Gonvarri Industries

Sustainability Report 2023

Doing Well by Doing Good

Gonvarri Industries 2030

Letter from the Chairman 2-22

Jon Riberas

Dear Reader,

The past year has been marked by increasing uncertainty, complexity, and volatility. International conflicts and tensions affect society through rising energy prices and inflation. In this context, the role of the private sector is more relevant than ever. Businesses are not only engines of economic growth but also agents of progress.

From our industrial roots, Gonvarri Industries has developed an increasingly conscious vision of its purpose. With more than 65 years of market presence, Gonvarri Industries is today an industrial leader with a global presence. We participate in the most innovative industrial projects, contributing efficient, safe, and sustainable metal solutions to progress.

This document summarizes our sustainability efforts over the past year and reflects our commitment to progress through environmentally, socially, and governance ethical business practices. Stakeholders, such as suppliers, customers, employees, and society at large, expect organizations to make a meaningful contribution to society and the environment in which they operate.

Decarbonization is a global imperative and at Gonvarri Industries we are determined to be part of the solution. Our Carbon Neutral 2030-2050 Plan is a reflection of this determination and is aligned with the most ambitious CO_2 emission reduction targets, as demonstrated by our commitment to the Science Based Targets initiative and its Net-Zero framework. The energy transition offers opportunities to innovate and develop new business models. We are focused on reducing the environmental impact of our energy consumption, limiting our dependence on non-indigenous energy resources, and exploring new business areas emerging from this new green economy. Renewable energies and the evolution of sustainable mobility will be key growth areas in the coming years.

The professionals at Gonvarri Industries are the main asset of this company. Without them, the company's performance cannot be explained. Having a strategy that allows us to have trained, qualified, and motivated professionals in a pleasant and safe working environment is key to our growth as a competitive and sustainable company. In this regard, I would like to thank the professionals at Gonvarri Industries for their constant commitment and especially for their commitment to health and safety.

Our values of honesty, humility, tenacity, and hard work, inherited from our founder Francisco Riberas, are the foundation of our corporate culture and the key to our success. These values guide us in our mission to create a more sustainable and equitable future for all.

I would like to conclude by expressing our solidarity and support for those affected by the earthquakes in Turkey and Syria in February 2023, including our community and Gonvarri employees in this country. These events highlight the importance of unity and collaboration in times of adversity. I would also like to express my appreciation to investors, shareholders, customers, and suppliers for their long-term commitment and support, which is essential to continue creating value for society as a whole. Always looking to the future and driving progress through an increasingly technological, innovative, and sustainable industry.

Jon Riberas
Executive Chairman
Gonvarri Industries

Letter from the CEO 2-22

Josu Calvo

I am pleased to present the Gonvarri Industries Sustainability Report for 2023. This report highlights our significant economic, environmental, social, and corporate governance impacts during a key period marking the halfway point of our 2022-2024 Strategic Plan. During this period, sustainability has been one of the fundamental pillars of our corporate strategy.

We have made significant progress on the key axes of our plan: diversification, value creation, digitalization, and sustainability, despite the challenging context for global businesses like ours. Today, we are a more diversified group, ready to grow in emerging sectors, which benefit from global trends such as digitalization, automation, circularity, and decarbonization.

In the environmental sphere, Gonvarri Industries stands out for its commitment to responsible environmental management, focusing on decarbonization and circularity in its processes. This year, we have defined 5 sustainability KPIs to be included in the company's management chart, and we have also set annual improvement targets on them.

The group recorded in 2023 that 68% of the electricity came from renewable sources, which sets a new high in our historical series thanks to our commitment to solar photovoltaic self-consumption and renewable electricity supply agreements.

On the social front, our commitment to health and safety remains fundamental to our business, fostering a culture of prevention, as evidenced by the promotion of ISO 45,001 certification in our centers, which this year has reached 83% of our professionals. We also invest in local communities, promoting seven community impact projects that have benefited more than 128,500 people. Special mention should be made of our Emotional Driving road safety awareness program, which will celebrate its tenth anniversary in 2024.

In terms of corporate governance, we emphasize the importance of maintaining relationships of trust with all stakeholders. Our DRIVE Management Model emphasizes efficiency, continuous improvement, and innovation, always within a strong compliance framework. We ensure that our suppliers meet our ethical and sustainability standards, as demonstrated by the implementation of the new Supplier Code of Conduct in 2023. We maintain a strong commitment to the United Nations Sustainable Development Goals, integrating these principles into our value chain and operations.

I would like to highlight Gonvarri Industries' commitment to transparency in sustainability, a key aspect that has been positively reflected in our performance as assessed by prestigious rating agencies. This year, EcoVadis, an entity that monitors sustainability practices in corporate supply chains, has recognized Gonvarri Industries with a Silver medal. This recognition places us among the 15% of the most globally responsible companies according to this index. Furthermore, CDP, a leading agency in measuring the impact on climate change, has awarded us the second best possible grade, a "B". This rating reflects not only our good performance in managing climate impact, but also the quality of the information we report.

I would like to extend my sincere thanks to all the professionals, customers, and suppliers of Gonvarri Industries. Your unwavering commitment to excellence not only drives us forward but represents the distinctive hallmark that sets us apart in the industrial sector in which we operate. Our successes are due to their dedication and the spirit of ongoing collaboration we have been able to achieve. Together, we will continue to move forward and strengthen our leadership position, always true to our vision of providing metal solutions for a safer and more sustainable future.

Josu Calvo
Chief Executive Officer
Gonvarri Industries

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Company data

Company name. Gonvarri Corporación Financiera, S.L.

Registered office and tax domicile. At present, its registered office and tax domicile is located at Calle Embajadores s/n, Madrid.

Gonvarri Corporación Financiera and its subsidiaries form a group (hereinafter Gonvarri Industries, Gonvarri or the Group).

The group is integrated in the Holding Gonvarri, S.L. Group, whose parent company is the Holding Gonvarri, S.L. The company Acek Desarrollo y Gestión Industrial, S.L. is the ultimate holding company controlling the group with a direct and indirect shareholding of 65%.

Reporting period

The reporting period coincides with the reporting period of the Group's annual accounts, i.e. information from 1 January to 31 December 2023.

Scope of the Report

Includes the entire Group, with industrial activity, except for the factories of Gailp Pune (India), Resende (Brazil), Reca (Spain) and the 8 factories of Hidria (Electromobility Division) over which we do not have control, as well as some companies of a commercial nature, with no relevant entity.

Details of the companies included in the group are set out in Annex V to these notes to the consolidated financial statements. In the "Global presence" section of these notes to the consolidated financial statements, details are given of the companies with industrial activities included and excluded in the notes to the consolidated financial statements.

Changes with respect to the 2022 report. With respect to the 2022 financial year, the Riera Tutó factory in Valencia (Spain), which will come into operation in 2023, is included. **Differences between the scope of the annual report and the annual accounts.**

Of the companies with industrial activity accounted for by the equity method in the annual accounts and which in turn have been included in the Sustainability Report, the information has been consolidated globally in the Sustainability Report.

Methodology of the report

This report has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI). It is based on the audited financial statements prepared by the Board of Directors, as well as the information provided by the businesses and corporate areas in relation to the business model, the challenges and risks faced by the company, its social, environmental, economic and governance performance. The participating organisations guarantee the integrity of the information included in this Report.

Significant changes

There are no significant changes compared to the previous year, so no restatement of information has been necessary.

Author of the report

Sustainability Department, Communication, Brand and Sustainability Department of Gonvarri Industries.

Further information

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Spain

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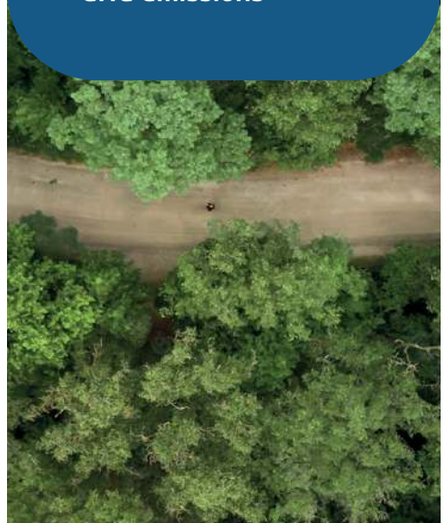

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The Company

2-1

With more than 65 years in the market, **Gonvarri Industries** is a leading group in the transformation of flat steel, aluminium and metal solutions, the result of a highly collaborative organisation with a global presence in 27 countries.

The company is characterised by a deep-rooted industrial culture and constant innovation in all the processes of design, manufacture, assembly, distribution and assembly of metal solutions. Its value proposition is based on adapting to the needs of each customer with a commitment to excellence and continuous improvement.

2-23

Sustainability is part of the management model, focused on the objectives of safety, health, quality, and respect for people and the environment, with the aspiration of building a more sustainable future with fewer inequalities.

Gonvarri works to grow as a solid and responsible company, maintaining the values of **Honesty, Humility, Tenacity and Hard Work** that its founder set. Our ethical and business values inspire our purpose: "Doing Well by Doing Good", convinced that only by acting correctly and consistently can we do things well.

Purpose

Doing Well by Doing Good
Gonvarri Industries 2030

Vision

To offer **Metal Solutions** for a safer and **sustainable future**

Mission

To improve the **Performance** of our customers providing **Innovative** and **Sustainable** Metal Solutions based on a World Wide highly **Collaborative** Organization

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Global Presence 2-1 & 2-2

Global perimeter / Perimeter of the sustainability report

27/25 Countries

59/48 Operational factories

30/27 Offices and distribution centres

+8,500 /5,872 Own professionals

America

USA
- **Gonvauto** South Carolina

MEXICO
- **Gonvauto** Puebla
- **GMS Baja California** Off.
- **Suports ES** Off.

COLOMBIA
- **Gonvarri** Colombia

BRAZIL
- **AMG** Campinas
- **AMG** Resende*
- **AMG** Paraná
- **AMG** Glorinha Río Grande

ARGENTINA
- **Gonvarri** Argentina

Europe

SPAIN
- **Headquarters**
- **Gonvarri** Burgos
- **Gonvarri** Barcelona
- **Gonvarri** Tarragona
- **Gonvarri** Valencia
- **Gonvauto** Barcelona
- **Gonvauto** Galicia
- **Gonvauto** Navarra
- **Gonvarri** Asturias
- **Gonvarri Vizcaya** Off.
- **Road Steel Engineering** Off.
- **Laser** Barcelona
- **Laser** Valencia
- **Laser** Zaragoza
- **Laser** Riera i Tutó Barcelona
- **Laser** Riera i Tutó Valencia
- **Laser Boost**
- **Suports** Off.
- **Gonvauto** Asturias
- **Flinsa**
- Addimen
- Sogeisa Off.
- Sogeisa Ávila
- Sogeisa Arganda
- Sogeisa Algete
- Rejillas Calibradas Barcelona*
- Reca Lámina Perforada *
- Reca Performetal *
- Reca Sima *
- H2Greem

GERMANY
- **Gonvauto** Thüringen
- **Laser Blanking**
- **GMH** Laubach
- **GMH** Lampe Off.
- **GMH Österreich Off.**

BELGIUM
- **GMH** Belgium Off.

DENMARK
- **GMH** Denmark Off.

SLOVAKIA
- **AMG Senica**
- **Gonvauto** Nitra
- **GMH** Slovakia

FINLAND
- **GMH Lohja**

FRANCE
- **GMS** Francia SAS Off.

HOLAND
- **GMH** Holland Off.

HUNGARY
- **GMH** Hungary

NORWAY
- **GMH** Norway Off.

POLAND
- **Gonvarri** Polska
- **GMH** Poland Off.

PORTUGAL
- **Gonvarri** Portugal

CZECH REP.
- **GMH** Kredit
- **GMH** Czech Off.

UK
- **Steel & Alloy** Popes Lane
- **Steel & Alloy** Newton Aycliffe
- **Steel & Alloy** Bridge Street
- **Steel & Alloy** Union Street
- **GMH** UK
- **GMH** Complete Storage & Interiors Ltd (CSI) Off.

ROMANIA
- **GMH** Rasnov

RUSSIA
- **GMH** Kirovsk
- **SG** Kaluga

SWITZERLAND
- **GMH** Kaufmann Off.

SWEDEN
- **GMH Ståltеknik I**
- **GMH Ståltеknik II**
- **GMH** Sweden Off.
- **GMH** Sverige

Asia

TURKEY
- **Gonvarri** Turkey (Çepaş)

INDIA
- **GAIPL Pune***

CHINA
- **Gonvvama** Shenyang
- **Gonvvama** Off.
- **Gonvvama** Changshu
- **Gonvvama** Loudi
- **Gonvvama** Chongqing

- Factories
- Distribution centres and offices
  - Gonvarri Steel Services
  - Gonvarri Metal Structures
  - Gonvarri Solar Steel
  - Gonvarri Material Handling
  - Gonvarri Precision Tubes
  - Gonvarri Laser
  - Asia
  - Miscellanous

*Not included in the scope of the Sustainability Report.

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Solutions 2-6A

Gonvarri Industries' solutions offer a complete service to meet customers' metal needs (steel, aluminium and other metals) through seven business units.

Sectors

- Automotive
- Industry
- Household appliances

Processes

- Mechanical cutting
- Surface treatment
- Customised production

Road Steel

Design, manufacture and installation of road safety.

Mecano

Design, manufacture and installation of profiles and systems for energy and data conduction.

Lighting Poles

Lighting Poles specialises in polygonal and tubular pole projects according to national and international standards and specifications.

AgroTech

Design, manufacture and installation of profiles and systems for energy and data conduction.

Lattice Towers

Design, manufacture and installation of profiles and systems for energy and data conduction.

Design, manufacture and installation of metal structures for solar energy.

Storage Solutions

One of the world's leading engineering and manufacturing suppliers of storage and handling systems offering a comprehensive service, for all industrial environments.

This new division is focused on improving the quality of life in terms of comfort and eco-mobility.

In mobility, it develops innovative and revolutionary solutions, such as highly efficient industrial systems that help protect the environment.

Design and manufacture of a wide range of tubes, tailored to customer requirements.

Handling, preparation, cutting and 3D industrial laser marking of all types of metal and plastic parts and materials used in all kinds of activities and industries, especially in the automotive sector. The laser process provides parts with minimum weight and maximum strength, which results in greater stability and lower consumption.

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Key milestones in 2023 2-6A

Gonvarri Industries is present in 27 countries (25 in the scope of the Report), which allows us to cover a significant part of the world market. It also continues to invest in new production lines as demand increases, in new products and in internal initiatives to improve the environment. The following is a summary of the highlights for the 2023 financial year. These milestones highlight Gonvarri Industries' growth, diversification and sustainability through 2023, showing a clear focus on global expansion, technological innovation and commitment to talent and environmental sustainability.

Q1 2023

JANUARY

Green light for 'Future: Fast Forward'" Gonvarri Industries is part of the automotive industry cluster in Spain that received the green light from the Spanish Government to develop 86 projects that will contribute to the transformation of the automotive sector, promoting its electrification for sustainable mobility.

JANUARY

ArcelorMittal and Gonvarri Industries sign an emissions reduction memorandum: this collaboration focuses on the use of low-carbon XCarb products to improve sustainability in the automotive market.

JANUARY

Gonvarri Solar Steel contract with Grenergy in Colombia Gonvarri Industries expands its presence in Latin America through an agreement to supply metal structures for solar panels, strengthening its position in the renewable energy market.

FEBRUARY

Gonvarri Leadership Program The III Edition of the Gonvarri Leadership Program, directed by ESCP Business School, began on 27 February to develop the skills and knowledge of 51 managers over a period of 15 months.

MARCH

International Women's Day On 8 March, International Women's Day, Gonvarri Industries celebrated in its offices and factories around the world the progress and determination of women who have played a key role in the history of their countries and communities.

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Q2 2023

APRIL

Launch of Gonvarri Industries' 2022 Sustainability Report: including a generative artificial intelligence assistant, this launch underlines the company's commitment to innovation and sustainability.

Leadership Meeting. Annual meeting attended by the top 200 executives from across the group to review progress on the 2022/24 strategic plan.

APRIL

Gonvarri Solar Steel reaches 19 GW of solar power delivered worldwide: this achievement underlines Gonvarri Industries' significant contribution to the growth of the global solar energy sector.

MAY

JUNE

Enhancing Progress Tour. June saw the end of the round of presentations of the Strategic Plan at all the Group's factories. A tour that has lasted 18 months and has involved more than 3,000 professionals.

APRIL

Gonvarri Poland celebrated 562 accident-free days on 28 April, coinciding with World Health and Safety Day.

MAY

Gonvvama Loudi celebrated 2,500 days without lost-time accidents on 31 May.

Gonvarri Kaluga achieved 1,500 days without lost-time accidents on 22 May, thanks to a joint approach and compliance with safety policies and standards, including the Lean Office System and ISO 45001:2018 Certification.

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Q3 2023

JULY

Gonvauto Puebla marked 730 days without workplace accidents on 10 July, highlighting the constant effort of its staff to maintain a safe working environment.

Delivery of the **first large gothic greenhouse by Gonvarri Agrotech** in Toledo: a milestone in the field of organic farming, showing the diversification of Gonvarri's operations.

Summit Europe & Americas. From 3 to 4 October, Seville was the setting for the Europe & Americas Summit, which brought together managers from the 20 factories in the region, along with the regional team and corporate executives.

SEPTEMBER

CDP. RAnnual reporting of the group's performance to the sustainability index for the second consecutive year, obtaining a B rating.

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SILVER | Top 15%
ecovadis
Sustainability Rating
MAR 2024

ECOVADIS. Annual report on the group's performance in the sustainability index. The company has obtained a "Silver" rating, which places it in the top 15% of the world's rating.

Gonvarri Solar Steel signs a contract for a 50 MW solar project in the UK: This project strengthens the company's position in the UK solar power market.

Q4 2023

NOVEMBER

Gonvauto Barcelona received the prestigious Atlante Award from Foment del Treball for its exceptional occupational risk prevention integration project on 9 November.

NOVEMBER

People Summit. On 17 and 18 October 2023, the People Summit took place in Madrid, where the People managers from each of the work centres that make up Gonvarri Industries met to work on the development of the human resources model: People Growing Together.

Gonvauto Galicia received the prestigious "Antonio Baró" award from MC MUTUAL, receiving a Special Mention for its outstanding innovation in occupational risk prevention on 16 November.

Work Climate Survey. The fifth edition of the Global Workplace Climate Survey-Employee Experience, based on the People Growing Together Model, was completed in November, with 78% of the workforce participating.

Gonvarri Polska won an outstanding recognition on 5 December by achieving first place in the category of employers with 50 to 249 employees in the "Employer - Safe Work Organiser" competition awarded by the Polish State Labour Inspectorate.

DECEMBER

Popes Lane - Steel & Alloy (Gonvarri Industries en el UK) logró cinco años sin accidentes con baja laboral el 19 de noviembre. La planta ha implementado una sólida cultura de seguridad operativa, con un enfoque en la formación continua y la participación activa en la mejora de la seguridad.

DECEMBER

People Summit China. On 12-13 December, the People Summit China 2023 was held at Gonvvama Changshu, bringing together the Gonvvama People team in China and ArcelorMittal. This summit focused on the implementation of the People Growing Together model.

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ESG Impacts

Gonvarri Industries is committed to creating long-term value to help build a more sustainable, prosperous and inclusive future in line with the United Nations Sustainable Development Goals.

Value creation and sustainable management model

Our value creation and sustainable management model is based on relationships of trust with all stakeholders and is structured around three pillars: **Environmental, Social and Corporate Governance (ESG).** The aim is to enhance the positive impacts on customers, industry, the environment and society as a whole, and to take advantage of the opportunities for growth that this global framework offers us.

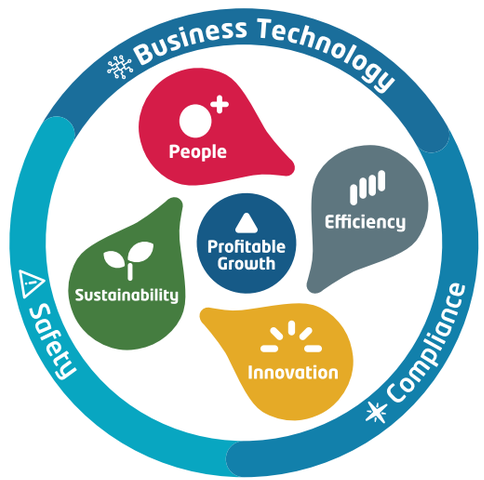
The opportunity of environmental challenges

Gonvarri Industries has integrated sustainability into its **2022/24 Strategic Plan** as an opportunity to drive growth and social development based on industrial activity.

Regulatory developments together with the markets' interest in ESG aspects, or the possibilities around improving competitiveness, make sustainability a cross-cutting and strategic pillar within the company.

DRIVE Management Model

Drive is the Management Model that drives Gonvarri Industries to meet its objectives of profitability, growth and long-term value creation. This model is based on people, efficiency and continuous improvement of processes, with a special focus on innovation and compliance, always within the framework of sustainability.



ENVIRONMENT

Carbon Neutral Strategy	• Energy consumption **232 GWh**. • Scope 1 and 2 emissions **33,612 tCO2 eq**. • Electricity consumption from renewable sources **68%**. • Emission intensity at plant level: **6 kgCO_2 / t delivered**.
Circular Economy	• Recyclable waste: **99%**. • New annual declaration of **single-use packaging**.
Environmental Management	• Plants with ISO 14,001 **89%**.

SOCIAL

Health and safety	• A year without major accidents • Plants with ISO 45,001 **79%**. • Employees covered on ISO 45,001 **83%**.
Talent management, flexibility and diversity	• **Succes Factors**' new platform for performance evaluation. • New Corporate Policy on **Working Conditions**. • Training hours **191,792 (+12%)**. Per employee **33 hours**. • 3rd edition **GLP**. Gonvarri Leadership Program.
Customers	• Number of non-conformities, measured in ppm. **-24%**.
Innovation	• Frontline Workers: Implemented in **9 plants** and more than **1,000** users **trained**. • **"Solteco"** Barrier made from plastic waste.

GOVERNANCE

Ethics, compliance and whistleblowing channels	• Number of complaints received **-26%**. • New Corporate Policy on **Human Rights**.
Risks	• Continuous audit system. Requests for information from the group's factories **+85%**.
Cyber security, information security and data protection	• Update of **risks** in critical technologies and services. • Implementation of **double authentication** throughout the group.

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Materiality 2-29

Relations with the different stakeholders are a key aspect at Gonvarri Industries. For this reason, since 2013 they have been analysed and updated to improve their coverage, to have greater knowledge of their expectations and to orient the content of the Report towards their main requirements in the ESG (Environmental, Social and Governance) areas.

Gonvarri Industries has different specific communication channels for each stakeholder group identified. Communication is two-way and there is no set frequency, as the requirements of each stakeholder group are different.

Considering that Gonvarri Industries' products are an intermediate stage in the value chain of the end product, external perception and media presence is low. For this reason, it considers that the most relevant stakeholders that have the greatest impact on its activity are: Management, Employees, Customers and Suppliers.

Suppliers
- Quarterly results on the agenda of the Board of Directors.
- Regular meetings and reports between General Managers and the CEO.

Employees
- Global work climate surveys.
- Leading The Change" Intranet.
- Interdepartmental meetings with management.
- Briefings with the CEO.
- Works Council and the Health and Safety Committee.

Clients
- Catalogues, presentations and stands at trade fairs.
- Communication tools, e.g. "B2B platforms".
- Annual satisfaction survey.
- Regular visits and meetings.
- Incident management.
- Collaborations in improvement projects.

Suppliers
- Supplier evaluation surveys.
- Regular visits and meetings.
- Supplier portal.
- Complaints handling.

Communities and local authorities
- Relations with the local administration, associations and other organisations from the management of each factory.
- Events and open days.
- Institutional meetings.

Sector
- Forums and associations.
- Occasional collaborations.

Third sector
- Joint initiatives with third sector organisations.
- Collaboration and volunteering.
- Road safety campaigns with the Emotional Driving project.

Society
- Social media, which gives us access to a wider audience.
- News.
- Forums and associations.
- Emotional Driving Programme.

Media
- Daily analysis of relevant news.
- Press releases.
- Social media channels and websites.

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3-1

Gonvarri Industries identifies its material issues through a "Materiality Study" carried out in collaboration with an independent external company and using a technological tool for data and information analysis, where the importance and perception of the issues identified is assessed.

The materiality study allows Gonvarri Industries to know the relevant issues and align them with the business strategy, identifying the expectations and needs of stakeholders.

The materiality study is carried out every two years. The last study was carried out in 2022 and a new update is planned for 2024.

It combines both an internal (management) and external view. In the first phase, internal sources are consulted (policies, strategy, commitments, etc.) and external sources (news, benchmarking of competitors and main customers, market trends in CSR and sectorial matters, new legal requirements, etc.). All of this is used to weigh up the most relevant issues that could have the greatest impact on the company.

All this information is grouped into 25 questions in the ESG framework. Each question asks about the relevance of each issue and the perception of Gonvarri Industries' commitment and development on each issue.

The survey is sent and weighted by an external company, which guarantees the independence and transparency of the results. As indicated above, consultations are carried out with management and employee stakeholders, as well as a selection of the main customers and suppliers, as these are the most relevant stakeholders. Management is also consulted on the maturity of issues in the company, due to its capacity to influence them.

This process allows us to identify those environmental, social and governance (ESG) issues that are most relevant to Gonvarri Industries and its stakeholders.

Internal and external coverage

A total of 2,835 surveys were sent to management, employees, customers and suppliers with an average group response rate of 51%. The segregated participation of each stakeholder group is summarised below:

Directors

50 Sent
50 Answered

Employees

2.681 Sent
1,344 Answered

Customers

84 Sent
33 Answered

Suppliers

20 Sent
12 Answered

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3-2 Material issues identified:

ENVIRONMENTAL	Issues
Carbon Neutral Strategy	Commitments and Strategic Plan to move towards a Carbon Neutral future.
Environmental Management	Public policy and environmental management mechanisms that contribute to continuous improvement and minimisation of the company's environmental impact.
Circular Economy	Control and measurement system for raw materials, waste minimisation and sustainable management, promoting the Circular Economy.

SOCIALS	Issues
Talent management	Robust training, career development and performance appraisal programmes that contribute to attracting and retaining talent.
Health and safety	Policy, management mechanisms, training and measures for employees and subcontractors that contribute to a good working environment and reduce/eliminate accidents and incidents at work.
Diversity	Diversity policies, strategy and initiatives (gender, age, origin, etc.).
Flexibility	Policies, measures and initiatives that enable workers to adapt their needs to working hours and improve work-life balance (personal/professional).
Clients	Customer relations and collaborative projects that contribute to the development of more sustainable products.
Innovation	Projects and initiatives aimed at the improvement and efficiency of products and processes

GOVERNANCE	Issues
Ethics, compliance and whistleblowing channels	Ethics, anti-corruption and compliance framework. Monitoring and measurement. Whistleblowing channels.
Risks	Framework for identification, monitoring, mitigation and control of potential risks.
Cybersecurity	Policies, measures, training and risk control in cybersecurity, information security and data and asset protection.

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In the materiality analysis carried out in 2022, with respect to the previous one in 2020, five new relevant issues for stakeholders stand out, such as: Diversity, Flexibility, Risks, Innovation, as well as cybersecurity, information security and data/asset protection.

In addition, the responses in each stakeholder group have been analysed to obtain information on material issues not covered globally. The result shows that:

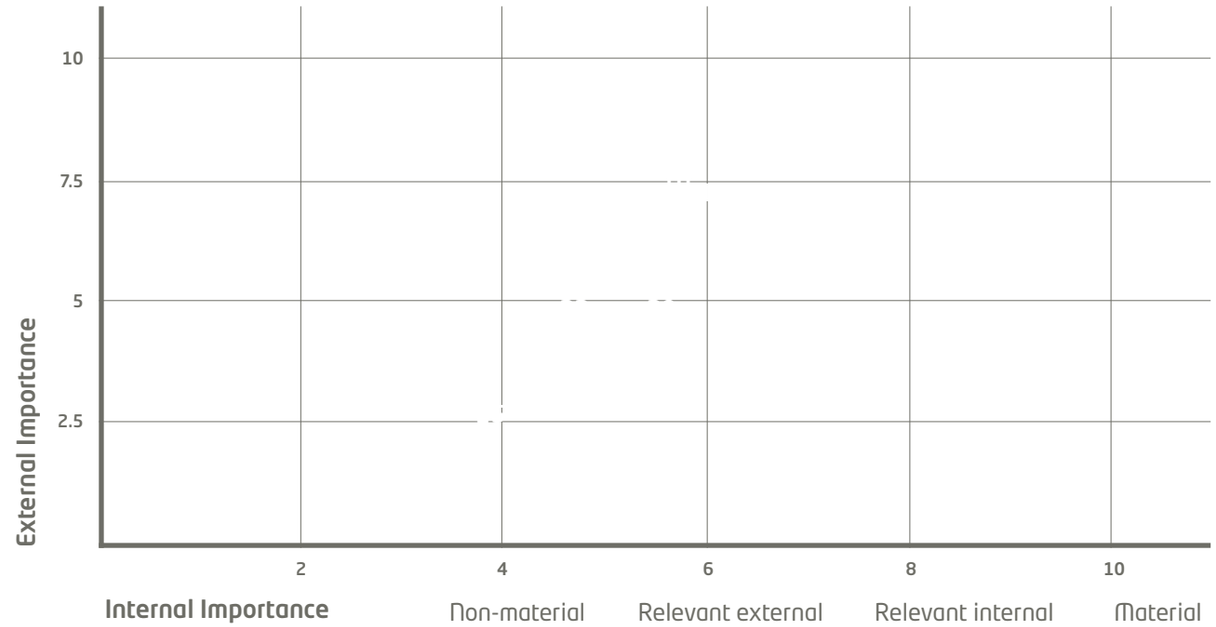
- For internal stakeholders, it is considered material (in addition to the above) to have an Environmental, Social and Governance (ESG) Strategy.
- For external stakeholders, it is considered material (in addition to the above) to have a "Human Rights" policy and due diligence procedure and to improve the company's communication and efficiency through digitalisation.

All material topics reported are identified in the GRI content index and in each section of the report.

The study also measures the internal and external perception that stakeholders have of Gonvarri Industries' approach to and development of the topics surveyed.

For internal stakeholders, a high level of perceived importance is shown for the following issues: Carbon Neutral strategy, environmental management, health and safety, and cybersecurity and data protection. For external stakeholders, the issues that reflect a higher level of perceived importance are:

- **Suppliers:** Carbon Neutral strategy, environmental management, innovation and sustainability indices.
- **Customers:** customer relations and health and safety.
- **Employees**: health and safety and cybersecurity and data protection.



Environmental
- Carbon Neutral Strategy
- Environmental Management System
- Circular Economy
- Mobility
- Biodiversity
- Clients

Social
- Training and Management by Objectives
- Health and Safety
- Diversity
- Human Rights Policy
- Supply Chain Human Rights
- Flexibility
- Local Community

Government
- ESP
- Compliance
- Risks
- Innovation
- Digitization
- Cybersecurity
- Minerals
- Communication
- Government
- Alliances
- Sustainable indexes
- Funding

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Environmental Performance

Focus on management

Gonvarri's commitment to the environment began with the certification of its Environmental Management System under the **ISO 14001** standard. Currently, **89%** of the group's factories are certified, covering **94%** of the workforce, including those factories where the percentage of participation is 100%. The factories in South Carolina (USA) and Lohja (Finland) are currently in the process of implementing the standard.

In 2023, the improvement of information on waste management has continued. Calculation ratios have been defined, which will enable monitoring of the final disposal and management of waste, improving the final information on the disposal of waste, mainly in those cases that go to transfer centres, unifying the management codes for each waste and prioritising it according to its final treatment. In 2024 the information will be reported with these new criteria.

Five indicators related to energy, emissions and waste management have been defined to be included in the company's management scoreboard. Within the framework of the Integrated Management System, all indicators are associated with an improvement objective defined by each plant. In the case of the circular economy target, it is common to all plants, setting an annual improvement of 5%.

- E01 Energy intensity (MWh/k€ sales)
- E02 Electricity from renewable sources (%)
- E03 GHG emissions intensity (tCO2 /k€ sales)
- E04 Waste as cost (€ waste management/k€ sales)
- E05 Circular Economy (t recycled/tonne generated)

In 2023, the implementation of the Sygris system as an element of monitoring and measurement of relevant environmental data and information is maintained. The Laser division factories and GMH factories will start reporting to the system in 2024. The definition of improvement actions for the reporting and reliability of Sygris data is another of the objectives defined within the framework of the IMS.

With all this, Gonvarri continues to evolve in the monitoring of the environmental impacts derived from its activity, identifying opportunities for improvement.

In addition to the focus on management, the Carbon Neutral 2030-50 Plan stands out, with the aim of transforming Gonvarri Industries into a company with a neutral impact on the climate by 2050 at the latest. To this end, the Plan establishes a 2030 target that seeks to reduce the company's direct and indirect emissions in accordance with scientific consensus. In relation to the Carbon Neutral Plan, the chapters on energy consumption, energy efficiency and greenhouse gas emissions go into more detail on the measurement, monitoring, implementation and governance of the plan.

With reference to possible environmental risks and to cover their materialisation, we make financial provisions and have guarantees to cover the occurrence of these risks in the insurance policies it has taken out, with coverage of up to €20m:

- Environmental Liability Insurance
- Coverage for Sudden and Accidental Pollution Liability in the General Liability policy.

During 2023, it was not necessary to activate the guarantees of the Group's Environmental Liability Policy.

Other emissions 305-7

Regarding emissions from other sources, these emissions are specific, as they mainly affect factories that carry out surface/special treatments such as galvanising, electrogalvanising or painting.

Such emissions are regularly monitored in accordance with licensing and other legal requirements, always by an accredited body.

The following is a summary of the main issues:

Other emissions	Spain	China	Romania	Turkey
NOx	8,062	1,223	1,964	0
SO_2	256	52	18	0
CO	3,571	0	0	0
N_2O	21	0	0	0
NH3	6	0	0	7,000
Particles (MP)	749	488	0	0
HCl	394	0	0	569,260
Zn	13	0	0	1,894,170
COT	77,285	0	0	0

Kilograms

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Circular Economy: raw materials and waste

The European strategy for sustainable growth, the European Green Pact, seeks to promote the generalisation of circular economy processes, with the aim of maintaining the value of products, materials and resources in the economy for as long as possible, minimising waste generation and maximising the use of waste that cannot be avoided.

The 2020 Circular Economy Action Plan is the main backbone of this strategy at European level. In Spain, this plan is incorporated into the Spanish Circular Economy Strategy (EEEC), which identifies six priority sectors in which to incorporate this model, including the industrial sector. The EEEC establishes a series of quantitative objectives to be achieved by 2030, among which we highlight:

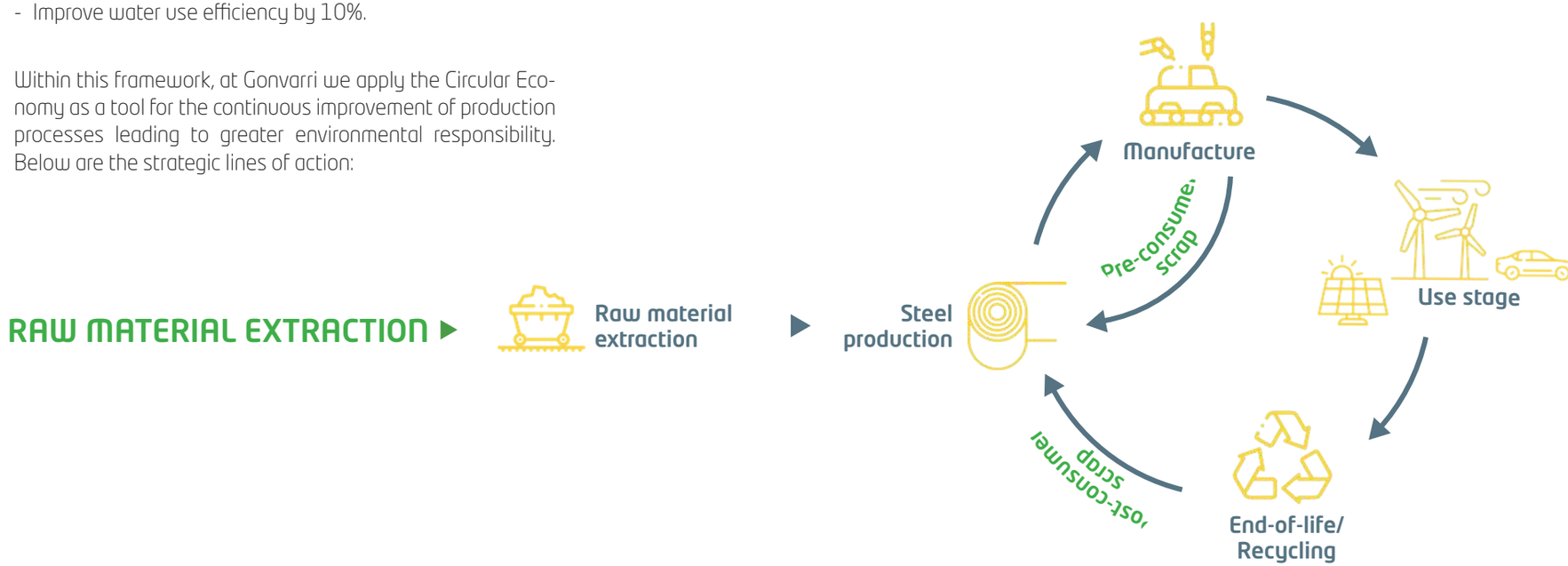
- 30% reduction in materials consumption in relation to GDP, taking 2010 as a reference year.
- Reduce waste generation by 15% compared to 2010.
- Improve water use efficiency by 10%.

Within this framework, at Gonvarri we apply the Circular Economy as a tool for the continuous improvement of production processes leading to greater environmental responsibility. Below are the strategic lines of action:

Raw materials 301-1 & 301-2

Steel is one of the most recycled materials in the world, no matter how many times it is recycled, it retains its quality and strength. Recycled steel is used to make new steel, thus reducing the need to extract more iron ore from the environment.

The percentage of recycled steel in a tonne of steel is an indicator that is useful in the current Circular Economy framework, but the percentage of recycled material should not be confused with an indicator that measures the sustainability of steel, as steel has been recycled for 150 years with very high efficiency, steel scrap is a valuable material so it is almost entirely recovered and only a small fraction of steel ends up becoming waste.in 2023, the estimated % of recycled material in Gonvarri Industries' purchases was 22%.



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In addition, in 2023 the first purchases of steel with reduced CO_2 emissions were made, which can be obtained by means of different techniques, all of them included in the process commonly known as "green steel". The material purchased obtains the reduction in CO_2 emissions thanks to manufacture in an electric furnace with electricity from renewable sources and a high percentage of recycled material at source, achieving a 75% reduction in CO_2 emissions compared to conventional steel.

Below is a summary of the most relevant consumption per country:

	Raw materials				
Countries	Steel	Aluminium	Zinc and zinc oxide	Hydrochloric Acid	Others*
Germany	337,620	28,657	-	0	10
Argentina	56,191	-	-	0	1
Brazil	628,497	-	-	2,895	19,228
China	391,517	35,489	-	0	0
Colombia	20,510	-	661	173	35
Spain	1,977,784	19,795	4,173	11,469	107
USA	80,524	32,113	-	0	0
Slovakia	325,196	32,054	-	0	0
Mexico	270,877	4,844	-	0	2
Poland	203,414	317	-	0	20
Portugal	184,547	213	-	0	0
UK	227,927	23,023	-	0	0
Czech Rep.	4,012	-	-	0	0
Romania	18,438	-	-	0	197
Russia	54,471	-	-	0	90
Sweden	42,211	-	-	0	11
Turkey	2,961	-	1,894	569	0
	4,826,697	**176,506**	**6,728**	**15,107**	**19,701**

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Initiatives in raw material substitution at source, waste reduction and optimisation

Within the framework of the European Commission's Circular Economy Action Plan and the "Spain 2030" Strategy (EEEC), Gonvarri Industries promotes measures in its business model that contribute to reducing waste generation, replacing raw materials and resources with more sustainable ones and management efficiency.

Aimed at waste prevention, it develops initiatives focused on the new plastics economy, respecting the needs of reuse, repair and recycling, as well as the

development of more sustainable materials and requirements for packaging, in line with prevention, reusability, recyclability, compostability and introduction of

recycled content.

Always in accordance with the customer and in compliance with their specifications, Gonvarri Industries has carried out various initiatives for the elimination and/or reduction of packaging material (plastic film, paper/cardboard, strapping, corner pieces, etc.) and for substitution at source, through the purchase of materials with sustainable certificates.

Some examples are shown below:

- At **Gonvauto Barcelona** and **Gonvvama Chongqing**, replace their wooden pallets with metal return platforms, which are much more resistant and durable.
- At **Gonavarri Polska, Gonvauto South Carolina, AMG Campinas and GMH Lohja** (Finland), a system is in place to return customer pallets for reuse (if their technical condition allows it).
- At **Steel&Alloy UK**, a wooden pallet optimisation programme is being developed, including a daily pallet audit.
- At **Gonvauto Barcelona** we eliminated Plastic Film from the packaging of material "X" and paper from the packaging of material "Z".
- At **Gonvauto Navarra**, in agreement with its main customer, plastic film was eliminated from practically all of its products.
- At **Gonvauto South Carolina**, the use of steel strapping was eliminated for all but one customer reference.
- **Gonvauto Galicia** signed an agreement with a wood panel manufacturing company for their removal and management at zero cost.
- At **Gonvarri Portugal**, **Gonvarri Burgos, AMG Paraná and Campinas**, the packaging material from the coils is reused to package the rejects.
- At **GMH Laubach** (Germany), equipment was purchased to convert old cardboard packaging into filler material instead of discarding it.
- At **Gonvarri Portugal**, **AMG Senica and Gonvarri Nitra**, metal packaging from coils is reused to make corner protectors for packages. Portugal also reuses the wooden separators that come from the supplier in the separation of finished product strapping.

Initiatives are also being developed to reduce packaging and products, for example:

- At **GMH Laubach** (Germany), refillable spray cans are purchased and used in most cases (cleaner, lubricant, etc.).
- In **Gonvarri Barcelona** and **Tarragona**, the following reductions in hazardous waste have been achieved: "0" Tn in soda consumption with the installation of the osmosis plant in Tarragona, reduction in consumption by replacing the most efficient inhibitor in Cuba 3 (tank 1), in addition to the improvement in that it helps to eliminate copper deposition in the material, reduction in acid volume with the periodic purchase of acid of higher concentration and adjustment of additives in auxiliary treatment processes such as WWTP, boiler, etc.
- At **Gonvarri Colombia**, the residue from pickling is delivered for the purpose of recovering it and producing ferric chloride.
- At **Gonvarri Turkey** (Çepas), a Zero Waste Management System was defined and certified in accordance with Regulation 30829. Among the measures established, the one relating to the management of wood stands out, with a formal declaration from the Ankara Governorate Provincial Directorate of Environment, Urbanism and Climate Change, for Zero wood waste, with the return and reuse system agreed with the client.

With regard to certified sustainable sourcing initiatives, some examples are summarised below:

- At **Gonvarri Barcelona, Tarragona, Burgos, Valencia and Colombia, Gonvauto Navarra and Barcelona, Steel&Alloy UK and AMG Campinas** (Brazil), the wood for the pallets is acquired with the corresponding certificate of sustainable forest origin (PEFC, FSC, etc.).
- At **Gonvauto Galicia**, we use packaging plastic of the type "Recycled Polyethylene from selective collection and film offcuts of top quality material and packaging for industrial use".
- At **Gonvarri Burgos**, an improvement target was set regarding the use of biodegradable cleaning products. Following a market analysis, in December, work began on the use of biodegradable cleaning products trials with a new biodegradable cleaning agent for blade cleaning.
- At **GMH Ståltеknik-Canrena's** Fellingsbro factory, the use of solvents has been reduced in the paint plant by changing the paints used for lacquering at source.

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Waste management

301-3, 306-1, 306-2, 306-3, 306-4 & 306-5

Non-hazardous waste

A total of **358 kt** was produced in 2023. Scrap metal accounts for **98%** and the remaining **2%** consists mainly of plastic packaging, cardboard, tablex, wood waste, organic and construction and demolition waste. In addition, around **99%** of non-hazardous waste **is recyclable** (steel, aluminium, wood, paper, recyclable plastic and construction materials).

Steel and aluminium scrap, or pre-consumer scrap, accounted for more than **351 kt** in **2023**.

Hazardous waste

More than 20 kt were produced, mostly from factories with galvanising, pickling and painting processes, where ferrous chloride from pickling is the main hazardous waste.

100% of the management and disposal of this waste is carried out by authorised managers and transporters within each country.

The DECAPALUE R&D&I project for the revaluation of spent acids from pickling and galvanising lines ended in 2023. This project, financed by the CDTI in Gonvarri Asturias, obtained 100% of the aid granted at the start. The project focused on two objectives; the recovery of zinc salts in galvanic acids and an integrated recovery of spent acids from carbon steel. These objectives were transferred into two sub-projects called "Ferricvalue" and "Galvanicvalue", which obtained positive results and their economic viability is being studied for their future industrialisation.

The main hazardous waste is ferrous chloride, which is obtained in the pickling process and represents around 95% of the total volume of hazardous waste. Gonvarri, through the DECAPVALUE project, is currently working on obtaining a by-product from this salt that will allow it to be reintroduced into the market and avoid its final disposal in landfills.

Packaging Spain

Royal Decree 1055/2022, published on 27 December, is a key regulation in the Spanish Circular Economy package. It sets targets for prevention in generation, encourages bulk sales, promotes that all packaging should be recyclable by 2030 and if possible reusable, and develops the extended responsibility regime where producers will have to assume the cost of managing packaging waste placed on the market.

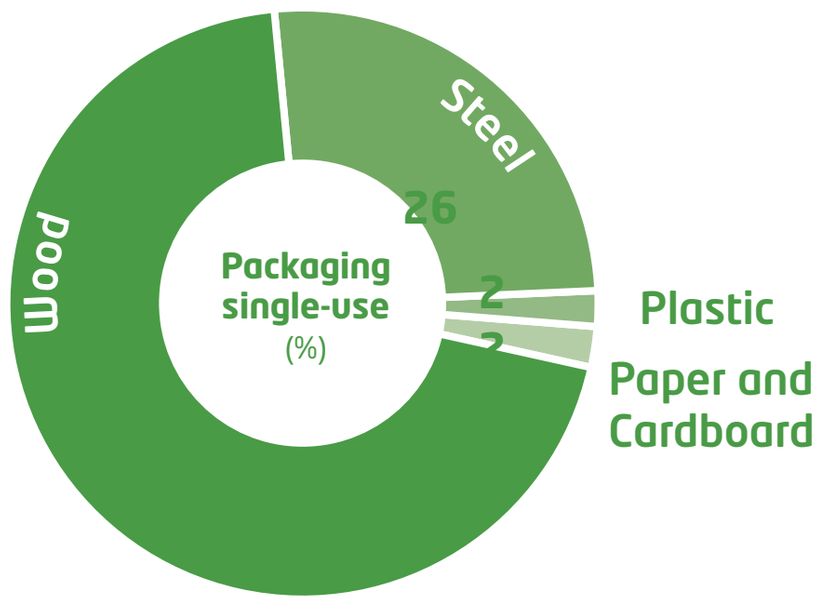
Single-use packaging

The implementation of this new regulation has led Gonvarri Industries to publish annual declarations by company in 2023, detailing the composition of the packaging placed on the market..

96% of the materials that make up single-use packaging are steel and wood. These materials are fully segregable and in the case of steel, it is also 100% recyclable, while wood is a reusable and/or recoverable material.

Returnable

Gonvarri is working to increase the percentage of returnable packaging, with the main objective of reducing wood consumption.



% materials in Gonvarri Industries' single-use packaging. Average year 21-22 according to RD 1055/2022

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Water and effluents

303-1,303-2,303-3,303-4 & 303-5

Water is a strategic pillar in the economy, where economic, social and environmental activity is highly dependent on this resource. Industry in Europe, according to the World Bank, accounted for 26% of total water consumption, although this figure can vary greatly depending on the industrial sector and geographical area. It is important to stress that efficient water management in industry is crucial for sustainability and the circular economy.

At Gonvarri Industries, with the exception of some specific processes, the activity carried out in the factories does not require water for its operation, which means that consumption is low. However, aware of the critical nature of this resource, its consumption is monitored in order to achieve its sustainable use.

In 2023 the total consumption of more than **283,000 m³**, **3%** less than in 2022.

In terms of origin, **80%** of the water consumed came from piped water supply and **20%** from groundwater sources. In terms of consumption, it was mainly industrial (57%), followed by sanitary use (37%) and finally for irrigation (6%).

The reuse of effluents and the production of by-products from waste are an example of the continuous improvement of processes through Circular Economy models. The Decapvalue Project achieves a reduction in consumption that successfully completed the pilot phase of this project in 2023. The feasibility of its industrial implementation in the company's pickling and galvanising plants is currently being assessed.

Factories with pickling/galvanising processes generally reuse water, although there are no flow meters that provide precise information on the volume recycled. This is not the case for Gonvarri Colombia, where this information is available. In 2023, this factory reused more than **50 m³** from the WWTP plant and from rinsing to dilute the acid in the pickling area.

No water sources have been significantly affected by water abstraction in the company.

Total water abstraction by source		
Human and sanitary consumption	95,797	37%
Industrial use	148,313	57%
Irrigation	15,351	6%

Soils

Preventing soil contamination is an important aspect of environmental management at Gonvarri Industries. Gonvarri's factories have the corresponding instructions and means to act quickly in the event of any incident and carries out awareness-raising activities to raise the awareness of all workers.

In addition, they monitor and report spills/spillages, describing the event and the actions taken.

In 2023, the incidents that have occurred were minor and were completely contained within the facilities and adequately managed, and have not caused any damage to the environment. In 2023 there were no serious spillages/spills with an impact outside Gonvarri's facilities.

During the acquisition process, Chlorinated Hydrocarbon contamination from the old solvent degreasing process was detected at the GMH Laubach plant (Germany). Following a comprehensive analysis, the first phase of the decontamination process using the Enhanced Natural Attenuation (ENA) technique was started in 2022 for a period of three years. ENA injections will be monitored in 2024 for results and second injections will be planned for late 2024 or early 2025.

Noise

In general, external noise is not a relevant impact at Gonvarri Industries' factories. Most of them are located in industrial estates, far from urban areas, which minimises this impact. In those cases, mainly in older plants, where there has been an increase in the growth of nearby urban centres towards the industrial estates, measures are taken to gradually relocate production.

Likewise, all of them have sectional doors, of the roll-up and fixed type, with automatic closing mechanisms that prevent acoustic emissions to the outside and soundproofing cabins in those elements of the lines where the highest noise levels are produced, for the protection of the workers (in addition to the use of the appropriate acoustic protection PPE in each case).

All factories carry out their corresponding external noise reports with the periodicity established in their environmental licences and/or environmental impact studies and/or the country's local legislation. Likewise, in order to minimise the acoustic impact of the transport of raw materials and finished products in lorries, the permitted and established loading and unloading times are complied with.

If non-compliance is detected, appropriate corrective measures are put in place.

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Energy information

Energy consumption

Gonvarri's production process is intensive in energy consumption, especially in those factories where there are iron and steel processes such as pickling or galvanising.

The monitoring, follow-up and reduction of energy consumption are fundamental elements in the management of Gonvarri Industries.

Internal energy consumption 302-1

In 2023, Gonvarri's energy consumption was 231,620 MWh, divided into: 128,260 MWh of electricity, 100,037 MWh of fossil fuels and 3,323 MWh of heat.

Energy consumption by source (%)

2023	MWh	%
Conventional Electricity	41,055	17.7%
Electricity Renewable	87,205	37.6%
Gas Natural	86,304	37.3%
Diesel (process)	1,642	0.7%
GLP/Propane	4,698	2.0%
Steam	3,323	1.4%
Diesel fleet	4,619	2.0%
Gasoline fleet	2,774	1.2%
	231,620	**100%**

External energy consumption 302-2

The calculation and availability of data for the estimation of Scope 3 is very complex. Work is currently underway to define a methodology to calculate this energy consumption. This information is expected to be reported in the 2025 report.

Energy consumption in Giga Joules

	GJ							
Countries	Electricity	Electricity Renewable	Natural gas consumption	Diesel consumption (fleet)	Diesel consumption (fleet)	Diesel (process)	LPG/ Propane	Cogeneration Steam
Germany	19,285	2,723	18,283	644	-	253	2,940	-
Argentina	3,319	-	-	17	1,174	-	41	-
Belgium	30	-	-	-	-	-	74	-
Brazil	-	30,811	28,024	-	3,852	2,955	-	-
China	29,957	33,371	18,323	-	-	-	-	-
Colombia	-	5,817	19,590	-	814	141	-	-
Denmark	255	-	-	-	-	523	322	-
Slovakia	12,851	-	1,431	-	1,007	904	965	-
Spain	16,106	226,158	148,211	4,685	518	553	3,664	2,045
Finland	-	783	-	-	0	184	207	972
Holand	-	118	36	-	-	443	169	-
Hungary	-	-	-	-	-	283	393	-
Mexico	5,097	3,333	-	-	5,021	179	-	-
Norway	73	-	-	-	-	77	860	-
Poland	7,125	-	3,822	-	-	699	1,592	-
Portugal	5,653	1,588	-	223	43	456	35	-
Czech Rep.	2,702	79	2,459	24	-	539	2,091	-
Romania	9,283	61	31,504	-	8	502	1,081	-
Russia	2,909	-	-	-	398	-	-	8,040
Sweden	-	5,729	-	151	-	1,056	1,495	908
Switzerland	48	-	-	-	-	19	143	-
Turkey	10,827	-	29,853	168	-	-	-	-
UK	8,870	3,367	9,154	-	1,178	221	557	-
USA	13,407	-	6	-	2,897	-	-	-
	147,797	**313,937**	**310,694**	**5,913**	**16,912**	**9,987**	**16,629**	**11,965**

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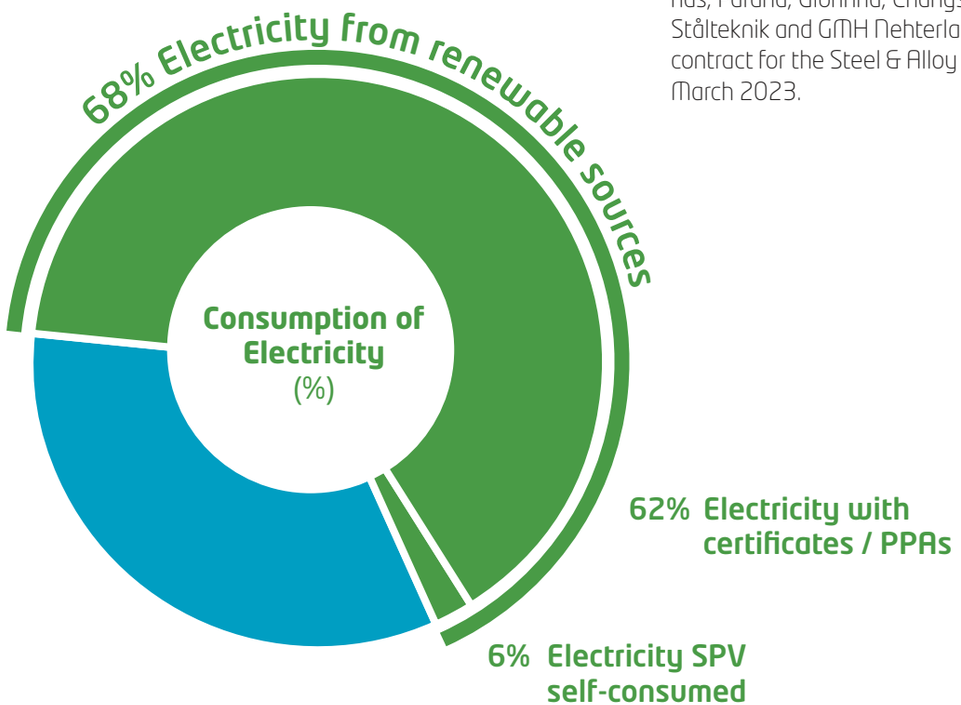
Renewable energy consumption

The Carbon Neutral Plan 2030/2050 sets the emissions target of 2 = 0 in 2030. This target refers to emissions from energy purchased by the company, i.e. electricity and steam/heat.

By the end of 2023, 68% of electricity consumption will be from renewable sources, which is divided into:

- Electricity with certificates / PPAs = 62%.
- Self-consumed PV electricity = 6%.

With regard to steam/heat, 16% is of renewable origin.



Purchase of electricity from renewable sources

In 2023, the Changshu, Gonvarri Colombia and Riera Tutó factories were incorporated, reaching 62% of the total electricity consumed by the group.

Renewable electricity purchases, included within a PPA contract, in 2023 include the corporate headquarters offices and factories in: Barcelona, Burgos, Tarragona, Valencia, Asturias, Flinsa and Gonvauto: Asturias, Barcelona, Navarra and Galicia.

Purchases of renewable electricity, made through the purchase of certificates, in 2023 include the factories in: Campinas, Paraná, Glorinha, Changshu, Colombia, Lohja, Riera Tutó, Ståltekník and GMH Nehterlands and Sweden. The certificate contract for the Steel & Alloy (UK) mills was terminated on 31 March 2023.

Photovoltaic Solar Self-consumption

In 2023, the factories of: Kredit, Gonvarri Valencia and Gonvauto Navarra have been incorporated.

At the end of 2023, there are 10 plants with SPV installations for self-consumption: Valencia, Navarra, Thuringen, Puebla, Portugal, Changshu, Shenyang, Chongqing, Kredit and Flinsa with an aggregate production of more than 7,200 MWh, representing 6% of the total electricity consumed by the group..

Energy intensity 302-3

The energy intensity measure allows the efficiency of the processes to be purchased. The calculation considers all energy consumption (electricity, fossil fuels and steam/heat) and tonnes sold in 2023.

Energy intensity (GJ/ton sold)	
Countries	Intensity GJ/tonne sold
Germany	0.12
Argentina	0.08
Brazil	0.10
China	0.10
Colombia	1.29
Slovakia	0.05
Spain	0.16
Mexico	0.05
Poland	0.06
Portugal	0.04
Czech Rep.	1.97
Romania	2.30
Russia	0.21
Sweden	3.15
Turkey	0.97
UK	0.09
USA	0.14

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Energy efficiency

302-4 AND 305-5

In its commitment to sustainability and as a fundamental pillar within the Carbon Neutral Project, Gonvarri continues to work on maintaining highly efficient production through the energy optimisation of all its processes, production lines and auxiliary equipment, striving at all times to achieve maximum production ratios with the lowest possible energy costs and always maintaining the highest levels of quality.

In order to meet this objective, the ECO-ENERGY project has been underway since 2015, the main objectives of which are as follows:

- Implementation of an energy management and monitoring system in the company's different plants.
- he search for and implementation of energy saving improvements to reduce mainly the consumption of gas, other fossil fuels, electricity and water.

At present, 19 of the group's plants are monitored and further progress is expected in the coming years, both in terms of the number of plants monitored and the potential and functionalities of the energy management system.

During the last year, a major improvement has been carried out in both the installation and the metering equipment installed, wiring those plants where a Wireless system was still in place and significantly improving all the communication systems.

Additionally, a new plant, AMG Nitra, which did not have any previous monitoring or energy management system, has been monitored.

The control and monitoring of the general consumption of gas, electricity and water, as well as the consumption of all production lines, main engines, compressors, lighting, boilers, air conditioning, cooling systems, etc., is the goal:

- Detailed monitoring of the specific consumption of lines and auxiliary equipment to control their proper functioning and operation.
- To analyse and study the consumption in the facilities in order to identify possibilities for improvement and energy optimisation that allow for the reduction of energy consumption and costs, as well as the emissions associated with the processes.

With regard to energy saving measures and the reduction of tonnes of CO2 emitted into the atmosphere, we work year after year to exceed the targets set at the beginning of the project.

During 2023, several energy saving and efficiency measures (ESMs) were implemented in different plants of the group, which meant a reduction in energy consumption of 1.34 GWh/year and an annual reduction in emissions of 314 tonnes CO2 compared to 2022. In 2022, the energy savings and efficiency figures were 1.95 GWh and 460 tonnes CO2 .

Of this reduction in energy consumption, 98.6% corresponds to NG, having carried out some electrification measures in which NG technologies have been replaced by much more energy-efficient electric technologies.

With these measures, 106 MAEs have now been accounted for since the ECO-ENERGY project was launched. As a result, an annual energy saving rate of more than 21 GWh has been achieved, which represents a reduction in the group's energy consumption of more than 7.8%.

Of the total energy savings achieved, 61% corresponds to electricity consumption and the remaining 39% to natural gas consumption.

Among the measures implemented in 2023, it is worth highlighting the air-conditioning project implemented at Gonvauto Navarra, whereby the use of NG radiant tubes has been replaced by an aerothermal system with heat pump.

In this project we have sought to focus heat delivery in the production areas, replacing the use of NG technology with yields of no more than 90%, with an aerothermal system with heat pump with yields between 150% and 300% depending on weather conditions.

This improvement aims to reduce both energy consumption and NG consumption by more than 70%, which, together with the implementation of a 320 KWp self-consumption PV installation, will reduce the factory's CO2 emissions by more than 320 tonnes CO2/year.

The strong value that Gonvarri places on its commitment to sustainability and the environment means that the company is constantly seeking and investing in the most efficient solutions and technologies for its processes that will enable it to reduce its energy consumption and CO2 emissions as much as possible.

The firm commitment to sustainability and energy efficiency has been and will continue to be a fundamental point in Gonvarri's policies.

Solar structures

The company is well aware of the possible negative effects that climate change can cause and, faced with this real risk, Gonvarri contributes to its mitigation through the Solar Steel company.

The main activity of this division is the manufacture and supply of solar structures, mainly fixed and with single-axis trackers (TracSmarT+ 1V DR, TracSmarT+ 2V and RackSmarT), which form part of the photovoltaic parks whose objective is the generation of renewable energy that does not emit greenhouse gases into the atmosphere.

In 2023, solar structures were supplied for the installation of 2,600 MW, distributed in 9 countries. Estimating, among others, the net hours of solar radiation per project, as well as the percentage that the cost of these structures represents with respect to the total project and the conversion factor applicable to each country, we estimate that we have contributed to indirectly avoiding a total of 502,803 tonnes of CO_2 in the 2023 financial year.

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Information on GHG emissions

305-1 AND 305-2

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Scope 1 and 2

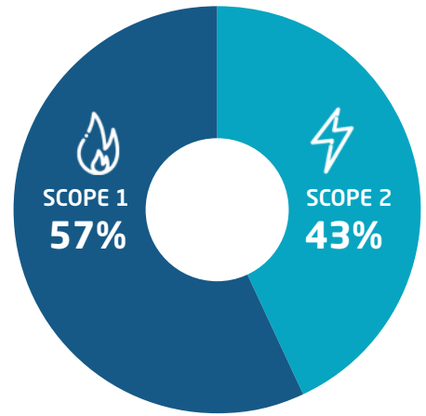
In 2023, Gonvarri Industries emitted **33,612 tCO_2** eq into the atmosphere, corresponding to direct emissions (Scope 1) and indirect emissions due to electricity consumption (Scope 2). Direct greenhouse gas emissions (Scope 1) come mainly from: the burning of fossil fuels (natural gas, liquefied petroleum gases and diesel) in production processes, from the fleet of company vehicles (diesel and petrol) and from fugitive emissions of refrigerant gases. In 2023, direct emissions were **19,270 tCO_2** eq. In 2023, indirect emissions from electricity consumption and steam purchases (Scope 2) amount to **14,342 tCO_2** eq.

Absolute emissions

33.612 tCO_2 eq
(-13% vs. 22)

SCOPE 1
19.270 tCO_2eq
(-7% vs. 2022)

SCOPE 2
14.342 tCO_2eq
(-19% vs. 2022)



Based on the financial scope, which subtracts Gonvvama (China) emissions from scope 1 and 2 and adds them to the investment category in scope 3, the 2023 emissions inventory looks as follows:

tCO_2 eq	2023	2022	2021
Scope 1			
Gonvarri	18.340	19.659	22.095
Gonvvama*	930	1.165	1.135
Scope 2			
Gonvarri	9.705	10.875	30.036
Gonvvama*	4.637	6.877	7.415
Scope 1+2			
Gonvarri	28.045	30.534	52.131
Gonvvama*	5.567	8.042	8.550

* Equity method.

Emission intensity

305-4, 305-1 & 305-2

Gonvarri considers emissions intensity to measure the efficiency and impact of its processes. The resulting annual ratio is calculated by dividing direct and indirect emissions by the total weight of products sold in each country. The following table details the results obtained in 2023:

Countries	Intensity $kgCO_2$eq / tonnes sold
Germany	6.7
Argentina	6.1
Brazil	3.0
China	12.9
Colombia	51.5
Slovakia	2.5
Spain	3.6
Mexico	2.7
Poland	8.1
Portugal	1.7
Czech Rep.	162.3
Romania	116.7
Russia	12.9
Sweden	85.4
Turkey	66.6
UK	4.4
USA	13.4
	0.1

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Evolution of GHG emissions

2023 vs 2022

13% reduction (S1+S2)

- Direct emissions are reduced by **7%**. Fossil fuel consumption is reduced by **6%**. The effect of savings and efficiency measures (SEMs) has prevented a **10%** increase in natural gas consumption *.
- Emissions from electricity consumption are reduced by **19%** despite a **2%** increase in electricity consumption. The % of RES-E in electricity consumption increases from 64% to 68%, due to:

  - SFV Self-consumption increases from 5% to 6%.

  -The purchase of certificates rises from 59% to 62%.
- An improvement of the consumption mix and country emission factors applied. Average electricity emission factor improved by 21%.
- MAES has prevented a 12% increase in consumption*.

* Accumulated Eco-Energy. Estimated.

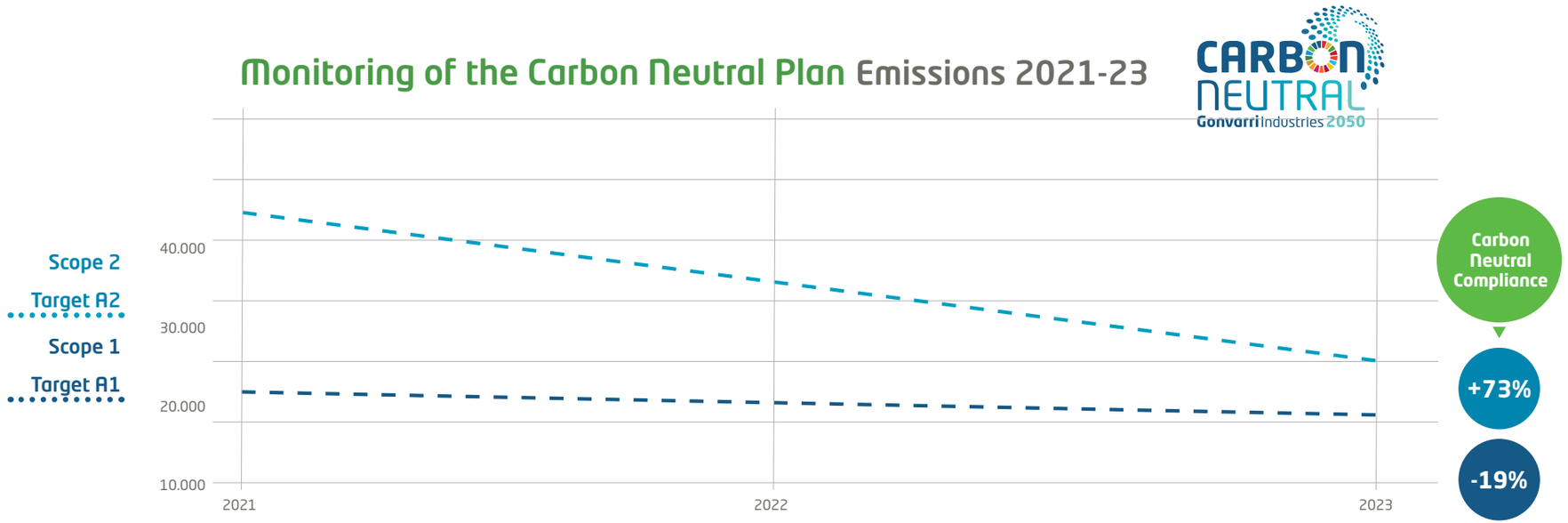
Period 2021-2023

Cumulative reduction of 45% (Alcance 1 + Alcance 2).

Peak emissions in 2021. From this year onwards, progressive reduction of emissions.

- Direct emissions are reduced by 17%, accompanied by a 16% reduction in fossil fuel consumption.
- Emissions from electricity consumption are reduced by 62% despite a 3% increase in electricity consumption, for the following reasons:
- The purchase of certificates in the period increases from 4% to 62% of total electricity consumption. Self-consumption in the period rises from 1% to 6% of total electricity consumption.
- Country/supplier emission factors improve due to the effect of decarbonisation of the electricity sector.

Monitoring of the Carbon Neutral Plan Emissions 2021-23



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People

Human capital

2-7, 20-2 & 2-8

The global perimeter of Gonvarri Industries is made up of **9,693** professionals compared to **7,356** professionals in 2022, which represents an overall increase of 32%, due to the incorporation of the **8** Hidria factories.

According to the scope of the Report, in 2023 Gonvarri Industries has **6,625*** professionals (5,872 own and 753 external), compared to 6,471 professionals (5,662 own and 809 external) in 2022, which represents an increase of 2.4% of the workforce. The table summarises their distribution by country and is detailed in Annex 2.

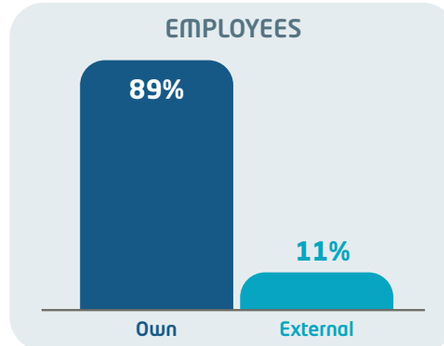
The scope of the Report does not include the factories of Gailp Pune (India) with 386 own employees and 346 external employees, Resende (Brazil) with 64 own employees, Reca (Spain) with 91 own employees and 4 external employees and the factories of Hidria (Electromobility Division) over which we do not have control, as well as some companies of a commercial nature, with no relevant entity. The Riera Tutó factory in Valencia (Spain) was incorporated in 2022.

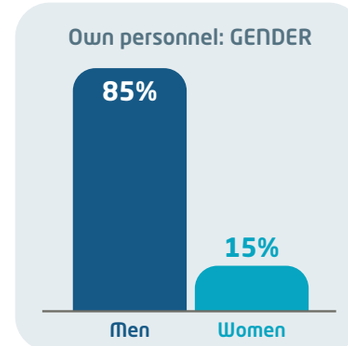
We also promote local employment to create value in the countries where we operate. **88 %** of the workforce is of local origin.

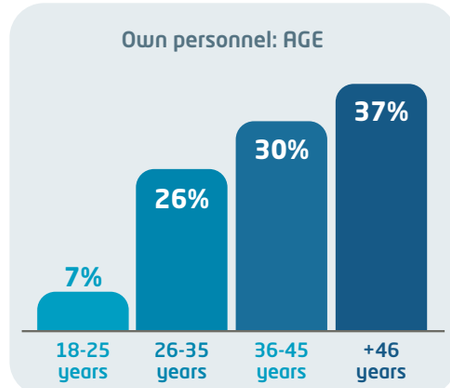
Annex II provides more detailed information in the tables: Table I. In-house staff by country, gender and age and Table II. External staff by country, gender and type.

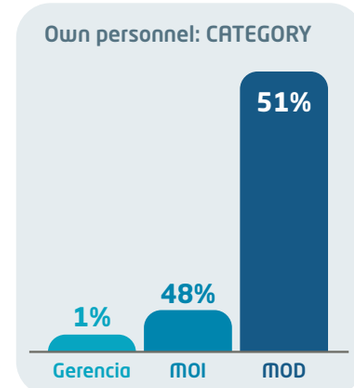
**The total number of employees of Gonvarri Industries differs from that published in Annual Accounts 5815 due to the fact that the scope of the report takes into account the division of Gonvvama.*

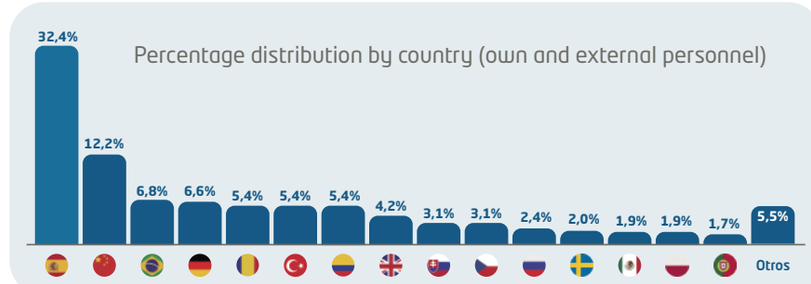
Headcount











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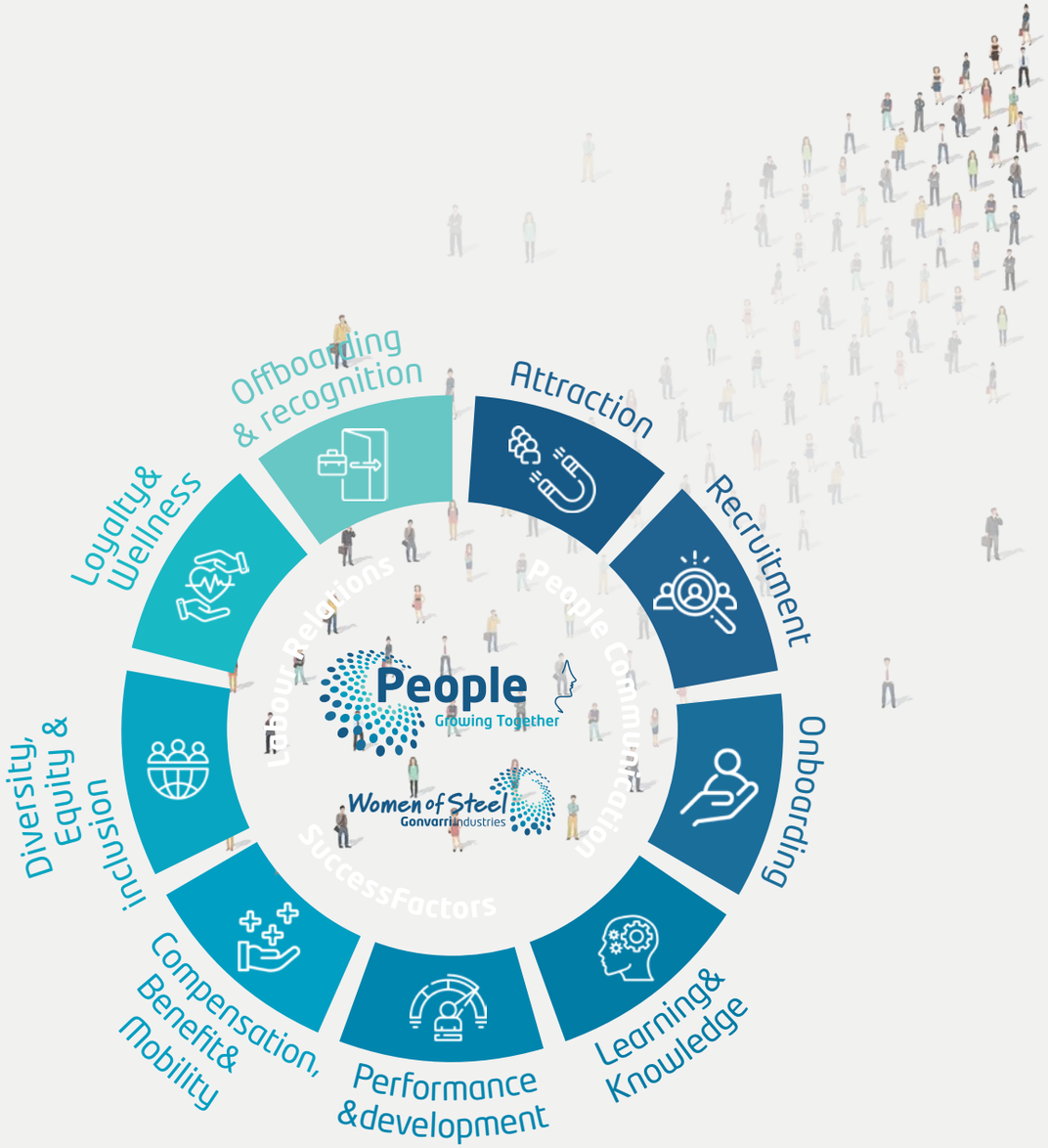
People Growing Together 3-3

People Growing Together is Gonvarri Industries' Talent Management Model. Taking the employee's life cycle as a reference, the model is organised on the basis of different 'families'. Each one of these integrates and develops different programmes and initiatives that cover all the needs inherent in the different stages and moments that an employee goes through in their relationship with Gonvarri. The model is orchestrated and articulated on the basis of defined corporate policies and procedures and aims to be the benchmark for talent management in the Group, normalising, standardising and mainstreaming current policies, initiatives, programmes and good practices in people management in all the Group's companies.

In 2023, the implementation of a comprehensive talent management system has started, following this model, through the SuccessFactors tool.

Development of the People Growing Together Model

On 17 and 18 October 2023, the People Summit took place in Madrid, where the People managers from each of the work centres that make up Gonvarri Industries met to work on the development of the human resources model: People Growing Together. This work resulted in a total of 760 actions, of which 86 are global and 674 are local. To work on all these actions throughout the year 2024, 14 teams have been created, made up of corporate and plant personnel.



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Talent attraction

The Attraction family within the people management model focuses on strategies and actions designed to attract the best candidates to the company and promote a positive image of the company as a benchmark employer brand. As main objectives, Gonvarri Industries seeks to:

- **Attracting qualified candidates**: this involves understanding the needs of the company and designing strategies to identify and attract the most qualified professionals with the skills and competencies we require for the organisation.
- **Employer Branding**: building, enhancing and promoting a strong and attractive employer brand. This involves effectively communicating the values, organisational culture, development opportunities and benefits of working for the company.
- **Reputation and visibility**: Attraction also aims to improve the company's visibility in the labour market. This is achieved through employment marketing strategies, participation in industry events and conferences, social media presence and other public relations activities that promote the company's image and reputation as a desirable employer.
- **Generate interest and engagement**: Attraction strives to generate interest in potential candidates. This is achieved by creating engaging and relevant content, such as blogs, videos and employee testimonials, which highlight the positive experiences of working at the company and opportunities for professional growth.

In 2023, Solar Steel has joined Iberdrola's Global Green Employment project, an initiative that combines training and employment in the renewable energy sector. This alliance underlines the commitment of both companies to sustainable development and talent attraction, offering significant opportunities on Iberdrola's platform for those interested in contributing to a greener world.

Synergy between industry and academia

The Gonvvama Changshu plant in China has implemented a comprehensive strategy to address the difficulty of finding qualified personnel and combat high turnover in the region. In collaboration with the Changshu Institute of Technology (CIT), the plant has established strategic cooperation to foster synergy between industry and academia, introducing high-quality talent and exploring future opportunities for cooperation in research and development. In parallel, Gonvvama Changshu has developed a programme to recruit young talent at local technology schools and universities. This multi-faceted programme includes introductions to the company, highlighting its advanced technology and safe working environment, along with a development plan involving rotations and assessments in various departments. This initiative has resulted in the incorporation of 4 professional technicians in June. In addition, agreements have been signed with educational institutions such as Changshu Binjiang Vocational School, Nanjing Vocational College of Information Technology (NJCIT), and negotiations are underway with Changshu University of Science and Technology and Anhui Hefei University, reaffirming Gonvvama Changshu's commitment to attracting and retaining talent in the region.

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Recruitment / selection

Recruitment focuses on identifying, evaluating and selecting the best candidates, managing candidate flow and coordinating with other departments to ensure an efficient and effective recruitment and selection process. In 2023, there were **17** selection processes at the Corporate level for which **225** interviews were conducted.

The main objectives of this module are:

- **Identify recruitment requirements**: The objective is to identify and define the requirements and competencies needed to fill a vacant position in the organisation. It involves working with managers and leaders to understand the needs of the position and establish an ideal candidate profile.
- **Attracting candidates**: attracting qualified and suitable candidates for vacant positions by disseminating job opportunities through different specialised channels, such as job websites, social networks, professional networks and partnerships with educational or governmental institutions.
- **Management of Digital Job Channels**: these offer broad visibility and allow recruiters to filter and search for candidates according to specific job criteria. In addition, some offer candidate assessment services and facilitate communication between recruiters and interested candidates.
- **Candidate assessment and selection**: involves the design and implementation of effective selection processes, such as interviews, technical tests, skills assessments and job references, in order to identify candidates with the best fit for the job and the organisation.
- **Candidate flow management**: this includes receiving and reviewing applications, pre-screening candidates, conducting interviews and maintaining accurate and up-to-date records. Also keeping candidates informed about the stages of the process they are in.
- **Coordination with other departments**: This involves establishing fluid communication and providing advice and support in decision-making related to recruitment.

Onboarding

The so-called onboarding process focuses on welcoming, orienting and familiarising new employees within the organisation. The aim is to facilitate a successful adaptation of the new employee to their new role and working environment, feeling part of the team from the very first moment.

In 2022, a policy for new recruits and an "Onboarding & Refreshment" training and information pathway were developed within the Academy. The main objectives are:

- **Reception and welcome**: a warm welcome is provided on the first day of work, with an introduction to the team and basic information about the organisation.
- **Training and coaching**: the new employee is provided with the tools and knowledge necessary to perform his or her job effectively. They are helped to familiarise themselves with internal processes and systems.
- **Connection with the organisational culture:** The organisational culture, values, mission and vision of the company are progressively transmitted to them in order to favour their integration into the dynamics of the organisation.
- **Relationships and collaboration**: From the outset, interaction and collaboration with other colleagues is encouraged, creating a supportive working environment and a network of support.
- **Feedback and follow-up**: Ongoing support is provided to ensure that the employee feels supported and has the opportunity to grow and develop within the organisation.

In 2023, "Breakfast with the CEO" and plant visits for corporate employees were also introduced.

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Training and knowledge

CONTENTS 404-1 & 404-2

At Training & Knowledge, we facilitate access to training and knowledge to contribute to the professional development of employees through the acquisition of new knowledge, skills and competencies. Through the "POL021 Training Policy", we establish the directives regarding training and learning actions in Gonvarri Industries companies.

4.1. Development of skills and competences

Enable employees to acquire the skills and competencies necessary to perform their jobs effectively and contribute to the success of the organisation. During 2023, **191,792** hours of training were provided, equivalent to an average of **33** hours per employee, an increase of **9%** compared to 2022. This represents a **12%** increase in Gonvarri's total training hours compared to the previous year . Training hours are detailed by category and gender in Appendix 2 Table 2. Some examples of the activities carried out are as follows:

- **Technical training:** Gonvarri Brazil has developed a state-of-the-art simulator for the Cross Cutting Line. This virtual reality simulator significantly improves training, making it more engaging and immersive. It allows inexperienced operators to familiarise themselves with the equipment in a virtual environment before actual operation, thus reducing risks and shortening the learning curve.
- **Continuous improvement**: GONVVAMA Loudi, China developed an operations workshop focused on lean manufacturing, personnel development and quality optimisation. Gonvarri ArcelorMittal Paraná held "Chasing Risks", an event focused on safety and risk identification. It also inaugurated the "Paraná Continuous Improvement Room" to provide practical training to employees, encouraging the generation of ideas and the development of practical skills.
- **Business skills**: ArcelorMittal Gonvarri Brazil organised a workshop on exports in which crucial aspects of the export process were addressed, offering comprehensive training to professionals from various areas of the company.
- **Languages**. In the area of skills development, one initiative is the "Bilingualism Programme", implemented in Gonvarri Colombia in collaboration with the Language Centre of the EAFIT University. This programme gives 45 employees the opportunity to strengthen their English skills, supporting both their professional and personal development.

4.2. Lifelong learning

In particular through Academy, an online training platform that was relaunched in 2022 and became fully operational in 2023. In 2023, more than 850 hours of continuous training were delivered through the Academy, covering various aspects of the business and processes. For example, as part of the "12 months, 12 webinars" programme, the course "New Business Models for Steel in the Digital Age" was presented, on the evolution of e-commerce and its application at Gonvarri, focusing on eGonvarri as a digital business model in the steel industry.

Average hours		
	Men	Women
Director	86	183
MOI	26	29
MOD	34	86
	32	37

4.3. Organisational knowledge management

Knowledge and experience needs to be captured, stored and shared within the organisation. This involves establishing systems and tools to facilitate the exchange of information, best practices and lessons learned among employees. The aim is to prevent knowledge loss and promote greater efficiency and effectiveness at work. To this end, the Enhancing Progress Tour started in 2022 has been continued during 2023.

Gonvarri Industries' Enhancing Progress Tour, a face-to-face and itinerant event launched in 2022 to present the Strategic Plan internally throughout the company, has successfully toured the company's **22 factories** worldwide, culminating in Gonvarri Asturias on 28th and 29th June 2023. In total, this tour has brought together more than **3,000 professionals**, both from offices and factories.

At each stop, attendees took part in informative and participative sessions with members of the Management Committee of Gonvarri Industries, such as the Drive Day, to learn more about the 2022/2024 Strategic Plan and the Drive management model, covering key topics such as business technology,

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compliance, safety, efficiency, innovation, sustainability and people management. It also included specific sessions on Digital Work Place, Carbon Neutral, Mobile App and the Makers programme. This tour has been a key platform for sharing knowledge and fostering cooperation and professional development among Gonvarri Industries employees.

Throughout 2023, the Enhancing Progress Tour visited the factories of Gonvauto Puebla (120 employees participated), Gonvarri Argentina (70 participants), ArcelorMittal Gonvarri Paraná (220 participants) and Campinas in Brazil (255 participants), Çepas in Turkey (230 participants), Gonvarri Poland (110 participants), Gonvauto Nitra in Slovakia (60 participants) and Gonvarri Asturias (300 participants). In total, **1,365 employees** took part in the tour during the year.

4.4. Leadership development

Offering leadership development programmes to help employees acquire the skills and competencies necessary to take on leadership roles in the future. In 2023, the III Edition of the Gonvarri Leadership Program was completed, to develop the skills and knowledge of 51 managers over 15 months.

Women of Steel
II Jornada Activa tu Carrera

As part of the Women of Steel initiative, the 2nd Edition of "Activate your Career" was held, in which 4th year ESO students from the Mater Salvatoris School in Madrid visited the facilities of Gonvarri Industries. The aim of this day was twofold:To provide the students with an overview of how a company such as Gonvarri works in a context marked by its commitment to innovation, the development of new products and business lines.To guide and inform the students about a company that is committed to STEM careers.

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Performance and development

At Performance & Development we work to provide dynamics, resources and methods to promote exceptional individual and team performance and to foster the professional growth of all employees.

Employment stability is a way of demonstrating confidence in the team and in long-term relationships. For this reason, **85%** of Gonvarri's professionals are hired on an indefinite-term basis and **97%** on a full-time basis. We also promote local employment, where **88%** of employees are of local nationality.

Distribution by type of contract			
	Indefinite	Temporary	Internships
Men	4,191	728	22
Women	811	115	6
	5,002	**843**	**28**

Distribution by contract duration		
	Full time	Part-time
Men	4,780	161
Women	898	33
	5,678	**194**

Annex 2, table 3, details the information by type of contract and duration of contract, gender and country.

5.1 Rotation 401-1

Recruitment

In 2023, there were a total of 1,065 additions to own staff, distributed as follows:

	Men	Women	TOTAL
Recruitment	**893**	**172**	**1.065**

This represents an increase of 6% compared to the previous year, when a total of 1004 registrations were made.

Further information is provided in Annex 2. Recruitment took place mainly in Turkey, Spain, China and Brazil.

Exits

In 2023, there were a total of 901 departures of own staff, the distribution of which is summarised below:

	MEN	WOMEN	TOTAL
Exit dismissal	204	22	226
Voluntary departure	603	72	675
	807	**94**	**901**

Further information is given in annex 2 in tables 4 and 4 B&C. Outflows occurred mainly in Turkey, Spain, Brazil, China and Romania.

This represents an average turnover of 15% (16% for men and 10% for women).

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5.2 Internal promotion

The internal promotion process allows professionals to acquire new responsibilities and new challenges that improve their performance, motivation and commitment to the company. At Gonvarri Industries we contribute to their development and growth through job offers, internal promotion and mobility.

To encourage internal promotion, job offers are periodically published through "Job Posting" on the corporate intranet or other media such as noticeboards, e-mail, etc. This makes it possible to fill certain internal positions. Interested candidates undergo interviews with the heads of the human resources department and with the area that requires the position, in order to select the most suitable candidate.

Internal promotion			
	Men	Women	Total
Spain	20	5	25
Colombia	2		2
Mexico	3	2	5
Turkey	0	1	1
USA	1		1
Russia	1	2	3
UK	8	1	9
Brazil	0	1	1
Czech Rep.	1	0	1
Romania	1	0	1
Germany	1	0	1
China	2		2
	40	12	52

5.3 Performance evaluation 404-3

Implemented in 2021, the centralised Management by Objectives system facilitates the assessment of individual objectives and competencies, integrating with the People Management Tool to improve talent management processes, fostering professional development and identifying high potential employees for future strategic roles.

In 2023, 554 evaluations were initiated, distributed among 16 countries. At year-end, a total of 268 are being finalised and/or completed, as shown in the table below:

Corporate performance assessment			
	Men	Women	Total
Argentina	0	4	5
Brazil	9	25	34
Colombia	0	0	0
Czech Rep.	0	1	1
Germany	1	3	4
Mexico	4	9	13
Holand	0	1	1
Poland	3	6	9
Portugal	3	3	6
Romania	0	1	1
Slovakia	0	1	1
Spain	45	136	181
Sweden	1	0	1
Turkey	0	0	0
UK	2	6	8
USA	1	3	4
	69	199	268

In addition, most factories implement their own performance appraisal systems. These include plant personnel, in many cases covering 100% of the workforce, with a methodology appropriate to their activity that measures parameters such as versatility in the workplace. Below is a summary of the distribution of the DPOs carried out by country:

Evaluation Factories					
	MOI		MOD		Total
	Men	Women	Men	Women	
Argentina	24	8	31	5	68
Brazil	134	72	211	4	421
China	0	0	0	0	0
Colombia	81	39	113	0	233
Spain	203	61	449	18	731
USA	21	7	38	6	72
Slovakia	37	36	105	1	179
Finland	0	0	0	0	0
Holand	0	0	0	0	0
Hungary	0	0	0	0	0
Mexico	9	4	0	0	13
Poland	30	23	50	2	105
Portugal	30	19	40	3	92
UK	0	0	0	0	0
Czech Rep.	0	0	0	0	0
Romania	86	61	200	12	359
Russia	19	12	15	1	47
	677	343	1.281	52	2,353

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Compensation, benefits and mobility

Its objective is to comprehensively and strategically manage the policies and practices related to compensation and benefits offered to employees, as well as to facilitate internal mobility, considering both the expectations of professionals and the legal requirements and internal policies to avoid discriminatory practices and promote equal opportunities in remuneration and benefits for all employees.

6.1 Clearing

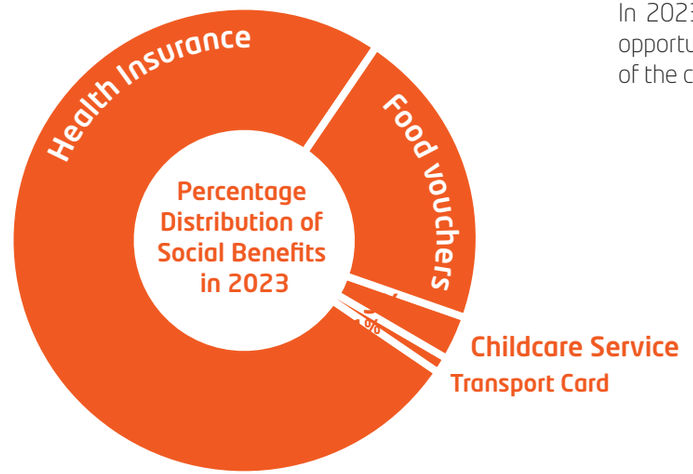
In line with its corporate human rights policy, Gonvarri Industries is committed to ensuring that all employees receive a living wage. This wage seeks to meet the basic needs of workers and their families, taking into account the functions performed and the length of the working day. We adhere to International Labour Organisation (ILO) standards and applicable legislation, ensuring an appropriate work-life balance, including regular overtime pay, as well as holiday and rest periods.

6.2 Social benefits 201-3 AND 401-2

The aim is to provide a set of benefits that meet employees' needs and promote their well-being. This involves identifying the benefits most valued by employees and adapting them according to local preferences and circumstances, offering flexible options that promote satisfaction and engagement.

Summary of Social Benefits by Facility and Country

- Medical Insurance: Available at factories such as AMG Brazil, GMH Lohja (Finland), Gonvarri South Carolina and others, offering coverage including health, vision, dental and annual flu vaccination.
- Life Insurance: Implemented in all facilities in Spain, GMH Laubach (Germany), AMG Brazil and other locations.
- Disability Insurance: Present in Spain, factories in China, Gonvarri Poland and other locations.
- Canteen Service/Tickets Restaurant: Available in factories such as AMG Brazil, Gonvarri Kaluga and Steel&Alloy UK, among others.
- Transport Service: Offered in several locations, including Burgos in Spain and Gonvarri Portugal.
- Maternity/Paternity Leave: Benefit available in factories such as Gonvauto Puebla and Gonvarri Turkey.
- Other Social Benefits: Various additional benefits are available in Iberia, Spain and other factories, including birth gifts, Christmas hampers, access to gyms, and laundry services.



6.3 Pension funds and retirement plans

These benefits are available in some countries due to legal obligations or historical commitments. In places such as the United Kingdom, Germany (Thuringen) and Sweden, pension funds are offered, while in Spain, Gonvauto Barcelona has a partial retirement plan. In any case, these are very specific situations and of little relevance to the company as a whole.

6.4. Mobility 201-3

The "Start-up and Support Teams" system offers employees the opportunity to participate in international projects, collaborating with teams from diverse cultures through temporary secondments to other countries. Employees are involved in critical tasks such as opening new plants and managing challenges related to production and machinery, among others. In addition, these teams facilitate the transfer of knowledge and know-how, enriching skills and working methodologies. In 2023, more than 38 employees took advantage of this opportunity, moving temporarily to different centres or plants of the company.

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Diversity, Equality and Inclusion

At Gonvarri, we are committed to fostering an inclusive and respectful work environment for all our employees. We firmly believe in the importance of diversity, equity and inclusion in our organisation and strive to create an environment where every employee feels valued, respected and has equal opportunities.

- **Diversity:** We value diversity in all its forms, including, but not limited to, race, gender, age, sexual orientation, religion, disability and ethnicity.
- **Equity:** We strive to ensure equity in all our human resources practices and decisions. We are committed to eliminating any barriers or discrimination that may hinder the professional growth and success of our employees.
- **Inclusion:** we foster a collaborative and welcoming work environment, where everyone's opinions are heard and respected. We encourage creativity, innovation and the performance of our teams.

In accordance with Royal Decree 902/2020, we have implemented Equality Plans in all our offices and factories in Spain. In addition, our approach to equality and non-discrimination has been incorporated in all collective agreements and specific handbooks, covering 92% of the workforce.

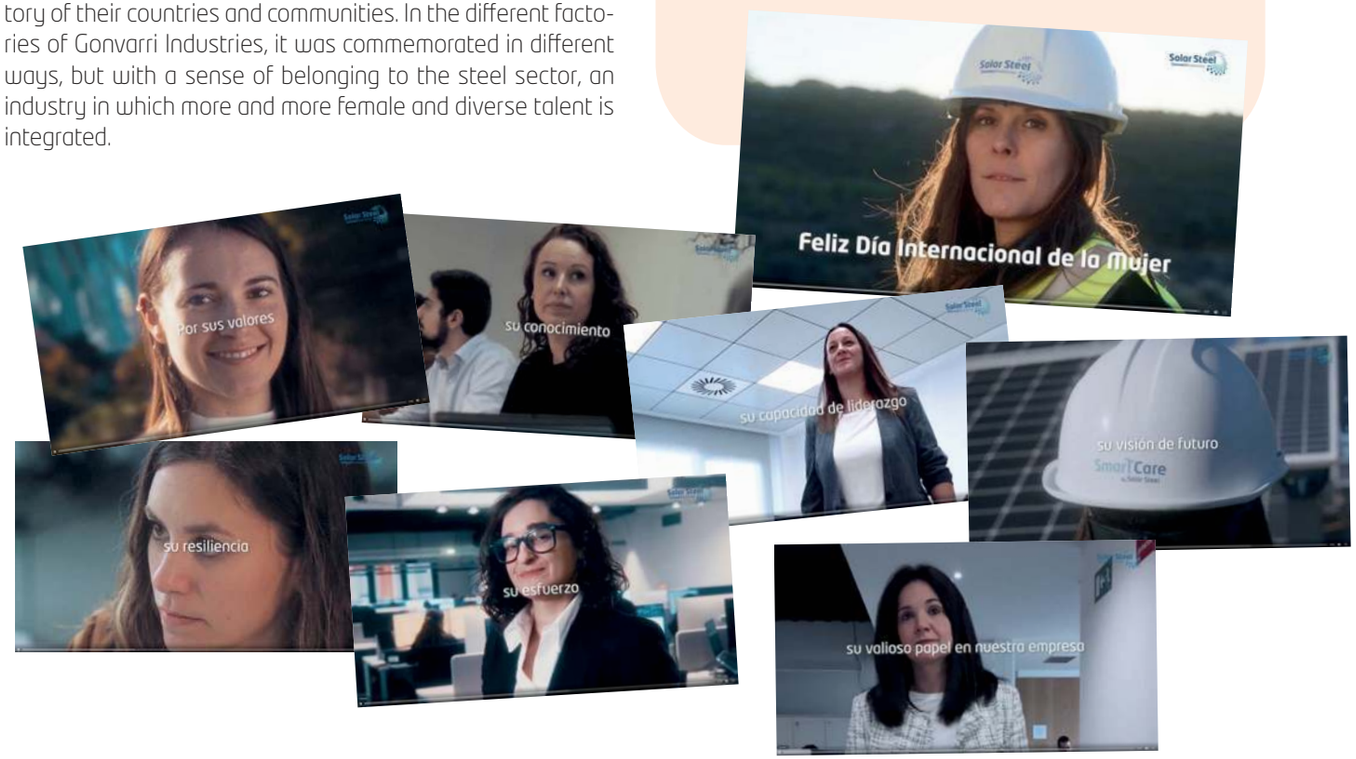
Women of Steel

The Women of Steel programme, launched in 2017, is a key initiative by Gonvarri Industries to foster female talent in the steel industry. This programme reflects the company's commitment to increasing the presence of women in the workforce, an effort that has paid off, with a sustained increase from 10.50% in 2017 to reach 16% in 2023. The figure is 6 points higher than the sector average, as female participation in the steel industry is 10%, according to data from the Union of Steel Companies (UNESID) in 2023. Among other actions, the programme is committed to making the working day more flexible for childcare - up to the age of 8 - for fathers and mothers and the study of the wage gap, before it becomes a legal requirement.

For the fifth consecutive year, on International Women's Day, Gonvarri Industries celebrated the progress made and the determination of women who have played a key role in the history of their countries and communities. In the different factories of Gonvarri Industries, it was commemorated in different ways, but with a sense of belonging to the steel sector, an industry in which more and more female and diverse talent is integrated.

International Women's Day

On "International Women's Day", an event with the UN slogan "Gender equality today for a sustainable tomorrow", Gonvarri celebrated the progress made and the determination of women who have played a key role in the history of their countries and communities, which was commemorated in different ways in the different Gonvarri factories, but with a sense of belonging to the steel sector, a historical and traditionally male industry, but which today integrates more and more women, female talent that adds diversity to the sector.



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Different capacities

As far as professionals with disabilities are concerned, we currently have 83 employees (72 men and 11 women) distributed mainly between Spain, Germany and Spain and Germany:

Different capacities		
Countries	Men	Women
Germany	19	4
Spain	31	4
Slovakia	8	2
Finland	1	0
Czech Rep.	0	0
Turkey	8	0
Poland	1	0
Brazil	4	0
Romania	0	1
Total	72	11

We maintain a fluid collaboration and develop initiatives with Special Employment Centres, such as buying fresh fruit, renting rooms for different events, etc. This allows us to integrate people with different abilities and/or at risk of social exclusion. Among others, the Corporate Department supports the Juan XXIII Roncalli Foundation with team dynamics at the Foundation's facilities; projects to generate business ideas to create new products and services; and in volunteer actions together with young people from the special employment centre and, at a local level, the factories carry out different initiatives, for example, Gonvarri Tarragona is working with the Randstad Foundation for the inclusion of people with disabilities.

In 2023, FLINSA has outsourced the production of impeders and ferrites to Talento y Experiencia (TyE), a centre that employs people with disabilities. This agreement, which comes after FLINSA obtained the Certificate of Exceptionality, allows the work to be carried out in Ribarroja del Turia, Valencia, with tools and materials from FLINSA. This initiative shows a comprehensive approach to community support, offering work opportunities beyond financial or voluntary assistance, and is aligned with the commitment to integrate people with disabilities into the workplace.

In terms of cultural diversity, in 2023 Çepas Gonvarri Industries held an **iftar dinner** for its employees in commemoration of the Islamic month of Ramadan. This event offered a unique cultural experience, reinforcing unity and appreciation for cultural traditions among employees.

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Retention & Wellness

At Loyalty & Wellness we work to implement strategies and programmes to promote the overall wellbeing of employees. These initiatives include measures such as improved flexible working hours and holiday dates, intensive working days, improved facilities and new options for sporting activities. We seek to foster a healthy work environment and improve the quality of life of employees in the company.

8.1 Work climate

The fifth edition of the Global Climate Survey-Employee Experience, based on the People Growing Together Model, was carried out in 2023. A total of **3,868** responses were obtained, representing a participation of **59%** of the total workforce (Memory perimeter). The level of compliance with the experience reached **78%**, with more than half of the moments analysed exceeding **80%**.

The best rated category was Day-to-day work. On the other hand, the worst rated category was Offboarding. The results of the survey were communicated to all employees and managers in order to establish actions for improvement. The perception of the climate is also influenced by local aspects, so that each company designs and implements specific improvement action plans that can also be applied to other companies.

8.2 Wellness programmes. Be Healthy" programme 403-6

Wellness initiatives are designed and implemented as part of the "Be Healthy" programme that promotes the physical, mental and emotional health of employees. This may include various activities such as exercise programmes, nutrition programmes, counselling and emotional support, among others, to improve the engagement and well-being of our employees. For example, Gonvarri Colombia held a week dedicated to the wellbeing of its employees, offering a series of talks, workshops and activities both in person and online. With more than **650** participations, employees had the opportunity to engage in 20 face-to-face and 3 virtual activities focused on topics such as "Me cuido, Te cuido", covering important aspects such as taking care of the planet, the body, the community, the mind and the mood. This event reflects Gonvarri Colombia's commitment to the integral wellbeing of its team, highlighting the importance of health and happiness in the workplace.

Mecenas Tournament

On Friday 22 September 2023, the Real Madrid Foundation brought together sponsors and collaborators of social and sporting projects in a day of sport, values and networking at the Real Madrid Sports City, where Gonvarri Industries was proclaimed champion of the Sponsors Tournament for the second time. Congratulations to all the team members who represented Gonvarri Industries in an exemplary manner during the tournament, achieving not only the sporting victory, but also recognition for their FairPlay and equal representation in the line-up!

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Carrera de las Empresas

Participation for the 13th time in a new edition of the Companies Race, in which we had representation from the Gonvarri Burgos, Gonvarri Valencia, Flinsa, Gonvarri Tarragona, Gonvarri Asturias, Gonvarri Barcelona and Gonvarri Madrid plants.

Body composition studies were carried out at the Gonvarri Madrid facilities in order to analyse the areas for improvement of those who wished to participate, as well as to provide advice on eating habits, exercise and training routines.

8.3 Flexibility at work 401-3

In our offices and factories, we have defined flexible working policies adapted to the specific needs of each location. For example, at Madrid HQ, we implement summer working days from 1 July to 10 September, offer flexible start and finish times, allow two weeks' holiday outside August, and provide continuous working days for employees with children under 7 years old. On days prior to public holidays, there is no afternoon work, and travel time is compensated on non-working days.

In factories, where work is conditioned by customer needs and specific shifts, flexibility is managed on an individual basis. Examples of measures at our factories include the Flexi-Work Policy at Gonvarri Colombia from May 2022, which includes flexible working hours and telecommuting options; at Flinsa, lunch time is reduced to allow early departures for employees who live far away; and at Gonvarri Argentina and AMG Brazil, remote working options and flexible working hours are implemented for administrative areas.

Other examples are GMH Lohja in Finland, where mandatory working hours and telework days have been established; Gonvauto Galicia and Gonvarri Barcelona, which offer flexible working hours and special summer days; and Gonvarri Polska and Steel&Alloy UK, which have adopted flexible working and teleworking rules.

An outstanding case is Gonvauto Navarra, which has obtained the "Reconcilia" seal in recognition of its efforts to reconcile work, family and personal life, promoted by Amedna and the Employment Service of the Vice-Presidency for Economic Development of the Government of Navarra.

Regarding maternity and paternity leave (401-3) in 2023 there were a total of 154, 2% more than in 2022, corresponding to 119 men and 35 women, of which 94% of the men and 86% of the women have returned to work after maternity and paternity leave.

8.4 Participation and awareness-raising initiatives

Open and transparent communication is encouraged in the organisation, giving employees the opportunity to express their concerns and opinions. Actions related to the Employee Experience are implemented. In 2023, several Gonvarri Industries plants carried out team building activities, contributing to the strengthening of ties between employees and the development of a cooperative work environment. Çepaş Gonvarri Industries in Turkey took advantage of Workers' Day to hold a day focused on overcoming challenges together and strengthening teamwork. At Gonvarri Kaluga, a kayaking activity was organised, allowing the team to enjoy nature and strengthen unity. Gonvauto Nitra in Slovakia organised two days of outdoor activities, including hiking and climbing, culminating in a dinner and wine tasting, thus fostering interpersonal connections. Gonvarri Colombia opted for a bowling day, where 36 employees enjoyed a relaxed and fun atmosphere, reinforcing team cohesion. Gonvauto Puebla in Mexico held an integration event at the Africam Safari, focusing on exercises to improve interdepartmental collaboration and team cooperation, highlighting the importance of teamwork for business success.

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Recognition

The Recognition family plays a key role in valuing and celebrating important milestones in employees' careers. This component encompasses the commemoration of years of service, retirements and outstanding achievements in specific functions. In addition, by recognising particular jobs, it highlights the importance of excellence, stimulating individual performance and inspiring others to strive for similar goals. The practice of Recognition within the talent management model strengthens a culture of appreciation and gratitude, cultivating a work environment that values and motivates employees.

Offboarding

Employees leave the company in a variety of ways, either voluntarily, such as resignations or retirements, or involuntarily, such as layoffs or medical separations managed by management. Each type of separation requires specific and differentiated actions by the company, although there are processes common to all situations. In any situation, whether a Gonvarri Industries employee leaves the company voluntarily or involuntarily, it is essential that he or she is treated with the utmost respect and professionalism. The company ensures orderly transitions for these employees, offering outplacement services for their professional reintegration.

Labour relations 2-30 & 407-1

Gonvarri Industries supports the rights of association, union representation and collective bargaining. In all cases, the right to freedom of association and trade union representation is respected and the labour requirements and obligations of each country are always applied.

No significant sites and suppliers have been identified where freedom of association and the right to collective bargaining may be infringed or threatened at operating facilities.

Collective bargaining agreements or similar agreements regulate working conditions (wages, working hours, holidays, etc.) and relations between the company and trade unions. In 2023, 64% of the workforce is represented by collective agreements.

In some countries, where labour agreements do not apply, working conditions are set out in a "Handbook" or the country's own labour standards are applied directly. In 2023, 29% of the workforce is represented by a handbook and the remaining 7% are mostly small offices, where the country's own labour laws apply.

Agreements		
Collective Agreement	3,739	64%
Handbook	1,692	29%
Countries legislation	442	7%

Spain	98%	UK	72%
Portugal	89%	Switzerland	62%
Argentina	60%	Romania	100%
Brazil	85%	Norway	65%
Germany	97%	Holand	100%
Poland	92%	Finland	100%
Russia	68%	Belgium	100%

Digital WorkPlace

Gonvarri Industries' Digital Workplace programme, launched in 2019, drives cultural change around innovation and digitisation of the company. In 2023, the programme placed special emphasis on consolidating and expanding the use of Office 365 and Power Platform, following the Digital Workplace 2022-2024 Plan. During this year, key Front Line Workers projects, the development of new applications and the implementation of AI-based solutions were carried out.

The Front Line Workers project, launched in 2023 in Valencia and Navarra, is a breakthrough in industrial digitalisation. Using O365 and Teams, it has bridged the digital divide for front line workers, giving them access to digital applications. Already implemented in 9 plants with more than 1,000 trained users, it has improved efficiency, productivity, communication and collaboration, as well as enhancing safety and facilitating employee training and development. With international expansion plans for 2024, this project highlights the integration of tools such as Microsoft Teams, focusing on improving communication between the company and employees, increasing efficiency and encouraging staff engagement.

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Health and safety

Health and Safety Management System 403-1 & 403-8

Since 2007, Gonvarri Industries has maintained a Health and Safety Management System based on the corporate policy "POL014 Statement of Principles on Occupational Health and Safety". This system focuses on providing optimum health and safety conditions, integrating safety from design and promoting the elimination of risks at source. It also involves a clear management commitment and the integration of safety at all levels and departments of the organisation, encouraging employee participation and consultation in continuous improvement.

In 2011, it launched the "One Step Ahead" programme, establishing its own safety model and going beyond regulatory compliance. In 2014, a Health and Safety focus was included in the Strategic Plan, applying it to all processes, including procurement and new business design, to ensure compliance with health and safety legislation. In 2017, the "Doing Well by Doing Safe" plan was developed to improve the preventive culture.

In 2023, 79%* of the group's factories were certified under ISO 45001, covering 83%* of the workforce. In 2024, certification is planned for remaining plants such as Gonvauto South Carolina and the new AMG Glorinha factory in Brazil, as well as recent acquisitions such as the Laser factories in Spain, Flinsa and some of the GMH group.

External audits complement a rigorous system of internal audits in accordance with the corporate model, with results that show the level of maturity and excellence in health and safety management.

Two platforms are used in the Health and Safety area to monitor the indicators:

1. **Sygris:** Used for comparative tracking, it consolidates plant incident and accident research, performance indicators, and continuous improvement. It provides employees with access to up-to-date and comparative data on accident and other indicators, both within a plant and in comparison with other plants. It also facilitates the reporting of proactive Health and Safety indicators and the tracking of corrective or preventive actions.
2. **CTAIMA 2.0:** Used in the plants in Spain and Portugal, it manages the information and documentation of external companies that access the work centres. It rigorously controls the necessary documentation not only for legal compliance, but also to verify that these companies maintain adequate Health and Safety Management Systems, and other aspects such as HR and Compliance.

These platforms provide comprehensive management and effective control of health and safety issues for both internal employees and external company personnel.

In 2023, companies such as Gonvauto Barcelona, Gonvarri Poland or Gonvauto Nitra received external awards and recognition for their commitment and results in safety management.

Responsibilities and functions

Plant management and leadership are committed to corporate health and safety policies, leading the monitoring of the Management System and annual planning. This commitment extends throughout the organisation, including investment in improvements and direct communication with employees to assess and improve working conditions. Monthly meetings with the Management Committee and daily working groups focus on safety, reviewing issues such as accidents and inspection results.

Responsibilities for the management of the system are well defined and cover all levels of the company. It is vital to ensure proper policy transmission, effective risk control and compliance with regulations. Supervisors and department heads play a key role in monitoring, inspection and risk assessment, acting as role models for safety and health policies.

In addition, each plant has specialised health and safety personnel who advise and coordinate the implementation and monitoring of policies, adapting to the specific needs of each location.

* Data not comparable. In 2022, data reported 76% of plants and 86% of employees were covered by ISO 45001. However, this year only factories in which we have 100% ownership and full control are considered. Whereas in 2022, all plants and distribution centres were taken into account.

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Doing by Doing Safe

Health and Safety Plan "Doing Well by Doing Safe" 403-2 AND 403-9

After achieving a significant reduction in accidents and improving workplaces at Gonvarri, a plan was launched in 2017 to intensify Health and Safety awareness among all employees, emphasising the importance of correctly applying roles and responsibilities according to their hierarchical position. The Safety Plan "Doing Well by Doing Safe" introduced safety culture-oriented measures, reinforcing the motto "Stop ' Think > Act", which promotes conscious and safe actions. This plan also encourages "Shared Safety", where each employee takes responsibility not only for their own safety but also for that of their colleagues, collaborating in training processes.

In order to improve the preventive culture, it is promoted:

- Visibility of management's commitment to Health and Safety.
- Creation of tools to encourage employee consultation and participation in continuous improvement.
- Rapid implementation of actions derived from the detection tools in the Health and Safety System, especially those originating from accident and incident investigations, to reinforce the sense of safety priority among employees.

Numerous initiatives are being developed for its implementation and dissemination, includinG: 403-4 AND 403-7

1 **Top 5:** An information and consultation forum at the beginning of each shift, where informative messages are shared and potential situations are discussed in small groups.s.

2 **Chasing Risks:** Workshops where employees propose improvements in working conditions based on direct observation, focusing on risk perception.

3 **Observations and One to One interviews**: Review of behaviours and working conditions by managers, followed by discussions with employees about possible improvements.

4 **Safety improvement ideas:** A channel for employees to voluntarily propose improvements in activities, jobs and processes, with a commitment by the company to analyse and, where appropriate, reward and implement these ideas.

5 **Safety Stewards:** A multi-plant initiative to improve communication on safety issues.

Improvements in working conditions

Significant investments have been made in all plants to upgrade them, following corporate technical specifications, best practices and accident and incident reports. Plants such as Hiasa, Flinsa, GMH Laubach, GMH Rasnov and Çepas have made progress in adapting their facilities and equipment to the minimum corporate requirements.

The Maintenance Plans of each plant include inspections, reviews and preventive maintenance necessary to guarantee the good condition and operation of equipment and safety devices, with internal channels for reporting incidents.

Finally, supervisors conduct documented monthly inspections to monitor safety conditions in the workplaces, detecting deviations and planning corrective actions to maintain safety standards.

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Preventive leadership

In 2023, Gonvarri Industries has continued to drive various initiatives to strengthen this preventive approach to health and safety. With a focus on activating safety leadership, the company focuses on effective communication with employees and encouraging their participation using existing tools such as Chasing Risks, One to One, Improvement Ideas, among others. The goal is to involve employees in the continuous improvement of workplaces and in strengthening the H&S management system, turning Shared Safety into a philosophy where everyone takes responsibility for their own safety and that of their colleagues. This additional effort is in addition to those already made to build an organisational culture where safety is the main, robust and perceptible hallmark on the shop floor for everyone. This ambition aims to achieve the ultimate goal of zero accidents.

Other initiatives include

- At **Gonvarri Portugal**, the "Cuida de Ti, Cuida de Nós" initiative highlighted the importance of safety awareness. Through the distribution of safety messages on visible posters throughout the plant, reinforced by the Safety mascot, this action emphasised the crucial role of accident prevention. This visual tactic has not only improved awareness, but also instilled a sense of collective responsibility towards safety in the workplace.

- The International Day for Safety and Health at Work was a highlight at Gonvarri Portugal, where activities such as "Report Safety Risk" and earthquake drills took place, along with the introduction of a new safety mascot. This month of activities was key to deepening the understanding and importance of a safe working environment.

- **Gonvarri Valencia's** "Por Ti, Por Mí" Shared Safety Pilot Project is another outstanding example of this commitment to a culture of prevention. Coinciding with World Day for Safety and Health at Work, this project has not only increased the visibility of safety practices, but has also improved communication and commitment at all levels of the company. The remarkable absence of lost-time accidents due to non-compliance with safety standards in 2023 is a testament to the success of this initiative.

- In September, **Gonvarri Paraná** held a Chasing Risks, an event planned as part of the SGI Plan and in line with Gonvarri's global system. This programme included a theoretical stage on risk perception and active care, followed by the division of teams to identify risks in the facilities and suggest preventive and control measures. Participants committed to improving specific practices, such as identifying risks associated with the handling of tools and machinery. Following the activity, one-point lessons (LUPs) and action plans were generated to disseminate these commitments and maintain the company's preventive culture. The initiative emphasises the importance of worker participation in identifying and improving risks, thus reinforcing safety and environmental awareness.

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In 2023, the Gonvarri Group's factories achieved significant milestones in occupational safety, celebrating days without lost-time accidents.

- **Gonvarri Poland** celebrated 562 accident-free days on 28 April, coinciding with World Health and Safety Day. Employees were thanked for their commitment to safety by handing out gifts and organising an art competition to promote health and safety awareness.

- **Gonvarri Kaluga** achieved 1,500 days without lost-time accidents on 22 May, thanks to a joint approach and compliance with safety policies and standards, including the Lean Office System and ISO 45001:2018 Certification. Several measures implemented that have contributed to this achievement were highlighted.

- **Gonvvama Loudi** celebrated 2,500 days without lost-time accidents on 31 May. The ceremony featured activities emphasising the importance of safety, recognising strict compliance with safety requirements as key to this achievement.

- **Gonvarri Steel & Alloy** achieved five years without lost-time accidents on 19 November. The plant has implemented a strong operational safety culture, with a focus on continuous training and participation in safety improvement.

- **Gonvauto Puebla** marked 730 days without workplace accidents on 10 July, highlighting the constant effort of its staff to maintain a safe working environment. Behavioural safety workshops were organised for all staff, reinforcing the culture of accident prevention.

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Health management 403-3

New employees must undergo medical examinations, based on specific protocols adapted to the job they will perform. These examinations determine their medical "fitness" for the job. In addition, all employees are entitled to periodic examinations by medical services, following the same protocols, after which their "fitness" status is updated. The monitoring and control of the health status of employees is outsourced and carried out by authorised medical services, according to the legislation in force. Notable examples include the availability of a medical service at the workplace or the social benefit of private health insurance in some countries, as well as training aimed at improving health care .

Occupational risk assessment 403-10

Occupational Risk Assessments" are essential to identify and measure risks at work, related to different activities and jobs. They are used to define preventive measures, both technical and organisational, including employee training, to mitigate or eliminate risks. These assessments are constantly updated, especially after job changes or incidents.

In 2023, 4 jobs were identified as having a high risk of occupational disease. No occupational diseases have been detected in own staff.

Based on these assessments, Safety Instructions are generated that instruct employees on how to prevent risks. These instructions, which are updated regularly and require the approval of supervisors, are vital for employee training.

In case of incidents, these instructions are reviewed to ensure that they cover all necessary standards. In addition, assessments cover exposure to contaminants and ergonomic factors, with specialised personnel using calibrated equipment and standardised methodologies. Companies are responsible for managing these results to ensure a safe working environment.

Main indicators

In 2023, there were a total of 98 accidents with sick leave and 313 accidents without sick leave in 11,695,877 hours of effective presence.

Accidents	with sick leave		without sick leave	
	Men	Women	Men	Women
Own staff	83	4	245	9
External staff	11	0	56	3
Total	**94**	**4**	**301**	**12**

At the group level, a significant increase in frequency and severity rates has been observed over the last year. Compared to 2022 data, the frequency index has increased by 11%, from 6.0 to 6.7. Similarly, the severity index has increased by 17%, from 0.18 to 0.21. These increases are due to the increase in the number of accidents by 1.73% compared to last year, combined with the reduction in the number of hours of effective presence, which fell by 3.3% from 12,102,645 hours in 2022 to 11,695,877 hours in 2023.

Despite these increases in both rates, no accidents with particularly serious consequences have been recorded in 2023. This is relevant from the point of view of both the causes and the consequences of the incidents. The absence of accidents with particularly serious consequences indicates a significant improvement in the safety and prevention measures implemented, resulting in a safer working environment for all.

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Accident rate with sick leave	Own staff		External staff	
	Men	Women	Men	Women
Germany	18	23	10	0
Argentina	51	0	0	0
Belgium	0	0	0	0
Brazil	9	0	0	0
China	0	0	0	0
Colombia	5	0	0	0
Denmark	0	0	0	0
Spain	16	4	14	0
USA	0	0	0	0
Finland	9	0	0	0
Holand	0	0	0	0
Hungary	0	0	0	0
Mexico	0	0	0	0
Norway	0	0	0	0
Poland	0	0	0	0
Portugal	25	0	43	0
UK	2	0	0	0
Czech Rep.	18	0	38	0
Romania	2	0	0	0
Russia	0	0	0	0
Sweden	0	0	0	0
Switzerland	0	0	0	0
Turkey	9	0	0	0
Total	**10**	**3**	**8**	**0**

Accident rate without sick leave	Own staff		External staff	
	Men	Women	Men	Women
Germany	17	8	52	323
Argentina	0	0	0	0
Belgium	14	0	0	0
Brazil	5	0	0	0
China	7	0	0	0
Colombia	0	0	25	0
Denmark	78	0	0	0
Spain	35	14	73	29
USA	9	111	0	0
Finland	0	0	0	0
Holand	0	0	0	0
Hungary	0	0	0	0
Mexico	0	0	0	0
Norway	6	0	0	0
Poland	50	0	0	0
Portugal	7	25	130	215
UK	11	0	0	0
Czech Rep.	0	0	0	0
Romania	0	0	0	0
Russia	0	0	0	0
Sweden	0	0	0	0
Switzerland	11	0	0	0
Turkey	28	0	0	0
Total	**28**	**6**	**39**	**42**

· No. of accidents involving sick leave for own staff/hours of effective presence X1000000

· No. accidents without sick leave / hours of effective presence X1000000

At Gonvarri Industries, all accidents occurring at its facilities are accounted for and analysed, although many lost-time accidents are not significant from a preventive point of view. There is notable variability in the accident rate indicators between the Group's different plants, as well as in the level of compliance with corporate policies, as reflected in the proactive indicators. It should be noted that one in five accidents with personal injury leads to sick leave, which indicates the need to explore measures to manage absenteeism.

More than half of the accidents with sick leave result in absences of 10 working days or less, and two thirds do not exceed 20 days. With regard to external personnel, especially those from Temporary Employment Companies, a higher accident rate is observed in certain plants. Although their training is not always compulsory, Gonvarri Industries trains these personnel internally on risks and how to prevent them. However, the lack of experience of these personnel requires stricter monitoring and control, and all employees are encouraged to assist and guide them, preventing them from carrying out potentially dangerous tasks.

Hands are the part of the body most affected by accidents, mainly by blows and not necessarily cuts. In the last year, all serious accidents (excluding fatalities) involved men, with 23 cases in own staff and 6 in external staff, spread over several countries.

Injury rate occupational accident major consequences	Own staff		External staff	
	Men	Women	Men	Women
	0.42	0.00	0.00	0.00
Turkey	33.18	0.00	91.44	0.00
UK	6.80	0.00	0.00	0.00
TOTAL	**2.64**	**0.00**	**4.13**	**0.00**

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2023 was a remarkable year in terms of occupational health and safety. Fortunately, we had no fatal accidents to report. This is a testament to everyone's commitment and diligence in implementing effective safety measures.

In addition, we have achieved an important milestone in the reduction of occupational illnesses. Compared to 2022, when 2 cases were recorded, this year we have managed to reduce the number of occupational diseases to 0 for both own and external employees.

It should be noted that the plants continue to improve in the identification, reporting and analysis of "incidents" which, although they have not caused personal injury, in other circumstances could have done so, and their study is very useful for future learning and continuous improvement.

Lost days due to accidents

The accidents recorded in 2023 have meant 2,978 working days lost per accident (99% men and 1% women). The rates by country are summarised below.

Lost days accidents		
Own staff		
	Men	Women
Germany	1.95	1.64
Argentina	2.35	0.00
Belgium	0.00	0.00
Brazil	0.19	0.00
China	0.00	0.00
Colombia	3.57	0.00
Denmark	0.00	0.00
Spain	11.25	0.07
USA	0.00	0.00
Slovakia	1.18	0.00
Finland	0.00	0.00
Holand	0.00	0.00
Hungary	0.00	0.00
Mexico	0.00	0.00
Norway	0.00	0.00
Poland	0.00	0.00
Portugal	0.17	0.00
UK	0.16	0.00
Czech Rep.	0.24	0.00
Romania	0.04	0.00
Russia	0.00	0.00
Sweden	0.00	0.00
Switzerland	0.00	0.00
Turkey	0.02	0.00
TOTAL	**0.34**	**0.03**

Days lost due to other causes

In 2023, 84,084 equivalent days are lost due to unplanned absenteeism, 93% of which are for men and 7% for women. The rates by country are summarised below.

Days lost due to other causes		
Own staff		
	Men	Women
Germany	30.10	23.62
Argentina	7.92	4.72
Belgium	0.00	0.00
Brazil	1.00	0.81
China	0.00	0.00
Colombia	58.83	14.13
Denmark	0.00	0.00
Spain	175.43	60.42
USA	0.00	0.00
Slovakia	0.00	0.00
Finland	6.84	2.76
Holand	186.68	80.90
Hungary	0.00	0.00
Mexico	2.69	24.56
Norway	2.00	0.02
Poland	8.75	8.25
Portugal	2.98	4.02
UK	0.25	0.00
Czech Rep.	62.36	19.97
Romania	5.46	1.77
Russia	27.17	0.00
Sweden	35.25	8.71
Switzerland	0.00	0.00
Turkey	0.00	0.00
TOTAL	**8.96**	**4.16**

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Training and consultation

Training 403-5

Safety training and awareness is an essential pillar of the company's culture. Specific training needs are identified for each job position, ensuring that each employee receives full and updated training every three years for a comprehensive understanding of the position.

All employees, including temporary and subcontracted staff, receive health and safety training, in line with corporate policies. In 2023, the average amount of training per employee from the previous year was maintained, with each employee receiving an average of 10 hours of Health and Safety training. With regard to the training of external personnel in 2023, there has been a reduction in the hours of training given to external personnel, from 698 hours in 2022 to 358 hours.

This training not only covers the risks and standards applicable to their daily performance, but also raises awareness of the importance of safety. Specific safety instructions are given for each activity, some proposed and standardised at corporate level based on accumulated experience. These corporate trainings must be adapted to the reality of each plant, taking into account local risks and regulations.

Communication, consultation and participation 403-4 & 403-1

The Leading the Change programme has created a dedicated Health and Safety Group, which has been joined by nearly 500 people across the Group. This Group facilitates the dissemination of a variety of resources and information related to safety and health, including:

- Corporate management policies and systems: Guidelines and standard procedures to be followed throughout the organisation.
- Technical specifications: Minimum working conditions in equipment and installations based on best practices developed over the years.
- Documentation and supporting formats: Tools to document compliance with established policies.
- Accident and incident reports: Over 600 communiqués distributed weekly for 15 years, detailing relevant preventive events and recommended practices to mitigate associated risks.
- Mandatory training content: Material for essential health and safety training.
- Six-monthly performance reports: Global and comparative assessments between plants to continuously evaluate and improve.
- Safety Tips: Short tips and recommendations on safety and health.
- Informative blog: Two weekly entries with information of interest on health and safety, mainly aimed at company coordinators.
- Video channel: Recordings of relevant events such as accidents, events and best practices.

These resources are part of an ongoing effort to improve safety and health at all group facilities.

The Forums for debate with the legal representatives of the workers are constituted by the Prevention Delegates in Spain in accordance with the applicable legislation (Chapter V of Law 31/1995 on ORP), being a joint committee made up equally by the social part and by persons designated by the company.

In the rest of the countries, as it is not a legal requirement in all cases, its characteristics respond to local needs, although its objective is always to deal with aspects related to health and safety and the mitigation of potential occupational risks or accidents among any person in the workplace, covering 100% of the workers (403-4).

All plants have prevention delegates, whose composition is summarised below

	Representatives
Germany	21
Argentina	14
Belgium	0
Brazil	47
China	41
Colombia	8
Denmark	2
Spain	49
USA	5
Slovakia	9
Finland	4
Holand	2

	Representatives
Hungary	0
Mexico	8
Norway	0
Poland	6
Portugal	8
UK	37
Czech Rep.	6
Romania	8
Russia	6
Sweden	6
Switzerland	0
Turkey	16
Total	**303**

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Coordination with external staff

Companies have established systems and channels of coordination with external companies (contractors, subcontractors, temporary employment agencies, transporters, visitors, etc.) to ensure that their employees have the same safety guarantees as their own employees and do not cause incidents in the course of their work. This coordination includes informing these companies about the risks associated with their presence in the work centres, as well as the control of risks arising from their activities and the mutual risks due to the presence of personnel from different companies in the same place.

Part of this coordination involves an exchange of documentation, where contractual conditions are communicated and records are required to be presented to prove the security measures planned by these external companies. This covers both risk prevention in the performance of their work and the adequacy of personnel and equipment accessing the workplaces.

In addition, a special on-site check is carried out to monitor and ensure that safety principles known to staff, but which may not be common for these external companies, are respected and must always be adhered to.

Management of potential emergencies

Each organisation has identified possible emergencies at its facilities, such as fires, natural disasters, accidents and rescues. For each type of emergency, specific technical means and human resources have been established to ensure efficient management and minimise the impact.

Necessary actions are planned to ensure the effectiveness of these measures in real situations. This includes the availability, conservation and maintenance of the necessary material equipment for each situation. In addition, human teams are designated and trained to act in each emergency, ensuring that they have the appropriate and up-to-date training for the functions and actions assigned.

To verify the effectiveness of these measures and the preparedness of personnel, drills and training are conducted. These drills not only train staff to handle emergency situations safely and effectively, but also identify and correct possible failures or make improvements to the measures in place.

These documents and procedures are dynamic and are regularly updated to adapt to new circumstances or learning from drills and training.

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Clients

1 Customer proximity

At Gonvarri Industries, customisation and constant improvement of products and services are key. To achieve this, we have sales teams specialised by type of business and product, which offer specific coverage and proactively detect customer needs.

With a focus on Innovation and Competitiveness, we provide cutting-edge solutions in Sustainability, both in Steel and Aluminium. This customer focus is an intrinsic part of Gonvarri Industries' DNA, extending beyond the commercial teams to all departments, regardless of their direct interaction with the customer. Gonvarri Industries views the relationship with the customer as one of close collaboration, pursuing common goals in a mutually beneficial relationship and fostering long-term partnerships.

1.1 Auto Solutions

For Gonvarri Industries, Automotive is a key revenue generating sector. Our main customers include OEMs, stampers and Tier1 and Tier2 integrators. The Global Corporate Area of Commercial Auto is made up of highly qualified professionals worldwide. In 2023, we have seen an increase in material processing for Hot Stamping and project procurement for aluminium exterior and interior parts. In addition, the new 2D laser cutting line at Gonvauto Thuringen has caught the attention of customers in Central Europe, quickly obtaining approvals from several OEMs and capturing significant projects.

1.2. Industry Solutions

Gonvarri Industries' presence in the industrial sector is focused on Spain and Portugal, with notable growth in the UK and Poland. Key initiatives in 2023 include:

- Maintenance and evolution of the action plan initiated in 2016 for the distribution sector in Spain and Portugal.
- Sales segmentation Industry in Iberia in Spot and programmes.
- Continued strengthening of marketing and sales of own products.
- Development of working teams with key customers for product and logistics improvements.
- Creation of more specialised commercial departments in industry, with customer segmentation by sector.
- Full implementation of online sales channels for flat products and tubes in Spain and Portugal.

1.3. Storage Solutions

Gonvarri Material Handling (GMH) stands out as one of Europe's leading suppliers in the engineering and manufacture of storage and handling systems for a variety of industrial environments. It offers comprehensive solutions including pallet racking, picking racking, vertical storage machines and automated warehouse systems.

The highly trained GMH team offers advice and practical assistance, supported by an extensive sales and marketing network. This network facilitates global reach to customers through recognised brands such as Dexion, Constructor, Kasten, Stålteknik and Kredit, with a commercial presence in 15 European countries.

GMH is responsible for all stages of the process, from planning and production to distribution, installation and after-sales service of shelving. This comprehensive service capability enables us to serve thousands of customers annually, with a high percentage of customer loyalty.

GMH's diverse range of solutions covers a wide spectrum of customers, from small businesses to large multinational corporations, in a variety of sectors such as automotive workshops, tyre storage, food and beverage, cold storage, building products and e-commerce.

One area of growing interest is automated warehousing, where GMH collaborates with system integrators to offer advanced and growing solutions.

GMH is committed to sustainable growth, evidenced by recent initiatives to reduce its carbon footprint, such as the installation of solar panels and insulation systems in factories, and the electrification of vehicle and forklift fleets, thus ensuring quality products with minimal environmental impact.

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1.4. Solar Steel Solutions

In the Gonvarri Solar Steel sphere, innovation is a constant, especially notable in the development of products such as the TracSmarT+ family of trackers in 1V single-row, double-row and 2V configurations. Complementing this line, they offer a wide range of RackSmarT fixed structures, designed to adapt to different terrains and project conditions.

A distinctive element of Gonvarri Solar Steel is its TracSmarT+ System control system, which incorporates wireless communication and self-powering. This advanced technology is aimed at improving the customer's CAPEX and OPEX and optimising the control of after-sales activities, standing out in the market for its efficiency.

In addition, the company provides a range of services that add value in all phases of the life of a PV project, from pre-execution and execution to the SmarTCare after-sales platform. These services include detailed engineering and foundation analysis.

To respond to the globalisation of the sector, Gonvarri Solar Steel has implemented a strategy of diversification of supply sources, combining production at its own plants with an extensive global supply chain. This network includes partners in countries such as China, Turkey, Brazil, India, Mexico, Spain and Portugal, providing the company with a significant competitive advantage in terms of flexibility and meeting deadlines.

Despite the challenges posed by the pandemic in 2021, Gonvarri Solar Steel maintained its presence at major events such as Genera in Spain, InterSolar in Munich and the UNEF Solar Forum, actively participating in panel discussions and customer meetings. In addition, they have taken advantage of telematic tools to lead technical webinars and have intensified their communication on platforms such as LinkedIn and in the specialised press.

In the distributed generation segment, Suports, as part of Gonvarri Solar Steel, has experienced significant growth. Specialising in the design, development and supply of solar solutions for roofs, parking canopies and ground structures, it has stood out for its highly competitive aluminium solutions, expanding rapidly in key markets such as Spain and Mexico.

1.5. Precision Tube Solutions

The pipe division of Gonvarri Industries has an annual production capacity of 150,000 tonnes, divided between the Flinsa and Gonvauto Asturias factories. In their production line, they manufacture low carbon steel tubes in a range of diameters from Ø8 to Ø130 mm, and stainless steel tubes from Ø25 to Ø104 mm. Their extensive portfolio of services covers not only round tubes, but also various sections such as square, rectangular, oval and other special shapes, all adapted to the specific needs of each customer.

In addition, they offer complete solutions including cut-to-length sawing or laser technology and drilling, as well as hardening processes and other forming operations.

In its commitment to continuous improvement, Gonvarri Industries invests significantly in R&D&I projects to develop innovative solutions and products, with special emphasis on the latest generation of Advanced High Strength Steels (AHSS).

One example of these innovations is the improvement in the manufacture of automotive headrest tubes, which previously presented challenges due to their plasticity. Following extensive research and the use of "extra ductile" steels, a new type of high quality tube has been achieved that exceeds current standards. Significant advances have also been made on the "Finitube", significantly optimising its surface finish, which is crucial for components that require a high aesthetic standard, such as chrome finishes and metallic paints.

Gonvarri Industries is currently extending the application of these innovations to the general industry sector, working closely with customers to transfer the advances achieved in the automotive sector.

In addition, the company focuses on strengthening the relationship with its customers through an increasingly personalised logistics service and optimal supply chain management.

1.6. Road Steel Solutions

Innovation, meanwhile, is key to integrating sustainability in meeting the demands of our customers. In 2023, the Road Steel division, dedicated to road safety, is making efforts to incorporate sustainability into its range of solutions.

In 2023, the division made progress in the certification of the product carbon footprint for the different containment systems, where the greatest contribution to CO_2 emissions is found in the steel used as raw material. Work is currently underway to promote and integrate low carbon footprint steel containment barriers.

Continuing in the line of innovation and circularity, the "Solteco Barrier" is being developed from non-recyclable plastic waste, obtaining a double benefit: reduction of waste destined for landfill and decarbonisation due to the substitution of steel for plastic waste. CE certification is expected to be obtained in 2024.

Finally, containment barriers made of high yield strength steels are in an initial phase of work, which would allow them to recover their original conditions after an impact, thus promoting their reuse.

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2 Customer Satisfaction

Customer satisfaction and loyalty are essential for Gonvarri Industries. It is continuously monitored through constant communication, gathering structured feedback. Customer surveys are key tools for assessing satisfaction and loyalty, strengthening loyalty and market share

100% of the factories serving the automotive sector are ISO 9001 and IATF (Automotive Quality Management System) certified. The main indicator of quality and customer satisfaction, obtained by the number of non-conformities, measured in ppm, has improved by 24.4% compared to the previous year

2.1. Gonvarri Solar Steel

Gonvarri Solar Steel carries out satisfaction surveys adapted to its line of business, evaluating key aspects such as Product Price, Product and Service Quality, Customer Technical Support, Delivery Times, Commercial Service and Response Capacity. Customers with direct contact with the company participate in these surveys, evaluating each aspect according to their degree of satisfaction and the importance they attach to it.

Key Results:

- The cumulative average satisfaction rating is 3.8 out of 5, exceeding the notable target (> 3.5) and reaching a level of "fairly satisfied". Priority customers rate the company with an average of 3.8, while important customers approve with an average of 3.6.
- The highest rated areas, with scores above 4.0, are Commercial Service (4.3), Service Quality (4.1) and Technical Support (4.0), reflecting a strong technical-commercial orientation of the customer-oriented departments. Product Price, although passing, does not reach the set target (3.3 < 3.5), which is understandable due to the pressure from the solar market to reduce prices.
- The overall average of the characteristics assessed is in the top quartile of ratings (2.7 out of 3), confirming that these are key criteria in the customer relationship. The most relevant features (Importance >2.7) include Product Price (satisfaction 3.3), Product Quality (3.8), Technical Support (4.0) and Delivery Time (3.6), all exceeding the pass threshold (>3) and mostly notable (>3.5), with the exception of Product Price.

According to customer feedback, agility in contract negotiation and delivery of legal documentation has been identified as an area for improvement. To address this, Gonvarri Solar Steel has optimised its contractual review process and has integrated the figure of Contract Manager, recently incorporated into the team.

2.2 Gonvarri Material Handling

At GMH, satisfaction surveys have been carried out in most of the countries where it operates, obtaining very positive results and showing an upward trend.

2.3 Industry and auto

In 2023, the implementation of the new "Customer Relationship Framework" has been successful, standardising the Customer Satisfaction Survey and implementing it in all plants. Each company analyses the results of its surveys and creates action plans to improve all aspects of customer relations.

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3 Innovation 3-3

The year 2023 has marked a turning point in the way companies approach innovation, with a renewed focus on improving customer service. Strategic directions have revolved around optimising technology start-ups' businesses, looking not only for operational efficiencies, but also for ways to deliver added value to customers. This has been reflected in the adoption of sustainable practices and the study of new technologies in automotive and renewable energy. These strategies have not only aimed at cost reduction and sustainability, but also at meeting growing customer demands for more environmentally responsible products and services.

3.1 Innovation Model

At the core of 2023's strategies has been a strong innovation model, supported by technology watch and market intelligence. This synergy has facilitated the identification and adaptation of emerging technologies such as gigacasting and advanced processes to manufacture high-performance tubes, improving product quality and cost efficiency. In line with the Venture Building model, the Gonvarri Composites Project has been conceptualised. In addition, projects such as HYGreen BCNA and H2Greem, focused on decarbonisation and energy efficiency, demonstrate the effort to integrate advanced technologies in the development of products and services. This proactive approach has made it possible to anticipate trends and adapt offerings to better meet customer expectations, underlining a commitment to sustainability and responsiveness to market needs.

3.2. Culture of Innovation

2023's innovation culture has been characterised by its openness and collaboration through the adoption of Open Innovation models. Projects such as S.O.S. Madera and Gonvarri Composites are clear examples of how open innovation can lead to solutions that benefit both the company and its customers. These projects not only focus on improving internal processes, but also seek to reduce environmental impact and offer more sustainable and efficient products. By involving diverse stakeholders, such as universities and technology centres, these initiatives foster an innovation ecosystem that drives continuous improvements in customer service.

3.4. Process Innovation

Process innovation improves the ability to respond quickly to market demands and deliver high quality products to customers more efficiently. The identification of new technologies and the incorporation of additive manufacturing processes have enabled companies to become more agile and efficient in their production. Among others, the following projects are worth mentioning:

- The hydrogen market has been an area of focus, with H2Greem developing and optimising the design of its PEM electrolysers.
- Gonvarri has carried out the HYGree BCNA project, focused on understanding the behaviour of a steam boiler fuelled by a mixture of hydrogen and natural gas.
- The possibilities of growing a new line of business based on High Pressure Die Casting (HPDC) have begun to be explored.
- With the addition of a new SLM (Selective Laser Melting) technology production line, the RENAM 500S, Addimen has increased production capacity, while enabling the current materials to be processed with higher levels of quality and greater repeatability.
- A new SLM production line has been incorporated in Addimen.

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3.3. Product Innovation

Gonvarri Industries remains committed to creating products that not only meet current customer needs, but also anticipate and respond to future market demands and trends In terms of product innovation, the year has seen significant developments in composite materials for the automotive industry. The implementation of SMC (Sheet Metal Compound) pilot lines at the AIC (Automotive Intelligence Center) located in Boroa / Amorebieta is an example of how new technologies can lead to products that meet the highest quality standards and offer additional benefits to customers, such as sustainability and improved performance. Among others, the following projects are worth highlighting:

- Road Steel has been developing new solutions for urban environments and incorporating sensor components into the division's products.
- The Gonvarri Composites Project seeks to develop recyclable and environmentally friendly solutions for the automotive industry.
- In the ACEFICORE project, solutions in lightweight and recyclable composite materials have been developed.
- Solar Steel has focused on the development of software to simulate the wind behaviour of solar structures.
- In 2023, Agrotech, a new company, launched a pilot project that will lay the foundation for an innovative business line in the competitive greenhouse market, demonstrating the effectiveness of combining technology and market knowledge to grow a start-up.

Solteco Barrier

Innovation, meanwhile, is key to integrating sustainability in meeting our customers' demands. In 2023, the **Road Steel** divivsion, dedicated to road safety, is making efforts to incorporate sustainability into its range of solutions.

- In 2023, the division made progress in the certification of the **product carbon footprint** for the different containment systems, where the largest contribution to CO_2 emissions is found in the steel used as raw material. Work is currently underway to promote and integrate low carbon footprint steel containment barriers.
- In line with innovation and circularity, the "**Solteco Barrier**" is being developed from non-recyclable plastic waste, obtaining a double benefit: reduction of waste disposal on landfill and decarbonisation due to the substitution of steel for plastic waste. CE certification is expected to be obtained in 2024.
- Finally, at an early stage of work are containment barriers made of high yield strength steels that would allow them to recover their original conditions after an impact, encouraging their reuse.

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Supply chain

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Gonvarri Industries is a company with a presence in 24 countries. Therefore, its supply chain is also global. The purchasing process is differentiated according to the type and volume of purchase, at three levels:

- **Steel purchases:** these include purchases of steel and aluminium worldwide. Purchases are mostly made from wholesale suppliers, traiders (intermediaries) or spot suppliers. The main volume of purchases is for the auto division, where most are customer-driven purchases (OEMs and stampers). The number of suppliers is variable depending on the manufacturing requirements in each country and division. However, the top 10 steel suppliers account for more than 90% of total steel purchases. Relationships with steel suppliers can be contractual or non-contractual and are mostly medium to long term, except for the spot type, which can be short term.
- **Non-steel purchases**: these include purchases of equipment and machinery, other raw materials, energy services, water, cleaning services, maintenance, consultancy, logistics, etc. Purchases are mostly made from wholesale suppliers, services and manufacturers of other raw materials. The number of suppliers varies, but suppliers of transport, energy, zinc and temporary employment companies stand out, accounting for around 85% of the total. Relations with non-steel suppliers are mostly medium and long-term contracts.
- **Local purchases:** this includes minor purchases made in each factory (not centralised), with local and proximity suppliers. This area includes maintenance services, office raw materials, catering, etc. These purchases are the most relevant in number, but the smallest in amount.

  The percentage of purchases from local suppliers in 2023 was 38%.

Steel purchases stand out in terms of volume and price. Due to its characteristics, the steel industry is considered a "heavy industry", with high fixed costs, a significant impact on the generation of qualified employment and a high environmental impact, both in the use and consumption of natural resources and in emissions into the atmosphere, mainly CO_2, where it is considered responsible for 9% of global emissions.

It is currently investing heavily in technology and renewable sources in order to produce "Green Steel" in the not too distant future and significantly reduce its impact.

The following is a summary of sustainability management in procurement.

Steel purchases

The purchasing process is considered a "key process" due to its high economic impact. The "KP0100 Steel Purchasing" procedure summarises the purchasing methodology, with its different variables, the responsibilities at each stage of the process and the records.

This process comprises not only a view of procurement in a narrow sense, but presents a broader view of its function, conceptualising the definition of rules and best practices in the 5 major sub-processes in continuous interaction.

On 12 December 2022, a major renewal of the 'Supplier Code of Ethics' was approved. This update was carried out to adapt our code to the new demands of the market and stakeholders, mainly our customers. This renewal can be summarised along four main lines:

- Human rights and labour standards
- Ethics, transparency and compliance
- Environmental protection
- Responsible purchasing

Gonvarri Industries therefore requires its suppliers to comply with all their obligations, with standards in regulatory compliance in all areas, health and safety, human rights, compliance with trade sanctions, anti-corruption and environmental protection, among others. These criteria are decisive for the selection of a new supplier, as well as the maintenance and retention of an existing supplier. We therefore encourage our suppliers to collaborate with us to jointly develop improvements in the management of these areas and to promote these standards throughout their own supply chains.

Likewise, the Gonvarri Industries website contains the "Corporate Policy on Conflict Minerals", which is also applicable to Gonvarri's suppliers.

As part of this process, Gonvarri Industries has a supplier selection and approval questionnaire, which describes the guidelines to be followed in order to be classified as "suitable", provided that the products it can supply are validated by the Organisation.

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To be classified as "fit", in addition to the obligations regarding product, service, support, etc., requirements regarding HSE Management, Corporate Social Responsibility and Compliance are included.

The questions to be assessed relate, inter alia, to the following aspects:

- Environmental protection.
- Relevant staff information.
- Local legislation and related international standards.
- Equality and ethics.
- Bribery and corruption.
- Financial information and corporate organisation of the supplier, enabling the risk of non-continuity of its activity to be measured.
- Screening and compliance with third parties/international trade sanctions.

Only compliant suppliers will proceed to the next stage, which includes financial and corporate requirements.

The Supplier Code of Ethics and Conduct is sent to all suppliers (100%). Information on its dispatch, receipt and signature/acceptance is properly monitored and archived. The new version will be sent during the 2023 financial year.

Those suppliers that do not comply with these requirements are considered Suppliers in Development, and their relationship with Gonvarri is conditional upon the presentation of a Compliance Plan, which shall be duly validated by Gonvarri.

Procurement management is based on and harmonised with the following principles:

- To ensure the standards and commitments acquired with clients, guaranteeing the mechanisms that allow for continuous improvement.
- The creation of spaces for dialogue with the different suppliers that allow the transmission of the company's commitments to sustainability, as well as the collaboration of its supply chain.
- Negotiate ethically, responsibly and competitively, in line with business expectations.
- Promote among suppliers compliance with basic standards or criteria related to human and labour rights, occupational health and safety of their workers, respect for the environment and ethical behaviour.
- To guarantee supply through appropriate risk management of the suppliers we work with.
- To be a management reference model in the market for Gonvarri Industries' stakeholders.

Likewise, in line with the "Carbon Neutral" strategy and with the demands of our main customers, we are studying and signing alliances with steel suppliers to enable us to purchase so-called "Green Steel" (steel manufactured without using fossil fuels as a source of energy) to help minimise the carbon footprint of the products manufactured.

At present, only a very small number of steel mills are able to supply green steel. However, important investments, plans and technological developments are foreseen in their strategic plans that will allow for a significant production capacity of this type of steel.

Therefore, Gonvarri Industries will increase this type of alliance in line with the evolution of the market and the possibility of supplying large volumes of green steel.

75% Certified suppliers **ISO 14001**
63% Certified suppliers **ISO 45001**

Non-steel purchases

2-6

EnfFocused on purchases of other auxiliary raw materials (oils, lubricants, chemical products, etc.), other materials (packaging, spare parts, etc.) and services (cleaning, transport, travel, etc.) that require a structured, transparent and objective negotiation process, as well as the application of a specific methodology due to the volume they represent.

As part of the negotiation process, suppliers are required to read and accept a series of policies and procedures, including the Code of Ethics and Conduct, in order to transfer Gonvarri's values and principles to suppliers.

It is an essential requirement for the supplier to be in possession of ISO 9001 certification, with Environmental (ISO 14001), Health and Safety (ISO 45001), and Automotive Quality Management Systems (IATF 16949) certifications also being considered.

Finally, it is worth highlighting the active participation of the Non-Steel Procurement area in the signing of PPA contracts for the long-term supply of electricity in different countries in which Gonvarri is present, guaranteeing that 100% of the energy consumed is of renewable origin.

There have been no changes in the supply chain.

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IT security, processes and data protection

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Business process support

Systems are a fundamental pillar for the execution of processes and the success of the business strategy in a market that increasingly requires a focus on digital transformation, immediacy, flexibility and information security.

In recent years, Gonvarri's IT department has gone from being a business support area to becoming an actor in the digital transformation of the entire company, requiring the ability to identify future business needs from a global and strategic perspective. At the same time, it is necessary to continue to guarantee the day-to-day operations, availability, effectiveness and efficiency of services: application maintenance, communications and infrastructure. These two aspects, transformation and day-to-day operations, must be carried out in a coordinated manner in order to generate value for the business.

In 2023, we have continued to focus on the transformation of the application map, continuing with the definition and implementation of the new OneSAP system, with projects and implementations included under the "Industry 4.0" paradigm, going from participating in pilots and proofs of concept to deployment in plants. An example of this evolution is the maintenance and deployments of the new MES system, the new asset management and predictive maintenance system, where the first implementations of use cases of RPA or "robot software" technology have been carried out.

In improving infrastructure and operations, methods such as Code-like Infrastructure deployments have been used to meet new network requirements through solutions such as SDWAN. This solution makes it possible to create communications

Information Security

Today, cyber threats continue to evolve. Not so long ago, cyber security was seen as a technical issue left to technology experts. However, with the process of digital transformation, the threat level has increased exponentially, requiring a more holistic approach to mitigate cyber security risks.

In the industrial sector, the evolution derived from the progressive connection of production equipment to the data network, together with the lack of global security standards, means that the number of vulnerabilities is increasing, increasing the possibility of their exploitation by cybercriminals.

In line with the above, attacks based on social engineering are also on the rise, using techniques to manipulate company employees in order to force them to carry out actions that endanger corporate information. Gonvarri has defined as a line of action and response to these threats a comprehensive approach with the strategic objective of being a "cyber-resilient" company, anticipating, preventing, resisting and, if necessary, recovering from any attack, thus protecting and guaranteeing business continuity.

To this end, the necessary mechanisms have been established to safeguard the company's, customers' and suppliers' data throughout their life cycle in the systems, addressing all areas of information security. These measures include, among others, the definition of a security management and governance framework, the establishment of policies, procedures and guidelines, and design, implementation and continuous monitoring actions in the field of physical and logical security of systems (asset management, identity and access controls, cryptography, security copies, network and end-point security, incident management, etc.).

In addition, the following actions, among others, have been taken to ensure cybersecurity in 2023:

- Updated risk assessment of critical technologies and services.
- Implementation of two-factor authentication across the Group.
- Improvement of the Information Security Management System based on the ISO27001 standard.

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Community

Local contribution 413-1

Gonvarri Industries invests in the local communities where it operates by creating jobs, developing education and training programmes for local workers and supporting community projects.

In 2023, the company promoted 7 projects with an impact on the community, with more than 128,500 beneficiaries. The total investment in these projects amounted to 400,000 euros, with the collaboration of 7 partners.

In the beneficiary profile, youth and/or students constitute approximately 98% of the total, emphasising the strong focus on education and youth development. Children represent about 0.4%, while vulnerable groups make up approximately 1.6%.

The projects have been divided into several areas of action: health and social welfare, education, development cooperation, social and territorial cohesion and emergencies.

Among the projects highlighted were corporate volunteering initiatives such as the reforestation day in Rasnov by Dexión Romania, where more than 50 volunteers planted more than 300 trees. In Asturias, Spain, volunteers participated in the replanting of 1,500 trees in areas affected by fires.

In terms of community development, Gonvarri Argentina started a collaboration with the Garrahan Foundation, promoting sustainable environmental practices. For its part, Gonvauto Puebla in Mexico supported the "Casa Hogar IPODERAC", an institution that cares for children and young people in vulnerable situations.

In the area of youth development, the closing of the first promotion of ArcelorMittal Glorinha's Awakening Project, focused on the exchange of knowledge and experiences for young people, took place. In addition, AMG Campinas organised an educational visit for students to its plant in Hortolandia.

Activities with families were also an integral part of Gonvarri's strategy. Examples include the "Día Sin Cole" in Madrid, the 'Yo hablo código' initiative for employees' children, and the celebration of the "Bienvenida Familia Gonvarri" event in Colombia.

Emotional Driving Project

Since 2014, Gonvarri Industries has been promoting a corporate road safety programme called "Emotional Driving" to raise awareness among its professionals and society as a whole of the importance of driving safely and responsibly. This project, which celebrates its tenth anniversary in 2024, is supported by the Road Steel division, a world leader in road safety with innovative and environmentally friendly protection products.

The project's target audience is divided into the following groups: Our Drivers, Motivated Drivers, Future Drivers, Road Hauliers and the Disabled. Up to 2023, the programme has reached more than 12,000 people related to the company, has visited more than 100 schools or training centres, has raised awareness among more than 50,000 high school and university students and more than 950 students with different abilities.

Emotional Driving is aligned with SDG 3 on Health and Wellbeing.

Collaborating entities

In 2023, Gonvarri Industries collaborated with the following institutions:

- LQDVI (since 2014): Supported in 2023 four national face-to-face congresses in A Coruña, Bilbao, Barcelona and Madrid. Received recognition at the "Union of Business Values" (UVE) event for its "values for good" philosophy.
- AESLEME (since 2013): Continued in 2023 with the Emotional Driving road safety dissemination project in schools in Madrid, including an award to a pupil from Eurocolegio Casvi Boadilla for his reflection.
- WCK (since 2013): In 2023, contributed to relief in Turkey after the February earthquakes through donations and solidarity efforts.
- Juan XXIII Roncalli Foundation (since 2007): Collaborates to improve the lives of people with intellectual disabilities and promote their social integration.
- Real Madrid Foundation (since 2018): In 2023, continued with the project "road safety education: a great value", educating 800 pupils in road safety through 40 coaches, including new categories of prebenjamines and baby basketball.
- SERES (since 2016): Participated in the "VIII Corporate Social Impact Report" and in the "ProyectaRSE" conference to improve communication and measurement in sustainability.
- Aladina Foundation: Supported the "Improved Reality" campaign in 2023 to create an oncology unit at the Vall d'Hebron hospital and promoted the charity film "My Other Jon" to raise funds for children's oncology.

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Corporate Governance

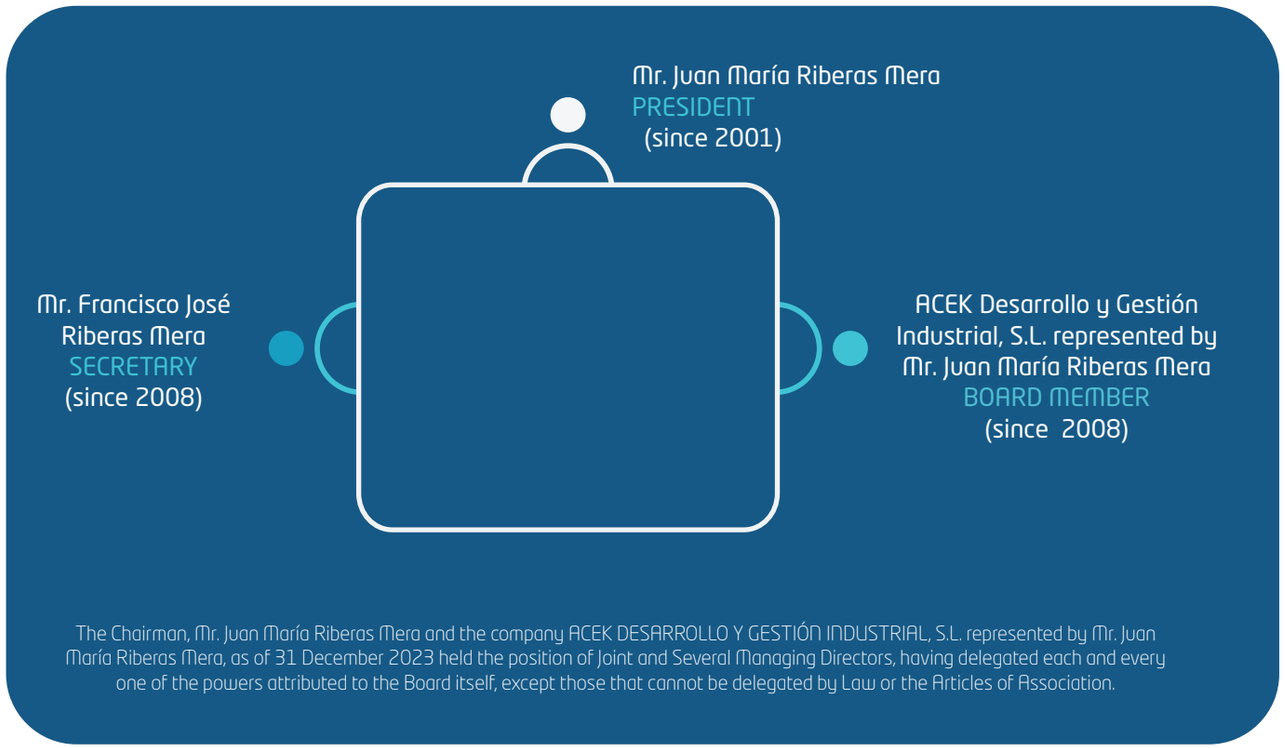
Governance Structure and Composition

2-9, 202-2, 205-1 AND 405-1

The company's governing bodies are the General Meeting of Shareholders and the Board of Directors, the highest governing, supervisory, decision-making and controlling body of Gonvarri Industries.

Gonvarri Industries' Articles of Association set out the functioning of the Board of Directors, and the requirements and deadlines established for convening the General Shareholders' Meeting.

As at 31 December 2023, the Board of Directors of the Company consists of:



The Chairman, Mr. Juan María Riberas Mera and the company ACEK DESARROLLO Y GESTIÓN INDUSTRIAL, S.L. represented by Mr. Juan María Riberas Mera, as of 31 December 2023 held the position of Joint and Several Managing Directors, having delegated each and every one of the powers attributed to the Board itself, except those that cannot be delegated by Law or the Articles of Association.

In terms of government members, 100% are over 46 years of age. Likewise, 100% are of local nationality and all are men as in the previous year.

In line with the sustainability objectives, the "Carbon Neutral 2030/50 Strategic Plan" was approved in December 2020. For its monitoring and measurement, a Carbon Neutral Committee was approved, made up of: the CEO, Sustainability Director, Technical Director, Strategy Director and Finance Director and an operational team, with the participation of sustainability, finance, energy efficiency, purchasing, customers, innovation and strategy managers. In addition, the General Managers and Managers of the different divisions and factories will participate as guests in specific sessions.

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Appointment and selection of the highest governance body

2-10

Gonvarri Industries is a non-listed company, whose Board members represent the total number of shareholders and, therefore, there is no legal obligation to include representatives of other stakeholders, nor to take into consideration other aspects relating to diversity, minorities, etc.

The Board of Directors, in plenary session, takes the relevant decisions and delegates, where appropriate, the execution of these decisions. In addition, the Board of Directors may grant special powers of attorney to company employees to undertake specific aspects of those operations previously approved by this body. He is the highest authority responsible for the company's economic, environmental and social affairs.

To be appointed as a director, it is not necessary to be a shareholder, and both natural and legal persons may be appointed as directors. The Articles of Association also establish the conditions under which the performance of these functions is prohibited.

The powers to appoint directors are vested exclusively in the General Meeting, which represents the interests of all the company's shareholders.

2-11

The Chairman of the Board of Directors holds an executive position

Role of the highest governance body in oversight and impact management

2-12 AND 2-13

With regard to information and consultation mechanisms, these are carried out through the different directorates that act as a vehicle between the Board of Directors and the different stakeholders. In addition, the CEO holds biannual meetings with all corporate staff where relevant aspects related to the management and situation of the company are summarised, and receives feedback from professionals on these issues and on those aspects that are of interest to all employees in Madrid, and deals with their queries directly.

The Board of Directors is responsible for approving and ensuring compliance with the Code of Ethics, the Sustainability Policy and compliance policies. In addition, it may expressly empower company employees to undertake specific aspects of those operations previously approved by this body.

In particular, the following corporate compliance policies were approved in 2022: POL042 Conflict Minerals Corporate Policy (approved by the Compliance Committee in May 2022), update of COD001 Code of Ethics for Suppliers (approved by the Compliance Committee in December 2022). In addition, the corresponding Equality Plans have been drawn up at the Spanish facilities.

For the development and execution of new projects, a thorough study is carried out in which all quantitative and qualitative aspects of the project are assessed and analysed, as well as the investments, financing and potential risks, by the various company departments and the Management Committee, prior to their presentation and subsequent approval by the Board of Directors.

All these actions and the possible risks arising from them are analysed on an ongoing basis by Gonvarri Industries' management and teams, which enables risks to be detected and the necessary corrective measures to be implemented quickly and swiftly. The Risk Management section describes the risk identification and management methodology.

With regard to the reporting of information, in addition to the economic, environmental and social issues that apply in each case, in accordance with the Internal Audit Charter, the defined risks are reported at least once a year to the Chairman and CEO, and through them to the Board of Directors.

Sustainability reporting

2-14

The Sustainability Report is coordinated through the Corporate Communication and Sustainability Department. Every two years it carries out a materiality study, with the participation of all the company's management, in which the key aspects for its stakeholders are included and developed throughout the Report. Its function is transversal within the organisation, so it covers the different companies in the Group.

The Report follows a process of supervision and review by the various directorates, and is approved by the CEO. In addition, to ensure the reliability of the information, it is externally verified by an independent body.

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Conflicts of interest

2-15 & 102-25

In any of the cases of conflict of interest established in article 190 of Royal Legislative Decree 1/2010, of 2 July, approving the Consolidated Text of the Capital Companies Act (102-25).

Gonvarri Industries has a POL002-General Policy on Conflicts of Interest, applicable to the entire group, which complements the provisions of the Code of Ethics and Conduct. The purpose of this Policy is to establish the bases of the action procedures to be followed in the Group with regard to the prevention or, as the case may be, treatment of conflicts of interest in which the Group's directors, managers, employees and collaborators may find themselves in their relations with the Group, as well as with regard to conflicts that may arise with customers, suppliers and society in general, all in accordance with the provisions of the corporate and regulatory rules and the corporate governance system of Gonvarri Industries.

The Group is committed to conducting its business in such a way that the business judgement and decision making of its directors, officers, employees and executives is in no way influenced by their unlawful personal interests.

Communication

2-16

The General Meeting shall be called by the directors and, where appropriate, by the liquidators of the Company, within the first six months of each financial year, in order to review the management of the Company, approve, where appropriate, the accounts of the previous financial year and decide on the distribution of profits.

The directors shall convene the General Meeting if they consider it necessary and, in any case, when requested by one or more shareholders representing at least five per cent of the share capital. When the administration and representation of the Company is entrusted to a Board of Directors, the guidelines established for this purpose shall be followed.

In 2023, the Board of Directors met four times. During these meetings, critical concerns related to organisational growth, the Carbon Neutral Plan, workforce monitoring and health and safety were addressed. These issues were reported to the highest governance body for consideration and action.

The Board of Directors may appoint an Executive Committee or one or more Managing Directors from among its members, determining the persons who are to hold such positions and the manner in which they are to act, and may delegate to them, in whole or in part, on a temporary or permanent basis, all powers that may not be non-delegable under the law.

All discussions and resolutions of the Board shall be recorded in a Minute Book, the Minutes of which shall be signed by the Chairman and the Secretary or by the Vice-Chairman and the Vice-Secretary, as the case may be.

With regard to the most relevant issues dealt with, the annual accounts for the previous year were drawn up, and all meetings monitored projects, investments, budgets, sales and the market situation, as well as the strategic plan and the most important issues considered by each management.

In addition, the heads of the various divisions are in constant and fluid communication with the company's CEO. Any major concerns are immediately conveyed by the heads of the different areas to the CEO, who will pass them on to the Board of Directors.

In particular, legal, compliance and internal audit management meet regularly with the Chairman and CEO to report on all relevant compliance and risk issues that may affect the company, including environmental, social and governance issues.

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Knowledge and assessment

2-17 Y 2-18

The performance of the Board of Directors is not evaluated, as part of the members through their shareholdings are the owners of the company and represent all shareholders. There have been no changes in membership or organisational practices this year.

The company participates and integrates its economic, social and environmental responsibilities in the various directorates, whose senior management submits the decisions to be taken to the CEO and, where appropriate, to the Board of Directors.

In addition, they are kept constantly informed of economic, social and environmental issues through various internal communication mechanisms, such as regular meetings with area managers, the CEO's biannual meetings with staff, the preparation and approval of the Sustainability Report and various communication mechanisms such as the Leading the Change intranet.

In line with the sustainability objectives, the "Carbon Neutral 2030/50 Strategic Plan" was approved in December 2020. A Carbon Neutral Committee was approved for its monitoring and measurement, which carries out monthly monitoring to see the degree of progress in its fulfilment and define the necessary measures for its achievement. Among others, the CEO and several members of the Management Committee form part of this committee.

Remuneration policies and processes

2-19, 2-20 AND 2-21

The remuneration of the Board of Directors shall consist of a fixed cash payment which shall be fixed at the General Meeting held at any time before the end of the financial year. This shall be compatible with other professional or employment-related remuneration which, where applicable, corresponds to the director for any executive or consultative functions he performs in the Company and shall establish the rules for the corresponding payment.

If the Administrative Body takes the form of a Board of Directors, the Board of Directors shall determine the amount to be received by each of the members, depending on their dedication to the administration of the Company. If the administrative body takes another form, it shall be for the General Meeting to decide whether the remuneration of each director shall be the same or vary according to these parameters.

The remuneration of the Board of Directors and senior management is available in the section "(c) Compensation of key management personnel and directors" of the Auditors' Report, Consolidated Financial Statements and Consolidated Management Report as at 31 December 2023. Stakeholders are not involved in remuneration.

In the financial year 2023 the members of the Board of Management received salaries and wages of 2,520 thousand euros (2,100 thousand euros in 2022), of which 1,200 thousand euros were for the lease of services of the members of the Board of Management. At year-end the Group had not granted any loans or advances to members of the Board of Management.

The remuneration paid to senior management in 2023 amounts to 1,247 thousand euros (1,961 thousand euros in 2022). There are no contributions to pension plans and insurance premiums as in the previous year.

Neither during the financial year 2023 nor during the previous year did the Company grant loans to senior management personnel.

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Balance Sheet 2023

203-1 AND 203-2

Group developments

In 2023, the Gonvarri Industries (GI) Group concluded a complicated financial year, in a context of great uncertainty in the markets, with significant increases in all production, labour and transport costs. All of this stems from conflicts and major global instabilities, which generate major logistical and supply problems for certain materials, including steel.

This year's result was lower than in 2022, due to a drop in the first half of the year in automotive contract prices, followed by a drop in industry prices in the second half of the year. As for the level of activity, we witnessed a good volume in the first half of the year, which was corrected downwards in the second half, remaining overall in a similar range to 2022.

Despite market instabilities, the involvement, performance and efficiency of our teams have allowed the Group to adapt at all times to the best possible way to act in the face of constant uncertainty, the GI Group has achieved an **EBITDA of €275MM**, which represents **4.61%** of sales. All divisions of the GI Group have met expectations in terms of results, although it is worth highlighting the Europe & Americas Division as the largest contributor to the Consolidated result, and the ASIA and Solar Steel Divisions as the divisions with the highest growth, derived from the increase in activity in the automotive sector and the sale of products with higher added value in our plants in China, as well as an increase in the portfolio of solar projects.

In terms of activity, the Group recorded a volume increase over the previous year of 7.4% more, finally reaching the 2019 figures, with some 5 million tonnes sold.

The automotive world continues to be the Group's reference market worldwide. The year 2023 has been a year of stabilisation of the supply chain of this business, and the crises of raw materials with microchips at the forefront can be considered over, having been a year in which over 90 million units have been produced worldwide, with an increase in vehicles produced with new propulsion technologies, electric and hybrid, as well as the rise of new manufacturers.

This trend in the automotive market towards the electrification of vehicles, strongly promoted by the administrations to meet climate change objectives, is not without its implementation difficulties, such as the higher price of electric vehicles, the scarce charging infrastructure or their autonomy, which is slowing down their development.

As mentioned above, global passenger car production has reached 90 million units produced, a year-on-year increase of more than 10%. In the Old Continent, Germany and Spain continue to be the main producers. Spain, which is the second largest European producer, increased vehicle production by 9.1% to **2.4 million** vehicles, which continues to position the country as the ninth largest manufacturer in the world, behind Brazil. These figures are still far from the expectations set to reach 3 million vehicles produced, figures that were close to being achieved in 2019.

On the other hand, during 2023 the GI Group continued to drive forward in other markets such as Metal Structures, to which it contributes its high technology in the manufacture of Road Safety elements, the market of structures for Photovoltaic Parks, and the Storage or handling market with the contribution of synergies to the GMH subgroup, acquired in 2018, after carrying out a strong commercial action. All these markets, where the Group diversifies its activity, have improved both in terms of activity and results.

The Group now has **48 Production Centres** and is present in a total of **27 countries worldwide**.

In the chapter on inorganic growth, it is worth highlighting the effort made to enter a new market such as electric mobility, reaching a purchase agreement for the acquisition of a minority stake of 41.43% of the Hidria Group. This agreement was signed in January 2023. This acquisition is part of the Group's development and diversification strategy, and will help us to reach different markets and products, and seek a common connection with the world of industry around the transformation of metals, and pursuing greater technological content and added value.

Simultaneously with the sale and purchase agreement, Gonvarri Industries signed a shareholders' agreement to regulate the relationship of the shareholders, the governance of the entity, the economic and political rights of the shares and the terms and conditions of the transfer of the shares. The agreement additionally contains share option contracts for the shares of the majority shareholders.

The Group maintains its growth plans, studying new locations and industrial possibilities both through the construction of new facilities and the acquisition of existing businesses, with the aim of increasing its presence and addressing new areas of diversification.

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Financial results 201-1

In the financial area, constant monitoring of market financing levels is maintained in order to adapt the costs of the bilateral financing lines that the Group maintains with its pool of financial institutions, with the aim of achieving an adequate level of availability of financing at the lowest possible cost. In this sense, financing costs have been reduced, without taking into account the implicit increase due to the rise in interest rates, both in Spain and abroad, and sufficiently long terms have been obtained so that their repayment is reasonably accompanied by the cash generated in the operations of the Projects financed with them.

The Group's Net Financial Debt (NFD) has gone from €404 million in 2022 to €246 million at year-end 2023 (including IFRS 16 in both cases). This reduction is due to lower working capital needs to be financed, as a result of the reduction in material prices, taking into account the €73.7m disbursement made at the beginning of the year by the Hidria Group. The 2023 results bring the DFN/EBITDA ratio to 0.89x, which reinforces and demonstrates the message that the Group maintains strict control of its indebtedness and reflects the good and healthy situation of its balance sheet. The Group's main consolidated financial figures are summarised in the table below:

Created Economic Value (thousands euros)

	2023	2022
Turnover	5,964,840	5,978,880
Financial revenue	19,221	9,346
Other revenue	34,300	24,825
> Total CEV	**6,018,361**	**6,013,051**

Distributed Economic Value (thousands euros)

	2023	2022
Operational costs (purchase of equipment + ancillary services)	5,471,764	5,381,452
CAPEX	70,194	60,425
Payment to capital providers	25,902	17,719
Taxes	101,047	70,714
Personnel	199,254	239,529
Investments in the Community	455	381
> Total DEV	**6,018,361**	**6,013,051**

Retained Economic Value (thousands euros)

	2023	2022
> Total REV	**149,745**	**242,831**

The municipalities or regions in which Gonvarri Industries is present received a total of 62,292 thousand euros in taxes paid on company profits, which contribute to improving the quality of life and services of the inhabitants of the area. Their distribution by country is summarised in the table below:

Taxes paid on corporate profits

	k€		k€
Germany	1,682.7	Honduras	0.0
Argentina	1,658.4	Hungary	133.6
Austria	0.0	India	0.0
Belgica	130.0	Italy	0.0
Brazil	0.0	Morocco	0.0
Czech Rep.	956.8	Mexico	8,641.9
Chile	8.3	Norway	0.0
China	0.0	Poland	3,253.9
Colombia	-53.0	Portugal	8,430.7
Denmark	49.8	UK	0.0
Slovakia	10,405.2	Romania	537.0
Spain	24,998.5	Russia	554.8
Finland	0.0	Sweden	500.2
France	14.9	Switzerland	31.5
Guatemala	0.0	Turkey	26.1
Holand	287.9	USA	43.6

Total general 62,292.7 k€

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On the other hand, the company has received financial aid and equivalent subsidies amounting to 4,820 thousand euros, mainly distributed between Gonvarri Corporación Financiera and Gonvarri MS R&D.

With regard to other accounting obligations, most of the companies that make up the Gonvarri Industries Group are obliged to draw up annual audit reports on their individual annual accounts due to the total volume of their assets, turnover and average number of employees.

After approval by the corresponding body, these reports are filed in due time and form with the commercial register for each of the accounting years, the legalisation of official books and the filing of annual accounts. In addition, the Group companies are up to date with their payments to the Social Security Treasury and their tax obligations.

Finally, as stated in the Code of Ethics and Conduct, it does not provide financial support to governments (415-1).

Investments

The 2023 financial year shows a net profit of 173,399 thousand euros and a CAPEX executed in the financial year of 70,194 thousand euros.

Of particular note in this area were investments in the Asian market, linked to the expansion of production centres. Below is a breakdown of investments by business unit and by country:

Investments

Europe & Americas	19,710
Gonvauto Iberia	17,069
Asia	15,099
Metal Structures	5,722
Solar	628
Precision Tubes	1,705
Laser	3,305
Material Handling	3,326
Miscellaneous	3,629
> Total CAPEX	**70,194**

Investments by country

	Executed (k€)
Germany	1,806
Argentina	390
Brazil	5,460
Czech Rep.	934
China	8,782
Colombia	1,934
Slovakia	1,482
Spain	25,292
India	6,317
Mexico	1,234
Poland	1,318
Portugal	11,033
UK	1,114
Romania	838
Russia	192
Sweden	724
Turkey	689
USA	654
Total general	**70,194**

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Sustainable financing

In recent years, the number of financial actors incorporating ESG (Environmental, Social and Governance) criteria in their decision making is growing exponentially.

In line with this trend, sustainable financing operations have been maintained with different credit institutions for the period 2022-2024, for Gonvarri Industries and Gonvarri Solar Steel.

The proposed objectives and their outcome (the outcome of GRI Renewable Industries is set out in its own Sustainability Report) are linked to the EcoVadis score, energy efficiency and self-consumption projects and increased capacity in solar trackers produced.

ainable credit policy with the Instituto de Crédito Oficial (ICO), for the period 2020-2024

Applicable to the Gonvarri Holding companies, GRI Renewable Industries and Gonvarri Industries, under the reference framework of the "Sustainability Linked Loan Principles" (SLLP) of the Loan Market Association.

The proposed objectives are related to self-consumption of own renewable sources (solar photovoltaic) and digitalisation. The result for Gonvarri Industries and Holding Gonvarri is shown below (the result of GRI Renewable Industries is included in its Sustainability Report).

Sustainable loan with Banco Sabadell, for the period 2022-2024

The proposed objectives are related to the fight against climate change and are detailed in the Environment chapter. The degree of progress of the KPIs is summarised below.

Gonvarri Solar Steel - Factoring with BBVA

To assess compliance, indicators have been established based on the number of solar trackers produced and the percentage increase in capacity contributing to solar photovoltaic renewable energy generation.

Financing. KPIs Monitoring

Gonvarri Industries a 31/12	2020	2021	2022	2023
Digitisation: %Users using DWP tools	71,60%	71,96%	75,54%	81,24%
% renewable electricity consumed	3,8%	6%	63%	68%
New energy generated for self-consumption by own photovoltaic installations (GWh)			5,93	7,21
Energy savings achieved through the development of new energy efficiency projects (GWh)			1,95	1,34

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Taxation

Fiscal and management approach

207-1 AND 201-4

The growing concern for the management of tax matters by business groups, as well as the development of regulations by governments, contributes to the development of the growing trend in relation to the transparency of tax information. Within this framework, it is essential to manage tax information, both mandatory and voluntary, and to ensure that it meets the parameters required by the different stakeholders.

The Board of Directors, through its Chairman, Chief Executive Officer, its Directors and, in particular, through the tax area, promotes compliance with tax obligations and good tax practices through its Chief Executive Officer, its Executive Director and Management Teams, is responsible for approving and updating the GI Group's Tax Risk Management Policy and all relevant transactions that require it, and is ultimately responsible to the shareholders for the existence, operation and supervision of the Group's Tax Risk Management System.

The principles and guidelines in the tax area are aligned with the Group's long-term development strategy, as well as with its mission, vision and ethical values, in accordance with which all the professionals and entities that form part of the Group have the firm intention of advancing in the continuous improvement of all its areas by carrying out sustainable development.

Furthermore, in developing its Tax Strategy, the Group has taken into account the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises in tax matters and its recommendations in relation to co-operative tax compliance, as well as national and international best practices in tax governance.

Fiscal governance, control and risk management

207-2, 207-3 AND 207-4

The Tax Strategy applies to all Group companies that are majority owned, directly or indirectly, by their parent company. In those Group companies in which it does not have a majority shareholding, but where there is a significant influence of its parent company, the Group shall promote principles and guidelines consistent with those established in the Tax Strategy and shall maintain the appropriate information channels to ensure adequate knowledge of them.

Likewise, this Strategy applies to all Group personnel in the exercise of their duties and responsibilities, and in all professional areas in which they represent the Group, meaning directors, managers, employees and collaborators, regardless of their position, responsibility or geographical location.

It also includes the tax obligations to which it is subject in the various countries and territories in which it operates.

Within this framework, the Tax Policy of the Gonvarri Industries Group aims to ensure compliance with the applicable tax regulations and to ensure adequate coordination of the policy followed by the entities belonging to the Group, all of this avoiding tax risks and inefficiencies in the execution of business decisions.

The Tax Strategy is reviewed on an annual basis and, if applicable regulations or circumstances change, this document will be updated accordingly to ensure that the Strategy fulfils its purpose. The Board of Directors will be the body responsible for approving and updating it.

With regard to risk control and management, the GI Group's Corporate Tax Department, among others, is responsible for analysing legislative, jurisprudential and doctrinal developments in tax matters and for identifying, analysing and assessing tax risks, monitoring possible tax contingencies by country.

It also participates with the Compliance Committee and the Internal Audit and Compliance Department, among others, in updating the Tax Risk Map. Updates are made on an annual basis or when significant changes so require. Significant risks are reported directly to those responsible, in order to establish the mechanisms for monitoring, controlling and minimising these risks.

Concerns or complaints from employees and external personnel can be managed through the whistle-blowing channels provided. With regard to actions in the event of potential litigation, requirements, inspections, sanctions, risks arising, etc., once detected, the process of communication and coordinated risk management is initiated in accordance with the Code of Ethics and Conduct.

The Tax Strategy is available to all Gonvarri Industries Group employees via the corporate intranet and, in the 2023 financial year, will be published on the Gonvarri Industries Group website (https://www.gonvarri.com/).

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Taxation vs Sustainability (ESG)

207-4

Taxation aims to play a leading role in the achievement of the Sustainable Development Goals (SDGs) in the 2030 Agenda, enhancing the adoption of environmental, social and governance (ESG) agreements in investments. This has recently been highlighted by the European Economic and Social Council, for which tax policies are key to meeting the SDGs, as they determine the economic environment in which investment, employment and innovation take place, while providing the government with revenues to finance public spending.

For this reason, Gonvarri Industries has a team of tax experts who, in collaboration with the legal, financial and compliance departments, among others, update the Group's plans and policies in line with current and future requirements in the countries where they operate.

Currently, the tax system already includes instruments that facilitate the achievement of the SDGs, notably those related to governance, climate change and efficiency, innovation and diversity. Some examples are summarised below:

- In line with the social action developed by the Gonvarri Industries Group, the tax incentives for non-profit organisations and patronage stand out.
- In line with the Gonvarri Industries Group's anti-fraud, anti-money laundering and anti-corruption policies and mechanisms, it is worth highlighting the non-deductibility in corporate income tax (IS) of expenses arising from actions contrary to the legal system (bribes and other similar conduct that could encourage corruption).
- In line with the Group's Tax Strategy, and from the perspective of tax governance itself, the growing importance of good tax governance and tax compliance in managing tax risks is noteworthy.
- In line with diversity and equality policies, the Corporate Income Tax (IS) deduction for the creation of jobs for workers with disabilities stands out.
- In line with its innovation strategy and the minimisation of the environmental impact of the Gonvarri Industries Group's activities, the tax incentives for R&D&I activities stand out.

We highlight two fiscal mechanisms that directly contribute to the achievement of Gonvarri Industries' "Carbon Neutral 2030/50 Plan":

- In terms of sustainable mobility, the current IRPF regulations, which include measures to promote the use of public transport and energy-efficient vehicles by employees, make it possible to design environmentally sustainable remuneration plans.
- Significant rebates for the promotion of renewable energies and collective transport plans in the field of local taxes (IBI, IAE and ICIO).

Likewise, notable advances and initiatives are expected in fiscal matters, such as the possible transformation of the tax system to align it with the SDGs, as well as the analysis of an optimal tax system that favours the internalisation of the environmental effects of economic activities, with two clear examples, in which Gonvarri Industries is clearly positioned:

- In the fight against climate change, both in its negative approach (creation of new taxes) and in its positive approach (reduction of taxes and establishment of tax incentives). There are many opportunities in this area if the measures adopted are well defined, integrated into the tax system and coordinated with environmental policies in each country.
- In the circular economy, as a key lever to achieve the SDGs, helping to preserve and enhance natural capital, optimise resource use, and promote system efficiency, revealing and eliminating negative externalities (market failures).

Gonvarri Industries is clearly convinced of the need for an international framework that includes an environmental taxation that encompasses the real needs of the current situation, with environmental taxes that provide a permanent incentive towards more respectful behaviour, reducing the tax burden and providing an incentive for innovation with new forms of production, transport and consumption that are less polluting, putting into practice the "polluter pays" principle.

Well-defined environmental taxes, combined with an ambitious but realistic action plan, can make a real difference to the environment, contributing to the achievement of the SDGs.

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Compliance model

2-23, 2-24 AND 3-3

Internal audit and compliance

The "Compliance Model" aims to maintain the mechanisms for monitoring, measuring and controlling the risks identified. As part of this project, in 2018 the Compliance Committee was set up as a Delegate Body of the Board of Directors in charge of implementing this Model, updating it and managing the Ethical Channel.

The Compliance Programme is led by the Internal Audit area together with the Compliance Committee and the different areas of Gonvarri to update and prepare the Internal Regulations applicable to the Model. The Internal Audit Statute defines the functions, competence, responsibilities and principles of action of the Internal Audit and Compliance Department.

From the outset, an in-depth review of the Code of Ethics and Conduct, as well as policies on anti-corruption, risk, trade sanctions and information sharing, all approved by the Board of Directors, was carried out.

Its implementation is carried out in phases. It started in 2018 and was completed in 2019, including the entire process of design and continuous improvement, dissemination, management, training and monitoring.

During 2020, we entered into a recurring process of detecting and managing compliance risks, as well as monitoring, updating and improving the Compliance Programme developed in 2018. New rules related to Human Resources management were approved, reinforcing the controls associated with the processes of selection, training, payroll management, performance evaluation, and management of employee registrations and terminations.

During 2021, efforts in the compliance area focused on training activities to reinforce the values and behavioural guidelines set out in the Group's Code of Ethics and Conduct; work was carried out to ensure effective implementation of the Model in each location, with emphasis on integrating the compliance framework into the management systems of the Group's various companies. In addition, work was carried out to update the Compliance Programme and the content of some of the Policies was modified and updated, among others, the Protocol for the Prevention of Criminal Offences was issued and a new version of the Sustainability Policy was approved.

During 2022 and 2023, the internal audit and compliance area carried out numerous monitoring activities as part of the "Model Monitoring Plan" approved by the Board of Directors, which establishes a plan for the review, evaluation and monitoring of the Compliance Model and the prevention of criminal offences in the Group's Companies.

The supervision work focused on the Iberia companies and involved reviewing the controls aimed at preventing criminal offences, as well as establishing recommendations and action plans in those areas where areas for improvement were identified. It also continued with the implementation and supervision of the Compliance Model in the rest of the foreign companies.

During 2023, numerous tasks were carried out to update the Group's internal regulations that make up the Compliance Model, as well as training and awareness-raising activities for employees. Likewise, the Refreshment of the Code of Ethics and Conduct was carried out with a scope covering all Spanish-speaking companies, which is mandatory for all Group employees.

With regard to the supervision work of the Compliance Model carried out in 2023, most of it was aimed at reviewing the effectiveness of anti-corruption measures in the different companies included in the Annual Internal Audit Plan defined and approved by management.

All aspects and risks arising from any form of corruption are implemented globally in the Gonvarri Group's offices, distribution centres and factories in accordance with the model and policies approved for this purpose.

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Code of Ethics and Ethical Channel

102-16, 102-17, 2-26 & 2-27

The Code of Ethics and Conduct is an express statement of the values, principles and behavioural guidelines to be adopted by all persons of the Group in the performance of their professional activities, addressing issues such as relations with customers, employees, collaborators, suppliers and the community, and strengthening the trust existing between the Group and third parties.

It is mandatory for employees, collaborators, managers and directors of the Group to be familiar with the full content of the Code and, in particular, the principles and rules of conduct set out therein. They are also required to undergo training in this area and to pass a test on the principles and guidelines contained in the Code. The Board of Directors approved the new Code of Ethics and Conduct in September 2017.

In 2023, a refresher on the contents of the code of ethics and conduct was launched, as well as a review of the key elements of the Group's Compliance Model.

In addition to the Code of Ethics, internal regulations are developed that detail and deploy values and principles in each area of interest. These are updated and reported annually in successive sustainability reports.

The Compliance Committee, through the Ethical Channels, guarantees to receive and respond to any improper situation, doubts, queries or malpractice expressed and to apply the appropriate legal or disciplinary measures. In addition, they will annually execute an audit plan to verify adequate dissemination and compliance.

The Ethics Channel is available to all employees, managers, directors and collaborators of the Gonvarri Group and other external stakeholders, such as customers, suppliers or society in general, with the same objective of consulting any doubts regarding the application of the Code of Ethics and Conduct, as well as notifying possible irregularities corresponding to non-compliance with the Code.

The Ethics Channel Regulations define the operating principles and conditions of use on which the Ethics Channel is based, and the functions and responsibilities of each of the bodies involved in the management and processing of queries/complaints. The Compliance Committee is the managing body of the channel, which establishes the action protocols for analysing, investigating, concluding and communicating the results of the complaints received. It reports periodically to the Board of Directors and its members on its activity in the management of the ethics channel: number of queries and complaints received, complaints relating to serious situations, status of complaints, etc. It will also report on any relevant matter. The Ethics Channel Regulations were approved by the Board of Directors in January 2018.

The external provider is responsible for providing and maintaining an accessible channel, guaranteeing the confidentiality of the communications made and their management, safeguarding and archiving the data in compliance with the regulations in force, acting as an intermediary between the user and the Compliance Committee that guarantees confidentiality as a principle of operation.

There are different possible ways of accessing the ethical channel:

- Form via https://gonvarri.i2-ethics.com, also accessible from the Group's intranet, on the Group's website http://www.gonvarri.com and the other websites of the companies that make up the Group.
- E-mail: ethicschannel@gonvarri.com
- Ordinary mail to the following address: Auditoría Interna y Cumplimiento C/Embajadores s/n. 28053 Madrid.
- Via Whatsapp WeChat or telephone contact on +34 679 98 19 22.

Once the query/complaint is communicated through the platform provided or the other available means, the user will receive an email from the external provider (i2ethics) with the information that will allow him/her to confirm the communication sent to the channel and the start of its management.

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Awareness raising and training

412-2 AND 2-25

In 2018, training began on the Code of Ethics and the Ethics Channel, as the main parts of the Compliance Model. To disseminate the Code and the Ethical Channel, an online course was developed, accessible from the intranet and the mobile application, which included videos, texts and results tests to facilitate understanding, with an estimated duration of between one and two hours. In addition, a major training effort was made throughout the year to disseminate the principles of the Code, which will be continued in subsequent years.

Within the framework of compliance policies, since 2021, various training sessions have been held on the management of conflicts of interest, the exchange of information with competitors, the management of privileged and confidential information, and the prevention of fraud and corruption in the Group's business processes. In addition, training courses were given on the conservation and registration of documentation; actions with public administrations or management of donations and sponsorships; and protocols for loading and unloading material (logistical protocol).

In 2022, training was conducted on some of the Group's policies pertaining to the compliance model, such as Rule 0, which describes how the rules are structured, as well as general and extended training on various rules of the model applicable in the Group's procurement processes, such as the "Third Party Management Policy" and the "Policy on Engagement of External Advisors", which are relevant in the execution of the Group's employee selection and approval processes.

During 2023, work was carried out to update the Group's internal regulations relating mainly to:

- The Guide to the Prevention of Harassment, including new terminology and broadening its scope in line with legislative developments in this area.
- Updating of the Group's Logistics Protocol, including clarifications and additional controls in order to strengthen our control system in relation to the loading and stowage of material; and in response to legislative changes in this area.
- Finally, in 2023, the Code of Ethics and Conduct Refresher training was launched, with the aim of reinforcing the values and principles that make up the ethical identity of the Gonvarri Group, as well as reviewing the key elements that make up Compliance.

In addition, during 2023, new policies were formalised within the framework of the Compliance Model related to the following matters:

- The Human Rights Policy, the objective of which has been to establish principles and guidelines for action through a human rights due diligence process to identify, prevent, mitigate and repair possible negative impacts, current or potential, of the company and its business relations, as well as to enhance the positive consequences of its operations.
- A Working Conditions Policy whose objective is to ensure that Gonvarri Industries complies with the labour regulations in force in each of the countries and work centres in which it operates, and that it promotes a workplace that guarantees the safety, health and well-being of its employees. It also seeks to establish an environment that fosters equity, diversity and inclusion, and allows for the professional development of its employees.
- The Social Dialogue Policy, the aim of which has been to promote and maintain an effective and transparent social dialogue at Gonvarri Industries, where all interested parties can express their opinions and proposals in an open and constructive manner. Gonvarri Industries considers social dialogue essential for informed decision-making and conflict resolution.

With the aim of covering training in human rights and fraud and corruption in the 2023 financial year , courses related to the Code of Ethics and Conduct are considered, with a participation of 347 professionals and 389 hours (more than 3.900 professionals have completed it since its inception) and the Harassment Prevention Guide, with a participation of 360 professionals and 303 hours (more than 2,550 professionals have completed it since its inception).

This training was conducted in local languages. The tables summarise the percentage of participation in the different local languages.

Code of ethics*	
Spanish	54%
Turkish	13%
English	8%
Czech	8%
German	7%
Polish	7%
Portuguese	3%

Harassment Prevention Guide*	
Spanish	70%
Turkish	13%
English	9%
German	3%
Portuguese	3%
Polish	2%

*Not including rank by professional category

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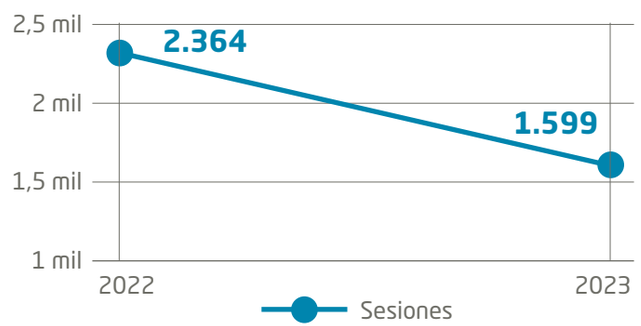
Ongoing complaints & litigation

2-25, 205-2 , 205-3, 406-1, 408-1, 409-1, 206-1, 416-2, 418-1, 307-1, 419-1, 417-2 AND 417-3

Gonvarri Industries' ethics channel is open both for internal use by employees and by any interested third party (suppliers, customers and others). It can be used to report irregular or improper situations that violate the Code of Ethics. The Ethics Channel is available in 18 different languages, so that it is accessible to all potential users around the world.

During the period under review, 1,599 visits to the ethical channel were recorded, 32% less than the previous year.

Evolution compared to the previous year



Users and Sessions

by Total users, sessions and new users

Ussers	Sessions	New users
1,460	1,599	1,298

Visits were received from 50 countries, although the majority of accesses came from Spain (20%), followed by Turkey (14%), the United States (8%) and Brazil (7%).

Origins of access

by Countries and Users (limited to 10 Countries)

Countries	users / Countries
Spain	332
Turkey	217
USA	125
Brazil	112
UK	77
Mexico	73
China	72
Colombia	45
Sweden	33
Portugal	30

The web channel was the preferred channel for complainants, with 72% of the total, followed by direct complaints received by the processors and via the e-mail address provided, with 26%. The time the channel was available and online (SLA - Service Level Agreement) during 2023 was 100%.

Origin of the complaints

Input channel	Complaints received 2023	Pending resolution
Call Back	0	0
Web	21	2
Mail	4	0
Manual entry	4	1
	29	3

In 2023, twenty-nine complaints were received in Gonvarri's ethics channel from Spain (6), Turkey (19), Colombia (2), China (1) and Brazil (1), with three pending resolution to date.

Their breakdown by type is shown below:

Channel complaints

Category	Current	%	Pending resolution
Harassment	6	21%	0
Fraud and Corruption	3	10%	1
Human Resources Management	17	59%	3
Discrimination	0	-	-
Health and safety	3	10%	0

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The complaints received were resolved with disciplinary measures of varying severity, depending on the seriousness of the facts established after investigation.

In labour matters, administrative penalties have been received for the two occupational accidents in Spain that took place in 2020. In the first, the criminal proceedings are still open and pending oral trial and the surcharge on benefits is final in administrative proceedings and has been appealed in the courts (the criminal proceedings were closed on 28 February 2024 with a ruling in agreement with the Public Prosecutor's Office). The surcharge for benefits is still open in the courts); and in the second, concerning a subcontractor, no criminal proceedings have been opened against the company and the surcharge for benefits in joint and several liability is still being processed.

In 2021, an occupational accident occurred that was administratively sanctioned. Regarding the fatal accident of two employees of a contract, the criminal proceedings are not directed against Gonvarri Industries, and the surcharge for benefits is still being processed and pending resolution.

In 2022, a very serious accident occurred in a Spanish company, where criminal proceedings have been initiated and the infraction report and the surcharge of benefits against the company have been appealed in administrative proceedings.

In 2023, a serious accident occurred in a Spanish company, where preliminary criminal proceedings have been initiated and the infraction report and the surcharge for benefits against the company have been appealed in administrative proceedings.

With regard to other proceedings instituted against the company, ongoing litigation and penalties, there are no significant proceedings that have a material economic impact on the Group, in terms of:

- Sensitive activities related to human rights, forced and child labour, which have a relevant impact on the company's different operations (408-1 and 409-1).
- Unfair competition and monopolistic and anti-competitive practices (206-1).
- Health and safety impacts of product and service categories (416-2).
- substantiated complaints regarding breaches of customer privacy and loss of customer data (418-1).
- Non-compliance with laws and regulations in the social, environmental and economic fields (307-1 and 419-1).
- Non-compliances related to information and labelling of products and services (417-2).
- Breaches related to marketing communications (417-3).

With regard to the Protection of Personal Data in the Sphere of the European Union in the year 2023, 47 queries of varying nature and complexity were received and all of them were resolved. No requests for the exercise of data subjects' rights have been recorded this year. No security incidents were recorded, which did not need to be reported to the Data Protection Agency.

At year-end, no significant claims or fines were received related to social, environmental, economic, labour practices and/or human rights aspects, exceeding €100,000 or which by their nature have a special impact on the Company.

Efficiency model

Gonvarri Industries' 2019-2021 Strategic Plan proposed reinforcing the continuous improvement and knowledge management system, which is central to the organisation, through actions coordinated by the Integrated Management System (IMS). This includes the 5 areas of Health and Safety, Environment, Quality, SPG/Lean Manufacturing and Key Processes, with a dual objective:

- Establish robust working systems that prevent this culture and know-how from being dispersed or lost, and make them available throughout the company.
- To ensure its continuous improvement in the future, providing Gonvarri Industries' professionals with a safe, environmentally friendly and professionally enriching framework.

In these unique years of a global pandemic, SGI's teams have met these objectives, adapting to new scenarios and bringing more value to Gonvarri Industries' products and services.

The first step was to strengthen the main tool for monitoring progress in the deployment of this Model: the IMS Integrated Audit.

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Control Mechanisms: the integrated audit IMS

Although practically all the Group's companies are certified in accordance with the most rigorous international standards: ISO 9001, IATF 16949, ISO 14001 and ISO 45001, the culture of self-demanding standards led to the creation in 2017 of a much stricter internal standard, which is mandatory, concerns all operations and is audited annually: the Integrated Management System (IMS) Integrated Audit.

The advantage of our own system is not only that it brings us closer to Excellence, but also that its architecture provides a global vision of the situation of each audited centre with respect to international and internal standards (Health and Safety system, Environmental Performance Index, TQM methodology and SPG model).

The audit as such is carried out in a single week, in which the audit team reviews 364 items. The assessment, quantitative and segmented into 4 levels from lowest to highest compliance for each of the questions, turns the benchmark into a real roadmap to achieve Excellence in all areas related to Efficiency (Health and Safety, Environment, Quality and SPG).

Initiated with teams of corporate auditors, cross-audits within the same region are now encouraged, promoting the mainstreaming of good practices and the homogenisation of operational modes.

The massive use of new technologies and tools (Teams, O365, Smart Glasses) helps the audit and avoids unnecessary travel.

For 2023, the IMS reference has been revised, reducing the number of questions, focusing more on results and less on documentation, adding the controls established in the Key Processes. This new audit will be completed in 2 phases:

- Phase 1: audit conducted by each Company with internal auditors from the Company and/or the Region/Corporate to verify all questions.
- Phase 2: audit carried out by auditors from the Region and/or Corporate to verify a random selection of questions by an algorithm parameterised in Sygris, in addition to questions selected by Corporate after review of the Phase 1 reports and those that the audit team considers should be verified in the course of the audit.

SPG: Gonvarri Production System

Based on the Toyota Production System (TPS), the Gonvarri Production System (GPS) is Gonvarri Industries' Lean Manufacturing programme.

In this sense, it is not only a set of tools or a structured method for achieving objectives, but a philosophy, a culture of continuous improvement based on the involvement of all the teams, as well as on fluid communication between them. In this environment, it is the operators themselves, organised in GAP (Autonomous Groups), who make most of the operational decisions proactively and autonomously, but also in harmony with the rest of the organisation.

Like any other Lean Manufacturing system, the SPG covers all processes, products, activities and people at Gonvarri Industries. Its methodology for achieving operational excellence is based on the comprehensive elimination of all types of muda (= inefficiency, waste): defects, overproduction, transport, waiting times, stocks, useless movements of people, unnecessary processes and wasted creativity.

The SPG is made up of around thirty tools (SMED, Standard Work, 5S, Value Stream Mapping, Communication Boards, GAP, Top meetings at all levels, etc.) organised into 4 modules: Staff Involvement, Efficiency of Means, Efficiency of Flows and Lean Office (adaptation to the administrative environment), applicable to the improvement of any person in the organisation: operators, administrative staff, technicians and managers.

Each GAP or basic work cell has specific communication areas, managed by the operators themselves, in which they maintain and periodically review the indicators and information that affect their performance, proposing, when necessary, improvement actions to achieve the established objectives.

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Key Processes

Gonvarri defines "Key Processes" as those in which its differentiating knowledge is concentrated, and where a possible breach could result in economic, operational or reputational damage for the company.

For its construction, 16 working groups were defined in which approximately 150 Gonvarri Industries professionals with the best knowledge of the business participate, with representatives from all countries, companies and functions of the organisation. The year 2023 ended with 11 Key Processes released from the 16 initially planned, some of them fundamental for the construction of the OneSAP, MES and GAM Project Template.

Table Key processes:

- KP01 Purchase of Steel
- KP02 Bid Management
- KP03 Scrap Management
- KP04 Stock management
- KP05 Customer Relationship Framework
- KP06 Approval Flows
- KP08 Business Risk Management
- KP10 Brownfields
- KP11 Greenfields
- KP12 People Development
- KP16 Operational Notifications

In recent years, SGI/SPG has turned its attention to a new dimension: the digitalisation of processes, and has been involved in several innovation programmes:

- OneSAP: MES, Videowall (digital information board), SAP4H template definition.
- Deployment of AMM (Asset and Maintenance Management).
- Costs of Non-Quality.
- Digital Supervisor.
- Laser positioning of the pallets on the tables.
- H&S actions: forklift 4.0, CCTV...
- Smart glasses.
- Training with augmented reality.

One of the main projects has been the participation in the MES (Manufacturing Execution System) project whereby the control of operations and the interface with the workers is being completely changed.

On the other hand, another project with a long history is the development of the Supervisor's Role. In order to develop this role, supervisors' workshops have been promoted, where the day-to-day work of the supervisor is observed and compared with their role, detecting changes and proposing improvement actions that help the supervisor to correctly develop their role and their daily work, whether they are training actions, techniques, etc.

One part of these actions has been the development of the innovation and mobility project called Digital Supervisor, which involves a radical change in the day-to-day work of supervisors in all companies.

- Reduction of travel.
- Automation of administrative tasks.
- Increased time spent on value-added tasks.
- Strengthening the control of operations in the workshop.
- Increasing the productivity and quality of the team by improving its leadership and communication.
- Improving training through the use of audiovisual media.

Both the tools available to the supervisor (PDCA management, STDW audit, 5S audits, H&S and MA inspections, GRPs, access to ERP, Office, Outlook and Sharepoint) and the smartphone and tablet support have been tested in 8 companies, with the following results:

- Minimum 12,5 % reduction in workload (at least 1 hour per shift for travel and 1 hour for automation of administrative tasks).
- Motivation for supervisors.
- Better control of the workshop by the supervisor, with a consequent improvement in all operational indicators.

The adoption of new tools such as SAP4H and MES will enhance the virtues of the project. The Supervisors' Schools have also been resumed, such as the one held in Galicia in October 2022, where 16 supervisors from 13 plants took part and where the company's progress in all those points that affect the supervisor's work was presented and experiences were exchanged among the participants.

The GSP challenges specified in the 2022-2024 strategic plan can be summarised as follows:

- Work on a project basis, using a methodology that helps to monitor and achieve objectives.
- Continue to develop the role of the Supervisor as a key player in the company.
- Deployment of the GPS system in new companies (GMH, Flinsa, etc.).
- Continue digitisation of the system (ideas for improvement, validation of polyvalence, etc.).
- Coordination with Innovation, Industry 4.0 and Technical Management on new projects to add greater value.

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Risks and opportunities

Risk management

Gonvarri Industries is subject to various risks inherent to its activity arising from its commercial, financial and economic operations, as well as the legal obligations it must comply with in the countries in which it operates.

To manage these risks of all types and nature, the group has mechanisms and systems for detecting, assessing and managing risks within its business processes and operations.

In 2016, the "Internal Audit" area was formally created in order to formalise in an integrated manner the various risk detection, assessment and management mechanisms and processes already present in all the Group's business processes.

This management system provides reasonable assurance that all significant strategic, operational, financial and compliance risks are prevented, identified, assessed and monitored on an ongoing basis.

In relation to the risks related to Regulatory Compliance and Criminal Compliance, the "Compliance Model" has been developed, with the aim of improving the monitoring, measurement and control mechanisms related to the related risks.

Following a diagnosis of the situation, its design began. The risks related to Gonvarri Industries' activity were identified and assessed, and the controls required to mitigate them and the supervision and continuous improvement mechanisms were defined. These controls are of various types and are contained in the Group's internal regulations, approved by the members of the company's governing body.

In this area, the "Corporate risk control and management policy" stands out, with the aim of establishing basic principles, as well as a framework for internal control and management of all types of risks faced by the Gonvarri Industries Group.

In compliance with the Policy, the Group has a formal, verifiable and traceable process for the identification and assessment of risks at the level of each plant or location and at the corporate level, including the members of the company's governing body. The process is recurrent and scalable and includes relevant personnel for each area. Risks are reassessed at least annually or when significant changes or circumstances require it.

In terms of methodology, Inherent Risk is calculated on the basis of impact and probability according to the variables defined by type of analysis (Compliance, Operational Processes, IT, etc.) and dimensions assessed.

Controls/Control Activities are defined for these risks, which are assessed in terms of their design and operability. In order to obtain the design rating, a series of parameters are established according to the type of analysis and the operability is evaluated according to the sample reviewed in the control.

One of the functions of the Internal Audit and Compliance Department is to provide advice and collaborate with the members of Gonvarri Industries' governing body in identifying risks and, in coordination with the entire organisation, to help establish the mechanisms and tools necessary to ensure adequate risk management in line with the Group's strategic objectives.

In this regard, in the period 2021-2022, the Group's Internal Audit department implemented a "Continuous Audit" system carried out remotely and managed through various tools:

- System of automatic alerts defined and designed for the identification of risk events.
- Scorecards drawn up by process with key indicators

The objective of the continuous remote audit is the efficient identification of incidents for the early detection and improvement of business processes. We focus on indicators that show a deviation or non-compliance with the internal regulations applicable to the GI Group.

The Continuous Audit system involves a methodology based on the identification of incidents, analysis of the causes and the issuing of recommendations. The monitoring system itself allows continuous follow-up of compliance with the recommendations issued.

The scope of the reviews within the framework of the continuous audit system includes all Gonvarri Industries Group companies that have the SAP ERP system as their ERP system. The Group is designing additional monitoring and control systems for those companies with other management systems.

During 2023, more than 400 requests were made to the Group's various plants (215 requests in 2022). Of the requests made, 98% were handled and closed by year-end. Through the continuous audit system, numerous actions were initiated and improvements were implemented in the various business processes to mitigate risks of various kinds.

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Main risks in 2023

1 Strategic and environmental risks

Potential variations in the Group's strategic guidelines and in the circumstances of the countries where it is present, including aspects such as political alterations, regulatory changes, and currency fluctuations, have been evaluated, all under the lens of the year 2023. To counteract these factors, risk analyses have been applied both nationally and globally, using the "Feasibility and Development Analysis Methodology" and third party Due Diligences.

The strategy of diversification, both geographically and in terms of business, along with rigorous compliance policies, investments in innovation, financial currency hedging, and insurance, has been key to minimising these risks. In 2022, emphasis was placed on adhering to sanctions programme regulations, which restrict trade transactions with certain countries, territories, organisations, persons or entities. This was particularly relevant due to the sanctions imposed by the EU following the conflict in Ukraine, a trend that has continued throughout 2023.

In this context, the Group has put in place updated tools for the identification and effective management of risks related to these matters, in line with the Corporate Policy on trade sanctions. In 2023, multiple analyses and reviews have been conducted with third parties to adequately manage these risks.

In addition, emerging opportunities from this scenario have been identified, such as the positive impact on the local economy, including the generation of new business opportunities, employment and increased tax revenues.

2 Operational and infrastructure risks

This considers those arising from technological or quality failures, management problems, etc. that imply quality failures in the product, in delivery times, among others.

Among the control mechanisms available to the Group for the identification of events with operational or process impact is the "Continuous Audit" system, carried out through various tools, where numerous alerts are available for the identification of errors and/or control weaknesses in operational and business processes.

Thus, they monitor processes on warehouse management, materials, order management or the correct application of approval flows in operational processes, among others.

To mitigate this, risk policies are in place and numerous improvement, measurement and efficiency initiatives and projects (SPG, ISO 9001, IATF 16949, TQM, etc.), contingency plans, etc. are developed.

A clear opportunity derives from efficiency in products and processes, which reduces consumption, production times, waste, etc. and thus improves costs and profitability. Moreover, through innovation we adapt to the needs of the market.

3 Financial Risks

They are mainly considered:

- Market risk", derived from exchange rate and interest rate risk,
- credit risk" related to cash and cash equivalents, derivative financial instruments, deposits and receivables,
- liquidity risk", arising from the maintenance of sufficient cash and marketable securities, the availability of funding and the ability to liquidate market positions.

On the financial side, constant vigilance is maintained over market funding levels, adjusting the costs of bilateral funding lines with various financial institutions. This approach ensures not only adequate availability of funding, but also minimises the associated costs, even in the face of rising interest rates at national and international level.

In 2023, the effectiveness of these strategies was reflected in a DFN/EBITDA ratio of 0.89x, evidencing tight debt control and sound financial health. Financing terms have been extended in such a way that debt repayment is reasonably aligned with the cash flow generated by the financed projects.

These risks and their respective mitigation strategies are detailed in the Annual Report. For their mitigation, different scenarios are simulated considering refinancing, renewal of current positions, alternative financing and hedging through various instruments and policies aligned with the determined risk.

Within the opportunities, financial risk prevention mechanisms allow for better control over growth and investments, diversifying in other countries and compensating for any risks or incidents that may arise, for profitable and sustainable growth.

With regard to project finance, no contracts made in 2023 have been required to comply with the Equator Principles (412-3).

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4 Fiscal Risks

Tax risks are mainly identified as those related to non-compliance with tax obligations and interaction with the Tax Authorities in the different countries where the Gonvarri Industries Group operates. These risks are described in detail in the Annual Accounts Report.

The Group's tax strategy focuses on ensuring adherence to current tax laws and ensuring coordinated management among the Group's entities. This approach seeks to prevent any tax risks or inefficiencies that may arise during business decision making.

As regards the reduction of these risks, the Corporate Tax Risk Management Policy together with the Transfer Pricing Manual define the guidelines for their control. Each year the tax risk map is reviewed and updated, assessing the severity of each risk and establishing appropriate controls for their mitigation.

In addition, the prevention of tax risks contributes significantly to the effective control of value generation in the countries where the Group is present. The efficient management of these risks, together with tax governance, is discussed in more detail in the previous section on Taxation.

5 Corporate Governance, Ethics, Corruption, Fraud and Compliance Risks

205-1 AND 205-2

These are considered to be those arising from behaviour contrary to the guidelines set out in the human rights, ethics and anti-corruption policies, which entail significant economic and reputational risk.

To mitigate these risks, the risk and control map is regularly updated. In addition, the formal policies and codes that regulate these risks are available to all professionals in the group, and training is provided each year on each key aspect. For any incident, consultation channels and whistle-blowing mechanisms are in place.

In 2023, fraud and corruption detection and mitigation continued to be a major focus for the Group, highlighted by a comprehensive review of anti-corruption measures at all locations, in line with the Model Oversight Plan and aligned with the objectives of the Annual Audit Plan. This effort built on the numerous actions undertaken in 2022 by the Internal Audit and Compliance department, which included the assessment of controls within the "Compliance Programme" and whistleblower management, supported by the identification of events through the "Continuous Audit" system.

As part of this work is the review of various business aspects related to the verification of effective anti-corruption and anti-fraud measures in the organisation, such as:

- The review of purchasing operations and third party payment processes;
- A review of order approval and order management flows;
- The review of third party identification documentation and management procedures;
- Review of procedures for the selection and approval of third parties;
- Review of supplier master data; approval procedures for the management and modification of supplier bank accounts;
- A massive review of accounting records, identification of duplicate transactions, etc;
- Identifying and assessing potential conflicts of interest and conducting conflict checks;
- Review of approval procedures for certain sensitive transactions, gift management and invitations;
- Donation and sponsorship management and approval procedures;
- A review of procedures for dealing with public officials and management protocols;
- Review and monitoring of compliance training, specifically with regard to fraud and corruption training.

The review of the aforementioned aspects has focused in 2023 especially on the divisions of GMS, GMH and other companies in the Iberian perimeter, with different scopes in each of the companies in accordance with the Annual Plan.

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The review of the aforementioned aspects has focused in 2023 especially on the divisions of GMS, GMH and other companies in the Iberian perimeter, with different scopes in each of the companies in accordance with the Annual Plan.

In addition, refresher training on the contents of our Code of Ethics was launched in 2023 and the regulations under the Compliance Programme were updated. New corporate policies and procedures have also been created to strengthen our compliance control system.

With the aim of covering training in human rights and fraud and corruption in the 2023 financial year, the courses on the Code of Ethics and Conduct, with a participation of 347 professionals and 153 hours (more than 3,900 professionals have completed it since its inception) and the Harassment Prevention Guide, with a participation of 360 professionals and 303 hours (more than 2,550 professionals have completed it since its inception) are considered.

Finally, complaints received through the authorised channels regarding fraud and corruption were processed and managed. The management and resolution of these complaints resulted in incidents classified as "minor fraud", with no significant impact in any of the cases analysed.

In addition, the review work carried out by the internal audit area includes the verification of controls to prevent any anti-competitive practices and the identification of events that could entail anti-competitive risks.

During the year 2023, no complaints have been received in relation to the reporting of irregularities or practices considered anti-competitive.

Opportunities include numerous actions to strengthen the Group's ethical principles, minimise risks and boost the company's reputation.

6 Compliance-related risks

Consideration is given to those arising from regulatory changes affecting the Group's operations, with increasingly complex and demanding requirements in terms of the application of material and human resources.

To mitigate this, the compliance model based on the Code of Ethics and Conduct, policies, consultation and whistleblowing channels and continuous training contribute to its minimisation.

In addition, there are various control mechanisms in place to ensure that the Group is kept up to date with the different laws and legislation applicable in each of the locations.

In the review of the Compliance Programme carried out by Internal Audit and Compliance, these control mechanisms are verified in each area of responsibility.

All these measures are an opportunity to enhance the Group's reputation and avoid the risk of sanctions for non-compliance.

7 Human rights risks

Today, society is increasingly aware of abusive and illegal behaviour related to poverty and human rights, especially in the most vulnerable countries.

To mitigate this, we have various policies in place to regulate employee selection and recruitment processes, including mandatory codes of conduct and whistleblowing channels. We also work in line with the Universal Principles of the Global Compact and the United Nations Sustainable Development Goals.

In 2023, the Compliance Model audits included a review of controls related to human resources management, assessing the effectiveness of the controls and the risks associated with personnel management.

Likewise, during 2023, 29 complaints received through the Ethics Channel were managed, related to situations of fraud and corruption, harassment, health and safety, and various labour issues, applying the disciplinary measures determined in each case by the decision-making bodies.

Gonvarri Industries' global presence is an opportunity that allows it to work with different cultures, enriching its knowledge and capacity to adapt to different countries. With this, it can improve from different approaches such as decision-making and values such as tolerance, boosting local development.

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8 IT security, process and data protection risks

In 2023, Gonvarri's IT department has significantly strengthened its initiatives in the face of the challenges of 2022, maintaining a balance between digital innovation and the operability of existing systems and processes. This evolution involves a deeper integration of risk analysis from the design of each change, with an updated catalogue of threats and a constant focus on continuous improvement and operational excellence.

For the protection of information privacy and security of customer and supplier data, robust policies and mechanisms have been put in place, following international standards such as ISO27001, CISA and NIST. In addition, a significant boost has been given to the education and training of information security professionals, increasing the frequency of courses on Ethical Phishing to a quarterly basis in 2023, in response to the increase in attacks, following the successful 85% participation in the Academy platform course in 2022. In 2023, 1203 employees participated with a total of 541 hours in the platform's Information Security courses.

These measures have contributed to streamlining audits and efficiently meeting the information demands of customers, suppliers and other stakeholders. As a result of these challenges, opportunities have opened up to develop new IT capabilities, improve productivity and efficiency, and actively engage in innovation initiatives, particularly those associated with Industry 4.0 and the implementation of the new MES system.

9 Climate change risks

201-2

The current landscape shows the growing importance of risks related to environmental, social and governance (ESG) issues, such as climate change. It is essential that these aspects are integrated into the company's decision-making process, business strategy and overall operations.

In response to this, in 2020, a corporate analysis of the cross-cutting risks that could impact the business was conducted. This analysis, with a view to the next two years, sought to adapt and specify these risks at country and facility level. The standard "Task Force on Climate related Financial Disclosures (TCFD) of the Financial Stability Board (FSB)" served as a reference to integrate these aspects into the company's global risk map.

The Carbon Neutral 2030/50 Plan highlights the improvement opportunities identified to reduce environmental impact, meet the expectations of customers and society in general, and strengthen Gonvarri Industries' position in the market.

In 2023, the Physical Risks of Climate Change assessment project began, with the determination of exposure to physical risk factors in all the Group's factories. The project will be extended through 2024 with the calculation of the associated impact based on the time horizons and scenarios defined in the project. The objective of the project is to determine the Value at Risk associated with the impact of climate change on the physical assets and operations of Gonvarri Industries.

Analysis of exposure to climate risks for all Gonvarri Industries assets based on:

Time horizons

- Short term (2030).
- Long term (2050).

Climate scenarios

- RCP2.6: Paris Agreement.
- RCP2.8: Business as usual.

Risk factors analysed

- Temperature variations (max.).
- Temperature variations (min.).
- Drought.
- Floods (riverine).
- Heat wave.
- Heavy precipitation (rain).
- Heavy precipitation (snow).
- Thawing of permafrost.
- Storm (snow).
- Forest fire.

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Main risks in 2023

In 2023, Gonvarri continues to face the different risks derived from the market situation in the countries in which it operates. The war in Ukraine and the sanctions against Russia have generated tensions in the supply chain and different impacts at a global level.

Against this backdrop, the Group has been evaluating and implementing different measures and adjusting them to each situation and geographical area in order to reduce the impacts derived from the current economic and social context.

The most relevant risks identified are as follows:

- General economic and social instability as a consequence of the armed conflict over the Russian invasion of Ukraine, and its enormous social and economic impact on the entire European Union.
- Geopolitical impact and market impact of the war between Israel and Gaza that started in October 2023.
- Supply chain impacts from the enforcement of restrictions on the import and export of goods to Russia and the application of trade sanctions by the European Union as a result of the Ukraine-Russia conflict.
- Cyber threats and online fraud are becoming more and more prevalent, with increasingly sophisticated mechanisms that make it difficult to design and implement efficient mitigation controls.
- The growing production of legislation, not only in Spain but also internationally, as well as the increasingly demanding requirements of customers, makes compliance with all regulations and requirements in the different areas of application more complex. This makes legal compliance with all the regulations and requirements in the different areas of application more complex, making it necessary to expand the structures of the organisation.
- The situation of political polarisation in certain countries where the Group is present.
- Production stoppages in the Group's factories as a result of unplanned staff departures caused by COVID19.
- The Red Sea crisis which is increasing global transport costs and creating supply chain tensions in many locations.
- Volatility in the price of raw materials and, therefore, in the valuation of the stock available in the factories.
- Huge price increases in raw materials and resources such as energy Risks arising from protectionist policies and the establishment of tariffs among the main players in international trade.
- Risks arising from various geopolitical changes involving trade restrictions, embargoes and sanctions.
- The notable increase in opinions with nationalist and Eurosceptic stances.
- Increasingly restrictive policies on vehicle emissions and the use of fossil fuels.
- Uncertainties from the consumer perspective in the automotive market, leading to falls in consumption and production.
- Growing environmental, social and governance (ESG) awareness, as well as risks from climate change, natural disasters and disease.
- Internal risk to achieve operational excellence in some countries.
- The general economic crisis as a result of the various uncertainties described above, those arising from the continuous regulatory changes that require adaptation of the Group's processes, and the need to adapt quickly to changes in markets and customers.

Since March 2022, the armed conflict initiated by Russia's invasion of Ukraine and others starting in late 2023 has generated an enormous social and economic impact across the European Union, with restrictions and huge price rises in raw materials and resources such as energy, generating various levels of uncertainty, supply chain tensions and effects on prolonged economic impacts that will affect future financial years in an unquantifiable way.

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Transparency

Sustainability ratings

As part of its commitment to transparency, Gonvarri Industries actively collaborates with two internationally renowned sustainability rating agencies:

CDP, a leading climate change impact measurement agency, has awarded Gonvarri Industries a "B" rating for its good performance and the quality of the

EcoVadis rater for sustainability risk in supply chains. Gonvarri participates for the second consecutive year in this rating, and in 2024 has been recognised with a **silver medal**, which

Associations and organisations

2-28 AND 415-1

At Gonvarri Industries we work actively to promote all the divisions that make up the Group. To this end, we participate in organisations and associations of various kinds, both from a corporate point of view and in the different countries in which we operate.

These initiatives are focused on different areas such as economic, industrial, social (NGOs and Foundations) and business. The main associations and organisations with which we collaborate are summarised in Annex 4.

We also collaborate with public bodies and local administrations, establishing relationships in a disinterested and transparent manner, mainly related to matters affecting the sector. Gonvarri Industries does not make contributions to political parties or administrations, as established in the Code of Ethics and Conduct and the Group's mandatory Donations and Sponsorship Procedure.

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ANNEX I

Independent Review Report

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EY
Building a better working world

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INDEPENDENT LIMITED ASSURANCE REPORT OF THE 2023 SUSTAINABILITY REPORT OF GONVARRI CORPORACIÓN FINANCIERA, S.L.

To the Management of GONVARRI CORPORACIÓN FINANCIERA, S.L.:

Scope

In accordance with your request, we have carried out a limited assurance engagement on the sustainability indicators (environmental, social and governance) contained in the Annex *"Table of Contents GRI"* (hereinafter, the "Subject matter under analysis") that is included in the 2023 Sustainability Report of Gonvarri Corporación Financiera, S.L. and subsidiaries (hereinafter Gonvarri or the Group) for the period from January 1 of 2023 and December 31, 2023 (hereinafter referred to as the "Report").

The Report includes additional information that does not fall within the scope described in the previous paragraph and on which we have not carried out any procedure, so we do not express any conclusions about such information.

Criteria applied by Gonvarri

To prepare the Report, Gonvarri has applied the above in the Guide for the preparation of Sustainability Reports of the Global Reporting Initiative (GRI) (hereinafter referred to as the criteria) as detailed in the section "About this report".

Gonvarri Responsibilities

Gonvarri 's Management is responsible for the selection of the criteria, as well as for the presentation of the Report in accordance with these criteria, in all significant aspects. This responsibility includes the implementation and maintenance of internal controls, the maintenance of appropriate records and the making of the estimates that are applicable for the preparation of the Sustainability Report in such a way that it is free from material misstatement, due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion about the presentation of the Report based on the evidence we have obtained.

We have conducted our limited assurance work in accordance with International Standard for Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other Than Audits Or Reviews Of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Action Guide on review of Corporate Responsibility Reports issued by the Institute of Chartered Accountants of Spain (ICJCE), in accordance with the terms of our engagement letter dated January 15, 2024. This standard requires us to plan and carry out the engagement in order to express a conclusion as to whether we are aware of any material modifications that need to be made to the Report to bring it into line with the criteria, and to issue a verification report. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, due to fraud or error.

We consider that the evidence we have obtained provides a sufficient and adequate basis for our conclusion of limited assurance.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Accounting Professionals of The International Ethics Standards Board for Accountants (IESBA Code of Ethics), and we have the necessary skills and experience to perform this assurance engagement. There is no conflict of interest in the process of reviewing sustainability indicators.

Our firm applies the International Quality Management Standard (ISQM) 1 which requires the firm to design, implement and operate a quality management system that includes policies or procedures relating to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The team has been made up of professionals who are experts in reviewing non-financial information and, specifically, in economic, social and environmental performance information.

Procedures Performed

In a limited assurance engagement, the procedures carried out vary in their nature and timing, and are shorter in length, than those performed in a reasonable assurance engagement. Consequently, the degree of security that is obtained in a limited assurance engagement is substantially less than the degree of assurance that would have been obtained if a reasonable assurance engagement had been performed. Our procedures were designed to obtain a limited degree of certainty on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable degree of certainty.

Although we consider the effectiveness of management's internal controls in determining the nature and extent of our procedures, our assurance work was not designed to provide assurance over internal controls. Our procedures did not include testing controls or procedures related to verifying the aggregation or calculation of data within Information Technology systems.

A limited assurance engagement consists of the formulation of questions, mainly to the persons responsible for the preparation of the subject matter under analysis and the related information, and in the application of certain analytical and other appropriate procedures.

Our procedures have included:

- Meetings with Gonvarri staff to learn about the business model, policies and management approaches applied, the main risks related to these issues and obtain the necessary information for the external review.
- Review of the content of the 2023 Sustainability Report prepared by Gonvarri, with the following scope:
  - Analysis of the scope, relevance and completeness of the contents included in the Report based on the materiality analysis carried out by Gonvarri which includes the participation of stakeholders, as well as the materiality matrix.

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  - Analysis of the processes carried out by Gonvarri to collect and validate the data presented in the Sustainability Report.
  - Review of the information relating to the risks, policies and management approaches applied in relation to the material aspects presented in the Sustainability Report.
  - Verification, by means of tests, based on the selection of a sample, of the information relating to the contents included in the Annex "Table of Contents Global Reporting Initiative (GRI)" and its appropriate compilation based on the data provided by Gonvarri 's information sources.

In addition, we have carried out those other procedures that we have deemed necessary.

Conclusion

On the basis of the procedures applied and the evidence obtained, no aspect has been revealed that leads us to believe that the sustainability indicators contained in the Annex to the 2023 Sustainability Report *"Table of Contents GRI"* as of December 31, 2023, have not been prepared, in all material respects, in accordance with the Guide for the preparation of Sustainability Reports of the Global Reporting Initiative (GRI), which includes the reliability of the data, the adequacy of the information presented and the absence of significant deviations and omissions.

ERNST & YOUNG, S.L.

(Free translation from the Original Report on Independent Review in Spanish dated April 3th, 2024. In the event of any discrepancy, the Spanish version always prevails.)

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ANNEX II

Quantitative information

HUMAN RESOURCES

I.A. OWN PERSONNEL 2023

	MEN												WOMEN											
	MANAGERS				MOI				MOD				MANAGERS				MOI				MOD			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Spain	0	1	4	17	26	140	277	470	19	103	182	432	0	0	0	6	0	8	7	7	9	45	75	87
Portugal	0	0	0	0	0	10	18	12	0	2	9	20	0	0	0	1	1	0	1	1	1	3	6	10
Argentina	0	0	1	0	12	9	9	1	0	6	14	3	0	0	0	0	3	2	0	0	0	2	5	1
Slovakia	0	1	1	2	8	21	40	36	1	7	14	14	0	0	0	1	0	0	1	0	0	5	23	10
Brazil	0	0	1	3	31	97	61	32	7	29	65	32	0	1	0	0	12	1	3	1	6	26	25	13
China	0	0	7	1	30	188	77	12	4	87	81	8	0	3	0	0	0	1	0	0	5	30	28	1
Colombia	0	0	1	0	2	16	31	62	5	31	34	29	0	0	0	0	0	0	0	0	4	23	16	6
Germany	0	0	0	3	15	53	53	71	20	41	27	66	0	0	0	0	0	3	3	2	13	16	14	20
Mexico	0	0	0	1	9	21	14	6	1	19	18	8	0	0	0	0	0	0	0	0	0	8	4	1
Poland	0	0	0	1	5	26	19	6	2	9	20	9	0	0	1	0	0	1	1	1	1	13	11	1
Russia	0	0	1	1	2	22	16	21	0	10	21	21	0	0	0	0	0	0	0	2	1	10	13	6
UK	0	0	0	8	3	24	31	58	9	10	23	44	0	0	0	0	0	0	0	0	9	10	14	27
Turkey	0	0	1	1	44	65	63	69	12	34	31	8	0	0	0	0	0	4	2	0	0	18	3	1
USA	0	0	1	1	1	22	11	3	0	6	7	5	0	0	0	0	0	0	4	0	0	3	4	1
Sweden	0	0	0	1	0	11	15	20	5	13	22	26	0	0	0	0	0	0	0	0	1	6	4	10
Romania	0	0	0	0	15	52	45	99	-1	17	29	30	0	0	0	0	1	2	3	6	2	18	25	13
Norway	0	0	1	2	1	0	0	3	0	3	2	8	0	0	0	1	0	0	0	0	0	0	2	1
Holand	0	0	0	1	0	0	5	2	0	4	5	7	0	0	0	0	0	0	0	0	0	2	1	6
Hungary	0	0	0	1	0	0	0	0	1	0	4	1	0	0	0	0	0	0	0	0	0	0	1	1
Finland	0	0	0	1	1	3	1	9	0	3	8	9	0	0	0	0	0	0	0	0	0	0	2	7
Denmark	0	0	0	1	0	0	1	3	0	0	2	6	0	0	0	0	0	0	0	0	0	0	0	4
Czech Rep.	0	0	1	0	23	22	21	48	4	10	12	14	0	2	0	0	0	0	5	0	1	7	11	9
Belgium	0	0	0	1	0	0	0	0	0	0	5	2	0	0	0	0	0	0	0	0	0	0	0	1
France	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Switzerland	0	0	0	1	0	0	0	0	1	1	8	10	0	0	0	0	0	0	0	0	0	2	1	1
Total	0	2	20	48	228	802	808	1,043	89	445	643	812	0	6	1	9	17	22	30	20	53	247	289	238

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I.B. OWN PERSONNEL 2022

	MEN												WOMEN											
	MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL				MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	1	4	5	0	5	13	22	29	82	63	116	0	1	0	0	1	0	3	3	12	14	16	19
Argentina	0	0	1	0	0	2	5	4	10	9	15	1	0	0	1	0	0	1	3	1	2	0	4	0
Belgium	0	0	0	1	0	0	0	1	0	1	4	1	0	0	0	0	0	0	0	0	0	0	0	1
Brazil	0	0	1	3	0	4	18	10	51	146	107	49	0	1	0	0	0	3	4	3	17	23	27	7
China	0	3	17	3	0	8	22	1	23	224	107	15	0	1	2	1	0	2	9	1	1	33	17	0
Colombia	0	1	5	2	0	4	11	9	5	33	46	93	0	1	3	3	0	3	3	2	5	15	10	2
Denmark	0	0	1	1	0	0	0	2	0	0	1	7	0	0	0	0	0	0	0	1	0	0	0	3
Spain	0	1	21	63	1	14	64	139	33	192	352	748	0	2	3	6	1	5	9	19	4	34	62	64
USA	0	0	0	7	0	8	11	4	1	22	8	0	0	0	0	1	0	2	4	0	0	0	4	0
Slovakia	0	0	0	4	0	0	5	7	11	26	46	46	0	0	0	2	0	1	2	1	1	3	23	5
Finland	0	1	0	0	0	1	3	3	2	3	7	14	0	0	0	0	0	0	0	1	0	0	2	6
Holand	0	0	0	2	0	0	0	2	0	4	8	11	0	0	0	0	0	0	0	1	0	0	0	3
Hungary	0	0	0	1	0	0	0	0	1	0	3	2	0	0	0	0	0	0	0	0	0	1	1	1
Mexico	0	0	0	1	0	7	6	3	6	42	20	11	0	0	0	0	0	0	4	1	0	7	1	0
Norway	0	1	0	2	0	0	0	5	1	2	3	7	0	0	0	1	0	0	1	0	1	0	0	1
Poland	0	0	0	1	0	0	5	2	7	34	29	11	0	0	1	0	0	0	2	0	0	10	11	3
Portugal	0	0	0	0	0	0	4	6	2	13	23	23	0	0	0	1	0	0	2	2	1	2	5	9
UK	0	0	0	8	0	1	2	14	7	33	60	91	0	0	1	3	0	0	2	0	5	7	14	26
Czech Rep.	0	0	2	2	0	2	6	2	29	34	26	51	0	0	0	1	0	0	1	1	2	14	10	5
Romania	0	0	1	3	0	9	12	5	20	73	63	126	0	0	0	1	0	5	3	2	3	21	29	11
Russia	0	1	2	0	1	4	15	8	5	29	26	24	0	0	1	1	0	5	11	3	0	5	3	1
Sweden	0	1	0	3	0	1	3	7	3	13	18	38	0	0	0	1	0	0	0	1	0	2	4	6
Switzerland	0	0	0	2	1	1	2	4	2	1	3	0	0	0	0	0	0	1	0	1	0	0	1	0
Turkey	0	0	9	5	0	5	10	1	35	84	80	70	0	1	1	0	0	2	0	0	1	12	1	0
	0	10	64	119	3	76	217	261	283	1,100	1,118	1,555	0	7	13	22	2	30	63	44	55	203	245	173

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	II. EXTERNAL PERSONNEL 2023			
	SUBCONTRACT		ETT	
	MEN	WOMEN	MEN	WOMEN
Spain	91	0	189	15
Portugal	3	0	10	3
Argentina	0	0	0	0
Slovakia	25	0	0	0
Brazil	0	0	2	0
China	0	0	245	2
Colombia	0	0	88	7
Germany	0	0	12	3
Mexico	4	0	12	2
Poland	0	0	0	0
Russia	5	0	6	0
UK	3	0	7	0
Turkey	0	0	0	0
USA	0	0	2	1
Sweden	0	0	0	0
Romania	0	0	0	0
Norway	0	0	0	0
Holand	0	0	0	0
Hungary	0	0	0	0
Finland	0	0	0	0
Denmark	0	0	0	0
Czech Rep.	0	0	15	0
Belgium	0	0	0	0
France	0	0	0	0
Switzerland	0	0	0	0
	131	0	589	33

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III.A. RECRUITMENT 2023

	MEN												WOMEN											
	MANAGERS				MOI				MOD				MANAGERS				MOI				MOD			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	0	0	6	6	3	1	2	2	8	2	0	0	0	0	3	2	1	0	0	0	2	1
Argentina	0	0	1	0	0	3	4	0	4	2	0	0	0	0	0	0	0	1	0	0	1	1	0	0
Belgium	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	5	6	4	4	12	7	5	0	0	0	0	0	15	6	2	0	7	2	1	0
China	0	0	0	1	0	1	5	0	23	80	47	1	0	1	0	0	0	0	0	0	5	0	1	0
Colombia	0	0	0	0	6	10	3	1	2	8	6	1	0	0	1	0	1	7	4	0	0	0	0	0
Denmark	0	0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0	0	0	0	0	0	0	1
Spain	0	0	2	0	8	24	13	11	15	29	25	18	0	0	0	0	5	16	10	1	0	3	5	1
USA	0	1	0	0	0	0	0	0	0	1	3	0	0	1	0	0	0	1	0	0	1	0	2	0
Slovakia	0	0	0	0	1	1	0	0	4	5	8	5	0	0	0	0	0	1	1	0	0	0	0	0
Finland	0	0	0	1	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	2	1	2
Hungary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	4	2	0	3	3	2	0	0	0	0	0	0	1	1	0	0	0	0	0
Norway	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	1	0	0	2	5	5	1	0	0	0	0	0	2	0	0	0	0	1	0
Portugal	0	0	0	0	0	0	2	2	0	0	1	0	0	0	0	0	1	1	0	0	0	0	0	0
UK	0	0	0	1	3	0	0	0	3	4	5	3	0	2	0	0	4	1	1	1	0	1	0	0
Czech Rep.	0	0	0	0	1	1	0	2	22	5	6	8	0	1	0	0	0	0	0	1	0	0	1	0
Romania	0	0	0	0	2	1	3	2	13	9	6	7	0	0	0	0	1	0	3	0	0	0	0	0
Russia	0	0	0	0	0	2	5	2	2	7	6	5	0	0	0	0	1	2	0	1	0	0	0	1
Sweden	0	0	0	0	0	0	0	0	0	3	4	1	0	1	1	1	0	0	0	0	0	0	0	0
Switzerland	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Turkey	0	0	0	1	5	22	6	1	58	78	41	39	0	0	1	0	0	11	2	1	0	4	0	1
TOTAL	0	1	3	4	37	82	51	27	165	250	180	93	0	6	3	1	31	53	25	5	14	13	14	7

III.B. RECRUITMENT 2022

	MEN												WOMEN											
	MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL				MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	2	0	0	0	4	1	14	10	11	9	0	0	0	0	0	0	0	0	3	2	3	1
Argentina	0	0	0	0	0	0	1	1	3	4	1	0	0	0	0	0	0	0	0	0	0	2	0	0
Belgium	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	2	3	21	34	23	8	0	0	0	0	0	0	1	0	11	6	11	1
China	0	1	1	0	0	4	3	0	11	56	33	2	0	0	0	0	0	2	1	0	0	3	2	0
Colombia	0	1	2	0	0	1	3	1	5	11	1	1	0	0	0	1	0	0	0	0	3	4	4	0
Denmark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	0	0	0	0	3	3	20	48	37	27	0	0	0	0	0	0	1	0	4	13	11	6
USA	0	0	1	0	0	0	0	0	0	1	6	3	0	0	0	0	0	0	0	0	0	0	3	0
Slovakia	0	0	1	0	0	0	0	0	8	7	10	9	0	0	0	0	0	1	0	0	2	2	6	0
Finland	0	0	0	0	0	1	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	1
Hungary	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	0	0
Mexico	0	0	0	0	0	0	0	0	5	6	2	1	0	0	0	0	0	0	0	0	0	0	0	0
Norway	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	0	0	0	2	3	2	1	0	0	0	0	0	0	0	0	0	0	1	0
Portugal	0	0	0	0	0	0	0	0	2	2	1	0	0	0	0	0	0	0	0	0	1	1	0	0
UK	0	0	0	0	0	0	0	0	3	4	7	6	0	0	1	0	0	0	0	0	1	2	1	5
Czech Rep.	0	0	0	1	0	1	0	0	5	6	1	2	0	0	0	0	0	0	0	0	0	1	3	0
Romania	0	0	0	0	0	0	0	1	17	24	12	9	0	0	0	0	0	0	0	0	5	3	2	2
Russia	0	1	0	0	0	1	1	0	1	3	0	4	0	0	0	0	0	1	0	0	0	0	0	0
Sweden	0	0	0	0	0	0	0	0	1	1	1	3	0	0	0	0	0	0	0	0	0	1	1	1
Switzerland	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Turkey	0	0	4	2	0	0	0	0	73	68	53	29	0	0	0	0	0	0	0	0	0	0	1	0
TOTAL	0	3	11	3	0	8	20	10	191	292	204	116	0	0	1	1	0	4	3	0	30	41	49	17

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III B. EXIST MEN 2023

	DISMISSAL LEAVING												OTHER CAUSES											
	MANAGERS				MOI				MOD				MANAGERS				MOI				MOD			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	1	0	2	0	0	0	5	3	1	2	0	0	0	2	0	0	0	1	0	4	0	11
Argentina	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	1	0	0	0	0	2	0	0	0
Belgium	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	2	5	2	9	17	11	4	0	0	0	0	6	0	3	2	10	2	1	1
China	0	0	0	0	0	0	0	0	1	7	7	0	0	0	0	0	0	0	4	0	10	34	23	1
Colombia	0	0	0	0	1	0	1	1	0	0	0	2	0	0	0	1	4	3	3	4	0	2	0	11
Denmark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	2
Spain	0	0	0	1	0	1	3	0	4	4	6	6	0	0	1	0	6	8	5	9	2	13	17	24
USA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slovakia	0	0	0	0	0	0	0	0	2	1	0	2	0	0	1	1	0	0	0	1	5	3	7	5
Finland	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	3
Hungary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	2	0	1	5	1	2
Norway	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1	1	2
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	0	1	0	1	0
UK	0	0	0	0	0	0	0	0	1	0	0	1	0	0	1	3	0	1	1	0	0	2	4	8
Czech Rep.	0	0	0	0	0	0	0	0	3	2	2	3	0	0	0	0	1	5	2	2	12	5	1	4
Romania	0	0	0	0	0	0	0	0	4	2	3	2	0	0	0	0	2	4	1	1	8	8	10	20
Russia	0	0	1	0	0	5	2	0	2	6	5	3	0	0	1	0	0	2	3	2	0	2	5	0
Sweden	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Switzerland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Turkey	0	0	0	1	0	4	3	1	6	10	8	6	0	0	1	0	0	18	13	2	39	52	35	36
TOTAL	0	0	2	2	3	14	15	5	37	52	43	31	0	0	5	8	20	43	40	25	92	134	106	130

III B. EXIST MEN 2022

	DISMISSAL LEAVING												OTHER CAUSES											
	MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL				MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	1	0	0	0	1	0	5	3	6	3	0	0	0	0	0	0	2	4	0	2	8	17
Argentina	0	0	0	0	0	1	0	0	0	2	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Belgium	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	0	0	18	35	24	13	0	0	0	0	0	0	1	1	12	9	9	1
China	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	1	0	3	4	0	10	41	25	7
Colombia	0	0	0	1	0	0	0	1	1	0	4	0	0	0	0	0	0	1	0	0	1	5	5	1
Denmark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	1	0	0	1	0	2	3	3	7	6	0	0	0	0	0	0	1	4	7	17	22	35
USA	0	0	0	0	0	0	0	0	2	9	0	12	0	0	0	0	0	0	0	0	0	0	0	0
Slovakia	0	0	0	0	0	0	1	0	1	2	0	3	0	0	0	0	0	0	1	0	4	3	3	3
Finland	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Hungary	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	7	0	0
Norway	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	3	2	1
UK	0	0	0	0	0	0	0	0	1	0	0	0	8	0	0	1	0	0	0	0	1	4	3	4
Czech Rep.	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	1	0	0	5	11	2	5
Romania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	16	23	22	21
Russia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1	0	3	5	8	2
Sweden	0	0	0	0	0	0	0	0	0	1	2	0	0	0	0	0	0	0	0	0	0	2	2	0
Switzerland	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Turkey	0	0	0	2	0	0	0	0	6	10	10	8	0	3	3	4	0	0	0	0	51	49	28	11
TOTAL	0	0	2	3	0	3	2	4	37	68	57	47	8	3	3	7	0	7	12	11	111	181	140	110

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III C. EXISTS WOMEN 2023

	DISMISSAL LEAVING												OTHER CAUSES											
	MANAGERS				MOI				MOD				MANAGERS				MOI				MOD			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2	1	2	2
Argentina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Belgium	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	0	0	1	3	2	0	0	0	0	0	0	1	0	0	6	4	4	0
China	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	2	1	0
Colombia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	6	0	2
Denmark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	0	0	0	0	0	0	1	0	2	3	0	0	0	0	0	1	2	1	1	3	4	4
USA	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slovakia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	3	2
Finland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0
Hungary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Norway	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UK	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	1	3
Czech Rep.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	2	0
Romania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1	4	4
Russia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	1	0	0
Sweden	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Switzerland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0
Turkey	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0
	0	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**4**	**4**	**5**	**4**	**0**	**1**	**0**	**0**	**0**	**3**	**5**	**1**	**17**	**22**	**21**	**18**

III C. EXISTS WOMEN 2022

	DISMISSAL LEAVING												OTHER CAUSES											
	MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL				MANAGERS				MIDDLE MANAGERS				PLANT PERSONNEL			
	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46	18-25	26-35	36-45	46
Germany	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	2	1	1
Argentina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0
Belgium	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	1	0	0	1	2	0	0	0	0	0	9	5	3	0	4	1	0	1
China	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Colombia	0	0	3	1	0	0	2	0	0	0	0	0	0	0	0	0	0	3	2	0	0	0	0	0
Denmark	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	0	0	1	1	3	0	0	0	0	1	0	0	1	0	0	4	1	0	0	0	0	1
USA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slovakia	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hungary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0
Norway	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UK	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	1	1	0	1	0	0
Czech Rep.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0
Romania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3	1	0	1	1	1
Russia	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0
Sweden	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Switzerland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Turkey	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	1	0	0	0	0	0
	0	**0**	**4**	**1**	**2**	**2**	**7**	**0**	**0**	**2**	**2**	**2**	**0**	**0**	**1**	**1**	**10**	**24**	**17**	**3**	**5**	**5**	**2**	**4**

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VI.A. DISTRIBUTION OF PERSONNEL BY TYPE OF CONTRACT 2023

	TYPE OF CONTRACT					
	PERMANENT		TEMPORARY		SCHOLARSHIP	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Germany	1,641	236	26	8	4	0
Argentina	65	20	6	4	0	0
Belgium	55	13	0	0	0	0
Brazil	124	31	22	8	0	0
China	358	88	0	0	0	0
Colombia	5	0	490	68	0	0
Denmark	207	48	1	0	3	1
Spain	253	57	82	9	14	5
USA	97	13	0	0	0	0
Slovakia	78	25	19	5	0	0
Finland	115	31	0	1	0	0
Holand	189	59	21	1	0	0
Hungary	328	28	0	0	0	0
Mexico	57	12	0	0	0	0
Norway	112	21	0	0	0	0
Poland	262	67	24	3	0	0
Portugal	20	5	0	0	0	0
UK	22	5	2	4	0	0
Czech Rep.	6	3	0	0	0	0
Romania	35	9	0	0	0	0
Russia	13	4	0	0	0	0
Sweden	125	31	29	4	1	0
Sweden	8	1	0	0	0	0
Switzerland	1	0	0	0	0	0
Turkey	15	4	6	0	0	0
	4,191	811	728	115	22	6

VI.A. DISTRIBUTION OF PERSONNEL BY TYPE OF CONTRACT 2022

	TYPE OF CONTRACT					
	PERMANENT		TEMPORARY		SCHOLARSHIP	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Germany	261	54	66	8	13	6
Argentina	47	12	0	0	0	0
Belgium	8	1	0	0	0	0
Brazil	384	76	2	0	3	9
China	391	64	32	3	0	0
Colombia	198	47	8	0	3	0
Denmark	12	4	0	0	0	0
Spain	1,586	200	38	8	4	1
USA	61	11	0	0	0	0
Slovakia	100	27	45	11	0	0
Finland	34	9	0	0	0	0
Holand	23	3	4	1	0	0
Hungary	7	3	0	0	0	0
Mexico	96	13	0	0	0	0
Norway	21	3	0	1	0	0
Poland	79	22	10	5	0	0
Portugal	64	20	7	2	0	0
UK	199	56	17	2	0	0
Czech Rep.	142	29	11	5	1	0
Romania	277	71	35	4	0	0
Russia	115	28	0	2	0	0
Sweden	87	14	0	0	0	0
Switzerland	14	3	2	0	0	0
Turkey	299	18	0	0	0	0
	4,505	788	277	52	24	16

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VII.A. DISTRIBUTION OF PERSONNEL BY GENDER AND CATEGORY 2023

	MEN			WOMEN		
	MANAGERS	MOI	MOD	MANAGERS	MOI	MOD
Germany	950	5,643	5,272	467	1,543	767
Argentina	245	933	722	49	343	115
Belgium	0	0	0	0	0	0
Brazil	237	5,048	4,556	146	2,308	189
China	408	1,090	6,020	136	336	791
Colombia	987	10,795	3,297	130	5,399	0
Denmark	0	6	29	0	6	12
Spain	764	14,883	42,411	138	6,574	3,819
USA	580	2,125	4,750	232	580	696
Slovakia	130	348	2,194	0	300	8
Finland	27	131	77	38	76	0
Holand	190	192	194	0	8	0
Hungary	0	0	0	0	0	0
Mexico	67	3,161	3,592	64	811	0
Norway	0	0	71	0	0	8
Poland	2	3,650	7,168	66	2,560	284
Portugal	0	466	473	2	624	55
UK	812	240	3,114	1,027	311	154
Czech Rep.	91	299	1,010	90	156	38
Romania	371	951	3,156	184	1,078	460
Russia	154	1,375	3,661	152	1,188	50
Sweden	12	47	423	6	16	169
Switzerland	40	93	9	0	84	0
Turkey	0	417	6,799	0	0	0
	6,066	51,892	98,997	2,925	24,300	7,613

VII.B. DISTRIBUTION OF PERSONNEL BY GENDER AND CATEGORY 2022

	MEN			WOMEN		
	MANAGERS	MIDDLE MANAGERS	PERSONAL DE PLANTA	MANAGERS	MIDDLE MANAGERS	PERSONAL DE PLANTA
Germany	283	4,335	7,277	399	810	1,244
Argentina	50	74	471	0	58	54
Belgium	0	0	0	0	0	0
Brazil	3	1,137	15,625	3	403	2,326
China	484	881	3,357	53	404	802
Colombia	431	878	4,208	99	449	2,026
Denmark	3	0	3	0	0	6
Spain	691	5,501	37,912	504	981	4,989
USA	1,169	3,841	5,177	167	1,002	668
Slovakia	125	601	3,136	16	6	141
Finland	6	20	165	0	8	0
Holand	0	0	200	0	16	16
Hungary	20	0	55	0	0	140
Mexico	37	555	3,256	0	185	296
Norway	5	15	132	0	0	10
Poland	16	1,699	8,104	161	268	2,628
Portugal	0	157	813	16	90	170
UK	100	875	7,548	20	161	1,658
Czech Rep.	102	313	1,117	65	140	422
Romania	72	972	9,528	12	120	1,162
Russia	168	1,560	3,252	54	1,164	1,345
Sweden	10	22	395	8	9	50
Switzerland	0	0	0	0	0	0
Turkey	20	600	3,800	0	0	0
	3,794	24,035	115,529	1,576	6,273	20,153

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VIII.A. PERFORMANCE EVALUATION AT PLANT 2023

	MOI		MOD		
	MEN	WOMEN	MEN	WOMEN	TOTAL
Argentina	24	8	31	5	68
Brazil	134	72	211	4	421
China	0	0	0	0	0
Colombia	81	39	113	0	233
Spain	203	61	449	18	731
USA	21	7	38	6	72
Slovakia	37	36	105	1	179
Finland	0	0	0	0	0
Holand	0	0	0	0	0
Hungary	0	0	0	0	0
Mexico	9	4	0	0	13
Poland	30	23	50	2	105
Portugal	30	19	40	3	92
UK	0	0	0	0	0
Czech Rep.	0	0	0	0	0
Romania	86	61	200	12	359
Russia	19	12	15	1	47
Total	677	343	1.281	52	2.353

VIII.B. Evaluation Factories 2022

	Middle Management		Plant personnel		
	MEN	WOMEN	MEN	WOMEN	TOTAL
Argentina	10	5	37	7	59
Brazil	33	13	318	70	434
China	31	12	367	47	457
Colombia	21	11	0	0	32
Spain	108	12	355	27	502
USA	7	1	55	11	74
Slovakia	16	4	129	31	180
Finland	7	1	26	8	42
Holand	2	1	23	3	29
Hungary	0	0	6	3	9
Mexico	7	4	4	0	15
Poland	7	2	81	24	114
Portugal	8	4	58	15	85
UK	38	5	155	37	235
Czech Rep.	0	0	0	0	0
Romania	28	8	264	47	347
Russia	8	4	27	9	48
Total	331	87	1.905	339	2.662

VIII.A. CORPORATE PERFORMANCE ASSESSMENT 2023

	WOMEN	MEN
Argentina	0	4
Brazil	9	25
Colombia	0	0
Czech Rep.	0	1
Germany	1	3
Mexico	4	9
Netherlands	0	1
Poland	3	6
Portugal	3	3
Romania	0	1
Slovakia	0	1
Spain	45	136
Sweden	1	0
Turkey	0	0
UK	2	6
USA	1	3
Total	69	199

VIII.B. Performance corporate evaluation

	MEN	WOMEN	TOTAL
Argentina	5	2	7
Brazil	1	0	2
Colombia	1	0	1
Spain	140	35	175
Slovakia	1	0	1
Mexico	10	3	13
Poland	5	3	8
Portugal	4	4	8
UK	9	2	11
USA	1	0	1
Total	177	49	226

IX. PARENTAL LEAVE

	2023	2022
Parental leave	119	118
Continuing company	112	76
Maternity leave	35	33
Remaining in the company	30	24

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ENVIRONMENT

	X.A. MATERIALS 2023					X.A. MATERIALS 2022				
	Steel	Aluminium	Zinc and zinc oxide	Hydrochloric Acid	Others*	Steel	Aluminium	Zinc and zinc oxide	Hydrochloric Acid	Others*
Germany	337,620	28,657	-	0	10	297,942	16,448	-	0	25
Argentina	56,191	-	-	0	1	47,657	-	-	0	2
Brazil	628,497	-	-	2,895	19,228	583,698	-	-	2,726	0
China	391,517	35,489	-	0	0	251,404	23,838	-	0	0
Colombia	20,510	-	661	173	35	20,283	-	834	187	57
Spain	1,977,784	19,795	4,173	11,469	107	1,762,816	17,044	3,783	13,083	98
USA	80,524	32,113	-	0	0	76,078	30,156	-	0	0
Slovakia	325,196	32,054	-	0	0	295,012	20,959	-	0	0
Mexico	270,877	4,844	-	0	2	219,287	6,803	-	0	2
Poland	203,414	317	-	0	20	166,299	243	-	0	0
Portugal	184,547	213	-	0	0	168,251	136	-	0	0
UK	227,927	23,023	-	0	0	212,614	14,777	-	0	0
Czech Rep.	4,012	-	-	0	0	4,536	-	-	0	0
Romania	18,438	-	-	0	197	16,236	-	-	0	242
Russia	54,471	-	-	0	90	45,476	-	-	0	188
Sweden	42,211	-	-	0	11	3,857	-	-	0	10
Turkey	2,961	-	1,894	569	0	31,320	-	-	0	0
	4,826,697	176,506	6,728	15,107	19,701	4,202,765	130,405	4,617	15,995	623

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XI.A. NON-HAZARDOUS WASTE (TONNES) 2023										
	Scrap	Packaging						Construction		
	Scrap	Wood waste	Tablex	Paper and cardboard	Recyclable plastic	Non-recyclable plastic	Mix	Other	Construction	Shot blasting powder
Germany	35,753	139.36	0.00	56.02	0.00	0.00	145.00	71.43	6.30	0.00
Argentina	4,032	0.0	0.0	17.0	100.1	0.0	0.0	19.2	0.0	0.0
Brazil	27,080	169.2	0.0	23.1	139.3	0.0	0.0	97.3	21.1	0.0
China	74,471	230.0	0.0	53.3	2.4	0.0	0.0	0.0	0.0	0.0
Colombia	1,532	0.0	0.0	7.7	3.6	0.0	0.0	155.0	28.3	0.0
Spain	125,795	423.3	461.6	146.3	60.7	174.7	222.0	420.4	60.2	0.0
USA	14,082	156.0	0.0	110.0	12.0	0.0	0.0	0.0	0.0	0.0
Slovakia	19,572	188.2	0.0	4.9	2.1	0.0	36.4	0.0	0.0	0.0
Finland	-	5.5	0.0	16.9	0.6	0.0	0.0	2.2	0.0	0.0
Holand	-	0.0	0.0	2.9	0.0	0.0	0.0	4.7	0.0	0.0
Mexico	16,442	8.4	0.0	258.8	44.3	0.0	862.8	6.3	0.0	0.0
Poland	10,413	39.6	16.1	92.4	0.0	21.5	0.0	0.0	0.0	0.0
Portugal	2,851	145.2	0.0	23.4	22.8	31.2	0.0	0.0	1.8	0.0
UK	13,171	62.0	0.0	0.2	10.7	0.0	0.0	194.6	0.0	0.0
Czech Rep.	508	44.9	0.0	9.2	0.0	2.8	0.1	41.2	0.0	0.0
Romania	1,897	34.2	0.0	10.3	0.0	16.5	0.0	67.8	0.3	1.4
Russia	1,921	10.1	0.0	281.3	37.3	0.0	1.9	1.2	0.0	0.0
Sweden	-	13.2	0.0	3.2	0.7	0.0	0.0	9.5	0.0	1.3
Turkey	2,289	237.0	0.0	0.0	0.0	0.4	0.0	0.0	0.2	0.0
	351,810	**1,906**	**478**	**1.117**	**436**	**247**	**1.268**	**1.091**	**118**	**3**

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	Scrap	Packaging						Construction		
	Scrap	Wood waste	Tablex	Paper and cardboard	Recyclable plastic	Non-recyclable plastic	Mix	Other	Construction	Blasting powder
Germany	32,834	140.00	0.00	54.00	0.00	0.00	124.00	66.35	5.90	0.00
Argentina	3,750	0.0	0.0	34.7	112.0	0.0	0.0	22.0	0.0	0.0
Brazil	25,288	188.4	0.0	35.0	300.5	0.0	12.1	60.4	29.6	0.0
China	60,605	193.6	0.0	16.5	10.2	0.0	0.0	0.0	0.0	0.9
Colombia	1,606	0.0	0.0	9.9	4.4	0.0	0.0	138.0	21.1	0.0
Spain	115,369	466.9	374.6	118.8	39.4	172.2	167.7	407.8	1,462.2	0.0
USA	16,129	98.4	0.0	122.4	1.1	0.0	0.0	0.0	0.0	0.0
Slovakia	20,233	189.3	0.0	5.1	2.0	0.0	29.0	0.0	0.0	0.0
Finland	-	6.8	0.0	18.4	0.6	0.0	0.0	1.8	0.0	0.0
Holand	-	0.0	0.0	2.9	0.2	0.0	0.0	4.7	0.0	0.0
Mexico	14,306	9.0	0.0	199.1	56.9	0.0	888.0	6.3	0.0	0.0
Poland	8,012	34.8	0.0	66.4	35.1	0.0	0.0	0.0	0.0	0.0
Portugal	2,987	132.8	0.0	25.1	21.6	35.2	0.0	0.0	0.0	0.0
UK	10,922	124.6	0.0	0.5	11.2	0.0	0.0	260.7	0.0	0.0
Czech Rep.	642	9.7	0.0	10.1	0.0	2.9	0.0	36.4	0.0	0.0
Romania	1,984	50.0	0.0	13.3	0.0	16.2	0.0	65.4	8.6	1.3
Russia	2,908	43.0	0.0	202.6	38.7	0.0	1.7	1.0	0.0	0.0
Sweden	-	9.0	0.0	4.0	1.3	0.0	0.0	9.1	0.0	0.6
Turkey	2,223	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	319,797	1.696	375	939	635	226	1.223	1.080	1.527	3

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XII.A. HAZARDOUS WASTE (TONNES) 2023									
	Materials		Packaging	Galvanised				Pickling	Painting
	Oil	Absorbents	Contaminated	Ashes	Mats	Filter mats	Ferrous Chloride with Zinc	Ferrous chloride (FeCl2)	Electrostatic painting
Germany	8.8	11.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Argentina	0.0	0.0	12.8	0.0	0.0	0.0	0.0	0.0	0.0
Brazil	8.1	235.0	5.7	0.0	0.0	0.0	0.0	4,457.9	0.0
China	9.4	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0
Colombia	0.2	7.0	0.0	45.0	29.2	0.0	0.0	234.0	1.5
Spain	66.4	59.2	8.2	128.6	205.4	38.1	2,262.5	12,719.2	30.9
USA	6.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Slovakia	3.8	23.9	14.4	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	3.7	4.6	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Portugal	1.1	9.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0
UK	0.0	6.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Czech Rep.	6.8	2.7	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Romania	6.8	0.5	1.8	0.0	0.0	0.0	0.0	0.0	57.9
Russia	0.5	0.9	0.3	0.0	0.0	0.0	0.0	0.0	4.1
Sweden	0.0	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	122	365	45	175	235	38	2,262	17,411	94

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XII.A. HAZARDOUS WASTE (TONNES) 2022									
	Materials		Packaging	Galvanised				Pickling	Painting
	Oil	Absorbents	Contaminated	Ashes	Mats	Filter mats	Ferrous Chloride with Zinc	Ferrous chloride (FeCl2)	Electrostatic painting
Germany	7.4	10.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Argentina	3.4	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Brazil	13.8	71.8	0.3	0.0	0.0	0.0	0.0	4,444.4	0.0
China	7.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Colombia	0.7	6.9	0.0	55.4	37.4	0.0	0.0	176.0	2.9
Spain	62.5	54.8	10.2	268.1	157.5	40.5	1,431.1	12,353.2	18.6
USA	13.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Slovakia	4.3	19.4	5.4	0.0	0.0	0.0	0.0	0.0	0.0
Mexico	3.8	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Portugal	2.7	10.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0
UK	7.0	26.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Czech Rep.	1.1	1.9	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Romania	10.8	0.5	1.2	0.0	0.0	0.0	0.0	0.0	64.0
Russia	0.5	2.2	0.5	0.0	0.0	0.0	0.0	0.0	5.5
Sweden	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	138	220	19	323	195	40	1,431	16,974	91

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XIII,A, ENERGY CONSUMPTION IN GJ 2023								
	Electricity	Renewable Electricity	Natural Gas	Diesel (process)	LPG/Propane	Petrol (fleet)	Diesel (fleet)	Steam/Heat
Germany	19,285	2,723	18,283	644	-	253	2,940	-
Argentina	3,319	-	-	17	1,174	-	41	-
Belgium	30	-	-	-	-	-	74	-
Brazil	-	30,811	28,024	-	3,852	2,955	-	-
China	29,957	33,371	18,323	-	-	-	-	-
Colombia	-	5,817	19,590	-	814	141	-	-
Denmark	255	-	-	-	-	523	322	-
Slovakia	12,851	-	1,431	-	1,007	904	965	-
Spain	16,106	226,158	148,211	4,685	518	553	3,664	2,045
Finland	-	783	-	-	0	184	207	972
Holand	-	118	36	-	-	443	169	-
Hungary	-	-	-	-	-	283	393	-
Mexico	5,097	3,333	-	-	5,021	179	-	-
Norway	73	-	-	-	-	77	860	-
Poland	7,125	-	3,822	-	-	699	1,592	-
Portugal	5,653	1,588	-	223	43	456	35	-
Czech Rep.	2,702	79	2,459	24	-	539	2,091	-
Romania	9,283	61	31,504	-	8	502	1,081	-
Russia	2,909	-	-	-	398	-	-	8,040
Sweden	-	5,729	-	151	-	1,056	1,495	908
Switzerland	48	-	-	-	-	19	143	-
Turkey	10,827	-	29,853	168	-	-	-	-
UK	8,870	3,367	9,154	-	1,178	221	557	-
USA	13,407	-	6	-	2,897	-	-	-
	147,797	313,937	310,694	5,913	16,912	9,987	16,629	11,965

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	Electricity (GJ)	Renewable Electricity (GJ	Natural Gas (GJ)	LPG/Propane (GJ)	Diesel (process) proceso (GJ)	Diesel* (GJ)	Petrol* (GJ)	Steam	Total
Germany	20,286	2,718	29,898	-	943	4,817	281		58,943
Argentina	2,462	-	-	920			-		3,382
Belgium	40					202			242
Brazil	15,340	-	35,557	7,556			1,318		59,771
China	49,489		17,568	-	2,274	929	94		70,354
Colombia	7,946		24,940	661	18				33,565
Denmark	264					659	158		1,081
Spain	255,718		168,375	959	7,901	6,307	554	12,308	452,123
USA	16,965		3,825	4,122			418		25,330
Slovakia	12,055		7,010	111		338	241		19,755
Finland		803	1,195	221		198	155		2,571
Holand		140	349			587	482		1,558
Hungary						407	86		493
Israel	11						58		69
Mexico	4,223	3,584		2,312	1				10,120
Norway	67					594	248		910
Poland	5,908		5,159			569	1,336		12,972
Portugal	5,872			69	197	1,206	796		8,140
UK	569	12,131	17,720	1,169		518	162		32,269
Czech Rep.	3,398	229	4,600		38				8,266
Romania	12,150		37,838	2,670		1,285	360		54,303
Russia	9,339		27,003	1,530	192	58	7	16,413	54,541
Sweden		5,952			134	2,599	994	504	10,182
Switzerland	79,2					184			263
Turkey	6,909		23,297	85	303				30,593
	429,093	**25,557**	**404,333**	**22,384**	**12,000**	**21,456**	**7,747**	**29,225**	**951,796**

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	XIV.A. ENERGY INTENSITY (GJ/ Ton Delivered)		XV. A. EMISSION INTENSITY (kg CO_2/Tons sold)	
	2022	2023	2022	2023
Germany	0.1	0.20	6.7	11.4
Argentina	0.1	0.09	6.1	7.56
Brazil	0.1	0.09	3.0	4.09
China	0.2	0.20	12.9	27.73
Colombia	1.3	1.41	51.5	67.04
Slovakia	0.0	0.19	2.5	2.69
Spain	0.2	0.16	3.6	12.35
Mexico	0.0	0.06	2.7	3.29
Poland	0.01	0.05	8.1	9.73
Portugal	0.0	0.08	1.7	4.62
Czech Rep.	2.0	0.05	162.3	110.63
Romania	2.3	0.13	116.7	166.32
Russia	0.2	1.37	12.9	36.97
Sweden	3.2	2.70	85.4	108.77
Turkey	1.0	0.62	66.6	68.04
UK	0.1	3.62	4.4	4.16
USA	0.1	0.87	13.4	14.59

	XIV.A. ENERGY INTENSITY (GJ/ Ton Delivered)	
	2022	2023
Germany	21	21
Argentina	14	7
Belgium	0	0
Brazil	47	55
China	41	40
Colombia	8	8
Denmark	2	2
Spain	49	55
USA	5	2
Slovakia	9	11
Finland	4	0
Holand	2	2
Hungary	0	0
Mexico	8	8
Norway	0	0
Poland	6	7
Portugal	8	8
UK	37	40
Czech Rep.	6	6
Romania	8	8
Russia	6	6
Sweden	6	0
Switzerland	0	0
Turkey	16	18
Total	303	304

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HEALTH AND SAFETY

XVI.A. ACCIDENTS 2023				
	Accidents with leave		Accidents without leave	
	MEN	WOMEN	MEN	WOMEN
Own staff	83	4	245	9
External staff	11	0	56	3
Total	94	4	301	12

XVI.A. ACCIDENTS 2022				
	Accidents with leave		Accidents without leave	
	MEN	WOMEN	MEN	WOMEN
Own staff	61	2	240	7
External staff	17	2	69	6
Total	78	4	309	13

GOVERNANCE

XVIII. A. ETHICS CHANNEL COMPLAINTS 2023			
Category	Current	%	Pending resolution
Harassment	6	21%	0
Fraud and Corruption	3	10%	1
Human Resources	17	59%	3
Discrimination	0	-	-
Health and safety	3	10%	0

XVIII. B. ETHICS CHANNEL COMPLAINTS 2022			
Category	Current	%	Pending resolution
Harassment	2	5%	0
Discrimination (205-2)	9	23%	0
Fair competition	0	0%	0
Conflict of interest	0	0%	0
Fraud and corruption	3	8%	1
Labour	9	23%	2
Health and safety	9	23%	2
Other	7	18%	4

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ANNEX III

GRI Content Index

The contents of this index have been externally verified by the independent entity EY. The corresponding verification report can be found in the Annex to this document. Omissions of information in the relevant indicators are included as a note.

General

GRI 1	GENERAL CONTENTS	Material Yes / No	Page
Contents 2-1	Details of the organisation	No	8
Contents 2-2	Entities included in sustainability reporting	No	9
Contents 2-3	Reporting period, frequency and contact	No	5
Contents 2-4	Restatement of information	No	5
Contents 2-5	External verification	No	91

GRI 2	GENERAL CONTENTS	Material Yes / No	Page
Contents 2-6	Activities, value chain and other business relationships	No	10, 11, 12 13,14
Contents 2-7	Employees	Yes	33,92
Contents 2-8	Non-employee workers	Yes	33,94

Government (ESG)

GRI 3	GENERAL CONTENTS	Material Yes / No	Page
Contents 2-9	Governance structure and composition	Yes	66
Contents 2-10	Nomination and selection of the highest governing body	Yes	67
Contents 2-11	Chairman of the highest governing body	Yes	67
Contents 2-12	Role of the highest governance body in overseeing impact management	No	67
Contents 2-13	Delegation of responsibility for impact management	No	67
Contents 2-14	Role of the highest governance body in sustainability reporting	No	67
Contents 2-15	Conflicts of interest	Yes	68
Contents 2-16	Communicating critical concerns	Yes	68
Contents 2-17	Collective knowledge of the highest governance body	No	69,77
Contents 2-18	Performance evaluation of the highest governance body	No	69
Contents 2-19	Remuneration policies	No	69
Contents 2-20	Process for determining remuneration	No	69
Contents 2-21	Total annual compensation ratio	No	69

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GRI 4	GENERAL CONTENTS	Material Yes / No	Page
Contents 2-22	Sustainable Development Strategy Statement	No	3, 4
Contents 2-23	Policies and commitments	Yes	8, 76
Contents 2-24	Mainstreaming political commitments	Yes	76
Contents 2-25	Processes to remedy negative impacts	Yes	78, 79
Contents 2-26	Advisory mechanisms and ethical concerns	Yes	77
Contents 2-27	Compliance with laws and regulations	Yes	77
Contents 2-28	Membership of associations	No	89, 115

GRI 5	GENERAL CONTENTS	Material Yes / No	Page
Contents 2-29	Approach to Stakeholder Engagement	No	16
Contents 2-30	Collective bargaining agreements	No	46
Contents 3-3	Risk Management	Yes	34, 59, 63, 76

GRI 3	MATERIAL ISSUES	Material Yes / No	Page
Contents 3-1	Process of determining the material issues	Yes	17
Contents 3-2	List of material items	Yes	18
Contents 3-3	Management of material issues	Yes	34, 59, 63

GRI 201	ECONOMIC PERFORMANCE	Material Yes / No	Page
201-1	Direct economic value generated and distributed	No	71
201-2	Financial implications and other risks and opportunities arising from climate change	Yes	87
201-3	Defined benefit and other pension plan obligations	No	41
201-4	Financial assistance received from the government	No	74

GRI 202	MARKET PRESENCE	Material Yes / No	Page
202-1	Ratios between the standard entry level wage by gender and the local minimum wage	No	N/A
202-2	Proportion of senior executives recruited from the local community	Yes	66

GRI 203	INDIRECT ECONOMIC IMPACTS	Material Yes / No	Page
203-1	Investments in infrastructure and services supported	No	70
203-2	Significant indirect economic impacts	No	70

GRI 201	ECONOMIC PERFORMANCE	Material Yes / No	Page
204-1	Proportion of expenditure on local suppliers	No	61

GRI 205	ANTI-CORRUPTION	Material Yes / No	Page
205-1	Operations assessed for corruption-related risks	Yes	66,85
205-2	Communication and training on anti-corruption policies and procedures	Yes	85, 109, 79
205-3	Confirmed incidents of corruption and measures taken	Yes	79

GRI 206	UNFAIR COMPETITION	Material Yes / No	Page
206-1	Legal actions relating to unfair competition and monopolistic and anti-competitive practices	Yes	79

GRI 207	TAXATION	Material Yes / No	Page
207-1	Fiscal approach	No	74
207-2	Fiscal governance, control and risk management	No	74
207-3	Stakeholder engagement and management of stakeholder concerns on tax issues	No	74
207-4	Country-by-country reporting	No	74, 75

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Environment (ESG)

GRI 301	MATERIALS	Material Yes / No	Page
301-1	Materials used by weight or volume	Yes	22
301-2	Recycled inputs used	Yes	22
301-3	Recovered products and packaging materials	Yes	22

GRI 302	ENERGY	Material Yes / No	Page
302-1	Energy consumption within the organisation	Yes	27
302-2	Energy consumption outside the organisation	Yes	27
302-3	Energy intensity	Yes	27
302-4	Reduction of energy consumption	Yes	27
302-5	Reducing the energy requirements of products and services	Yes	Note A

GRI 303	WATER AND EFFLUENTS	Material Yes / No	Page
303-1	Interaction with water as a shared resource	No	26
303-2	Management of impacts related to water discharges	No	26
303-3	Water abstraction	No	26
303-4	Water discharge	No	26
303-5	Water consumption	No	26

GRI 304	BIODIVERSITY	Material Yes / No	Page
304-1	Operational sites owned, leased or managed within or adjacent to protected areas or areas of high biodiversity value outside protected areas	No	N/A
304-2	Significant impacts of activities, products and services on biodiversity	No	N/A
304-3	Protected or restored habitats	No	N/A
304-4	Species on the IUCN Red List and on national conservation lists whose habitats occur in areas affected by operations	No	N/A

GRI 305	EMISSIONS	Material Yes / No	Page
305-1	Direct GHG emissions (Scope 1)	Yes	30
305-2	Indirect GHG emissions associated with energy (Scope 2)	Yes	30
305-3	Other indirect GHG emissions (scope 3)	Yes	N/A
305-4	GHG emissions intensity	Yes	30, 108
305-5	Reduction of GHG emissions	Yes	29
305-6	Emissions of Ozone Depleting Substances (ODS)	Yes	N/A
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant emissions to air	Yes	21

GRI 306	WASTE	Material Yes / No	Page
306-1	Waste generation and significant waste-related impacts	Yes	25, 102, 104
306-2	Management of significant waste-related impacts	Yes	25, 102, 104
306-3	Waste generated	Yes	25, 102, 104
306-4	Wastes not destined for disposal	Yes	25, 102, 104
306-5	Waste for disposal	Yes	25, 102, 104

GRI 308	ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	Material Yes / No	Page
308-1	New suppliers that have passed selection filters according to environmental criteria	No	61
308-2	Negative environmental impacts in the supply chain and measures taken	No	61

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Social (ESG)

GRI 401	EMPLOYMENT	Material Yes / No	Page
401-1	Recruitment of new employees and staff turnover	Yes	39
401-2	Benefits for full-time employees that are not provided to part-time or temporary employees.	Yes	41
401-3	Parental leave	Yes	40, 45

GRI 402	WORKER-EMPLOYER RELATIONS	Material Yes / No	Page
402-1	Minimum notice periods for operational changes	No	N/A

GRI 403	HEALTH AND SAFETY AT WORK	Material Yes / No	Page
403-1	Occupational health and safety management system	Yes	47, 54
403-2	Hazard identification, risk assessment and incident investigation	Yes	48
403-3	Occupational health services	Yes	51
403-4	Worker participation, consultation and communication on occupational health and safety at work	Yes	48, 54
403-5	Training of workers on occupational health and safety at work	Yes	54
403-6	Promoting workers' health	Yes	44
403-7	Prevention and mitigation of occupational health and safety impacts directly linked through business relationships	Yes	48
403-8	Coverage of the occupational health and safety management system	Yes	47
403-9	Injuries due to accidents at work	Yes	48
403-10	Occupational diseases and illnesses	Yes	51

GRI 404	TRAINING AND EDUCATION	Material Yes / No	Page
404-1	Average hours of training per employee per year	Yes	37
404-2	Programmes to develop employee skills and transition assistance programmes	Yes	37
404-3	Percentage of employees receiving regular performance and career development appraisals	Yes	40, 100

GRI 405	DIVERSITY AND EQUAL OPPORTUNITIES	Material Yes / No	Page
405-1	Diversity of governing bodies and employees	Yes	66
405-2	Ratio between the basic salary and remuneration of women and men	No	N/A

GRI 406	NON-DISCRIMINATION	Material Yes / No	Page
406-1	Cases of discrimination and remedial action taken	Yes	79

GRI 407	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	Material Yes / No	Page
407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	No	46

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GRI 408	CHILD LABOUR	Material Yes / No	Page
408-1	Operations and suppliers with significant risk of child labour cases	No	79

GRI 409	FORCED OR COMPULSORY LABOUR	Material Yes / No	Page
409-1	Operations and suppliers with significant risk of cases of forced or compulsory labour	No	79

GRI 410	SECURITY PRACTICES	Material Yes / No	Page
410-1	Security personnel trained in human rights policies or procedures	No	N/A

GRI 411	INDIGENOUS PEOPLES' RIGHTS	Material Yes / No	Page
411-1	Cases of violations of indigenous peoples' rights	No	N/A

GRI 413	LOCAL COMMUNITIES	Material Yes / No	Page
413-1	Operations with local community engagement programmes, impact assessments and development	No	64
413-2	Operations with significant negative impacts - actual or potential - on local communities	No	N/A

GRI 414	SOCIAL ASSESSMENT OF SUPPLIERS	Material Yes / No	Page
414-1	New suppliers that have passed selection filters according to social criteria	No	61
414-2	Negative social impacts on the supply chain and measures taken	No	61

GRI 415	PUBLIC POLICY	Material Yes / No	Page
415-1	Contribution to political parties and/or representatives	Sí	72, 89

GRI 416	CLIENT HEALTH AND SAFETY	Material Yes / No	Page
416-1	Assessing the health and safety impacts of product and service categories	Sí	Nota B
416-2	Cases of non-compliance relating to health and safety impacts of product and service categories	Sí	79

GRI 417	MARKETING AND LABELLING	Material Yes / No	Page
417-1	Requirements for information and labelling of products and services	Sí	Nota B
417-2	Cases of non-compliance related to product and service information and labelling	Sí	79
417-3	Cases of non-compliance related to marketing communications	Sí	79

GRI 418	CUSTOMER PRIVACY	Material Yes / No	Page
418-1	substantiated complaints regarding breaches of customer privacy and loss of customer data	Sí	79
Contents 3-3	Process and product innovation	Sí	59
Contents 3-3	Cybersecurity, information security and data protection	Sí	63

Note A (302-5): Not Applicable. Products follow customer specifications, so there is little ability to influence.
Note B (416-1, 417-1). Not Applicable due to the company's product typology.
Note c (205) The breakdown of training by professional category is not included.

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ANNEX IV

Associations and Organisations

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At corporate level
- Fundación SERES

Europe
- European Steel Association (EUROFER)

Spain
- Confederación Española de Organizaciones Empresariales del Metal (CONFEMETAL)
- Unión de Empresas Siderúrgicas (UNESID)
- Asociación Española de Contabilidad y Administración de Empresas
- AMCHAMSPAIN
- Asociación Innovación en Prevención.
- Asociación Española para la Calidad (AEC).
- Instituto Empresa Familiar
- Fundación Alzheimer Spain
- Asociación Catalana de Empresas de Moldes y Matrices (ASCAMM).
- Asociación Española de Tecnologías de Fabricación Aditiva y 3D (ADDIMAT).
- Asociación Española de Proveedores de Automoción (SERNAUTO)
- Asociación para el Progreso de la Dirección (A.P.D.)
- Asociación Instituto de Auditores Internos.

Gonvarri Barcelona
- Associació Industrial per a la Producció Neta (AIPN)
- Unió Patronal Metallúrgica (UPM)

Gonvauto Barcelona
- Associacio Industrial per a la Produccio Neta i Delta del Llobregat
- Unió Patronal Metalúrgica
- Clúster de Automoción de Cataluña
- Unio de Magatzemistes de Ferros de Catalunya y Balears

Gonvarri Valencia
- Asociación Valenciana de la Industria de Automóvil (AVIA)
- Asociación Empresarios Camp de Morvedre (ASECAM)
- Federación del Metal de Valencia (FEMEVAL)
- Unión de almacenistas del hierro de Spain (UAHE)

Gonvauto Galicia
- Asociación de Industriales Metalúrgicos de Galicia (ASIME)
- Clúster del Automóvil de Galicia (CEAGA)

Gonvauto Navarra
- Asociación de Empresarios del Metal (ANEM)
- Club de Marketing
- Clúster de Automoción

Gonvarri Burgos
- Federación Empresarial del Metal (FEMEBUR)
- Asociación para la calidad
- Asociación Empresarial Polígono Gamonal
- Center for the Development of Excellence, S.L.
- Digital HUB Burgos

Hiasa y Gonvauto Asturias
- Federación de Empresarios del Metal y Afines del Principado de Asturias (FEMETAL)
- FADE ASTURIAS

Gonvarri Tarragona
- Asociación Provincial de Empresarios del Metal de Tarragona (APEMTA)

Flinsa
- Federación de Empresarios del Metal de la provincia de Alicante (FEMPA)
- AIJU Instituto Tecnológico
- Asociación de Empresarios de Ibi y Comarca (IBIAE)

Gonvarri Portugal
- Associação Nacional das Empresas Metalúrgicas e Electromecânicas (ANEME)
- AISET – Associação Industrial da Península de Setúbal

Gonvarri Poland
- Unión Polaca de Distribuidores de Acero (PUDS).

Gonvarri Germany
- Initiative Erfurter Kreuz
- IHK Südthüringen
- Initiative Erfurt Cross

GMH Germany
- European Racking Federation (ERF)
- Verband für Lagertechnik Betriebseinrichtung (LBE)
- Gütegemeinschaft (RAL)

Steel & Alloy
- Confederation of British Metal Forming
- National Association of Steel Stockholders
- International Steel Trade Association
- Aluminium Federation

GMH Romania
- Asociatia Romana de Logistica (ARILOG)

GMH Russia
- St. Petersburg International Business Association (SPIBA)

GMH Kredit
- Hospodářská komora ČR/Czech Chamber of commerce

Gonvarri Turkey
- Kahramankazan Industrialists' and Businessmen's Association (KASIAD)
- General Galvanizers Association (GALDER)
- Turkey Section of the International Solar Energy Society (GÜNDER)

Gonvauto South Carolina
- HR Association Union Chamber of Commerce.

Gonvarri Argentina
- Asociación de Recursos Humanos de Argentina (ADRHA)

Gonvarri Colombia
- Asociación Nacional de Industriales de Colombia (ANDI)
- Corporación Colombiana Internacional (CCI)

Gonvauto Puebla
- Camara Nacional de la Industria de Transformación (Canacintra)
- Relaciones Industriales de Puebla y Tlaxcala A.C. (Riptac)

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ANEXO V

Scope consolidation of Gonvarri Industries S.L. and subsidiaries

Scope consolidation. The group was composed by the following companies at the end of 2023 (102-45).

	Address	% share in the head of the group GI	
		Direct	Indirect
Gonvarri MS Corporate, S.L.	Bilbao	100%	
Gonvarri MS Colombia, S.A.S, S.L.	Colombia		100%
GMS France SAS	France		100%
Çepas Galvaniz, Sanayi Anomin Sirketi	Turkey		100%
Gonvarri Chile Estructuras Metálicas, Ltda.	Chile		100%
Gonvarri Asturias, S.A.	Asturias		100%
Road Steel Engineering, SL	Valladolid		100%
Suports Desarrollo y Soluciones, SL	Valencia		100%
Suports Energia Sustentable Mexico S.A.P.I. de C.V	Mexico		100%
Gonvarri MS Baja California S.A	Mexico		100%
Gonvarri MS Perú, S.A.C.	Peru		100%
Gonvarri MS R&D, SL	Madrid		100%
Gonvarri Agrotech, S.L.	Asturias		100%
Gonvarri Solar Steel, S.L	Asturias		100%
Solar Steel Services, S.L	Spain		100%
Gonvarri Solar Steel US, Inc	USA		100%
Solar Steel Italy	Italy		100%
Gonvauto Asturias, SL	Madrid	100%	
Addimen Bizkaia, SL	Bilbao	93%	
Arcerlomittal Gonvarri SSC Slovakia, S.R.O	Slovakia	50%	
Arcerlomittal Gonvarri Nitra S.R.O	Slovakia		50%
Flejes Industriales, SA	Alicante	100%	
Sogei S.A	Madrid	70%	
Gonvarri Argentina S.A.	Argentina	100%	

	Address	% share in the head of the group GI	
		Direct	Indirect
ArcelorMittal Gonvarri Brazil, Pdtos. Siderúrg. S.A..	Brazil	50%	
MAG Aliança Automóveis do Brazil SSC S.A.	Brazil		25%
Gonvauto Thüringen, GMBH	Germany	100%	
Laser Blanking Germany, GMBH	Germany	100%	
Gestamp Automotive India Private Ltd	India	50%	
Gonvarri Polska, SP, ZO O.	Poland	100%	
Gonvarri Czech, S.R.O.	Czech Rep.	100%	
Gonvauto Galicia, S.A.	Galicia	100%	
Gonvauto, S.A.	Barcelona	100%	
Gonvauto Puebla, S.A. de C.V.	Mexico		100%
Gonvarri I.Centro de Servicios, S.L.	Madrid	100%	
Gonvarri Industrial Maroc, S.A.	Morocco	100%	
Gonvarri Italia, S.p.A.	Italy	100%	
Gonvarri I. Trading, S.L.	Madrid	100%	
Gonvarri Ptos. Siderúrgicos,S.A.	Portugal	100%	
Gonvarri I Trading Portugal	Portugal	100%	
Gonvarri Steel Services US, INC	(Delaware) USA	100%	
Gonvauto South Carolina LLC.	(South Carolina)		100%
Gonvarri Valencia, S.A	Valencia	100%	
Gonvarri Tarragona, S.L.	Tarragona	100%	
Laser Automotive Barcelona, S.L.	Barcelona	51%	
Laser Automotive Valencia, S.L.	Valencia	51%	
Laser Automotive Zaragoza, S.L.	Zaragoza	51%	
Gonvarri Vizcaya, S.L	Bilbao	100%	

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	Address	% share in the head of the group GI Direct	Indirect
Gonvasolar, S.L.	Madrid	100%	
Gonvauto Navarra, S.A.	Navarra	100%	
Joint SGH, S.L	Madrid	50%	
SGK LLC	Russia		50%
Steel & Alloy Holding LTD.	(Birmingham) UK	100%	
Steel & Alloy Procesing LTD	(Birmingham) UK		100%
Vama Gonvarri Automotive Solutions CO. LTD	China	50%	
Vama Gonvarri Automotive Solutions (Shenyang) CO. LTD	China		50%
Vama Gonvarri Automotive Solutions (Changshu) CO. LTD	China		50%
Vama Gonvarri Automotive Solutions (Chongqing) CO. LTD	China		50%
Vama Gonvarri Automotive Solutions (Loudi) CO. LTD	China		50%
Laserboost	Spain	90%	
Riera Tutó, S.L.	Barcelona	51%	
Riera Tutó Valencia, S.L.	Valencia	51%	
Rejillas Calibradas S.L.	Barcelona	20%	
H2Greem Global Solutions, S.L.	Madrid	51%	
Gonvarri Material Handling AS	Oslo, Norway	100%	
Constructor Finland OY	Finland		100%
Constructor Rus LLC	Russia		100%
Dexion GMBH	Germany		100%
Dexion KFT Hungary	Hungary		100%
Dexion Nv/SA Belgium	Belgica		100%
Constructor Norge AS Norway	Norway		100%
Dexion Storage Solutions SRL, Romania	Romania		100%
Constructor Sverige AS Sweden	Sweden		100%
Constructor Shared Services AB Sweden	Sweden		100%
Dexion Polska SP. Z.o.o Poland	Poland		100%
Dexion Sro Czech Republic	Czech Rep.		100%

	Address	% share in the head of the group GI Direct	Indirect
Constructor Danmark A/S Denmark	Denmark		100%
Dexion Spol Sro Slovakia	Slovakia		100%
Dexion Material Handling Ltd	UK		100%
Constructor Dexion Holland BV	Holand		100%
Dexion Österreich GmbH	Austria		100%
Gonvarri Ståltekniк AB	Sweden		100%
Kredit SRO Czech Republic	Czech Rep.		100%
Kaufmann Systems AG	Switzerland		100%
Complete Storage & Interiors LTD	UK		100%
Lampe Lagertechnik GmbH	Germany		100%
Dexion Storage Solution Unipessoal LDA	Portugal		100%
Gonvarri Material Handling, S.L.	Madrid		100%
Gonvarrack USA	USA		51%
Gonvarrack Canada	Canada		51%
GMH Colombia	Colombia		100%
H&R d.d (subgrupo Hidria)	Slovenia	41%	
Hidria Holding d.o.o	Slovenia		100%
HGR Nalozbe d.o.o	Slovenia		100%
Hidria RUS	Russia		100%
Hidria Gmbh	Switzerland		
Hidria d.o.o	Slovenia		100%
Tomos Invest	Slovenia		100%
Hidria P d.o.o	Slovenia		99%
Hidria IP d.o.o	Slovenia		100%
Hidria Suzhou	China		100%
Hidria Nep d.o.o	Serbia		100%
Hidria Bausch kft	Hungary		100%
Hidria Bausch Gmbh	Germany		100%

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