



Azkoyen, S.A. Sustainability Policy

29 September 2023

The **AZKOYEN Group** works in a context where catering to corporate interests involves a sustainable development strategy favouring long-term value creation that will benefit all its stakeholders, with environmental, social and good governance criteria (“ESG”) to meet the highest standards demanded by society.

The Azkoyen Group’s **Board of Directors** is aware of this situation and exercises its powers of approval and updating of the corporate policies. It has therefore approved this Sustainability Policy, whose purpose is to establish the basic principles and commitments governing the Group’s sustainable development strategy, promoting the integration of sustainability practices throughout its entire business model and assuming the following:

Environmental commitments

Climate change: *to establish measures to fight and mitigate climate change, including actions to reduce emissions of greenhouse effect gases that take climate-related risks and opportunities into account.*

Pollution: *to implement certified environmental management systems and encourage their implementation at the supplier companies, with a view to reducing pollution by minimising emissions into air and water and waste generation, optimising their management.*

Water and marine resources: *to encourage the rational use and management of water and marine resources.*

Biodiversity and ecosystems: *to assure the preservation of biodiversity and land and marine ecosystems, preventing impacts from activities directly or indirectly carried out by the company.*

Use of natural resources: *to incorporate sustainable development criteria to all our areas of activity, guaranteeing these criteria are efficiently managed and committing to using sustainable products throughout their entire life cycle and to the use of renewable natural resources.*

The circular economy: *to integrate the circular economy to our business model, products and services, following the principles of durability, repairability, reuse, prevention, recycling and disposal of the products at the end of their working life.*

Social commitments

Working conditions: *to provide fair labour conditions for our workers, rejecting and prohibiting child labour of any kind, ensuring that the remuneration and all other conditions are fair and preventing exploitation of any kind.*

Occupational health and safety: *to provide a safe working environment for our employees, promoting a zero accident philosophy and fostering health.*

Professional development: *to value our people by nurturing their professional development and providing them with training opportunities to reach their highest potential.*

Diversity and equality: *to respect and encourage diversity and equal opportunities for all our employees, with no discrimination whatsoever on the grounds of their sex, race, nationality, language, religion, ideology or any other individual, social or personal characteristic, promoting plans and measures to facilitate work-life conciliation and co-responsibility and reduce the gender gap in society.*

Inclusion: *to create an inclusive, collaborative working environment that will encourage the employees' professional and personal development.*

Social dialogue: *to protect people's freedom of association and encourage social dialogue.*

Employee involvement: *to nurture a corporate philosophy of creativity, involvement and collaboration between work teams, with the purpose of identifying opportunities for improvement and innovation in all areas of the company.*

Workers in the value chain: *to collaborate with our suppliers so that human and labour rights are respected throughout our entire supply chain, in compliance with international standards, and ensuring they receive fair remuneration for their products and services.*

Concerned communities: *to build strong links with the communities affected by the Group's business activity, analysing the impact of our work on these communities and respecting their social and cultural realities.*

Human rights: *to promote the preservation and dissemination of the cultural heritage of the communities in which the Group works, and to support initiatives that will contribute to respect for human rights, access to essential services and socio-economic development.*

Customers and end users: *to make high-quality, safe, competitive, effective and efficient solutions available to our customers and end users through innovation, remaining at the cutting edge of the market.*

Shareholders and investors: *to act in the best interests of our shareholders and investors, promoting transparency, accountability and informed decision-making in order to guarantee long-term value creation, encouraging open, effective communication and carefully considering the opinions and concerns of our shareholders and investors in our strategic and operational decisions.*

Good governance and business conduct commitments

Ethical, responsible practices: *to maintain corporate governance practices based on business ethics and transparency and with responsibility towards internal and external stakeholders, respecting the rules of the free market and free competition and rejecting any illegal or fraudulent practices.*

Legal compliance: *to comply with the applicable law in the countries in which the Group operates, complementarily and voluntarily adopting international commitments and guidelines in countries where no adequate or sufficient legal development exists. To exercise fiscal responsibility on carrying out its work, properly cooperating with the tax boards, adopting any business decisions that could have tax repercussions with full knowledge and fair interpretations, without using opaque or contrived structures whose sole purpose is to avoid or reduce the tax burden.*

Corruption prevention: *to establish a system and control measures to prevent, detect and sanction any type of fraud or corruption, in compliance with the AZKOYEN Group's Code of Conduct.*

Privacy and personal data protection: *to respect the privacy of all the Group's employees and collaborators and protect their personal data.*

To achieve these commitments, the AZKOYEN Group's Board of Directors, through its **Assigned Sustainability Counsellor**, oversees the development and implementation of this Policy and the strategies and plans resulting from it. The **Sustainability Committee**, coordinated by the General Management, promotes and implements the plans, programmes and initiatives, assigns responsibilities at the various organisational levels, involves all the employees and supports the Counsellor's work.

To guarantee transparency, accountability and compliance with the sustainability targets, the AZKOYEN Group has the following supervisory bodies tasked with overseeing, measuring and assessing the company's performance with regard to its environmental, social and good governance commitments and their associated non-financial risks: The Board of Directors, the Audit Committee, the Internal Auditing Unit and the Corporate Division of Azkoyen, S.A. Also, on a yearly basis and with the aid of an external advisor, it updates the Risk Management model (risk map) on which the risks – including those relating to ESG – are identified, categorised and prioritised, in order to establish the most relevant mitigation actions and an audit plan for these actions.

The AZKOYEN Group considers communication a vital tool for encouraging involvement and dialogue with the stakeholders in the ESG area, and also for preventing manipulation and protecting honour and integrity. It has therefore established the following practices:

- **Transparency:** providing full, accurate information on the actions, policies and results related to the company's ESG criteria, sharing both its achievements and its challenges.
- **Clear, verifiable sustainability reports:** publishing relevant information on sustainability-related matters on a yearly basis and making it available to all the stakeholders via the corporate website.
- **Specific ESG communication channel:** creation of a specific ESG section on the corporate website.
- **Stakeholder involvement :** inviting the stakeholders to take part in ESG dialogues, demonstrating a genuine commitment and allowing their concerns and comments to influence its decision-making.
- **Participation forums:** using online and social media platforms for interaction with stakeholders, allowing two-way communication and facilitating their response to questions and comments.
- **Rejection of greenwashing:** avoiding any exaggeration or misleading information concerning ESG-related practices and achievements.
- **Independent verification:** submitting ESG reports and statements to independent verification.

This Policy was approved by the Board of Directors of Azkoyen, S.A. at its meeting of 29 September 2023, and it entered into force at the time of its approval.