
NON- FINANCIAL INFORMATION STATEMENT

Sustainability Report

BATZ Group

2025

DATE: 30/03/2026

TABLE OF CONTENTS

1. OUR BUSINESS MODEL	5
1.1 ABOUT US	5
1.2 2025 ORGANISATIONAL STRUCTURE.....	7
1.3 OUR CHALLENGES	8
1.4 HOW WE DO IT	9
2. POLICIES.....	14
2.1 POLICIES DESCRIPTION.....	14
2.2 POLICIES OUTCOMES	15
3. SHORT, MEDIUM AND LONG TERM RISKS	17
3.1. GLOBAL RISKS AND TRENDS.....	17
3.2 ANALYSIS OF THE RISKS AND OPPORTUNITIES ASSOCIATED WITH CLIMATE CHANGES (TCFD).....	18
3.3 DOUBLE MATERIALITY ANALYSIS	19
3.3.1. OUR STAKEHOLDERS.....	21
4. ENVIRONMENTAL ISSUES	21
4.1 POLLUTION, OUR ENVIRONMENTAL IMPACT	23
4.2 CIRCULAR ECONOMY, PREVENTION AND WASTE MANAGEMENT.....	26
4.3 SUSTAINABLE USE OF RESOURCES	28
4.4 CLIMATE CHANGE	29
4.5 BIODIVERSITY PROTECTION	30
6. SOCIAL AND EMPLOYEE ISSUES.....	32
6.1. EMPLOYMENT.....	34
6.2 WORK ORGANIZATION.....	39
6.3 OCCUPATIONAL HEALTH AND SAFETY.....	40
6.4 SOCIAL RELATIONS.....	42

6.5 TRAINING.....	42
6.6 UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES	43
6.7 EQUALITY AND DIVERSITY	43
7. HUMAN RIGHTS.....	46
8. CORRUPTION AND BRIBERY	50
9. SOCIETY.....	52
9.1 COMPANY’S COMMITMENTS TO SUSTAINABLE DEVELOPMENT R	52
10. OUTSOURCING AND SUPPLIERS	55
11. CONSUMERS	56
12. FISCAL INFORMATION	57
13. TAXONOMY	58
14. ANEXES	59
15. INDEPENDENT VERIFICATION	69

Consolidated non-financial information statement for the annual period ending 31 December 2025 for BATZ. S.COOP. and subsidiary companies (hereinafter the Group) that are part of the consolidated management report for the Group

This document gathers the information required by the Non-Financial Information and Diversity Law of 28 December 2018 and describes the main aspects of the business model and risk management of the BATZ Group, in addition to the sustainability plans, environmental, social and employee issues, the policy for respecting and promoting human rights, issues related with preventing corruption and bribery and managing their relationships with society and stakeholders.

Also included in the report are a summary of the Group's business model, a description of the policies relating to the aforementioned issues and the measures adopted and the results of those policies, in addition to the main risks related with those issues tied to the Group's activities, managing that risk and key indicators of non-financial results.

The non-financial information statement has been drafted in accordance with the Essential version of the Global Reporting Initiative international standard and all of its principles, which is a reporting framework recommended by the Non-Financial Information law of 2018. Furthermore, it has been externally verified by the EQA independent firm.

1. OUR BUSINESS MODEL

Anexos, Table 21, Nº 1

1.1 ABOUT US

We are BATZ, a global supplier of products and services for the automotive sector, and we have also recently entered the aerospace sector. Founded in 1963 and based in Igorre (Northern Spain), we are currently a solid industrial group thanks to the commitment and customer focus of our professionals.

We evolve and grow with our customers, getting involved from the initial phase in the supply of innovative solutions, focusing on the design and manufacture of products characterised by providing attributes of safety, weight reduction and ergonomics, which promote a more efficient and sustainable mobility, fully aligned with the main trends in the mobility sector.

The BATZ Group is made up of around 1200 professionals distributed around the world and we have several production plants and offices, which allows us to accompany our customers in their current and future challenges, wherever they are.

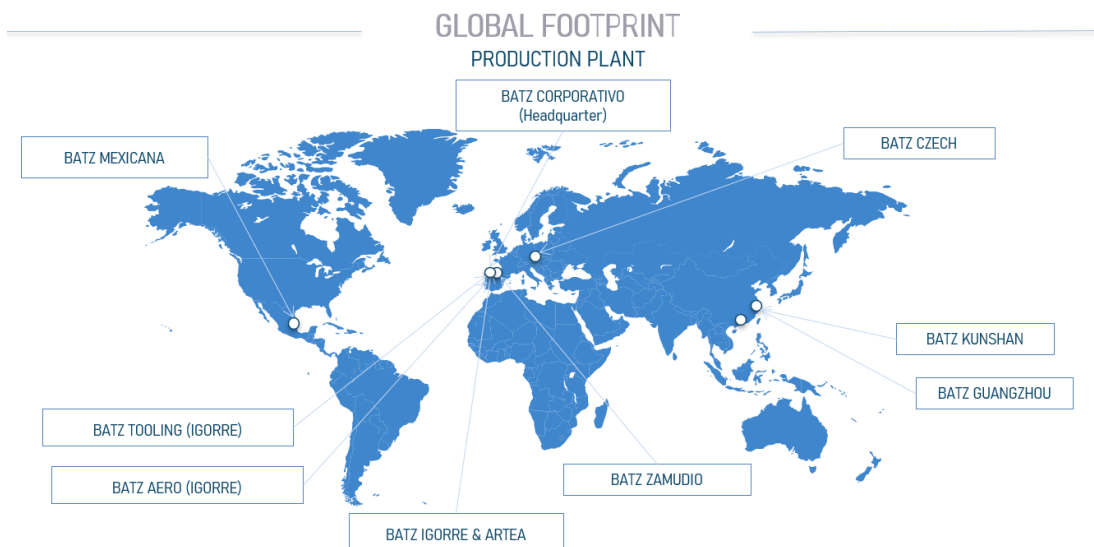


Figure 1. BATZ Group Production Plant Map

Our identity

BATZ was created as a cooperative located in Northern Spain with an international outlook which, throughout its more than half-a-century existence, has managed to perfectly combine its expansion and global nature with the roots and commitment it maintains in its local environment.

In fact, because it is a Group upheld by the cooperative model, we have already covered a lot of ground as a socio-economic transformation project. However, in 2022 we reviewed the cooperative project in order to align the company bodies in pursuit of the contributions and commitment of all workers, so Batz could once again be a cooperative, profitable and sustainable project. That made it possible for us to make decisions in an agile and definitive way in a complex and uncertain situation.



Figure 2. BATZ Business partner project

A participative and shared belief

BATZ is a **competitive** and **profitable** cooperative project that is the fruit of the efforts of **committed people** with **solidarity** and an **entrepreneurial spirit**. We are defined by:

- Our commitment to cooperative principles, which are the fundamental base for developing a different business model that is democratic, supportive, equitable and committed to sustainability and social change
- We believe in the cooperative legacy and, because of that, in addition to a better and more solid business project, we want to leave a model of development that is more sustainable for people and the planet to coming generations
- We are a global company and, loyal to our principles, we are committed to the socio-economic development of the people who work on our project and the places where we have a presence
- Our origin and roots are in Arratia That is why we have decided to act globally, to keep following up on our initial purpose to create opportunities for development in Arratia and Biscay by creating work with added value, distributing wealth and supporting all kinds of initiatives for building a more fair and diverse society that has more solidarity and is open to the world, while strengthening its Basque identity.

And the participation of all the parts of the cooperative, in addition to the automotive division of MONDRAGON and the Otorora team, was vitally important to achieve that. The proposal was presented to the entire collective of people that make up Batz in small groups that were in favour of participation and contribution and it was judged positively.

Our business

Our core business is in the automotive sector, specifically in the areas of mass production and capital goods.

Our professionals' extensive experience in the design and manufacture of lightweight composite structures using new materials and processes, as well as active aerodynamic components, combined with our expertise and recognition in the design and manufacture of mechanical and mechatronic control systems, make us a top-tier supplier to leading automotive manufacturers. In addition, we develop solutions for the implementation of new advanced materials by improving their forming processes across a wide range of steels and aluminum alloys, in both hot and cold forming, offering a comprehensive service that spans from conceptual product design to final tuning.

Regarding the aerospace sector, the year 2025 has solidified BATZ's commitment to diversification with a significant increase in revenue and job creation. Our experience in automotive mass production has been applied to the most demanding components in the aerospace sector, such as engine parts.



Figura 3. BATZ GROUP Map

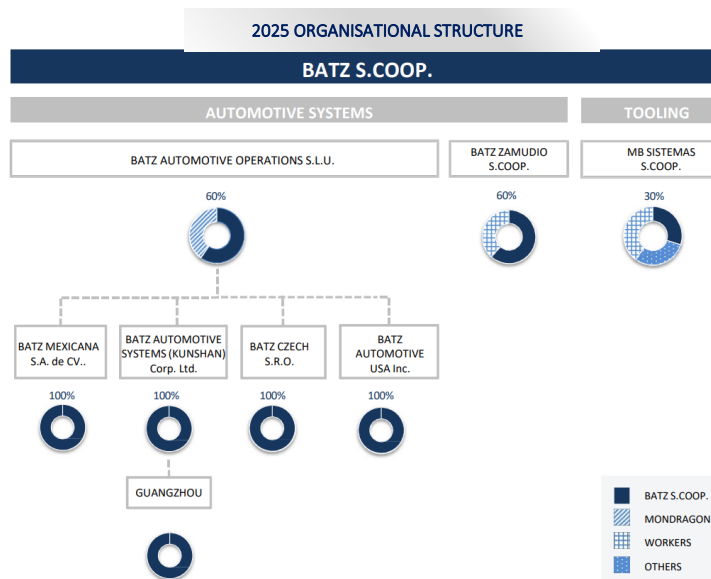
1.2 2025 ORGANISATIONAL STRUCTURE

The BATZ Group is committed to a business model that is supported by cooperative values which sets the company apart.

These operating principles are transferred to the corporate level through a series of identifying features in the management of the Group that combine the autonomy and responsibility of each of the businesses with common rules and shared decision-making. Our organisational model is essentially structured into business units, as described, which focus on business development, products, processes and strategic projects, and for which the corporate holdings are shown in the following diagram:

Likewise, BATZ has management bodies adapted to that corporate structure that make it possible to unify the company's key relationships and strategic decisions.

It is an organisation for a global automotive market where the levels of integration and transversality are strengthened. It is a structure that favours proximity and cohesion between the Group Management and business activities and is advantageous to coordination between the areas, with a marked orientation towards clients, as shown in the picture.



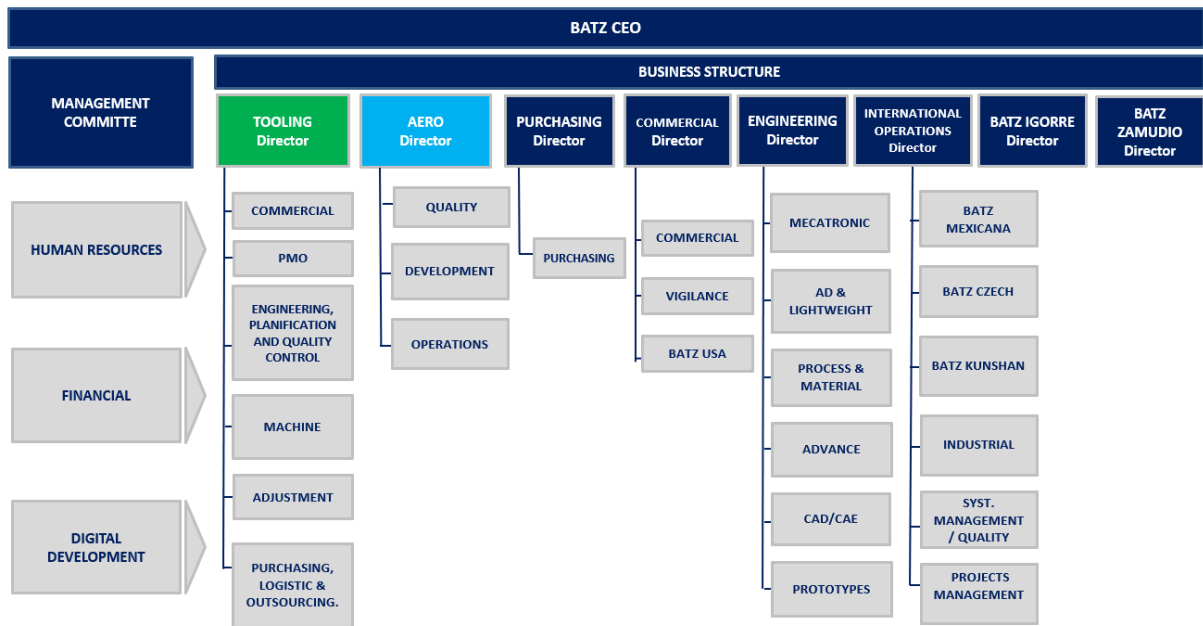


Figure 4. BATZ Group Organisational Estructure

1.3 OUR CHALLENGES

Four major PACE megatrends are driving the transformation of the automotive sector. The industry is emerging as a deeply polarized ecosystem, where different business models and types of mobility will coexist; highly automated, thanks to advances in artificial intelligence and autonomous driving; fully connected, with vehicles integrated into digital networks and in constant communication with their surroundings; and electrified, in response to environmental demands and the transition toward more sustainable energy sources.

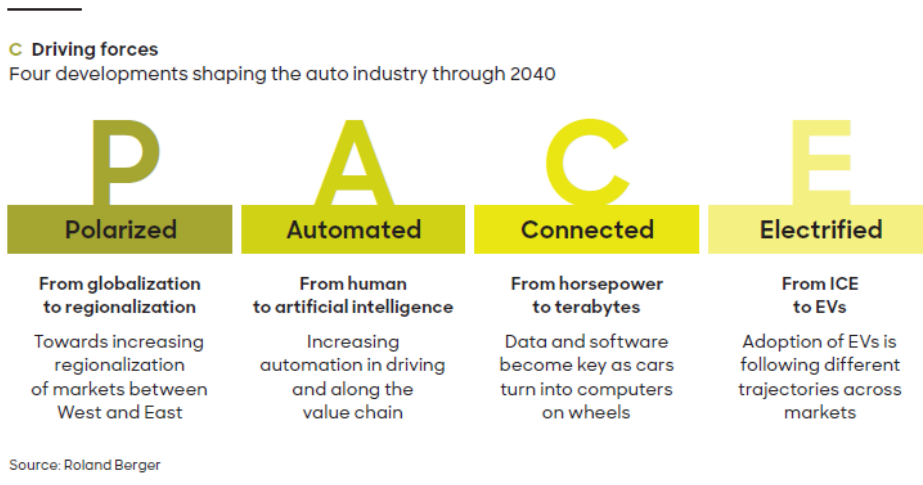


Figure 5. PACE Automotive sector

The global nature of the sector requires us to maintain constant vigilance over international economic and political developments, as these can affect exchange rates and the cost of raw materials, or lead to increased protectionist trends. This new paradigm demands a profound reinvention to respond to increasingly smart and sustainable mobility. To do so, we must adapt with agility, promoting collaboration and the pursuit of efficiencies throughout the entire value chain. This process will involve new investments, in a context where the profitability of commodity suppliers is under pressure. Addressing these challenges requires strengthening partnerships within a broader ecosystem and maintaining a strategic vision that extends beyond our own value chain, paying close attention to economic and geopolitical shifts that, as demonstrated in recent years, can cause far-reaching disruptions.

2025, A year in which the existing uncertainty stemming from overcapacity in China has been overlapped by the protectionist policies of the new U.S. president.

The arrival of the new occupant of the White House has added an extra dose of uncertainty to the sector, which was already facing significant uncertainty. We have witnessed a rise in protectionist policies in North America, along with a shift away from the push toward electrification that the previous administration was trying to drive. All of this comes at a time when Europe is showing only a tentative response to the low-cost vehicles produced in China. This market suffers from very high overcapacity, which its domestic market, embroiled in a price war, has been unable to absorb. Both the Chinese government, which is striving to halt the internal price war, and the European Commission, which appears determined to prioritize vehicles manufactured in Europe with European components, should restore some common sense to the market.

1.4 HOW WE DO IT

BATZ continues to manage its business according to the same principles applied by companies capable of performing well in this market:

- Strict cash flow and financial management, with a focus on reducing debt and improving liquidity.
- Cost containment in the die-cutting business, while decisively pursuing every opportunity.
- We continue to improve operations at the AUTO plants, with significant progress in 2025 that should be consolidated in 2026, particularly at the international facilities in Mexico and China.

BATZ, has continued in 2025 to advance its diversification into the aerospace business, a push that began in 2022 and has, for the fourth consecutive year, brought in new contracts that will make BATZ a company less dependent on a business as demanding as the automotive sector

Our strategy

In late 2023 and the first quarter of 2024, a new process of strategic reflection and analysis was carried out for the 2024–2027 period (PEB 27), both at the BATZ Group level and within the various businesses and plants that comprise it.

As a starting point for the reflection process, the organization's context was analyzed, and its most significant internal and external factors were identified.

One of the main objectives of this latest reflection was to review the strategic vision of the BATZ Group after several years of significant challenges, during which the sole priority was survival and restoring stability.

The outcome of this reflection continues to serve today as the guide or framework for prioritizing objectives and initiatives and defining the main guidelines that will help the BATZ Group develop a globally cooperative, profitable industrial project, bringing sustainable well-being wherever we operate, without forgetting our roots in Arratia and Bizkaia.

By the end of 2026, we will begin designing the new strategic reflection process for the next period, which will guide BATZ's development into the new decade.

Innovation, a tool for adaptation to uncertainty

At BATZ Group, we aim to provide solutions that offer superior performance and greater perceived value, such as structural lightweighting, active aerodynamics, and mechatronics; and to address the major global challenge facing the automotive sector: a new concept of connected mobility that is more efficient and environmentally friendly. And it is on this last point that we at BATZ are reinforcing our commitment as a sustainable company, deepening our understanding of the environmental impact of our products and processes, and identifying new value propositions to improve competitiveness.

At BATZ, we estimate that over 90% of our carbon footprint is linked to our value chains, and in this regard, we have established various reduction targets. We have identified promoting a decarbonized economy as a priority, aligned with the strategic directions set by institutions, regulatory bodies, and our own customers (OEMs). To embark on this journey, we are making progress in calculating our emissions across all scopes, as well as in establishing future scenarios that will enable us to plan a roadmap toward NET ZERO.

In addition, we are investing in and working on materials, adopting circular economy principles, and participating in collaborative programs to identify new materials with a lower environmental impact and to reduce the weight of electric vehicle structures, with the goal of achieving low-emission mobility.

We are convinced that the world needs a new paradigm for sustainability that takes into account the entire value cycle and allows us to continue responding to global projects. And in all of this, companies are agents of change. Because sustainability is a strategic issue for all our stakeholders.

Creating value through co-innovation

At BATZ we have deep-rooted the premise that to innovate is to face challenges in an efficient way. A culture of innovation and entrepreneurship that goes beyond the merely technological sphere and that we deploy throughout our entire value proposition. For many years we have been moving forward in a collaborative environment aimed at expanding and strategically reinforcing our capabilities, weaving an ecosystem that includes universities, technology centres and startups.

We want to be an active agent within our innovation and entrepreneurship ecosystem. We are in constant contact with various local figures.

Improvements to current products. Research programmes

Pedal systems

ELECTRONIC BRAKE PEDALS (Brake-by-Wire)



Figure 6. Electronic brake pedals

BATZ is one of the world's leading suppliers of automotive pedal assemblies and, as such, is researching future technical advancements in this area. In this context, there is growing interest among OEMs in the electrification of the braking function (Brake-by-Wire), which involves mechanically disconnecting the brake pedal from the wheels, maintaining a purely electronic connection. However, this involves significant technical challenges, as it must be ensured—among other critical aspects—that a power failure never leaves the vehicle without brake capacity. Likewise, there are other interesting aspects to investigate, such as the ergonomics of the pedal itself, given that its design is no longer “slave” to the requirements imposed by the activation of classic hydraulic brakes. This leads to the possibility of pedal types that are radically different from what we are used to seeing in vehicles so far, such as the one in the image, a “button-type” pedal.

BATZ has been working on electronic brakes (eBrakes) for several years, anticipating OEM requirements, but it is only now that these OEMs are considering their use in new platforms set to hit the market in the coming years. In other words, there are currently no vehicles with eBrakes on the market, so there are no clear standards or prior experience to draw upon. BATZ is developing technologies that will enable it to support various OEMs in their efforts to transition from traditional systems to 100% electronic eBrakes.

Circular Economy

SUSTAINABLE LIGHTWEIGHT STRUCTURAL MATERIALS

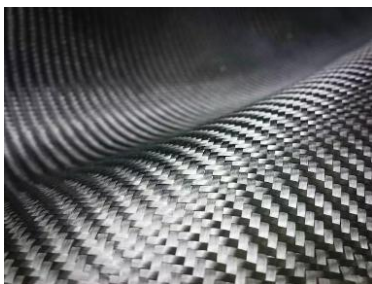


Figure 7. Lightweight structural material

As with the pedals in the previous project, BATZ features a wide range of lightweight vehicle components that are structural in nature, which requires significant expertise in the development and production of these components and the materials used in them. The term “structural components” indicates that BATZ does not use plastic materials for aesthetic purposes, but rather to replace other elements that have traditionally been made of metal, given their high mechanical requirements..

OEM's requirements are driving the need for increasingly lightweight and sustainable components, but without increasing costs. This has led BATZ to conduct research for years into lightweight plastics with very high mechanical properties (continuous fiber laminates), high-performance recycled plastics (rPET), and even plastics with high energy absorption upon impact, for crash boxes and protective components of batteries.

However, each and every one of these materials under investigation requires the development of production capabilities adapted to them, as well as simulation capabilities for their mechanical behavior, in order to accurately predict the performance of the final part produced. Since we are dealing with highly innovative materials, in many cases there are no well-established tools for this purpose, making this task extremely labor-intensive.

Industry connected 4.0

TRAZASISMA

Traceability and advanced inspection systems in manufacturing processes using artificial intelligence.



Cybersecurity

EDRACTIVA

Active EDR server protection. In addition to remote access management and protection.



SECRDOT

Securing the OT network at the Igorre production plant.



Areas of activity for 2025

Strengthen our excellence model for the entire organisation: the Management System

Continuously improving the global performance of the organisation is essential for maintaining production levels, reacting to potential internal or external changes and making it possible to create new opportunities. We are talking about creating a sustainable competitive advantage and reaching profitable growth goals using a management system based in excellence, people and continuous improvement.

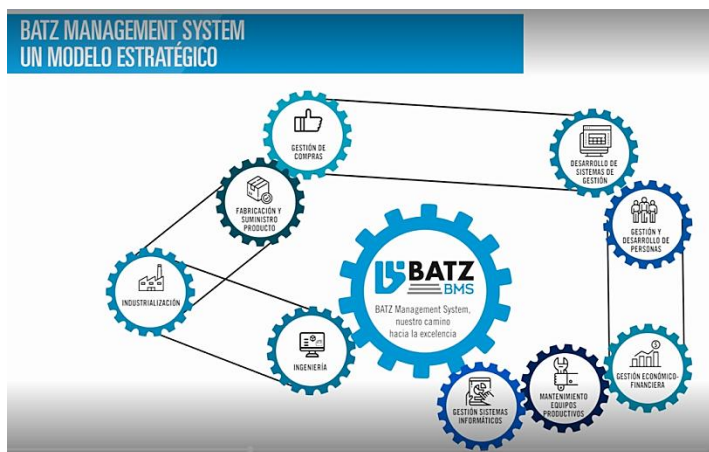


Figure 8. BATZ Management System

- That is the context in which the BATZ Manufacturing System is evolving into the BATZ Management System and becomes a model of excellence based in continuous improvement that provides support for our organisation's entire activity and takes into account the totality of the processes in it to create a standard method for day to day management. In other words, that means the easiest, safest and most effective way to do a task. It is a process that began in 2020 and that throughout 2025 we consolidated in the levels defined in the organisation.

Along those lines, this year the activities have focused on improvement projects. The presence of the corporate team giving support to our plants around BMS, Kaizen Support should be highlighted. It helped us with BMS consolidation and with meeting the goals, achieving greater involvement of the teams.

It is worth noting that this year we have focused on improving data quality and analysis. We have worked to improve data quality and to leverage that data in order to perform more accurate analysis using charts, histograms, and other types of improvement tools that facilitate analysis. In this way, we have improved the efficiency, productivity, and quality of our processes by quickly identifying root causes and thereby reducing the time required to correct them.

In 2025 we continued the deployment and maintenance of the strategy in the area of operations (Igorre, China, Mexico and the Czechia) following the Kaizen leaders standards.

In the area of Excellence at Work, we continue to improve the management of our warehouses through inventory checks and layout reviews at our international facilities. In addition, the new ILUO Matrix training model has been redefined and implemented. This model allows us to manage training from a more social perspective, promoting cohesion, equity, and professional growth among employees by developing their skills, which in turn increases productivity, competitiveness, and the identification of inefficiencies.

Finally, a comprehensive project has been developed to define and standardize preventive maintenance procedures for molds. This work has enabled the establishment of a common technical framework, ensuring alignment of intervention criteria, inspection levels, and operational protocols. It has also facilitated the cross-plant implementation of best practices, contributing to improved mold reliability and reduced variability in maintenance processes.



Figure 9. BMS Advantages

Digital development, crucial in our business management

Sustainability and Cybersecurity. These are two key issues today, and although they may seem unrelated, they are closely linked. Sustainability refers to the ability to maintain a balance between long-term economic, social, and environmental development, while cybersecurity focuses on protecting computer systems and data from external and internal threats.

In an increasingly connected world, cybersecurity has become essential to ensuring sustainability. Businesses and organizations around the world rely on technology to carry out their daily operations, from communication to data management and process automation. If these systems are compromised—whether by a hacker attack or a technical failure—it can cause significant damage to a company’s productivity, security, and reputation.

Furthermore, advances in technology and digitalization have also led to increased energy and resource consumption, which can have a negative impact on the environment. That is why sustainability is key to ensuring the continuity and stability of businesses and society as a whole. These reflect the essence of the changes in the markets and the socio-business environment in which BATZ plays an active role. These drivers of transformation will play a decisive role in the coming decade in helping us achieve our Purpose..

Sustainability

Year 2025:

- We have replaced 70 laptops and 24 workstations. We were very optimistic about the 40% figure because, according to the manufacturers’ data, the difference in performance between a Lenovo ThinkPad laptop and an older HP ProBook is 20–30%, depending on usage.
- We have not managed to reduce storage usage by 25%. We started with 316 TB and ended with 306 TB, which represents a -3.4% decrease.
- All obsolete devices have been donated. Not only workstations and laptops, but also monitors, servers, switches... We have ensured that only unusable items or hard drives with drilled-out data are sent to the scrap heap

Year 2026:

- Reduce server storage usage by 20%.
- Donate or recycle retired or replaced devices

Cybersecurity

Year 2025:

- ISO 27001 certification renewed at Igorre, Artea, and Zamudio.
- TISAX certification renewed at Igorre, Artea, and Industrialdea in AL3.
- ERP project. A study group has been formed and the new ERP system has been selected.
- In Igorre, 70 laptops and 24 workstations have been replaced. We will continue with replacements in 2026 as well. The scope has been expanded to the entire group, as some devices do not support Windows 11 and must be replaced.
- The SOC was replaced in February 2025; PERSEUS was launched.
- Automation of incident response and supply chain protection completed.
- We are continuing with the implementation of Phase 6 of the PDCS, which will take us at least until 2028.
- We are continuing to work on IT administrator permissions. Work outsourced to Inycom's N3.
- IT infrastructure in the Czech Republic completed.
- OT security work continues; we are now focusing on Mexico.
- The fingerprint-based attendance system was replaced with a card-based system in Zamudio.
- The implementation of automatic onboarding and offboarding across the entire group (except Guangzhou) has been completed.

Year 2026:

- Renewal of ISO 27001 certification for Igorre and the Zamudio CPD (we have modified the scope).
- Renewal of the TISAX AL2 certification for Kunshan, Guangzhou, and Mexico.
- Continue with the replacement of equipment that does not support Windows 10.
- Develop an AI-based tool to assist us at the organizational level.
- Complete the adaptation and review of the GDPR in Igorre.
- Continue with the PDCS.
- Continue with the IT administrator permissions project.
- Continue with the group's OT security measures.

2. POLICIES

Anexos, Table 21, Nº 2

2.1 POLICIES DESCRIPTION

The BATZ Group has a set of corporate policies that develop the principles and guidelines that govern our actions; they express the recognition and integration of CSR in our management and governance while shaping our relationship with various stakeholders and helping us to identify, prevent and address any risk of negative impact.



Figure 10. Sustainable Development

With the vertiginous speed at which new technologies, new ways of working, and new forms of interaction are advancing, companies today have had to adapt to significant changes in a short period of time. These changes have also affected the expectations that our stakeholders have regarding our project.

Table 1. BATZ Group Policies

Policies	Description
Code of conduct	This document contains diverse rules and procedures for responsible behaviour for everybody at BATZ including, as far as possible, suppliers, associated people and clients.
CSR Policy	This is the base framework for integrating social responsibility into the BATZ Group business model.
Sustainability Report	This informational document for internal and external stakeholders is about the organisation's performance in regards to the sustainable development goals.
Environmental policy	This is the framework that sets out environmental goals aligned with strategic environmental management.
Occupational Health and Safety Policy	This is the framework that sets out the general principles for how to behave in regards to workplace health and safety.
Quality policy	The guidelines (vision, mission and values) for carrying out business activities are defined in this policy and a commitment is made in it to make the necessary means available for compliance with it and for its periodic review and to promote understanding of it and to propagate it amongst all the pertinent parties.
Information security policy	This policy is aimed at guaranteeing the effective protection of information. It provides added value in all processes by guaranteeing the security, trustworthiness and stability of systems. Continuous improvement is pursued at all times.
Supplier policy	This policy outlines the requirements our suppliers must meet in terms of business ethics, environmental protection, resource conservation, human rights and social norms. The policy is based on international and legal norms in place and in the primary fundamentals of governance, social responsibility and environmental responsibility.

Sexual and gender-based harassment protocol	This protocol contains procedures and resources for preventing and, as may apply, handling potential cases of sexual or gender-based harassment that may occur at BATZ.
Equality Plan	This document contains an ordered set of measures taken after doing a diagnosis of the situation that aim to guarantee equal treatment and opportunities regardless of gender and to eliminate gender-based discrimination
Selection and development policy	The goal of this policy is to bring together the main factors that all the companies in the BATZ group must apply in their staff selection and development processes with the goal of having a team of professionals who are aligned with the mission, vision and values of the company.
International mobility policy	This document collects the items affecting various factors that come into play in any processes in the BATZ Group involving sending individuals abroad, which include economic, professional, psychological, socio-cultural or family issues.
Communications policy	This document defines and establishes the reference framework for integral communications management, including target audiences and the corresponding channels of communication.
Information security policy	This is the reference framework that sets out the guidelines for implementing the information security system for BATZ Group activities, in addition to the responsibilities and authorities of it.
Work-life balance policy	This document contains mechanisms regarding leaves of absence or reduced working hours in the interests of favouring a positive work-life balance
Map of professions	This is the framework that includes professions, descriptions of them and salary ranges.

2.2 POLICIES OUTCOMES

Anexos, Table 21, Nº 3

Our management systems

Excellence and sustainability are two terms that make an indissoluble tandem in any organisation that has made efficiency a goal. That scope of action includes effectively deploying projects that are key to quality and the industrial strategy throughout the Group with a **single and global management system** that ensures compliance with standards, policies, and lessons learned throughout the entire organisation.

The process involved unifying the tools that help us evaluate the solidity and quality of our polices and management, in addition to certification based on the main international standards that provide guidelines for defining and maintaining those systems.

Our management system is comprised of the combination of the organisational structure, action procedures, and necessary processes and resources such that it effectiveness constantly improves. Each of its scopes has a common structure defined by ISO to align with international standards, the high level structure (HLS). In that way, the requirements are defined in a coherent order with the organisation's planning and process management. All the requirements of each standard certified: ISO 9001, IATF 16949, ISO 14001, ISO 45001, ISO 9100, ISO 27001, as well as customer-specific requirements or those derived from legal regulations, are evaluated and included in the different processes that make up our management systems.

On the one hand, we have a system for measuring our performance at a corporate and plant level, which is updated monthly by every manager of an area, plant, or goal. We use a scorecard broken down into indicators for that, which enables us to monitor them periodically and to detect and correct any deviation in the measures adopted practically in real time.

On the other hand, each management system ensures that its effectiveness and efficiency is maintained through the implementation of continuous improvement and using a process-based approach. The monitoring and evaluation of these actions is carried out in the operational meetings of each process, as well as in the operational and strategic committees, both at group, business and plant level, with a minimum of monthly monitoring.



Figure 11. Management system

Both the management systems applicable to each plant and the certifications obtained are available on the BATZ website: <https://www.batz.com/es>.

Aligned with our customers' sustainability strategy

The effectiveness of our management system, as well as the continuous improvement in its performance, has also been endorsed by our customers. In 2025, we once again received excellent ratings in OEM sustainability surveys, which assess key indicators in environmental performance, labor practices, ethical management, and human rights. Specifically, we achieved an average score of 88% on the NQC Supplier Assurance platform, which includes evaluations from customers such as Volkswagen, BMW, Toyota, and Volvo, across all our plants. We also achieved a score of 67 points on EcoVadis, allowing us to maintain our Bronze rating at the group level, in line with the requirements of customers such as Stellantis, Renault, and General Motors. These platforms serve as international benchmarks for sustainability assessment within global supply chains, positioning us favorably within our sector based on our size, business activity, and geographic scope.

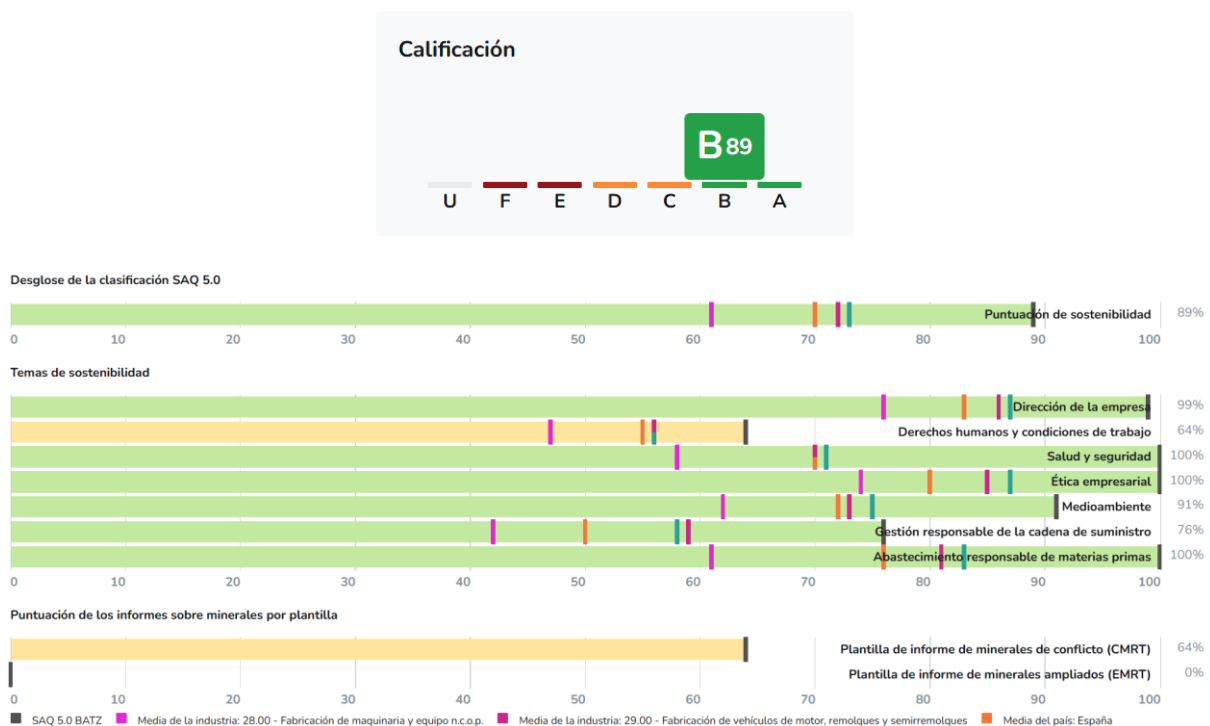


Figure 12. NQC/SUPPLIER ASSURANCE evaluation result (Example BATZ Igorre)

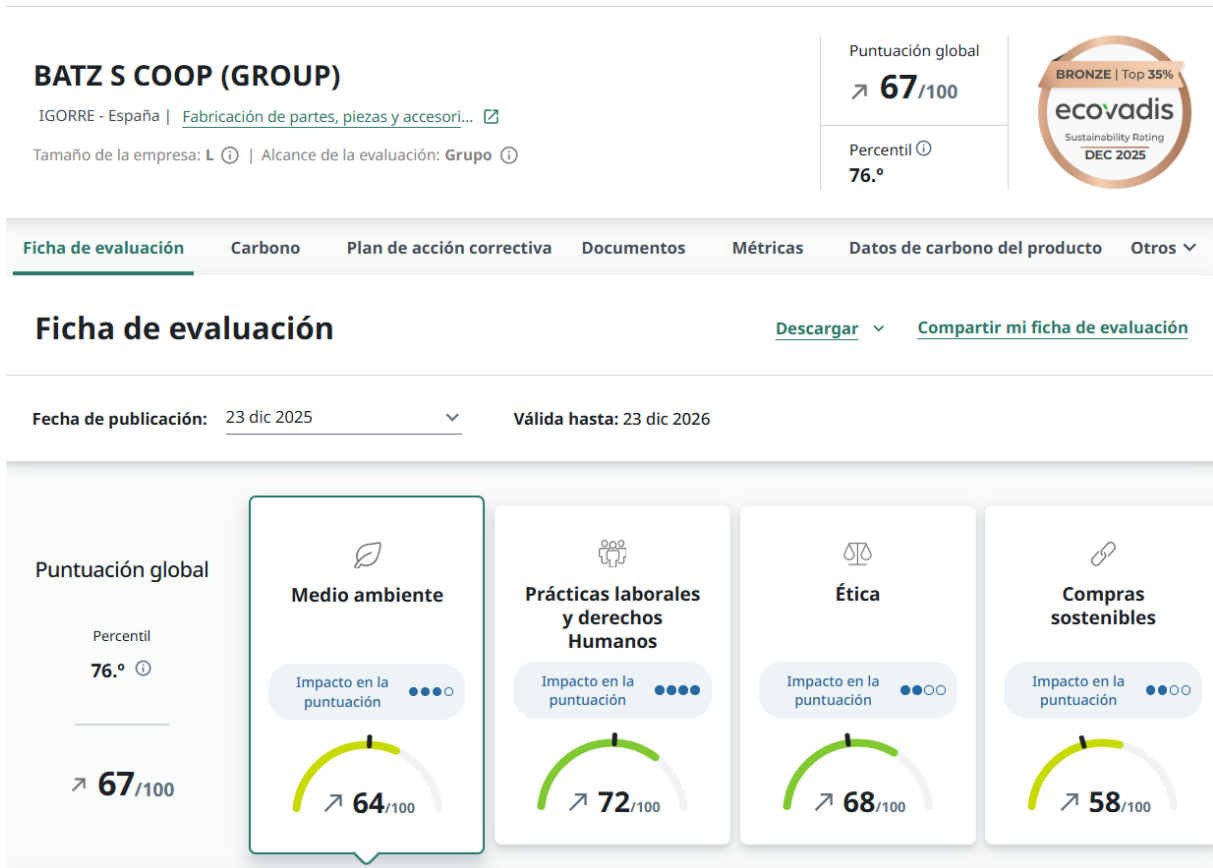


Figure 13. ECOVADIS evaluation result (BATZ Group)

This serves as further evidence of BATZ Group’s progress in the area of sustainability. In recent years, we have made significant strides in ESG performance thanks to the efforts of everyone in our organization, and we should view this as a boost that encourages us to continue our commitment to continuous improvement.

3. SHORT, MEDIUM AND LONG TERM RISKS

Anexos, Table 21, Nº 4

3.1. GLOBAL RISKS AND TRENDS

The main risks we face at BATZ Group and our long-term approach to addressing them have not changed substantially from previous years; they are directly related to trends in our industry, as described in sections 3 and 4 of this report.

Tabla 2. Actual Scenario of global risks and trends

ESCENARIO ACTUAL	
MOVILIDAD	Pasar del sector de automoción al de movilidad, siguiendo las tendencias EASCY (Eléctrico, Autónomo, Compartido, Conectado, Actualizado anualmente)
SOSTENIBILIDAD	En su triple dimensión (medioambiental, sociedad, gobernanza)
EFICIENCIA	Excelencia operacional para cumplir con los requisitos de los clientes
TALENTO	Desarrollo de personas para adaptación a un nuevo entorno
CONCENTRACIÓN DE CLIENTES	Menos players, operaciones societarias en OEMs
GEOPOLÍTICA	Guerras comerciales, tensión arancelaria,...
CADENA DE SUMINISTRO	De la "Globalización" a la "Glocalización", crisis de los semiconductores, incremento precio materias primas,...

To identify risks as well as opportunities for improvement both within and outside the organization, we utilize risk analysis tools and methodologies that enable us to bring rigor, structure, and clarity to our long-, medium-, and short-term strategies.

Today we face a VUCA world, where flexibility, scalability, and technological capabilities play a crucial role. In recent years, moreover, our relationship with vehicle manufacturers has undergone significant changes to which we have had to adapt, requiring the adoption of advanced management models. In this regard, and as is the case with us specifically, innovation—deployed across all areas of the organization—is enabling us to adapt to the new scenarios we face. Today, it is more necessary than ever to have a defined and shared strategy and positioning that allows us to adapt to this environment and thereby ensure our sustainability. And this is undoubtedly about digitalization, efficiency, and competitiveness.

This highly “volatile” environment leads us to identify and incorporate into our management and strategy the key factors that will shape the evolution of the market, the companies operating within it, and, consequently, BATZ Group over the coming years. The impact of these macro trends on the development of our businesses also influences the impact that BATZ Group has on its entire ecosystem.

In this context, taking into account the regions where we operate and the significance of these issues for our company, we have outlined below the priority issues for BATZ and how we are addressing them in the short to medium term..

Tabla 3. Priorities and initiatives of BATZ Group

PRIORITIES	INIICIATIVES
<p>ETHICS AND GOVERNANCE Making decisions and taking concrete actions in accordance with social and individual values and regulatory compliance</p>	<p>Alignment of ESG Policies and Code of Conduct with updated rules and procedures governing the responsible conduct of all BATZ personnel, extending to Suppliers, Associates, and Customers. It also includes the framework that ensures the effective protection of information, adding value throughout all processes, and guaranteeing the security, reliability, and stability of systems. See Sections II, VII, and VIII of the report</p>
<p>PRODUCTS AND SERVICES Development of a value proposition that is competitive, flexible, versatile, and innovative</p>	<p>Our management approach is clearly focused on multiple products, technologies, and clients, enabling us to design and develop products and processes efficiently and with a customer-centric mindset. All of this is grounded in a strong commitment to innovation, as well as operational efficiency and data governance, which allow us to align our solutions with current trends.</p>
<p>PEOPLE AND SOCIETY Talented individuals united and motivated by a shared vision. Strengthening the value chain in a sustainable manner, combining efficiency and reliability.</p>	<p>Drive cultural transformation toward an agile, efficient, and collaborative organizational structure. See initiatives in Section VI of the report.</p>
<p>ENVIRONMENT Excellence and sustainability in processes and products, while minimizing their environmental impact</p>	<p>Promoting the rational and sustainable use of resources, including improving energy efficiency and reducing our carbon footprint.</p>
<p>ECONOMIC ISSUES Smart growth for a scale that fits our market</p>	<p>Improvement in key financial ratios.</p>

3.2 ANALYSIS OF THE RISKS AND OPPORTUNITIES ASSOCIATED WITH CLIMATE CHANGES (TCFD)

The analysis of risks and opportunities provides BATZ Group with a more robust and well-founded understanding, which will serve as the basis for conducting a double materiality analysis, taking into account both the impact of risks on the company and the influence of the company’s operations on the environment and society.

In 2025, the BATZ Group continued to identify transitional and physical risks that could affect its businesses, taking into account their nature, location, and current status. These risks were then prioritized based on their likelihood of occurrence and the severity of their impact, enabling the Group to focus its efforts on mitigation and capitalizing on opportunities more effectively.

TRANSITIONAL RISKS:

For the automotive sector, the most significant transitional risks identified for 2025 include:

- **Emerging climate-related regulations: Changes in carbon pricing, implementation of the Carbon Border Adjustment Mechanism (CBAM), and stricter emissions reduction targets.**

- **Technological risks:** The need to adapt to new sustainable technologies, including electric vehicles, clean energy solutions, and low-emission industrial processes, as well as the risk of falling behind competitors who adopt these technologies more quickly.
- **Reputational and market risks:** pressure from customers, investors and stakeholders toward sustainable practices can affect company's competitiveness if its products and services are not aligned with sustainability standards..

PHYSICAL RISKS:

The physical risks for 2025 are primarily concentrated in resource availability and exposure to extreme weather events. Specifically:

- **Water availability:** Limited water supply, combined with high industrial demand, poses the primary physical risk to BATZ's operations.
- **Extreme weather events:** Floods, heat waves, and other severe weather conditions can disrupt both the supply chain and plant operations, causing significant disruptions.

It is also worth mentioning that the Mondragon Corporation has conducted a study (Analysis of Physical Risks Arising from Climate Change) for its cooperatives in the Basque Country and Navarre, with BATZ Igorre/Artea and BATZ Zamudio among the sites analyzed. The results indicate that temperatures have risen, which may lead to more frequent heat waves and potential effects on worker well-being and the operation of production processes. Furthermore, both plants are located near river areas that could be affected by flooding under certain scenarios, although they are not situated directly in flood-prone zones. Therefore, it is considered advisable to take these factors into account in future planning through stormwater drainage analysis, risk assessment, and the adoption of preventive measures tailored to the characteristics of each site.

OPPORTUNITIES:

Given its maturity, the automotive sector offers clear opportunities related to the green transition:

- **Low-emission products and services:** Development of more sustainable vehicles and energy solutions.
- **Resource efficiency:** Improving energy efficiency and the management of resources such as water and materials.
- **Technological innovation:** Integration of clean technologies and digitization of processes that help reduce the environmental footprint and increase competitiveness.

Overall, identifying these risks and opportunities for 2025 enables BATZ Group not only to mitigate negative impacts but also to capitalize on strategic opportunities related to sustainability and the transition to a low-carbon economy.

3.3 DOUBLE MATERIALITY ANALYSIS

Anexos, Table 21, Nº 5

The BATZ Group is guided by the principles of transparent management and sustainability, taking into account the factors relevant to achieving a sustainable organization in the long term, one that considers the interests of key stakeholders and identifies the main economic, social, and environmental impacts.

In this context, BATZ has reviewed and updated its double materiality analysis in order to strengthen the identification, assessment, and prioritization of the sustainability issues most relevant to the organization. This process was carried out in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), following the top-down methodological approach defined by the European Financial Reporting Advisory Group (EFRAG).

Following BATZ's initial context analysis, this approach is based on the identification and detailed assessment of the Impacts, Risks, and Opportunities (IROs) arising from the organization's activities, with the aim of establishing, based on this analysis, which sustainability issues are material. This approach ensures that materiality is grounded in a specific analysis of the BATZ Group's context, operations, and value chain.

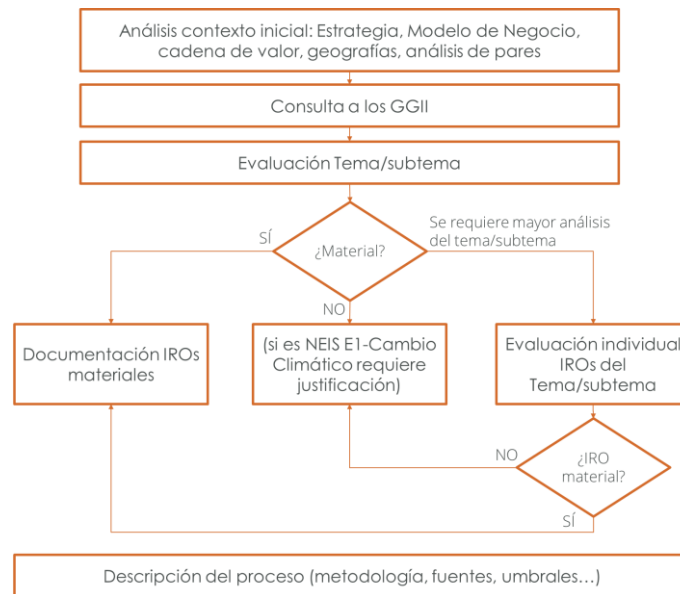


Figure 14. Top Down Methodology

Sustainability at BATZ Group is based on ensuring that the needs of our stakeholders are met, while the business grows and creates value. La metodología aplicada se ha estructurado en dos fases principales.

In the first phase, an initial analysis was conducted of the sustainability topics and subtopics defined in the ESRS standards, taking into account the sectoral context, the Group’s business model, and the applicable regulatory environment. This analysis made it possible to identify potentially relevant topics and those requiring a more detailed analysis from the perspective of IROs.

In a second phase, we identified and assessed the IROs associated with the BATZ Group’s activities. This analysis allowed us to evaluate the dual perspective of materiality:

- On the one hand, impact materiality, which considers the positive (I+) and negative (I-) impacts that the Group’s activities have on the environment and society, taking into account their nature, magnitude, and likelihood.
- On the other hand, **financial materiality**, which assesses the risks (R) and opportunities (O) arising from environmental, social, and governance factors that may affect the Group’s financial position, results, and future prospects.

The following table lists the issues assessed and the results of the double materiality analysis, identifying the material issues for the BATZ Group.

TOPIC	SUB-TOPIC	MATERIAL IMPACTS, RISKS AND OPPORTUNITIES						
		TYPE				VALUE CHAIN		
		I-	I+	R	O	CVA	OPs	CVD
NEIS E1 CLIMATE CHANGE	Climate change mitigation	•	•	•	•		•	•
	Climate change mitigation	•	•	•	•		•	•
	Energy	•	•	•	•		•	•
NEIS E2 POLLUTION	Substances of concern (including SEPs)	•						•
	Microplastics	•		•	•		•	•
NEIS E5 CIRCULAR ECONOMY	Resource entries	•	•	•	•		•	•
	Outflows related to products and services	•	•	•	•		•	•
	Resource outflows (waste)	•	•	•	•		•	•
NEIS S1 OWN STAFF	Working conditions	•	•	•				•
	Social dialogue, freedom of association, works councils, workers' participation rights, and collective bargaining.		•			•		•
	Health and safety	•	•	•				•
	Training and skills development	•	•					•
	Diversity and equal treatment	•	•					•
NEIS S4 CONSUMERS AND END USERS	Personal safety of consumers and/or end users	•		•				•
NEIS G1 BUSINESS CONDUCT	Corporate culture	•		•				•
	Cybersecurity and information security	•		•				•
(OTHER MATERIAL TOPICS)	Social transformation through cooperatives - Community Development		•			•		•
	Sustainable supply chain management	•	•	•	•		•	•

Figure 15. BATZ Group Double Materiality Analysis

The results obtained show a high degree of alignment with the trends and priorities identified in the automotive sector, confirming the importance of key aspects related to environmental performance, responsible supply chain management, human capital, and governance, among others. These impacts, risks, and opportunities affect the upstream value chain as well as the company's own operations and the downstream value chain.

This process provides the BATZ Group with a structured, consistent, and aligned analysis, reinforcing its commitment to sustainable, transparent management focused on generating long-term value.

3.3.1. OUR STAKEHOLDERS

Our mission is clear, we are here to contribute to the success of our clients while participating in the socio-economic development of our environment. socio-economic development of our environment. And this can only be done through trust, integrity, cooperation and transparency. and transparency. Therefore, taking care of and strengthening the relationships we maintain with our stakeholders is key for us.

The BATZ Group's double materiality analysis has taken into account the perspectives of both internal and external stakeholders, with the aim of providing a comprehensive view of the sustainability issues most relevant to the organization. To this end, a consultation process was carried out at the plants by sending questionnaires to key stakeholders, including employees and suppliers, to understand their perceptions regarding the relevance of various environmental, social, and governance issues. As for customers, their interests are analyzed through their ongoing requirements regarding sustainability.

It is worth mentioning that, as a cooperative, BATZ operates under a participatory management model in which employees play an active role in the organization, thereby ensuring that their perspectives are fully integrated into decision-making processes. This approach helps ensure that the materiality analysis accurately reflects the expectations and priorities of key stakeholders, in line with the Group's cooperative values and principles..

Table 4. BATZ Group stakeholders

GRUPOS DE INTERÉS					
INTERNA		EXTERNA			
NUESTRAS PERSONAS	ÓRGANOS SOCIALES	CLIENTES	PROVEEDORES	SOCIEDAD ¹	ADMINISTRACIONES E INSTITUCIONES ²
Cánales de comunicación propios de la Cooperativa	Cánales de comunicación propios de la Cooperativa	Web	Web	Web	Web
Intranet	Intranet	Contacto directo	Extranet	Redes sociales	Redes sociales
Newsletter	Newsletter	Tech days	Reuniones	Entrevistas y artículos en prensa	Entrevistas y artículos en prensa
Reuniones	Reuniones	Ferias y eventos	Redes sociales	Reuniones	Reuniones
Tablones	Tablones	Redes sociales	Visitas a nuestras instalaciones	Jornadas, ferias y eventos	Jornadas, ferias y eventos
Pantallas	Pantallas	Visitas a nuestras instalaciones		Visitas a nuestras instalaciones	Visitas a nuestras instalaciones
Canal ético	Canal ético	Informes		Informes	Informes
Encuestas de satisfacción	Encuestas de satisfacción	Catálogos			
Plan de acogida	Plan de acogida				

¹ Engloba sociedad civil, Mondragon, asociaciones, entidades locales, ONGs, universidades, centros de formación, centros tecnológicos, ...
² Engloba Mondragon, administraciones públicas, entidades financieras, organismos reguladores, organismos públicos de financiación...

4. ENVIRONMENTAL ISSUES

Anexos, Table 21, Nº 6

The **BATZ Group** declares its **ambition to contribute to a better world and provide global, innovative and sustainable mobility solutions**. To those ends, the management takes on the commitment to provide the means and resources needed to achieve that goal and to motivate and involve all interested parties in the initiatives to achieve the goals.

We are committed to excellence and sustainability in our processes and **minimising their environmental impact**, taking every plant's characteristics into consideration. We would like to mention that we have implemented and certified an environmental management system based on the **ISO-14001** standard at the BATZ Group plants to provide all the human and material resources needed to prevent and minimise environmental risks.

We rely on continuous improvement as a reference framework for setting goals that prevent pollution and improve our environmental performance.

Our **Commitments:**



We will guide our **supply chain** and show the importance of reducing the environmental impact it causes.



We will comply with the **legal requirements** and other requirements we set for ourself, correcting any abnormalities that may arise.



We promote the **rational and sustainable use of natural resources, raw materials** and water, ensuring they are managed sustainably, and the **conservation of water quality** and **natural spaces, including biodiversity, land use and deforestation.**



Our carbon footprint will be reduced by designing processes with higher **energy efficiency and promoting the use of renewable energies.**



We evaluate the **chemical substances** we use and set criteria for using them responsibly and **lowering our emissions of greenhouse gasses.**



We are working on preventing **noise pollution** by including acoustic criteria in project management, in addition to periodically monitoring noise emissions.



We make plans to **minimise waste**, making **reuse** and **the circular economy** instead of landfills a high priority.

This policy is communicated internally and it is available to all the organisation's interested parties through internal corporate channels, including the intranet, extranet and externally, and on the BATZ Group website.

Our people; primary agents in environmental issues

It is essential to provide environmental education to our employees, with the aim of training and raising awareness in this area, without losing sight of the "amplifying" role that each person plays in his or her environment. The BATZ Group's sphere of influence extends beyond our production plants. Periodic training is carried out, appropriate to the profile of our employees, adapting environmental training to the needs detected. We have resources adapted to the new technological realities, which allow us to better disseminate our environmental campaigns, such as information pills through the intranet, corporate website, RSS, etc.

Likewise, we pay special attention to the management of emergencies, events which, even though they are punctual and of low probability, require specific actions, planning simulations to evaluate our response capacity. For this reason, we carry out a continuous assessment of environmental aspects, in order to avoid negative impacts before they materialise. We act proportionally based on the principle of prevention. The environmental objectives at BATZ are established with two levels of monitoring: Group objectives and objectives specific to each plant.

We maintain environmental financial guarantees within the policies covered by our insurances, which ensures sufficient economic resources to face a possible environmental liability derived from our activity.

And this commitment to our environment goes back a long way. The first environmental policy at BATZ was created in 2001. It was used as a framework for implementing a management system based on the ISO 14001 international standard. Two years later, they obtained certification for the Igorre plant, the Group's headquarters. We adapted the system at the same time as the standard was renewed, adopting the high-level structure, new risk-based approach and including the life cycle perspective.

Management has made it a requirement to maintain an Environmental Management System (EMS), certified by a third party, at every production plant. New processes, products or expanding facilities are included in the scope of the EMS. We are proud to say that 100% of our production plants are certified under the ISO-14001 standard.

Our actions in this area are aligned with the Sustainable Development Goals (SDGs) of the 2030 Agenda, they are our basis for understanding how we are impacting our environment and society, and for setting the challenges as an organisation. It is our duty to know how to combine sustainability as a business group with the promotion of the circular economy and the transition to an energy model that reduces the consequences of climate change

On the table below, the amount of resources dedicated to preventing environmental risks is shown for 2025 and 2024:

Table 5. Resources dedicated to preventing environmental risks in 2025 and 2024

Environmental risk prevention	2025	2024 *
3rd party audits	10.209,00 €	13.769,06 €
External consulting and training	14.722,00 €	19.038,25 €
Environmental training cost	6.145,00 €	4.955,64 €
Environmental inspections and measurements	14.081,16 €	12.528,50 €
Waste management	249.220,44 €	217.063,89 €
Environmental investments	51.233,21 €	325.000 €
TOTAL	345.610,81 €	592.355,34 €

*The data of 2024 has been corrected

4.1 POLLUTION, OUR ENVIRONMENTAL IMPACT

Anexos, Table 21, Nº 7

Every organisation generates environmental impacts, which, in our case, we quantify and at the same time develop strategies aimed at avoiding or minimising them. BATZ provides human, economic and material resources to each of its plants, in order to achieve full compliance with environmental legislation and any regulations in this area that may be applicable to us as required by our stakeholders. This philosophy leads us to establish plans prioritising the minimisation of waste and emissions, or to improve our energy sustainability.

ENERGY PERFORMANCE

One of the aspects that can most influence industrial organisations is the high energy demand necessary for the development of their productive activities. At the BATZ Group we identify each of our energy sources and report their consumption on a monthly basis.

We have made **energy management** a high priority. Several of our plants have systems that monitor consumption in real time, making it possible to focus on points of high energy demand and take actions that mitigate the derived environmental and economic impacts. All of that data has a high added value.

We use two energy sources: electricity and fossil fuels (primarily natural gas and diesel) We have started to create an energy strategy with every plant based on two premises:

1. The path to consuming electricity from 100% renewable sources.
2. Replacing fossil fuels whenever viable and reducing their use when there is no existing technology that is technically and economically viable.

The distribution of energy consumed in 2025 is shown in the following diagram:

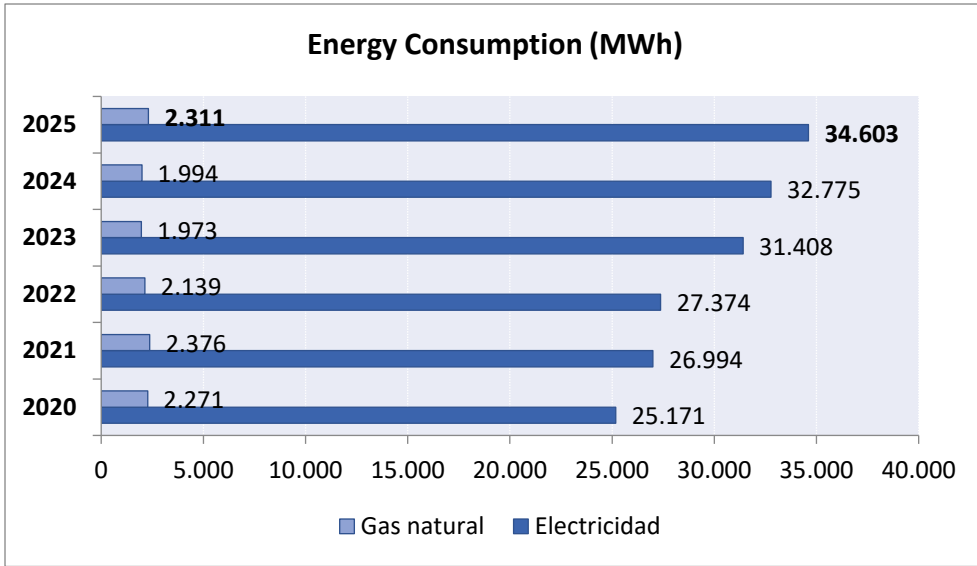


Figure 16. Electricity and natural gas consumption of BATZ Group

Natural gas is used to maintain the thermal comfort of our workers, exclusively for heating, being the energy source of choice in three of our plants.

The rest of the fossil fuels are primarily used by our vehicle fleet, whether for moving loads within our facilities (forklifts) or for vehicles provided by the company for personal use. While it is true that we maintain facilities such as electric generators for emergency situations or fuel-dependent pumping systems in fire protection installations, these have consumed no more than the minimum necessary for their maintenance. Total consumption was 6,738 liters of diesel.

With 36,914 MWh consumed (electricity and natural gas), electricity remains the primary energy source. Although the gross figure has increased, this growth has been accompanied by a rise in production. In addition, energy-efficiency techniques continue to be implemented to maximize available resources. Nevertheless, the result obtained is very similar to that of previous years.

When analyzing the ratio of electricity consumed per man-hour, a 2% increase is observed compared to the previous fiscal year.

BATZ has solar panels at its plants in Igorre, Zamudio, and Guangzhou; the electricity generated by these in 2025 amounted to 489.7 MWh, representing 1% of the BATZ Group's total consumption.

In 2020, energy intensity was included in each plant's monthly report as a key indicator for assessing energy efficiency in relation to the economic activity of each production facility. This index is improved through Energy Efficiency Improvement Plans, maintaining established lines of work, such as replacing conventional lighting technology with LED, conducting audits of compressed air circuits to detect and eliminate leaks, and programming facilities to remain turned off when not needed, among other actions.

In 2025, the recorded value is slightly higher than in 2024, though very similar, leading to the conclusion that energy is being used efficiently and that the measures implemented remain effective.

Energy intensity (kWh/m€)	
2020	159,68
2021	192,22
2022	154,83
2023	150,07
2024	143,70
2025	146,21

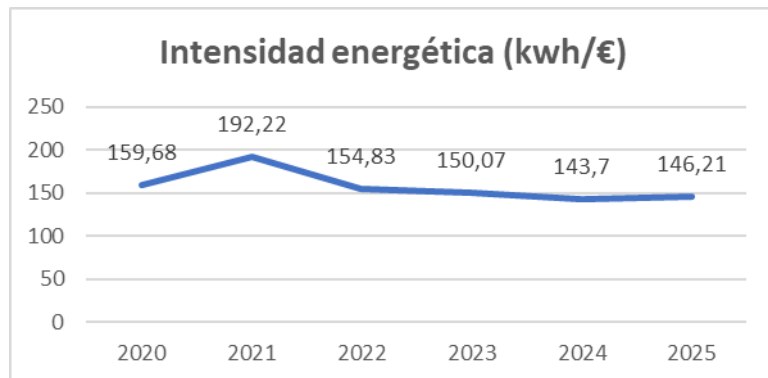


Figure 18. Energy intensity evolution (kwh/€)

ATMOSPHERIC EMISSIONS

Our main air pollutants fall into two main categories: those generated by processes such as welding and machining, associated with pollutants like CO, NOx, and particulate matter; and those resulting from the use of chemicals containing volatile organic compounds (VOCs). Given our processes, the most significant pollutant emissions are VOCs; this is why several plants have begun to prioritize chemical products with zero or low VOC emissions in their purchasing criteria. These substances are not only harmful to human health but also have adverse effects on natural ecosystems, influencing photosynthetic activity and the metabolism of organisms, and they are precursors to photochemical smog.

Each plant monitors its air emissions and complies with the emission limits set by the applicable laws in each country. All our plants report 100% compliance in this regard..

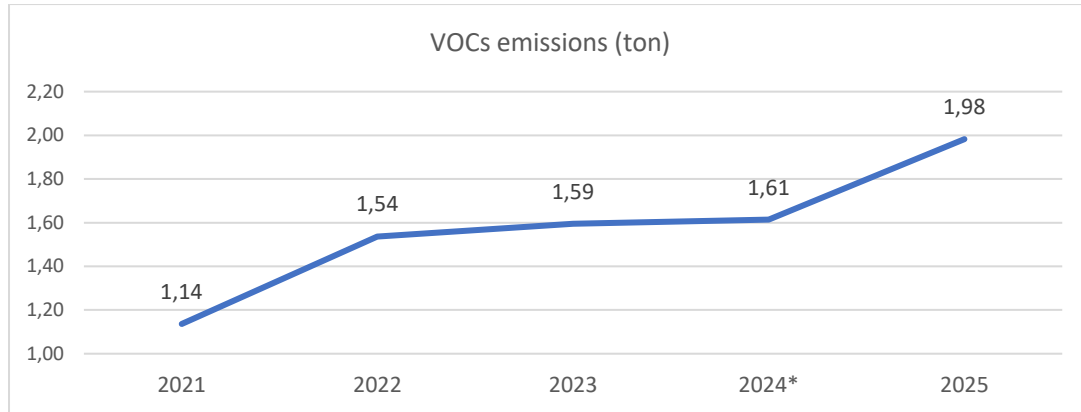


Figura 19. VOCs emissions evolution of BATZ Group

*Data of 2024 has been corrected

CARBON FOOTPRINT

BATZ Group integrates climate change into its strategy and remains aligned with the Paris Climate Agreement and the requirements of our major clients (OEMs).

For this reason, we are embarking on a journey to expand our understanding and calculation of our carbon footprint, reflecting not only the impact of our direct emissions and energy consumption but also those arising throughout our entire value chain.

This is the first step toward achieving the organization's decarbonization in the future and successfully managing our impact.

In 2022, we implemented the process for calculating our corporate carbon footprint using a custom tool (based on the GHG Protocol methodology) that would enable third-party verification.

This report presents data at the BATZ Group level, derived from Scopes 1 and 2 over the past three years. Scope 1 refers to direct emissions from our own sources, and Scope 2 refers to emissions resulting from the generation and consumption of energy.

Table 6. Carbon footprint results of BATZGroup in ton CO2eq and kg CO2 eq/thousand € revenue

GHG category	Ton Co2 eq		
	2025	2024 *	2023
Scope 1	732,4	570,93	668,71
Scope 2	11.883,19	10.447,61	10.530,22
Total (Scope 1+2)	12.615,19	11.018,54	11.198,93

Categoría GHG	Kg Co2 eq/ thousand € revenue		
	2025	2024*	2023
Scope 1	2,89	2,27	2,85
Scope 2	46,82	41,60	44,94
Total (Scope 1+2)	49,71	43,87	48,58

*Data of Scope 1 2024 has been corrected

By analyzing last year's results and comparing them with previous years, we can see an overall increase in emissions in CO2-eq tons, mainly because we manufactured more this year than in previous years. However, when we compare emissions based on annual revenue, we see that they have increased slightly compared to 2023.

It should be noted that the Scope 1 data for 2024 has been corrected, as an error was detected in the accounting of refrigerant gas leaks that inflated the initially reported value. Following the review, the 2024 Scope 1 figure is lower than previously published. However, in 2025, Scope 1 emissions rise again, primarily due to an increase in leaks, emissions of volatile compounds, and a slight increase in natural gas and diesel consumption compared to previous years.

As for Scope 2, it reaches its highest value in 2025 due to increased electricity consumption. Despite this, work continues on energy efficiency measures and the use of energy from renewable sources, maintaining the commitment to improving environmental performance.

Finally, regarding Scope 3, it is worth noting that this year we are working to improve this calculation by including information from the upstream and downstream value chains. We are already seeing that this scope has a significant impact on the overall calculation; therefore, we will need the cooperation of the entire value chain, both for the calculation itself and for identifying actions to achieve decarbonization..

BATZ GROUP DECARBONIZATION STRATEGY

At BATZ Group, our goal is to reduce the organization's carbon footprint by achieving climate neutrality by 2050. To this end, we are working on defining and implementing decarbonization plans over the coming years. Our first milestone is to achieve Scope 2 carbon neutrality by 2030 and Scope 1 and 2 carbon neutrality by 2035.



To begin working toward these goals, we have developed a strategic roadmap until 2035, focusing on actions that have a direct impact on Scope 1 and 2 emissions.

Our main initiatives focus on the following measures:

1. Improvement of energy efficiency
2. Self-consumption: installation of solar panels
3. Purchasing energy with a guarantee of origin (GoO)
4. Transition to an electric vehicle fleet
5. Electrification of boilers and industrial processes
6. Eco-design: recycled materials

4.2 CIRCULAR ECONOMY, PREVENTION AND WASTE MANAGEMENT

Anexas, Table 21, Nº 8

CIRCULAR ECONOMY

Sustainability as a strategy involves promoting the circular economy at BATZ Group. According to this production model, we must reduce the use of virgin materials, minimize waste generation, and extend the life cycle of our products.

For years, we have been promoting raw material savings starting from the design phase of our products. We implement technologies that reduce resource use, such as WIT or MuCell® injection molding, and strive to incorporate recycled materials wherever possible.

Having identified the circular economy as a strategic challenge, it is worth mentioning that in 2025 we worked on various innovation projects aimed at finding solutions for the use of recycled materials (see section 1.4)

Furthermore, this trend is being driven by our customers' demands and requirements. We are seeing that, increasingly, our customers are requesting designs for parts with a minimum percentage of recycled material (post-industrial and post-consumer).

WASTE MANAGEMENT

The metal materials used are 100% recyclable; once they are classified as waste at our facilities, they are sent to recycling companies that remelt them and reintroduce them into the market.

We continue with the composting program at our facilities in the Basque Country, so that the organic fraction resulting from food scraps, cups, and vending machine trays is used to produce compost.

Landfilling is considered a last resort, with priority given to any means of reuse or recycling.

After years of implementing policies to minimize the generation of various types of waste, it is evident that the total volume managed has increased compared to the previous fiscal year due to increased production. This breaks down as follows:

Group Waste (Tn)	2020	2021	2022	2023	2024	2025
Non-Hazardous	3.630	3.687	3.890	4.901	4.749*	5.493
Hazardous	207	150	128	120	215	205
TOTAL	3.838	3.837	4.018	5.021	4.964*	5.69

*Non-Hazardous and total data of 2024 has been corrected

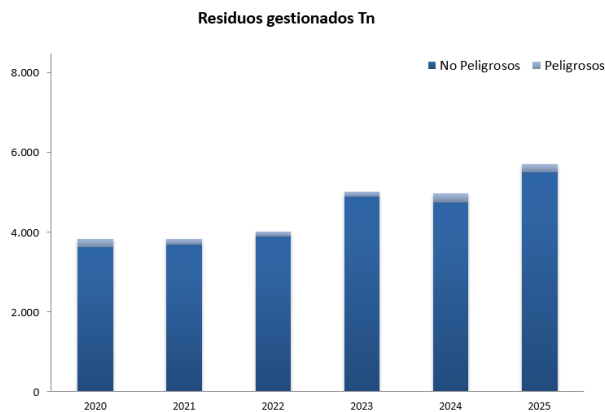


Figure 20. Managed waste evolution of BATZ Group

A monthly reporting metric is established for each plant, based on the amount of hazardous waste generated per hour worked by direct labor employees. This data is valuable for more reliably quantifying this type of waste, as it is generated primarily in the workshops.

Table 7. Evolution of hazardous waste generated per hour worked

2020	2021	2022	2023	2024	2025
0,26	0,06	0,04	0,09	0,15	0,15

$$RP = \frac{\Sigma \text{hazardous waste managed (kg)}}{\Sigma \text{worked hours MOD (h)}}$$

We can say that, in 2024, there has been a significant increase in the generation of industrial waste, which remains stable in 2025. This is concentrated at the Igorre, Czech, and Zamudio plants; the highest-volume hazardous wastes are oily materials, followed by impregnated solids, dirty wash water resulting from workshop cleaning, and, finally, containers that have held chemical products. Non-hazardous wastes are mostly metallic, as they are accounted for by managed weight.

FOOD WASTE

For the food service, BATZ Igorre has contracted the company Gastrobaske, which operates through an on-demand ordering system. This model makes it possible to adjust food preparation to actual consumption needs, thereby avoiding the generation of surplus and, consequently, food waste. The remaining plants do not have their own kitchen or catering food delivery, so food waste is not considered to be generated.

Likewise, none of the facilities has its own cafeteria or canteen, which eliminates the possibility of waste being generated from the continuous or unplanned preparation of food.

This system ensures efficient use of resources and reinforces BATZ's commitment to sustainability and the reduction of environmental impact associated with food consumption

4.3 SUSTAINABLE USE OF RESOURCES

Anexos, Table 21, Nº 9

WATER CONSUMPTION

At BATZ, there are three processes responsible for the water consumption: the cooling circuits in the production areas, the consumption in the areas dedicated to personal hygiene and drinking fountains, and the consumption for cleaning.

We currently have the most efficient cooling systems in place for each plant, transferring the experience of adiabatic coolers from one to another. Also included are actions to reduce water consumption in the bathrooms, including push-action taps with automatic shut-off, aerators to reduce the flow while maintaining the feeling of pressure, dual-flush toilet cisterns, circuit checks for leaks, etc.

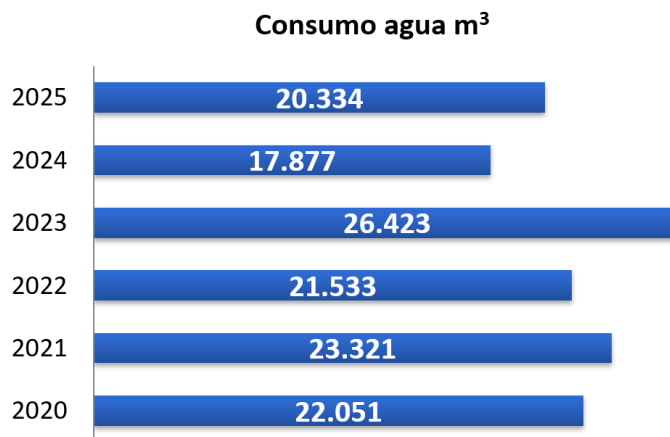


Figure 21. Evolution of water consumption of BATZ Group

Total water consumption in 2025 was 20,334 m³, representing a 14% increase compared to the previous year. The water supply is entirely provided by external networks. We continue to promote responsible water management across BATZ's different plants, in some cases implementing processes for water reuse.

Aware that a significant proportion of water is consumed by our workforce, we report a monthly indicator of consumption relative to the number of employees. The results show that, for the first time since we began reporting, water consumption has become a significant aspect, rising to 2.28 compared to 1.77 in 2018.

RAW MATERIAL CONSUMPTION

Anexos, Table 21, Nº 10

At BATZ we have been integrating sustainability into our product portfolio for years. It provides added value to these products in recognising them as being manufactured with a better environmental impact and guaranteeing that they are less harmful to the environment throughout their life cycle. From the sourcing of raw materials, production, marketing and transport to the final management of waste.

Along those lines, reducing raw material consumption at BATZ has been conceived from the concept and design phase of the products that will be manufactured later. In this way, we apply various design concepts focused on achieving the lightening of the various components and we continue to explore and implement alternatives to further improve our processes. In this sense, and as explained in a previous section of this report, our industrial model of operational efficiency is allowing us to optimise resources and, therefore, the consumption of raw materials. This is achieved by increasing production efficiency in all processes through the implementation of the Kaizen management philosophy of continuous improvement in time, space, waste, inventory and faults.

In absolute numbers, we have consumed 31.543 tons of raw materials, where 34% is of metal origin (10.694 Tn), a 51% is of plastic origin (15.943 Tn), and the remaining 16% of other materials (4.906 Tn).

Raw material consumption

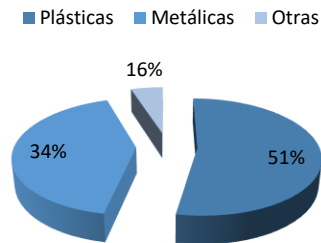


Figure 22. Breakdown of raw materials of BATZ Group

Similarly, we have continued to work on improving packaging materials. The implementation of returnable boxes and the standardisation of packaging has managed to minimise the environmental impact.

ENERGY CONSUMPTION

Anexos, Table 21, Nº 11

In relation to the measures taken in 2024 to improve energy efficiency, it has not been possible to make significant investments. Nevertheless, some actions have been taken in small specific issues. Among the actions taken we can highlight:

- Energy consumption: Installation of an electric vehicle charging station in Igorre.
- Energy consumption: Installing photovoltaic solar panels in Zamudio.
- Energy consumption: Reduce energy consumption by up to 40% by replacing IT equipment over 12 years old, promoting sustainability and technological efficiency.
- Compressed air, reducing leaks found in audits

4.4 CLIMATE CHANGE

Anexos, Table 21, Nº 12

Our commitment to more sustainable mobility is reflected in our day-to-day business. From solutions based in weight reduction innovations and active aerodynamics to production processes, we strive for vehicle efficiency. And, consequently, lower energy consumption and emissions, which contribute to improved air quality in cities and minimising the greenhouse effect produced by the vehicle's CO₂ emissions.

In 2021, our first mobility assessment was launched in the Basque plants, followed by the development of a corresponding Sustainable Mobility Plan, which will be updated in 2026.

Within the framework of its commitment to sustainable mobility, BATZ Group began last year the installation of electric vehicle charging points at its plants in China and Zamudio, which remain fully operational today. As further progress this year, new chargers have been installed at the Igorre plant, thereby strengthening the available infrastructure and reinforcing the group's commitment to emissions reduction and the promotion of more sustainable transport alternatives.



Figure 23. Electric Vehicle charger BATZ Igorre

BATZ Igorre installed photovoltaic panels in 2024, and as a significant development this year, photovoltaic panels have also been installed at the Zamudio plant, strengthening the use of renewable energy and contributing to the reduction of greenhouse gas emissions associated with its operations.



Figure 24. Photovoltaic panels of BATZ Zamudio installed in 2025

4.5 BIODIVERSITY PROTECTION

Anexos, Table 21, Nº 13

Most of BATZ Group's production plants are located in industrial areas. However, the Igorre/Artea plants are situated near the Gorbeia Natural Park and the Urkiola Natural Park, both designated as Special Areas of Conservation by the Basque Government and included in the Natura 2000 network of the European Union. Likewise, the plant located in the Czech Republic is situated near a protected area belonging to this same European ecological network.

In order to assess the potential impact of these facilities on protected areas within the Natura 2000 network, the Natura 2000 Network Viewer tool, developed by the European Environment Agency, has been used. This tool enables the analysis of the location and proximity of the facilities in relation to protected areas, thereby facilitating the identification and evaluation of potential environmental impacts..

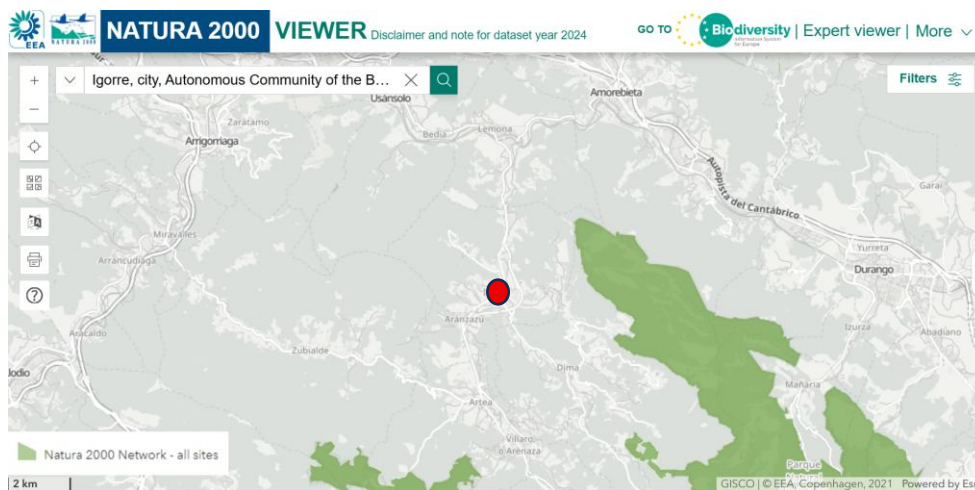


Figure 25. BATZ Igorre Red Natura 2000 viewer

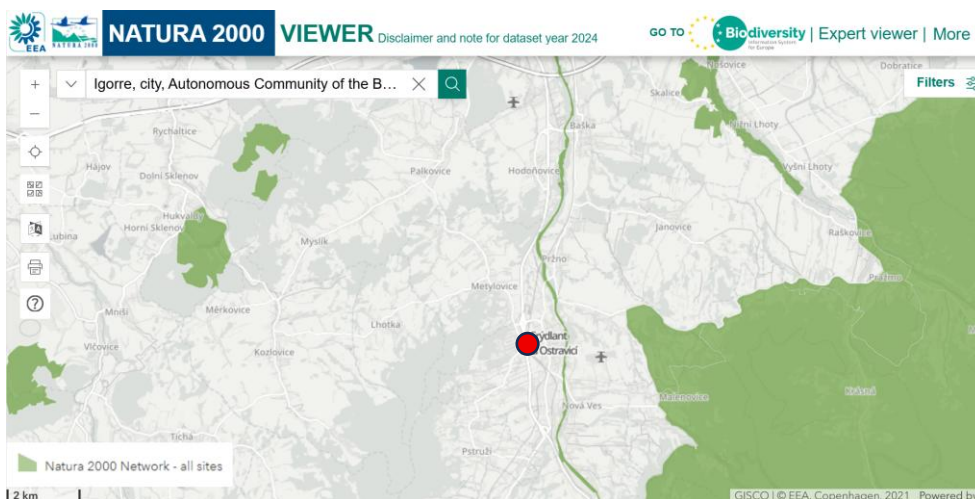


Figure 26. BATZ Czech Red Natura viewer

BATZ Group is aware that any project that could potentially affect areas included in the Natura 2000 must comply with the procedure established under Law 21/2013 on environmental assessment.

In this regard, projects that may generate significant impacts and are not related to the management of the protected area itself must, at a minimum, be subject to a simplified environmental assessment procedure. This is intended to analyze their potential effects on the conservation status of protected habitats and species.

Similarly, in the Czech Republic, this type of activity is regulated by Act No. 100/2001 Coll. on Environmental Impact Assessment and Act No. 114/1992 Coll. on Nature and Landscape Protection, which establish the obligation to assess projects that may affect protected areas, including those belonging to the Natura 2000 network, ensuring the adequate protection of habitats and species of community interest.

As every year, we have once again analyzed the species listed on the IUCN Red List and on national conservation lists whose habitats may be affected in the surroundings of our plants. These inventories include both plants and animals and are intended to identify threats to flora and fauna that require special protection.

Table 8. Number of species and list of the ones that are in critical danger

	Igorre & Artea	Chequia	Zamudio	México	Kunshan	Guangzhou
En peligro crítico	4 Mustela lutreola, Anguilla anguilla, Alzoniella onatensis, , Pseudunio auricularius,.	3 Mustela lutreola, anguilla anguilla,	3 Mustela lutreola, Anguilla anguilla , Acipenser sturio	1 Campephilus imperialis	4 Mauremys mutica , Rafetus swinhoei , Acipenser sinensis , Lipotes vexillifer	4 Mauremys mutica , Rafetus swinhoei , Acipenser sinensis , Lipotes vexillifer

The analysis carried out has identified changes compared to the previous year in the surroundings of BATZ Group's plants located in Igorre/Artea and Zamudio. Specifically, a reduction has been observed in the number of species classified as critically endangered, according to the criteria of the IUCN. This evolution reflects an improvement in the status of the most threatened species in the areas analyzed.

6. SOCIAL AND EMPLOYEE ISSUES

BATZ is made up of a team of **people committed** to the long-term success of our venture, working each day to achieve this common goal. And in order to do this, we strive to provide a safe and healthy environment where diversity, equal opportunities and the training and development of our people are paramount. In short, a place designed by and for people.

Our people management model

The BATZ Group manages people using a structured model that monitors them from the moment they enter until they leave the organisation, regarding their stay at BATZ as a process of continuous development. We are talking about the Employee Life Cycle model (hereinafter, ELC).



The ELC model is structured around our strategy and, as a result, around the people management strategies that are established in order to achieve these first strategies which, logically, go hand in hand. The different systems and **processes** for managing people that will be used as a guide throughout their entire professional career are identified and developed based around that nucleus.

Recruitment and selection

One of the pillars of people management at BATZ. But rather than "selection", we like to refer to this process as talent recruitment, basing this process on our competency-based management model. Identifying the profiles needed, or in a more specific way, the technical and transversal skills that are critical for positioning and for the organisation itself, the latter of which are tied to corporate values, will be used to back the recruitment process. Recruitment may be done internally, in the form of internal promotion (mostly described in the next section "Development"), or externally by attracting and selecting new candidates.

When it is a matter of attraction and selection, BATZ identifies and manages several channels of communication they can contact their environment through to attract talent.

- We are committed to strengthening relationships with universities or professional centres in a structured and **ongoing way**. (table of collaborations in the Society section)
- We have relationships with research centres or entities that **bring together** a lot of knowledge. (table of collaborations in the Society section)
- We participate in several employment fairs (table of collaborations in the Society section)
- We have **periodical** visits to our facilities by educational centres to **promote our organisation and transfer our knowledge to external centres or institutions**.
- We make professional opportunities at the BATZ Group visible with online tools like job sites, the **corporate** website and social networks (LinkedIn, MONDRAGON People and others where knowledge is exchanged). (Map of communication defined in the BATZ Group communications policy)

When a person joins the company for the first time, their expectations begin to be met.

This first meeting occurs at the time of the initial reception, which is **indispensable as a starting point in the long term relationship that will be nurtured with the person hired**. In the **greeting**, it is necessary to present the project so that the person feels **welcome**, teaching what BATZ is, the values it works with, how it is **committed to developing and managing** people, how they can move in the company on

a daily basis (administrative aspects) and introducing their position (and the Occupational Risk Prevention topics associated with it) and the main relationship networks in which they will be working every day.

After the implementation of the new model of the welcome plan in 2020-2021, the updating the modules required for adapting it to the new requirements established by the Management Systems, like information security, cybersecurity, compliance, environment and the GDPR policy.

On the other hand, when selection involves moving to another country as part of a professional development and value transfer project, ways of doing things and internal knowledge in the organisation, the company has an international mobility policy that defines the generic framework of the conditions for moving abroad, aspects of coverage in the destination and how the return to the home country should be managed and other issues.

Development

Once a person becomes part of the BATZ dynamic, we take care of his or her development. We give recognition and incentives for effort, **commitment** and hard work through **strengthening internal promotion as the main path for professional development**, equal opportunities and using a model of professions. In addition, every year we work on creating training plans for people's personal and professional growth by identifying not just technical actions, but also actions that support and foster development in transversal areas (there is more information about the issue in the "Training" item).

Job descriptions are necessary to complete the process. The project to create them is already consolidated at the group level. And they make it possible to identify the soft skills and technical skills required to best perform every job. They are also an important ally not just in the hiring process, but also for defining development activities for our people.

Commitment and retention

For the success of any project it is fundamental that the person feels appreciated and recognised within the organisation. They must also feel like they are part of the project, that the strategic goals are their own and they must be aware of the impact of their contributions on the project.

To those ends, BATZ has defined several internal practices and policies that intend to work like a positive lever for those purposes. Some of them are shown below.

- Carrier curves are identified (in the sense of both horizontal and vertical mobility).
- Structured social benefit systems are established.
- Policies are defined that make a healthy **work-life balance possible**.
- Organisational models are improved to favour the development of people's skills and person-job adaptation.
- Internal communication processes are addressed, which are very important to achieving people's commitment.
- In the management of people, **diversity and gender equality is encouraged and appreciated**.
- Work is done continuously to guarantee safety, protection and risk prevention for our people.

All policies and their description are available in item 2, Policies

Leaving the organisation

As well as being welcomed, at BATZ we consider it **vitaly important** to manage the departure from our organisation. Regardless of the reason for a departure, we are aware of the dedication, time and effort in making our business grow. And **to those ends, we understand we should make the transition easier and prepare the organisation for managing the process**. Specifically:

- this departure may be **due to retirement or early retirement** (which may involve specific retirement plans and the management of administrative processes to support their entry into this new situation).
- It might also be a departure from the organisation that involves helping the **worker by setting up various outplacement processes**.

In any case, whenever a person leaves the organisation sets the corresponding succession plans in motion in an effort to make the transition as agile and trouble free as possible.

At BATZ we hold events and celebrations aimed at stimulating the feeling of belonging and building professional relationships between all BATZ members.

6.1. EMPLOYMENT

Anexos, Table 21, Nº 14

The variability of the market and, more specifically our sector, combined with issues like the impact of supply chain limitations and our responsibility to ensure the safety and well-being of our people in a scenario that was still a global pandemic, has affected employment for us at a group level. In any case, the new paradigm we find ourselves immersed in has not stopped us from maintaining our commitment to employment as one of the key pillars of our business activities (76% of hiring is permanent).

In the charts below, the evolution of the staff mentioned above is described including the percentage of distribution of the staff at the close of 2025 at each plant. And you can see our commitment to employment stability through permanent work contracts in light of the staff variations we have been able to undergo in the volatile scenario the sector is currently going through.

Table 9. BATZ Group Staff by gender of 2025 and 2024

Staff number by gender (by 31 december)	2025	2024
Women	281	273
Men	802	800
Total	1.083	1.073

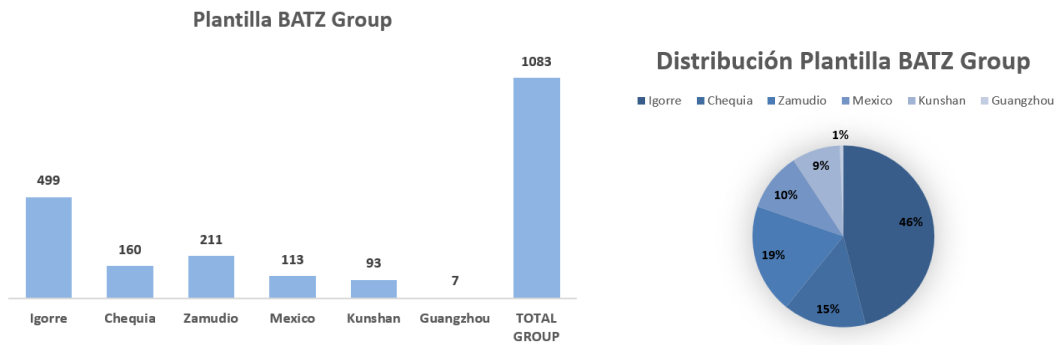


Figure 27. BATZ Group staff distribution by plants in 2025

Table 10. Numer of employees by profesional category and age groups in 2024 and 2025

Numer of employees by profesional category and age group (by 31 december)	2024	2025
Rest MOD		
Under 30	55	51
Between 30 and 50	367,5	328
Over 50	144,5	207
Rest MOI		
Under 30	49,5	42
Between 30 and 50	261,5	226
Over 50	92,5	127
Middle Management		
Under 30	9	4
Between 30 and 50	45	46
Over 50	16	18
Managerial Positions		
Under 30	0	0
Between 30 and 50	20	19
Over 50	12	15

Table 11. Number of employees by profesional category and gender in 2024 and 2025

Number of employees by profesional category and gender (by 31 december)	2024	2025
Rest MOD		
Women	137,5	144
Men	429,5	442
Rest MOI		
Women	112,5	116
Men	291	279
Middle Management		
Women	16	15
Men	54	53
Managerial Positions		
Women	7	6
Men	25	28

Table 12. Number of employees with permanente contract by the end of 2025 and anual average

Number of employees with averga econtract	2025	Anual avergae
By gender		
Women	191	223
Men	632	694
Age		
Under 30	49	60
Between 30 and 50	451	522
Over 50	323	325

Professional classification		
Managerial Positions	29	32
Middle Management	60	64
Rest MOI	314	329
Rest MOD	418	480

* The ETT (temporary staffing agency) agency the plant in Czech works with does not provide information about the age of people hired

Table 13. Number of workers with part time contract by the end of 2025 and anual average

Number of workers with part time contract	2025	Anual average
By Gender		
Women	19	19
Men	13	13
Age		
Under 30	3	3
Between 30 and 50	26	26
Over 50	3	3
Professional classification		
Managerial Positions	0	0
Middle Management	2	2
Rest MOI	24	24
Rest MOD	6	6

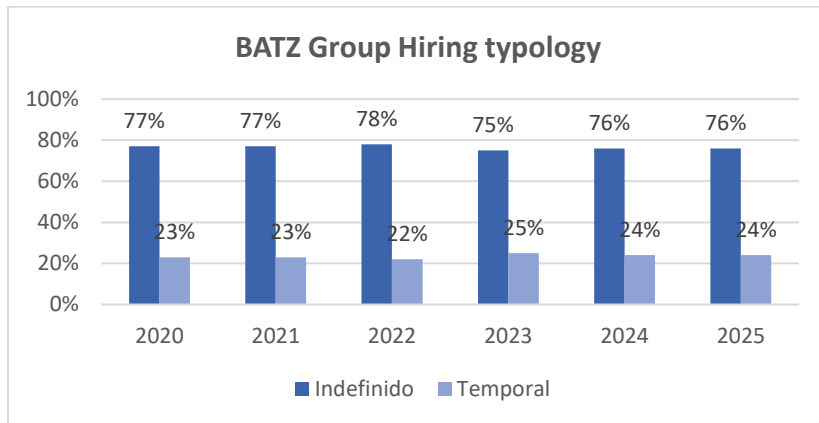


Figura 28. Evolution of hiring typology of BATZ Group

Likewise, the positive evolution of indicators like employee seniority in our organisation at a group level should be noted. Seniority indirectly reflects the employment stability mentioned previously and is staying inside the trend of 11,14 years at the close of 2025 and it is in line with the indicator at the close of the previous year.

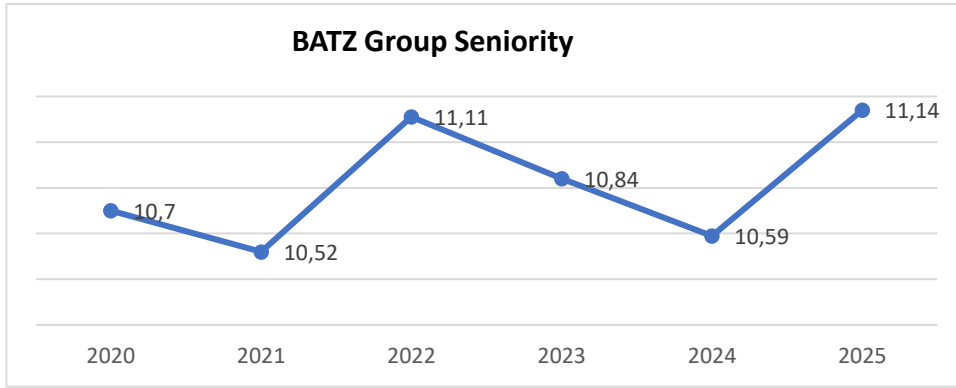


Figura 29. Evolution of Seniority of BATZ Group

In terms of the distribution of the workforce according to type of working hours, 2022 was the first year in which this data was obtained, showing that 97% of the workforce works full-time compared to 3% who work reduced hours, within a global Group-wide workforce with an average age of 40.68 years.

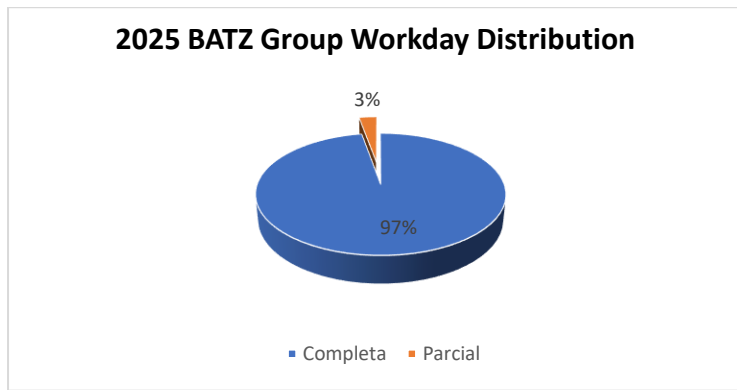


Figure 30. Distribution of workday BATZ Group 2025

Regarding the distribution of staff by age range and professional category, as shown in the following charts and following the trend of recent years, the largest share of the Group's workforce is between 30 and 50 years of age, and it is the MOD and MOI groups that account for the highest percentage of the total workforce as of the end of the 2025.

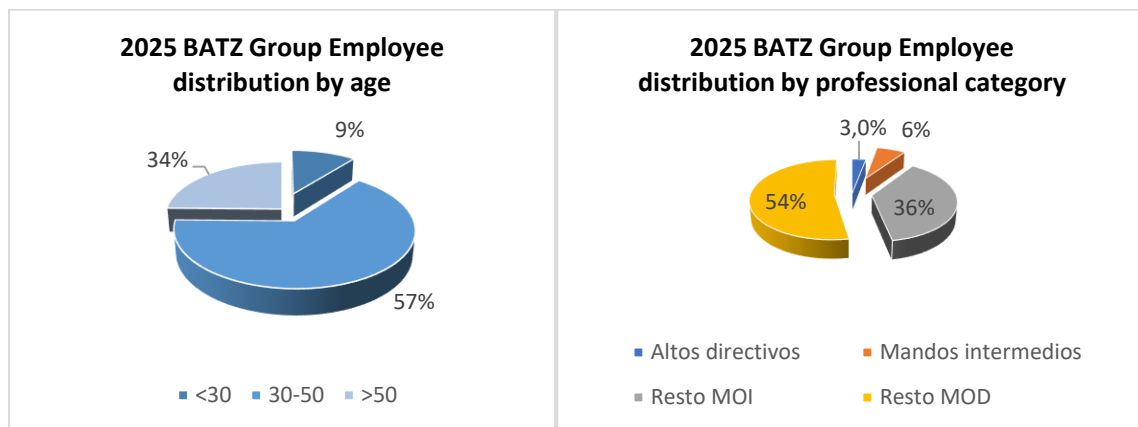


Figure 31. Distribution of BATZ Group employees by age and profesional category

Anexos, Table 21, Nº 17

As previously stated, although market volatility and conditions, as well as the impact of external variables, have required us to adapt our organization to the new scenario we were facing, this has not meant abandoning our commitment to issues such as maintaining stable hiring practices. As a result, the average length of service at Group level has remained in line with the previous financial year.

Regarding the turnover rate, in the current context—where retention, recruitment, and the attraction of talent have become key drivers in people management policies and practices, and where labour competition for attracting talent is increasingly demanding—the monitoring of this indicator is essential in order to ensure a professional environment in which our employees choose to remain with the company.

Thus, the 2025 financial year ended with a turnover rate of 2%. In order to define actions and practices that foster a favourable environment for the continuity of our employees, which is key to the sustainability of our organization, continuous monitoring of this indicator is necessary.

Table 14. Numer of terminations by gender and age group of 2024 and 2025

Number of terminations	2024	2025
By gender		
Women	22	45
Men	51	60
Age group		
Under 30	27	33
Between 30 and 50	44	47
Over 50	2	1

Due to the characteristics of some of the companies in the BATZ Group, two of which are cooperatives, remuneration depends on the cooperative's profits. The table of remuneration itemised by the main variables is shown below:

Tabla 15. Remuneraciones 2025 por plantas, sexo, grupos de edad y categoría profesional

Remuneration by plant	Igorre	Zamudio	Czech	México	Kunshan	Guangzhou
By gender						
Women	32.786 €	40.535 €	13.285 €	9.298 €	18.449€	10.554 €
Men	39.631 €	37.496 €	14.371 €	14.779 €	24.143€	13.036 €
By age group						
Under 30	29.057 €	36.950 €	9.766 €	8.764 €	14.366 €	8.066 €
Between 30 and 50	37.494 €	36.403 €	15.004 €	13.738 €	22.080 €	11.537 €
Over 50	40.701 €	40.318 €	13.252 €	14.983 €	*	21.527€
By profesional classification						
Managerial Positions	83.871 €	80.357 €	34.854 €	41.790 €	*	*
Middle Management	49.373 €	50.780 €	25.434 €	16.947 €	54.316 €	-
Rest MOI	39.237 €	44.308 €	18.040 €	12.314 €	32.530 €	13.124 €
Rest MOD	35.316 €	31.852 €	10.017 €	7.503 €	14.611 €	10.436 €

* The figures for management positions at Kunshan and Guangzhou and employees over 50 at Kunshan are not shown to ensure the protection of personal data

6.2 WORK ORGANIZATION

Anexos, Table 21, Nº 22

Promoting good work-life balance for people is a key milestone to highlight in our organisation's management. Beyond the traditional leaves of absence for maternity or paternity, at BATZ we have tools that promote flexible hours for coming in and leaving work and for meals, management and overtime, holiday pay, reduced schedules in summer, and other things. All of them are regulated and described in both the overtime policy and the flexible workday policy and the collective bargaining agreements and internal rules for each plant. We would also like to highlight our work-life balance policy, a document that includes mechanisms for leave of absence and reduced working hours. The percentage of employees included in collective bargaining agreements is 100%.

In this regard, although this is an indicator over which our organization has limited ability to influence, below we detail the Group-wide distribution of parental and maternity leave at BATZ, which shows that in 2025 the proportion of employees taking this type of leave in our organization was higher among men..

**Distribución permisos parentales
2025 BATZ Group por género**

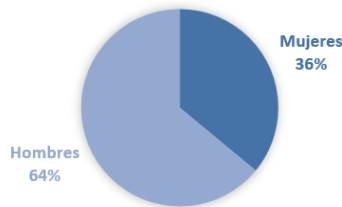


Figure 32. Parental leaves distribution of BATZ Group 2025

Likewise, an essential part of our analysis of work organization is the monitoring of the absenteeism rate. The absenteeism rate for the 2025 financial year (6.6%) was lower than that of the previous year. The total absenteeism hours amounted to 138,470 hours (lost hours).

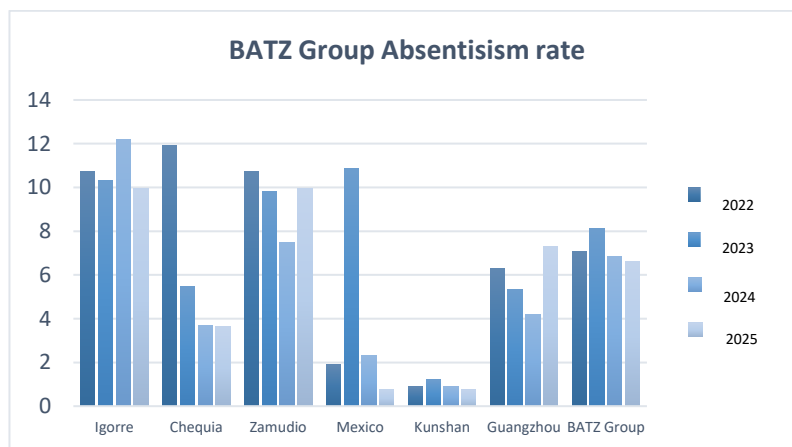


Figure 33. BATZ Group Absentism rate by plants

Formula for the Calculation: % absenteeism = number of NON productive hours / total hours worked (also taking into account leaves of absence, licenses, maternity/paternity leaves...

Anexos, Table 21, Nº 20

Although the BATZ Group does not have specific measures regarding the right to disconnect, this was an aspect that was given particular emphasis during the pandemic period through informational capsules, given the high percentage of employees working

remotely due to the instability and ongoing situation related to COVID-19. Through these informational capsules, the aim was to protect our employees' rest periods, in order to minimize as much as possible the impact on work-life balance.

Anexos, Table 21, Nº 21

The BATZ Group facilitates access to employment for people with disabilities either through direct hiring or by subcontracting products and services to special employment centres, with one approach or the other being adopted depending on the country in which we operate. As of the end of December 2025, there were 3 people with disabilities working within the Group. Work is also commonly subcontracted to companies employing people with disabilities, such as Lantegi Batuak.

6.3 OCCUPATIONAL HEALTH AND SAFETY

Anexos, Table 21, Nº 23

During 2025, at BATZ we have continued to invest in the training of our employees in Occupational Health and Safety (hereinafter OHS), as we consider it a strategic pillar for the successful achievement of our objectives. Thus, during the 2025 financial year, a total of 2,193 hours of training were delivered in this area, a higher number of hours than in the previous year..

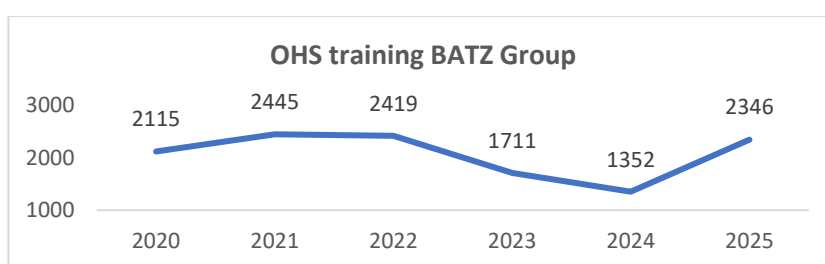


Figure 34. OHS training hours evolution BATZ Group

Currently, all the BATZ Group plants are certified according to the ISO 45001 international standard, which shows our people and clients that health and safety is an intrinsic value to the DNA of our organisation.

At BATZ we facilitate and ensure the performance of the tasks and activities of all the people who make up the company in a safe environment, verifying that all prevention, safety and ergonomic requirements are met, and offering the necessary training and methodology for the correct performance of our operations. Along these lines, we have implemented a certified occupational health and safety resource management system and an occupational risk and prevention plan. We also have an occupational health and safety policy that is adapted to each production plant.

We undertake information, consultation and participation actions for workers and their specific representatives in matters of prevention, health and safety. These actions are coordinated through occupational health and safety committees (OHSC) and prevention officers in the plants and, in those where they are not required by law, through external prevention services. Their responsibilities include the planning of preventive activities and the choice of equipment, plant and processes involving the introduction of technologies that generate previously non-existent risks, or that amplify existing ones. The OHSC will report on any other action that may have substantial effects on the safety and health of workers.

Insofar as the indicators regarding accidentality, a summary chart is included below with the evolution of accidentality by type of event.

Classification of accidents and incidents at the Batz Group:

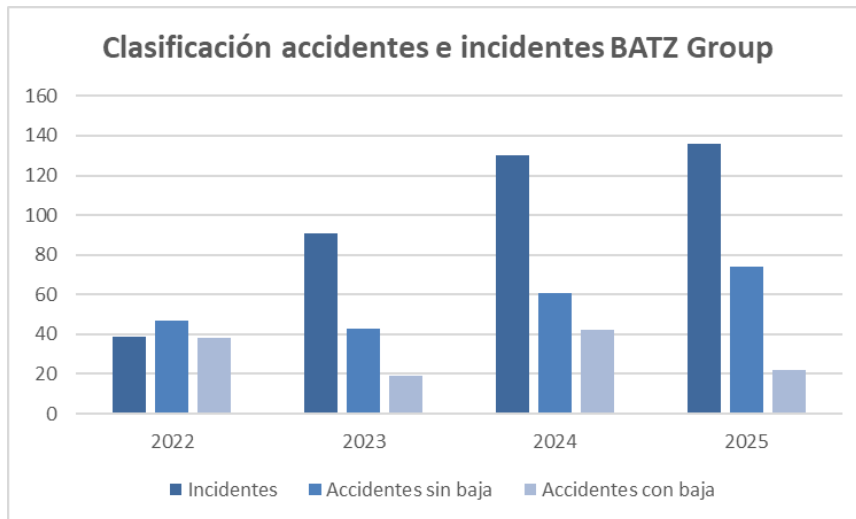


Figure 35. Evolution of accidents and incidents at BATZ Group

Evolution of the range of indices at the BATZ Group:

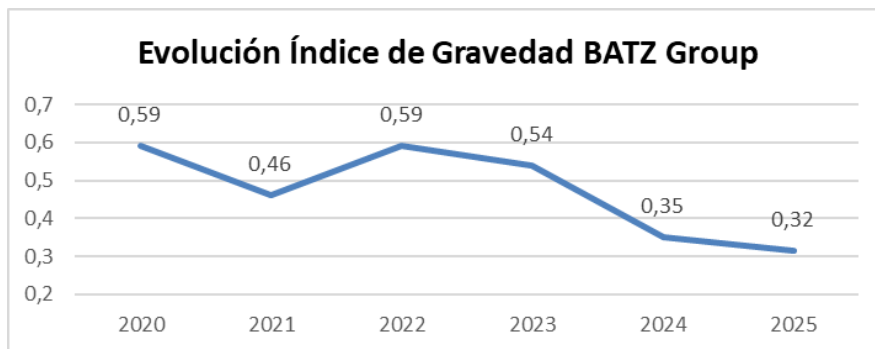


Figure 36. Severity Index Evolution BATZ Group

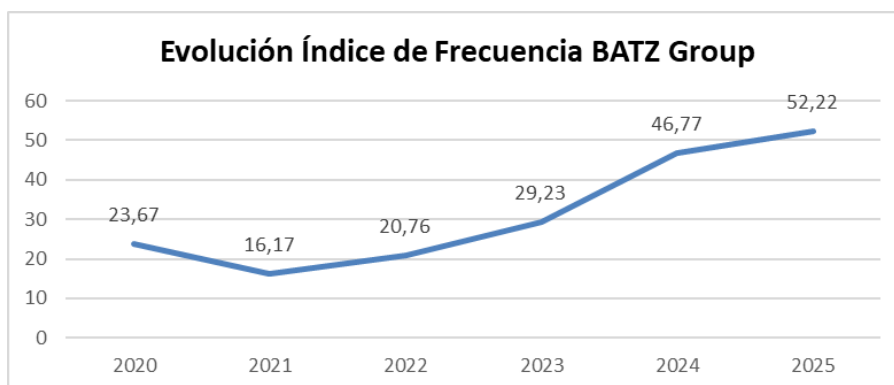


Figure 37. Frequency Index Evolution BATZ Group

(*) calculation of indicators
 Severitys index (no. workdays lost/no. hours worked)*10E3
 Frequency index (no. accidents / no. hours worked)*10E6

We have our own in-house medical and nursing service, mainly through agreements with mutual insurance companies and other entities, at all our locations. In addition, we periodically promote health campaigns and activities to encourage healthy life-style habits, specifically:

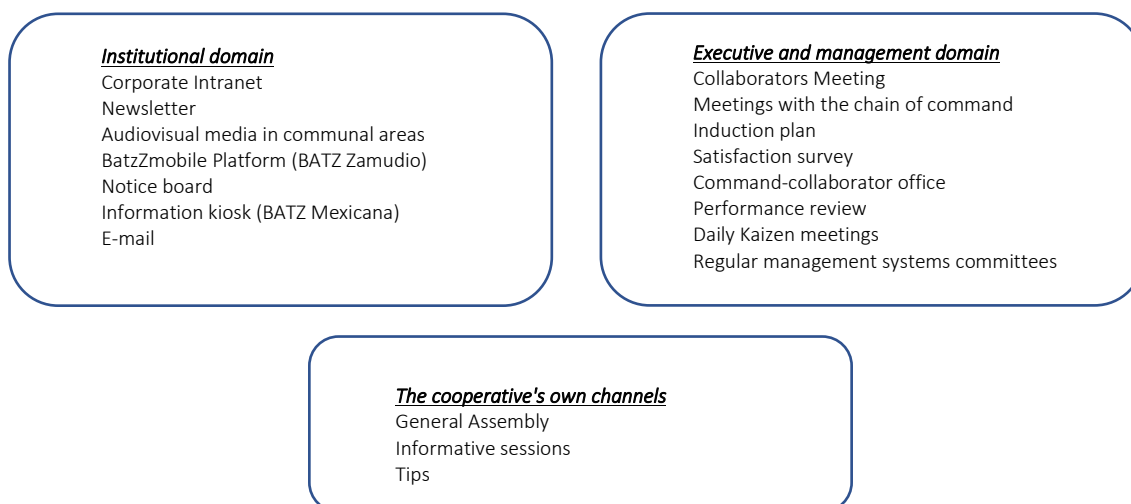
Chronic disease screening campaign, health week, vaccination campaigns (Influenza, TD, hepatitis, reproductive health, first aid), nutrition sessions, anti-smoking campaign, health careers..

6.4 SOCIAL RELATIONS

Anexos, Table 21, Nº 24

The organisation of social dialogue, including procedures for informing, consulting and negotiating with staff, is defined in accordance with the legislation of each territory. Respect for trade union and labour legislation, non-discrimination policies, compliance with the Code of Conduct, as well as occupational health and safety are all priorities for us.

The channels, objectives and basic contents of internal communication in BATZ, as well as the issuers that must facilitate the galvanisation and effectiveness of BATZ's internal communication processes, are of a global nature for all the Group's companies and subsidiaries. Notwithstanding the above, and given the cultural, organisational and societal differences of the companies in the group, they may choose to approve, in the corresponding bodies, additional channels of communication or locally applied adaptations that, in any case, adhere to the lines defined in the global BATZ group policy.



100% of our plants comply with the applicable laws in every country. Insofar as the cooperatives, because of their idiosyncrasies we do not have collective bargaining agreements, instead we have internal statutes and regulations that comply with the laws that apply to us and in many cases we improve the law.

6.5 TRAINING

Anexos, Table 21, Nº 25

In a dynamic environment like the automotive industry, where management through processes that favour retention has become indispensable, training our professionals is a fundamental axis of our work that lets us adapt to real needs and changes that arise in the market. To those ends, we base ourselves on a system of identifying areas to develop (training and development plans) in the framework of the skills based management model, which spans describing jobs to evaluating people's skills and their subsequent development. Identifying areas to develop that will later be integrated into the training and development plans includes not just actions for developing technical skills, but also transversal ones.

At BATZ we promote training activities that affect the totality of our workforce in languages, corporate and technical skills and management systems, to highlight a few.

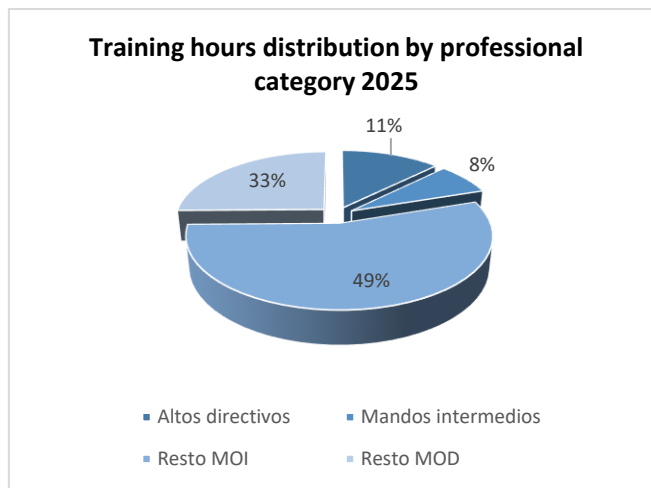


Figure 38. Training hours distribution by professional category 2025

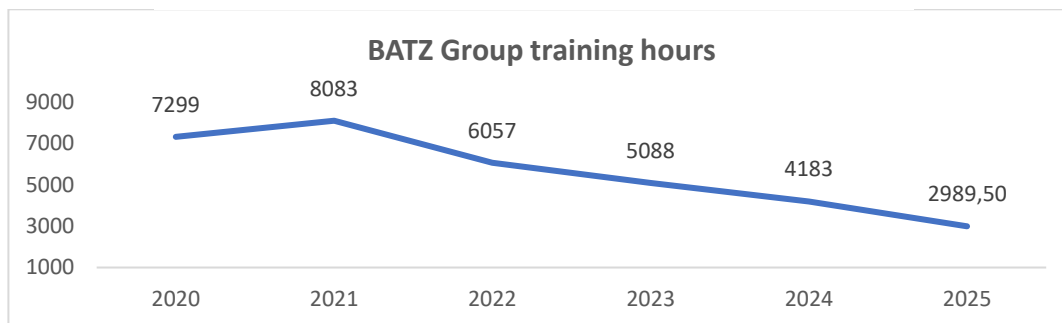


Figure 39. BATZ Group 2025 training hours

Insofar as the distribution of the training by training areas, the details for the relative weight of each one are shown where, as mentioned in the occupational health and safety section, it accounted for the area with the greatest investment. Likewise, the increase in environmental training should be highlighted.

6.6 UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

Anexos, Table 21, Nº 26

There are several lines of work developed by BATZ Group around employability, integration and support for groups with different abilities.

On the one hand, as mentioned above, at BATZ we facilitate access to employment for people with disabilities either through direct hiring or by subcontracting products and services to special employment centres. On the other hand, we collaborate with associations and initiatives to promote social and labour integration, as detailed in the Society section of this report.

6.7 EQUALITY AND DIVERSITY

Anexos, Table 21, Nº 18 y 19

The BATZ Group is committed to the economic well-being, diversity and development of its employees. For that reason they guarantee compensation transparency between its employees and the absence of gender based salary discrimination. They are working to create effective compensation equality for women and men based on internal promotional policies for hiring and development, as well as applying a model of professions, which is a framework that includes different professions, descriptions of them and their range of compensation.

The salary gap in 2025 was 11,83%, very similar to the value of last year (12%). It was calculated using the ratio of base the base salary and the remuneration of women compared with men, as indicated in the formula shown below.

$$\frac{(M-F)}{M} \times 100\%$$

M Average hourly pay rate male
F Average hourly pay rate male women

Anexos, Table 21, Nº 27

We are a project that was born as a cooperative and currently has a worldwide presence and a multicultural nature. It is a global group, in which there is room for diversity in the people who make up the group. In accordance with the above, and as stated in our Code of

Conduct, we expressly undertake not to discriminate on the grounds of race, religion, sex, age, nationality, sexual orientation, gender identity, marital status, disability or any other circumstance that could be a source of discrimination.

We recognise and encourage effort and hard work through internal promotion policies, selection and development policies, work-life balance policies and the application of a career model. We are very aware that promotion is based on merit, ability and individual performance.

We also have a Protocol against sexual and gender-based harassment, which was renewed in 2022, which includes procedures and resources for the prevention and response, where appropriate, to possible cases of sexual or gender-based harassment that may occur at BATZ.

In the specific case of BATZ Mexicana, we also continue to work closely with the State Government and maintain our status as an Inclusive Company, which we were already awarded for in 2019.

You just need to look at the indicators the BATZ Group monitors for this issue, which can be seen below. Insofar as the female collective in our organisation, the percentage of women at the BATZ Group is 26%.

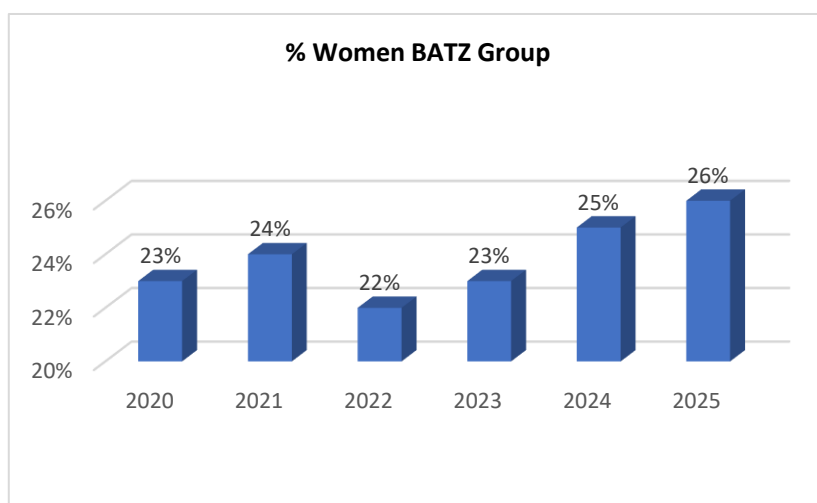


Figure 40. Evolution of % women in BATZ Group

If that analysis is shifted to upper level management for the group (all positions on the management committees at either the group or local level are considered top level management) the percentage of women is 18%.

(*) All policies and their descriptions are available in item 2, Policies.

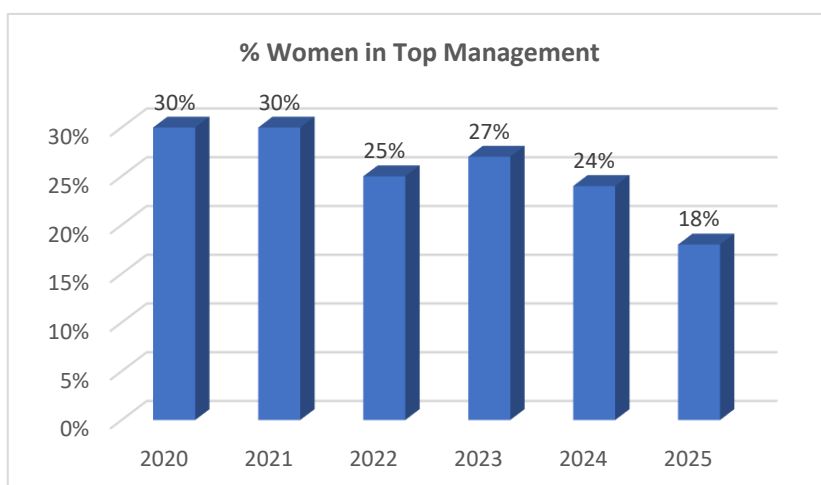


Figure 41. Evolution of % of women in Top Management at BATZ Group

Equality Plan

In compliance with the current legal framework on gender equality, in 2013 we conducted an external equality assessment at the Group's parent company, achieving very satisfactory results in terms of meeting requirements in this area. This assessment led to the development of a plan of specific actions, as well as the establishment of an Equality Committee.

This committee is made up of members from various business areas, has a four-year term, and meets annually. In 2022, the committee was updated, and the previously established lines of work have been maintained. In 2026, a review process of the plan has been initiated in order to carry out a new assessment.

The actions of the Equality Plan are divided into three areas: values, people management, and communication. Although the plan applies specifically to the parent company, it is worth noting that BATZ complies with the established principles by having an advanced management system and a job mapping framework in place. This is because equality (in all its forms) is a deeply embedded value throughout the entire Group.

These activities are aligned with the Sustainable Development Goals of the United Nations 2030 agenda



7. HUMAN RIGHTS

Anexos, Table 21, Nº 28

Our code of conduct

The BATZ Group has had a code of conduct since 2017. It is more than a document and contains various rules and procedures that regulate the responsible behaviour of all the people who make up BATZ. The code of conduct intends to consolidate a company culture that already exists at the BATZ Group that was built on the values inherent to the company. Compliance with the Code is based on cooperation, trust and respect, as well as on the confidential treatment of all Communications between the people representing the BATZ Group and the third parties with whom it is in contact.

The code of conduct is framed within our compliance programme. **It is a set of procedures and good practices adopted by BATZ to identify and classify the operational and legal risks** we face and to create internal mechanisms for prevention, management, monitoring and reacting to them.

As we have been outlining throughout this document, organizations have had to face significant changes that have also affected the expectations that our stakeholders have regarding our project. For this reason, 2025 marked the most recent revision of our Code of Conduct.

In big headlines, and even though the previous version already included them, in the new document we provide a more detailed explanation of our alignment with and mechanisms of compliance with the Universal Declaration of Human Rights of the United Nations, Fundamental Conventions of the International Labour Organisation (ILO) and OECD guidelines. Both areas are demanded more and more by our stakeholders and, especially, by the OEMs we have relationships with.

Scope of application



The Code of Conduct applies throughout the BATZ Group at a GLOBAL level, without prejudice to the continued respect for any local legislation that may strengthen the minimum and mandatory requirements described here.

People to whom the Code applies



Everyone in the BATZ Group, including the Companies Controlled by BATZ, S. Coop.,

Communication of the Code



This Code of Conduct is communicated to all new recruits in the BATZ Group through the Induction Plan established for that purpose. For Personnel already employed on the date of approval of the Code of Conduct, its deployment is foreseen throughout 2022 with meetings, the intranet and corporate newsletters at every plant. Third parties will receive copies of the code of conduct through the website and specific publications, as was done with the previous version. It will be the responsibility of the Management of each Controlled Company to ensure that there is effective dissemination of the Code of Conduct.

The Compliance Committee



The BATZ compliance committee, presided by the Compliance Officer, has jurisdiction over all issues that fall under compliance. In parallel to updating the document, a new committee was also formed.

Non-compliance and communication to the Ethical Channel



Failure to comply with this Code of Conduct constitutes an infringement of the Compliance Programme, and may lead to employment or company sanctions, without prejudice to the relevant administrative or criminal sanctions.

To facilitate compliance with the Code of Conduct, there is a confidential and internal Ethical Channel, through which:

- Any possible questions about the interpretation or practical application of the Code of Conduct are managed.
- Any possible violations of this Code are reported.

Everybody who belongs to BATZ who is aware of an improvement area or non-compliance with this code of conduct or the protocols it is carried out through must notify compliance management directly through the ethical channel.

The reporter will be informed about the progress of the communication made to the Ethics Channel.

Anexos, Table 21, Nº 29

Principles that guide the behaviour of all the people that make up BATZ

Prohibition of forced labor and recruitment policy

The BATZ Group does not tolerate forced or obligatory labour of any kind, in accordance with the ILO basic labour standards.

The BATZ Group does not use nor does it directly or indirectly resort to work obtained against the person's free will through the use of threats, punishments, deprivations, the application of systems of slavery or semi-slavery or through any other human rights violations. The BATZ Group pursues a recruitment policy in accordance with the legislation in force, including, in conformity with this, anything that gives entitlement to social protection, which demonstrates a commitment to stable and quality employment, and establishes a remuneration policy that provides a decent standard of living.

The BATZ Group is opposed to the use of forced or illegal labour of any kind in its commercial activities.

The BATZ Group

- Will not use forced labour¹
- It will not obligate its employees to do forced labour or slave labour

The BATZ Group addresses the expectations and needs of the People with the aim of achieving an adequate balance between their private and their professional life, with a view to ensuring that these measures do not detract from the competitiveness of the organisation, paying special attention to the obligations of those people who must care for dependents.

The prohibition of human trafficking and protecting foreign citizens

The BATZ Group takes up the protection of foreign citizens through compliance with the corresponding immigration regulations.

People in the BATZ Group will not collaborate with a person who is not a national of a European Union Country entering, staying or travelling through the country in a way that violates the applicable laws for the entrance and travel of foreigners.

If an event is detected related with this section, the compliance committee will be notified to analyse the causes and determine the pertinent corrective and preventive actions.

Prohibition of child labour and protecting minors

Protecting minors is an ethical principle of the BATZ Group that involves not using child labour, understood as work that deprives minors of their childhood, their potential of their dignity and that is prejudicial for their physical and psychological development.

At the same time, child labour is understood to be the prohibition of employing minors who have not reached legal working age. The BATZ Group guarantees that legally underage workers who have not turned 18 will not work at night or overtime. And that they are protected against working conditions that are damaging to their health, safety or development, in accordance with the Minimum Age Convention, 1973 (no. 138) and the Charter of Fundamental Rights of the European Union.

The BATZ Group will not hire minors ²and will have a registry in which the birth dates of all the workers appear.

¹ Forced labour is considered to be work done under threat of punishment or confiscation of goods or belongings (like a national ID card or passport), and which the person has not voluntarily agreed to do.

² In accordance with the 1973 International Labour Organisation's (ILO) Minimum Age Convention, any person below the age of 15 is considered a child, except in cases where the local laws apply a greater age or greater age for obligatory education, in which case the greater age will be applied. Local laws may allow the employment of people between 13 and 15 or 12 and 14 for jobs that:

- do not damage the health or development of the minor, and
- do not obstruct attendance at school or training programmes

If a minor is found in one of our plants the compliance committee will be notified to rescind the corresponding contract and, likewise, the causes will be analysed and the pertinent corrective and preventive actions will be determined. The BATZ Group will guarantee the tasks assigned to young workers will not interfere with their school attendance and they will observe that the total time for work and school for young workers will not exceed 10 hours.

Equality and a respectful work environment

The BATZ Group aims to create a work environment in which trust and mutual respect prevail, so that everybody will pursue, at all professional levels, relationships based on mutual respect, integrity, cordiality, trust and collaboration and effort in teamwork, fostering a respectful work environment among colleagues, line managers and people in charge, in order to achieve a positive working atmosphere.

We adhere to a rigorous and objective selection policy, paying attention exclusively to the academic, personal and professional merits of the candidates and to the needs of the BATZ Group.

The BATZ Group training programmes guarantee equal opportunities and career development and contribute actively to the achievement of the Group's objectives. Also, promotion is based on the merit, ability and individual performance of the People.

Accordingly, we expressly undertake not to discriminate on the basis of race, religion, sex, age, nationality, sexual orientation, gender identity, marital status, disability or any other circumstance likely to be a source of discrimination.

Freedom of association, collective bargaining and external activities

The BATZ Group respects engaging in social and public activities by the people who make it up, as long as it does not interfere with their professional activity.

The BATZ Group respects the right to unionise, free association and collective bargaining in the labour sphere. Any personal links with political parties or other kinds of entities, institutions or associations with a public purpose must be done in a way that makes it clear such links are individual and any relationship with the BATZ Group must be avoided.

Privacy, use of personal data and confidentiality

The BATZ Group respects people's right to privacy, in all its forms, as well as the personal communications of people via the Internet and other means of communication. In particular, the privacy and confidentiality of personal data will be respected. Access to personal data is limited to certain, duly authorised company personnel, who will be required to sign a Confidentiality Agreement.

Accordingly, the BATZ Group undertakes not to disclose personal data unless the interested parties consent or in cases of legal obligation or compliance with judicial or administrative rulings. Under no circumstances may personal data be processed for purposes other than those provided for either legally or contractually.

Clients and suppliers

The BATZ Group uses criteria based on sustainability and social responsibility in its supplier selection processes and promotes socially responsible practices through the organisation's supply chain. In selection processes with suppliers and clients everyone must apply the criteria of quality, opportunity, cost and sustainability and always act in defence of the BATZ Group's interests. This obligation particularly affects those who have to make decisions on contracting supplies and services and those who decide the financial conditions of transactions with Clients.

The BATZ Group has a supplier sustainability policy that contains the minimum requirements that suppliers for the BATZ Group must pay attention to, including the corporate ethics, environmental protection, conserving resources, human rights and social standards. And it states that compliance with the code of conduct is obligatory for all suppliers for the BATZ Group.

The anti-corruption policy described in section 5.3 of this code is applicable for relationships with suppliers, associated people and clients.

Consequently, no kind of bribes or commissions can be given or received in relation with suppliers, associated people or clients. And no kind of illicit advantages can be given or received to people from other companies who are responsible for acquiring or hiring goods or services for the purpose that by not fulfilling their duties and violating the law products or services from the BATZ Group are acquired instead.

These activities are aligned with the Sustainable Development Goals of the United Nations 2030 agenda



8. CORRUPTION AND BRIBERY

Anexos, Table 21, Nº 30

Relations with the Authorities, Regulatory Bodies and Public Administrations shall be based on the principles of cooperation and transparency.

BATZ Group complies with its duties towards the various Public Administrations, in particular with the Tax Authorities, the Social Security and those in respect of which subsidies are received.

Corruption

The BATZ Group is against corruption, in all its forms, as well as unlawfully influencing the will of people outside of the BATZ Group in order to obtain some form of benefit or advantage. Extortion and bribery are expressly prohibited, including the direct or indirect offer or promise of any kind of illicit advantage, as well as influence peddling.

The prohibitions established in this section also extend to persons closely related by family ties or friendship to the private individual, authority or public official concerned.

Gifts policy

Gifts or offerings are intended to promote the image of the BATZ Group brand. Neither the management nor other members of the BATZ Group may offer, give, solicit or accept, directly or indirectly, any gifts, invitations, favours or compensations, in cash or in kind, of whatever nature, for illegal purposes or contrary to this Code of Conduct.

Exports

In the framework of export control, the cross-border exchange of goods is subject to prohibitions, restrictions, government approval or other kinds of supervision.

In its import and export activities the BATZ Group complies with all the regulations regarding importing and exporting goods, services and information that have been established in the applicable laws and the internal regulations of the BATZ Group and the external regulations established by other operators, and all their suppliers are also obligated to comply with them.

It is absolutely forbidden to do business with people or companies that appear on official sanctions lists for sanctioned countries, regardless of the delivery process. Activities that may be related with contraband are expressly forbidden.

When making decisions regarding importing and exporting goods and services, it must be carefully determined whether the decision may be subject to export control. If there is any doubt guidance must be requested from the operations management.

Preventing part falsification

The BATZ Group develops, implements and maintains effective methods and appropriate processes for its products to reduce to a minimum the risk of using falsified parts or materials in the products it delivers.

Subsidies

The request for subsidies by any of the companies of the BATZ Group will always be supervised by the Group's Financial Corporate Area, which will ensure the correct application of the relevant regulations, with external advice for their management and ensuring their correct justification through external audits.

It will ensure that the subsidies requested or received from the Public Administrations receive the appropriate use, avoiding any falsification of the conditions for receiving them or giving them a different use to the one for which they were awarded.

Prevention of money laundering and the financing of terrorism

The BATZ Group complies with all the domestic and international guidelines about money laundering and terrorist financing that are applicable.

Customer identification, information and internal control measures will be applied and maximum cooperation will be given to the competent authorities.

In order to prevent and avoid money laundering or the financing of terrorist operations arising from criminal or illicit activities, employees should pay particular attention to the prevention of conduct that may be related to such illicit behaviour.

Conflicts of Interest

The BATZ Group believes that its relationships with the people who make it up should be based on loyalty that is rooted in their common interests. Consequently, people should avoid any situation which produces a Conflict of Interest.

Political activity

Any Person from the BATZ Group has the right to participate on an individual basis in political matters but their participation in politics will not be related to the Group.

No BATZ Group company may illegally fund candidates or political parties.

It is strictly prohibited to access funds or credits of public origin without the prior authorisation of the Financial Director of the BATZ Group.

During the 2025 financial year, three reports were received, which, due to their nature, were required to be handled by the Compliance Committee.

The relevance and credibility of the reports were assessed, and investigation and follow-up actions were carried out, including providing information to the reporting parties in order to clarify the issues raised or redirect them to another appropriate area. The Compliance Committee and the reporting parties were informed of the actions taken.

These activities are aligned with the Sustainable Development Goals of the United Nations 2030 agenda



9. SOCIETY

9.1 COMPANY'S COMMITMENTS TO SUSTAINABLE DEVELOPMENT R

Anexos, Table 21, Nº 31

More than half a century has passed since BATZ made the commitment to be a socially responsible company committed to its entire ecosystem. It is an industrial group that addresses the needs of the present without compromising the future. But above all, it is a project that was born as a cooperative and that has been able to combine expansion and a global disposition with roots and commitment to bring about a socio-economic transformation of their environment.

Generating wealth in our environment

We promote initiatives for economic and social development with respect for the communities in which we are integrated. In addition, our presence in various locations around the world promotes, directly and indirectly, the training and qualification of people as well as driving economic activity that is located in our closest environment. We are proud to state that our initiatives are aligned with the objectives defined in the 2030 agenda for sustainable development.

Table 16. Social initiatives and collaborations of BATZ Group

SOME OF THE SOCIAL INITIATIVES AND COLLABORATIONS OF THE BATZ GROUP	
Commitment to culture and sport	<ul style="list-style-type: none"> Baserri Antzoki - Promoting Basque culture Basque House (Kunshan)
Commitment with a healthy work-life balance	<ul style="list-style-type: none"> Ladies Working Day (Kunshan) RHPITN - Human resources committee made up of HR staff from the companies in the Tres Naciones industrial park
Commitment to social and labour integration	<ul style="list-style-type: none"> Mundukide DYA Pensioner's association ARRABA Politeknika Txorierrri – Education Centre ACNUR - Promoting work for refugees with the institution Zulaibar Lanbide Ikastegia Střední odborná škola řemesel FM (technical vocational school) Support of local childrens' home (Czech) Support of local senior home (Czech)
Commitment to local development	<ul style="list-style-type: none"> Fundación Errota Spanish Chamber (China) Automotive Group (China) Tres Naciones industrial park job fair (Mexico) Spanish plastic centre. APD – Asociación para el Progreso de la Dirección AVEQ – Association of chemical companies HEGAN (Basque Aerospace Cluster) Automobilový klastr MS kraje Klub personalistů MS kraje Ekokom CEARC - Spanish automotive cluster in CZ
Other initiatives	<ul style="list-style-type: none"> Collaboration with the Municipal DIF of SLP, through the donation of household appliances to people in vulnerable situations, thereby obtaining recognition as a work-family balance company. (Mexico) Collaboration in an in-kind donation of desks to the College of Scientific and Technological Studies. Participation in the TAPATÓN campaign, donating PET bottle caps to the Mexican Association supporting children with cancer. CAMPITN – Mutual aid agreement for brigades and emergency response teams.. Mendi Martxa 2025

Spreading knowledge as a motor for generating value and our commitment to the professionals of the future

At BATZ we are committed to generating value and promoting the development of our environment through the transfer of our knowledge, as we firmly believe that the communication of it is a decisive pillar for creating links with our environment and collaborating in its economic and social development.

In addition, the continuous transformation of the sector means that the requirements needed for positions, for both current professionals and those joining the sector in the future, are evolving rapidly. Undoubtedly, training and attracting talent is another of the great challenges facing the industry in general.

At BATZ, we perform actions to favour the access of young people to their first job, as well as improving our positioning among young people in order to attract profiles that share our mission, vision, and values. Along those lines, in addition to participating in trade shows and employment forums, BATZ carries out an intense work of dissemination and talent development while collaborating with training, innovation and training programmes in all the countries where it is present, ranging from Dual Training to projects such as the Formula Student, in which engineering students develop a single seat car for competing in international circuits. We also regularly welcome visits from training centres and universities.

Table 17. Participation in workshops and events in 2025

PARTICIPATION IN WORKSHOPS AND EVENTS
Arratia job fair
EusGara
Basque Trade (Kunshan)
QianDeng Government
Vysoká škola báňská TU (university), KARIÉRA
City hall Frýdek-Místek

Contributions to non-profit associations and local communities

Table 18. Contributions to non-profit associations and local communities in 2025

CONTRIBUTIONS	
<i>Kukumiku Foundation</i>	3.000 €
<i>Dale Candela Asociation</i>	3000 €
<i>Bidegintza</i>	3.000 €
<i>Bilbao BSR Foundation</i>	1.000 €
<i>Mundukide</i>	2.500 €
<i>Biscay association for Amyotrophic lateral sclerosis Amiot</i>	3.000 €
<i>Multiple sclerosis associatiobn Biscay</i>	3.000€
<i>Parkinson's Association Biscay-Asparbi</i>	3.000 €
<i>Spanish association for families of Ataxia Telangiectasia</i>	3.000 €
<i>Spanish association againts cancer Biscay</i>	3000 €
<i>Arratiako Ziklista Elkarte</i>	3.000 €
<i>Zulaibar Lanbide Ikastegia</i>	2.000 €
<i>Errota Fundazioa</i>	20.000 €
<i>Firsy Lego League</i>	2.500 €
<i>Caritas</i>	3.000 €
<i>Cruz Roja</i>	3.000 €
<i>Astrabuduko Futbol Taldea</i>	1.000 €
<i>Club Hockey Stick</i>	1.000 €
<i>Dislexia Euskadi Elkarte</i>	3000 €
<i>Men for equality association Pipertxuak</i>	3000 €

10. OUTSOURCING AND SUPPLIERS

Anexos, Table 21, Nº 32

Global supplier management is done with the BATZ supplier website, which is a module of the common tool for managing and evaluating suppliers for all the companies in the BATZ Group.

Additionally, and locally, every production plant has a close relationship with the suppliers in their area that is based on trust and commitment.

Furthermore, every plant evaluates the quality performance of their suppliers effectively and consistently using an audit process (annual plan), and guarantees that the supply chain meets the client's requirements and local and international legal and regulatory standards. The results of the audits have generally been satisfactory.

In order to drive the activity of society in employment and local development, the purchasing strategy of the BATZ Group for non-critical families (Effective Purchase), is to look for and certify local suppliers (located less than 300 km from the destination plant).

In 2025, 38% of the effective purchases were made from local suppliers.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY AND GOOD GOVERNANCE

In 2023 we reviewed and updated our supplier sustainability policy, which is a document that sets forth the minimum requirements suppliers must meet regarding **corporate ethics, environmental protection, conserving resources, human rights and social standards**. We expect all suppliers to **meet all the applicable legal requirements** in those areas and avoid incidents or conditions whose outcome may result in a violation of the law.

Suppliers and the entire supply chain must adopt environmental practices that are sustainable, responsible and that promote the **conservation of natural resources** and raw materials. We request an **environmental management system** that is preferably certified by an international standard like ISO 1400.

They must ensure that their products and supply chain minimise the use of natural resources in a responsible way, including water management, reducing waste generation, improving energy efficiency and reducing the carbon footprint of their operations. To those ends suppliers must **implement effective measures to reduce direct and indirect CO₂ emissions**, starting by using clean energy and mitigating greenhouse gas emissions related with transport.

Our suppliers must identify legally restricted substances and **guarantee declarations of substances and materials** are in compliance with the laws regarding those products, e.g. REACH (regulation for registration, evaluation, authorisation and restriction of chemicals), RoHS (restriction of hazardous substances), ODS (ozone depleting substances), WEEE (waste from electrical and electronic equipment), the batteries directive, and the directive about vehicles at the end of their useful life, etc.

Our suppliers will comply with the legal requirements for **transporting hazardous goods**, like ADR, IATA DGR, IMDG code, ADN, RID, etc.

The commitment is to only use raw materials, whose extraction, production, transport, commerce, processing and export does not contribute directly or indirectly to human rights abuse, health and safety problems, environmental pollution or *compliance infractions*, in our products. We have created processes in accordance with the "**OECD due diligence guide for responsible supply chains for minerals in areas affected by conflict and high risk areas**". Complying with this commitment is obligatory in the entire supply chain. All our suppliers, especially foundries and refineries, must provide a "conflict minerals reporting template" (CMRT) created by the Responsible Minerals Initiative (RMI) that guarantee their management and provides evidence for the sustainable management of other minerals like cobalt, lithium or copper.

As part of our management and organisational model (*compliance programme*), we have created a **code of conduct** that is available on the BATZ suppliers' website. Compliance with the code is obligatory for all suppliers of the BATZ Group. It is based on cooperation, trust and respect and the confidentiality of all communications between people who represent the BATZ Group and the stakeholders they are in contact with.

BATZ is committed to **respecting human rights and working conditions** and also requires it of their supply chain, which is why they demand that suppliers treat their employees with dignity and respect. Of particular importance is the prohibition of child labour, modern slavery, harassment and discrimination, and guaranteeing the right to free association and collective bargaining.

Every supplier must provide **all their employees with a safe and healthy workplace** and follow the regulations and safety and occupational health practices. And they must inform the competent authority of accidents and injuries and any unsafe devices, practices or conditions.

At BATZ we carry out a continuous evaluation that studies performance in terms of sustainability, strengths and possible weaknesses of each of the suppliers that form or will form part of our panel, on the basis of which we proceed to their approval and classification. This continuous evaluation makes it possible to identify possible risks as well as to establish improvement measures and joint action plans.

Main lines of action in 2025

With the aim of simplifying and optimizing communication with suppliers (avoiding duplicate contacts), we distinguish between Commodity Managers (Corporate), who manage Global Suppliers, and Plant Buyers, who manage Local Suppliers.

At the corporate level, Commodity Managers (Purchasing) work together with Engineering on the feasibility and standardization of purchasing references, both raw materials and components for different projects. This leads to more streamlined management of suppliers, as well as a reduction in the number of references and stock levels, resulting in a more integrated, agile, traceable, and reliable administration of the entire supply chain.

With this same objective (stock reduction, flexibility, autonomy, etc.), we continue to implement the strategy of developing and strengthening the local supplier base for each plant/continent.

11. CONSUMERS

Anexos, Table 21, Nº 33

Due to our activity, the BATZ Group does not have direct contact with end consumers, only with manufacturers in the sector (OEMs), complying with the standards defined in the IATF 16949 standard, considered the most widely used international quality management system standard in the automotive industry. The risks posed by this new environment are minimised and cybersecurity is guaranteed in processes and communications, based on the international reference standard ISO 27001:2014 and TISAX.

All the BATZ Group production plants have a quality management system, and they have the international certifications required by their clients. The certifications are in accordance with ISO-9001, IATF 16949 and the specific requirements of every client.

To ensure and evaluate the effectiveness of our quality system, in addition to client audits, the BATZ Group has a continuous auditing programme in which we evaluate the systems, processes, and products with a constant focus on continuous improvement.

Nevertheless, incidents sometimes arise with clients. When that happens, predefined mechanisms and standards for the automotive industry are activated to provide a suitable response and take containment measures and implement systematic actions to eradicate the problems using our clients' tools and platforms.

One of the main indicators with which we measure the number of our client incidents is the lpb indicator, and we have the following figures for the BATZ Group:

Table 19. Evolution of lpb BATZ Group

Year	2022	2023	2024	2025
lpb	4.976,10	5.048,18	6.546,02	6192,03

$$lpb = \frac{\Sigma \text{ yearly client complaints } (n^{\circ})}{\Sigma \text{ yearly pieces shipped to client } (n^{\circ})} \times 10^9$$

We can say that all the incidents have been analysed, implemented and closed following our clients' standards.

Channels of communication

Because we are a direct supplier for OEMs, at BATZ we have a clearly defined process for handling complaints from our clients (BS/PG-10.2-01-Handling client complaints), in which the stages, responsibilities, documentation and affected organisations are defined, to the following ends.

- Providing a rapid response to any customer complaint about the established Quality requirements or contracts, minimising the effect of the deviation and guaranteeing its resolution.
- Ensuring a correct analysis, so that we are able to identify the root cause of the deviation, which in turn allows us to establish the most effective corrective actions.
- Properly recording deviations and the appropriate corrective actions, whether temporary or final, and their follow-up and effectiveness.
- Promoting collaboration and communication between the different areas concerned in order to seek and consolidate permanent solutions to the deviations detected.
- Modifying and adapting the documentation, as a result of the corrective actions established.

In addition to the above, the BATZ Group provides all interested parties with a form on the corporate website, which they can use to send us suggestions, complaints and claims.

12. FISCAL INFORMATION

Anexos, Table 21, Nº 34

BENEFITS OBTAINED BY COUNTRY

The total profit obtained at Group level amounted to €10,990,605 in the 2025 financial year.

Due to the strategic nature of certain financial information, profit data by location is not disclosed in this report. However, the company provides detailed information on its financial performance in its published annual accounts.

INCOME TAX PAID

The total amount of income tax paid in the 2025 financial year was €1,894,812.

PUBLIC GRANTS RECEIVED

The amount of non-repayable grants received in the 2025 financial year was €48,548.

Note: This tax information is based on the data available at the date of this report. However, as the company is currently undergoing its financial audit, any changes or adjustments that may arise in the coming days will be reflected and updated in next year's report.

These activities are aligned with the Sustainable Development Goals of the United Nations 2030 agenda



CONTACT INFORMATION

HEADQUARTERS
Torrea Auzoa, 2.
48140 Igorre – Bizkaia – Spain
Tel.: +34 94 630 50 00
batz@batz.com

See our other locations [here](#)

13. TAXONOMY

After the activity that matches the taxonomy has been identified, the financial information for calculating the key business volume, CapEx and OpEx indicators is identified. The activity deemed eligible under the taxonomy contributes to mitigating climate change.

Table 20. BATZ Group 2025 Taxonomy activities

TAXONOMY	Proportion of eligible and aligned economic activities	Proportion of ineligible and non-aligned economic activities	Proportion of non-eligible economic activities
Volumen de negocio	28,51%	71,49%	0%
Gastos de capital (CapEx)	11,87%	88,13%	0%
Gastos operativos (OpEx)	28,4%	71,6%	0%

The key indicator referred to business volume is specified in (EU) delegated regulation 2021/2178 as the proportion of income derived from activities that match the taxonomy (numerator) over the group's total income (denominator), in accordance with International Accounting Standard (IAS) 1, paragraph 82 (letter a), adopted by (EC) regulation no.1126/2008 of the commission.

The numerator of the indicator for CapEx was obtained by identifying the eligible activities that meet the alignment requirements, to subsequently consolidate the values of the investments in them. Additions to tangible and intangible assets before amortizations and possible new valuations were included in the denominator.

For OpEx, the indicator represents the proportion of operating expenses specified in the regulation for activities that match the taxonomy (numerator) over the total taxonomic OpEx (denominator), understood as direct non-capitalised costs that are related with research and development, building renovations, short-term leases, maintenance and repairs, and other direct expenses related with the daily maintenance of property, plant and equipment.

14. ANEXES

Table 21. Non-financial reporting and diversity law compliance traceability

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY				
AREAS	Contents	No.	GRI Standards	GRI description
Global	The non-financial information statement will include the information necessary to understand: *the evolution, *the group's profits and situation and *the impact of their business activities in regards to, at least: *environmental issues, *social issues, *respecting human rights *the fight against bribery and corruption, in addition to staff issues, including measures that have been adopted to encourage the principles of equal treatment and opportunities for men and women, non-discrimination and inclusion of people with disabilities and universal accessibility.	---		
Business model	A brief description of the business model of the group, including: 1) Its business environment 2) Its structure and organisation 3) The markets in which it operates 4) Its goals and strategies 5) The primary trends and factors that can affect its future evolution	1	2-1	Company name
			2-6	Activities, brands, products and services
			2-1	Location of the headquarters
			2-1	Location of the operations
			2-6	Markets served
			2-6 2-7	Size of the organisation
			2-22	Statement by senior executive decision-makers
Policies	A description of the policies the group applies regarding those issues, which will include: 1) The due diligence procedures used for identifying, evaluating, preventing and attenuating risks and significant impacts 2) The verification and monitoring procedures including what measures have been adopted	2	3-3	For the management focus <u>in every area, which internal policies they have will need to be highlighted.</u>
Results of the KPI policies	The outcome of those policies including key non-financial outcome indicators that make the following possible: 1) Monitoring and evaluating progress and 2) encouraging comparability between companies and sectors in accordance with domestic, European and	3	3-3	Management focus in <u>every area</u>

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description
	international reference frameworks used for each issue.			
Risks in short, medium and long term	<p>The <u>primary risks</u> related with these conditions linked with the group's activities, among them when it is pertinent and proportional, is their commercial relationships, products or services that may have negative effects in those areas, and</p> <ul style="list-style-type: none"> * how the group <u>manages</u> those risks, * explaining the <u>procedures used for detecting and evaluating them</u> in accordance with domestic, European and international frameworks of reference for every issue. * It must include <u>information about the impacts that have been found</u> and provide an itemised list of them, in particular the primary risks in the short, medium and long term. 	4	2-12	Main impacts, risks and opportunities
			2-25	
			205-1	Operations assessed for corruption-related risks
			413-1	Operations with local community participation, impact assessments and development programmes
			407-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk
			408-1	Operations and suppliers with a significant risk of child labour cases
409-1	Operations and suppliers with a significant risk of cases of forced or compulsory labour			
KPIs	<p>Non-financial key performance indicators that are relevant to the specific business activity and meet the criteria of comparability, materiality, relevance and reliability.</p> <ul style="list-style-type: none"> * With the goal of making it possible to compare information, both in time and between entities, in particular, standards of key non-financial indicators that may be applied generally and that comply with the European Commission directives in the subject and the <u>Global Reporting Initiative standards</u> will be used. And the domestic, European or international framework used for every topic must be stated. * <u>The key non-financial results indicators must be applied to each section of the non-financial information statement.</u> * These indicators should be useful, taking into account the specific circumstances, and be consistent with the parameters used in the internal risk assessment and management procedures. * In all cases, the information 	5	No GRI	Statement of preparation of the report in accordance with the GRI Standards

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description
	submitted must be accurate, comparable and verifiable.			
Environmental issues	Global Environment			
	1) Detailed information about the <u>current and foreseeable effects of the company's activities in the environment</u> and, as may apply, in health and safety, evaluation procedures and environmental certification 2) The <u>resources dedicated to preventing environmental risks</u> 3) Using the <u>precautionary principle, the amount of provisions and guarantees for environmental risks</u>	6	3-3 2-23	Management focus in <u>every area</u>
			201-2	Financial implications and other risks and opportunities arising from climate change
			308-1	New suppliers that have passed evaluation and selection filters according to environmental criteria.
			308-2	Negative environmental impacts in the supply chain and measures taken
	Pollution			
	1) <u>Measures for preventing, reducing or repairing carbon emissions that seriously affect</u> the environment 2) Taking into account any form of activity-specific air pollution, including noise and light pollution.	7	3-3 2-23	Emissions// Biodiversity management approach
			305-5	Reduction of GHG emissions
			305-6	Emissions of ozone depleting substances (ODS)
			305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions.
Circular economy and waste prevention and management				
Circular economy	8	3-3	Effluent and waste management approach// Circular economy	

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description	
	<p>Waste: Measures for prevention, recycling, reuse, other forms of recovering and eliminating waste</p> <p>Actions to combat food waste.</p>		301-2	Recycled supplies	
			301-3	Reused products and packaging materials	
			3-3	Effluent and waste management approach	
			306-2	Waste by type and disposal method	
			3-3	Focus on effluent and waste management + Food waste	
	Sustainable use of resources				
	<p>Water <u>consumption</u> and supply in accordance with local limitations</p>	9	303-1	Extraction of water by source	
			303-2	Water sources significantly affected by water extraction	
			303-3	Recycled and reused water	
	<p><u>Consumption</u> of raw materials and the measures adopted to improve the efficiency of their use:</p>	10	3-3	Materials Management Approach	
			301-1	Materials used by weight or volume.	
			301-2	Recycled supplies	
	<p>Direct and indirect <u>energy</u> consumption, measures taken to improve energy efficiency and the use of renewable energies</p>	11	3-3	Energy Management Approach	
			302-1	Energy consumption within the organisation	
			302-2	Energy consumption outside the organisation	
			302-3	Energy intensity	
			302-4	Energy consumption reduction	
			302-5	Reducing the energy requirements of products and services	
	Climate change				
	<p>The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces:</p>	12	3-3 2-23	Emissions management approach	
305-1			Direct GHG emissions (Scope 1)		

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description	
			305-2	Indirect GHG emissions from energy generation (Scope 2).	
			305-3	Other indirect GHG emissions (Scope 3)	
			305-4	GHG emissions intensity	
			305-5	Reduction of GHG emissions	
			3-3 2-23	Emissions management approach	
	The measures adopted to adapt to the consequences of climate change:			201-2	Financial implications and other risks and opportunities arising from climate change
				3-3 2-23	Emissions management approach
	Voluntary reduction targets set for the medium and long term to reduce greenhouse gas emissions and the measures implemented to achieve them.			305-5	Reduction of GHG emissions
	Protection of biodiversity				
	Measures taken to preserve or restore biodiversity:	13	3-3	Biodiversity Management Approach	
			304-1	Owned, leased or managed operation centres located within or adjacent to protected areas or areas of high biodiversity value outside protected areas	
			304-3	Protected or restored habitats	
			306-5	Bodies of water affected by water discharges and/or run-offs	
	Impacts caused by activities or operations in protected areas			304-2	Significant impacts of the activities, products and services on biodiversity
Employment					
Social and employee issues	Total number and distribution of employees by sex, age, country and professional classification:	14	3-3 2-23	Employment Management Approach	
			2-7	Information on employees and other workers	
			405-1	Diversity in governing and employee bodies	
	Total number and distribution of kinds of labour contracts	15	2-7	Information on employees and other workers	
	Yearly average of permanent contracts, temporary contracts and	16	2-7	Information on employees and other workers	

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description
	part-time contracts by sex, age and professional classification		405-1	Diversity in governing and employee bodies
	Number of worker terminations by sex, age and professional classification;	17	401-1	New employee recruitment and staff turnover
	Average salaries and their variation broken down by gender, age and occupational classification or equal value;	18	405-2	Ratio of basic salary and remuneration of women compared to men
	Salary gap , remuneration for equal job titles or societal averages		3-3 2-23	Employment + Diversity and Equal Opportunities
			405-2	Ratio of basic salary and remuneration of women compared to men
	The average remuneration of the executive officers and managers , including variable compensation, per diem expenses, payment into long term supplemental savings plans and any other reason itemised by sex	19	3-3 2-23	Diversity and Equality management approach - giving average remuneration values for Directors by gender
			2-19	Governance: remuneration policies
			2-20	Governance: processes for determining remuneration
			2-21	Governance: ratio of total annual compensation
		2-21	Governance: ratio of percentual increase of total annual compensation	
	Implementation of right to disconnect policies	20	3-3	Employment Management Approach
	Employees with <u>a disability</u>	21	405-1	Diversity in governing and employee bodies
	Work organisation			
	Organisation of work time	22	3-3	Employment Management Approach
	Number of hours of absenteeism		403-2	Accident types and accident frequency rates, occupational diseases, lost days, absenteeism and number of deaths due to accidents at work or occupational diseases
	Measures aimed at facilitating a healthy work-life balance and encouraging co-parental practice of it by both parents		3-3	Employment Management Approach
	Occupational health & safety			
Health and safety conditions at work;	23	3-3 2-23	Occupational Health and Safety Management Approach	

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description
	Workplace accidents , in particular their frequency and seriousness		403-2	Accident types and accident frequency rates, occupational diseases, lost days, absenteeism and number of deaths due to accidents at work or occupational diseases
	Occupational diseases : itemised by sex		403-3	Workers with a high incidence or high risk of activity-related illnesses
	Labour relations			
	Organisation of the social dialogue , including procedures for notifying and consulting staff and negotiating with them	24	3-3	Worker-company relations management approach
	Percentage of employees covered by collective bargaining agreements by country:		407-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk
	The balance of collective bargaining agreements, especially in the field of occupational health and safety		2-30	Collective bargaining agreements
			403-1	Worker representation in formal worker-company health and safety committees
	Training			
	The policies implemented in the field of training:	25	3-3	Training and Education Management Approach
	The total amount of training hours by professional category		404-1	Average hours of training per employee per year
	Universal accessibility for people with disabilities	26	3-3	Diversity and Equal Opportunities Management Approach + Non-Discrimination
	Equality			
	Measures adopted to promote equal treatment and equal opportunities for men and women	27		
	Equality plans (chapter III of Spanish organic law 3/2007 of 22 march for the effective equality of men and women), <u>measures adopted to promote employment, anti-sexual or sex based harassment protocols, and the integration of and universal accessibility for people with disabilities</u> :		3-3 2-23	Diversity and Equal Opportunities Management Approach + Non-Discrimination
The policy against all kinds of discrimination and, where appropriate, diversity management				

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description	
Human rights	Following <u>due diligence procedures</u> regarding human rights Preventing the risks of violating human rights and, where applicable, measures for mitigating, managing and repairing possible abuses committed	28	3-3 2-23 2-27	Evaluation of human rights + Freedom of association and collective bargaining + Child labour + Forced or compulsory labour Management Approach	
			2-23	Values, principles, standards and norms of conduct	
			2-16 2-26	Advisory mechanisms and ethical concerns	
			412-3	Significant investment contracts and agreements with human rights clauses or subject to human rights screening	
			412-2	Employee training on human rights policies and procedures	
			410-1	Security personnel trained in human rights policies and procedures	
			412-1	Operations subject to human rights impact assessments or reviews	
	<u>Indictments</u> for cases of human rights violations		406-1	Cases of discrimination and remedial action taken	
	<u>Promoting and complying</u> with the provisions of the <u>fundamental conventions</u> of the <u>International Labour Organisation</u> related with respecting free association and the right to collective bargaining:	29	407-1	Operations and suppliers whose right to freedom of association and collective bargaining may be at risk	
	<u>Eliminating employment and job discrimination</u>		3-3 2-23 406-1	Non-Discrimination Management Approach Cases of discrimination and remedial action taken	
	The <u>elimination of forced or obligatory labour</u> :		409-1	Operations and suppliers with a significant risk of cases of forced or compulsory labour	
	The <u>effective abolition of child labour</u>		408-1	Operations and suppliers with a significant risk of child labour cases	
	Corruption and bribery	<u>Measures</u> adopted to <u>prevent</u> corruption and bribery	30	3-3 2-23 2-27	Anti-Corruption Management Approach
				2-23	Values, principles, standards and norms of conduct
2-16 2-26				Advisory mechanisms and ethical concerns	
205-1				Operations assessed for corruption-related risks	
205-2				Communication and training on anti-corruption policies and procedures	

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description
			205-3	Confirmed cases of corruption and measures taken
	Measures to fight against money laundering		205-2	Communication and training on anti-corruption policies and procedures
	Contributions to foundations and non-profit entities		413-1	Operations with local community participation, impact assessments and development programmes
Society	Commitment with the sustainable development			
	The impact of the company's activities on <u>employment and local development</u> :	31	3-3	Local Communities + Indirect Economic Impacts Management Approach
			2-23	
			203-1	Investments in infrastructure and supported services.
			203-2	Significant indirect economic impacts
	The impact of the company's activities on <u>local populations and the region</u> :		413-1	Operations with local community participation, impact assessments and development programmes
			203-1	Investments in infrastructure and supported services.
			411-1	Cases of violations of indigenous peoples' rights
			413-1	Operations with local community participation, impact assessments and development programmes
			413-2	Operations with significant negative impacts (actual and potential) on local communities
	Relationships with local community actors and the modalities of the dialogue with them:		2-29	Approaches to stakeholder engagement
			413-1	Operations with local community participation, impact assessments and development programmes
	Membership or sponsorship activities		2-28	Membership of associations
	Subcontracting and suppliers			
		32	2-6	Supply chain

NON-FINANCIAL REPORTING AND DIVERSITY LAW COMPLIANCE TRACEABILITY

AREAS	Contents	No.	GRI Standards	GRI description	
	* Social, gender equality and environmental issues included in the purchasing policy * Social and environmental responsibility considered in relationships with suppliers and subcontractors		3-3 2-23	Supplier environmental assessment + Supplier social assessment + Procurement practices	
			308-1	Environmental assessment of suppliers	
			414-1	Social assessment of suppliers	
			3-3 2-23	Procurement practices management approach	
	Supervision and audit systems and their results				
	Consumers				
	Assessment of the health and safety impacts of product and service categories	33	3-3 2-23	Customer Health and Safety + Marketing and Labelling + Customer privacy Management Approach	
			416-1	Health and safety impact assessment of the product or service categories	
			3-3 2-23	Customer Health and Safety + Marketing and Labelling + Customer privacy Management Approach	
			416-2	Cases of non-compliance concerning health and safety impacts of product and service categories	
	Claims systems, complaints received and their resolution.				
	Tax information				
Profits obtained country by country Tax on profits paid	34	3-3 2-23	Economic performance management focus + quantitative tax and profit data		
		201-4	Financial assistance received from government		
Public subsidies received					

15. INDEPENDENT VERIFICATION

VERIFICATION STATEMENT



Declaration of Independent Verification of the Non-Financial Reporting Statement of BATZ S. COOP and subsidiaries for the financial year 2025.

European Quality Assurance Spain, S.L. (hereinafter, EQA), of registered office at the address Calle Joaquín Bau, 2, 1, Escalera Derecha, 28036, as third-party verification body, represented by Ms Esperanza Martínez, Certification Director of the entity and responsible decision-maker,

DECLARES THAT:

BATZ S. COOP, of registered office at the address Barrio Torrea, 2 - 48140 - Igorre, Bizkaia, contracted EQA, through its legal representative, Mr Asier Ortuzar, to perform the independent verification of the Non-Financial Reporting Statement of its organisation.

In accordance with Article 49 of the Code of Commerce, EQA has performed the verification, with the scope of assurance limited to the Non-Financial Reporting Statement (hereinafter, NFRS) of **BATZ S. COOP** (hereinafter, the "organisation") and its subsidiaries, corresponding to the financial year ended **31 December 2025**, forming part of its **consolidated** Management Report on the same financial year.

The contents of the **consolidated** Management Report includes additional information beyond that required by the corporate regulations in force with regard to non-financial reporting, this information not being covered by our verification work. In this regard, our work was confined solely to verification of the information identified in the **Annex: Traceability of compliance with the Non-financial Reporting and Diversity Act** as included in the aforementioned Non-Financial Reporting Statement, namely the data and information of a historical nature.

Responsibility of Management

The Management of the organisation are responsible for the preparation, contents and presentation of the NFRS, in accordance with Act 11/2018, of 28 December 2018. This responsibility includes the design, implementation and monitoring of any internal control deemed necessary to ensure that the NFRS is free of material misstatement. The NFRS has been drawn up in accordance with the content set forth in the corporate regulations in force, selected in accordance with the terms referred to for each topic in **Annex: Traceability of compliance with the Non-financial Reporting and Diversity Act** for the aforementioned NFRS.

Likewise, the management of the organisation are responsible for defining, implementing, adapting and maintaining the management systems from which the information required to draw up the NFRS is obtained, and for monitoring of the degree of fulfilment of requirements imposed by Act 11/2018, of 28 December 2018.

Number: 02.874.812

Verification date: 10 / 04 / 2026

Page 1 of 3

European Quality Assurance Spain, S.L. (EQA Spain), of Calle Joaquín Bau 2, 1, Escalera Derecha, 28036 Madrid, is subject to the "Certification Procedure and General Conditions" established by EQA.

www.batz.com

Page 69 | 71



Independence and Competence

The audit team fulfilled the requirements of independence, impartiality and all other ethical demands, basing their actions on the fundamental principles of integrity, objectivity, competence and professional diligence, non-disclosure and professional conduct.

EQA is an independent verification service provider, as set forth in Act 11/2018.

Purpose of the verification

The purpose of the verification is to ensure that the information reported by the organisation in the Non-Financial Reporting Statement of **BATZ S. COOP**, dated 30/03/2026, is precise, complete, transparent, and free of error or omission.

Our responsibility

The responsibility of EQA is confined to an expression of our conclusions in an independent verification statement of limited assurance, based on the procedures performed and the evidence obtained. The engagement was conducted in accordance with the "EQA Programme – Verification of Sustainability Reports", and the requirements of International Standard UNE-EN ISO/IEC 17029 "Conformity assessment. General principles and requirements for validation and verification bodies".

The scope of a limited assurance engagement is substantially lower than that of a reasonable assurance engagement, and the assurance provided is therefore lesser.

The procedures performed are based on the professional judgement of the experts involved in the process, and include consultations, observation of processes, appraisal of documentation, analytical procedures, and sampling review tests, as in general described below:

- ✓ Meetings with the staff of the various departments of the Organisation involved, to ascertain the business model, the policies and management approaches applied, the main risks linked to these matters, and to obtain the information required for review.
- ✓ Confirmation of the processes in place at the organisation, to determine which are the material aspects with regard to its activities.
- ✓ Analysis of the procedures used to gather and validate the data and information presented in the NFRS.
- ✓ Analysis of the alignment of the NFRS with the provisions of Act 11/2018.

Number: 02.874.812

Verification date: **10 / 04 / 2026**

Page 2 of 3

European Quality Assurance Spain, S.L. (EQA Spain), of Calle Joaquín Bau 2, 1, Escalera Derecha, 28036 Madrid, is subject to the "Certification Procedure and General Conditions" established by EQA.



- ✓ Confirmation of data, based on the selection of a sample, and application of substantive tests as to the quantitative and qualitative information contained in the NFRS.

Conclusions of the Verification

As a result of the procedures performed and the evidence obtained, we did not learn of any matter which would suggest that the information contained in the NFRS of **BATZ S. COOP** and **subsidiaries** corresponding to the financial year ended **31/12/2025** is not presented in an appropriate manner, nor that there are any material misstatements or omissions that would suggest that the report does not fulfil the requirements of Act 11 of 2018, as set forth in **Annex: Traceability of compliance with the Non-financial Reporting and Diversity Act** for the aforementioned NFRS.

Use and distribution

This Verification Statement is issued to the management of **BATZ S. COOP**, in accordance with the terms of the contract signed by and between the two parties.

This statement has been drawn up in response to the requirement established in the corporate regulations in force in Spain, and may therefore not be appropriate for other purposes or jurisdictions.



Esperanza Martínez García
Certification Director

Number: 02.874.812

Verification date: 10 / 04 / 2026

Page 3 of 3

European Quality Assurance Spain, S.L. (EQA Spain), of Calle Joaquín Bau 2, 1, Escalera Derecha, 28036 Madrid, is subject to the "Certification Procedure and General Conditions" established by EQA.