152569	184622	219684
Hazardous Air Pollutants (HAP)	0	0	0	0
Particles (PM)	189885	123605	91053	123557
Total	418656	331008	336954	417148

At the end of 2024, the Forge and Foundry Bref were published, establishing more restrictive limits than the current ones and incorporating new parameters to be controlled, with a 4-year horizon for compliance.

The increase in emissions compared with the previous year is due to the change in the number of sources being measured this year, as there were more sources in 2025 than in the previous year.

In 2025, work began on bringing one of the aluminium smelting plants into compliance, with the installation of a filtration system which, as well as meeting the future limits set out in the BREF, will enable the plant to recover some of the waste it generates. Over the coming years, work will be carried out at the remaining plants until the target of having all facilities compliant with the new requirements by the end of 2028 is met.



4.5.3 Water

Water consumption in the Fagor Ederlan group is mainly due to the need to cool its installations and production processes. During previous years, the effort to move from evaporative cooling towers to adiabatic systems has been significant, so today we do not make intensive use of water and do not consider it to be a material for the group. Nevertheless, managing its use is an important aspect, as reflected in the awareness campaigns that are carried out and the monitoring of consumption.

In order to reduce consumption as much as possible and to control discharges, the Group has its own water treatment and recovery systems and facilities, with different treatment systems that allow it to be reused, as well as closed cooling circuits. And in order to manage the consumption, the Fagor Ederlan group has installed partial water meters to analyse changes and improve efficient use.

In 2025, consumption figures were lower than in the previous year, largely due to plant operations and also to the monitoring of and swift action taken upon the detection of leaks.



	Water consumption by source type (m3/year)				
		2025	2024	2023	2022 Base year
North America	Surface water	0	0	0	0
	Groundwater	0	0	0	0
	Rainwater collected and stored directly by the organisation	0	0	0	0
	Municipal water supplies or other public or private water services	1156	2238	3858	8938
	TOTAL	1156	2238	3858	8938
South America	Surface water	6740	22908	17117	17629
	Groundwater	11436	3976	23839	31916
	Rainwater collected and stored directly by the organisation	0	0	0	0
	Municipal water supplies or other public or private water services	31517	31795	13576	5722
	TOTAL	49693	58640	54532	55267
Asia	Surface water	0	0	0	0
	Groundwater	0	0	0	0
	Rainwater collected and stored directly by the organisation	0	0	0	0
	Municipal water supplies or other public or private water services	7948	17034	18871	18766
	TOTAL	7948	17034	18871	18766
Europe	Surface water	83395	89230	88778	101309
	Groundwater	0	0	0	0
	Rainwater collected and stored directly by the organisation	0	0	0	0
	Municipal water supplies or other public or private water services	191961	183230	168412	158147
	TOTAL	275356	272460	257190	259456
TOTAL	Surface water	90135	112138	105895	118938
	Groundwater	11436	3973	23839	31916
	Rainwater collected and stored directly by the organisation	0	0	0	0
	Municipal water supplies or other public or private water services	232582	234261	204717	191573
	TOTAL	334153	350372	334451	342427

*The data presented here are recorded through meters, except in the case of rainwater which are estimates made using different calculation methods.

In the area of discharges, the annual control plan for the plants has been monitored by means of analyses, the results of which are reported to the administration.

Throughout 2025, work has been carried out to improve the reliability of the stormwater treatment systems at the iron smelting plants, achieving results that meet the requirements set out in the permits.

Meanwhile, work continues to reduce the external management of aqueous waste, and in 2025 one such waste stream from the BP Arrasate plant was reclassified as effluent rather than waste, due to its compliance with sewer discharge limits.

CDP Water Security Report

It should also be noted that, as every year, the CDP water security questionnaire has been reported, demonstrating our transparency in the management of this resource. It should be noted that, in the assessment carried out in 2025, despite the fact that the reporting requirements were greater than in previous years, the Fagor Ederlan group has once again obtained a B- rating.



4.5.4 Biodiversity

The conservation of biodiversity and the responsible use of natural heritage are for the Fagor Ederlan group, as well as an ethical commitment, a necessary condition for global sustainability.

Being aware of this, it should be noted that all the manufacturing facilities of the Fagor Ederlan group are located either in industrial estates or urban areas, so that the activity carried out in these locations does not generate significant impacts on biodiversity or other protected areas.

This has been reflected in the IRO and Dual Materiality Analysis exercise, where no material IRO related to the issue has emerged from the assessment. This is why this report does not include information on this issue.

In any case, and being aware of possible negative effects generated along our supply chain, Fagor Ederlan will carry out an approach over the next few years to study the impact on the value chain, within the framework of due diligence.

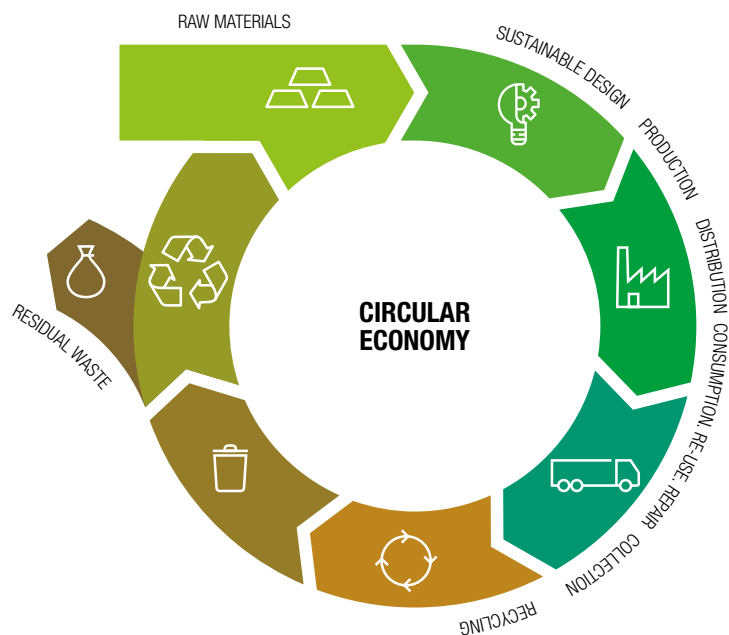


4.5.5 Circular economy

The concept of Circular Economy has been worked on for years within the Fagor Ederlan group, being one of the most relevant material issues.

It is a model of production and consumption that involves minimising, sharing, reusing, repairing, renewing and recycling existing material resources and products as often as possible to create added value. Thus, the life cycle of the products is extended.

In practice, it means reducing resources and waste to a minimum. When a product reaches the end of its life, its materials are kept within the economy wherever possible through recycling. These can be productively used over and over again, thus creating additional value. It contrasts with the traditional linear economic model, based primarily on the "throwaway" concept, which requires large quantities of cheap and easily accessible materials and energy.

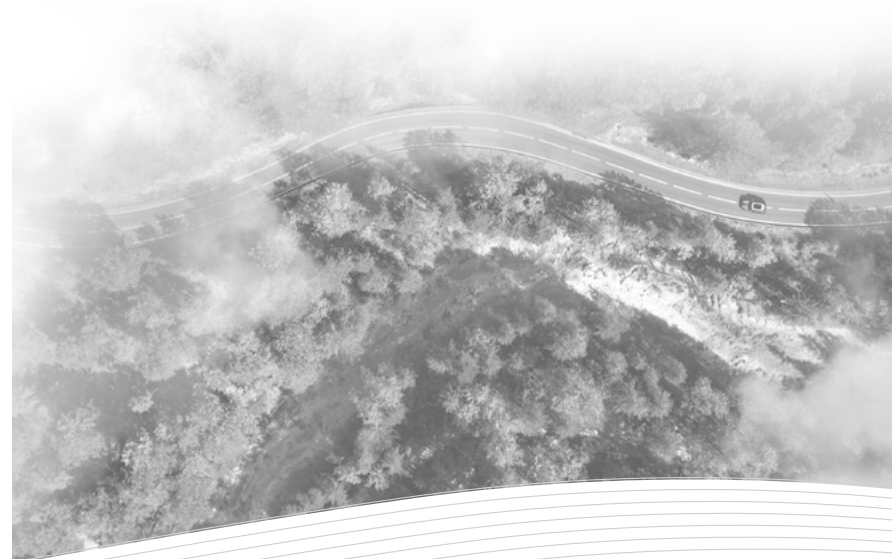


With our approach to the Circular Economy, the Fagor Ederlan group aims to achieve the following objectives:

- Less extraction of virgin raw materials.
- Reduction of fossil fuel consumption.
- Extending the useful life of products through actions such as recycling.
- Reduction of waste generation.
- Economic growth and innovation.
- Creation of new jobs.

To this end, the Fagor Ederlan group participates in various initiatives on Circular Economy that are being generated in its environment to respond to the **Strategic Lines** drawn up:

- Use and promote the use of renewable energies (see previous section).
- Promote the use of secondary raw materials, with a special focus on aluminium.
- Maximise internal reuse of materials and resources.
- Minimise waste generation and encourage the external revaluation of waste.





4.5.5.1 Raw materials

As a manufacturer of metal components, of all the goods and services we purchase, raw materials have the greatest environmental impact. We consider raw materials to be everything we feed into the furnaces to produce the various alloys, both iron and aluminium.

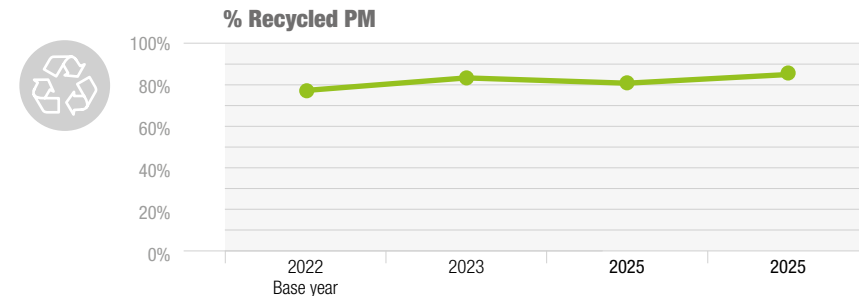
In 2025, raw materials accounted for 86% of Scope 3.1 GHG emissions and 52% of the total carbon footprint of the entire Fagor Ederlan group; therefore, their type and origin are crucial.

Thus, in addition to minimising internal waste, the fact that the raw material purchased is a metal obtained through a recycling process or operation has a positive impact on all environmental aspects.

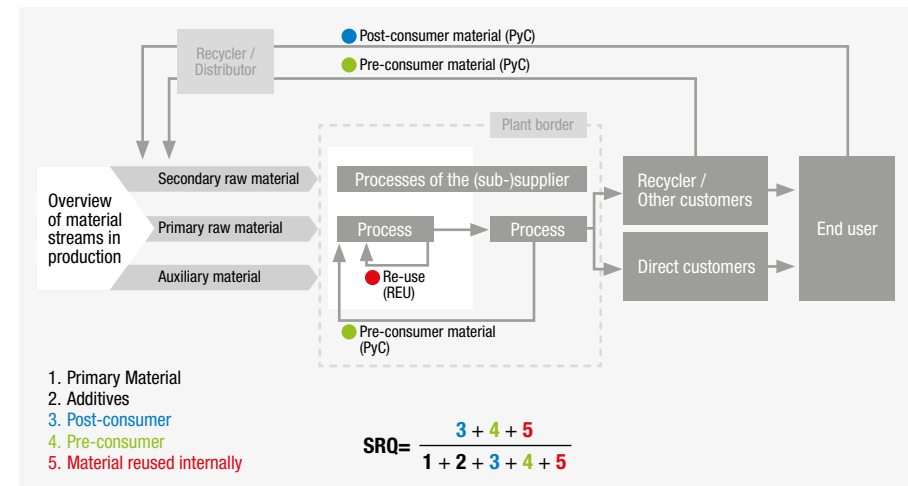
If we look at the purchase of raw materials by region, the figures are as follows:

		Raw materials (tn)			
		2025	2024	2023	2022 Base year
North America	Non-recycled raw materials	456	2861	3488	5816
	Recycled raw materials	5252	1673	1914	2756
	Total raw materials	5708	4534	5402	8572
	% recycled materials	92%	37%	36%	32%
South America	Non-recycled raw materials	5128	8741	4047	5220
	Recycled raw materials	19147	15550	13402	17063
	Total raw materials	24275	24291	17449	22283
	% recycled materials	79%	64%	77%	77%
Asia	Non-recycled raw materials	1430	2464	2812	5850
	Recycled raw materials	333	1177	1662	0
	Total raw materials	1763	3641	4474	5850
	% recycled materials	19%	32%	37%	0%
Europe	Non-recycled raw materials	15391	17067	17345	17504
	Recycled raw materials	113782	124770	120889	102757
	Total raw materials	129173	141837	138234	120261
	% recycled materials	88%	88%	87%	85%
TOTAL	Non-recycled raw materials	22405	31133	27692	34390
	Recycled raw materials	138514	143170	137867	122576
	Total raw materials	160920	174304	165559	156966
	% recycled materials	86%	82%	83%	78%

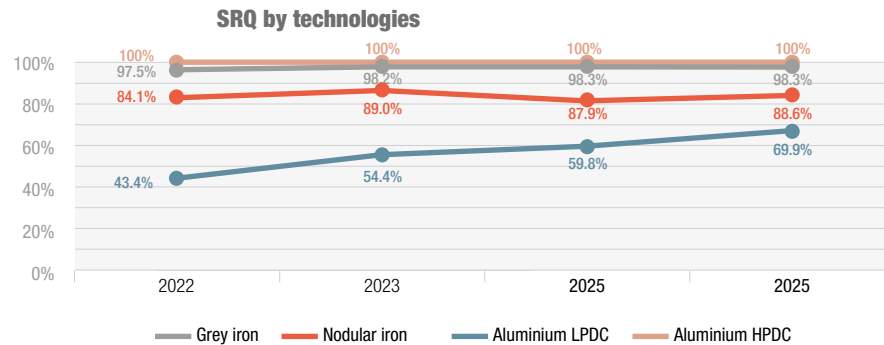
The trend is positive, thanks in part to the efforts being made in the aluminium sector, which, incidentally, is the material with the greatest impact, even though it accounts for only 17% of the total by mass.



This is best explained by looking at the development of the SRQ (Secondary Raw Quote). This is an indicator that is monitored and managed across all the businesses, technologies and plants within the Fagor Ederlan Group. This is a ratio that shows the amount of secondary raw materials used in the various processes.



The summary of the evolution of the SRQ by technology is as follows:



Progress is being made on the LPDC low-pressure aluminium product line. Thanks to ongoing collaboration with customers, clear improvements in processes and advancements in component design, progress has been very encouraging, with several plants now exceeding the 80% threshold – a figure that was considered unrealistic just a few years ago. Progress at the plants in Bergara (SRQ 85%) and Mexico (SRQ 84%) has been spectacular, and they serve as a benchmark for the other plants, which—whether due to process constraints (Arrasate SRQ 33%) or market constraints (Kunshan SRQ 50%)—have not been able to make as much progress.

For the rest of the product ranges, 2025 has been a year of continuity. The areas of focus have been identified, with a particular emphasis on reducing the use of pig iron in nodular iron plants; however, the range of new products being launched makes it difficult for us to move towards a standardised material that would reduce the use of primary materials in our processes.

4.5.5.2 Waste

Below are some figures related to the circular economy and the waste resulting from the activity of the Fagor Ederlan group, by region:

	Waste managed (Kg)	2025	2024	2023	2022 Base year
North America	Hazardous waste	268210	374090	591020	590710
	Non hazardous waste	1000460	1832995	2481415	2469585
South America	Hazardous waste	380151	382750	217130	203910
	Non hazardous waste	23173646	23832220	22833335	23803510
Asia	Hazardous waste	24740	64380	120103	81686
	Non hazardous waste	651098	1378183	1719040	1515260
Europe	Hazardous waste	4967006	4986229	4907266	4438762
	Non hazardous waste	76471520	75438937	68821164	57759935
	Hazardous waste	5511746	5807449	5835519	5315250
TOTAL	Non hazardous waste	101481030	102482335	95854604	85548290
	Waste managed (kg)	106992774	108289784	101690473	90.863540

Disposal method (%)	2025	2024	2023	2022 Base year
Non hazardous waste				
Recovery operations				
Reuse	51416585	42703522	24184225	13866595
Recycling	2619243	1973698	9597293	8083134
Compost	2300	2500	1300	2300
Recovery	0	0	0	0
Final recovery unknown	0	0	0	496503
Disposal operations				
Incineration	10920	18480	20400	25960
Landfill	47183193	57784135	62051736	63073798
Other disposal	0	0	0	0
Final disposal unknown	248789	0	0	0
Hazardous waste				
Recovery operations				
Reuse	296170	555520	780380	724660
Recycling	92680	101460	17980	0
Compost	0		0	0
Recovery	0		0	
Final recovery unknown	2370284	2632700	2349780	2754044
Disposal operations				
Incineration	257329	393160	231793	235360
Landfill	130580	31040	113100	102488
Incineration	0		0	0
Final disposal unknown	2364702	2093569	2342486	1498698

Fagor Ederlan is substantially improving the reuse of the non-hazardous waste it generates through investment and improvement of the facilities, greater staff awareness and involvement.

In 2025, the volume of non-hazardous waste generated was slightly lower than in the previous year, due to the type of parts manufactured.

Management of waste produced by the cooperative's plants is centralised in order to optimise transport and ensure compliance with applicable legislation.

The production processes at the various plants permit the annual reuse of thousands of tons of returns and rejected pieces, sprues and swarf from machining processes: all being returned to the casting process without ever leaving the installations

For the rest of the generated waste that cannot be reused internally, the Fagor Ederlan group **prioritises recovery or recycling with authorised waste managers for its future use, rather than landfill disposal**. Consequently, the Group achieves high percentages of recovered hazardous waste.

Likewise, **a large amount of waste generated in production plants is considered "raw materials" in other sectors, consequently furthering the reuse of natural resources**.

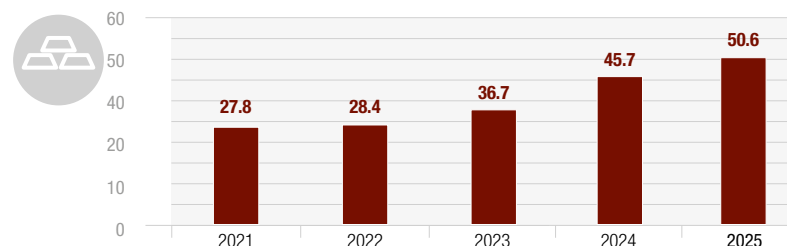
The Fagor Ederlan group views compliance with the waste hierarchy as a priority, favouring recovery over disposal.

Before starting any activity related to waste, the environment department first checks that the management companies have all the necessary legal documentation and that all the administrative procedures (transport documentation, transfer notices, treatment contracts ...) are carried out through the channels established by the relevant authorities so that any shipment of waste is full traceable. Control over access and delivery of documentation exists which, after being inspected and validated, authorises access to the production plants in order to manage the requested waste.

With regard to waste generation, two types stand out due to their major impact on the plants that produce it:

- **Surplus sand from the production process of iron foundries** accounts for more than 90% of the non-hazardous waste generated by their activity. European, state and regional legislation is intended to limit or even eliminate the disposal of this type of waste in landfills, consequently, in recent years work has been done on finding alternative outlets for this waste matter. This increasingly restrictive legislation, combined with the situation regarding landfill sites in the Basque Country, is having a significant economic impact on the Group, exacerbated by the levy that came into force in 2023 and is set to rise year on year, as well as by management and transport costs. In 2025, recovery rates have increased as a result of modifications to the facilities and the involvement of plant staff.

Iron (% recovery of fines and sands)



- **Oil-alkali emulsion from the machining of parts in the plants**, a residue which increases in proportion to the increase in machining. Fagor Ederlan is committed to minimising this waste and recovering it for internal reuse, by incorporating coolant treatment units and chip centrifuges into its processes, which in turn will reduce the amount of waste sent for external disposal.
- Another type of waste generated is **packaging**, due to two activities: "upstream" from stockpiling auxiliary materials and "downstream" from transporting parts to the customer. In both cases, Fagor Ederlan has limited possibilities to reduce this, nonetheless, it is in the process of defining certain environmental requirements related to materials to be used in the said packaging, making it possible to reuse or recycle them. Throughout 2025, data on packaging waste management has been reported via Scrap Envalora, as well as the final annual declaration. Changes to the relevant regulations are expected in 2026, and Fagor Ederlan will take the necessary steps to ensure compliance.



4.6 SUPPLY CHAIN “Key role for Sustainable Procurement”

At the Fagor Ederlan Group, we view the supply chain as a strategic element that directly links our commitment to sustainability and corporate responsibility with our day-to-day operations. In a complex, globalised industrial landscape subject to increasing regulatory, social and environmental demands, ensuring that our supply chain operates in an ethical, responsible and sustainable manner is essential to advancing our commitments to human rights, decent working conditions, decarbonisation and environmental protection.

Supplier management is not viewed merely as a procurement process, but as a key tool for ensuring business continuity, operational efficiency and the achievement of long-term strategic objectives. For this reason, our selection of suppliers is based not only on technical criteria—such as product quality, production capacity, service and competitive pricing—but also on the strength of their environmental, social and governance (ESG) practices. This approach enables us to build relationships based on trust, mitigate risks, anticipate new regulations and ensure that the entire supply chain operates in line with the Group's values.



The Fagor Ederlan Group therefore actively promotes a series of best practices that are considered essential for establishing a responsible supply chain:

- **Evaluation and selection of suppliers based on sustainability criteria**

We carry out a comprehensive assessment that takes into account not only technical capability, but also factors such as environmental performance, labour

practices, business ethics and transparency. This holistic approach is essential to ensuring that our products and services meet responsible standards and are in line with our Sustainability Policy.

- **Transparency and disclosure in the supply chain**

We regard transparency as a cornerstone of sustainability. That is why we encourage suppliers to clearly disclose their social and environmental practices and performance. This exercise strengthens the Group's reputation, builds trust and enables us to improve our processes together.

- **Supplier collaboration and training**

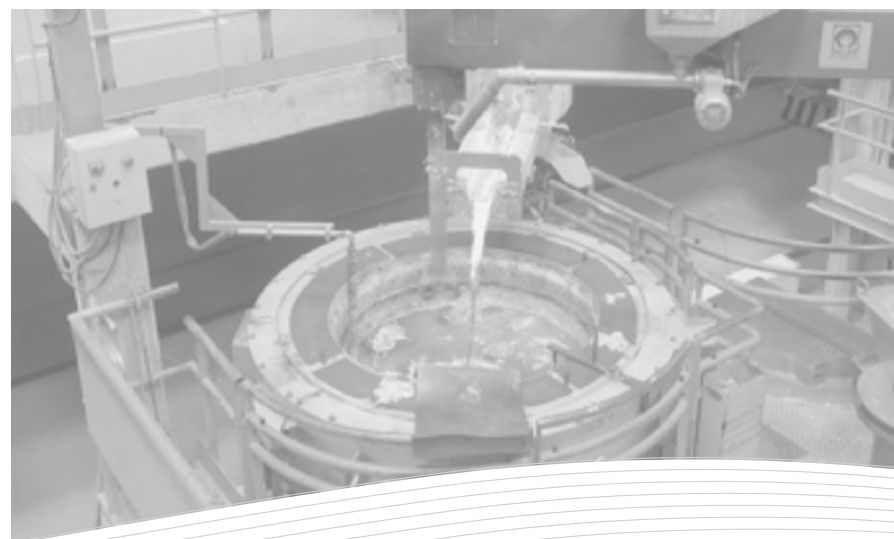
We believe that sustainability can only move forward when all stakeholders progress together. That is why we work closely with our suppliers to strengthen their capabilities, offering guidance, support and assistance in improving their processes and management systems.

- **Innovation and continuous improvement as drivers of transformation**

We encourage the supply chain to explore new ways of producing and delivering goods and services with a lower environmental impact. Innovation—whether technological, logistical or organisational—is a key enabler for continuing to reduce emissions, optimise consumption and generate sustainable value.

- **Cross-cutting regulatory compliance across all regions**

We ensure that our supply chain complies with labour, environmental and social legislation in every region where we operate. In this way, we protect people, the environment and the integrity of the business itself, whilst ensuring traceability and ethical compliance at every stage of the supply chain.



4.6.1 Supplier Management Sustainability

To structure and maintain this approach, our supply chain management is underpinned by a robust framework comprising strategic policies, internal procedures and a **Supplier Code of Conduct**, which was revised and approved in 2024.



This set of guidelines provides a comprehensive framework setting out the Group's expectations regarding social, environmental and ethical responsibility. Its aim is to ensure that all suppliers operate in accordance with sustainability principles and contribute to building a supply chain that is more resilient, transparent and respectful of people and the environment.

100% of approved suppliers have formally accepted the Code of Conduct, which is an essential requirement for maintaining business relations with the Group. This acceptance implies an explicit commitment to the values of the Fagor Ederlan Group and to the adoption of practices that are in line with international standards.

Although the Supplier Code of Conduct is the document that brings together the aspects that the Fagor Ederlan group wishes to promulgate throughout the supply chain in terms of Sustainability, it also has various procedures for the supplier to adopt and reinforce its commitments to issues linked to sustainability:

- Supplier registration procedure
- General Terms and Conditions of Purchase, including specific clauses on human rights and the environment
- Risk analysis procedure for families and suppliers
- Other complementary procedures that establish and reinforce best practice

Conflict Minerals (and Extended)

As a company in the metals sector, we are aware of the potential negative impact that the extraction and trade of certain minerals from conflict-affected or high-risk areas can have. We therefore apply a specific framework focused on 3TG minerals—tin, tungsten, tantalum and gold—as well as other minerals such as cobalt and mica.

Although we do not buy directly from mines or smelters, we take responsibility for ensuring that our supply chain is traceable and accountable. To this end, we follow the guidelines of the **Responsible Minerals Initiative (RMI)** and require our suppliers to provide comprehensive information on the origin of the minerals used, via the CMRT and EMRT reporting templates.

Our commitment is reflected in the following points:

- Incorporate responsible mining requirements into contracts with suppliers.
- We must refrain from participating in activities that could fund conflicts.
- Ensure compliance with the Dodd–Frank Act and European Regulation 2017/821.
- Request annual reports to identify risks and check whether smelters or refiners are verified under the RMAP programme.

Selection of relevant suppliers in Sustainability

Every year, we identify suppliers whose activities are particularly significant from a sustainability perspective. This selection is based on three criteria:

- The risk assessment of families and suppliers, prioritising those with the greatest environmental (70% weighted) and economic (30% weighted) impact.
- Suppliers linked to materials listed under Conflict Minerals and Extended Minerals.
- Suppliers who supply materials originating from countries that may pose a risk in relation to sustainability issues

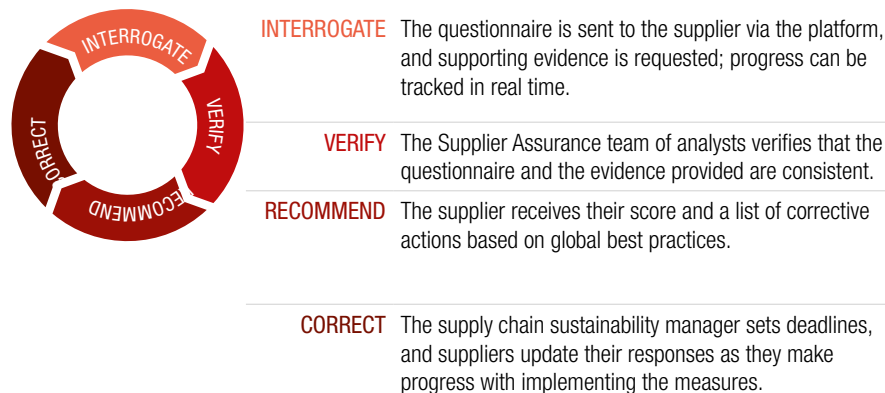
Selected suppliers are integrated into the sustainability monitoring tool and are subject to an ongoing assessment process led by the Procurement Department.

4.6.2 Supplier Sustainability Assessment and Monitoring

To assess the sustainable performance of its supply chain, the Fagor Ederlan Group uses the **NQC - Supplier Assurance platform**, an independent body that verifies the information provided by suppliers and provides a standardised system based on *Drive Sustainability* SAQ 5.0 questionnaire, which is regarded as the benchmark in the automotive sector.



The process is divided into four stages.



This system reduces administrative burdens, facilitates risk management and enables continuous improvement in the sustainability of the entire supply chain.

Visión general Riesgo del país



SAQ 5.0 2025 Campaign

The relevant suppliers included in Supplier Assurance in 2025 account for 90.2% of category 3.1 of the Fagor Ederlan Group's organisational carbon footprint.

In 2025, suppliers have been categorised into four groups based on the materials they supply. Following last year's review, which highlighted significant differences in maturity levels between families, this year's campaign has set different minimum targets for each family:

	Al Refin-eries	Fe Recovery Centres	Supporting materials	Compo-nents	GENERAL
Minimum target SAQ 5.0	80	30	40	80	60
Suppliers who have completed SAQ 5.0	53%	44%	59%	64%	54%
Suppliers with SAQ 5.0 > minimum target per family	44%	100%	100%	78%	81%

By the end of the 2025 campaign, we had ensured that 54% of our key suppliers had completed the SAQ 5.0 questionnaire, with an average sustainability score of 68%. Of these, 81% have exceeded the minimum target set.

It is also worth noting that during the campaign, 10% of the suppliers assessed who initially failed to meet the minimum target were audited in person by our supplier development team. Following the implementation of the action plans resulting from these audits, performance has improved significantly, with scores in some cases doubling.

In the annual joint reflection in the Sustainability Committee, it has been concluded that:

- The level of maturity in terms of sustainability varies greatly among suppliers, which is why continuous monitoring and significant support are required where necessary.
- Due to the implementation of modularity in the Supplier Assurance platform, it is possible that a single minimum target will be used for all supplier categories in the next campaign, meaning that the supplier categorisation implemented in 2025 will no longer be necessary.

Finally, that no operations or suppliers have been identified in the Fagor Ederlan group's supply chain that are at risk of violating human rights, such as cases of child labour, forced labour or cases in which freedom of association and negotiation may be at risk.

Conflict Minerals Tracking (and Extended)

The Fagor Ederlan Group incorporates specific criteria relating to the responsible sourcing of raw materials into its supplier assessment processes, recognising that this aspect is a cornerstone of supply chain sustainability. Through the SAQ 5.0 questionnaire, suppliers deemed relevant are asked to provide detailed information on their traceability practices and their commitment to the responsible management of mineral resources.

One of the key areas of this assessment is the verification of performance in relation to so-called conflict minerals and other minerals, given their particular significance in terms of human rights, social integrity and ethical risks within the value chain. As part of the process, suppliers are encouraged to provide evidence using the **Responsible Minerals Initiative's (RMI) CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template)**, which are widely accepted tools for demonstrating compliance with responsible sourcing requirements.

In 2025, **54% of relevant suppliers provided information on conflict minerals and extended minerals**, giving us a clearer and more reliable picture of the origin and control of the minerals used in the products we purchase.

Despite these monitoring efforts, it is important to note that, from a strictly operational perspective, the Fagor Ederlan Group's exposure to conflict minerals is very limited. Although the company specialises in casting aluminium and iron components, **its products and processes make very little use of minerals classified as conflict minerals or rare earth elements**. In practice, **tin** and, to a very limited extent, in some iron foundries is the only element included in the product specifications.

Nevertheless, although the inherent risk associated with our business is low, this does not exempt the Fagor Ederlan Group from exercising responsible oversight and taking the necessary measures to ensure that our supply chain is ethical and respects human rights.

This commitment reflects growing international awareness of the impact that the extraction and trade of certain minerals can have in regions affected by armed conflict, weak governance or labour exploitation. Aware of this issue and of the role that companies play in preventing adverse impacts, the Fagor Ederlan Group has adopted a clear approach to due diligence based on RMI standards.

As a result of this policy, **100% of the tin purchased by the Fagor Ederlan Group comes from suppliers who comply with RMI guidelines** and who provide documentary evidence of the compliance of their processes through the **Responsible Minerals Assurance Process (RMAP)**.



4.7 FINANCE. «Financial strength of our cooperative project»

4.7.1 Financial ratios

Fagor Ederlan's commitment to the territories in which it operates is also demonstrated through responsible economic-financial management. Responsible management, among other things, includes compliance with its corresponding financial and tax obligations.

By achieving a balance between investment and financing, the company is in a position to meet all its payment obligations on time, both in the short and long term.

Financial equilibrium is the state that places a company in a position of solvency and in order to know the degree of equilibrium that a company presents it is essential to analyse the correlation that exists between the different assets of its economic structure (Assets) and the different sources of financing (Liabilities).

The evolution of the main items on the balance sheet of the Fagor Ederlan group has been as follows:

Balance*	2025	2024	2023
Non-current assets	258992	276649	275364
Current assets	246930	230601	233263
Total Assets-Liabilities	505922	507250	508627
Total equity	231046	230999	225966
Total non-current liabilities	150701	138643	114551
Total current liabilities	124175	137601	168111

* Thousands of euros

4.7.2 Economic ratios

The very nature of the Cooperative means that it is regulated by its own legal regime, which determines a specific tax regime in relation to corporation tax and other concepts such as COFIP (described in section 4.4). These are resources managed by the cooperative but which are not the property of the members, as they cannot be seized and cannot be distributed even in the event of liquidation, and they have certain legally obligatory uses and destinations. Likewise, the Compulsory Reserve Fund (FRO) is another difference between cooperatives and capital companies. Cooperatives must annually endow the FRO with 20% of the available surpluses, which is unlimited in time and cannot be distributed among the members, even in the event of liquidation.

The direct economic value generated through the Group's turnover has fallen by approximately 7% compared with the previous year. However, both the consolidated results and the various financial ratios have shown a positive turnaround, leading us to regard 2025 as a good year, despite the turbulence in both the global economic climate and the situation in the European automotive sector.

Direct economic value generated*	2025	2024	2023
Net turnover	530928	569696	664127
Economic value generated*	2025	2024	2023
Members (interest + dividend payments)	-	2219	-
Employees (staff expenditure)	143110	151536	144605
Suppliers (operating and other expenses)	354345	390116	460369
Company (Business tax paid)	1506	483	2050

* Thousands of euros

Concept*	2025	2024	2023
Net sales figure	530928	569696	664127
EBITDA	48847	49550	65976
% EBITDA on turnover	9.2%	8.7%	9.9%
EBIT	11467	-	26471
% EBIT on turnover	2.2%	0.0%	4.0%
Consolidated profit for the year	9175	7288	21533

* Thousands of euros

Finally, to summarise the tax data, the key figures for 2025, broken down by country, are shown below.

Country	Profits*	Local taxes and charges (expenditure)*	Local taxes and charges (companies)*	Operating grants*
Spain	4731.32	2120.26	182.50	5557.07
Slovakia	1720.58	77.07	355.99	-
Mexico	551.20	-	46.27	-
Brazil	659.15	33.47	217.99	-
China	352.51	140.93	110.87	-
Total	8014.75	2371.73	691.88	5557.07

* Thousands of euros

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ANNEXES

- 5.1** Procedure for preparing the report
- 5.2** Tables of contents of Law 11/2018 on Non-Financial Information
- 5.3** GRI content index
- 5.4** Audit report



5.1 PROCEDURE FOR PREPARING THE REPORT



5.1.1 Methodology

This Report presents the Non-Financial Information Statement for the Fagor Ederlan Group, in accordance with the requirements of Law 11/2018, 28th December, which amends the Code of Commerce, the revised text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010, 2nd July, and Law 22/2015, 20th July, concerning the Audit of Accounts in matters of non-financial information and diversity. This is also the Group's eighth Sustainability Report, continuing the work that began in 2018 with the publication of its first report.

In this document, Fagor Ederlan responds to the non-financial information and diversity requirements contemplated by Law 11/2018, of 28 December, as indicated in the section "Table of contents of the Non-financial information and diversity Law 11/2018",

including all the aspects identified as material and applying the principles of comparability, reliability, materiality and relevance, established by the Non-financial Information and Diversity Law. It contains the information necessary to understand the performance, results and position of the Fagor Ederlan Group, as well as the impact of its activities on environmental, social and economic issues from 1 January 2025 to 31 December 2025, and has been prepared in accordance with the GRI Standards methodology, reflecting the importance that Fagor Ederlan attaches to its stakeholders and its commitment to sustainability, with a view to ensuring that the Group's economic activity is aligned with the fundamental principles that enable sustainable social and environmental development over time.

Not only does the preparation of this Report represent a clear exercise in transparency and accountability, but it also contributes towards improving the Group's strategy and the management processes themselves, through the identification of new opportunities for improvement that might arise over the short-mid term.

Both the Management and those responsible for the main areas of Fagor Ederlan have been directly involved in the Report preparation process, as has the presidency of the Group's Governing Board, as a representative for the members.



5.1.2 Scope

The information contained in this report relates to the companies listed in the first two tables, namely those consolidated on a full-consolidation basis or on a proportional basis. In order to enhance transparency and facilitate comparisons with previous years, this report includes all the data for the company consolidated by proportional integration, with the exception of the financial data, which has been included on a pro rata basis.

Consolidation by Global Integration

Company	% direct participation	% of indirect shares	Activity	Country
Fagor Ederlan S. Coop.	–	–	(1)	Spain
Ederlan Do Brasil Ltda*	83.89%	16.11%	(1) and (3)	Brazil
Ederlek, S. Coop.	58.43%	–	(4)	Spain
Ederlan Subsidiaries, S.A.U.	100%	–	(5)	Spain
Fagor Ederlan Slovensko A.S.	–	100%	(1)	Slovakia
Fagor Ederlan México, S.A. de C.V.**	–	100%	(1)	Mexico

* Includes Fagor Ederlan Brasileira Autopeças Ltda. ** Includes Rytotia Capital and its subsidiaries from May onwards.

Consolidation by Proportional Integration

Company	% direct participation	% of indirect shares	Activity	Country
Duoli Ederlan Autoparts (Kunshan) Co Ltd	–	48%	(1)	China

Consolidation by equity method

Company	% direct participation	% of indirect shares	Activity	Country
Gisederlan, S.A. de C.V.	–	50%	(1)	Mexico
Fagor Ederlan S.L.	–	46.88%	(1)	Spain
Lieder Automotive S.L.	–	30%	(1)	Spain

Non consolidated

Company	% direct participation	% of indirect shares	Activity	Country
Tresesenta Gases S.L.		10%	(6)	Spain
EEVAM Technologies S.L.		6.74%	(1)	Spain
Fagor Industrial Components UK Ltd.	100%	–	(2)	United Kingdom
Fagor Industriercommerz, GmbH	50%	–	(2)	Germany
Fagor Ederlan France	100%	–	(2)	France
Fagor Ederlan USA Ltd.	100%	–	(2)	USA

(1) Manufacture and sale of automotive parts
(2) Provision of management/marketing services
(3) Provision of services and equity in companies

(4) Product research and development
(5) Equity holding company
(6) Manufacturing, processing, distribution and sale of industrial and medical gases

Company	Work centre	Region	Country	Activity	Production plant	As set out in the report
Fagor Ederlan S.Coop	Eskoriatza Foundry	Europe	Spain (Gipuzkoa)	Iron casting	Yes	Yes (Full consolidation)
	Uribarri Foundry	Europe	Spain (Gipuzkoa)	Iron casting	Yes	Yes (Full consolidation)
	Markulete Foundry	Europe	Spain (Gipuzkoa)	Iron casting	Yes	Yes (Full consolidation)
	Usurbil Foundry	Europe	Spain (Gipuzkoa)	Iron casting	Yes	Yes (Full consolidation)
	Markulete Machining	Europe	Spain (Gipuzkoa)	Metal Machining and Assembly	Yes	Yes (Full consolidation)
	Bergara Machining	Europe	Spain (Gipuzkoa)	Metal Machining and Assembly	Yes	Yes (Full consolidation)
	HPDC Eskoriatza	Europe	Spain (Gipuzkoa)	Aluminium Injection Moulding, Machining and Assembly	Yes	Yes (Full consolidation)
	HPDC Aretxabaleta	Europe	Spain (Gipuzkoa)	Aluminium Injection Moulding, Machining and Assembly	Yes	Yes (Full consolidation)
	LPDC Arrasate	Europe	Spain (Gipuzkoa)	Aluminium Casting, Machining and Assembly	Yes	Yes (Full consolidation)
	LPDC Bergara	Europe	Spain (Gipuzkoa)	Aluminium Casting, Machining and Assembly	Yes	Yes (Full consolidation)
	SanAndres Tooling	Europe	Spain (Gipuzkoa)	Tool maintenance	Non	Yes (Full consolidation)
Edertek S.Coop	Edertek	Europe	Spain (Gipuzkoa)	R&D&I Technology Centre	No	Yes (Full consolidation)
Fagor Ederlan Brasileira Ltda	Fagor Ederlan Brasileira	South America	Brazil (Extrema)	Cast Iron Casting, Machining and Assembly	Yes	Yes (Full consolidation)
Fagor Ederlan Slovensko A.S.	Fagor Ederlan Slovensko HPDC	Europe	Eslovaquia (Ziar Nad Hronom)	Aluminium Injection Moulding, Machining and Assembly	Yes	Yes (Full consolidation)
Fagor Ederlan México SA de CV	FE MEXICO LPDC	North America	Mexico (San Luis Potosí)	Iron Foundry and Machining	Yes	Yes (Full consolidation)
Duoli Ederlan Kunshan Co. Ltd	DuoliEderlan Kunshan LPDC	Asia	China (Kunshan)	Aluminium Casting, Machining and Assembly	Yes	Yes (Proportional Consolidation)
Fagor Regen Aluminum Ltd	Fagor Regen Aluminum	North America	U.S. (Pennsylvania)	Casting of secondary aluminium ingots	Yes	Yes (Full consolidation)
GisEderlan SA de CV	GisEderlan Machining	North America	Mexico (San Luis Potosí)	Metal Machining and Assembly	Yes	No (Consolidated using the equity method)
Fagor Ederbatt S.L.	Fagor Ederbatt	Europe	Spain (Bizkaia)	Battery assembly	Yes	No (Consolidated using the equity method)
Lieder Automotive S.L.	Lieder	Europe	Spain (Aragon)	Assembly of Structural Components	Under construction	No (Consolidated using the equity method)

Note: Data relating to the entities covered by the report (entities within the scope of consolidation, whether on a full or proportional basis) will be consolidated in full, regardless of the percentage of ownership.

5.1.3 Contact Details

If you have any questions regarding the content of this report, you can contact us using any of the following options:

Name	Fagor Ederlan Group
Direction	Torrebaso Pasealekua,7 - P.O.Box 10 20540 Eskoriatza, Spain
Telephone	(+34) 943 71 90 00
E-Mail address	info@fagorederlan.com
Website	www.fagorederlan.com

5.2 TABLE OF CONTENTS OF THE NON-FINANCIAL INFORMATION AND DIVERSITY LAW 11/2018

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
General information			
Business Model	Brief description of the group's business model	1. Summary 2025	GRI 2-1 Organisational details
		3. Industrial Cooperative	GRI 2-2 Entities included in the organisation's sustainability reports
		5.1. Procedure for preparing the report	
		2.1. Experts in motor industry components and systems	GRI 2-6 Activities, value chain and other business relationships
		3.1. Cooperative Group	
		4.1. Management Strategy Sustainability of Fagor Ederlan	
		2.2. Envisioning the future of our business	No GRI: Operational context (economic and sectoral)
		4.1 Sustainability strategy at Fagor Ederlan	
	Geographical presence	1.1 Letter from of the President and CEO	GRI 2-22 Sustainable Development Strategy Statement
		4.1 Sustainability strategy at Fagor Ederlan	
		2.1. Experts in motor industry components and systems	GRI 2-29 Stakeholders
		4.1 Sustainability strategy at Fagor Ederlan	
		4.1 Sustainability strategy at Fagor Ederlan	GRI 3-1 Process for determining material issues
			GRI 3-2 List of material topics
	Organisational goals and strategies	2.1. Experts in motor industry components and systems	GRI 2-1 Organisational details
		4.1 Sustainability strategy at Fagor Ederlan	
		3.2. Cooperative government	GRI 2-23 Commitments and policies
		4.1 Sustainability strategy at Fagor Ederlan	GRI 2-24 Incorporating commitments and policies
	Main factors and trends that may affect its future development	2.2. Envisioning the future of our business	No GRI: Main factors and trends that may affect its future development
		4.1 Sustainability strategy at Fagor Ederlan	
General	Mention in the report of the national, European or international reporting framework used for the selection of non-financial key performance indicators included in each of the sections. If the company complies with the non-financial reporting law by issuing a separate report, it should be expressly stated that such information forms part of the management report	5.1. Procedure for preparing the report 5.2. Tables of contents of Law 11/2018 5.3. GRI tables of content 5.4. Audit report	GRI 2-2 Entities included in the organisation's sustainability reports GRI 2-3 Reporting period, frequency and contact point GRI 2-4 Information updates GRI 2-5 External assurance

Information required by law on non-financial information and diversity	Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information about environmental issues		
Management approach	Description of the policies that the group applies with respect to these issues, which shall include due diligence procedures applied to identify, assess, prevent and mitigate risks and major impacts, as well as to verify and control, including whatever measures may have been adopted	4.1. Sustainability strategy at Fagor Ederlan 4.5. Environment (4.5.1, 4.5.2, 4.5.5) GRI 3-3 Management of material issues (in relation to the environment: climate change and the circular economy) GRI 2-23 Commitments and policies
	The results of these policies, which should include relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparison across companies and sectors, in accordance with the national, European or international frameworks used.	4.1. Sustainability strategy at Fagor Ederlan 4.5. Environment (4.5.1, 4.5.2, 4.5.5) GRI 2-24 Incorporating commitments and policies
	The main risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on these areas, and how the group manages these risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each matter. This should include information on the impacts identified, with their breakdown, in particular, on the main short-, medium- and long-term risks.	4.1. Sustainability strategy at Fagor Ederlan As a result of the IRO Analysis; Fagor Ederlan has material impacts, risks and opportunities on climate change and circular economy in environmental aspects. However, in the identification of IROs, more risks on other environmental aspects such as biodiversity or water have been identified and assessed, covering the whole value chain, but are not relevant, i.e. material, for the cooperative. GRI 3-3 Management of material issues (in relation to the environment: climate change and the circular economy)
Environmental management	Current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety	4.2. Ethical governance. As regards non-compliance with environmental legislation and La regulations, the organisation has not identified any sanctions during year. GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 308-2 Negative environmental impacts in the supply chain and actions taken.
	Procedures for environmental certification	4.5. Environment No GRI Environmental assessment or certification
	Resources employed to prevent environmental risks	4.5. Environment No GRI Environmental investments
	Application of the precautionary principle	3.2. Cooperative government 4.5. Environment GRI 2-23 Commitments and policies
	Amount of provisions and guarantees for environmental risks	4.5. Environment No GRI Environmental investments

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information about environmental issues			
Pollution	Measures to prevent, reduce or remedy emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	4.5. Environment (4.5.1 and 4.5.2)	No GRI Measures to prevent, reduce or remedy emissions
		No measures to prevent, reduce or remedy noise and light pollution due to the low impact of the activity on light pollution.	No GRI Measures to prevent, reduce or remedy noise and light pollution.
Circular economy and waste prevention	Measures for preventing, recycling, reusing, other forms of recovery and disposal of waste	4.5. Environment (4.5.5)	GRI 306-1 Waste generation and significant waste related impacts
		4.5. Environment (4.5.1 and 4.5.5)	GRI 306-2 Management of significant waste-related impacts
		4.5. Environment (4.5.5)	GRI 306-3 Waste generated
	Actions to combat food waste	There are no actions to combat food waste due to the low impact it has on Fagor Ederlan's activity.	No GRI Actions to combat food waste
Sustainable use of resources	Water consumption and water supply according to local limitations	4.5. Environment (4.5.3)	GRI 303-1 Interaction with water as a shared resource
		4.5. Environment (4.5.3)	GRI 303-2 Management of impacts related to water discharges
		4.5. Environment (4.5.3)	GRI 303-5 Water consumption
	Consumption of raw materials and measures adopted to improve efficiency in their use	4.5. Environment (4.5.5)	GRI 301-1 Materials used by weight or volume
			GRI 301-2 Recycled materials used
		4.5. Environment (4.5.5)	GRI 301-3 Recovered products and packaging
	Direct and indirect energy consumption	4.5. Environment (4.5.2)	GRI 302-1 Energy consumption within the organisation
		4.5. Environment (4.5.2)	GRI 302-3 Energy intensity
	Measures taken to improve energy efficiency	4.5. Environment (4.5.2)	GRI 302-4 Reduction of energy consumption
	Use of renewable energy sources	4.5. Environment (4.5.2)	GRI 302-1 Energy consumption within the organisation

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information about environmental issues			
Climate change	Significant elements of greenhouse gas (GHG) emissions generated as a result of the company's activities, including the use of the goods and services it produces	4.5. Environment (4.5.2)	GRI 305-1 Direct GHG emissions
		4.5. Environment (4.5.2)	GRI 305-2 Indirect GHG emissions
		4.5. Environment (4.5.2)	GRI 305- 3 Other indirect GHG emissions
		4.5. Environment (4.5.2)	GRI 305-4 Ratio of GHG emissions
		4.5. Environment (4.5.2)	GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions
	Measures adopted to adapt to the consequences of climate change	4.5. Environment (4.5.1 and 4.5.2)	GRI 201-2 Financial implications and other risks and opportunities due to climate change
Biodiversity	Voluntary medium- and long-term reduction targets set to reduce greenhouse gas emissions and the means implemented to this end	4.5. Environment (4.5.1 and 4.5.2)	305-5 Reducing emissions
	Measures taken to preserve or restore biodiversity. Impacts caused by activities or operations within protected areas.	4.5. Environment (4.5.4)	GRI 304-1 Owned, leased or managed operations sites located within or adjacent to protected areas or areas of high biodiversity value outside protected areas GRI 304-2 Significant impacts of activities, products and services on biodiversity



Information required by law on non-financial information and diversity	Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information on social and personnel issues		
Management approach	Description of the policies that the group applies with respect to these issues, which shall include due diligence procedures applied to identify, assess, prevent and mitigate risks and major impacts, as well as to verify and control, including whatever measures may have been adopted	4.1. Management Strategy Sustainability at Fagor Ederlan 4.3. People GRI 3-3 Management of material issues (in relation to labour issues) GRI 2-23 Commitments and policies
	The results of these policies, which should include relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparability across companies and sectors, in accordance with the national, European or international frameworks used	4.1 Management Strategy Sustainability at Fagor Ederlan 4.3. People GRI 2-24 Incorporating commitments and policies
	The main risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on these areas, and how the group manages these risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each matter. This should include information on the impacts identified, with their breakdown, in particular on the main short-, medium- and long-term risks	4.1. Sustainability strategy at Fagor Ederlan As a result of the IRO Analysis, Fagor Ederlan has material impacts and risks on safe employment, health and safety and talent retention and attraction in social aspects. However, in the identification of IROs, more risks in labour rights and conditionalities have been identified and assessed across the entire value chain, but are not relevant, i.e. material, for the cooperative. GRI 3-3 Management of material issues (in relation to labour matters: safe employment, health and safety, and talent retention and recruitment)
Employment	Total number and distribution of employees according to criteria representative of diversity	3.2. Cooperative government 4.3. People (4.3.1) GRI 2-7 Employees GRI 2-8 Non-employee workers GRI 405-1 Diversity of governance bodies and employees
	Total number and distribution of types of employment contracts, average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and occupational classification	4.3. People (4.3.1) GRI 2-7 Employees

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators																																																																			
Information on social and personnel issues																																																																						
Employment	Number of dismissals by sex, age and job classification	4.3. People (4.3.1)	GRI 401-1 New employee recruitment and staff turnover No GRI Number of redundancies by gender, age and occupational classification																																																																			
		<table><tr><th rowspan="2"></th><th colspan="3">Number of dismissals</th></tr><tr><th>2025</th><th>2024</th><th>2023</th></tr><tr><td>Total</td><td>121</td><td>65</td><td>59</td></tr><tr><td>Women</td><td>6</td><td>7</td><td>5</td></tr><tr><td>Men</td><td>115</td><td>58</td><td>54</td></tr><tr><td>Total</td><td>121</td><td>65</td><td>59</td></tr><tr><td>Aged 30 or less</td><td>29</td><td>24</td><td>12</td></tr><tr><td>Between 30 & 50</td><td>81</td><td>39</td><td>42</td></tr><tr><td>Aged 50 or more</td><td>11</td><td>2</td><td>5</td></tr><tr><td>Total</td><td>121</td><td>65</td><td>59</td></tr><tr><td>DL</td><td>99</td><td>38</td><td>39</td></tr><tr><td>MOI</td><td>22</td><td>27</td><td>20</td></tr><tr><td>Total</td><td>121</td><td>65</td><td>59</td></tr><tr><td>Mexico</td><td>4</td><td>14</td><td>4</td></tr><tr><td>Brazil</td><td>99</td><td>37</td><td>49</td></tr><tr><td>China</td><td>5</td><td>11</td><td>3</td></tr><tr><td>Europe</td><td>13</td><td>3</td><td>3</td></tr></table>		Number of dismissals			2025	2024	2023	Total	121	65	59	Women	6	7	5	Men	115	58	54	Total	121	65	59	Aged 30 or less	29	24	12	Between 30 & 50	81	39	42	Aged 50 or more	11	2	5	Total	121	65	59	DL	99	38	39	MOI	22	27	20	Total	121	65	59	Mexico	4	14	4	Brazil	99	37	49	China	5	11	3	Europe	13	3	3	
		Number of dismissals																																																																				
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Europe	13	3	3																																																																			
Average remuneration and its evolution broken down by gender, age and occupational classification or equal value.	4.3. People (4.3.1.3 and 4.3.1.4) 4.3. People (4.3.1.3 and 4.3.1.4)	GRI 2-19 Remuneration policies No GRI Average remunerations by gender, age and occupational classification or equal value																																																																				
Average remuneration of directors and senior management	4.3. People (4.3.1.4)	No GRI Average remuneration of directors and senior management																																																																				
Pay gap, the remuneration for equal or average jobs in society	1.2. Balance Sheet 2024 4.3. People (4.3.1.3 and 4.3.1.4)	GRI 405-2 Ratio of basic salary and remuneration of women vs. men																																																																				
Remuneration for equal or average jobs in society	4.3. People (4.3.1.3 and 4.3.1.4)	GRI 202-1 Ratio of standard entry level wage by gender vs. local minimum wage																																																																				
Payments to long-term savings provision schemes and any other gender-disaggregated payments	3.1. Cooperative Group 4.3. People (4.3.1.3 and 4.3.4)	GRI 201-3 Defined benefit and other pension plan obligations																																																																				
Implementation of work disengagement policies	Fagor Ederlan does not currently have a policy of work disengagement..	No GRI Work disengagement policies																																																																				
Employees with disabilities	4.3. People (4.3.1.7)	GRI 405-1 Diversity of governance bodies and employees																																																																				

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators			
Information on social and personnel issues						
Work Organisation	Organisation of working time	4.3. People (4.3.1.5)	No GRI Work time organisation			
	Number of hours of absenteeism		No GRI Absenteeism hours			
		Absenteeism	2025	2024	2023	
		Hours of absenteeism	334559	386667	311919	
		Men	257010	303193	239875	
		Women	77549	83474	72044	
	Measures aimed at making it easier to enjoy work/life balance and encouraging both parents to take joint responsibility.	4.3. People (4.3.1.8) (4.3.4)	GRI 401-3 Parental leave No GRI Reconciliation measures			
Health and Safety	Health and safety conditions in the workplace	3.1. Cooperative Group (3.1.4)	GRI 403-1 Occupational health and safety management system			
		4.3. People (4.3.2)				
		4.3. People (4.3.2)	GRI 403-2 Hazard identification, risk assessment, and incident investigation			
		4.3. People (4.3. 2) (4.3. 4)	GRI 403-3 Occupational health services			
		4.3. People (4.3.2)	GRI 403-4 Worker participation, consultation, and and communication on occupational health and safety			
		4.3. People (4.3.2)	GRI 403-5 Worker training on occupational health and safety			
		4.3. People (4.3. 2) (4.3. 4)	GRI 403-6 Promoting workers' health			
	Work-related accidents, in particular their frequency and severity, as well as occupational diseases, disaggregated by gender	4.3. People (4.3.2) 5.3 GRI content index	GRI 403-9 Work-related injuries			
	Occupational diseases (frequency and severity) according to sex	4.3. People (4.3.2) 5.3 GRI content index	GRI 403-10 Work-related ill health			
	Social relationships	Organisation of social dialogue, including procedures for informing, consulting and negotiating with the staff	4.3. People (4.3.1.6)	GRI 2-29 Approach to stakeholder engagement (team)		
4.1 Sustainability at Fagor Ederlan (4.1.2)						
4.3. People (4.3.2)			GRI 403-1 Workers representation in formal joint management worker health and safety committees			
Percentage of employees covered by collective agreement per country		4.3. People (4.3.1.6)	GRI 2-30 Collective negotiation agreements			
The balance sheet of collective agreements, particularly in the field of occupational health and safety at work		4.3. People (4.3.2)	GRI 403-1 Workers representation in formal joint management worker health and safety committees			
	4.3. People (4.3.2)	GRI 403-4 Worker participation, consultation, and and communication on occupational health and safety				

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information on social and personnel issues			
Training	Policies implemented in the field of training	4.3. People (4.3.3)	GRI 404-2 Programmes for upgrading employee skills and transition assistance programs
	The total number of training hours per professional category	4.3. People (4.3.3)	GRI 404-1 Average hours of training per year per employee
		1.2. Summary 2025	No GRI Total hours of training
		4.3. People (4.3.3)	
Universal accessibility for people with disabilities	Integration and universal accessibility of people with disabilities	4.3. People (4.3.1.7)	No GRI Universal accessibility for people with disabilities
Equality	Measures taken to promote equal treatment and opportunities for women and men	4.3. People (4.3.1.7)	GRI 2-23 Commitments and policies
		4.3. People (4.3.4) (4.3.1.7, 4.3.1.8)	GRI 2-24 Incorporating commitments and policies
	Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men), measures taken to promote employment, protocols against sexual harassment and harassment based on gender	4.3. People (4.3.1.7)	GRI 2-23 Commitments and policies
	Integration and universal accessibility of people with disabilities	4.3. People (4.3.1.7)	No GRI Integration and universal accessibility of people with disabilities
	Policy against all types of discrimination and, where appropriate, diversity management	4.1. Management Strategy Sustainability at Fagor Ederlan (4.1. 2)	GRI 2-23 Commitments and policies
		4.3. People (4.3.1.7)	GRI 2-24 Incorporating commitments and policies
		4.3. People (4.3.1.7)	GRI 406-1 Incidents of discrimination and corrective actions taken



Information required by law on non-financial information and diversity	Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information on respect for human rights		
Management approach	Description of the policies that the group applies with respect to these issues, which shall include due diligence procedures applied to identify, assess, prevent and mitigate risks and major impacts, as well as to verify and control, including whatever measures may have been adopted	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance. GRI 2-23 Commitments and policies GRI 3-3 Management of material issues (in relation to human rights: corporate culture)
	The results of these policies, which should include relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparison across companies and sectors, in accordance with the national, European or international frameworks used.	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance. GRI 2-24 Incorporating commitments and policies
	The main risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on these areas, and how the group manages these risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each matter. This should include information on the impacts that have been identified, with a report on their breakdown, in particular on the main short, medium and long-term risks.	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance. GRI 3-3 Management of material issues (in relation to human rights: corporate culture)
	Implementing human rights due diligence procedures; preventing risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy possible violations committed.	4.2. Ethical governance. 4.2. Ethical governance. No GRI Human Rights Training GRI 414-2 Negative environmental impacts in the supply chain and actions taken
	Complaints about cases of human rights violations. Promotion and enforcement of the provisions of the core conventions of the International Labour Organisation regarding respect for freedom of association and the right to collective bargaining; the elimination of discrimination in respect of employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour.	4.2. Ethical governance. 4.2. Ethical governance. 4.2. Ethical governance. GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 406-1 Incidents of discrimination and corrective actions taken

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information relating to the fight against corruption and bribery			
Management approach	Description of the group's policies with respect to these issues, including due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts and for verification and monitoring, including the measures that have been taken	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance.	GRI 2-23 Commitments and policies
	The results of these policies, which should include relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparison across companies and sectors, in accordance with the national, European or international frameworks used.	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance.	GRI 2-24 Incorporating commitments and policies
	The main risks related to these issues associated with the Group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact in these areas and how the Group manages these risks, explaining the procedures used to detect and assess them in accordance with the national, European or international frameworks of reference for each matter. This should include information on the impacts identified, with their breakdown, in particular on the main short-, medium- and long-term risks.	4.1. Sustainability strategy at Fagor Ederlan 4.2. Ethical governance. As a result of the IRO Analysis; there are no material corruption and bribery impacts, risks and opportunities. Fagor Ederlan has a material impact and risk on corporate culture in aspects of governance. However, in the identification of IROs, corruption and bribery risks have been identified and assessed along the entire value chain, but are not relevant, i.e. material, to the cooperative.	No GRI (GRI 3-3 does not apply as corruption and bribery are not material issues)
Information relating to the fight against corruption and bribery	Measures adopted to prevent corruption and bribery	4.2. Ethical governance.	GRI 2-26 Mechanisms for seeking advice and raising concerns
	Measures to combat money laundering		GRI 205-2 Communication and training about anti-corruption policies and procedures
	Contributions to non-profit making foundations and bodies	4.4 Society (4.4.1 y 4.4.2)	GRI 201-1 Direct economic value generated and distributed GRI 203-2 Significant indirect economic impacts
		No contributions have been made to political parties and/or representatives.	GRI 415-1 Contribution to political parties and/or representatives

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information about the company			
Management approach	Description of the policies that the group applies with respect to these issues, which shall include due diligence procedures applied to identify, assess, prevent and mitigate risks and major impacts, as well as to verify and control, including whatever measures may have been adopted	4.1. Sustainability strategy at Fagor Ederlan 4.4. Company 4.6. Supply chain	GRI 3-3 Management of material issues (in relation to society; affected groups) GRI 2-23 Commitments and policies
	The results of these policies, which should include relevant non-financial key performance indicators to enable monitoring and evaluation of progress and to facilitate comparison across companies and sectors, in accordance with the national, European or international frameworks used.	4.1. Sustainability strategy at Fagor Ederlan 4.4. Company 4.6. Supply chain	GRI 2-24 Incorporating commitments and policies
	The main risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on these areas, and how the group manages these risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each matter. This should include information on the impacts identified, with their breakdown, in particular on the main short-, medium- and long-term risks.	4.1. Sustainability strategy at Fagor Ederlan As a result of the IRO Analysis; there are no material risks and opportunities for the company. Fagor Ederlan has a material positive impact compared to affected groups in aspects of the company. However, in the identification of IROs, other impacts, risks and opportunities have been identified and assessed for the collective company along the value chain, but are not relevant, i.e. material, for the cooperative.	GRI 3-3 Management of material issues (in relation to society; affected groups)
The company's commitments to sustainable development	The impact that the company's activity has on employment and local development;	4.4. Company	GRI 201-1 Direct economic value generated and distributed
		4.4. Company	GRI 203-1 Infrastructure investments and services supported
		4.4. Company	GRI 203-2 Significant indirect economic impacts
		4.4. Company	GRI 413-1 Operations with local community engagement, impact assessments, and development programmes
	The impact that the company's activity has on local populations and territory	4.4. Company	GRI 413-2 Operations with significant negative impacts - real or potential - on local communities
	Relationships maintained with the actors of local communities and the forms of the dialogue held with them	4.4. Company	GRI 2-29 Approach to stakeholder engagement
	Sponsorship and partnership actions	4.4. Company	GRI 2-28 Membership of associations

Information required by law on non-financial information and diversity		Omissions / Reference chapter	Related GRI standards and other non-GRI indicators
Information about the company			
Subcontracts and suppliers	The inclusion of social issues, gender equality and environmental issues	4.6. Supply chain (4.6.1)	GRI 3-3 Management of material issues (supply chain)
	Taking social and environmental responsibility into account in relations with suppliers and subcontractors	4.6. Supply chain (4.6.1 and 4.6.2)	GRI 308-1 New suppliers that have passed evaluation and selection filters according to environmental criteria.
		4.6. Supply chain (4.6.1 and 4.6.2)	GRI 414-1 New suppliers that have passed evaluation and selection filters according to social criteria
	Monitoring and audit systems and their results	4.6. Supply chain (4.6.1 and 4.6.2)	GRI 308-2 Negative environmental impacts in the supply chain and actions taken
		4.6. Supply chain (4.6.1 and 4.6.2)	GRI 414-2 Negative environmental impacts in the supply chain and actions taken
Clients / consumers	Customer / consumer health and safety measures	2. Global supplier to the motor Industry	GRI 416-1 Product or service category health and safety impact assessment
		2. Global supplier to the motor Industry	GRI 417-1 Product and service information and labelling requirements
	Complaint systems, complaints received and their resolution	During the year there were cases of non-compliance, none of which were major or of a serious nature..	GRI 416-2 Cases of non-compliance concerning product and service category health and safety impacts
		4. Committing to sustainability (4.2.4) Fagor Ederlan has not received any complaints of this kind	GRI 418-1 substantiated complaints regarding breaches of customer privacy and loss of customer data
Tax information	Profits earned on a country-by-country basis, taxes on profits paid	1.2. Balance Sheet 2025	GRI 201-1 Direct economic value generated and distributed
		4.7 Finance (4.7.2)	
		4.7 Finance (4.7.2)	GRI 207-1 Taxes paid by country
	Taxes on profits paid	4.7 Finance (4.7.2)	No GRI Taxes on profits paid
	Information on public grants received	4.7 Finance (4.7.2)	GRI 201-4 Financial assistance received from government

5.3 GRI CONTENT INDEX

The following table presents the index of general and specific basic contents of the organisation according to the Global Reporting Initiative (GRI) standards.

FOUNDATION AND GENERAL BASIC CONTENTS

GRI Standard Indicator	Page / Response
General contents	
GRI 2-1 Organisational details	2.1. Experts in motor industry components and systems 3. Industrial Cooperative
GRI 2-2 Entities included in the organisation's sustainability reports	3. Industrial Cooperative 5.1. Procedure for preparing the report
GRI 2-3 Reporting period, frequency and contact point	5.1. Procedure for preparing the report
GRI 2-4 Information updates	5.1. Procedure for preparing the report
GRI 2-5 External assurance	5.4. Audit report
GRI 2-6 Activities, value chain and other business relationships	2.1. Experts in motor industry components and systems 3.1. Cooperative Group 4.1. Management Strategy Sustainability of Fagor Ederlan



GRI Standard Indicator	Page / Response
General contents	

GRI 2-7 Employees

GRI 2-8 Non-employee workers

4.3. People

Number and percentage of employees by professional category, type of contract and age groups

	Number and percentage of employees by job category and by age group											
	2025				2024				2023			
	DL	%	MOI	%	DL	%	MOI	%	DL	%	MOI	%
Permanent	1325	100%	1327	100%	1269	100%	1404	100%	1418	100%	1378	100%
Aged 30 or less	91	7%	78	7%	88	7%	95	7%	162	11%	106	8%
Between 30 & 50	808	61%	810	63%	804	63%	891	63%	896	63%	866	63%
Aged 50 or more	426	32%	439	30%	377	30%	418	30%	360	25%	406	29%
Temporary	437	100%	97	100%	524	100%	127	100%	507	100%	142	100%
Aged 30 or less	147	34%	49	55%	156	30%	70	55%	152	30%	85	60%
Between 30 & 50	217	50%	46	39%	269	51%	50	39%	255	50%	47	33%
Aged 50 or more	73	17%	2	6%	99	19%	7	6%	100	20%	10	7%
TOTAL	1762	100%	1424	100%	1793	100%	1531	100%	1925	100%	1520	100%
Part time	0	%	0	100%	0	%	1	100%	0	0%	1	100%
Aged 30 or less	0	%	0	0%	0	%	0	0%	0	0%	1	100%
Between 30 & 50	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Aged 50 or more	0	0%	0	100%	0	0%	1	100%	0	0%	0	0%
Full time	1762	100%	1424	100%	1793	100%	1530	100%	1925	100%	1519	100%
Aged 30 or less	238	14%	127	11%	244	14%	165	11%	314	16%	190	13%
Between 30 & 50	1025	58%	856	61%	1073	60%	941	61%	1151	60%	913	60%
Aged 50 or more	499	28%	441	28%	476	27%	424	28%	460	24%	416	27%
TOTAL	1762	100%	1424	100%	1793	100%	1531	100%	1925	100%	1520	100%

DL: a group of people belonging to different professional categories who work directly linked to the production process

IL: set of managers, intermediate or managerial positions, and linked to Corporate Services, who work indirectly linked to the production process

GRI Standard Indicator	Page / Response
General contents	
GRI 2-9 Structure and composition of the organisation's governance	3.2. Cooperative government
GRI 2-10 Appointment and selection of the highest governing body	3.2. Cooperative government
GRI 2-11 Chairman of the highest governing body	3.2. Cooperative government
GRI 2-12 Role of the highest governance body in overseeing impact management	3.2. Cooperative government 4.1. Management Strategy Sustainability at Fagor Ederlan
GRI 2-13 Delegation of responsibility for impact management	3.2. Cooperative government 4.1. Management Strategy Sustainability at Fagor Ederlan
GRI 2-15 Conflict of interest	4.2. Ethical governance (4.2.1)
GRI 2-16 Communicating critical concerns	4.2. Ethical governance (4.2.1)
GRI 2-18 Governance structure and composition	3.2. Cooperative government
GRI 2-19 Remuneration policies	4.3. People (4.3.1)
GRI 2-20 Process for determining remuneration	4.3. People (4.3.1)
GRI 2-21 Total annual compensation ratio	4.3. People (4.3.1)
GRI 2-22 Sustainable Development Strategy Statement	1. Summary 2025 4.1. Management Strategy Sustainability at Fagor Ederlan
GRI 2-23 Policy commitments	3.2. Cooperative government 4. Committing to sustainability (4.1, 4.2, 4.3, 4.4, 4.5)
GRI 2-24 Incorporating political commitments	3.2. Cooperative government 4. Committing to sustainability (4.1, 4.2, 4.3, 4.4, 4.5)
GRI 2-25 Processes to remedy negative impacts	3.2. Cooperative government
GRI 2-26 Mechanisms for seeking advice and raising ethical concerns	4.2. Ethical governance.
GRI 2-27 Compliance with laws and regulations	4.2. Ethical governance.
GRI 2-28 Membership of associations	4.4. Company
GRI 2-29 Approach to the participation of interested parties	2. Global supplier to the Motor Industry 4.1. Management Strategy Sustainability at Fagor Ederlan 4.4. Company
GRI 2-30 Collective bargaining agreements	4.3. People (4.3.1)
Material Issues	
GRI 3-1 Process for determining material issues	4.1. Management Strategy Sustainability at Fagor Ederlan
GRI 3-2 List of material topics	4.1. Management Strategy Sustainability at Fagor Ederlan

Material Issues Indicators

GRI Standard indicator	Page / Response
Governance issues	
GRI 3-3 Management of material issues	3.2. Cooperative government
Human Rights (Corporate culture: risk)	
GRI 3-3 Management of material issues	4.1. Management Strategy Sustainability of Fagor Ederlan 4.2. Ethical governance.
Social issues	
In-house staff (Job security: positive impact)	
GRI 3-3 Management of material issues	4.3. People (4.3.1)
GRI 401-1 New employee recruitment and staff turnover	4.3. People (4.3.1)

+ 	Countries / geographical areas	Voluntary severance by country and gender								
		2025			2024			2023		
		Women	Men	Total	Women	Men	Total	Women	Men	Total
	North America	0	14	14	8	19	27	16	30	46
	South America	0	51	51	1	38	39	1	26	27
	Asia	7	16	23	11	10	21	16	31	47
	Europe	21	56	77	18	106	124	86	301	387
	Total	28	137	165	38	173	211	119	388	507

+ 	Countries / geographical areas	Voluntary severance by country and age											
		2025				2024				2023			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
	North America	7	7	0	14	12	12	3	27	20	26	0	46
	South America	15	31	5	51	13	22	4	39	10	17	0	27
	Asia	3	20	0	23	1	20	0	21	20	27	0	47
	Europe	36	34	7	77	48	66	10	124	159	172	56	387
	Total	61	92	12	165	74	120	17	211	209	242	56	507



GRI Standard indicator	Page / Response																																																																																																																																																																																																
	<table><tr><td rowspan="3"> —  </td><td rowspan="3">Countries / geographical areas</td><td colspan="9">New staff by country and gender</td></tr><tr><td colspan="3">2024</td><td colspan="3">2024</td><td colspan="3">2023</td></tr><tr><td>Women</td><td>Men</td><td>Total</td><td>Women</td><td>Men</td><td>Total</td><td>Women</td><td>Men</td><td>Total</td></tr><tr><td></td><td>North America</td><td>1</td><td>2</td><td>3</td><td>7</td><td>14</td><td>21</td><td>11</td><td>35</td><td>46</td></tr><tr><td></td><td>South America</td><td>5</td><td>158</td><td>163</td><td>2</td><td>109</td><td>111</td><td>4</td><td>115</td><td>119</td></tr><tr><td></td><td>Asia</td><td>2</td><td>2</td><td>4</td><td>1</td><td>2</td><td>3</td><td>9</td><td>17</td><td>26</td></tr><tr><td></td><td>Europe</td><td>6</td><td>197</td><td>257</td><td>64</td><td>306</td><td>370</td><td>236</td><td>891</td><td>1127</td></tr><tr><td></td><td>Total</td><td>68</td><td>359</td><td>427</td><td>74</td><td>431</td><td>505</td><td>260</td><td>1058</td><td>1318</td></tr></table> <table><tr><td rowspan="3"> —  </td><td rowspan="3">Countries / geographical areas</td><td colspan="12">New staff by country and gender</td></tr><tr><td colspan="4">2025</td><td colspan="4">2024</td><td colspan="4">2023</td></tr><tr><td><30</td><td>30-50</td><td>>50</td><td>Total</td><td><30</td><td>30-50</td><td>>50</td><td>Total</td><td><30</td><td>30-50</td><td>>50</td><td>Total</td></tr><tr><td></td><td>North America</td><td>2</td><td>1</td><td>0</td><td>21</td><td>17</td><td>3</td><td>1</td><td>21</td><td>28</td><td>17</td><td>1</td><td>46</td></tr><tr><td></td><td>South America</td><td>51</td><td>96</td><td>16</td><td>163</td><td>42</td><td>67</td><td>2</td><td>111</td><td>55</td><td>56</td><td>8</td><td>119</td></tr><tr><td></td><td>Asia</td><td>3</td><td>1</td><td>0</td><td>4</td><td>1</td><td>2</td><td>0</td><td>3</td><td>12</td><td>14</td><td>0</td><td>26</td></tr><tr><td></td><td>Europe</td><td>109</td><td>119</td><td>29</td><td>257</td><td>165</td><td>157</td><td>48</td><td>370</td><td>475</td><td>491</td><td>161</td><td>1127</td></tr><tr><td></td><td>Total</td><td>165</td><td>217</td><td>45</td><td>427</td><td>225</td><td>229</td><td>51</td><td>505</td><td>570</td><td>578</td><td>170</td><td>1318</td></tr></table>	— 	Countries / geographical areas	New staff by country and gender									2024			2024			2023			Women	Men	Total	Women	Men	Total	Women	Men	Total		North America	1	2	3	7	14	21	11	35	46		South America	5	158	163	2	109	111	4	115	119		Asia	2	2	4	1	2	3	9	17	26		Europe	6	197	257	64	306	370	236	891	1127		Total	68	359	427	74	431	505	260	1058	1318	— 	Countries / geographical areas	New staff by country and gender												2025				2024				2023				<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total		North America	2	1	0	21	17	3	1	21	28	17	1	46		South America	51	96	16	163	42	67	2	111	55	56	8	119		Asia	3	1	0	4	1	2	0	3	12	14	0	26		Europe	109	119	29	257	165	157	48	370	475	491	161	1127		Total	165	217	45	427	225	229	51	505	570	578	170	1318
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GRI 401-3 Parental leave	4.3. People (4.3.1)																																																																																																																																																																																																
Own staff (Health and safety at work: negative impact)																																																																																																																																																																																																	
GRI 3-3 Management of material issues	4.3. People (4.3.2)																																																																																																																																																																																																
GRI 403-1 Occupational health and safety management system	4.3. People (4.3.2)																																																																																																																																																																																																
GRI 403-2 Hazard identification, risk assessment, and incident investigation	4.3. People (4.3.2)																																																																																																																																																																																																
GRI 403-3 Occupational health services	4.3. People (4.3.2)																																																																																																																																																																																																



GRI Standard indicator	Page / Response																																																						
GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	4.3. People (4.3.2) <table><tr><th rowspan="3"></th><th colspan="6">Health and Safety Committees</th></tr><tr><th colspan="2">2025</th><th colspan="2">2024</th><th colspan="2">2023</th></tr><tr><th>Nº reps.</th><th>% reps./staff</th><th>Nº reps.</th><th>% reps./staff</th><th>Nº reps.</th><th>% reps./staff</th></tr><tr><td>North America</td><td>7</td><td>5.8</td><td>10</td><td>7.9</td><td>13</td><td>6.3</td></tr><tr><td>South America</td><td>20</td><td>3.7</td><td>20</td><td>3.6</td><td>18</td><td>3.58</td></tr><tr><td>Asia</td><td>12</td><td>13.8</td><td>13</td><td>11.8</td><td>20</td><td>14.3</td></tr><tr><td>Europe</td><td>26</td><td>1.1</td><td>27</td><td>1.1</td><td>27</td><td>1.06</td></tr><tr><td>Total</td><td>65</td><td>2.0</td><td>70</td><td>2.1</td><td>78</td><td>2.3</td></tr></table>		Health and Safety Committees						2025		2024		2023		Nº reps.	% reps./staff	Nº reps.	% reps./staff	Nº reps.	% reps./staff	North America	7	5.8	10	7.9	13	6.3	South America	20	3.7	20	3.6	18	3.58	Asia	12	13.8	13	11.8	20	14.3	Europe	26	1.1	27	1.1	27	1.06	Total	65	2.0	70	2.1	78	2.3
	Health and Safety Committees																																																						
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South America	20	3.7	20	3.6	18	3.58																																																	
Asia	12	13.8	13	11.8	20	14.3																																																	
Europe	26	1.1	27	1.1	27	1.06																																																	
Total	65	2.0	70	2.1	78	2.3																																																	
GRI 403-5 Worker training on occupational health and safety	4.3. People (4.3.2)																																																						
GRI 403-6 Promoting workers' health	4.3. People (4.3.2)																																																						
GRI 403-7 Prevention and mitigation of impacts on the health and safety of workers directly linked to trade relations	4.3. People (4.3.2)																																																						
GRI 403-8 Coverage of the occupational health and safety management system	4.3. People (4.3.2)																																																						



GRI Standard indicator

Page / Response

GRI 403-9 Work-related injuries

	Work-related injuries (for all employees)														
	2025					2024					2023				
	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total
Work-related injuries (for all employees)															
Total number	0	2	7	77	86	3	2	10	90	105	2	1	21	95	119
Rate	0	9.91	4.93	20.61	14.06	9.00	5.82	7.37	21.80	17.04	4.86	2.26	16.85	21.68	19.60
Work-related injuries with major consequences (not including deaths)															
Total number	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commuting accidents with sick leave															
Total number	0	1	2	8	11	0	0	0	13	13	2	1	1	13	17
Rate	0	4.96	1.41	2.14	1.95	0	0	0	3.15	2.11	2.33	2.06	0.94	2.85	2.52
Recordable work-related injuries															
Total number	0	2	7	77	86	3	2	10	90	105	2	1	21	95	119
Rate	0	9.91	3.64	20.61	14.06	9.00	5.82	7.37	21.80	17.04	4.86	2.26	16.85	21.68	19.60
Main types of work-related injuries															
	Contusions	Contusions	Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions	Contusions	Contusions	Contusions	Musculoskeletal Contusions	Musculoskeletal Contusions
Number of hours worked	282278	201783	1922613	3763451	6117477	333304	343871	1357372	4128042	6162589	411390	443390	1246333	3970210	6071323

GRI Standard indicator	Page / Response
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GRI 403-9 Work-related injuries

	Work-related injuries (for all workers who are not employees but whose jobs or workplaces are controlled by the organisation)														
	2025					2024					2023				
	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total
Deaths resulting from a work-related injury															
Total number	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Work-related injuries with major consequences (not including deaths)															
Total number	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commuting accidents with sick leave															
Total number	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Main types of work-related injuries	-	-	Contusions	Contusions	Contusions	-	-	Contusions	Contusions	Contusions	-	Contusions	Contusions	Contusions	
Number of hours worked	15816	1872	13616	457231	488535	0	0	96800	513404	610204	0	36196.51	184382	486613	707191

GRI 403-9 Work-related injuries

	Absenteeism, frequency, severity and occupational diseases														
	2025					2024					2023				
	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total
Hours of absenteeism	5560	3224	4356	321419	334559	3283	948	14002	368434	386667	4304	1551	7687	298378	311919
Men	5216	1912	4356	245526	257010	2136	460	14002	81839	98437	2408	404	7687	229377	239875
Women	344	1312	0	75893	77549	1147	488	0	286595	288230	1896	1148	0	69000	72044
Frequency rate	0	9.91	4.93	20.61	15.24	9.00	5.82	7.37	21.80	17.04	4.91	3.12	16.85	23.93	20.02
Men	0	14.36	5.15	22.79	16.35	24.58	8.18	7.65	22.96	17.36	3.51	4.63	17.80	25.57	21.42
Women	0	0	0	12.56	10.04	3.97	0	70	17.40	15.55	8.18	0	0	17.82	14.88
Severity rate	0	0.78	0.07	0.42	0.32	0.24	0.06	0.10	0.66	0.48	0.06	0.03	0.10	0.57	0.41
Men	0	1.13	0.07	0.50	0.37	0.87	0.09	0.10	0.73	0.51	0.05	0.02	0	0.58	0.42
Women	0	0	0	0.14	0.11	0.04	0	0	0.36	0.35	0.09	0.03	0.11	0.49	0.39
Occupational disease incidence rate	0	0	0	0.0009	0.005	0	0	0	0	0	0	0	0	0.011	0.007
Men	0	0	0	0.0011	0.0010	0	0	0	0	0	0	0	0	0.013	0.009
Women	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

GRI Standard indicator

Page / Response

GRI 403-10 Work-related ill health

	Work-related ill health (for all employees)														
	2025					2024					2023				
	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total
Number of deaths resulting from work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of recordable work-related ailment and illness cases	0	0	0	1	1	0	0	0	5	5	0	0	0	6	6
Main types of work-related injuries	-	-	-	-	Persistent asthma	-	-	-	Silicosis, Asbestosis, Bilateral hearing loss, Anthracosis	Silicosis, Asbestosis, Bilateral hearing loss, Anthracosis				Hearing loss. Acoustic trauma. Chronic. Chronic tenosynovitis. Bilateral hearing loss.	Hearing loss. Acoustic trauma. Chronic. Chronic tenosynovitis. Bilateral hearing loss.

	Work-related illnesses and diseases (for all workers who are not employees but whose jobs or workplaces are controlled by the organisation)														
	2025					2024					2023				
	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total	North America	Asia	South America	Europe	Total
Number of deaths resulting from work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of recordable work-related ailment and illness cases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Main types of work-related injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries	There have been no injuries



GRI Standard indicator	Page / Response
In-house staff (Retention and recruitment: risks)	

GRI 3-3 Management of material issues 4.3. People (4.3.3)

GRI 404-1 Average hours of training per year per employee

 Countries / geographical areas	Average hours of training per year per employee by gender								
	2025			2024			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
North America	46.69	49.20	48.58	47.01	35.55	38.48	22.22	24.82	24.09
South America	15.84	14.51	14.56	35.64	42.49	42.14	26.34	11.42	12.27
Asia	18.97	22.62	21.50	18.53	25.52	23.20	38.03	31.17	33.48
Europe	28.21	25.75	26.26	34.36	36.10	35.74	36.20	36.67	36.57
Total	28.05	23.93	24.67	34.21	36.82	36.33	34.97	32.25	32.79

  Countries / geographical areas	Average hours of training per year per employee per professional category								
	2025			2024			2023		
	DL	MOI	Total	DL	MOI	Total	DL	MOI	Total
North America	63.34	38.09	48.58	28.30	47.40	38.48	28.71	17.91	24.09
South America	12.21	18.40	14.56	41.76	42.85	42.14	9.24	16.48	12.27
Asia	14.76	25.43	21.50	16.33	27.18	23.20	27.80	38.28	33.48
Europe	19.60	28.17	26.26	29.24	35.66	35.74	39.61	24.02	36.57
Total	19.09	26.59	24.67	63.34	38.09	36.33	35.10	22.77	32.79

GRI 404-2 Programmes for upgrading employee skills and transition assistance programs 4.3. People (4.3.3)

GRI 404-3 Percentage of employees receiving regular performance and career development evaluations An annual evaluation of employee performance of 100% is carried out, linked to the remuneration system.



GRI Standard indicator	Page / Response
Relations with local communities (Affected groups: positive impact)	
GRI 3-3 Management of material issues	4.4. Company
GRI 201-1 Direct economic value generated and distributed	4.4. Company
GRI 203-1 Infrastructure investments and services supported	4.4. Company
GRI 203-2 Significant indirect economic impacts	4.4. Company
GRI 413-1 Operations with local community engagement, impact assessments, and development programmes	4.4. Company
GRI 413-2 Operations with significant negative impacts - real or potential - on local communities	4.4. Company



GRI Standard indicator	Page / Response
Environmental issues	
Climate Change (Climate change mitigation: negative impact and opportunity, Climate change adaptation: risk, Energy: negative impact)	
GRI 3-3 Management of material issues	4.5. Environment (4.5.1 and 4.5.2)
GRI 302-1 Energy consumption within the organisation	4.5. Environment (4.5.2)
GRI 302-3 Energy intensity	4.5. Environment (4.5.2)

	Energy consumption (kWh)						
	Type of energy	Source type	Energy consumption	2025	2024	2023	2022* Base year
North America	Electricity	Renewable	Indirect energy consumption	0.53	0.86	0.75	0.74
		Non-Renewable		0.022	0.00	0.00	0.00
	Gas	Non-Renewable	Direct Energy Consumption	1.09	1.11	0.97	0.99
	Total			1.64	1.97	1.73	1.73
South America	Electricity	Renewable	Indirect energy consumption	5.05	4.61	4.29	0.58
		Non-Renewable		0.00	0.00	0.00	3.95
	LPG	Non-Renewable	Direct Energy Consumption	0.37	0.30	0.26	0.31
	Diesel	Non-Renewable	Direct Energy Consumption	0.01	0.01	0.01	0
	Total			5.43	4.92	4.56	4.85
Asia	Electricity	Non-Renewable	Indirect energy consumption	1.20	0.83	0.88	0.76
	Gas	Non-Renewable	Direct Energy Consumption	2.29	1.70	1.68	1.21
	Total			3.49	2.54	2.57	1.97
Europe	Electricity	Renewable	Indirect energy consumption	2.36	2.46	1.99	2.21
		Non-Renewable	Indirect energy consumption	0.05	0.04	0.04	0.04
	Gas	Non-Renewable	Direct Energy Consumption	0.79	0.83	0.74	0.84
	Diesel	Non-Renewable		0.02	0.02	0.02	0.02
	Coke	Non-Renewable		0.00	0.00	0.00	0.00
	Total			3.22	3.36	2.79	3.11
TOTAL				3.28	3.37	2.83	3.05

GRI Standard indicator	Page / Response
GRI 302-4 Reduction of energy consumption	4.5. Environment (4.5.2)
GRI 305-1 Direct GHG emissions (Scope 1)	4.5. Environment (4.5.2)
GRI 305-2 Indirect GHG emissions from energy generation (Scope 2)	
GRI 305-3 Other indirect GHG emissions (Scope 3)	4.5. Environment (4.5.2)
GRI 305-4 Ratio of GHG emissions	4.5. Environment (4.5.2)
GRI 305-5 Reducing GHG emissions	4.5. Environment (4.5.2)
GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	4.5. Environment (4.5.2)
Circular economy (Resource flow; positive impact, opportunity and risk)	
GRI 3-3 Management of material issues	4.5. Environment (4.5.5)
GRI 306-1 Waste generation and significant waste related impacts	4.5. Environment (4.5.5)
GRI 306-2 Management of significant waste-related impacts	4.1. Management Strategy Sustainability of Fagor Ederlan 4.5. Environment (4.5.5)
GRI 306-3 Waste generated	4.5. Environment (4.5.5)
GRI 306-4 Waste not destined for disposal	4.5. Environment (4.5.5)
GRI 306-5 Waste destined for disposal	4.5. Environment (4.5.5)



5.4 AUDIT REPORT

5.4.1 Drafting of the EINF

The Governing Council of Fagor Ederlan S.Coop. met on 7 May 2026 and proceeded to draw up the consolidated non-financial report for the financial year ended 31 December 2025.



Mikel Uribeetxebarria
President



Naia Zubia
Secretary



Nerea Olaverri
Vice-President



Leire Retolaza
Secretary



Nerea Ugalde
Member



Josu Zuazua
Member



Asier Ribera
Member



Joseba Zubeldia
Member



Judith Muruamendaraz
Member



Eneko Bikandi
Member



Ainhoa Alonso
Member



Iratxe Igartua
Member

5.4.2 EINF Verification Report

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FAGOR EDERLAN, S.COOP. Y SOCIEDADES DEPENDIENTES

Informe de verificación
independiente del Estado de
Información No Financiera
Consolidado correspondiente al
ejercicio 2025

Mayo, 2026

Inscrita en el Registro Mercantil de Gipuzkoa en el Tomo 1.167, folio 46, hoja 50-3389, Inscripción 1ª • C.I.F.: B-20419701
Inscrita en el RDNIC con el nº 11054 y en el Instituto de Contadores Jurados de España con el nº 507.

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INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO DE FAGOR EDERLAN, S.COOP. Y SOCIEDADES DEPENDIENTES DEL EJERCICIO 2025

A los Socios/as de FAGOR EDERLAN, S.COOP.:

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera Consolidado adjunto (en adelante EINF) correspondiente al ejercicio finalizado el 31 de diciembre de 2025, de FAGOR EDERLAN, S.COOP. y sociedades dependientes (en adelante el Grupo) que forma parte del Informe de Gestión consolidado del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la "Tablas de contenidos de la Ley 11/2018 de Información no financiera" incluida en el punto 5.2 en el EINF adjunto.

Responsabilidad de los administradores

La formulación del EINF incluido en el Informe de Gestión del Grupo, así como el contenido del mismo, es responsabilidad de los administradores de FAGOR EDERLAN, S.COOP. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los Sustainability Reporting Standards de Global Reporting Initiative (estándares GRI) seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la "Tablas de contenidos de la Ley 11/2018 de Información no financiera" del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores de FAGOR EDERLAN, S.COOP. son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Inscrita en el Registro Mercantil de Gipuzkoa en el Tomo 1.167, folio 46, hoja 50-3389, Inscripción 1ª • C.I.F.: B-20419701
Inscrita en el RDNIC con el nº 11054 y en el Instituto de Contadores Jurados de España con el nº 507.

INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO DE FAGOR EDERLAN, S.COOP. Y SOCIEDADES DEPENDIENTES DEL EJERCICIO 2025

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad (incluyendo las normas internacionales sobre independencia) emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Gestión de la Calidad (NIGC) 1, que requiere que la firma diseñe, implemente y opere un sistema de gestión de la calidad que incluya políticas y procedimientos relativos al cumplimiento de los requerimientos de ética, normas profesionales y requerimientos legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado.

Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría y de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del EINF emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad que se obtiene es sustancialmente menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades de FAGOR EDERLAN que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal del Grupo FAGOR EDERLAN para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.

INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO DE FAGOR EDERLAN, S.COOP. Y SOCIEDADES DEPENDIENTES DEL EJERCICIO 2025

- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2025 en función del análisis de materialidad realizado por el Grupo FAGOR EDERLAN y descrito en el apartado "4.1.1. Análisis IRO y Doble Materialidad" del EINF, considerando también los contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2025.
- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2025.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2025 y su adecuada compilación a partir de los datos suministrados por las fuentes de información del Grupo FAGOR EDERLAN.
- Obtención de una carta de manifestaciones de los administradores y la Dirección.

Conclusión

Basándonos en los procedimientos realizados en nuestra verificación, y en las evidencias que hemos obtenido, no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF del Grupo FAGOR EDERLAN correspondiente al ejercicio anual finalizado el 31 de diciembre de 2025 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la "Tablas de contenidos de la Ley 11/2018 de Información no Financiera" del citado Estado.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

LKS AUDITORES, S.L.P.



Edurne Idigoras Gamboa

13 de mayo de 2026



