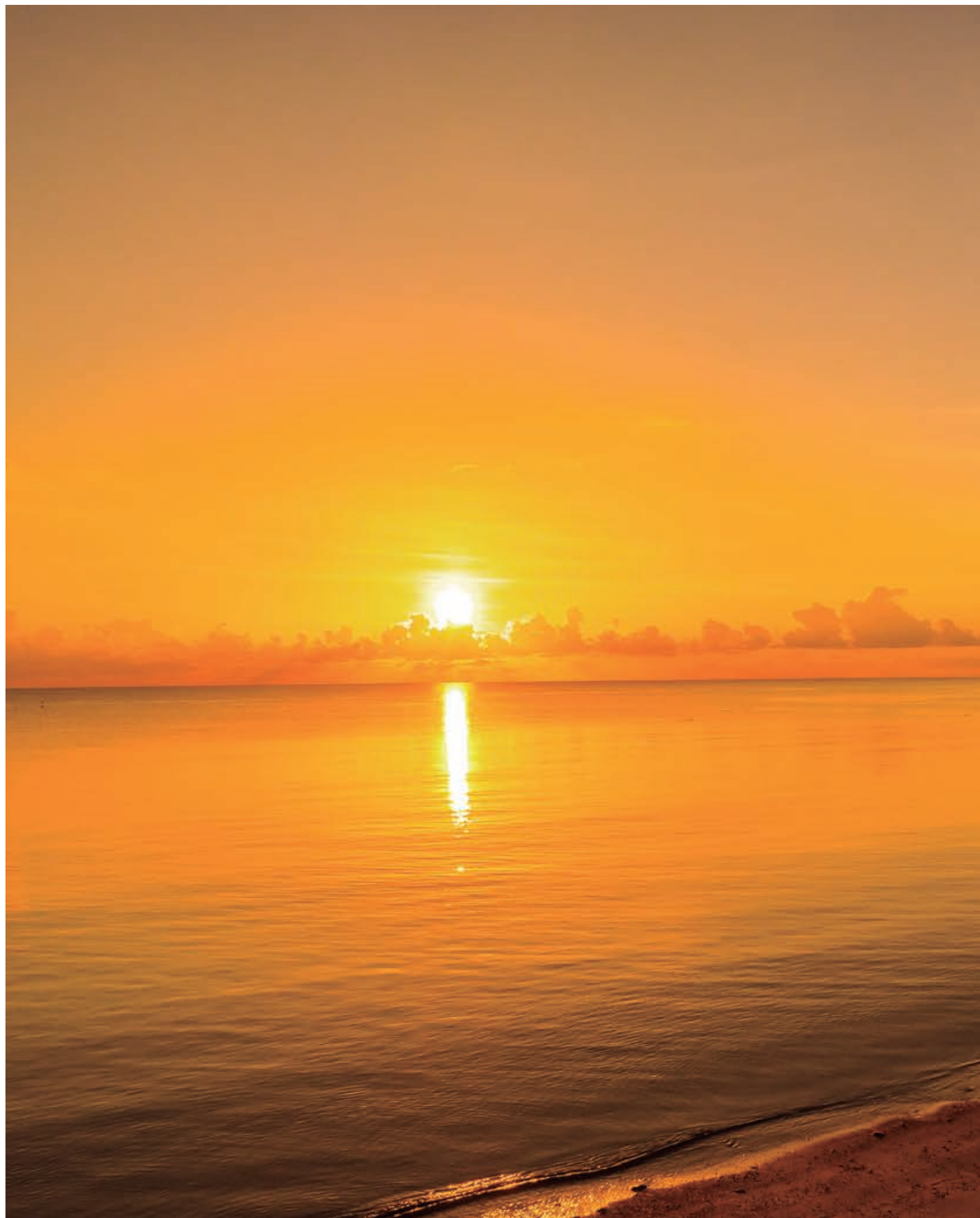




**Be smart.
Be sustainable**

Be smart. Be sustainable





Be Velatia. Be sustainable

Velatia's 2025 Sustainability Report and Non-Financial Information Statement reflect the group's commitment to sustainability, which lies at the heart of its strategy and guides its vision of long-term value creation.

This document provides clear, standardised information on the group's performance and progress during the year across the economic, environmental, social and governance dimensions, following the principles of integrity and transparency in its communications with all stakeholders.

It presents **Velatia's** consolidated development throughout the year and provides a detailed analysis of the activities of its principal businesses, **Ormazabal** and **Ikusi**.

It also includes a summary of the companies grouped under "**Other Businesses**".

Furthermore, it contains independent external information supporting **Velatia's** commitment to sustainability, consistent with ethical, responsible business management focused on excellence.



Dear readers,

I am pleased to present **Velatia's** 2025 Sustainability Report, which reflects the path we are following as an industrial and technology group committed to responsible progress. In a dynamic environment, our strength lies in our ability to evolve without losing the essence that defines us—a long-term outlook, an industrial vocation and a culture founded on integrity, humility and commitment. These qualities have enabled us to move forward consistently and purposefully for decades.

In recent years, we have consolidated a clear strategic direction. **Velatia** is progressing in accordance with the roadmap established in its **2025–2028 Strategic Plan**, which defines our priorities for the coming years. This plan drives us to strengthen our business model, anticipate changes in our operating environment and build a robust, innovative and future-oriented group.

Within this framework, sustainability remains a cross-cutting pillar. The **2025–2028 Sustainability Master Plan**, aligned with our Strategic Plan, reinforces the way we manage our impacts, integrate environmental, social and governance (ESG) criteria into decision-making and act responsibly throughout the value chain. Beyond regulatory requirements, we reaffirm our conviction that sustainable development provides the foundation for all lasting growth.

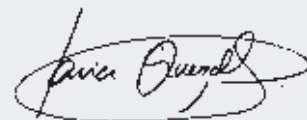
Our international commitment also forms part of this identity. We have been a member of the United Nations Global Compact since 2002, incorporating its principles on human rights, labour, the environment and anti-corruption. This commitment guides our decisions and strengthens our contribution to the Sustainable Development Goals, while keeping us aligned with global standards of corporate responsibility.

We are also experiencing a period of profound technological advances in which artificial intelligence offers significant opportunities to improve our processes, anticipate needs and operate more efficiently. At **Velatia**, we work to promote the appropriate and responsible use of these technologies, ensuring that they are adopted rigorously, ethically and in a manner that delivers a positive impact for customers, employees and society.

None of this would be possible without the people who make up **Velatia**. Our team is, and will continue to be, the driving force behind our progress. Their talent, dedication and capacity to drive transformation are what give meaning to every strategy and enable the organisation to move forward. We are deeply grateful to every one of them for their effort, sense of responsibility and commitment to our shared endeavour.

Looking ahead, we remain committed to an industrial and technology model that combines innovation, sustainability and operational excellence. In a global context characterised by periods of instability and emerging threats, we continue to address every challenge with determination and confidence in what has always inspired our path: **people**. They are the ones who enable **Velatia** to look to the future with ambition, prudence and the conviction that, together, we can build a safer, more efficient and more sustainable society.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Javier Ormazabal', enclosed within a large, stylized oval loop.

Javier Ormazabal Echevarria
President of **Velatia**



VELATIA

01. CORPORATE PROFILE

- 1.1. General Information 12
- 1.2. Key Activities During the Year 16

02. GOVERNANCE

- 2.1. Governing Bodies 24
- 2.2. Our Sustainable Governance 27
- 2.3. Responsible Conduct and Corporate Culture 30
- 2.4. Risk Control and Management 36

03. SUSTAINABILITY STRATEGY

- 3.1. Sustainability Master Plan 42
- 3.2. Double Materiality Assessment 44
- 3.3. Our Lines of Action 52
- 3.4. Our Contribution to the Goals 55
- 3.5. Innovation as a Driver of Sustainability 58

04. ENVIRONMENT

- 4.1. Commitment to Our Environment 62
- 4.2. Environmental Management 63
- 4.3. Provisions and Insurance 69
- 4.4. Certifications 69

05. SOCIAL

- 5.1. Our Commitment to People 72
- 5.2. Highlights of the Year 74
- 5.3. Our People 75
- 5.4. Employment 90
- 5.5. Customers 103
- 5.6. Suppliers 104
- 5.7. Positive Social Impact 105

ORMAZABAL

01. ORMAZABAL PROFILE

- 1.1. General Information 124
- 1.2. Highlights of the Year 129

02. GOVERNANCE

- 2.1. Governing Bodies 140

03. SUSTAINABILITY STRATEGY

- 3.1. Double Materiality Assessment 144
- 3.2. Our Contribution to the Goals 148
- 3.3. Innovation as a Lever for Sustainability 151

04. ENVIRONMENT

- 4.1. Commitment to Our Environment 160
- 4.2. Environmental Management 162
- 4.3. Provisions and Insurance 166
- 4.4. Certifications 167

05. SOCIAL

- 5.1. Commitment to Our People 170
- 5.2. Employment 180
- 5.3. Customers 191
- 5.4. Suppliers 193
- 5.5. Positive Social Impact 196

APPENDICES

- 1. Scope and Coverage 206
- 2. Reporting Principles 207
- 3. List of Material Topics 208
- 4. Contact 208
- 5. Correlation of Global Compact Principles 221
- 6. Velatia Decarbonisation Plan 222
- 7. Independent External Assurance Report 225



2025 SNAPSHOT

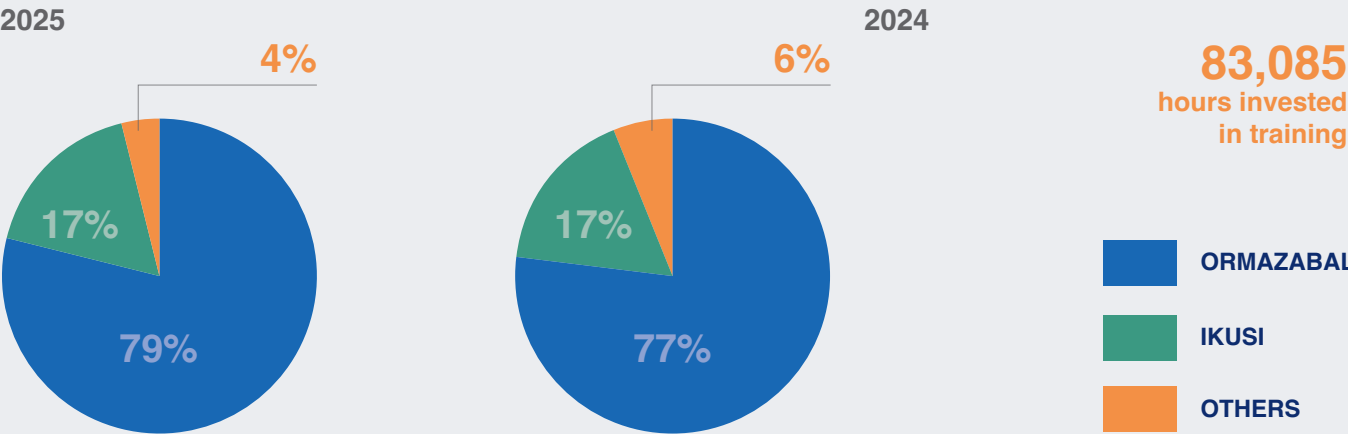
REVENUE TREND

REVENUE
(€ million)

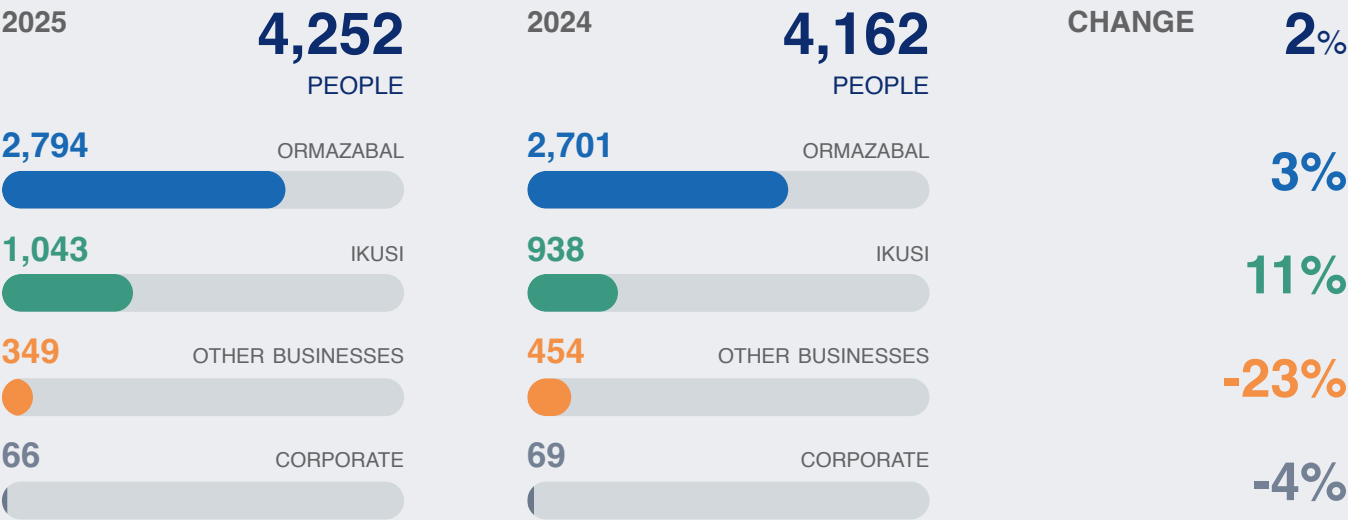
EBITDA
(% of revenue)

2025	2024
1,100 MILLION	1,051 MILLION
15%	12%

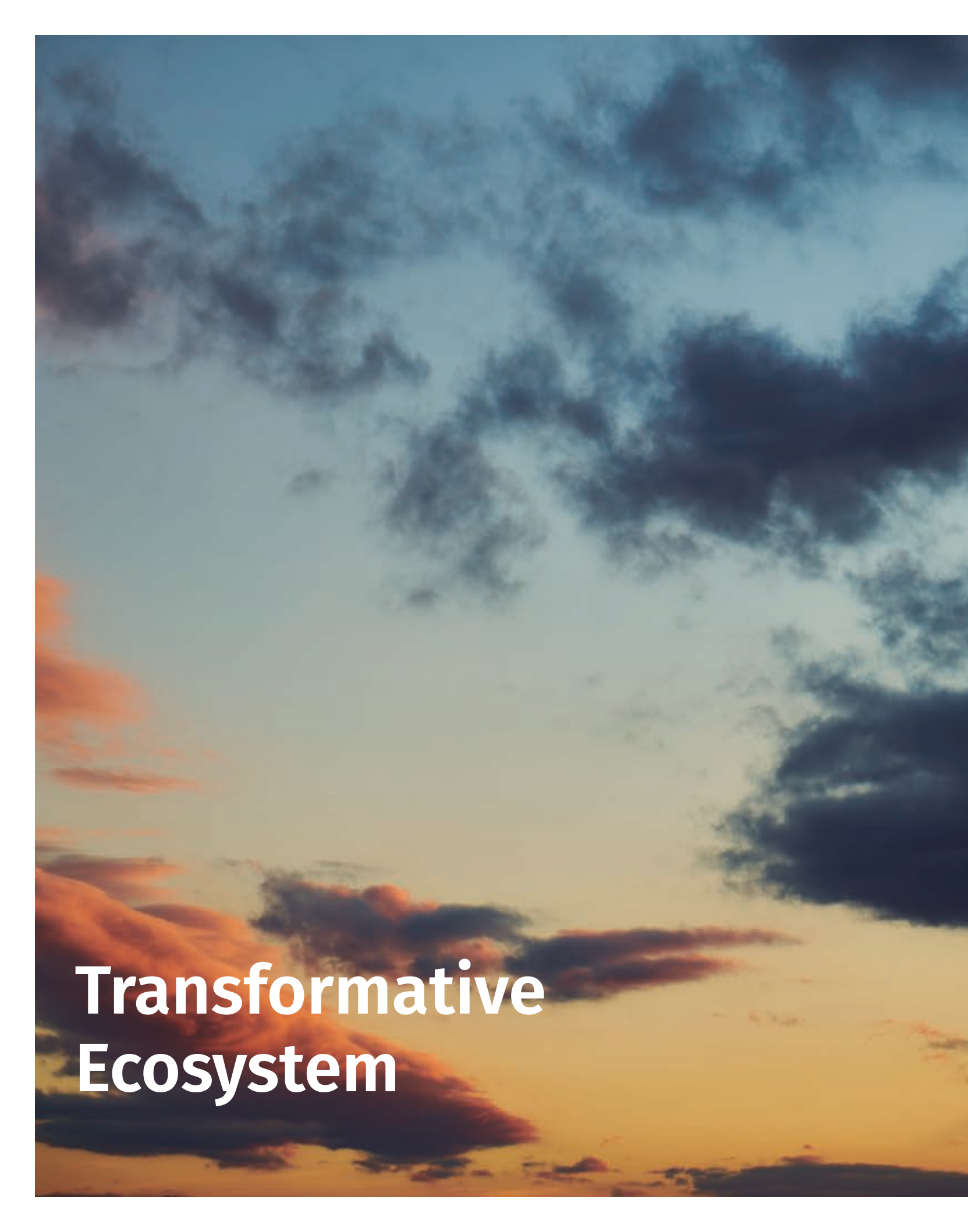
PERCENTAGE OF REVENUE BY BUSINESS



VELATIA PEOPLE



First organisation to receive AENOR Good Governance Certification



Transformative Ecosystem



01 | Corporate Profile



1.1. General Information

Velatia is a **family-owned industrial and technology group** specialising in advanced solutions for all types of networks. It is a transformative ecosystem in which technology, innovation and talent interact continuously to generate long-term value, seeking a balance between economic growth, social responsibility and respect for the environment.

Since its foundation in 1967, the group has grown as a dynamic system capable of adapting to changing market conditions and meeting its stakeholders' expectations, always remaining keenly aware that there can be no future without looking ahead. Sustainability is therefore more than a commitment: it is the guiding principle behind the group's strategy and development.

Velatia does not merely adapt to change; it drives change to build a smarter, more efficient and more sustainable world for people.

It is, in fact, an ecosystem of ecosystems in which each company contributes specific, complementary capabilities in strategic sectors such as **energy**—advancing smart grids, sustainable mobility and energy efficiency—and **information**

and communications technology—supporting companies throughout their digital transformation and ensuring cybersecurity—as well as **aerospace** and **electromechanical engineering**. Together, they address complex, interconnected global challenges such as decarbonisation, digitalisation, connectivity and communications security.

Their experience, in-depth market knowledge and technological capabilities enable them to respond to the rapid pace of market developments with increasingly demanding and specialised processes. They provide forward-looking solutions that also contribute to the development of the sectors in which they operate.

Velatia combines the essence of a family-owned group that remains mindful of its roots with the richness of the diversity contributed by its more than 4,250 professionals across 20 countries. Their different cultures, experiences and perspectives function as a form of biodiversity that enriches the whole, strengthens its resilience and enables it to transform global challenges into sustainable opportunities.

An ecosystem of ecosystems seeking a balance between economic growth, social responsibility and respect for the environment.

Our Identity

These principles reflect the essence of **Velatia** and guide its development, founded on innovation, sustainability and excellence:

- **Innovation:** a dynamic approach to creating and anticipating new and successful processes, products and/or services.
- **Pragmatism:** an efficient, results-oriented approach.
- **Support:** a willingness to offer and seek assistance to promote people's development and achieve objectives.

Purpose

We contribute to society's progress by investing in industrial activities that help optimise networks through reliable and innovative solutions and foster a more sustainable, secure and connected future. We are fully committed to this purpose while pursuing sustainable profitability.

Sustainable profitability = Increasing value + Resilience

Mission

We are a business holding company specialising in the optimisation of energy and communications networks. With a long-term outlook, we manage an investment portfolio that generates sustainable value for our shareholders and other stakeholders through our companies.

Vision

We aspire to be a trusted, leading holding company with a portfolio of investments in companies that lead their respective sectors and make a positive contribution in every area in which we operate.

Values

- **Flexibility:** the willingness to understand different options and adapt to a variety of situations.
- **Leadership:** demonstrating a drive for continuous improvement in our daily activities that can serve as an example and source of motivation for others.

Pillars

Family-owned, industrial, technological, global, a benchmark.

Velatia is distinguished by its family roots, solid industrial foundations, technological track record and clear global outlook, together with its ambition to be a benchmark in the sectors in which it operates. These pillars define the group's identity and represent its principal strength in building a sustainable future.

Business Lines and Companies

Velatia's ecosystem of ecosystems brings together experience, specialist knowledge and technical capabilities that interact to create high-value-added synergies and reinforce the group's position as an industry benchmark.

The following business lines reflect the breadth and diversity of the sectors in which **Velatia's** companies operate:

- Electricity networks.
- Energy services and electric-vehicle charging stations.
- Uninterruptible power systems.
- Telecommunications networks, cybersecurity and digitalisation.
- Manufacture of electronic components.
- Electromechanical technology and integration.
- Aerospace.
- Administration and finance.
- Property management.

Companies



A company specialising in customised, reliable and high-technology solutions for electrical infrastructure, with almost 60 years of experience. Its solutions are designed to digitalise the electricity grid to integrate greater renewable-energy generation, enable more sustainable mobility and guarantee the power supply for buildings and infrastructure with critical energy requirements.



A company specialising in energy services and electric-vehicle charging stations. It promotes efficient energy-demand management projects and implements energy-saving measures at its customers' facilities, helping them undertake investments for which they cannot allocate their own resources and monitoring their consumption to deliver continuous improvements.



A company dedicated to designing and manufacturing uninterruptible power systems and equipment that provide high-quality, reliable electrical power during supply interruptions. Its products are used in sectors including electricity, industry, shipping, aerospace and rail transport.



A technology-services company specialising in enterprise networks and cybersecurity. **Ikusi** designs and deploys efficient, robust and secure communications networks. This continuously evolving and increasingly intelligent infrastructure provides companies with connectivity and a layer of cybersecurity.



A company specialising in the design engineering, industrialisation, manufacture and testing of complex electronic boards and assemblies for customers requiring high standards of product and service quality.



A company focused on the design, industrialisation and manufacture of customised mechanical and electromechanical engineering solutions. **Smarmec** adds value through specialised, technologically advanced processes, as well as joining technologies and cosmetic finishes.



A company in the aerospace sector that designs and manufactures advanced parts and components for the aircraft engines and turbines of the world's leading manufacturers.



Velatia's shared-services unit, responsible for the group's administrative management in accordance with quality and cost-optimisation criteria. The unit provides support in accounting, treasury, personnel administration and information technology.



The **Velatia** company responsible for managing owned and leased properties, with the aim of optimising their value and maintaining them in suitable condition. Its responsibilities encompass transactional activities—purchases, sales and leases—building works and refurbishment, and the maintenance of properties and their non-production facilities.

Global Reach

Velatia combines a global presence with in-depth knowledge of the markets in which it operates. This capability enables it to undertake projects with agility and efficiency, wherever they are located.

- 22 manufacturing facilities.
- 1 Research and Technology Centre (RTC), among the most advanced in the world.
- 1 Cloud, Cybersecurity and Business Experience Operations Centre (ONCE).

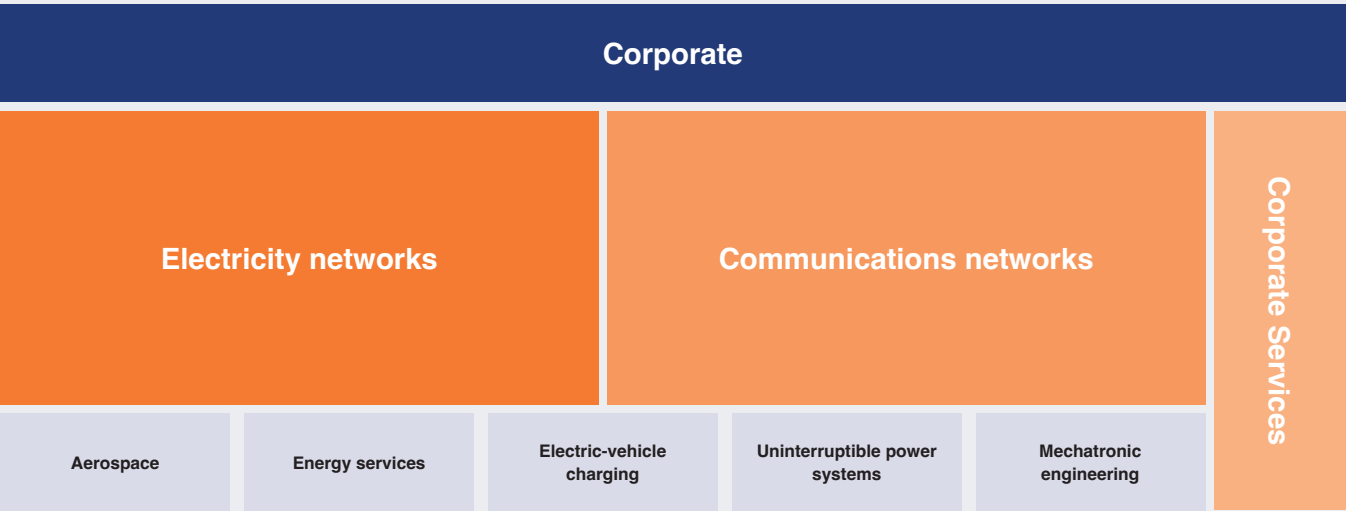
Our Human Ecosystem

At the end of 2025, **Velatia**’s human ecosystem comprised 4,252 people. Like a natural ecosystem, **Velatia**’s global team is characterised by its diversity, multiculturalism, innovative spirit, strong commitment and high level of expertise. The wealth of its professionals’ perspectives and experience enhances the group companies’ ability to address complex challenges in an environment of collaboration and mutual growth across the organisation.

BRAND ARCHITECTURE



STRUCTURE AND COMPANIES





1.2. Key Activities During the Year

In 2025, **Velatia** reaffirmed its position as an industrial and technology group capable of evolving in a demanding global environment. Economic volatility, geopolitical tensions and regulatory changes continued to shape the pace of activity. Nevertheless, the group made solid progress based on the pillars underpinning its vision: **innovation, sustainability, responsible governance and long-term value creation.**

Velatia's Key Figures in 2025

For the second consecutive year, the group exceeded **€1 billion** in revenue, reaching **€1.1 billion** and achieving a profit margin of **more than 10%**. This financial performance was driven particularly by the electrical business, which successfully harnessed the momentum generated by electrification, energy storage and infrastructure modernisation.

It should be noted that **Ikusi** Proyectos has left the reporting scope of "Other Businesses". Consequently, this year's figures are lower in comparative terms by the amounts corresponding to that business.

Sustainability as a Strategic Pillar

Following the completion of its **Double Materiality Assessment** in 2024, **Velatia** continued working in 2025 to align its management and reporting with the new European sustainability regulations, particularly the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).

During the year, the group **updated its 2030 decarbonisation targets, raising its level of ambition** beyond the minimum requirements established by the Science Based Targets initiative (SBTi) for a 1.5°C-aligned pathway. As part of this review, 2021 was confirmed as the base year because it is the most representative of current activity and fully incorporates emissions associated with SF₆.

The new combined Scope 1 and Scope 2 target establishes a reduction in emissions from the 16,410 tCO₂e recorded in 2021 to 8,738 tCO₂e in 2030. This represents an absolute reduction of 47% and exceeds the reduction pathways recommended by the SBTi. The revised target represents a significant increase in the group's initial ambition and reaffirms its commitment to energy efficiency, the electrification of energy consumption and the progressive reduction of SF₆ use.

Furthermore, despite the growth in industrial activity, the intensity of direct and indirect emissions has fallen by 62% compared with 2021, demonstrating the positive development of the group's climate performance.

People and Talent Development

More than 4,200 people were part of **Velatia** in 2025, consolidating a diverse global team committed to the group's purpose. Throughout the year, initiatives supporting holistic well-being were strengthened by combining emotional support, work-life balance and a healthy workplace culture. These included psychological support services for employees and their families, the expansion of flexible working measures and the active implementation of the Digital Disconnection Policy.

People development remains a strategic priority. In 2025, the group strengthened **technical and leadership training programmes**, as well as international workshops that continue to extend its leadership model. These initiatives are complemented by digital onboarding processes, performance-assessment tools, and mentoring and coaching programmes that promote continuous development.

In the area of equality and inclusion, **Velatia** continued implementing the measures set out in the **equality plans** of its Spanish companies, helping to consolidate a more equitable environment. It also promoted **awareness-raising** activities and strengthened its participation in external initiatives designed to advance genuine equality. The **LEAP project**, now open to new applicants and a wider range of profiles, continues to develop as a forum for contribution and commitment to equality within the group. These measures are complemented by partnerships with social organisations that promote labour-market inclusion and engagement with vulnerable groups.

This year, Gosa renewed AENOR's Family-Responsible Company (EFR) certificate, recognising the measures adopted to support a balance between professional, personal and family life, promote shared responsibility and foster more flexible workplaces committed to well-being.

Salary structures have also been updated in several countries to improve competitiveness and align them with market standards in each region.

Active listening likewise remains essential to improving the working environment. Through surveys and satisfaction metrics, the group has identified progress and opportunities, recording significant improvements in 2025 in perceptions of employee well-being and engagement.

Innovation and Digital Transformation

The year once again demonstrated that innovation is a key driver of **Velatia's** development. In 2025, the group strengthened its commitment to advanced technologies and solutions that generate value for people, customers and society alike. Throughout the year, it consolidated applied artificial-intelligence projects, new management systems and digital tools that improve business efficiency, security and foresight. **Velatia's** businesses also continued investing in open-innovation initiatives and strengthened their presence in collaborative ecosystems, accelerating cooperation with start-ups and specialist partners. These investments are aligned with the group's commitment to developing more sustainable products and solutions, smarter energy networks and technologies focused on people's well-being. Overall, 2025 was a year in which innovation became firmly established as a strategic lever driving the group's competitiveness and its contribution to a cleaner, safer and more efficient energy and technology model.

The commitment to innovation **extends beyond the simple pursuit of economic growth**. The group invests consistently in improving its facilities, strengthening its working environments and developing technologies that generate shared value.

This vision demonstrates that **Velatia's** purpose extends beyond financial performance: the group continuously channels resources into its people, safety and the sustainability of its operations, promoting progress that benefits its entire value chain and society.

Cybersecurity and Digitalisation

In 2025, **Velatia** strengthened its cybersecurity through investments designed to enhance its ability to prevent and respond to threats. It also defined a new global awareness programme—to be rolled out from 2026—combining training delivered through a learning centre with practical simulations such as phishing and smishing exercises. The programme will reinforce the group's security culture and reduce the risks associated with human factors, which are the most common source of incidents.

In parallel, the group continued to advance its digitalisation process through initiatives that help optimise tasks, minimise errors and free up resources for higher-value activities. The deployment of generative AI continued following the **implementation of Microsoft Copilot Studio; GitHub Copilot** was adopted as a tool for development teams; and process automation continued at Gosa. **Short training videos** were also created for the entire workforce to facilitate the effective use of Copilot.



Velatia strengthens its position as an industrial and technology group capable of evolving in a demanding global environment.

Looking Ahead

Velatia continues to move forward with a long-term outlook. During 2025, the group undertook a strategic review process that resulted in the preparation of the **Velatia 2025–2028 Strategic Plan**, consolidating a **stronger, more innovative group that is better prepared** to address the challenges posed by the energy transition, digitalisation and sustainability.

The group is driven by the conviction that industrial and technological progress must go hand in hand with **sustainability, ethics and people**. The developments of 2025 reaffirm this path as the essential foundation for continuing to build value and shape the future.

Responsible Governance

Velatia's governance model has been strengthened through the greater integration of ESG criteria and ethics and compliance policies, as well as through recognition from external organisations.

Notable milestones include Javier **Ormazabal** receiving the “**Best Basque Business Leader 2024**” award, the AENOR Good Governance Certification and the “**Bizkaired Bizkaia Sarean Award for Social Integration**”, the latter two in 2025.



The background of the slide is a photograph of a cloudy sky, with a gradient from light blue at the top to a darker blue at the bottom. The clouds are soft and white, scattered across the sky.

02 | Governance



In 2025, **Velatia** received AENOR's first Good Governance Certification. Intended for unlisted organisations, this certification demonstrates the strong work the group has been undertaking in this area for years to promote more transparent and responsible management focused on sustainable value. This has been an essential part of its DNA and its commitment for almost six decades—and will remain so in the future.

First Organisation to Obtain AENOR's Good Governance Certification

Velatia has become the first unlisted organisation to receive AENOR's **Good Governance Certification**.

Having good governance represents a significant improvement for any company and its stakeholders, as it ensures robust leadership, transparency and accountability. This facilitates informed, ethical and sustainable decision-making and reinforces confidence in the company's management and long-term business project.



2.1. Governing Bodies

Velatia has a governance model comprising several bodies: the Board of Directors, advisory committees and the advisory boards of its principal businesses.

Board of Directors

The Board of Directors is the Company's highest management and representative body. It comprises eight directors—the President, Vice-president and six other directors—and a Secretary, who also acts as legal adviser.

The Board's executive functions, as defined in its Rules of Procedure, are delegated to the President and Vice-president, who lead the General Management team. The Board is supported by the Sustainable Development Committee, the Audit and Compliance Committee, and the Appointments and Remuneration Committee, which act as advisory bodies.

Composition:

PRESIDENT

Mr Javier **Ormazabal** Echevarria (4) (5)

VICE-PRESIDENT

Mr Alejandro **Ormazabal** Echevarria (1) (3) (4) (5) – Proprietary

MEMBERS

Ms Ana **Ormazabal** Echevarria (2) – Proprietary

Ms Carmen **Ormazabal** Echevarria (3) – Proprietary

Ms Begoña **Ormazabal** Echevarria (1) – Proprietary

Mr Ramón Sotomayor Jauregui (2) (5) – Independent

Mr Luis Atienza Serna (1) (3) (4) – Independent

Mr Hipólito Suárez Gutiérrez (1) (4) (2) – Independent

SECRETARY (NON-MEMBER)

Mr Javier Bicarregui Garay

Advisory Committees and Advisory Boards

Established within the Board of Directors, these bodies are responsible both for overseeing key areas of corporate management and for supporting decision-making.

The advisory committees focus on specific corporate areas, namely Audit and Compliance, Appointments and Remuneration, and Sustainable Development. The advisory boards, meanwhile, provide strategic guidance to **Ormazabal** and **Ikusi**, the group's principal businesses.

The composition of these bodies reflects the principles of transparency, independence and good governance, while their operation is governed by the Board's Rules of Procedure. The role of each body is described below.



Audit and Compliance Committee (1)

The Audit and Compliance Committee comprises four directors—two independent and two proprietary directors—and a fifth person acting as non-member secretary, Mr Javier Bicarregui Garay.

Principal Functions:

- Ensure the transparency, accuracy and timely disclosure of financial and non-financial information.
- Continuously assess and oversee the internal control system.
- Validate the effectiveness of the policies, systems and procedures that ensure the proper identification and management of the risks faced by the group.
- Ensure strict compliance with the rules, laws and regulations applicable to **Velatia**'s activities.

Appointments and Remuneration Committee (2)

The Appointments and Remuneration Committee comprises three members—two independent and one proprietary director—and a fourth person acting as non-member secretary, Mr Javier Bicarregui Garay.

Principal Functions:

- Establish and review the criteria governing the composition of committees and the selection of candidates.
- Propose the composition of the committees.
- Examine proposed appointments to senior management positions and submit them to the Board of Directors.
- Propose directors' remuneration policies.
- Review senior management remuneration policies.
- Oversee the development of the senior management team, evaluate its performance and succession plans, and report on matters that may involve conflicts of interest.

Sustainable Development Committee (3)

The Sustainable Development Committee comprises three directors—one independent, one proprietary and one executive director—and a fourth person acting as non-member secretary, Ms Iciar Marquínez Beñarán.

This Committee has key responsibilities for monitoring and ensuring the achievement of **Velatia**'s sustainability objectives.

Principal Functions:

- Periodically review the Sustainable Development Policy and propose its approval, amendment and updating to the Board of Directors.
- Oversee the Company's sustainability activities, assess and review its action plans, and keep the Board of Directors informed in this regard.
- Monitor the group's contribution to achieving the Sustainable Development Goals adopted by the United Nations.
- Oversee and assess stakeholder-engagement processes.
- Review the Sustainability Report, the Non-Financial Information Statement and any other communication of relevance to stakeholders before they are approved by the Board of Directors.

Ormazabal Advisory Board (4)

The **Ormazabal** Advisory Board is an advisory body operating within the business whose principal purpose is to support the management team in performing its duties through collaboration and strategic advice.

It comprises five members, four of whom belong to the Board of Directors. Mr Jorge González Somavilla also participates as a permanent member, while Mr Javier Bicarregui Garay acts as non-member secretary.

Principal Functions:

- Analyse Ormazabal's results and assess the performance of the management team.
- Prepare the strategic plan and oversee its implementation.
- Monitor budget management.
- Propose the most significant decisions concerning investments, asset sales and mergers, among other matters.
- Assess strategic alliances and propose their authorisation.

Ikusi Advisory Board (5)

As in the case of **Ormazabal**, the **Ikusi** Advisory Board is an advisory body operating strictly within the sphere of the business. Its principal purpose is to support the management team by providing collaboration and advice.

It comprises five members, three of whom belong to the Board of Directors. Mr Francisco Garza Zambrano and Mr Iñaki Maiz Elizaran also participate as permanent members, while Mr Javier Bicarregui Garay acts as non-member secretary.

Principal Functions:

- Analyse **Ikusi**'s results and assess the performance of the management team.
- Prepare the strategic plan and oversee its implementation.
- Monitor budget management.
- Propose the most significant decisions concerning investments, asset sales and mergers, among other matters.
- Assess strategic alliances and propose their authorisation.

Diverse and Balanced Governance

Velatia promotes diversity within its administrative, management and supervisory bodies, maintaining an appropriate balance between independent, executive and proprietary directors, as well as significant female representation:

- Executive directors: 12%
- Proprietary directors: 50%
- Independent directors: 38%
- Women: 38% of Board members

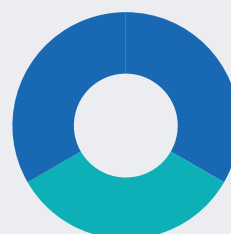
Diverse and Balanced Composition



AUDIT AND COMPLIANCE

4 MEMBERS

- Independent: 2 - 50%
- Proprietary: 2 - 50%



APPOINTMENTS AND REMUNERATION

3 MEMBERS

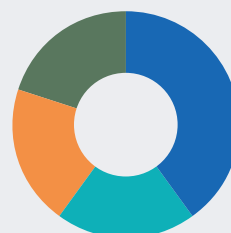
- Independent: 2 - 67%
- Proprietary: 1 - 33%



SUSTAINABLE DEVELOPMENT

3 MEMBERS

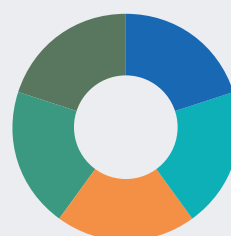
- Independent: 1 - 33%
- Proprietary: 2 - 67%



ORMAZABAL

5 MEMBERS

- Independent: 2 - 40%
- Proprietary: 1 - 20%
- Proprietary Executive: 1 - 20%
- Other: 1 - 20%



IKUSI

5 MEMBERS

- Independent: 1 - 20%
- Proprietary: 1 - 20%
- Proprietary Executive: 1 - 20%
- External: 1 - 20%
- Other: 1 - 20%



2.2. Our Sustainable Governance

Sustainability is a strategic pillar at **Velatia** and informs the management of its businesses across the organisation. Its effective integration is supported by a robust governance structure involving governing, management and supervisory bodies at both corporate level and within the group companies.

This approach enables the consistent and aligned management of environmental, social and governance (ESG) commitments throughout the organisation. It encompasses strategy and climate-related matters at both corporate level and within each business.

Governance Model

Velatia's sustainability governance model comprises the following bodies, whose functions and responsibilities in this area are described below.

General Meeting of Shareholders

The **General Meeting of Shareholders** is **Velatia**'s sovereign decision-making body. Its functions, structure and responsibilities are defined in the Articles of Association and the Spanish Corporate Enterprises Act, which regulates the legal forms of commercial companies in Spain.

Its responsibilities include the approval of the Sustainability Report and the Non-Financial Information Statement, as an expression of the group's commitment to transparency and accountability.

Board of Directors

The Board of Directors, which met seven times in 2025, comprises eight members appointed by the General Meeting of Shareholders, as listed above, three of whom are independent directors.

Both its operation and its responsibilities—as well as those of its committees—are duly regulated and reviewed periodically to ensure alignment with developments in the legislative framework and governance best practices.

To enable the Board to discharge its responsibilities effectively, its Rules of Procedure establish that discussions on certain matters must be prepared in advance by the standing advisory committees. Two of these—the **Sustainable Development Committee** and the **Audit and Compliance Committee**—have responsibilities relating to ESG matters.

Audit and Compliance Committee and Sustainable Development Committee

The **Audit and Compliance Committee**, comprising an independent chair, three non-executive members and the secretary and legal adviser to the Board, acting as non-member secretary, met four times during the year.

The **Sustainable Development Committee**, whose functions include a series of key responsibilities for monitoring and achieving the objectives in this area, welcomed two new members during the year, who received the corresponding specific training sessions. In 2025, the Committee held two meetings.

Appointments and Remuneration Committee

The **Appointments and Remuneration Committee** comprises three non-executive members and the secretary and legal adviser to the Board of Directors, acting as non-member secretary. As mentioned in the preceding section, its principal functions are to submit proposals to and advise the Board on the composition, operation, evaluation, remuneration and succession of the governing, management and supervisory bodies, as well as on the Company's Human Resources Policy and corporate culture. It also plays an important role in defining sustainability-related objectives. The Committee held two meetings during the year.

Advisory Boards: Support and Advisory Bodies

The **advisory boards**, which provide support and advice to the Board of Directors in each business, comprise highly regarded professionals with extensive experience in the Company's areas of activity. Their role is to contribute their insight and expertise regarding the trends, opportunities and challenges affecting the strategic development of each business, supporting both the management team and the Board itself. They also monitor the businesses' strategic plans and any matters relating to the management of ESG objectives deemed necessary.

Sustainability Department and Management Areas

Finally, in addition to the bodies mentioned above, it is worth highlighting the role played by the Sustainability Department—at both corporate and business level—and by the management areas responsible for these matters in Velatia's sustainability governance.

Sustainability Responsibilities:

Board of Directors	Audit and Compliance Committee	Sustainable Development Committee
ESG Strategy and Consideration of ESG Matters: · Review the ESG strategy, including its mission and values statement, roadmap and priorities. · Take ESG matters into account in major decisions. · Review the work performed by the committees in relation to ESG matters. · Review and approve the Code of Ethics and corporate policies. · Prepare the sustainability information intended for publication.	Non-Financial Information: · Review the sustainability information intended for publication. · Ensure that non-financial information is produced through a structured process. · Participate in the process for selecting the auditor of the Sustainability Report. Inform the Board of Directors of any observations considered relevant in connection with ESG reporting.	Oversight and Monitoring of ESG Matters: · Periodically review the Sustainable Development Policy and propose its approval, amendment and updating to the Board of Directors. · Oversee the Company's sustainability activities, assess and review its action plans and report on them to the Board of Directors. · Monitor the group's contribution to achieving the Sustainable Development Goals (SDGs) adopted by the United Nations. · Oversee and assess stakeholder-engagement processes. · Report, prior to approval by the Board of Directors, on the annual Sustainability Report, the Non-Financial Information Statement and any other information relevant to stakeholders. · Monitor the achievement of the principal ESG performance indicators.



In 2025, the Board of Directors approved the updated Velatia Policy Manual

2.3. Responsible Conduct and Corporate Culture

Ethics and Integrity

Velatia considers ethical conduct and integrity to be essential pillars of its business model. On this basis, it is firmly committed to conducting all its business and professional activities in strict compliance with the legislation in force in each of the countries in which it operates, while promoting exemplary, transparent and responsible conduct at all times.

The principles guiding its actions derive from its purpose, vision, values and strategic pillars and are formally set out in the Code of Ethics and Sustainable Development Policy. These cultural and regulatory frameworks not only define **Velatia's** corporate identity but also provide sound, consistent guidance for decision-making at every level of the organisation as it works towards its objectives and goals.

In the current environment, **Velatia** is fully aware that any business challenge can only be addressed successfully through clear and firm alignment with environmental regulations, active efforts to combat climate change, social commitment and the adoption of the highest standards of good corporate governance. This position is reflected in a rigorous internal culture based on transparency, responsibility and ethics that permeates all its operations and decision-making processes.

Through this comprehensive economic, environmental, social and governance approach, **Velatia** reaffirms its commitment to creating sustainable long-term value. Its activities seek to generate a positive and tangible impact for all its stakeholders, with particular attention to the local communities in which it operates, promoting their economic development, quality employment and, consequently, social cohesion.

In this way, the group actively contributes to achieving the **Sustainable Development Goals** (SDGs) by incorporating their targets into strategic planning and day-to-day business management. In doing so, it reaffirms its ambition to act as a responsible **agent of transformation**, committed to global progress and to building a more sustainable, fair and balanced future.

Code of Ethics

Velatia's Code of Ethics, drawn up in accordance with the most stringent standards, establishes the principles, values and commitments that must guide the conduct of the group's companies and the third parties with which they engage.

At **Velatia**, **integrity and responsibility** underpin every action and extend to everyone associated with the organisation. The Code of Ethics ensures that every decision and action is always consistent with ethical standards and respect for applicable legislation, taking into account the cultural characteristics of the countries in which the group operates.

Ultimately, the Code guides the group's commitment to comprehensive and sustainable business ethics, with the firm purpose of contributing to the achievement of the SDGs and promoting responsible environmental, social and governance practices, thereby generating long-term value for its stakeholders.

Velatia was one of the first Spanish companies to join the **United Nations Global Compact**. By undertaking this commitment in 2002, it accepted the challenge of gradually incorporating into its strategy and operations the ten universal principles underpinning this global initiative, relating to human rights, labour standards, environmental protection and anti-corruption. It also committed to reporting annually, with complete transparency and objectivity, on the progress made during each reporting year.

Corporate Policies and Commitments

The values of **Flexibility, Leadership, Innovation, Pragmatism and Support** represent the deeply held convictions of the people who form part of **Velatia**. Together with its ethical principles, which establish the expected standards of conduct, they form the general framework guiding behaviour throughout the organisation.

To reinforce and extend these principles, **Velatia** also has corporate policies approved by the Board of Directors and applicable to all group companies. These policies ensure that every area acts in accordance with the group's shared purpose, mission, vision, values and strategic pillars.

In 2025, the Board approved the updated **Velatia Policy Manual**, a key document setting out the objectives, guidelines and criteria for action needed to ensure that the businesses operate consistently with the corporate principles.

In 2024, **Velatia** also updated its **Crime Prevention, Anti-Corruption and Ethics Channel Management Policy**. Its purpose is to convey to everyone across the group and to third parties a clear and unequivocal message rejecting all unlawful conduct, particularly corruption and fraud.

At the same time, it reinforces **Velatia's** commitment to regulatory compliance, good governance, transparency, responsibility, independence and the protection of its reputation, in accordance with generally accepted ethical standards.



Ethics and Corporate Crime Prevention Committee and Ethics Channel

Where necessary, **Velatia** has an **Ethics and Corporate Crime Prevention Committee** responsible for overseeing compliance with the Code of Ethics. It comprises representatives from the Corporate Services, Finance, Legal and Internal Audit Departments, and its mission is to ensure that the group's values and principles are applied effectively.

Its principal functions include:

- Promoting awareness of the Code throughout the organisation.
- Resolving questions concerning its interpretation and providing guidance on potential risk or conflict situations.
- Assessing and reporting on the level of compliance.
- Providing a direct and independent communication channel through which potential breaches can be reported.
- Managing and resolving reports, complaints, grievances, suggestions and queries, including those relating to workplace harassment that could not be resolved through informal channels.

The Committee also oversees **Velatia's Ethics Channel**, a platform through which stakeholders can report, confidentially and anonymously if they wish, any conduct or situation that may contravene the Code of Ethics, internal policies and procedures, good business practices or applicable legislation.

To reinforce the system's objectivity and trustworthiness, the platform is managed by an independent external company responsible for:

- Ensuring that the service remains permanently available and accessible.
- Receiving and managing reports.
- Safeguarding the integrity, objectivity and confidentiality of the information.
- Following up on reports.
- Acting as an intermediary between the organisation and the reporting person while protecting their identity.

To facilitate communications for these purposes, **Velatia** provides the following channels:

- **Ethics Channel:** accessible through the corporate website (www.Velatia.com, under "Code of Ethics"), the **Velatia** and individual business intranets, and the **My Velatia** application.
- **Dedicated email address:** ethics@Velatia.com.
- **Direct communication:** speaking with the relevant persons within the organisation as an additional means of reporting potential breaches.

In 2023, **Velatia** adapted its Ethics Channel to comply with Law 2/2023 of 20 February on the protection of persons who report regulatory infringements and the fight against corruption. During the year, three reports were received through this channel, compared with two in 2024.

Through an internal e-learning platform, the entire workforce has access to specific training on the Code of Ethics and the operation of the Ethics Channel. This training begins as soon as employees join the organisation, as new members of **Velatia's** workforce receive instruction on these matters and on the corporate policies, protocols and manuals containing relevant business information.

Lastly, **Velatia's** entire management team has formally affirmed its commitment to the Code of Ethics, reaffirming its responsibility to lead by example and promote a culture of integrity throughout the organisation.

Combating Corruption and Bribery

Velatia has a **Crime Prevention, Anti-Corruption and Ethics Channel Management Policy**, which provides a permanent framework for oversight and control to prevent any form of corruption or fraud within its sphere of activity.

Its purpose is to establish effective measures to prevent and, where appropriate, detect, investigate and respond to any irregular or unlawful conduct that may occur within the organisation, as part of a corporate culture founded on ethics, transparency and strict compliance with applicable legislation.

The policy is based on the following principles:

- **Promotion of prevention, by fostering an organisational culture in which ethics and legality underpin all decisions and actions.**
- **Zero tolerance of corruption, including all forms of extortion, bribery and improper inducements.**
- **Self-regulation in conduct and decision-making, based on four fundamental requirements:**
 1. It must be ethically acceptable.
 2. It must be legally valid.
 3. It must be socially responsible and beneficial to society and the group.
 4. It must be undertaken with professional responsibility.
- **Prevention, detection and response** in relation to potential irregular or unlawful conduct.
- **Regulatory compliance**, acting at all times within the applicable legal framework and in accordance with the Code of Ethics.
- **Transparency and communication**, ensuring the availability of appropriate internal channels for reporting irregularities, unlawful actions and conduct contrary to the Code of Ethics.
- **Confidentiality** and protection of reporting persons and investigations, safeguarding anonymity and preventing any form of direct or indirect retaliation against those who report concerns in good faith.
- **Respect for the presumption of innocence and the right of defence** of all parties involved.

- **Independence, impartiality** and the absence of conflicts of interest in the management of reports received.
- **A guarantee that all communications will be handled** diligently and effectively.
- **Follow-up of potential irregularities**, while preserving anonymity and the rights of both reporting persons and persons under investigation, and ensuring that disciplinary measures are applied fairly, proportionately and without discrimination.
- **Ongoing training and awareness-raising**, through periodic programmes designed to strengthen the culture of compliance and business ethics.
- **Internal control systems designed** to prevent and detect irregularities.
- **Provision of appropriate human and material resources** to enable the Ethics and Corporate Crime Prevention Committee to perform its functions effectively.
- **Cooperation with the competent judicial and administrative authorities** in the investigation of allegedly criminal or fraudulent conduct.

Velatia's Risk Management System also includes a detailed risk matrix and the controls associated with each risk, including those relating to the prevention of money laundering. This systematic approach minimises the possibility of regulatory non-compliance and strengthens the culture of internal control and compliance.

It should also be noted that, during the year, **Velatia** made contributions totalling approximately €93,000 to various foundations and non-profit organisations, compared with €80,000 in 2024. These contributions were made in accordance with established internal procedures and consistently with the principles of integrity and social responsibility governing the group's conduct.

Human Rights

Velatia embraces and promotes the fundamental values and principles of the United Nations Global Compact, particularly respect for human rights. Consistent with this commitment, it has implemented tools to protect these rights and to prevent, mitigate and, where appropriate, remedy any adverse impacts on people associated with the organisation and the communities in which it operates.

The Human Rights Policy sets out measures designed to prevent, reduce or remedy potential infringements arising from the group's activities. Within this framework, **Velatia** undertakes to:

- Foster a **culture of respect** by raising awareness and providing training to its teams across all group companies.
- Require its stakeholders to **comply** with international standards, applicable legislation and its Code of Ethics.
- Ensure the **effective application** of this commitment in day-to-day activities. Every company and every person within the organisation must be aware of matters within their area of responsibility that could involve an infringement and, where necessary, take corrective action or report it through the established channels.
- **Identify and prevent** potential non-compliance through a risk map and specific action plans.
- Provide secure and confidential **reporting channels**, such as the Ethics Channel, and train employees in their use where necessary.

Velatia has also defined a **General Human Rights Management Framework** based on three pillars: **commitment, due diligence and grievance mechanisms**. Through this approach, it reinforces its responsibility to protect human rights and ensures the detection, management and remediation of any potential infringement.

Human Rights Due Diligence System

In addition to being an ethical imperative, **Velatia** regards respect for human and social rights as a **fundamental responsibility** guiding all its actions and decisions. This non-negotiable principle, together with stakeholder expectations—particularly those of customers and employees—and the need to adapt to European regulations, led the Sustainability Department to implement a **Due Diligence System** throughout the organisation.

The system seeks to identify and assess actual or potential adverse impacts that may arise from business activities. It therefore analyses both the geographical environment and the social context in order to prevent, mitigate and, where appropriate, remedy any potential infringement.

This analysis shows that, of the four self-assessment areas defined, the most significant risks are concentrated in the supply chain. The group's businesses are therefore carrying out a project to assess and classify their principal suppliers in relation to ESG matters.



Commitment to Global Initiatives

As noted above, **Velatia** is a member of the United Nations Global Compact, the world's largest corporate sustainability initiative, bringing together more than 12,000 organisations in 160 countries.

Within this framework, the group supports, promotes and disseminates its ten universal principles—relating to human rights, labour practices, the environment and anti-corruption—both in its internal management and throughout its sphere of influence. Since 2005, it has published an annual Communication on Progress, available on the websites of the Spanish Network of the Global Compact and the United Nations Global Compact, detailing the progress made in relation to each principle.

As part of its commitment to sustainability, **Velatia** incorporates the **Sustainable Development Goals (SDGs)** into its business model. In 2019, it conducted a selection and prioritisation process to identify the most relevant Goals (see “Our Contribution to the Sustainable Development Goals”) and, on that basis, define specific lines of action and establish monitoring mechanisms to assess its contribution to the 2030 Agenda.

Since 2020, **Velatia** has also participated in the **Family Business for Sustainable Development** initiative, led by the United Nations and The Family Business Network. This partnership, which brings together prominent family businesses from around the world, reinforces its commitment to sustainable development and highlights the role of such companies in addressing major global challenges.

In 2024, **Velatia** endorsed the **Bilbao Charter of Values—Bilbao Balioen Hiria**—an initiative led by Bilbao City Council through which the group undertakes to preserve, promote and disseminate the 17 values set out in the document as pillars of coexistence in the city.



2.4. Risk Control and Management

Velatia's Risk Management Model is based on the Risk Control and Management Policy approved by the Board of Directors in 2023. The purpose of this policy is to establish the general principles and guidelines required to ensure that any threat capable of jeopardising the achievement of the group's objectives is systematically identified, analysed, assessed and addressed, applying consistent criteria and observing the established risk tolerance thresholds or levels.

The system is designed to create and protect the value generated for all stakeholders, ensuring that the level of exposure assumed for each risk is aligned with the organisation's capacity to manage it. It also establishes that every action must comply with the basic operating principles set out in the group's commitments.

Fundamental principles of Velatia's Risk Control and Management Policy:

1. Integrate the risk–opportunity perspective into the management of the organisation and into strategic and operational decision-making.

2. Separate operational functions by distinguishing between the areas responsible for assuming risks and those responsible for their analysis, control and oversight, thereby ensuring an appropriate level of independence.

3. Act in accordance with the following guidelines:

- Avoid, transfer and/or mitigate material risks relating to occupational health and safety, accidents, the environment, climate change, security, ethics and conduct, regulatory compliance, taxation, reputation and corporate image, minimising their likelihood and/or associated impact.
- Transfer risk in low-probability, high-impact scenarios through insurance policies or other forms of cover.
- Accept risk in low-probability, low-impact scenarios, maintaining an appropriate balance between the significance of the risk, its cost and the resources required to reduce it.

4. Conduct periodic monitoring and control—including impact-mitigation measures—to review risk management regularly.

5. Report on risks and the operation of control systems while maintaining appropriate communication channels.

6. Foster a risk culture that promotes socially responsible and sustainable management among all Velatia employees.

The **Audit and Compliance Committee**, which reports to the Board of Directors, is responsible for overseeing the risk maps prepared by the various business management teams and monitoring their development, ensuring that they remain consistent with **Velatia's** general policy in this area.

Principal Risks Identified

The group companies manage their risks according to the threats and vulnerabilities affecting them (see “Risk Control and Management” in the corresponding **Ormazabal** and **Ikusi** sections).

Velatia, as the parent company, began a process in 2025 to identify and analyse the risks associated with the new corporate strategic plan. This process is expected to be completed in 2026.

In general terms, **Velatia** classifies the risks it manages into the following categories:

- Macroeconomic risks and geopolitical instability.
- Regulatory risks: risk of non-compliance with sustainability regulations.
- Cybersecurity risks.
- Human rights risks.
- Environmental risks.
- Physical risks arising from climate-related disasters.

Key Risks in 2025

Macroeconomic Risks and Geopolitical Instability

During the year, the global environment was characterised by increasing **geopolitical fragmentation and trade protectionism**, particularly following the shift in United States foreign policy and the persistence of armed conflicts in Eastern Europe and the Middle East. Tariff disputes and the introduction of new trade barriers have caused further supply-chain disruption and increased volatility in raw-material and energy prices. At the same time, sustainability-related regulatory pressure in the European Union has eased following the approval of the Omnibus package, while environmental risks have fallen in the ranking presented in the Risk in Focus 2026 report. Meanwhile, disinformation and cyberattacks have become firmly established as major reputational and operational risks, increasing alongside digital disruption, emerging technologies and artificial intelligence.

Although macroeconomic and geopolitical uncertainty does not rank among the most critical risks, this threat permeates every other category. The IMF forecasts moderate economic growth through to 2028, while warning of the risks of a technical recession and a global slowdown.

Implications for Velatia:

- Greater difficulty in financial planning and tax optimisation.
- A need to strengthen geographical and sectoral diversification, as well as the active monitoring of country risks.
- A review of crisis scenarios and the strengthening of organisational resilience, with particular attention to supply-chain management and foreign-exchange exposure.

Regulatory Risks

The application of the CSRD and the European Taxonomy to **Velatia** has been postponed, providing some relief from ESG information reporting and external assurance requirements. The EU has announced the consolidation of several key regulations into an Omnibus package intended to reduce the administrative burden without compromising its environmental objectives.

Implications for Velatia:

- 2027 will be **Velatia**'s first reporting year under the CSRD on a consolidated basis. With this in mind, the organisation is preparing across its various businesses by identifying gaps and adapting both its information systems and internal control mechanisms.
- This reinforces the need for specialised structures and active participation in regulatory forums to anticipate and manage regulatory changes.

Cybersecurity Risks

The rapid development of artificial intelligence, the proliferation of automated attacks and the increasing sophistication of ransomware have heightened cybersecurity risks. Double-extortion attacks, the use of deepfakes and the exploitation of vulnerabilities in the digital supply chain are no longer hypothetical threats but realities that test organisations' resilience. Consequently, European legislation such as the NIS2 Directive has imposed more stringent resilience and incident-reporting requirements.

Implications for Velatia:

- Complete the Cybersecurity Awareness and Training Plan.
- Strengthen the Zero Trust architecture and update business continuity and incident-response plans.
- Continuously monitor suppliers and technological dependencies.



Human Rights Risks

Regulatory and social pressure concerning human rights due diligence has eased, and the application of the European Corporate Sustainability Due Diligence Directive has been postponed to reduce the administrative burden on companies, giving them more time to adapt to the new requirements and strengthen their competitiveness.

At the same time, artificial intelligence and digitalisation pose new challenges, particularly in areas such as data protection, algorithmic discrimination and workplace surveillance.

Implications for Velatia:

- Review policies and management systems to incorporate the new standards and expectations.
- Maintain reporting channels and remediation mechanisms.
- Monitor ESG matters throughout the supply chain.

The principal human rights risks identified relate to labour rights and, more specifically, to potential infringements of the rights of workers in the supply chain in relation to occupational health and safety, freedom of association, collective bargaining, non-discrimination, privacy and decent working conditions.

To mitigate these risks, **Velatia** has implemented various **preventive strategies and measures**:

- Define and disseminate the policies and Code of Ethics establishing the commitments and standards of conduct to be followed by all employees and the group's business partners.
- Provide **employees and suppliers with training and awareness-raising** on key human rights matters and the associated responsibilities.
- Implement **management systems** that enable performance in this area to be controlled and monitored and any potential deviations or instances of non-compliance to be identified and corrected.
- Conduct **internal and external audits** to verify compliance with human rights standards—including throughout the supply chain—and the effectiveness of any corrective measures applied when irregularities are detected.
- Provide **grievance channels** that facilitate the submission of reports and strengthen engagement with stakeholders. In this regard, **Velatia** has an internal reporting system known as the Ethics Channel, which is available to employees and third parties with a legitimate interest. Queries submitted through this channel are received confidentially, in accordance with the provisions of the following section of the report, "Ethics and Integrity". Where necessary, appropriate measures are adopted to resolve the situations identified.



Environmental Risks

The forthcoming application of the **EU Corporate Sustainability Reporting Directive and the new ESRS** will require more detailed reporting on environmental impacts, carbon footprint and waste management. Requirements governing hazardous-waste management, efficient water use and emissions reductions are therefore becoming more stringent, while the circular economy is taking on a central role. Penalties for non-compliance are also increasing, together with pressure from investors and customers regarding sustainability.

Implications for Velatia:

- Adapt management systems and strengthen data traceability.
- Monitor and follow up on eco-efficiency and decarbonisation measures.
- Ensure rigorous compliance with the new reporting and waste-management obligations.

Physical Risks Arising from Climate-Related Disasters

The impact of extreme weather events—including storms, wildfires, floods and heatwaves—has intensified, affecting infrastructure, supply chains and operating costs. Against this backdrop, companies are required to assess and report their exposure to physical risks in accordance with international frameworks such as the CSRD and the TCFD (Task Force on Climate-related Financial Disclosures), a global initiative intended to improve transparency in climate-related financial disclosures.

Implications for Velatia:

- Continue the pilot project to identify and assess physical risks at all facilities, taking the latest climate scenarios into account.
- Incorporate the results into the risk management strategy and into adaptation and resilience plans.





03 | Sustainability strategy



In 2025, the foundations were laid for the new 2025–2028 Sustainability Master Plan

3.1. Sustainability Master Plan: Our Strategic Pillar

Velatia places sustainability at the heart of its business strategy, recognising that long-term thinking goes beyond the mere achievement of financial objectives. In a global context characterised by increasingly complex environmental and social challenges, the group is committed to helping protect the environment, support people's well-being and advance the communities of which it forms part. It seeks to balance these considerations with economic development so as not to compromise opportunities for future generations. This vision is integrated throughout the organisation.

The Sustainability Master Plan (SMP) is the fundamental pillar underpinning the group's strategy in this area.

One of **Velatia's** principal objectives is to ensure that its companies have the structures needed to develop their environmental, social and governance (ESG) dimensions appropriately. Accordingly, and in alignment with the **Velatia 2025–2028 Strategic Plan**, a strategic review process was conducted in 2025 to define a new SMP covering the same period.

The plan provides for the Sustainability Department to participate from two perspectives: first, by managing matters relating to the ESG aspects of **Velatia S.L.** and, second, through **Velatia's** role as a holding company, with the aim of fostering sustainable businesses.

The principal inputs considered in preparing the SMP were the **Double Materiality Assessment** conducted in 2024 and the commitments established in the **Sustainable Development Policy**.

Sustainability at Velatia is structured at both corporate and business level.

Sustainability Management

The **Sustainability Master Plan** reflects the group's sound and consistent strategy in this area. The Sustainability Department, which reports directly to the general manager, is responsible for preparing and overseeing the plan, as well as coordinating and verifying the information reported to the different stakeholder groups.

In coordination with the businesses, the Department monitors sustainability-related impacts, risks and opportunities (IROs). It also promotes an ESG culture throughout the organisation through policies, standards and best practices, while leading and participating in projects that enable Velatia to anticipate the principal regulatory changes continuously emerging in this area.

At business level, the **general managers** are responsible for developing and implementing sustainability strategies and ensuring that ESG criteria are integrated into decision-making processes.

In addition, each business unit has **sustainability management teams** responsible for designing and implementing specific plans aligned with its respective strategic plan, as well as generating and managing the ESG indicators associated with the established objectives. This enables sustainability to be integrated effectively into every business process.

Velatia therefore has a sustainability structure encompassing both the corporate level—which includes the governance bodies and the Sustainability Department—and the business level. Close coordination between these two levels enables ESG impacts, risks and opportunities to be managed cohesively across the organisation.

To incorporate sustainability into its operations, **Velatia** follows a **planned process** beginning with an analysis of the environmental, social and governance context. This analysis provides an understanding of the current environment, identifies relevant megatrends and addresses stakeholder expectations. On this basis, the group determines the actual and potential impacts of its activities, identifies risks and opportunities relating to sustainability governance and implements actions to manage and mitigate impacts and risks while maximising the opportunities identified.

Sustainable Development Policy

Velatia responds to the major challenges it faces—both as a corporate group and as an active member of society—through a set of principles and commitments embodied in its **Sustainable Development Policy**. This policy, reviewed and approved by the Board of Directors in 2023, takes into account the expectations and interests of its stakeholders and businesses.

The 2025–2028 Sustainability Master Plan is fully integrated into the group's 2025–2028 Strategic Plan and incorporates relevant environmental and social matters at both strategic and operational level.



3.2. Double Materiality Assessment

In 2024, **Velatia** conducted a Double Materiality Assessment in accordance with ESRS 1 under the European Directive to identify its key material sustainability impacts and the financial risks and opportunities arising from ESG matters relevant to the group and its principal businesses, **Ormazabal** and **Ikusi**. This process made it possible to define **Velatia**'s sustainability scope, ensure consistency between policies, metrics and action plans, and update the ESG roadmaps of the group and its business units for the 2025–2028 period.

The assessment covered the entire value chains of both businesses—**Ormazabal** and **Ikusi**—as at 31 December 2024, including their operations, business relationships and upstream and downstream activities.

Double Materiality Process

The process followed to conduct the Double Materiality Assessment is described below:

1. Methodological Approach

The assessment was conducted in full accordance with the methodology described in **ESRS 1** and included the following aspects:

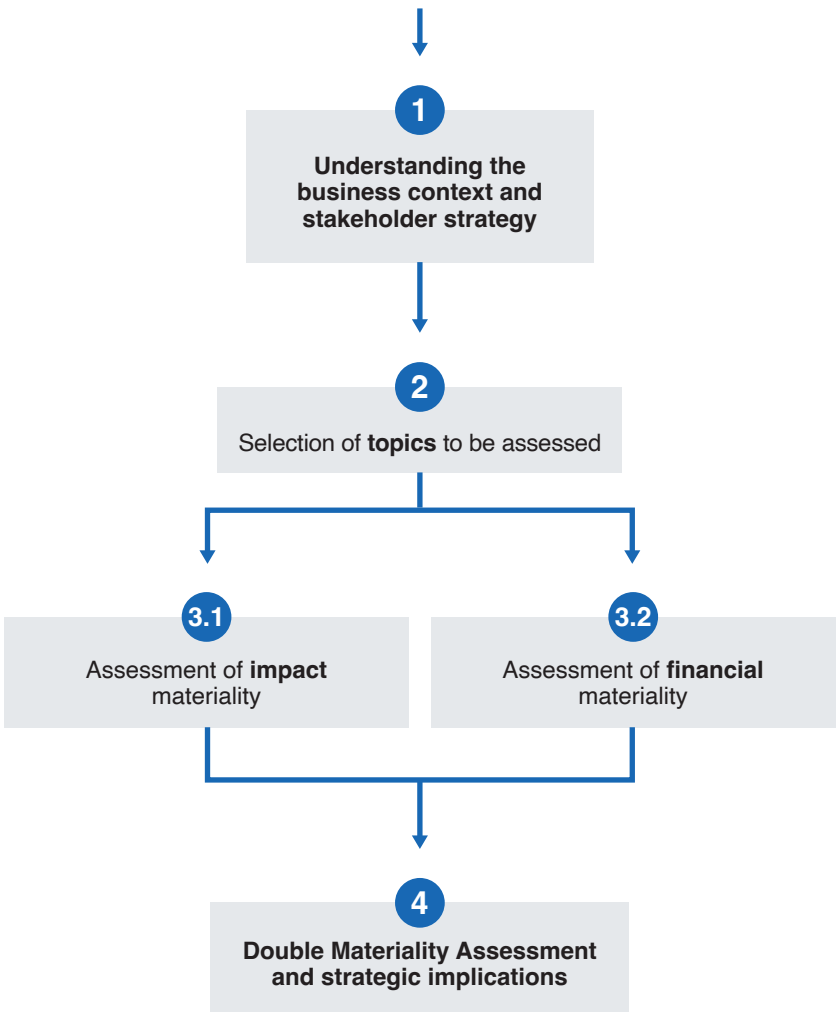
a) Assessment Processes and Governance

- Understanding **Velatia**'s strategic, regulatory and operational context.
- Identifying actual and potential impacts, risks and opportunities (IROs).

- Conducting a qualitative and quantitative assessment of the IROs using internal criteria and sector-specific methodologies.

- Validating the assessment through the Sustainable Development Committee and presenting the final results to the Audit and Compliance Committee.

Each business unit first mapped its stakeholders and gathered their expectations through interviews, online questionnaires and a review of engagement channels. The stakeholder groups consulted included employees, executive management, customers, suppliers, shareholders and industry associations. They were prioritised according to **influence** and **dependency** criteria.



2. Impact Materiality Assessment (inside-out)

For each sustainability matter listed in Appendix A to ESRS 1, an impact scale from **0 to 5** was applied, taking the following factors into account:

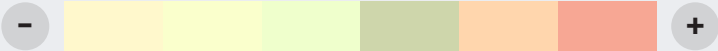
- Magnitude of the impact, including its scale, scope and reversibility.
- Likelihood of occurrence.
- Effects on internal and external stakeholders.

The information provided by the different stakeholder groups was weighted according to their relevance within **Velatia**’s ecosystem. The results were presented in an ESG impact matrix, with the following matters emerging as the most relevant:

- Climate change mitigation and adaptation.
- Energy efficiency and resource management.
- Employee training, development and well-being.
- Product quality, customer satisfaction and the product and service ecosystem.
- Cybersecurity and data protection.
- Regulatory compliance and business ethics.

The following breakdown presents the prioritisation of the material topics:

Environmental Topics	
CSRD Standard	Material Matter
Climate Change	Climate change mitigation and emissions reduction
Circular Economy	Circular economy and waste management
Climate Change	Climate change mitigation and emissions reduction
Climate Change	Climate change adaptation
Climate Change	Use of renewable energy
Circular Economy	Ecodesign of products and services
Pollution	Hazardous substances
Water and Marine Resources	Water management
Biodiversity and Ecosystems	Limiting impacts on biodiversity

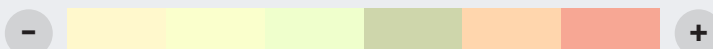


Social Topics

CSRD Standard	Material Matter
Own Workforce	Employee health and safety
Consumers and End-users	Product/service quality and customer satisfaction
Own Workforce	Commitment to human rights
Own Workforce	Employee training and development
Workers in the Value Chain	Working conditions, equal treatment and opportunities for all
Own Workforce	Dialogue and communication with employees/representatives
Own Workforce	Employee well-being
Own Workforce	Diversity, equality and inclusion
Workers in the Value Chain	Commitment to human rights
Consumers and End-users	Personal safety of consumers/end-users
Affected Communities	Commitment to the local community
Consumers and End-users	Ensuring the cybersecurity of services

Governance Topics

CSRD Standard	Material Matter
Business Conduct	Cybersecurity and data protection
Business Conduct	Business ethics
Business Conduct	Good corporate governance
Business Conduct	ESG risk management
Business Conduct	Sustainable corporate reputation
Business Conduct	Integration of sustainability into business strategy and decision-making
Business Conduct	Corruption and bribery
Business Conduct	Corporate culture
Business Conduct	ESG criteria in supplier selection
Business Conduct	Stakeholder partnerships

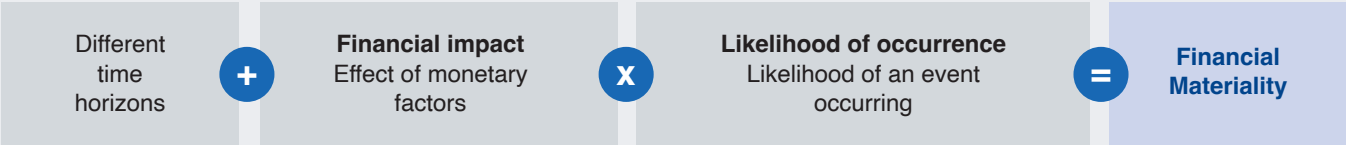


3. Financial Materiality Assessment (outside-in)

Following the impact materiality assessment, financial materiality was analysed in accordance with the criteria set out in ESRS 1 (Sections 3.5 and AR 13–15) and the methodological guidance issued by EFRAG (European Financial Reporting Advisory Group). The assessment focused on topics with the potential to generate significant financial effects on the group.

The following components were assessed:

- **Potential financial impact**, calculated using two qualitative variables:
 - Continued access to key resources.
 - Dependence on strategic relationships
- **Likelihood of occurrence**, assessed using the **Ormazabal** and **Ikusi** risk management methodology on a five-level scale ranging from “very unlikely” to “almost certain”.
- **Time horizon**, considering the short, medium and long term.



The relative weight of each business was taken into account to obtain a consolidated result.

The results were presented in financial prioritisation matrices based on ESG criteria, highlighting risks and opportunities associated with the following topics:

- Climate change.
- Circular economy.
- Cybersecurity.
- Talent and working conditions.
- Product quality and reputation.
- ESG management and internal control.

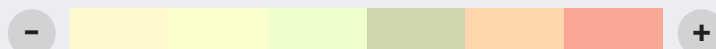
Environmental Topics	
CSRD Standard	Material Matter
Climate Change	Climate change mitigation and emissions reduction
Circular Economy	Ecodesign of products and services
Climate Change	Energy efficiency in operations and facilities
Climate Change	Circular economy and waste management
Circular Economy	Use of renewable energy
Climate Change	Climate change adaptation
Biodiversity and Ecosystems	Limiting impacts on biodiversity
Pollution	Hazardous substances
Water and Marine Resources	Water management

Social Topics

CSRD Standard	Material Matter
Own Workforce	Employee training and development
Consumers and End-users	Product/service quality and customer satisfaction
Workers in the Value Chain	Working conditions, equal treatment and opportunities for all
Consumers and End-users	Personal safety of consumers/end-users
Own Workforce	Employee well-being
Own Workforce	Dialogue and communication with employees/representatives
Own Workforce	Diversity, equality and inclusion
Workers in the Value Chain	Commitment to human rights
Own Workforce	Commitment to the local community
Own Workforce	Employee health and safety
Consumers and End-users	Ensuring the cybersecurity of services
Own Workforce	Commitment to human rights

Governance Topics

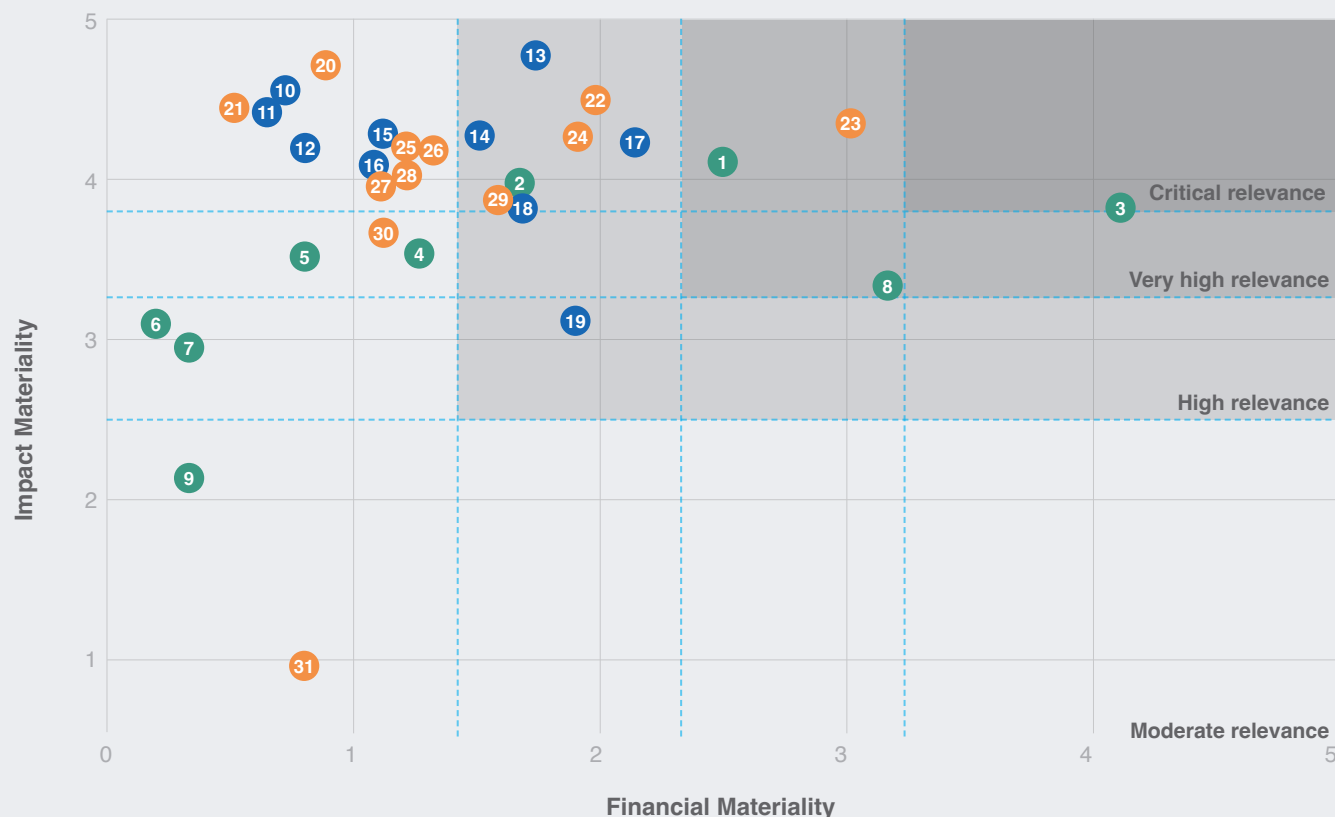
CSRD Standard	Material Matter
Business Conduct	Integration of sustainability into business strategy and decision-making
Business Conduct	Stakeholder partnerships
Business Conduct	Cybersecurity
Business Conduct	ESG criteria in supplier selection
Business Conduct	ESG risk management
Business Conduct	Sustainable corporate reputation
Business Conduct	Corporate culture
Business Conduct	Corruption and bribery
Business Conduct	Business ethics
Business Conduct	Good corporate governance



4. Double Materiality Matrix

Finally, the results of the impact materiality assessment (inside-out) and the financial materiality assessment (outside-in) were combined in a two-dimensional matrix. This tool identifies the topics that are simultaneously significant from both perspectives.

Matters located in the upper-right quadrant, with scores exceeding 75% of the maximum score on both axes, are considered critically material. The matrix provides a clear visual representation of **Velatia**'s strategic priorities and guides ESG reporting in accordance with the requirements of the CSRD.



The 12 material matters ranked as critical, very high or high are distributed across the three pillars, in descending order: environmental, governance and social.

The **12 most relevant material matters**—classified as critical, very high or high—are determined using a **materiality threshold** corresponding to the 75th percentile of the highest scores on both the impact and financial axes.

CSRD Pillar E

1. Energy efficiency in operations and facilities.
2. Circular economy.
3. Climate change mitigation and emissions reduction.
4. Use of renewable energy.
5. Climate change adaptation.
6. Water management.
7. Hazardous substances.
8. Ecodesign of products and services.
9. Limiting impacts on biodiversity.

CSRD Pillar G

10. Good corporate governance.
11. Corruption and bribery.
12. Business ethics.
13. Cybersecurity.
14. Integration of sustainability into business strategy and decision-making.
15. ESG risk management.
16. Sustainable corporate reputation.
17. Integration of sustainability into business strategy.
18. ESG criteria in supplier selection.
19. Stakeholder partnerships.

CSRD Pillar S

20. Employee health and safety.
21. Commitment to human rights (own workforce).
22. Product/service quality and customer satisfaction.
23. Employee training and development.
24. Working conditions.
25. Dialogue and communication with employees/representatives.
26. Employee well-being.
27. Commitment to human rights (value chain).
28. Diversity, equality and inclusion.
29. Personal safety of consumers/end-users.
30. Commitment to the local community.
31. Ensuring the cybersecurity of services.

5. Ranking of ESG Topics

The assessment also provides the final ranking of the 31 ESG matters analysed. The ten most relevant are:

1. Climate change mitigation and adaptation.
2. Employee training and development.
3. Product and service ecosystem.
4. Energy efficiency in operations and facilities.
5. Integration of sustainability into strategy and decision-making.
6. Product quality and customer satisfaction.
7. Working conditions and fair treatment.
8. Cybersecurity and data protection.
9. ESG risk management.
10. Circular economy and waste management.

6. Conclusions

The Double Materiality Assessment confirms that the ESG challenges and opportunities most relevant to **Velatia** are concentrated in the following areas:

- Climate transition.
- Technological competitiveness.
- Product quality and sustainability.
- Talent and labour relations management.
- Integration of sustainability into corporate strategy.

These results guide the group's strategic planning and define the matters to be reported in accordance with the CSRD, ensuring that **Velatia** responds coherently and consistently to stakeholder expectations and European regulatory requirements.



3.3. Our Lines of Action

The commitments established in **Velatia's Sustainable Development Policy** and the objectives defined for each line of action are described below.

1. Ethics, Anti-Corruption and Human Rights

Velatia is committed to good governance, ethics, integrity and transparency as essential pillars for building trust and consolidating strong stakeholder relationships through open, direct and ongoing dialogue. To support this commitment, the group has implemented an integrity framework comprising its Code of Ethics and a set of corporate policies that guide and regulate its conduct across all areas of activity.

Commitments:

- Align actions with the group's values, Code of Ethics and other policies.
- Comply with applicable legislation and undertake international commitments where adequate legislation does not exist.
- Promote a just energy transition, taking into account its impact on workers, communities and society.

Objectives:

- Promote ethical conduct among employees and ensure compliance with the law.
- Ensure respect for human rights.

2. Corporate Governance

Commitments:

- Integrate sustainability into the businesses and ensure that the necessary resources are available, taking stakeholder expectations into account.
- Integrate climate change into decision-making and risk management.
- Assess and review risk management and control systems, implementing measures to achieve objectives and prevent harm through verification, audit and control processes.
- Create social value by maximising positive impacts and minimising negative impacts.

Objectives:

- Ensure that ESG matters are considered when defining objectives and making decisions.
- Maintain a comprehensive Risk Management System that includes climate-related risks.
- Incorporate objectives into remuneration systems.
- Structure and operate the governing bodies in accordance with best practices.

3. Responsibility and Transparency

Commitments:

- Disclose transparent and reliable information.
- Support and promote the 2030 Agenda, the SDGs and the principles of the United Nations Global Compact.

Objectives:

- Improve information traceability and transparency.

4. Decarbonisation, Eco-Efficiency and Green Technology

In environmental matters, **Velatia** works to reduce resource consumption throughout its activities and, through its products and services, contribute to the energy transition and the fight against climate change, thereby generating a positive impact on the planet.

Commitments:

- Advance decarbonisation and reduce pollution.

Objectives:

- Achieve the Scope 1 and Scope 2 decarbonisation targets.
- Align with the Paris Agreement targets for 2030.



5. Circular Economy and Waste Management

Commitments:

- Promote the sustainable use of resources and responsible waste management.

Objectives:

- Recycle waste and promote the circular economy.

6. Employees, Customers and Other Stakeholders

Velatia promotes people's development by fostering diversity and ensuring equal opportunities, with the aim of creating a diverse and inclusive group.

Commitments:

- Attract, develop and retain talent, while promoting the physical, mental and emotional well-being of the workforce.
- Guarantee decent employment, equal treatment and equal opportunities within a diverse, inclusive and respectful working environment.

Objectives:

- Improve customer satisfaction.
- Improve employee satisfaction and promote physical and emotional well-being, with a particular focus on mental health.
- Promote diversity as a source of value within teams, with particular attention to gender equality.

7. Responsible Procurement

Commitments:

- Adopt responsible practices throughout the supply chain and respect human and labour rights.

Objectives:

- Promote the engagement of suppliers aligned with ESG criteria.



3.4. Our Contribution to the Sustainable Development Goals

Climate change, growing inequality, the need to improve people's quality of life and prospects, and the pursuit of more sustainable development require a collective commitment that transcends borders and sectors. As key actors, businesses play a decisive role in promoting a balance between economic growth, social well-being and environmental protection, as advocated by the 2030 Agenda and the United Nations Sustainable Development Goals (SDGs).

Velatia firmly embraces this responsibility, leading the group's commitment to sustainable development, equal opportunities and quality employment. Its companies, in turn, integrate sustainability throughout their strategies by supporting responsible innovation, promoting resource efficiency and generating a lasting positive impact on society and the environment.

At corporate level, **Velatia** focuses its efforts on **SDG 5**, "Gender Equality", and **SDG 8**, "Decent Work and Economic Growth". Its initiatives relating to these two cross-cutting Goals focus specifically on developing equality plans, attracting more women to the organisation, promoting pay equity and consolidating a corporate culture based on diversity. In the area of employment, the group aspires to become a benchmark for quality employment by promoting equal opportunities and fostering sustainable and responsible growth.

Velatia's principal companies operate in sectors that are strategic to the 2030 Agenda, such as energy and information and communications technology. They therefore direct their efforts towards the SDGs most closely linked to their activities, as described in the corresponding **Ormazabal** and **Ikusi** sections of this report.

Highlights of the Year



Supporting Gender Equality

Empowering women and girls means opening doors, breaking down stereotypes and ensuring that everyone has the same opportunities, regardless of gender. In addition to being a fundamental right, equality is a driver of progress that strengthens the social fabric, promotes economic growth and helps build a fairer and more inclusive future. Guided by this conviction, **Velatia** has developed and implemented equality plans designed to foster an equitable and inclusive working environment throughout the organisation. These plans pursue three fundamental objectives:

1. Advance the **consolidation of the Equality Policy** by ensuring its integration at every level of the organisation and establishing a sound basis for its effective implementation.
2. Strengthen **equal opportunities** by identifying and eliminating biases that could create inequality and ensuring that everyone has the same opportunities for professional development.
3. Create a **safe and respectful working environment** by reinforcing a culture of zero tolerance towards all forms of discrimination, with particular emphasis on preventing and addressing sexual and gender-based harassment.

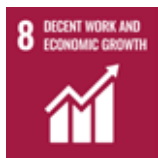
The equality plans are reviewed and updated every three years in collaboration with independent experts. Following an assessment of the situation, specific actions are designed and monitored periodically to ensure their effectiveness and alignment with the organisation's needs.



During 2025, **Velatia** continued to implement the initiatives included in the equality plans of its group companies in Spain, taking important steps in its commitment to building working environments in which everyone can achieve their full potential.

At the same time, **Velatia** extends its impact beyond the organisation by supporting and actively participating in initiatives that nurture young talent and increase the visibility of women in traditionally male-dominated sectors such as industry and technology. Programmes such as “**Erronka**”, “**Inspira**” and “**Bizkaia with the Talent**” seek to encourage interest in STEM disciplines—science, technology, engineering and mathematics—particularly among girls and young women. In doing so, Velatia promotes cultural change from an early age, helps reduce the gender gap in these areas of strategic importance to future development and consolidates its commitment to equal opportunities and diversity.

The cross-cutting initiatives established in the equality plans of the group's companies in Spain continue to progress.



Supporting Quality Employment and Economic Growth

In line with SDG 8, “Decent Work and Economic Growth”, and its ambition to become a benchmark for job creation, **Velatia** maintained its focus in 2025 on creating quality, stable employment opportunities—particularly for young people and women—as well as on the inclusion of disadvantaged groups.

To achieve this objective, **Velatia** collaborates with various educational institutions and training centres, offering internship programmes at the different group companies. This collaboration gives young people the opportunity to gain professional experience, facilitates their entry into the labour market and develops their skills.

Another clear example of this commitment is **Velatia**’s participation in the “Decade of Action for Youth Employment” project led by the Novia Salcedo Foundation. This initiative seeks to catalyse an international movement for reflection, thought, debate and action to address youth unemployment, with the aim of encouraging the United Nations to declare a decade specifically dedicated to this challenge and promoting global policies that improve young people’s employability.

The following table presents the indicators reflecting **Velatia**’s contribution to SDG 8 in 2025 and 2024:

	2025	2024
Economic value generated	€1,107 billion	€1,061 billion
Employment (direct and indirect)	12,750 people	12,500 people
Permanent contracts	89%	90%
Women	22%	22%
Local procurement	85%	88%



3.5. Innovation as a Driver of Sustainability

In a rapidly transforming world, where technology has become a strategic asset for strengthening competitiveness and advancing towards more sustainable models, innovation plays a decisive role. As part of **Velatia**'s DNA and its understanding of business, innovation is a structural component that has guided its development and strengthened its adaptability throughout almost 60 years of history. Its commitment to technological development enables the group to anticipate and confidently address the challenges of the future.

Consistent with this vision, the **Sustainable Development Policy** guides the group's management towards strengthening its competitiveness through innovation, while establishing equal opportunities, productivity, profitability, efficiency and sustainability as key areas of action.

For **Velatia**, innovation is both a distinguishing feature and an intrinsic part of developing increasingly flexible and efficient solutions that are aligned with the needs of its customers and the major global challenges.

The group also promotes the continuous improvement of its processes by optimising operations, implementing advanced management of facilities and equipment, reducing operating and maintenance costs, minimising environmental impacts and developing new products and services that respond to market needs.

The group companies operate in strategic sectors that are transforming the way we live, including the energy industry and information and communications technology. They devote a significant proportion of their capabilities to developing new lines of research intended to strengthen both their own competitive position and that of their customers, with whom they collaborate as genuine technology partners.

Each business systematically monitors its strategy through an **Integrated Technological Innovation Management System (SIGIT)**, which makes it possible to track progress, analyse trends and establish measures to address future challenges rigorously and efficiently.

Innovation in Figures

In 2025, **Velatia** increased its investment in R&D&I to **€27,307 million**, compared with **€25,174 million** in 2024, representing an increase of approximately **9%**. It also doubled the number of patent applications filed , from five to ten, providing a clear indication of the group’s innovative momentum.

Collaborative Innovation as a Strategy

Collaboration and knowledge sharing make it possible to develop more efficient, creative and transformative solutions capable of anticipating industry needs, addressing the increasingly complex challenges of today’s market and generating value for customers.

Consistent with its firm commitment to technology and sustainable development, **Velatia** maintains close partnerships with highly regarded centres and organisations at both national and European level. These strategic partnerships not only help optimise research and development processes but also accelerate knowledge transfer and enable an agile and effective response to global challenges.

Principal partners include:

Tecnalia

TECNALIA is Spain’s largest private centre for applied research and technological development and one of the leading centres of its kind in Europe. With a diverse team of more than 1,500 professionals from over 30 countries, it focuses on transforming knowledge and technology into economic and social value. Its research activities, founded on excellence, contribute to industrial progress, social cohesion and sustainability, generating a tangible impact on people’s quality of life and business competitiveness.

Innobasque, the Basque Innovation Agency

Velatia is a member of the Basque Innovation Agency, whose purpose is to position the Basque Country among Europe’s leading regions for innovation. In collaboration with its member organisations and all stakeholders in the Basque innovation system, Innobasque supports the development of initiatives and promotes the implementation of new policies in this area.

	2025	2024
R&D&I expenditure (€ million)	27,307	25,174
Nº. of patent applications	10	5
Average age of industrial property	7	7
Nº. of patents and industrial property registrations	303	318







04 | Environment

4.1. Commitment to Our Environment

Environmental commitment forms part of **Velatia's** growth strategy and focuses on **reducing the environmental footprint of its processes and products, advancing the circular economy and preventing pollution**. Through these measures, the group seeks to minimise the impact of its activities on the environment and thereby help preserve and maintain biodiversity. Ultimately, its aim is to protect natural capital for a genuinely sustainable planet, in line with the principles of the **European Green Deal** and the objectives of the **2030 Agenda**.

In 2025, **Velatia** updated its decarbonisation roadmap to ensure that the indicators used more accurately reflect the group's current circumstances.

As part of this process, the base year was revised from 2019 to 2021 because not all relevant emission sources had been fully taken into account in the year initially selected.

Through this update, **Velatia** reaffirms decarbonisation as a central pillar of its environmental strategy and continues to monitor its progress annually. The new target establishes a **47% absolute reduction** in Scope 1 and Scope 2 emissions by 2030, using 2021 as the base year.

These targets are incorporated into the group's **Decarbonisation Plan**, which complies with current Spanish legislation as established in **Royal Decree 214/2025**.

Velatia strives to achieve excellence in environmental management through continuous monitoring and strict compliance with European legislation, with the aim of generating a positive impact on its environment.

The group's environmental commitments are set out in its **Sustainable Development Policy** and its Quality, Environment and Occupational Health and Safety Policy. These policies share common objectives: ensuring responsible management, optimising processes and promoting the sustainable use of resources in order to reduce the impact of operations on nature, the climate and human health.

The active involvement of everyone at **Velatia**—understanding and applying these principles in their daily activities, particularly when using equipment, facilities and other working resources—is essential to achieving these commitments, which exceed the trajectories recommended by the Science Based Targets initiative (SBTi).

Velatia Raises the Ambition of Its Emission Reduction Targets

4.2. Environmental Management

Pollution and Climate Change

The transition towards a low-carbon economic model is one of the greatest challenges facing the planet. As demonstrated at the climate summit held in Belém, Brazil, in November 2025, reaching global consensus is not easy. Nevertheless, the urgency of continuing to make progress in this direction is unquestionable.

The transition towards a decarbonised economy involves every sector, and businesses play a key role in managing their impacts. Recognising this, **Velatia** accepts its responsibility in the transition process.

The group's strategy for reducing CO₂ emissions is based on continuously monitoring the footprint of its activities and calculating its greenhouse gas (GHG) emissions, quantifying both direct emissions (Scope 1) and indirect emissions (Scope 2).

Scope 1 emissions include those generated by fuel consumption in production processes and boilers, including fuel oil and gas, as well as fuel used by company vehicles for commercial and installation activities. Scope 2 emissions correspond to electricity consumption.

In 2025, in addition to calculating Scope 1 and Scope 2 emissions at group level, Velatia made progress in measuring Scope 3 emissions at some of its facilities—that is, emissions arising throughout the value chain as a consequence of its activities.

The results of **Velatia's** environmental performance in relation to GHG emissions (tCO₂e) in 2024 and 2025 are presented below.

The results of **Velatia**'s environmental performance in relation to GHG emissions (tCO₂e) in 2024 and 2025 are presented below:

GHG Emissions (tCO ₂ e)	2025	2024	Change (%)
Direct emissions (Scope 1)	3,079 t	3,019 t	2%
Indirect emissions (Scope 2)	1,119 t	959 t	17%
Total	4,198 t	3,978 t	6%

Given the **increase in the group's activity**, with revenue rising by 5%, total emissions intensity (Scopes 1 and 2) remained virtually stable. In relative terms, Scope 1 emissions intensity improved by 3%, while Scope 2 emissions intensity increased by 11%. Overall, these results indicate that, despite the higher level of activity, emissions per unit of revenue remained at levels similar to those of the previous year.

Scope 2 emissions, which arise from electricity consumption, may be calculated using either a location-based method or a market-based method owing to differences between regional electricity grids.

In 2025, **Velatia** reports this indicator using the market-based method defined in the GHG Protocol Scope 2 Guidance. This method assigns emissions from energy generators to consumers on the basis of "contractual instruments", such as utility-specific emission factors, energy attribute certificates and other contracts.

With regard to SF₆ emissions, the group recorded a total of 5,154 tCO₂e associated with this gas during the year, compared with 7,396 tCO₂e in 2024. These emissions relate to **Ormazabal**'s activities and arise from the release of 212 kg of SF₆ during the manufacturing process, compared with 315 kg in 2024.

As mentioned above, **Velatia** updated its 2030 decarbonisation targets during the year to strengthen its level of ambition and exceed the minimum criteria established by the Science Based Targets initiative (SBTi) for a 1.5°C-aligned pathway. As part of this review, 2021 has been confirmed as the base year because it is considered the most representative of current operations and fully incorporates SF₆-related emissions.

The group's new combined target for Scopes 1 and 2 therefore establishes a reduction in emissions **from 16,410 tCO₂e in 2021 to 8,738 tCO₂e in 2030**. This represents an absolute **reduction of 47%, exceeding the trajectories recommended by the SBTi**.

These targets constitute a significant improvement on the reference values initially established and reflect **Velatia**'s determination to accelerate its decarbonisation through efficiency measures, electrification and the progressive reduction of SF₆.

In relative terms, taking into account the high level of activity, it is important to highlight that the intensity of both direct and indirect CO₂ emissions has fallen by 62% compared with 2021.



Circular Economy

Prioritising reuse, recycling and waste minimisation not only helps protect the environment but also optimises resources and improves the efficiency of production processes. This approach enables companies to reduce their environmental footprint while contributing to a more responsible and sustainable economic system.

Velatia bases its environmental strategy on the principles of the circular economy, with the aim of minimising the adverse impacts arising from its activities as far as possible. Within this framework, its principal objective is to manage the waste generated efficiently and as sustainably as possible.

To this end, most group companies have agreements with specialist waste-management companies that handle the entire process: collection, transport, treatment and, where possible, recovery or reuse. This model entails shared responsibility between both parties to ensure appropriate and sustainable management.



Waste Management

Type of Waste (kg)	2025	2024	Change (%)
Hazardous waste	408,695	357,102	14%
Non-hazardous waste	5,485,971	6,054,122	-9%

Waste is considered **hazardous** when its intrinsic properties may pose risks to human health or the environment. Of the total hazardous waste generated in 2025, 17% was sent for recycling, compared with 11% in 2024; 44% underwent other recovery operations, compared with 55% in 2024; and the remaining 39% underwent other disposal operations, compared with 34% in 2024.

The year-on-year comparison shows a **significant increase in recycling and a reduction in the proportion undergoing other recovery operations**, while the percentage sent for disposal remained stable.

As regards **non-hazardous waste**, in 2025, 1% was prepared for reuse, compared with 2% in 2024; 68% was recycled, compared with 69% in 2024; 20% underwent other recovery operations, compared with 18% in 2024; and the remaining 10% was sent for disposal, mainly at controlled landfill sites, compared with 11% in 2024.

Compared with the previous year, the distribution of non-hazardous waste by treatment method remained highly stable.

Overall, **the total amount of waste managed by the group continued to decline in 2025, falling by 8% compared with 2024 and 2023**. The volumes recorded in those years were exceptionally high as a result of managing prototypes manufactured for new-product approval and conducting a greater number of certification tests.

Sustainable Use of Resources

Protecting natural resources is essential to preserving the environment and safeguarding the future of the planet. **Velatia** therefore continues to implement measures designed to ensure their efficient and responsible use, fostering a culture of sustainability throughout its operations and extending this commitment across its supply chain.

Changes in Water Consumption

Recognising the vital importance of protecting water resources, **Velatia** continues to promote the responsible use of water, both in its own operations and throughout the supply chain.

During 2025, the group maintained measures aimed at raising employees' awareness of the importance of using this resource responsibly in their daily activities and encouraging good practices that help reduce consumption.

Consumption (m³)	2025	2024	Change (%)
Water consumption	60,975	54,232	12%

The increase in water consumption in 2025 was mainly attributable to higher consumption in "Other Businesses" as a result of an accidental leak.

Changes in Raw-Material Consumption

Velatia's businesses promote the efficient and responsible management of raw materials at every stage of the production process and across their different areas of activity, with the aim of optimising their use as far as possible. **Velatia** also has environmental management systems that enable it to measure and assess consumption and take action accordingly, allowing it to continue implementing measures to optimise resource use whenever necessary.

The following table shows changes in the consumption of the principal raw materials used in the group's production processes, including electrical steel sheet, aluminium, copper, steel, oils, paints, concrete, cement, aggregates and other materials such as resin, hardener, quartz and silicone.

Raw Materials (Tonnes)	2025	2024	Change (%)
Total	71,173	79,706	-11%

Changes in Energy Consumption

During 2025, the group's energy consumption changed moderately, in line with increased production activity in certain businesses and geographical areas.

Total electricity consumption amounted to **16,424,498 kWh**, representing an **increase of 5%** compared with 2024 (15,558,467 kWh). This increase was mainly attributable to the higher level of activity, particularly in more energy-intensive businesses. Nevertheless, **electricity from renewable sources continued to account for a high proportion of consumption**, reaching **12,857,639 kWh** in 2025, equivalent to **78% of total electricity consumption** and consistent with the previous year.

The group's commitment to renewable energy is demonstrated by the fact that all Velatia sites in Spain and France have Guarantees of Origin (GoOs) certifying the electricity consumed during the year. The objective is to continue extending this coverage to every site where 100% renewable electricity consumption can be guaranteed.

Self-generated electricity continues to gain importance, reaching **1,462,102 kWh** in 2025, compared with 1,388,114 kWh in 2024. This reflects continued progress in implementing on-site generation and energy-efficiency solutions. Electricity from non-renewable sources remained at a limited level, with a slight increase associated with the growth in total consumption.

As regards **fuels**, **natural-gas consumption** fell by 5%, **from 1,140,824 Nm³ in 2024 to 1,078,300 Nm³ in 2025**. This reflects improved efficiency in thermal processes and an adjustment in consumption patterns. Conversely, **diesel and petrol consumption increased**, mainly as a result of greater use of vehicle fleets and the intensification of certain logistics and commercial activities.

Consumption ⁽¹⁾	2025	2024
Electricity (kWh)	16,423,843	15,558,467
Natural gas (Nm ³)	1,078,300	1,140,824
Diesel A and C (l)	229,862	181,194
Petrol (l)	90,899	75,064

⁽¹⁾ In addition, 24,931 litres of oil, 1,002 litres of LPG and 102 litres of butane were consumed.

Electricity (kWh)	2025	2024
Renewable	12,857,639	12,249,855
Self-generated electricity	1,462,102	1,388,114
Non-renewable	2,104,102	1,920,499
Total	16,423,843	15,558,468

Energy Efficiency

Overall, the data show that, despite the growth in activity, the group maintains an **energy model focused on limiting fossil-fuel consumption, prioritising renewable electricity and promoting self-generation**, in line with its decarbonisation strategy and commitment to continuously improving its environmental performance.

Royal Decree 56/2016 also establishes that large companies or groups of companies must undergo an energy audit every four years covering at least 85% of the total final energy consumed across all facilities located in Spain. Energy audits meeting the requirements of this legislation were conducted in 2024.

Electric Mobility

Velatia continues to improve the sustainability of its fleet and invest in electric mobility. At the end of 2025, 56% of company vehicles were hybrid, electric or plug-in hybrid models, and the group's facilities had a total of 33 charging points.

Velatia has also undertaken to replace its fleet exclusively with hybrid or electric vehicles, reaffirming its commitment to decarbonising transport.

Prioritising renewable electricity and promoting self-generation, in line with the decarbonisation strategy.

4.3. Provisions and Insurance

Applying the precautionary principle, **Velatia** periodically reviews the amounts recognised as provisions to cover certain existing environmental risks. At the end of 2025, the group had not recognised any liabilities in its consolidated balance sheet for potential contingencies associated with environmental improvement and protection, known liabilities and/or compensation receivable.

To mitigate these risks, **Velatia** has a **civil liability insurance policy** covering environmental damage, provided that it results from an accidental, sudden, unforeseeable, unexpected and unintentional event. It also has an environmental liability insurance policy covering administrative liability worldwide, except in countries sanctioned by the OFAC (U.S. Office of Foreign Assets Control).

In addition, **Velatia** continuously analyses environmental insurance legislation in the countries where it operates, ensuring compliance with the specific regulations applicable in each jurisdiction.

4.4. Certifications

As part of their commitment to sustainability and the environment, **Velatia's** companies continue to consolidate an **Environmental Management System** based on the most stringent international standards. As evidence of this effort, the group's principal companies hold **ISO 14001 certification**, the global benchmark standard for the implementation and assessment of these systems. This certification guarantees the application of good practices in resource optimisation, environmental-impact reduction and regulatory compliance.

Velatia's companies currently hold a total of **23 ISO 14001 certifications**, reflecting their commitment to responsible and environmentally sound business development.





05 | Social



5.1. Our Commitment to People

For **Velatia**, business success is built from within. Recognising that its highly committed and skilled team is one of its principal distinguishing strengths in achieving its objectives and meeting its challenges, the group places people at the heart of its strategy. Its approach to social management seeks to create inclusive and equitable working environments focused on well-being and the continuous development of talent.

A Relationship Based on Trust

At **Velatia**, commitment to people is understood as a two-way relationship based on trust, in which one party provides purpose, stability and opportunities while the other contributes energy, creativity and dedication.

This philosophy is embodied in two strategic objectives: first, to facilitate the attraction and retention of the talent required at every stage and in each business environment; and second, to enable everyone to share in the group's success, promoting their economic and social development in line with SDG 8, "Decent Work and Economic Growth".

To facilitate this interrelationship, **Velatia** has defined the following **general principles** underpinning its people management:

1. Create an **employment-relations framework** that fosters a working climate conducive to innovation and excellence. This translates into greater competitiveness and efficiency, helping to ensure business sustainability. The model is based on trust, communication, transparency and participation, bringing everyone in the organisation together around a shared project.
2. Design an employee value proposition that attracts, selects, recruits, develops, promotes and retains talent, combining competitive total rewards with a diverse and inclusive working environment that supports work-life balance. It should also foster professional growth and advancement based on objective performance criteria, equal opportunities and commitment to **Velatia's** purpose and values. Ultimately, this strategy should promote stable, high-quality employment.
3. Develop **consistent processes** to advance towards a culture of talent across every business and country while respecting local characteristics.
4. Implement a **Total Reward System** designed to attract and retain the best professionals by aligning their individual objectives with those of the organisation.
5. Recognise the contribution made by every professional to **Velatia's** value creation and growth.
6. Ensure that the group companies' selection, recruitment and promotion processes are governed by criteria relating to professional suitability, alignment with the group's purpose and values, and the principles established in the Code of Ethics. Each person's experience must also be taken into account, while their identity and individual beliefs are respected at all times.
7. Foster a working environment that prioritises people's well-being within their surroundings and spheres of influence.

5.2. Highlights of the Year

Advancing Equality and Diversity

More than 4,250 people of 21 nationalities reflect the diversity that defines **Velatia**. This cultural richness not only strengthens its corporate identity but also fosters an environment of collaboration and mutual learning based on equal opportunities and inclusion, as established in its Code of Ethics.

To this end, **Velatia** develops initiatives aimed at promoting inclusive diversity and enabling everyone to realise their full potential. During 2025, the group continued to advance the **cross-cutting measures included in the equality plans**. These measures have been developed and refined in recent years by the group companies in Spain.

Executive Management Model: Communication and Leadership

Velatia's Executive Management Model places particular emphasis on communication to ensure that management teams are properly informed and engaged, while encouraging their participation and involvement. They therefore receive advance information on all relevant developments and content, which is subsequently shared with the rest of the organisation.

Throughout 2025, **specific information sessions were held for each management area**, and management teams were invited to participate in events of interest organised by external organisations.

Velatia's annual event was also held on 17 December 2025 and attended by all management teams and middle managers from the group companies. As in previous years, the event provided an opportunity to share the year's most significant results and projects, as well as the action plans for the following year. A new initiative was introduced at this edition: working groups addressing cross-cutting matters of interest to the entire organisation. Executives from the different companies participated in these groups, and their conclusions were subsequently shared with all attendees during the plenary session. The results will provide a basis for reflection when defining future management plans and strategies.

Commitment to Talent

Velatia participates in "**Bizkaia with the Talent**", an initiative led by the Provincial Council of Biscay that seeks to narrow the gap between the STEM skills in science, technology, engineering and mathematics required by companies and the availability of qualified professionals in Biscay. The project encompasses a broad range of activities focusing on talent management and development, with particular emphasis on technology, education and the business sector.

Placing people at the centre entails a commitment to their stability, well-being, training and growth.

5.3. Our People

At the end of 2025, **Velatia** employed 4,252 people, an increase of 2% compared with the previous year's 4,162, demonstrating its commitment to the community and job creation. Of the total workforce, 67% is based in Europe, principally in Spain, which accounts for 60% of employees, while the remaining 33% is distributed across different regions of the world. **Velatia** has a dynamic and youthful organisational profile—71% of its employees are between 26 and 51 years old—while men represent 78% of the workforce and women 22%.

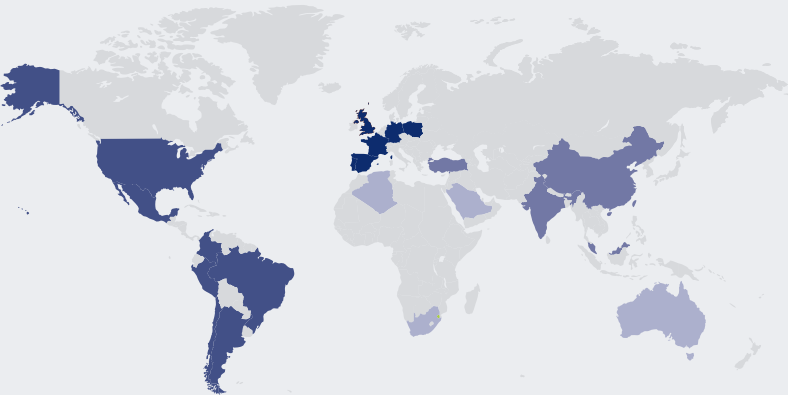
It is important to note that the data presented in this chapter—including data on workforce distribution, employment, remuneration, occupational health and safety, and training—cover all companies comprising the group.

PEOPLE BY BUSINESS



WORKFORCE DISTRIBUTION BY CONTINENT

2025 | 4,252 PEOPLE



2,851	1,061	329	11
PEOPLE IN EUROPE	PEOPLE IN THE AMERICAS	PEOPLE IN ASIA	PEOPLE IN THE REST OF THE WORLD



67%
EUROPE



25%
THE AMERICAS

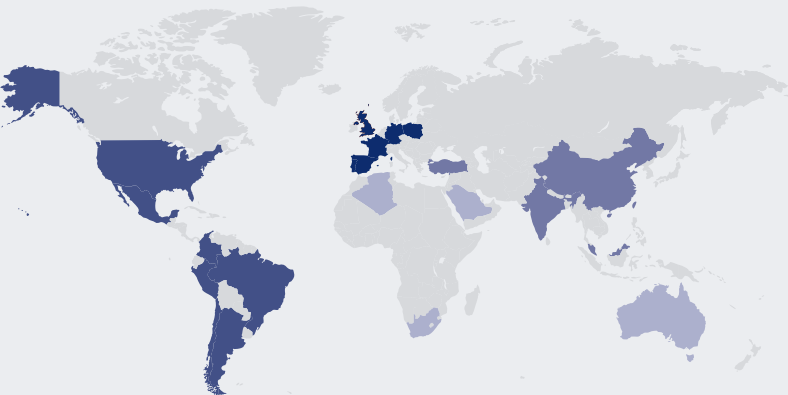


8%
ASIA



<1%
THE REST
OF THE WORLD

2024 | 4,162 PEOPLE



2,799	968	382	13
PEOPLE IN EUROPE	PEOPLE IN THE AMERICAS	PEOPLE IN ASIA	PEOPLE IN THE REST OF THE WORLD



67%
EUROPE



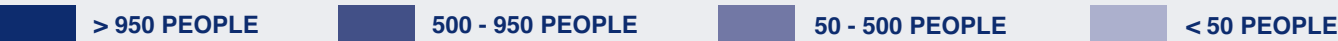
23%
THE AMERICAS



9%
ASIA



<1%
THE REST
OF THE WORLD

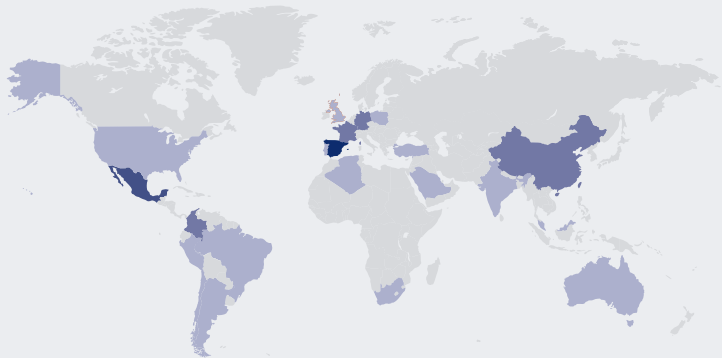


WORKFORCE DISTRIBUTION BY COUNTRY

2025 | 4,252 PEOPLE

MEXICO 819 · ▲ 11%
COLOMBIA 153 · ▲ 5%
BRAZIL 33 · ▲ 3%
ARGENTINA 34 · ▲ 0%
CHILE 17 · ▲ 31%
PERU 1 · ■ 0%
USA 3 · ▲ 50%

SOUTH AFRICA 4 · ■ 0%
MIDDLE EAST 2 · ▲ 100%
ALGERIA 2 · ■ 0%



CHANGE % | ▲ 2%

SPAIN 2,535 · ▲ 2%
FRANCE 144 · ▼ -1%
GERMANY 87 · ▲ 2%
UNITED KINGDOM 66 · ▲ 16%
PORTUGAL 14 · ▼ -13%
TURKEY 12 · ■ 0%
POLAND 4 · ■ 0%

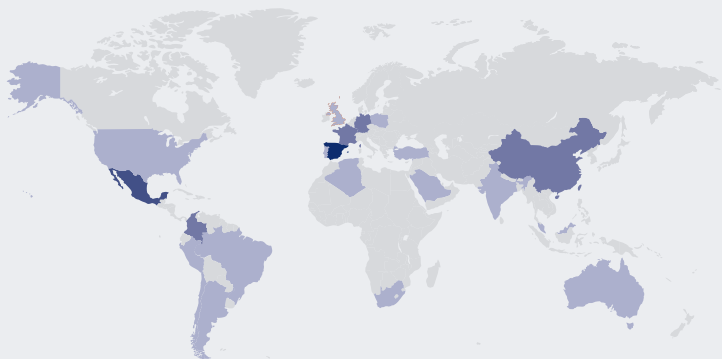
CHINA 234 · ▼ -24%
MALAYSIA 79 · ▲ 25%
INDIA 1 · ■ 0%
VIETNAM 2 · ■ -%

AUSTRALIA 5 · ■ 0%

2024 | 4,162 PEOPLE

MEXICO 739 · ▲ 9%
COLOMBIA 146 · ▲ 32%
BRAZIL 33 · ▲ 3%
ARGENTINA 34 · ▲ 17%
CHILE 13 · ■ 0%
PERU 1 · ▼ -50%
USA 2 · ▼ -33%

SOUTH AFRICA 4 · ■ 0%
MIDDLE EAST 1 · ▼ -67%
ALGERIA 2 · ■ 0%



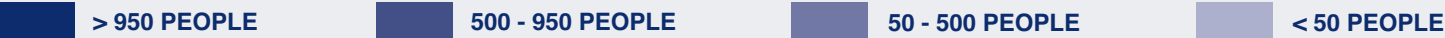
CHANGE % | ▲ 6%

SPAIN 2,496 · ▲ 5%
FRANCE 145 · ▼ -1%
GERMANY 81 · ▼ -2%
UNITED KINGDOM 57 · ▲ 50%
PORTUGAL 16 · ▲ 7%
TURKEY 12 · ■ 0%
POLAND 4 · ■ 0%

CHINA 307 · ▼ -1%
MALAYSIA 63 · ▲ 7%
INDIA 1 · ■ 0%

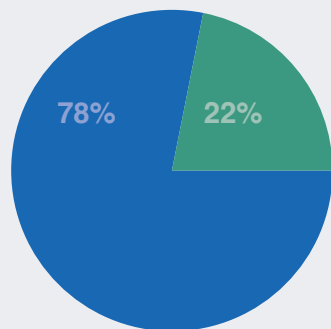
AUSTRALIA 5 · ■ 0%

REST OF THE COUNTRIES 117 · ▲ 18%



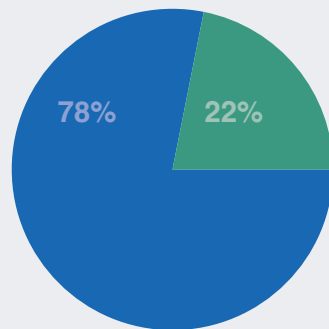
WORKFORCE DISTRIBUTION BY GENDER

2025 | 4,252 PEOPLE



939
WOMEN
3,313
MEN

2024 | 4,162 PEOPLE



916
WOMEN
3,246
MEN

WORKFORCE DISTRIBUTION BY AGE

2025 | 4,252 PEOPLE

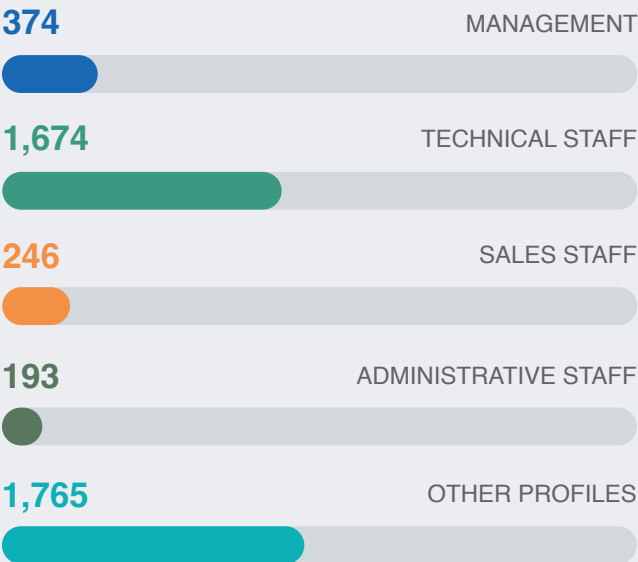


2024 | 4,162 PEOPLE

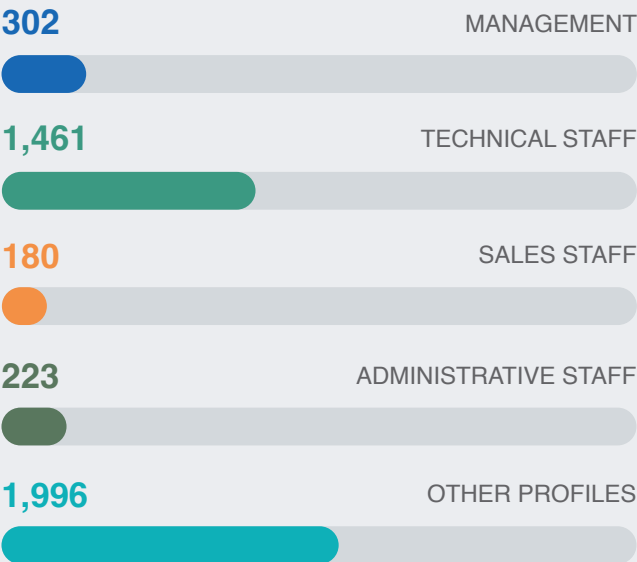


EMPLOYEES AT YEAR-END BY PROFESSIONAL CATEGORY

2025 | 4,252 PEOPLE



2024 | 4,162 PEOPLE



Workforce Distribution by Contract Type, Working Time and Gender

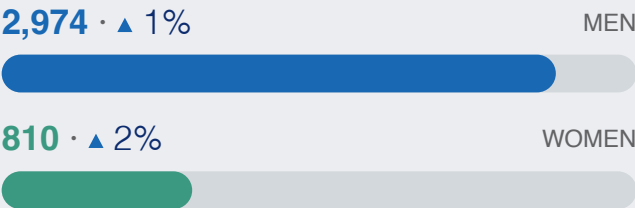
At the end of 2025, permanent contracts continued to **predominate clearly**, accounting for **89% of the total workforce**: 2,974 men and 810 women. Temporary contracts represented a significantly smaller proportion, comprising 339 men and 129 women.

As regards working time, all permanent contracts are **full-time**, in accordance with the provisions introduced in 2022 by the legislation amending working-time arrangements. Full-time employment also predominates among temporary contracts, comprising 319 men and 125 women, while part-time arrangements remain limited, comprising 20 men and four women.

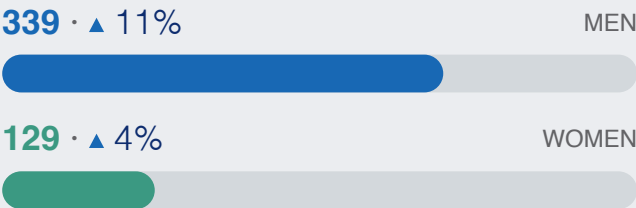
WORKFORCE DISTRIBUTION BY CONTRACT TYPE, WORKING TIME AND GENDER

2025

3,784
PERMANENT CONTRACTS

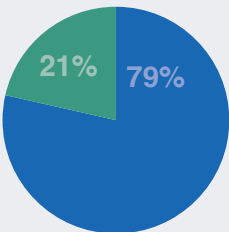


468
TEMPORARY CONTRACTS



3,784 · ▲ 1%
PERMANENT, FULL-TIME

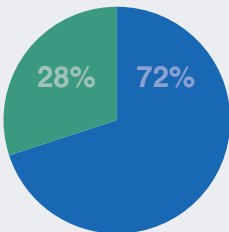
0
PERMANENT, PART-TIME



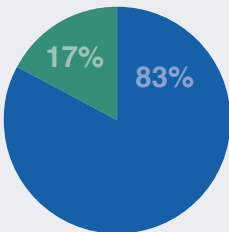
810 WOMEN | 2,974 MEN

444 · ▲ 8%
TEMPORARY, FULL-TIME

24 · ▲ 33%
TEMPORARY, PART-TIME



125 WOMEN | 319 MEN

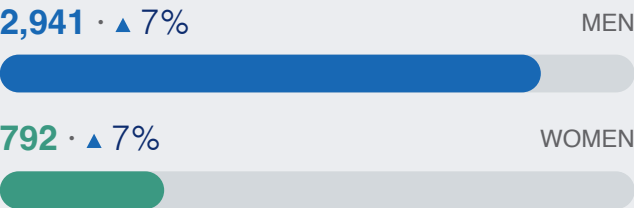


4 WOMEN | 20 MEN

MEN WOMEN

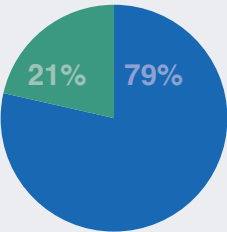
2024

3,733
PERMANENT CONTRACTS



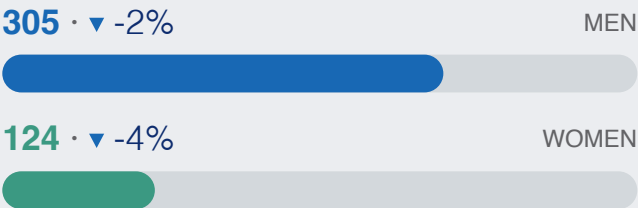
3,733 · ▲ 7% PERMANENT, FULL-TIME

0 PERMANENT, PART-TIME



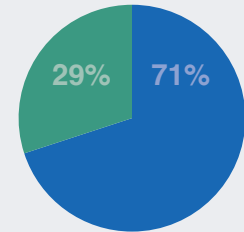
792 WOMEN | 2,941 MEN

429
TEMPORARY CONTRACTS

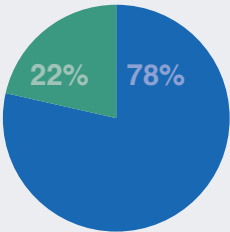


411 · ▼ -2% TEMPORARY, FULL-TIME

18 · ▼ -14% TEMPORARY, PART-TIME



120 WOMEN | 291 MEN



4 WOMEN | 14 MEN

MEN WOMEN

Average Workforce by Contract Type, Working Time and Gender: Average Annual Number of Contracts

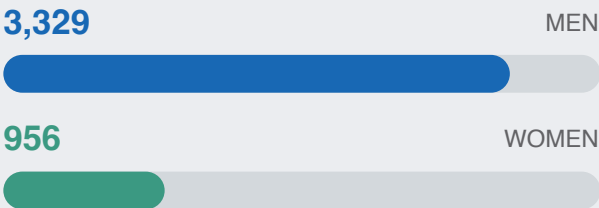
Velatia’s competitive strength is underpinned by the valuable experience of its people. This approach is consistent with the predominance of permanent employment, as reflected in the average annual number of permanent and temporary contracts.

Velatia recognises the importance of opening up professional pathways for young talent. Each year, it therefore offers **work-placement opportunities** through various arrangements, including training contracts and educational cooperation agreements, with the aim of subsequently converting these experiences into permanent employment.

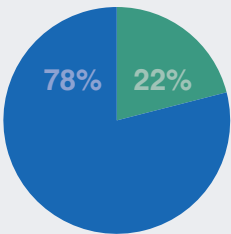
AVERAGE WORKFORCE BY CONTRACT TYPE BY GENDER

2025

4,285
CONTRACTS

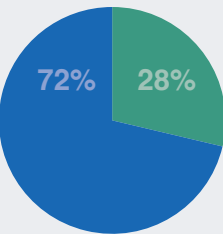


3,801 · ▲ 7%
PERMANENT



823 WOMEN | 2,979 MEN

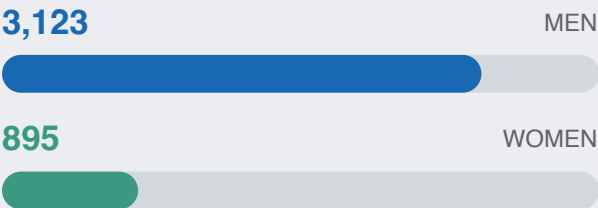
484 · ▲ 4%
TEMPORARY



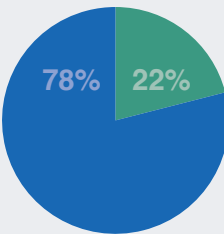
133 WOMEN | 350 MEN

2024

4,018
CONTRACTS

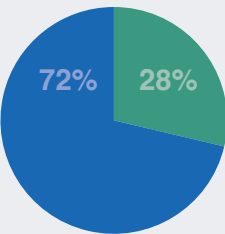


3,551 · ▲ 5%
PERMANENT



767 WOMEN | 2,784 MEN

467 · ▼ -4%
TEMPORARY



128 WOMEN | 339 MEN

MEN WOMEN

AVERAGE WORKFORCE BY CONTRACT TYPE BY AGE

2025 | 4,285 CONTRACTS · ▲ 7%

3,801 · ▲ 7%
PERMANENT CONTRACTS



484 · ▲ 4%
TEMPORARY CONTRACTS



2024 | 4,018 CONTRACTS · ▲ 4%

3,551 · ▲ 5%
PERMANENT CONTRACTS

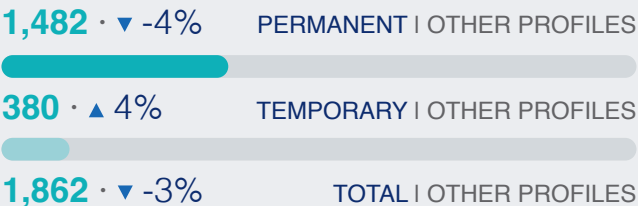
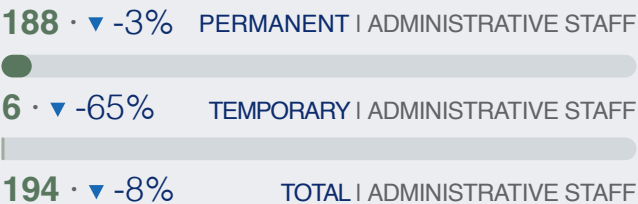
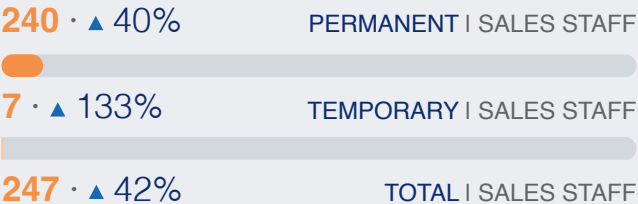
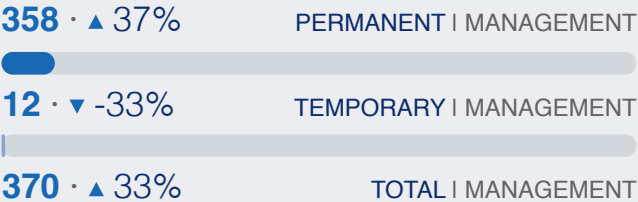


467 · ▼ -4%
TEMPORARY CONTRACTS



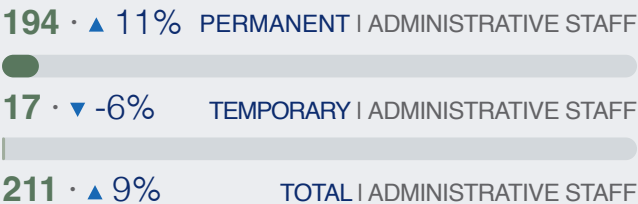
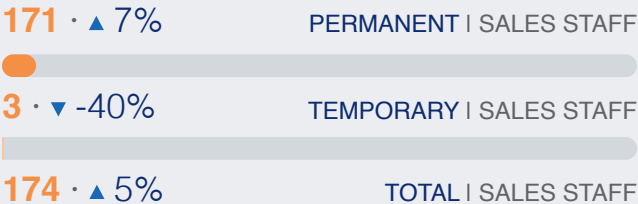
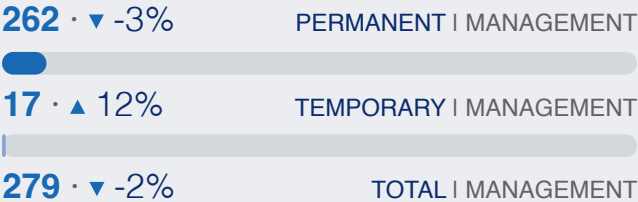
AVERAGE WORKFORCE BY CONTRACT TYPE BY PROFESSIONAL CATEGORY⁽²⁾

2025 | 4,285 CONTRACTS · ▲ 7%



3,801 PERMANENT | 484 TEMPORARY

2024 | 4,018 CONTRACTS · ▲ 4%



3,551 PERMANENT | 467 TEMPORARY

⁽²⁾ The annual average was calculated using the average workforce of Velatia employees in 2025 and 2024, respectively, taking into account the payroll calculated for each month.

Average Workforce by Working Time Type

The data show an **increase in the group’s average workforce**, which reached 4,285 employees in 2025, compared with 4,018 in 2024. The **trend towards reducing temporary employment in favour of permanent contracts** also continued.

Furthermore, the legislative changes introduced by the Spanish Government in 2022 regarding the regulation of part-time employment, together with the measures implemented by **Velatia**’s businesses to support work–life balance, have contributed to part-time arrangements remaining residual.

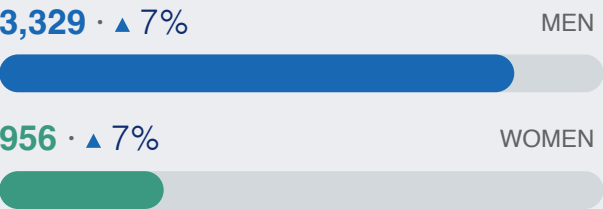
Average Working Time by Gender, Age and Professional Category

The following tables present the distribution of employment at **Velatia** in 2025 by working arrangements, broken down by gender, age and professional category.

AVERAGE WORKING TIME BY GENDER

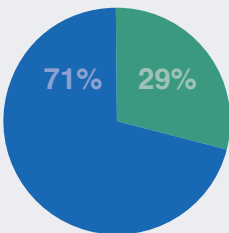
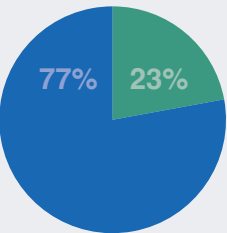
2025

4,285 · ▲ 7%
EMPLOYEES



4,265
FULL-TIME

21
PART-TIME

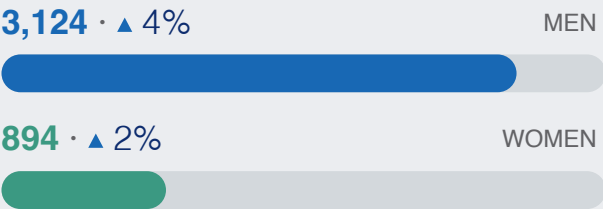


950 WOMEN ▲ 7%
3,314 MEN ▲ 6%

6 WOMEN ■ 0%
15 MEN ▲ 36%

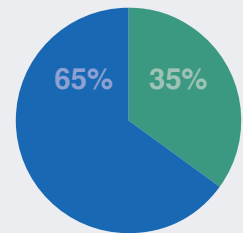
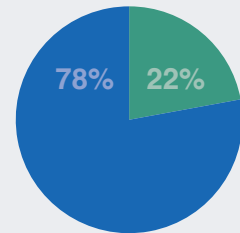
2024

4,018 · ▲ 4%
EMPLOYEES



4,001
FULL-TIME

17
PART-TIME



888 WOMEN ▲ 3%
3,113 MEN ▲ 4%

6 WOMEN ▲ -25%
11 MEN ▼ -8%

AVERAGE WORKFORCE BY AGE AND WORKING TIME

2025 | 4,285 WORKING ARRANGEMENTS · ▲ 4%

4,265 · ▲ 7%
FULL-TIME



21 · ▲ 23%
PART-TIME



2024 | 4,018 WORKING ARRANGEMENTS · ▲ 4%

4,001 · ▲ 4%
FULL-TIME



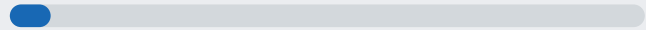
17 · ▼ -15%
PART-TIME



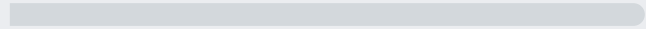
AVERAGE WORKFORCE BY WORKING TIME AND PROFESSIONAL CATEGORY

2025 | 4,285 WORKING ARRANGEMENTS

369 FULL-TIME | MANAGEMENT

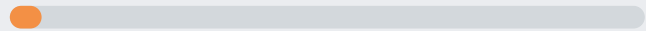


0 PART-TIME | MANAGEMENT

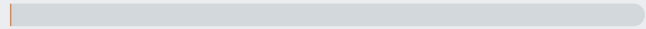


369 · ▼ -2% TOTAL | MANAGEMENT

246 FULL-TIME | SALES STAFF



1 PART-TIME | SALES STAFF

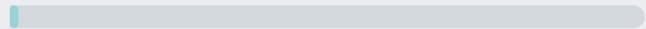


247 · ▲ 6% TOTAL | SALES STAFF

1,850 FULL-TIME | OTHER PROFILES

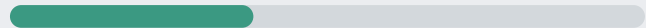


13 PART-TIME | OTHER PROFILES

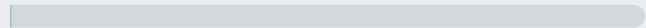


1,863 · ▲ 3% TOTAL | OTHER PROFILES

1,609 FULL-TIME | TECHNICAL STAFF

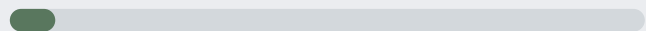


4 PART-TIME | TECHNICAL STAFF



1,613 · ▲ 4% TOTAL | TECHNICAL STAFF

191 FULL-TIME | ADMINISTRATIVE STAFF



2 PART-TIME | ADMINISTRATIVE STAFF



193 · ▲ 9% TOTAL | ADMINISTRATIVE STAFF

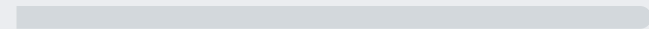
4,265 FULL-TIME | 21 PART-TIME

2024 | 4,018 WORKING ARRANGEMENTS

279 FULL-TIME | MANAGEMENT

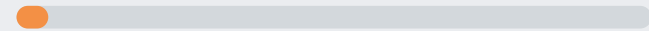


0 PART-TIME | MANAGEMENT

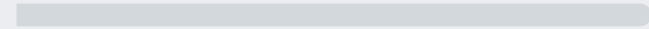


1,914 · ▼ -2% TOTAL | MANAGEMENT

174 FULL-TIME | SALES STAFF



0 PART-TIME | SALES STAFF

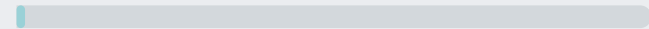


174 · ▲ 6% TOTAL | SALES STAFF

1,904 FULL-TIME | OTHER PROFILES

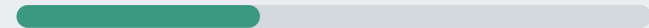


10 PART-TIME | OTHER PROFILES

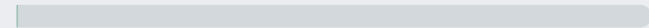


1,914 · ▲ 3% TOTAL | OTHER PROFILES

1,436 FULL-TIME | TECHNICAL STAFF

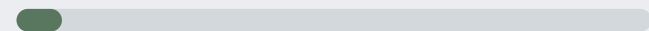


4 PART-TIME | TECHNICAL STAFF



1,440 · ▲ 4% TOTAL | TECHNICAL STAFF

208 FULL-TIME | ADMINISTRATIVE STAFF



3 PART-TIME | ADMINISTRATIVE STAFF



211 · ▲ 9% TOTAL | ADMINISTRATIVE STAFF

4,001 FULL-TIME | 17 PART-TIME

Turnover

During the year, employee movements within the organisation were as follows:

	2025	2024	Change (%)
Workforce at beginning of year	4,162	3,917	6%
New hires	1,081	888	22%
Departures	991	643	54%
Workforce at year-end	4,252	4,162	2%

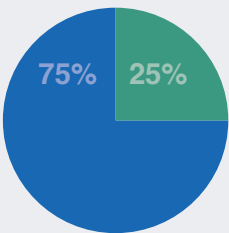
Dismissals

At group level, **dismissals increased by 104%** compared with the previous year, with 277 cases in 2025 versus 136 in 2024.

Dismissals during these two years were distributed by gender, age and professional category as follows, based on the average workforce:

DISTRIBUTION OF DISMISSALS BY GENDER

2025

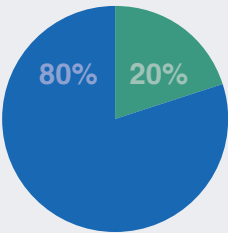


70
WOMEN
▲ 159%

207
MEN
▲ 90%

277 · ▲ 104% TOTAL

2024



27
WOMEN
▲ 20%

109
MEN
▲ 12%

136 · ▲ 18% TOTAL

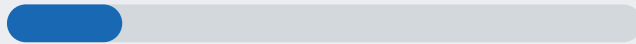


DISTRIBUTION OF DISMISSALS BY AGE

2025

25 · ▲ 39%

<26 YEARS



220 · ▲ 124%

26-51 YEARS



32 · ▲ 60%

>51 YEARS



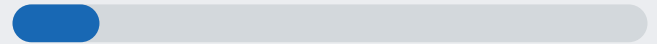
277 · ▲ 104%

TOTAL

2024

18 · ▲ 28%

<26 YEARS



98 · ▲ 26%

26-51 YEARS



20 · ▼ -13%

>51 YEARS



136 · ▲ 18%

TOTAL

DISTRIBUTION OF DISMISSALS BY PROFESSIONAL CATEGORY

2025

8 · ▲ 60%

MANAGEMENT



87 · ▲ 89%

TECHNICAL STAFF



7 · ▲ 17%

ADMINISTRATIVE STAFF



22 · ▲ 633%

SALES STAFF



153 · ▲ 101%

OTHER PROFILES



277 · ▲ 104%

TOTAL

2024

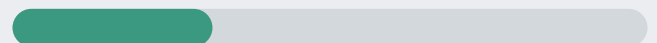
5 · ▲ 67%

MANAGEMENT



46 · ▲ 15%

TECHNICAL STAFF



6 · ▼ -45%

ADMINISTRATIVE STAFF



3 · ▼ -25%

SALES STAFF



76 · ▲ 33%

OTHER PROFILES



136 · ▲ 18%

TOTAL

Velatia, as a group committed to diversity and social inclusion, works to create environments that are accessible to everyone. It therefore takes into account all aspects that help create an **inclusive working environment** for both its workforce and its stakeholders, in accordance with universal accessibility criteria.



5.4. Employment

Employment of People with Disabilities

Velatia's companies maintain a strong commitment to supporting and including people with disabilities. Among their various initiatives, they collaborate with special employment centres on a range of production processes in the countries where the group operates. They also work with organisations such as the **Adecco Foundation** and the **Lantegi Batuak Foundation**, with which they share the objective of promoting the labour-market inclusion of people with functional diversity.

In compliance with the applicable regulations governing the employment of people with disabilities, **18 contracts** of this type were recorded in 2025, compared with 20 in 2024.

Equality

Equal opportunities, non-discrimination and diversity are central to **Velatia**'s culture and form part of its corporate values. In this way, it reaffirms its firm commitment to Principle Six of the United Nations Global Compact, which calls for the elimination of discrimination in respect of employment and occupation.

The Code of Ethics promotes respect for these principles by fostering an **inclusive and equitable environment free from discrimination** on the grounds of ethnicity, colour, gender, sexual orientation, language, religion, political or other opinion, origin, economic status, disability or any other status.

To strengthen its commitment in this area, **Velatia** has established a series of instruments to ensure appropriate oversight and monitoring:

- **Workplace Harassment Prevention and Response Protocol.** This sets out the measures required to prevent and address any form of sexual, discriminatory, psychological or gender-based harassment. Each company in the group defines its plans and actions according to its specific circumstances. During 2025, work was undertaken to update the protocol and align it with current regulations.
- **Ethics and Corporate Crime Prevention Committee.** This is the body responsible for managing reports or communications relating to workplace harassment. Its main role is to address and resolve complaints, claims, suggestions or enquiries concerning situations that have not been resolved through informal procedures.
- **Mediator.** **Velatia** has appointed a subject-matter expert to act as a confidential adviser. This person is responsible for managing harassment cases considered "minor" and referring those assessed as "serious" to the Ethics and Corporate Crime Prevention Committee, along with any failure to comply with agreements reached through informal procedures.
- **Equality plans** defining and implementing the corresponding actions within each organisation.



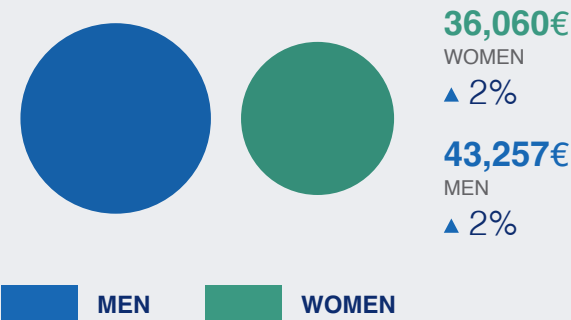
Average Remuneration

During the year, the average remuneration of the group's workforce **increased compared with 2024** for both men and women.

Average remuneration is presented below by gender, age and professional category, excluding senior management. These figures provide a comprehensive overview of **Velatia's** remuneration structure.

AVERAGE REMUNERATION BY GENDER

2025

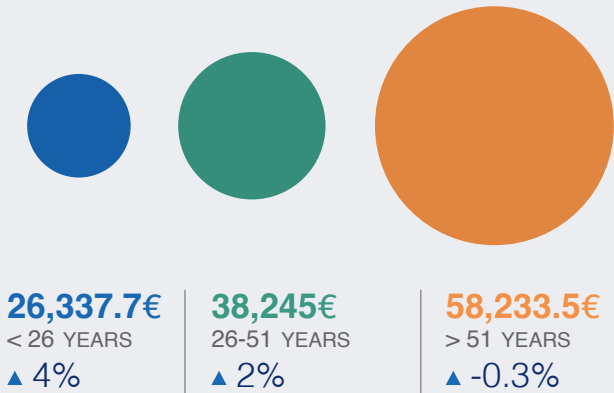


2024

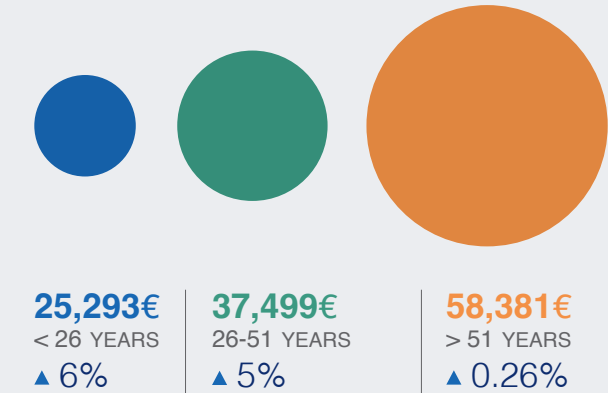


AVERAGE REMUNERATION BY AGE

2025

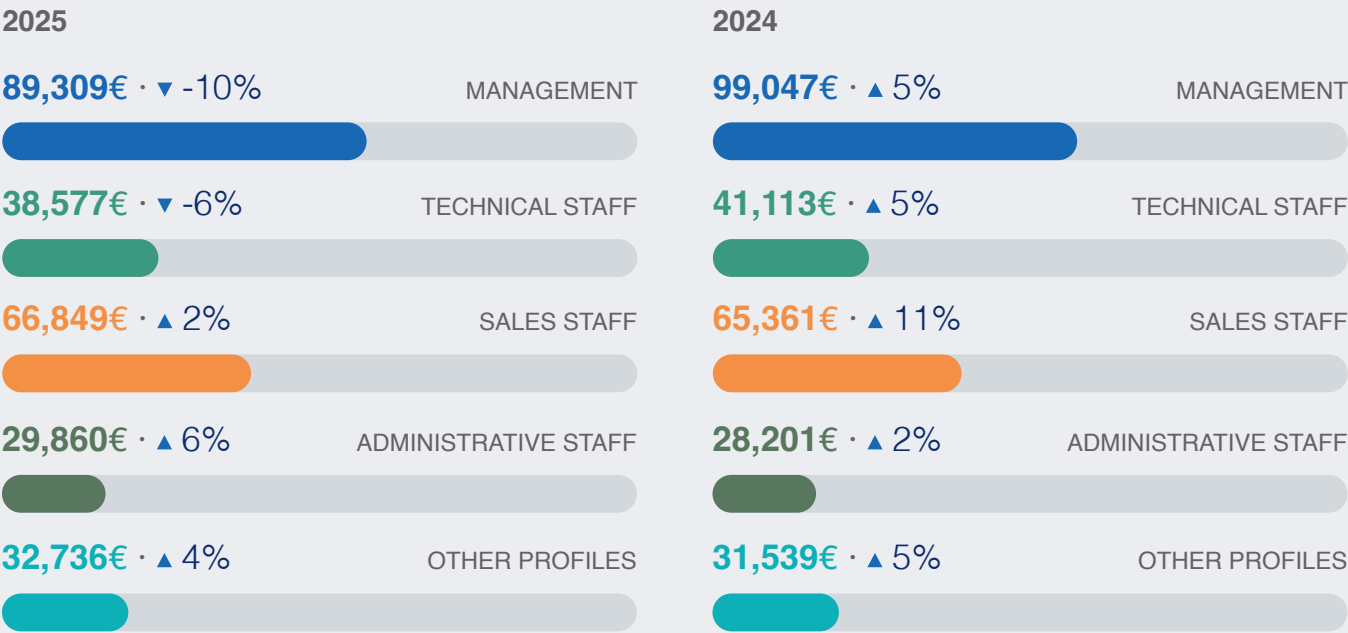


2024





AVERAGE REMUNERATION BY PROFESSIONAL CATEGORY



Pay Gap

The applicable collective agreements govern average employee remuneration across the group, establishing **equitable criteria** for comparable roles regardless of gender. Accordingly, remuneration has been set equitably for both employees covered by collective agreements and those not covered by them, avoiding any form of gender-based discrimination.

The gender pay gap is calculated by comparing women's actual average remuneration with that of men, excluding senior management and expatriate employees. Geographical differences are also taken into account. The results are as follows:

Geographical Area	2025	Men	Women
Europe	5%	2,308	557
East Asia	13%	225	165
The Americas	24%	786	233
Rest of the World ⁽³⁾	70%	10	1

Geographical Area	2024	Men	Women
Europe	5%	2,165	521
East Asia	16%	220	162
The Americas	26%	730	211
Rest of the World ⁽³⁾	65%	11	2

Geographical Area	Change (%)
Europe	5%
East Asia	-19%
The Americas	-8%
Rest of the World ⁽³⁾	8%

⁽³⁾ "Rest of the World" includes Africa and Oceania.

Work Organisation

Velatia maintains an employment relations model based on employee **satisfaction and commitment**, with the aim of creating a working environment that fosters integrated, cohesive and collaborative teams. In keeping with this philosophy, it implements various measures—particularly those relating to working time and work–life balance—designed to promote **employee well-being**.

Working Time

Velatia has a time-recording system that provides transparent oversight of working time and holiday periods, thereby contributing to the **efficient and responsible management of human capital**.

Each company in the group defines its policies on working hours, rest periods and other applicable conditions in accordance with the relevant collective agreements. As stated in the section on labour rights in **Velatia's** Code of Ethics: “Working hours shall comply with the local legislation of each country, ensuring adherence to the conventions and recommendations of the International Labour Organization (ILO).”

Work–Life Balance

To address employees' work–life balance needs, **Velatia** has adopted various measures designed to help them balance their personal and professional lives. These include **flexible working hours and enhanced maternity and paternity leave**, both of which are essential to advancing shared responsibility.

It is also worth noting that, in 2025, **Gosa**—the group company specialising in administration and finance—continues to hold **AENOR certification under the EFR 1000-2 standard**, which recognises the company as an **organisation committed to managing and improving work–life balance**.

The **EFR certificate (Empresa Familiarmente Responsable, or Family-Responsible Company)**, also known as the **Work–Life Balance Management Model**, is promoted by the Másfamilia Foundation and endorsed by the Ministry of Health, Consumer Affairs and Social Welfare. It recognises organisations that “help create a new working culture by implementing a management model that enables employees to balance their working and personal lives, based on flexibility, respect and mutual commitment”.

The model is structured around five groups of measures: employment quality, flexibility, family support, personal and professional development, and equal opportunities. These are complemented by a sixth area concerning leadership and management style. Each group encompasses a range of work–life balance support services made available by the company to its employees. Organisations adopting this system promote a corporate culture in which flexibility and productivity are central to a working environment based on performance and effectiveness.



Freedom of Association and Trade Union Representation

Freedom of association and trade union representation **are both guaranteed** through the various rules, collective agreements and other agreements governing employment relations.

Communication

To ensure effective communication throughout the organisation, **Velatia** has **various channels** designed to facilitate access to information. These include the corporate website, intranet, annual events, noticeboards at production sites, internal magazines and suggestion boxes. Personal and direct communication from managers and directors also plays an important role, alongside works councils and health and safety committees.

Through the **My Velatia** application, all employees can also access information, receive company communications and complete certain administrative procedures.

Employee Relations

Social dialogue within **Velatia's** companies is organised around a model based on trust, open communication, transparency, participation and the promotion of employment. This model operates within an employment relations framework that fosters a workplace environment conducive to innovation and flexibility.

The group's companies have entered into various collective bargaining agreements covering key matters such as occupational health and safety conditions.

Distribution of the Percentage of Employees Covered by Collective Agreements by Country

During the financial year, the percentage of employees covered by collective bargaining agreements (or company agreements) remained stable at 66%. This indicator reflects the presence and effectiveness of labour agreements, as well as the importance that collective bargaining holds for the group.

Country	Employees Covered in 2025	Employees Covered in 2024	Change (%)
Brazil	100%	100%	0%
France	100%	100%	0%
Germany	100%	100%	0%
Spain	100%	100%	0%
Other countries ⁽⁴⁾	0%	0%	0%
Total employees covered by collective agreements	66%	66%	0%

⁽⁴⁾ The "Other countries" category includes those where employees are not covered by collective agreements: Algeria, Argentina, Australia, Chile, China, Colombia, Malaysia, Mexico, the United Arab Emirates, Peru, Poland, Portugal, countries in Africa, Turkey, South Africa, the United Kingdom and the United States.

The group also has mechanisms and procedures designed to encourage employee involvement in business management, in terms of information, consultation and active participation. These include various committees, with particular emphasis on the **Training, Equality and Health** committees.

Right to Disconnect

Hyperconnectivity often blurs the boundaries between personal and professional life. Current legislation highlights the need to give employees greater autonomy in managing their working time and to promote flexibility regarding where they perform their work.

Against this background, **Velatia** approved its **Digital Disconnection Policy** in 2022 to implement measures safeguarding employees' rest periods once the working day has ended. The policy recognises digital disconnection as a fundamental right for the appropriate organisation of working time, promoting respect for private and family life, supporting work-life balance and improving employees' occupational health.

Specifically, it establishes the following **commitments**:

- **Guarantee this right outside working hours**, except in justified circumstances that could cause harm to the business and whose urgency requires an immediate response.
- **Recognise the right to respond only to urgent communications**, regardless of the medium used—email, video call, mobile phone or otherwise—once the working day has ended.
- Ensure that everyone in the organisation commits to the **appropriate use of the IT and technological resources provided** by the company, avoiding their use outside stipulated working hours wherever possible.
- **Avoid scheduling or attending** work meetings outside working hours.
- **Raise awareness through information and training** about the importance of protecting the right to disconnect, taking into account both individual professional and personal circumstances and the specific characteristics of each organisation.



Workplace Absenteeism

The Workplace Absenteeism Rate measures working hours not worked due to sickness absence and occupational accidents. In 2025, total absence amounted to 269,950 hours, compared with 243,302 hours in 2024. This increase was mainly attributable to a rise in hours lost due to non-work-related illness. The indicator comprises hours of leave provided for under collective agreements, medical leave, non-work-related illness and accidents.



Health and Safety

For **Velatia**, embedding a **preventive health and safety culture** as an essential value in day-to-day activities is key to ensuring safe working environments. Responsibility for upholding and promoting these principles extends across all levels of the organisation and is shared by everyone in the group.

The **Integrated Quality, Environmental and Occupational Health and Safety Policy** defined by each business is structured around three areas of action:

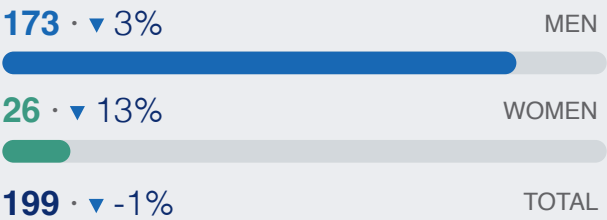
- **Create safe working environments** both within group companies and at partner companies.
- **Promote respect for people's health and safety** by preventing injury and ill health.
- Obtain and maintain the **highest international certifications** in this field.

In 2025, **Velatia** launched an initiative to support the **emotional and psychological well-being of employees and their families**, in response to growing interest in these areas. The project has a global scope and is being implemented in collaboration with a specialist company that provides advice and support with everyday concerns, administrative procedures, and tax, legal and other matters.

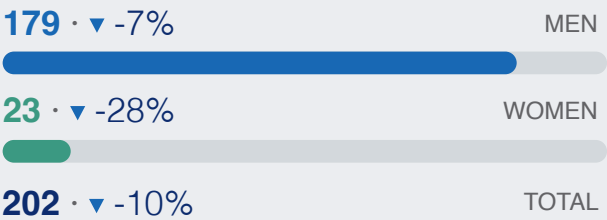
As further evidence of its commitment to prevention, 20 **Velatia** companies hold ISO 45001 certification, the international benchmark standard for occupational health and safety management systems. This voluntary certification demonstrates the group's level of engagement and proactive approach to an important management issue, helping to protect both employees and visitors to its workplaces from occupational accidents and illnesses.

RECORDED ACCIDENT RATE (WITH OR WITHOUT LOST TIME)

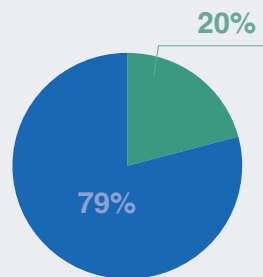
2025 | 199 ACCIDENTS



2024 | 202 ACCIDENTS



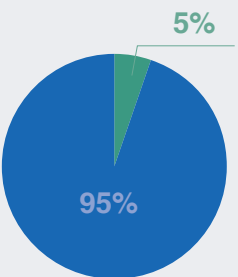
102
WITH LOST TIME



21
WOMEN

81
MEN

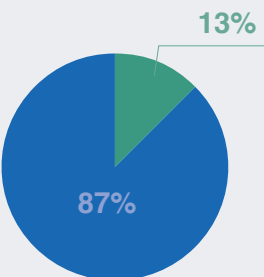
97
WITHOUT LOST TIME



5
WOMEN

92
MEN

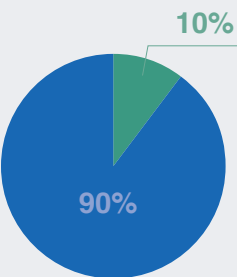
94
WITH LOST TIME



12
WOMEN

82
MEN

108
WITHOUT LOST TIME



11
WOMEN

97
MEN

■ MEN ■ WOMEN

During the year, five (5) occupational diseases were reported, all involving men.

The Frequency and Severity Rates, broken down by gender, are presented below:

2025			
	Men	Women	Total
Frequency Rate	14	13	14
Severity Rate	0.34	0.30	0.33

2024			
	Men	Women	Total
Frequency Rate	16	8.0	14
Severity Rate	0.37	0.3	0.35

Annual Change (%)	
Frequency Rate	+1%
Severity Rate	-6%

The **Frequency Rate**, a key indicator for assessing occupational safety, expresses the number of lost-time accidents per million hours worked over a given period. In practical terms, it indicates how frequently a lost-time accident occurs in relation to the number of hours worked.

The Severity Rate measures the number of working days lost per thousand hours worked over a given period. This indicator provides insight into the impact of lost-time accidents on the production process by quantifying the working days lost or not worked as a result.

Compared with 2024, both the total number of accidents and the Severity Rate decreased during the year, reflecting a reduction in the number of working days lost as a result of accidents. However, the number of lost-time accidents increased, resulting in a higher Frequency Rate.

Launch of an initiative to support the emotional and psychological well-being of employees and their families.



Training

Training plays a crucial role at the heart of **Velatia**'s strategy, and the group therefore invests continuously in developing its teams. The sectors in which it operates are evolving rapidly, requiring continuous, specialised training to enable its professionals to adapt to new technological and regulatory challenges while maintaining the group's competitiveness and capacity for innovation.

A qualified, well-trained and committed workforce is essential to achieving its strategic objectives. **Velatia** therefore ensures that its employees have the skills and knowledge required to perform their work successfully. Within this framework, its priorities are to disseminate and share internal knowledge while progressively expanding competency development across its teams, in line with the group's strategy.

Through lifelong learning, **Velatia** seeks to improve its performance and facilitate adaptation to constant technological and cultural change, thereby strengthening its competitiveness.

The key pillars of training at Velatia are:

- 1. Personal capability development:** progressively increase individual knowledge, capabilities and skills.
- 2. Strategic alignment:** align training with the competencies, values and requirements defined in the group's strategy.
- 3. Knowledge sharing:** maximise the transfer of existing knowledge by promoting internal training and providing the necessary resources while ensuring their efficient use.

As a result of the various initiatives implemented, **91,976 hours were devoted to training** in 2025, compared with 86,244 hours in 2024—an increase of 7%. This is equivalent to **22 hours per employee**. Of the total, 70,690 hours corresponded to men and 21,286 to women⁽⁵⁾.

⁽⁵⁾ Total number of training hours during the year divided by the average workforce for that year.

HOURS INVESTED IN TRAINING BY PROFESSIONAL CATEGORY

2025

83,085
HOURS
▼ -4%

5,058 · ▼ -15%

MANAGEMENT

45,402 · ▼ -13%

TECHNICAL STAFF

3,828 · ▲ 6%

SALES STAFF

3,317 · ▼ -38%

ADMINISTRATIVE STAFF

25,480 · ▲ 34%

OTHER PROFILES

20 HOURS · ▼ -7%

AVERAGE TRAINING PER EMPLOYEE

2024

86,244
HOURS
▼ -8%

5,943 · ▼ -11%

MANAGEMENT

52,308 · ▼ -5%

TECHNICAL STAFF

3,599 · ▼ -13%

SALES STAFF

5,357 · ▼ -15%

ADMINISTRATIVE STAFF

19,036 · ▼ -12%

OTHER PROFILES

21 HOURS · ▼ -5%

AVERAGE TRAINING PER EMPLOYEE

HOURS INVESTED IN TRAINING BY GENDER

2025 | 83,085 HOURS



21,598

WOMEN

▼ -1%

61,487

MEN

▼ -5%

2024 | 86,244 HOURS



21,710

WOMEN

▲ 24%

64,533

MEN

▲ 3%



MEN



WOMEN

The principal reason for the increase in training hours was the implementation of training activities, mainly in the businesses' technical areas.



5.5. Customers

Customer satisfaction is a strategic priority for **Velatia's** companies. From gaining an in-depth understanding of customer needs through to the execution of each project, their objective is to ensure the highest levels of compliance, respond effectively to customer expectations and build strong, lasting relationships.

The products and services offered comply rigorously with all quality and safety requirements established by the applicable regulations. **Velatia's** businesses continuously improve their processes, thereby ensuring high standards of excellence and reliability.

Information on the complaints received during 2025 is provided in the **Ormazabal** and **Ikusi** sections of this report.

As evidence of their commitment to quality, at the end of 2025, **Velatia's** businesses had a total of **30 ISO 9001-certified** companies worldwide.

5.6. Suppliers

Velatia seeks to extend its sustainability strategy throughout its supply chain by integrating ESG criteria into the management of business relationships and procurement decisions, with the aim of generating a positive impact beyond its own operations.

In 2025, **Velatia**'s Board of Directors approved the Procurement Policy, an essential instrument for promoting a sustainable, ethical and efficient supply chain. The policy establishes the group's principles and framework for action to ensure responsible, transparent and sustainable management aligned with the highest standards of integrity and performance.

Its purpose is to ensure that goods and services are purchased at the required quality and quantity, within the required time frames and at a competitive cost, while complying with the environmental, social and governance (ESG) criteria defined by the organisation.

The Procurement Policy is structured around the following commitments:

- **Foster stable, mutually beneficial relationships** with suppliers, contributing to the development of the markets in which **Velatia** operates.
- **Integrate suppliers into the supply chain**, promoting innovation, technological improvement and the development of advanced solutions.
- **Promote compliance with the Code of Ethics**, which is based on the United Nations Global Compact principles concerning human rights, labour standards, the environment and anti-corruption.
- **Progress towards operational excellence**, securing the best purchasing conditions through continuous improvement, the use of internal synergies and the optimisation of processes and resources.
- **Orient the procurement function towards stakeholders**, ensuring a responsible, service-focused approach.

In addition, **Velatia** has a **unified supplier portal for all group companies**, which centralises procurement-management information, optimises operational processes and enables more agile and efficient administration.

The portal incorporates **ESG criteria into the supplier qualification process**, reflecting an integrated view of the supply chain in which social and environmental responsibility are considered fundamental. Further information about the qualification process is provided in the specific sections on Ormazabal and Ikusi in this report.

Commitment to Local Suppliers

Velatia is firmly committed to supporting local suppliers as part of its contribution to the economic development of the areas in which it operates. In addition to creating direct employment and meeting its tax obligations, the group generates a **positive indirect economic impact** by engaging local companies throughout its supply chain.

This commitment is particularly strong in regions where **Velatia** has production plants. Periodic monitoring of purchasing volumes by geographical area shows that a **significant proportion of procurement is sourced from local suppliers**. This strategy not only helps generate shared value locally but also strengthens the resilience and flexibility of the supply chain, creating a competitive advantage for the group.

% local supplier expenditure	2025	2024
Spain	84%	82%
France	96%	97%
Germany	86%	81%
China	94%	97%
Mexico	94%	97%
Colombia	98%	89%

5.7. Positive Social Impact

New Procurement Policy, an essential instrument for promoting a sustainable, ethical and efficient supply chain.

Since its inception, **Velatia** has had a clear understanding of its social dimension. Creating value that benefits society as a whole forms part of its identity and its commitment to the communities of which it is a part.

Throughout 2025, the group continued to support and promote initiatives in key areas such as education, technology, social affairs, culture and the environment. These projects are aligned with its corporate values and sustainability strategy and are intended to help generate a **positive, tangible and lasting impact on its surroundings**.

Likewise, **Velatia** participates actively in the **main industry associations**, reaffirming its commitment to the development of industry and stronger collaboration between businesses.

Associations	
IAI	Institute of Internal Auditors Association
AEFAME	Basque Family Business Association
APD	Association for Management Progress
CEV	Basque Business Leaders' Circle
EUSKALIT	Basque Foundation for the Promotion of Quality
INNOBASQUE	Basque Innovation Agency
IEF	Family Business Institute
IZAITE	Association of Basque Companies for Sustainability
	Spanish Network of the United Nations Global Compact
AGERS	Spanish Association of Risk and Insurance Management
	Association for the Revitalisation of Metropolitan Bilbao



Connecting Education and Experience

Velatia believes that education and training should go hand in hand with business realities. It therefore promotes initiatives that connect academic knowledge with the needs of the sector, supporting talent development and preparing professionals for a constantly changing environment.

To this end, **Velatia** works closely with various educational institutions. Through these partnerships, it seeks to **improve the employability of young talent and strengthen the local economy**.

The group's companies promote cooperation agreements, scholarship programmes and work-placement opportunities that enable students and trainees to gain practical experience in dynamic, innovative environments focused on sustainable growth.

Committed to Talent

Velatia participates in the “**Commitment to Talent**” project, an initiative led by the Provincial Council of Bizkaia that seeks to narrow the gap between the STEM skills in science, technology, engineering and mathematics required by companies and the pool of qualified people available in Bizkaia. The project encompasses a wide range of initiatives focused on talent management and development, with particular emphasis on technology, education and the business sector.

Driver of Industrial and Social Progress

Velatia contributes to the development of the industrial sectors in which it operates, as well as to the well-being of society. Its President, Javier **Ormazabal**, holds representative positions in various associations, foundations and institutions in the business and technology sectors. In addition, both he and the management teams of **Velatia**, **Ormazabal**, **Ikusi** and the group companies classified as “Other Businesses” actively participate in numerous strategic forums and events that act as catalysts for economic and social development.

SOCIAL ACTION MANAGEMENT:
Part of Our Identity

For **Velatia**, genuine growth goes beyond figures. Growth means achieving not only economic but also social outcomes—a philosophy that forms part of its identity as a family-owned group. This approach combines a long-term vision, sustainability and responsibility, making social action a key element of shared development.

Social action management is therefore a fundamental pillar of **Velatia**’s activities, focused on creating value for all its stakeholders. Every partnership, sponsorship and donation undertaken by the group is a tangible expression of its responsible approach to society and its commitment to local communities.

Velatia has a **Social Action Management Procedure** that enables it to manage its contributions efficiently, minimising risks and capitalising on the opportunities they may generate in terms of corporate reputation.

The commitments established in its Social Action Policy focus on two main objectives: contributing to the development of the communities in which it operates and strengthening its business relationships by promoting innovation to improve people’s quality of life and create sustainable value for the group and its stakeholders.

Areas of Action

SOCIAL	Education and research: initiatives and projects focused on education and social progress through learning and research. Social inclusion and community development: activities and programmes intended to strengthen community development and promote the inclusion of the most vulnerable groups.
CULTURAL	Programmes or partnerships aimed at promoting and developing the visual, performing and musical arts in society.
ENVIRONMENTAL	Projects or activities aimed at preserving the environment.

Velatia’s contributions to various organisations are presented below, together with the support provided in 2024 and continuing in 2025, reflecting its ongoing commitment to society and the environment.

SOCIAL ACTION: Initiatives Transforming the Future

Promoting Youth Employment with the Novia Salcedo Foundation



For several years, **Velatia** has worked closely with the Novia Salcedo Foundation's Generation Network, a platform that connects various social actors—civil society, businesses and institutions—with the aim of helping young people enter the labour market.

The network promotes decent, quality employment opportunities that enable new generations to develop both professionally and personally.

In this context, the “**Decade of Action for Youth Employment**” project works towards the targets of SDG 8, which focus on decent work and economic growth. The initiative promotes the creation and dissemination of knowledge, raises public awareness and increases the visibility of the challenges and opportunities associated with youth employment.

Supporting Quality Education from Early Childhood with Save the Children



The “**Early Childhood Education**” project aims to provide access to quality education through a holistic approach during the earliest stages of development, from 45 days to six years of age.

The initiative strengthens the teaching capacity of 25 Community Child Development Centres located in vulnerable communities in Mexico City and the State of Mexico. Through this support, the centres become safe spaces that promote children's well-being, learning and holistic development.

Advancing Gender Equality with UNICEF



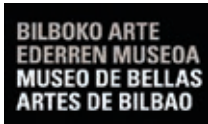
Continuing its commitment to children, in 2025 **Velatia** focused its support on **projects combating gender-based discrimination**, recognising the violation of the fundamental rights of millions of girls in different contexts around the world.

Today, in many countries, being born a girl continues to determine a person's opportunities to grow up in a healthy and safe environment. Limited access to essential services—such as healthcare, particularly sexual and reproductive healthcare, nutrition and education—jeopardises the well-being and future of millions of girls and adolescents.

Through its collaboration with UNICEF, **Velatia** aims to contribute to promoting gender equality and reducing existing gaps, facilitating access to fundamental resources that favour the development and opportunities of new generations.

CULTURAL ACTION: Extending the Reach of Culture and Values

Bilbao Fine Arts Museum: Commitment to Preserving and Promoting Artistic Heritage



Opened in 1914, the Bilbao Fine Arts Museum houses an extensive collection of paintings, sculptures, works on paper and applied arts spanning the 12th century to the present day. It is considered one of the most important and diverse collections in Spain.

In 2025, **Velatia** strengthened its partnership with the museum in support of its mission to collect, preserve, research and promote works of ancient, modern and contemporary art. It also supports the maintenance of the museum's services and the promotion of its activities. Through these efforts, the group helps showcase the cultural values of the Basque Country and foster education through art.

Guggenheim Museum Bilbao: Supporting Culture That Transforms Cities and Lives



During the year, **Velatia** once again renewed its partnership with the museum, one of the most iconic architectural works of the 20th century and a cultural landmark. In doing so, it supports the museum's work to bring contemporary art closer to society and enhance the international profile of Spain and its values.

The Guggenheim Museum Bilbao has not only transformed the city's image and economy; the resulting "Guggenheim effect" has also inspired numerous cities to embrace culture as a driver of development and urban regeneration.

Bilbao Choral Society – Eskolan Kantari: Bringing Music to More Voices



Velatia supports this social and educational music project run by the Bilbao Choral Society. The initiative brings choral education to schools that do not offer musical activities, with specialist teachers delivering sessions directly in the classroom.

The programme fosters fundamental values such as listening, solidarity and teamwork, while promoting intercultural dialogue in an environment where every voice has the opportunity to express itself actively, creatively and harmoniously.

Through this initiative, hundreds of students have discovered an enriching experience that awakens their interest in music. Some Eskolan Kantari participants have received scholarships to study at the Society's music school, strengthening their connection with choral art and opening up new educational and personal opportunities.

Athletic Club Foundation: Sport, Inclusion and Community



Velatia collaborates with the Athletic Club Foundation, whose activity is carried out in three fundamental areas: community, inclusion and culture. All its initiatives are underpinned by a cross-cutting commitment to Athletic Club's values and the use of football as a tool for inclusion and transformation.



ENVIRONMENTAL ACTION: Taking Action for the Environment

Investments with Environmental and Social Impact

Velatia maintains its agreement with the insurer QBE under the “**Premiums4Good**” project, through which the QBE Group allocates 8% of its customers’ premiums to impact investments. These investments are intended to generate a positive environmental and/or social impact while also providing a financial return, as described in the latest 2024 Investment Impact Report.

Contribution to Society

In line with its firm commitment to regulatory compliance, **Velatia** ensures strict observance of the applicable legislation in this area, as well as the associated internal reporting requirements. The economic value generated in 2025 amounted to **€1,107 million**.

Profit by country ⁽⁶⁾	2025	2024
Germany	5,745	3,347
Argentina	2,023	697
Australia	-195	-7
Brazil	4,447	4,140
Chile	508	393
China	533	88
Colombia	1,069	632
United States	-467	667
Spain	117,665	66,994
France	8,958	11,041

TOTAL

144,994

98,553

Profit by Country

Velatia bases its business model on responsible and transparent management, particularly in relation to taxation. The group generates and distributes value in both domestic and international markets, following ethical business practices aligned with the principles of social responsibility and its commitment to the communities in which it operates.

The **tax data** for 2025 and 2024, broken down by country, are presented below in compliance with the applicable regulations.

Profit by country ⁽⁶⁾	2025	2024
Malaysia	406	-132
Morocco	-6	-10
Mexico	1,697	8,244
United Arab Emirates	0	0
Peru	-87	-84
Poland	306	34
Portugal	1,246	1,288
South Africa	0	47
Türkiye	235	241
United Kingdom	906	933

⁽⁶⁾ Amounts in thousands of euros.

VELATIA



Tax Responsibility

Velatia has a **Tax Policy** approved by the Board of Directors on 7 November 2023. The policy establishes the basic principles governing **ethical conduct, good governance and tax transparency**.

Within this framework, the group seeks to comply with applicable legislation and ensure appropriate coordination of its tax policy. Its aim is to contribute to the public interest—by making a significant contribution to society—and support the long-term business strategy, while avoiding risks and inefficiencies in the implementation of business decisions.

The Tax Policy also reflects **Velatia's** commitment to good tax practices, which apply throughout the organisation.

Corporate Income Tax Paid

As stated in the Statement of Cash Flows in **Velatia's** Consolidated Annual Accounts, €7,777 million in corporate income tax was paid on a cash basis in 2025. The corresponding figure for 2024 was €10,073 million, restated to align the reporting with the Annual Accounts.

Velatia receives support from public bodies which, through the award of grants, facilitate the implementation of innovation and development projects undertaken by the group. Information on the grants received is included in the Consolidated Annual Accounts of **Velatia** and its Subsidiaries for the year ended 31 December 2025 (Note 15.2).

Total grants received amounted to **€2,388 million** in 2025, compared with €4,777 million in 2024. The 2024 figure was also restated to align it with the Annual Accounts.



Be smart.
Be Ormazabal





**Be Ormazabal.
Be sustainable**



We are entering the final year of our 2024–2026 Strategic Plan in a global environment marked by volatility and rapid transformation. Against this backdrop, the new European regulation on fluorinated gases represents a turning point for the sector. Although questions remain about its specific implementation in different markets, at **Ormazabal** we approach this new phase with confidence and certainty. We are supported by our adaptability, the strength of our strategy, the commitment of our team and decades of experience developing distinctive, unique technologies.

Throughout the year, we strengthened our technological leadership and our position as a benchmark in the transition towards a more decarbonised and digital electricity grid. A key element in this progress is the **portfolio of technological solutions** we have been developing for several years to digitalise and automate the low-voltage distribution grid, anticipating the needs of the sector and our customers.

Industrial flexibility and **open innovation** have been fundamental to addressing the differing paces and demands of individual markets and supporting our customers in adopting new solutions.

The new **regulation on fluorinated gases** is now opening up a transitional phase in which different technologies and rates of adoption will coexist.

Far from seeing this as a threat, we regard it as an opportunity to consolidate our value proposition and continue leading the transformation of the sector. The **industrial investments** made in recent years have been specifically designed to provide us with the flexibility required to meet changing demand. This enables us to adapt quickly to the specific needs of each customer and market. We are ready to support them throughout this process by providing reliable and sustainable solutions.

Looking ahead to 2026, **we retain both our ambition and our composure**. We know that the environment will remain demanding, but also that those able to anticipate change will be better positioned to grow. We will continue transforming uncertainty into opportunity, with humility, a long-term vision and unwavering confidence in our project and, above all, in our people.

Thanks to the commitment and dedication of all the stakeholders who make this project possible, we hope to continue creating sustainable value and successfully addressing the challenges ahead.

Jorge González Somavilla
CEO of **Ormazabal**



2025 SNAPSHOT

ORMAZABAL’S RESULTS EVOLUTION

REVENUE
(millions of euros)

EBITDA
(% of revenue)

EBT
(% of revenue)

2025

2024

860
MILLION

21%

16%

812
MILLION

21%

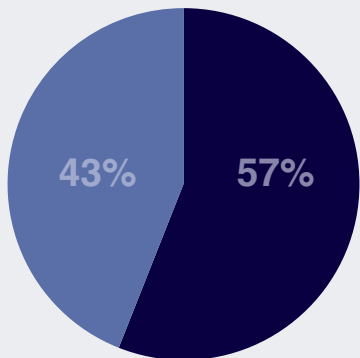
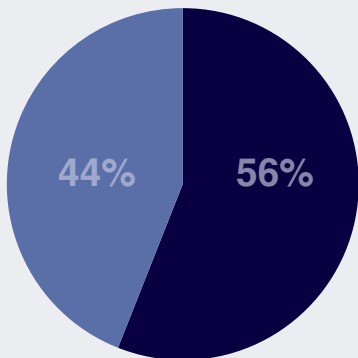
12%

WORKFORCE DISTRIBUTION

2025

2024

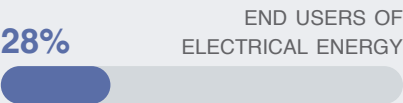
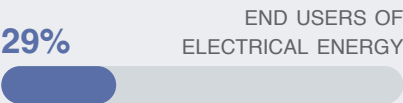
2,794 people



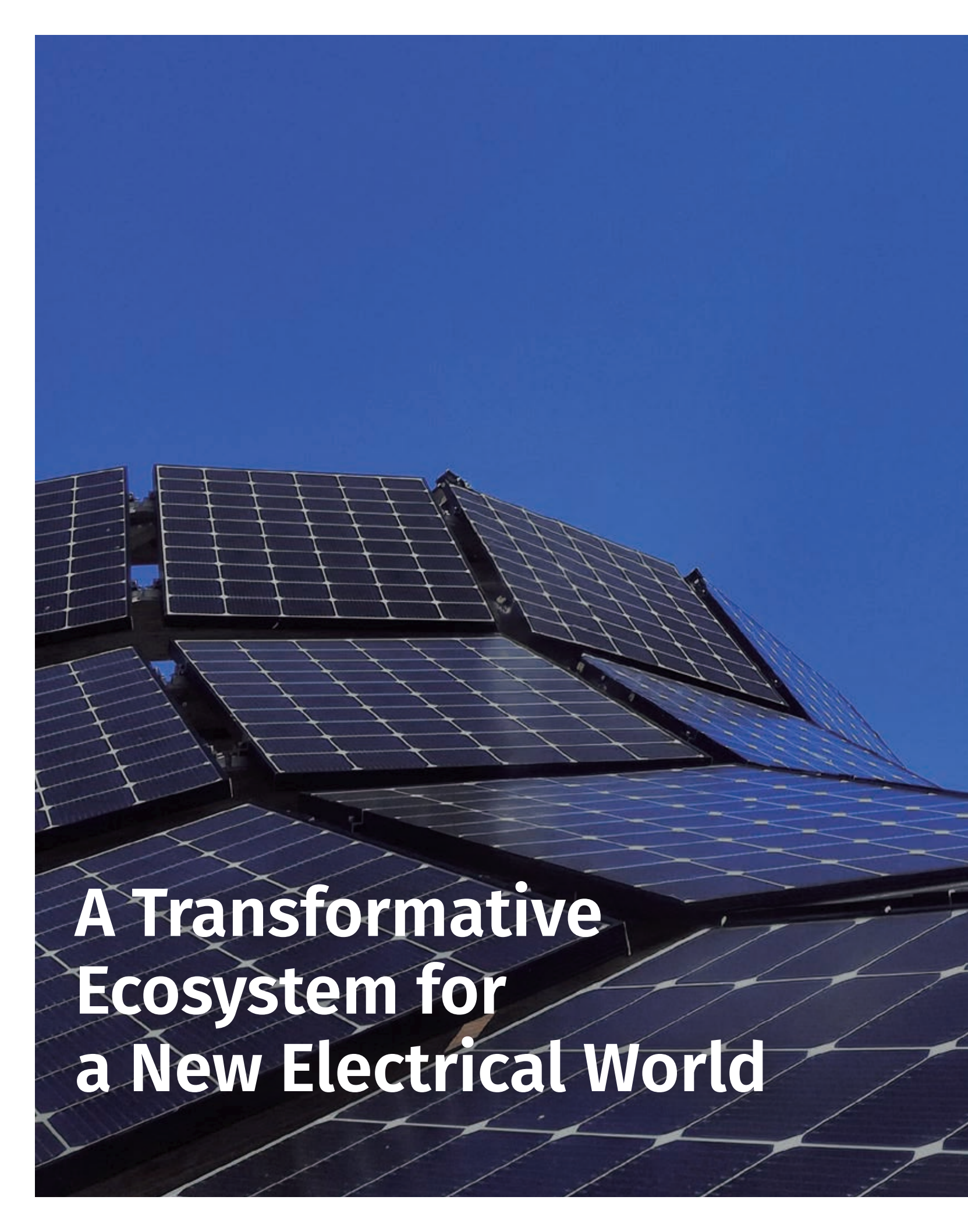
SALES DISTRIBUTION

2025

2024



49,749 hours invested in training



A Transformative Ecosystem for a New Electrical World



01 | Ormazabal Profite



1.1. General Information

Ormazabal is a global company founded in 1967 and an expert in customised, high-tech solutions for electrical infrastructure. It is a **transformative ecosystem specialising in the digitalisation of the electricity grid and the energy transition**, working to build a smarter, more sustainable and resilient electric world.

Its solutions facilitate the greater integration of renewable energy, enable more sustainable mobility and ensure the supply of electricity to buildings and infrastructure with critical energy requirements.

Through its ongoing commitment to **technological and industrial innovation**, **Ormazabal** has consolidated its position as a global technology benchmark, with the capacity to deliver its solutions anywhere in the world. Its corporate claim, “**Technology for a new electric world**”, is much more than a message: it is a declaration of intent reflecting its commitment to a sustainable future in which energy changes the way people live, protects the planet and builds a better world for everyone.

The transition towards a decarbonised energy model requires replacing fossil fuels with renewable energy sources, making electricity grids smarter, improving energy efficiency and encouraging more responsible consumption. The **Ormazabal ecosystem** is taking on this challenge with the ambition of playing a leading role in transforming the electricity system as a provider of innovative solutions that promote a more efficient, secure and sustainable supply for future generations.

To achieve this, it collaborates closely with leading companies worldwide to make an energy system that respects the necessary balance with the environment and supports people's well-being a reality.

A transformative ecosystem for building a smarter, more sustainable and resilient electric world.

Our Identity

With a clear vision of what it wants to become and where it is heading, **Ormazabal** reaffirms its commitment to innovation, sustainability and excellence at every step.

Purpose

To lead the technological evolution of electricity grids to enable the energy transition.

Mission

To provide customised, reliable and high-tech solutions for electrical infrastructure, backed by proven experience and an excellent standard of service.

Vision

To be the benchmark for customers in the innovation of their electricity grids.

Values

Ormazabal shares these five values, which are deeply rooted in the group's culture:

- **Flexibility:** willingness to understand different options and adapt to different situations.
- **Leadership:** demonstrating a spirit of self-improvement in daily activities that can serve as an example and motivation to others.
- **Innovation:** a dynamic attitude to create and anticipate novel and successful processes, products and/or services.
- **Pragmatism:** orientation towards results in an efficient manner.
- **Support:** willingness to offer and request help for the development of people and the achievement of objectives.

Pillars

Family-owned, Industrial, Technological, Global, Benchmark

As part of **Velatia**, **Ormazabal** is characterised by its family roots, solid industrial base, technological track record and clear global outlook, with the ambition of becoming a benchmark in the sectors in which it operates. These pillars define the group's identity and constitute its greatest strength and a guarantee for the future.

Ormazabal's Business Lines and Ecosystem

Ormazabal is working to transform the electricity grid into a **more reliable, resilient and sustainable infrastructure**. Its success is underpinned by a clear commitment to **high-value technological solutions**.



Smart and Digital Grids



Green Generation and Storage



Green Mobility



Sustainable Buildings and Infrastructure

The following are the **main segments or areas** of activity in which it provides services:

Digitalisation and Transformation of the Electricity Grid

Ormazabal responds to the new demands placed on electricity grids by helping optimise their management and improve safety and continuity of service. It develops digital-native medium- and low-voltage solutions, supporting leading electricity companies in deploying their automation systems.

Green Generation and Storage

It works with its customers to design solutions that ensure the seamless integration of their renewable generation and storage projects into the medium-voltage electricity grid, regardless of their location or size.

Green Mobility

In the field of mobility, **Ormazabal** provides integrated solutions for electricity supply infrastructure, ensuring grid connection and adapting to both the present and future needs of charging infrastructure.

Sustainable Buildings and Infrastructure

Innovative solutions for infrastructure with critical electricity requirements. Solutions tailored to every project at each stage, helping ensure the safety, continuity and efficiency of the power supply to these facilities.

Leading companies choose **Ormazabal** as their technology partner to support them throughout the project with customised, efficient solutions aligned with their strategic objectives.

Ormazabal Ecosystem

Companies that also form part of the **Ormazabal ecosystem**:



Energy Services and Electric Vehicle Charging Stations

A company specialising in energy services and electric vehicle charging stations. It promotes efficient energy-demand management projects and implements energy-saving measures at its customers' facilities, helping them undertake investments to which they are unable to allocate their own resources. It also monitors their consumption to provide on-going improvements.



Uninterruptible Power Systems

A company dedicated to designing and manufacturing uninterruptible power systems and equipment that provide reliable, high-quality electricity during power outages. Its products are used in sectors including electricity, industry, shipping, aerospace and rail.



Global Reach

Ormazabal has a **strong international presence**, with production facilities in different regions of the world and the **capacity to operate in more than 50 countries** through subsidiaries and distributors.

This structure enables it to remain close to its customers, adapt to local markets and respond to their needs quickly and in a personalised manner.



Proximity Footprint

- Presence in **more than 50 countries**.
- Its **equipment** is installed in **more than 150 countries each year**.
- More than **2.5 million units installed** worldwide.
- More than **62,000 automated installations** worldwide.

Industrial Footprint

- **16 production facilities** worldwide.

Technological Footprint

- 1 Research and Technology Centre that is **unique worldwide**.
- Product development centres in **eight countries**.

ORMAZABAL



Ormazabal completes one of the best years in its history in 2025.

1.2. Highlights of the Year

Review

For **Ormazabal**, 2025 was a year of consolidation as a technological and industrial benchmark in the transition towards a more sustainable and digitalised electricity grid. Against a backdrop of increasing regulatory complexity and unstable markets, the company once again exceeded its objectives and ended the year with a stronger financial foundation and an enhanced position in strategic and emerging markets.

The international environment has not made this easy. Geopolitical uncertainty, tariff tensions and political changes in certain regions are significantly influencing the pace and direction of the energy transition. At the same time, 2025 was also a key year in **Ormazabal**'s preparations for the new regulation on fluorinated gases. The company began working in advance, enabling it to approach the challenges and opportunities presented by this new regulatory framework with confidence.

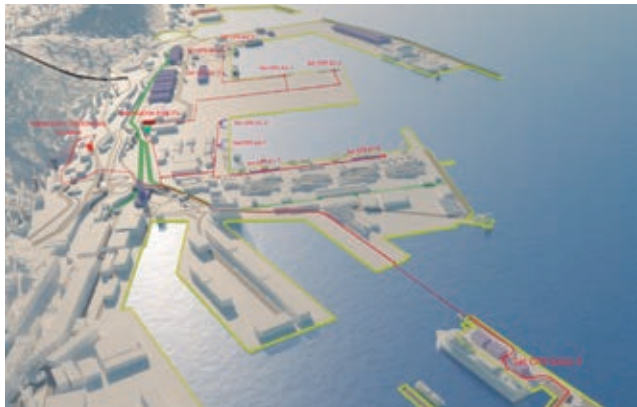
In this context, **adaptability** has been fundamental. **Ormazabal** has successfully drawn on its agility and flexibility to anticipate change and adjust its strategy to new market demands. This has enabled it to continue supporting customers and partners throughout their technological transition by providing reliable, sustainable and customised solutions.

The portfolio of technological solutions for digitalising and automating the low-voltage distribution grid has once again been one of the main drivers of progress. Sustained investment in innovation, together with digitalisation and collaboration across the technology ecosystem, has enabled the launch of new solutions and consolidated **Ormazabal**'s role as a key player in the transformation of the sector.

Efficient management of the diversity of markets and segments has also been essential. Significant growth was recorded in certain business lines, alongside selective adjustments in others, always guided by a long-term vision focused on sustainability and value creation.

Ultimately, the commitment of **Ormazabal**'s people, together with investment in production and technological capabilities, helped deliver a year that—without any sense of complacency—can be considered the best in the company's history.

Ormazabal looks to the future with the conviction that **anticipation, flexibility and collective commitment** will remain vital to transforming uncertainty into new opportunities for success and growth.



Ormazabal's Main Milestones

Advancing Port Electrification: Now in Bilbao and Valencia

In collaboration with Ingeteam, **Ormazabal** is consolidating its position as a benchmark in Onshore Power Supply (OPS) solutions that facilitate the energy transition of port infrastructure. Following last year's successful project in Cádiz, it has now extended its activities to the docks of the ports of Bilbao and Valencia, two of Spain's most important ports.

Ormazabal Presents Its Investment Plan to Strengthen Its Industrial Capacity to the President of the Basque Government

During his visit in July to the Igorre plant—**Ormazabal's** facility with the greatest production capacity—Imanol Pradales, President of the Basque Government, learned first-hand about the company's ambitious investment plan currently under way. The project aims to expand its industrial capacity to incorporate fluorinated-gas-free technological solutions for both domestic and international markets, drive the digitalisation of the business and advance its commitment to the energy transition and sustainability.

Supporting the Growth of Energy Storage

Ormazabal is making steady progress and strengthening its presence in this strategic segment, which is essential to the energy transition. To this end, it works with leading global players, supplying them with tailored solutions that facilitate energy storage.

A Year of Major Celebrations

For **Ormazabal**, 2025 was a special year marked by several important anniversaries: **30 years of operations in France**, the first country in which it established a presence under its international expansion plan; **25 years of activity in Brazil**, during which it has participated in projects essential to strengthening security of supply and integrating renewable energy; and **25 years in Portugal**, an anniversary celebrated with an event in Lisbon attended by more than one hundred members of the **Ormazabal** family in the country.

The year also provided an opportunity to celebrate the achievements of two strategic areas of the company: the 30th anniversary of the Transformers Division and the 20th anniversary of the Smart Grids Division. Both have played a fundamental role in **Ormazabal**'s industrial growth, driving digitalisation and the adoption of new technologies to continue advancing the energy transition.

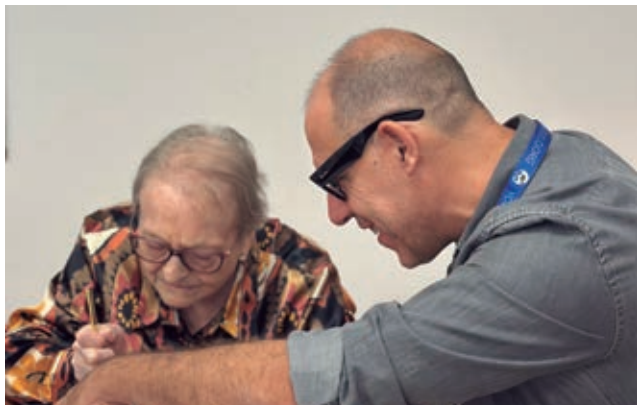
More People-Focused Initiatives

Ormazabal continued to strengthen its commitment to people through various initiatives. These included the roll-out of its **Leadership Model**, with **more than 40 workshops and 750 participants**, and the promotion of internal innovation through the launch of the **LuzIA chatbot** at the Seseña plant as a pilot project to improve communication.

The “LEAP” project—**Ormazabal**'s initiative to promote a gender perspective and enhance the visibility of women professionals within the organisation—also gained renewed momentum through the inclusion of new perspectives and stronger cross-functional collaboration.

The company also strengthened its employer brand by holding its **third Host Event**, designed to bring the company closer to young talent and attended by more than 30 students in Bilbao.





New Commitments to Advance Gender Equality and Women's Leadership

Ormazabal has joined the United Nations Global Compact's "**Target Gender Equality**" programme. This initiative supports companies in adopting concrete measures to advance gender equality and women's leadership.

It has also joined the **PWN Bilbao Equality Think Tank**. Promoted in collaboration with PWN and the Provincial Council of Bizkaia, this forum seeks to advance equality-focused leadership through proposals, indicators and concrete actions, while also encouraging commitment from organisations' senior management.

New Ormazabal Contribution Week

Once again, colleagues from the company's sites around the world made their own contribution to improving their local environments. "Contribution Week" forms part of the organisation's commitment to achieving the Sustainable Development Goals (SDGs).

48% Reduction in Emissions Since 2021: Progressing towards Climate Neutrality

Thanks to a significant reduction in its greenhouse gas emissions, **Ormazabal** continues to advance its decarbonisation process and strengthen its commitment to the targets established in its climate roadmap: **reducing its carbon footprint by 47%** by 2030 compared with 2025 and achieving **climate neutrality by 2050**.

Ormazabal Startup Switch Launches Its First Projects

In 2025, Ormazabal Startup Switch implemented its first **seven projects** across different areas of the organisation. A further six projects, currently at the pilot stage, will follow.

Founding Partner of EnergyTech Nexus, an Energy Innovation Hub

The company is strengthening its technological leadership by joining the EnergyTech Nexus fund as a founding partner. Based in Texas, USA, this hub is **one of the leading centres for innovation and technology supporting the energy transition.**

The members of this global ecosystem represent the highest standards of industrial leadership, technical expertise and commitment to innovation.





Contributing to Industry Development at Key Events

During 2025, **Ormazabal** strengthened its international presence by participating in the leading trade fairs and specialist events in its strategic areas.

In the electricity distribution sector, the company attended CIRED in Geneva, Switzerland, one of Europe's most important events in this market, as well as leading events such as Enlit Europe in Bilbao, Spain, a key travelling event for the energy transition; Energetab in Bielsko-Biała, Poland; and Expo Eléctrica in Mexico City, among others.

In the **renewable energy** segment, **Ormazabal** participated in strategic exhibitions across various geographical markets, including **Intersolar Europe** in Munich, Germany; **Intersolar Latam** in São Paulo, Brazil; and the **International Photovoltaic Power Generation and Smart Energy Exhibition & Conference (SNEC)** in Shanghai, China.

In the **data centre** sector, the company strengthened its position in solutions for this critical digital infrastructure through its participation in **Data Center World Paris** in Paris, France, and **DCD Connect** in Madrid, Spain.

Ormazabal also **sponsored leading forums** advancing smart grids, electricity distribution and sustainable mobility: the **AELEC Conference** in Madrid, the **CIDE Conference** in San Sebastián, the **Futurred Conference** in Madrid, the **AEDIVE Conference** in Zaragoza and the **CIGRE Technical Conference** in Madrid, all in Spain.

In addition, **Ormazabal** promotes the energy transition through its collaboration with the **Net Zero Mar Alliance** and the **Spanish Clean Energy Forum**, two strategic platforms that help accelerate the transition towards a more efficient, secure and decarbonised electricity system.

Review and Main Milestones of Stratenergy

For **Stratenergy**, 2025 was a year of growth, consolidation and major progress. Each of its areas achieved milestones that reinforce its commitment to energy efficiency, decarbonisation and high-impact technological solutions.

CAE Office: A Record Year for Orders and Revenue

The year ended with record order levels, driven by Energy Savings Certificates (CAEs) and the associated installations. This milestone not only confirms the strength of Stratenergy's value proposition but also makes this area a key pillar of the company's overall growth in 2025.



Energy Management: Large-Scale Industrial Decarbonisation

In 2025, **Stratenergy** promoted strategic projects supporting the energy transition in industry, with a particular focus on electrifying thermal processes through the use of industrial heat pumps.

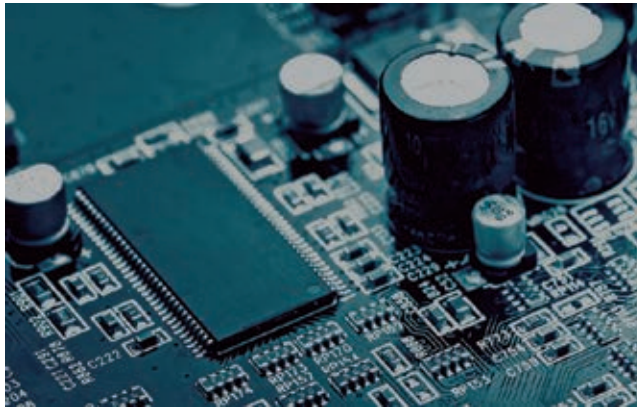


Microgrids & e-Mob: Progressing towards More Sustainable Electric Mobility

The electric mobility area continues to consolidate its position as a technological benchmark in electrification projects. During the year, **Stratenergy** signed contracts for **electromobility projects with a combined value exceeding €1 million**.

This progress represents another step forward in the company's contribution to deploying smart energy infrastructure.





Review and Main Milestones of Supsonik

Supsonik ended 2025 with record order intake, coinciding with the relocation of its facilities from Sondika to the new global **Ormazabal Digital Hub** headquarters.

This move significantly strengthens Supsonik's industrial and development capabilities and represents an important step towards delivering its ambitious growth plans.

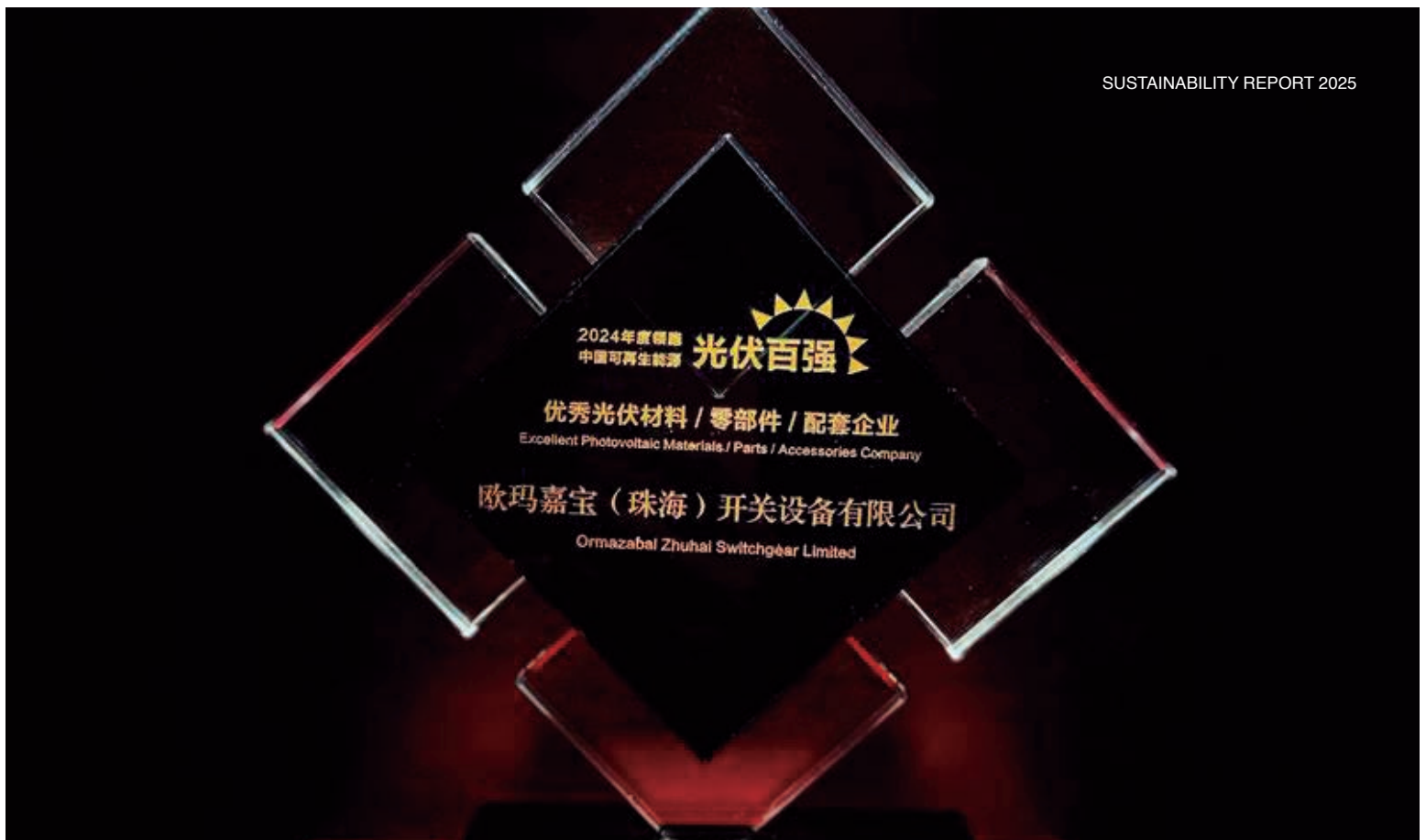
First “Powered by Supsonik” Product for Ormazabal

Ormazabal strengthened its position in the low-voltage segment by launching optima.smart, the first product developed by Supsonik for **Ormazabal's** electricity business. Based on power electronics technology, the product has been designed to manage imbalances in the low-voltage grid arising from the increasing electrification of everyday activities, including electric vehicles, heat pumps and self-consumption photovoltaic systems.

Greater Presence in the Industrial Energy Storage Market

Supsonik strengthened its presence in the industrial energy storage market by launching its first **integrated system with a capacity exceeding 1 MWh**, which will be installed at the Bilbao Exhibition Centre in Bilbao, Spain. The contracted system consists of an integrated solution housed in a 30-foot metal container, delivering 400 kW of electrical power and 1,290 kWh of storage capacity.

The equipment will be integrated into the exhibition centre's microgrid, managed through an energy management software platform (EMS) also developed and marketed by Supsonik. The project demonstrates the company's new technological capabilities in this market segment.



A Year of Awards and Recognition

In 2025, **Ormazabal** received major awards reflecting its commitment to innovation and excellence across all areas of its activity. For the third consecutive year, it received the prestigious “Excellent Photovoltaic Materials Company” award in China at the International New Energy Photovoltaic Innovation and Development Conference held in Nanjing. This recognition reflects the sustained work of **Ormazabal**’s team in the Asian photovoltaic sector, as well as its commitment to innovation and to developing solutions that optimise the integration of renewable energy into electricity grids.

Ormazabal also renewed EDP’s confidence by receiving the “Excellence Award” at the EDPpartners Redes 2025 event, consolidating its position in Spain and Portugal as a strategic partner in transforming the electricity grids of the future across Iberia. This recognition follows the “Best Performer 2024” award received by the team the previous year, further strengthening its record of collaboration and excellence with EDP.

Finally, the partnership between **Ormazabal** and **Henko-IA** won **DATATONE Euskadi 2025** with its innovative **generative AI solution for the “Transformer Substation Design System” challenge**. The proposal was selected from among five challenges presented during an event at the BAT B Accelerator Tower in Bilbao, which brought together more than 200 professionals.







02 | Governance



2.1. Governing Bodies

Ormazabal is governed by **Velatia's** highest governing body, the Board of Directors, whose regulatory framework is defined by the Articles of Association, the Rules of Procedure of the General Meeting of Shareholders, the Rules of Procedure of the Board of Directors, the specific regulations governing its committees and the Code of Ethics.

Ormazabal Advisory Board

The **Ormazabal Advisory Board** was established under the Board of Directors in 2020. Comprising five members, it has a primarily consultative role strictly limited to the business. In this capacity, it provides support, collaboration and advice.

Main functions:

Without prejudice to any additional functions that **Velatia's** Board of Directors may assign to it, the Advisory Board has the following responsibilities:

- Analyse Ormazabal's results and the performance of the management team.
- Propose the strategic plan and oversee its implementation.
- Monitor budget management.
- Propose the most significant decisions relating to investments, including asset disposals and mergers.
- Assess strategic alliances and propose their authorisation.
- Implement mechanisms to obtain the most accurate information possible on every area of the company.
- Propose the Remuneration Policy to **Velatia's** Appointments and Remuneration Committee.
- Pursue any other objective that contributes to achieving the company's aims.
- Gather information, prepare presentations and undertake any other task requested by the Board.

Composition:**PRESIDENT**

Mr Javier **Ormazabal** Echevarria

MEMBERS

Mr Alejandro **Ormazabal** Echevarria

Mr Hipólito Suárez Gutiérrez

Mr Luis Atienza Serna

Mr Jorge González Somavilla

SECRETARY (non-member)

Mr Javier Bicarregui Garay

2.2. Risk Control and Management

In a constantly changing environment, risk management is crucial to anticipating and mitigating potential threats that could compromise both the company's present position and its future. To this end, **Ormazabal** continuously monitors the various risk factors and integrates them into its strategic planning.

Through a **systematic analysis**, the company has identified, assessed and prioritised the risks it faces, grouping them into **four main categories** and establishing specific measures to mitigate their impacts:

- Strategic risks.
- Operational risks.
- Compliance risks.
- Information risks.

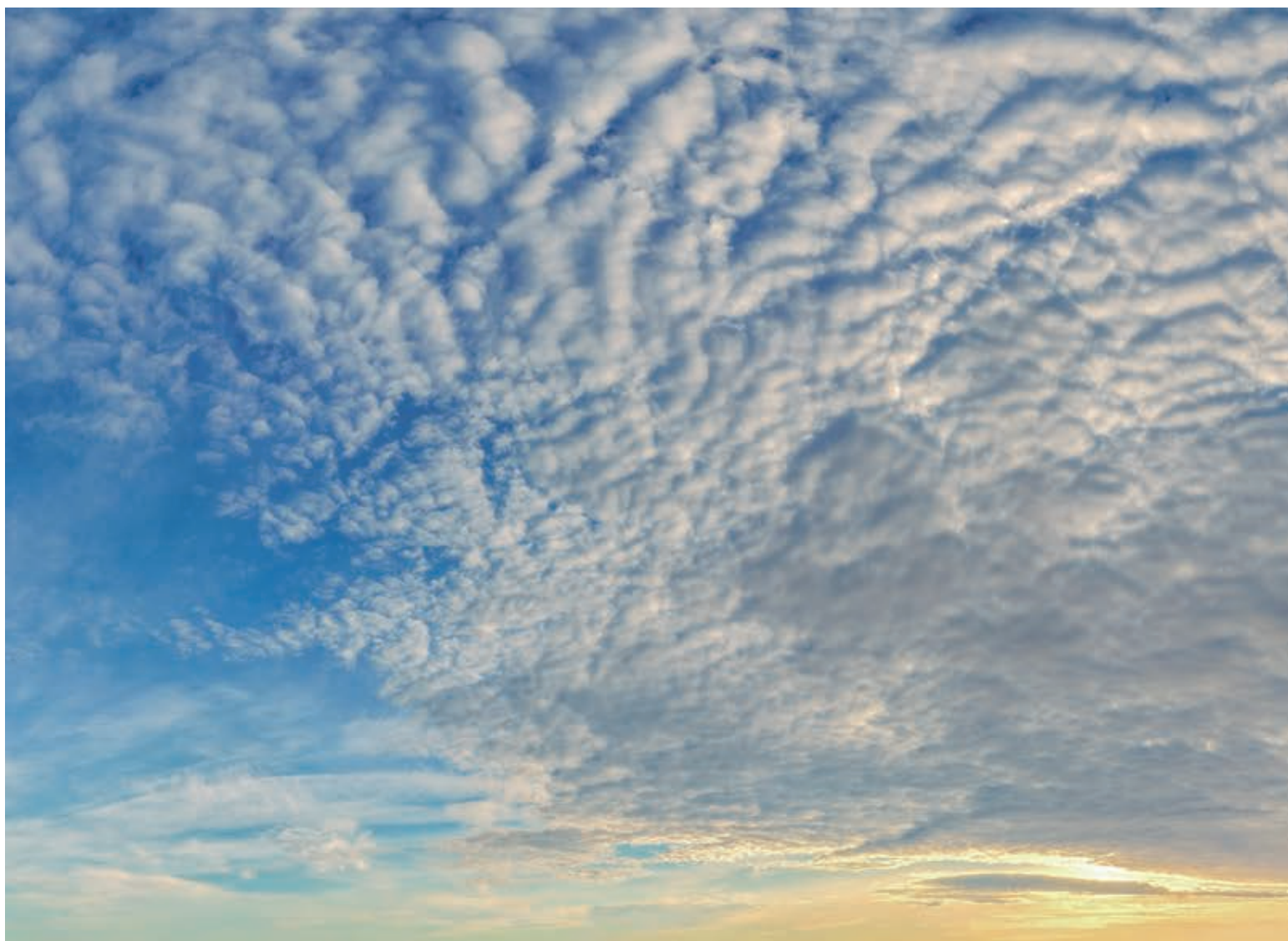
Based on the results of this analysis, the **ten risks with the greatest potential impact** are listed below in order of importance:

1. Regulatory and/or political changes relating to sustainability and the energy transition.
2. Margin trends and commoditisation.
3. Innovation and new products.
4. Relationships with specifiers.
5. Competition to attract and retain talent.
6. Geopolitical instability.
7. Emergence of low-cost competitors.
8. Lobbying capacity and relationship management.
9. Final product quality.
10. Logical and physical security: cybersecurity.





03 | Sustainability Strategy



Ormazabal understands that sustainability goes beyond a commitment: it is a key factor in supporting continued growth. It therefore **integrates sustainability across its entire business model and organisation**, making it a central pillar of its strategy.

Accordingly, it is committed to incorporating environmental and social criteria into its activities, contributing to sustainable development and generating long-term value that benefits both the company and its stakeholders.

3.1. Double Materiality Assessment

Stakeholders

Identifying and managing stakeholders appropriately is essential to the success of any organisation. Aware of their importance, **Ormazabal** continuously analyses and monitors them to ensure that all groups capable of influencing its decisions, operations or strategic objectives are taken into consideration.

This identification process incorporates different perspectives to provide an understanding of the needs and expectations of the company's various stakeholders.

Four main approaches are considered:

- **Proximity:** groups that interact closely with the company, including internal stakeholders.
- **Influence:** groups that influence, or may influence, the development of the organisation's activities.
- **Responsibility:** groups linked to the company through legal obligations.
- **Dependency:** groups that depend on the company's activities.

Ormazabal then prioritises these stakeholders according to two key variables:

- **Influence:** the group's ability to affect the company or its strategic relevance to decision-making.
- **Dependency:** the extent to which the group depends directly or indirectly on the company's activities, products, services and functions.

Relevant Matters

In 2024, **Ormazabal** conducted a Double Materiality Assessment in accordance with the ESRS 1 standard established under the CSRD. The process assesses both the social and environmental impacts of the company's activities—based on ESG criteria—on its internal and external stakeholders, and the potential financial implications arising from sustainability matters.

This assessment constitutes the starting point for identifying the relevant material matters that will form part of **Ormazabal's** future Sustainability Report, in compliance with the requirements of the European Directive.

The double materiality process also ensures that the company's policies, action plans, metrics and targets are aligned with priority sustainability matters, facilitating the review and updating of its ESG roadmap for 2024–2030.

As a result of this assessment, **Ormazabal** has demonstrated its commitment to creating sustainable value by **defining short- and medium-term environmental, social and governance (ESG) targets**.

Area	Target	Indicator	2026	2030
 E	Decarbonisation of our activities	Absolute reduction in Scope 1 and Scope 2 emissions compared with 2021	57.5%	62.9%
	Ecodesign of our products	Percentage of new products with a life cycle assessment	90%	95%
 S	Gender equality	Women in management positions	>28%	>30%
	Employee development	Employees participating in the performance appraisal process	75%	>80%
 G	Sustainable supply chain	Suppliers qualified using ESG criteria	>60%	>80%
	Code of Ethics	Workforce trained in the Code of Ethics	>90%	>90%

Ormazabal's ESG Targets

Environmental

Two priority challenges have been identified in this area. The first focuses on mitigating climate change by reducing emissions associated with the company's activities, with the aim of advancing the decarbonisation of its operations—Scopes 1 and 2 of its carbon footprint—in line with the commitments established in the Paris Agreement. This global agreement aims to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit it to 1.5°C.

The second challenge is to promote ecodesign in order to reduce the environmental impact of **Ormazabal's** products. In this context, Life Cycle Assessment (LCA) is used as a methodological tool to measure a product's impact throughout every stage of its life cycle. To achieve this target, the company is committed to incorporating an LCA into every new product family developed or industrialised. The results will inform decision-making at the different stages—including design, material selection, suppliers and manufacturing—with the aim of minimising environmental impact.



Social

Ormazabal's social targets reflect its corporate values and seek to strengthen its ties with the communities in which it operates. The company aims to attract and retain the best available talent, recognising that individual differences and diversity in all its dimensions are a source of enrichment and a driver of value and competitiveness for both the company and society.

To this end, it promotes equal opportunities and is committed to people's professional development and diversity, fostering a diverse and inclusive working environment. In relation to gender equality, **Ormazabal** works to raise awareness among employees, promote effective equality between men and women and progressively increase female representation in positions of responsibility, thereby also acting as an agent of change in society.

Developing internal talent is also a priority. The company therefore encourages greater employee participation in performance appraisal processes, whose results are translated into improvement measures designed to support people's development within the organisation.

Governance

In the area of governance, **Ormazabal** focuses its efforts on **ensuring that its supply chain is underpinned by ethical and responsible practices** within a competitive and sustainable model. The unstable macroeconomic environment of recent years has highlighted the importance of resilient supply chains capable of ensuring business continuity, even in periods of considerable uncertainty.

To achieve these objectives, the company is progressing towards a management model that goes beyond traditional supplier-assessment criteria—based primarily on service levels, experience, financial margins and compliance with technical guarantees—to incorporate social and environmental considerations.

For this reason, ESG criteria were integrated into the organisation's supplier qualification procedure in 2024. The assessment considers matters including carbon footprints, the use of recycled materials in products and respect for employees' human rights. The aim is for most of the company's purchasing volume to be assessed against sustainability criteria in addition to the usual parameters.

Ormazabal also considers it essential that everyone in the organisation knows and understands the commitments set out in the **Code of Ethics**. To reinforce their application, it provides specific training to employee groups identified as critical, helping to ensure ethical and responsible conduct in the performance of their duties.

To ensure compliance with these commitments, the company has designed an **Action Plan** containing specific measures for the various companies within the **Ormazabal** ecosystem. It has also developed a **Sustainability Master Plan** setting out the main strategic lines of action in this area.

To support these new commitments, **Ormazabal** has reviewed and updated the Integrated Quality, Environmental and Occupational Health and Safety Policy and **Velatia's** Conflict Minerals Policy, adapting them to the realities of the business and the requirements of the new European Directive.

To respond to stakeholder expectations and align itself with the new regulatory requirements, Ormazabal has also developed the following new policies:

- **Climate Action Policy.**
- **Equality, Diversity and Inclusion Policy.**
- **Digital Disconnection Policy.**
- **Human Capital Framework Policy.**

Through this set of guidelines, the company strengthens its framework for action and establishes the principles governing its conduct, in keeping with its corporate purpose and values.



3.2. Our Contribution to the Sustainable Development Goals

Ormazabal views sustainability as a **powerful catalyst for change and long-term value creation**. As part of this journey, the company aligns its activities with the **goals of the 2030 Agenda** by developing innovative technologies and solutions that transform the electricity grid through greater digitalisation and efficiency. Its commitment translates into progress that accelerates the energy transition, facilitates the development of smarter cities and promotes increasingly electrified and sustainable mobility.

In 2019, **Ormazabal** carried out a process to select and prioritise the Sustainable Development Goals (SDGs), defining specific lines of action for each. Given the nature of its business, **Ormazabal** identified **SDG 7, “Affordable and Clean Energy”**, as the most relevant to the company.

Taking into account the strategic lines and objectives identified in its Sustainability Master Plan, **Ormazabal’s** commitment also encompasses the following goals, to which its business model contributes across the organisation: SDG 5, “Gender Equality”; SDG 8, “Decent Work and Economic Growth”; SDG 9, “Industry, Innovation and Infrastructure”; SDG 12, “Responsible Consumption and Production”; and SDG 13, “Climate Action”.





Affordable and Clean Energy (SDG 7)

Under this SDG, **Ormazabal** aligns itself with the following **targets**, with the **achievements** under each set out below:

Smart and Digital Grids:

- Supporting leading **electricity companies** in deploying their automation systems.
- **More than 20 years** digitalising the medium-voltage grid.
- **More than 35 million** consumers benefiting from these solutions.

Green Generation and Storage:

- **Collaboration** with the sector's leading **technology providers**.
- **More than 30 years** of experience.
- **More than 200 GW** protected and automated worldwide.
- **More than 20 GW** installed in energy storage.
- Participation in major **green hydrogen generation projects**.

Green Mobility:

- Supporting leading **charge point operators (CPOs)** in developing their infrastructure.
- Grid **connection of 20% of Europe's** ultra-fast charging stations.
- Electrification of **ports, railways and metro systems**.
- Experience in electrical connections for **green-hydrogen mobility**.

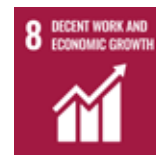
Sustainable Buildings and Infrastructure:

- Participation in **projects of every type**.
- **Electrification of Europe's first Tier IV data centre**.
- Presence in **more than 80 facilities** worldwide, including airports, hospitals, industrial facilities, hotels and shopping centres.



Gender Equality (SDG 5)

Ormazabal develops **equality plans**, promotes female representation within the organisation—particularly in **leadership positions**—and works towards **pay equity**. It also raises awareness among employees to help build a more equal, sustainable and efficient working environment.



Decent Work and Economic Growth (SDG 8)

The company aspires to set a benchmark for creating **quality employment** based on equal opportunities and **sustainable economic growth**.



Industry, Innovation and Infrastructure (SDG 9)

For **Ormazabal**, innovation is the best way to progress and continue growing. It is one of the company's principal means of promoting sustainable industry through the adoption of clean and environmentally sound technologies and industrial processes, while fostering research, technological development and innovation.



Responsible Consumption and Production (SDG 12)

The company contributes to this goal through the **efficient use of resources**, appropriate waste management, and the design and manufacture of products that meet high quality standards and energy-efficiency criteria. It also safeguards the health and safety of users and employees and protects the environment throughout its operations.



Climate Action (SDG 13)

In addressing climate change—considered the greatest global systemic risk, with wide-ranging consequences for society and the planet—**Ormazabal** aligns itself with the international community in pursuing global commitments relating to this major challenge. To this end, it implements strategies to reduce its CO₂ emissions, promote renewable energy and replace fossil energy sources in its activities. It also invests in research, development and innovation (R&D&I) to create more sustainable, less emissions-intensive technological innovations.



Ormazabal's open-innovation ecosystem reaches new milestones in 2025

3.3. Innovation as a Lever for Sustainability

Innovation is the energy driving every advance made by **Ormazabal**. It is a force embedded in its DNA that has guided its continuous technological growth since the company was founded almost 60 years ago.

Its extensive experience and entrepreneurial spirit enable it to provide high-value technological solutions for electrical equipment, supporting its customers in digitalising the grid, expanding renewable energy sources and developing electric mobility so that, together, they can make a green energy transition possible.

Ormazabal approaches innovation from three perspectives: **technological, industrial and commercial**. All three are integrated into a single approach through which it positions itself as a benchmark in adding value to its products and solutions.

To reinforce its strategy, the company has launched the **Ormazabal Open Innovation System (OOIS)** to promote collaboration with start-ups and technology companies and thereby develop an **open-innovation ecosystem**.

As its first corporate-venturing instrument, **Ormazabal Startup Switch** was implemented in 2024. This venture-client model has enabled the **Committee for Open Innovation (COI)** to identify 15 internal technological challenges that will be addressed through start-ups and external technology partners.

Achievements during 2025 included the **adoption of a technological solution developed by a start-up and the implementation of four pilot projects as proofs of concept (PoCs)**. The search for new participants to address the remaining ten challenges is also continuing. Through OOIS, incorporating third-party technological solutions is also improving process efficiency, with a positive impact on the company's financial performance.

Commitment to Technological Innovation

Investment in technological innovation is a strategic factor for **Ormazabal**. The company invests more than €27 million in this area each year and has a specialist team of **139 professionals representing eight nationalities**, based across its R&D centres and its Research and Technology Centre.

Since 2005, **Ormazabal** has had a **Business R&D Unit, Ormazabal Corporate Technology**, which operates as a technology centre affiliated with the Basque Science, Technology and Innovation Network, a platform that brings together universities, research centres, companies and public bodies.

This unit stands out for its globally unique infrastructure, including an **accredited and independent High Power Laboratory (HPL) with a capacity of 2.5 GVA**, connected to a **fully configurable experimental network (UDEX)**.

In 2024, this network was expanded to optimise the accelerated and intensive validation of new technologies, products and applications. **In 2025, it was upgraded to enable experimentation on low-voltage distribution networks.** This advanced infrastructure provides the company with a real-world, secure environment without interfering with its customers' electricity networks. The laboratories are accredited to **ISO 17025** by the Spanish National Accreditation Body (ENAC).

The technology centre's laboratories, together with Tecnalia's electrotechnical laboratories and the Official Central Electrotechnical Laboratory (LCOE), form the Spanish Association of Power Laboratories (AELP), a leading organisation authorised to certify high-voltage electricity transmission and distribution equipment.

Ormazabal's Technology Strategic Plan, aligned and synchronised with the overall business strategy, identifies the key technologies in which the company must establish a position to address the technological challenges arising from the energy transition and the digitalisation of electricity networks. It also sets out the proposed projects to be undertaken to achieve these objectives.

Maintaining a rapid pace of innovation requires strong vertical integration. In this regard, **Ormazabal** distinguishes itself by developing the technology underpinning its solutions, from current interruption and switching systems and electrical insulation technologies to firmware and communications. Ensuring that all its products are **digital by design** is a priority for the company, making network automation and optimisation fundamental capabilities.

Ormazabal has recently incorporated two new technological areas into its strategy to strengthen its position in addressing the challenge of network digitalisation. The first is data analytics, through the creation of the **Ormazabal Analytics** department, and the second is power electronics, through the integration of Supsonik into the company's ecosystem.

Among its most significant achievements in digitalisation is the recognition of the **Demonstration and Experimentation Unit (UDEX) as a European Digital Innovation Hub**. This distinction is particularly significant, as it is the only private centre within the Basque Digital Innovation Hub—under the “Digital Electricity Networks” node—to have received this recognition.

Ormazabal currently holds more than 300 patents and intellectual property registrations, demonstrating its commitment to developing cutting-edge technology and its position as a benchmark in technological value creation.

This commitment to innovation is also reflected in its presence on the boards of trustees of various research centres, including Tecnalia, Spain's leading private organisation for applied research and technological development and one of the most prominent in Europe. The company is also associated with the Basque Government's CIC Energigune, established in 2011 to promote research into materials and systems for energy storage, and the BEC (Basque Ecodesign Center), dedicated to the conceptualisation and implementation of innovative ecodesign projects. It also participates in the Euskampus Foundation, a cross-border university initiative, and has an agreement with the Official Central Electrotechnical Laboratory (LCOE) for the temporary transfer of testing facilities between the two organisations.

Ormazabal also has permanent teaching facilities within the engineering departments of several universities—the University of the Basque Country (EHU), Mondragon Unibertsitatea and the Technical University of Madrid—and maintains agreements with numerous educational institutions. This interaction helps strengthen scientific and technological knowledge while also creating a pool of potential candidates for technical positions within the organisation.

As previously noted, one of the company's priorities is to enhance collaboration with technology start-ups in order to harness their catalytic potential. In this regard, its involvement in the Basque Government's BIND 4.0 programme as a corporate venture client enables it to develop joint projects with emerging companies.

The Demonstration and Experimentation Unit (UDEX), recognised as a European Digital Innovation Hub.

Commitment to Industrial Innovation

A commitment to industrial innovation is an essential part of **Ormazabal's** operating model. In this area, the company seeks to combine maximum global efficiency with the capacity to adapt to local needs. To achieve this, it continuously invests in upgrading its international production platform. Its plants, strategically located close to its customers, are equipped with the most advanced Industry 4.0 equipment and processes. It also applies advanced quality management systems to ensure excellence at every stage of the production process.

In line with its commitment to Industry 4.0, **Ormazabal** launched the strategic **Ormazabal Operations Model** project in 2021 as part of its 2021–2023 Strategic Plan. Taking a collaborative, forward-looking approach, the **Ormazabal** Industrial Committee created forums for exchange between the industrial directors of the different product divisions, their managing directors and the COO, with the aim of sharing best practices and facilitating their subsequent implementation across all regions.

Through this approach and its commitment to industrial innovation, **Ormazabal** has consolidated a **robust and resilient global supply chain** that enables it to deliver its solutions to more than 150 countries.

Commitment to Commercial Innovation

For **Ormazabal**, commercial innovation is based on one premise: the best solutions are developed together with customers. On this basis, the company promotes **co-development** and establishes **long-term technical relationships** that enable it to anticipate needs, reduce risks and accelerate the preparation of electricity networks for the energy transition.

Throughout 2025, **Ormazabal** reinforced this strategy by working closely with its customers on the technical definition, engineering and validation of solutions for a range of electrical applications: data centres, wind and photovoltaic power plants, energy storage projects, fast and ultra-fast charging facilities for electric vehicles, and Onshore Power Supply (OPS) technology for seaports. Its automation solutions have also been used in electricity supply projects for critical infrastructure, including airports, hospitals, industrial facilities and large commercial premises. This joint work has resulted in **more than 200 projects** worldwide.

One notable example of this collaboration is the work undertaken with Enedis, which in 2025 approved the installation of fluorinated gas-free cgm.zero24 equipment on its distribution network. This solution is the result of the joint development process initiated following the first tender and demonstrates the company's ability to work with network operators on defining, validating and approving technologies aligned with the new European regulations governing these gases.

Collaboration with strategic customers has also continued through structured initiatives. **Ormazabal** participates as a technology partner in Iberdrola's Global Smart Grids Innovation Hub, contributing to distribution network automation and monitoring projects. It also maintains an industrial and engineering partnership with Enel Open Grid, an Enel initiative focused on developing solutions for more efficient and sustainable electricity network management.

Ormazabal also participates in industry forums that facilitate knowledge sharing and the anticipation of emerging trends. In 2025, the company took part in several working groups organised by FUTURED, the Spanish Technology Platform for Electricity Networks, a leading forum that brings together industrial companies, network operators, technology centres and other participants in the electricity sector.

In summary, **Ormazabal's** commercial innovation activities in 2025 were underpinned by close technical collaboration and co-engineering, embodied in specific projects developed jointly with its customers. This relationship of trust has enabled the creation of competitive, differentiated solutions capable of addressing the current and future challenges facing the electricity network.



Key Innovation Highlights in 2025

Despite the uncertainties and threats facing businesses and affecting their economic development, **Ormazabal** maintained its unwavering commitment to innovation in 2025, devoting a significant proportion of its efforts to this area.

In line with this commitment, the company has participated in various technological projects and developments in collaboration with research centres, universities, institutions and companies within the sector. As a result, **new milestones were reached during the year, adding to its extensive track record of innovation.** Some examples are highlighted below:

New Product Sales: Maintaining Momentum

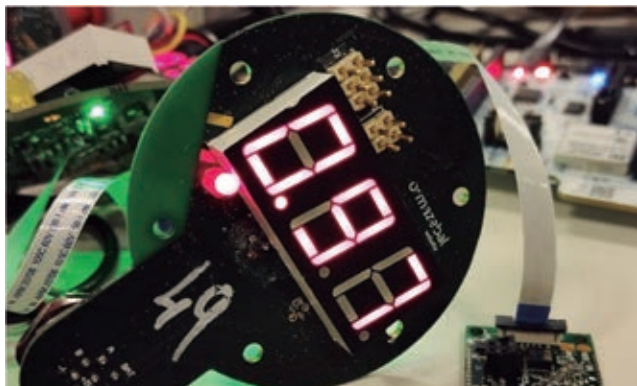
Ormazabal continues to bring new products to market at a steady pace. In 2025, **nearly one-third of total sales** came from products developed in recent years, providing a clear indication of the company's high level of innovation.

Agreement with the EIB: Continuing and Advancing Research Activities

Ormazabal has continued to pursue the R&D activities established under the **€40 million** financing agreement signed with the European Investment Bank (EIB) for the 2022–2025 period.

The EIB's support for the company's ambitious innovation project reinforces **Ormazabal's** mission to support its customers through the energy transition and contribute to the decarbonisation of the European energy system.

The agreement is also backed by the **InvestEU programme**, which provides budgetary guarantees. Through this instrument, implementing partners can assume higher levels of risk, thereby helping to mobilise both public and private investment in support of the European Union's policy priorities.



Technology Projects and Developments in 2025

PERTE for Electric and Connected Vehicles

A project aimed at the comprehensive transformation of the electric mobility value chain to ensure sustainability and competitiveness in the development of electric and connected vehicles.

SINAPE

A research project focusing on sensor technology and an edge-computing platform architecture to facilitate the management of the electricity distribution network.

MODITRANS

A project aimed at modelling and diagnosing distribution transformers using new sensors capable of providing information for calculating their Health Index.

ASTRA-CC

A project whose primary objective is to research the technologies and components required to develop an electricity network architecture that facilitates energy storage and accelerates the integration of applications and services associated with renewable energy systems into public direct-current networks.

OPTIAM

A project to optimise the design of the electricity network and its components in order to minimise the environmental impact of electricity consumption. Its objective is to ensure a resilient transition for the Basque electricity sector by developing innovative electrical equipment and digitalising decision-making processes in the design of products and projects within the sector.

EIDER

A project focusing on digital technologies that enable the development of products and systems to advance electricity networks, facilitate the integration of prosumers, increase the visibility and controllability of low- and medium-voltage networks, and deploy edge-computing architectures at network nodes such as transformer substations.

ERIGrid 2.0

A European project to expand the research services and tools provided by research infrastructures for validating smart energy networks, with the electricity network at their core.

VIRQA

A fundamental research project involving members of the Basque Science, Technology and Innovation Network (RVCTI), aimed at laying the technological foundations for new environments in which future smart-grid developments and solutions can be conceptualised and tested.

CEPIGON

An **Ormazabal**-led project developing a new family of SF₆-free primary distribution switchgear rated up to 24 kV, using gases of natural origin.

ABEDI

A strategic Hazitek project aimed at researching methods of securing industrial systems with embedded software in order to define new designs through remote cybersecurity testing in a virtual environment.

SAREKIDE

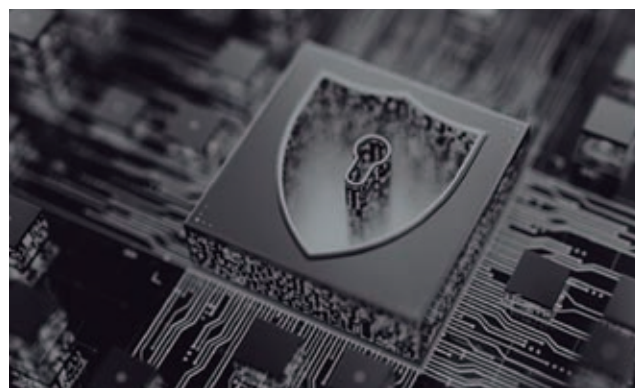
A project whose primary objective is to research advanced algorithms for managing renewable energy resources, energy storage systems and electric-vehicle charging stations as assets capable of providing flexibility services to the electricity network.

MOREDIGITAL

A project undertaken in collaboration with other members of the Basque Science, Technology and Innovation Network (RVCTI). Its primary objective is to research methodologies that will enable the future development of reduced-order models of equipment and systems based on the physics governing them, allowing these models to be integrated into digital twins.

CTFLEX

A project researching a new approach to network operation through the automatic and coordinated control of different distributed resources to address congestion problems in the low-voltage network.







04 | Environment



4.1. Commitment to Our Environment

At **Ormazabal**, protecting the environment is an essential part of its business strategy and an inescapable commitment to its surroundings. The company accepts its responsibility to contribute to the sustainability of the planet by integrating practices that minimise its environmental impact.

Its environmental management focuses primarily on two areas: **pollution prevention and ecodesign**. These lines of action seek to reduce its environmental footprint, optimise the use of resources and develop more sustainable products from the design stage onwards.

Ormazabal's environmental commitments are set out in its Sustainable Development Policy, Climate Action Policy and Quality, Environment and Occupational Health and Safety Policy. Deeply rooted in the organisation's culture of responsibility, these commitments respond to the expectations and needs of its stakeholders.

Furthermore, the pursuit of excellence and continuous improvement has led **Ormazabal** to develop an **Environmental Management System** whose functions include:

- Promoting and embedding a **culture of environmental responsibility**.
- **Encouraging people to participate** in policy management by fostering the generation of new ideas and recognising achievements.
- **Ensuring compliance** with applicable legislation, regulations and commitments.
- **Promoting training, flexibility, innovation and continuous improvement** through excellence, environmental protection based on pollution prevention and the sustainable use of resources, as well as measures to eliminate hazards and reduce risks to employees' health and safety.
- Providing **safe and healthy working conditions** to prevent accidents and illness.
- Creating a **common framework** for establishing and reviewing company scorecards, with a view to meeting stakeholder expectations.
- Obtaining and maintaining **international certifications** in quality, environmental and occupational health and safety management.
- Maintaining **open and effective communication** with stakeholders.

The company's commitment requires everyone to understand, embrace and apply these principles in their daily work, striving to minimise the environmental impact arising from the use of equipment, facilities and other working resources.

The aforementioned **Ormazabal** policies seek to ensure responsible environmental management and the continuous optimisation of processes involved in developing its products and solutions. Among other considerations, this includes preserving biodiversity and natural resources, reducing waste through reuse and recycling, and using materials efficiently.

This approach is reinforced by the **Principle of Environmental Responsibility** established in the corporate Code of Ethics.



4.2. Environmental Management

Pollution and Climate Change

Reducing pollution and mitigating climate change are essential to the transition towards a low-carbon economy. In accordance with its environmental commitment and as a fundamental part of its strategy to reduce CO₂ emissions, **Ormazabal** calculates the carbon footprint of its activities, quantifying both direct (Scope 1) and indirect (Scope 2) emissions.

Ormazabal's environmental performance in terms of greenhouse gas (GHG) emissions, expressed in tonnes of CO₂ equivalent (tCO₂e), for 2025 and 2024 is shown below:

GHG emissions (t. CO ₂ eq.) ⁽⁷⁾	2025	2024	Change (%)
Direct (Scope 1)	2,976	2,890	3%
Indirect (Scope 2)	539	643	-16%

Direct emissions (Scope 1) are those generated by fuel consumption in the organisation's production processes, including the use of boilers powered by fuel oil and gas, as well as fuel consumed by company vehicles used for commercial and installation activities.

A **slight increase in Scope 1 emissions** was recorded in 2025, primarily due to higher fuel consumption during the year.

For indirect emissions (Scope 2), **Ormazabal** includes those generated by electricity consumption in its production processes, excluding self-generated electricity consumed on site. The company calculates these emissions using the **market-based method** defined in the GHG Protocol Scope 2 Guidance.

This method assigns the greenhouse gas emissions associated with electricity consumption on the basis of the organisation's contractual instruments, including energy attribute certificates and other contracts. Scope 2 emissions decreased in 2025 as a result of lower consumption of electricity from non-renewable sources.

In addition, **Ormazabal recorded 5,154 tCO₂e associated with SF₆ consumption** in 2025, compared with 7,396 tCO₂e in 2024. These emissions arose from the 212 kg of SF₆ used during the manufacturing process, compared with 315 kg in 2024.

⁽⁷⁾ The scope of the reported direct GHG emissions covers the consumption of natural gas, diesel, petrol, butane, LPG and oils used during the manufacturing process. The emission factors and calculation methodology are aligned with those published by MITECO (Ministry for the Ecological Transition). The scope of the reported indirect GHG emissions is the same as that used for electricity consumption data. The emission factors used to calculate greenhouse gas emissions are based on the methodology established for calculating the carbon footprint for emissions trading purposes, as verified by an independent expert.

Circular Economy and Ecodesign

The circular economy has become a determining factor in building a sustainable economic model. Integrating it into organisational culture requires a transformation of the current model of waste generation and raw-material consumption.

Ormazabal has made the **adoption of an environmental strategy based on the circular paradigm** a priority, with the aim of reducing its environmental footprint and ensuring the effective management of the waste it generates, in keeping with the principles of the **European Green Deal** and the **Circular Economy Action Plan** approved by the European Commission in February 2021.

Accordingly, in line with the objectives of the European Green Deal, which promotes product design based on sustainability principles, **Ormazabal** incorporates ecodesign criteria into the development of its new solutions, thereby contributing to a more responsible and resource-efficient future.

To this end, throughout 2025 the company continued to develop **specific tools for its product portfolio, with a particular focus on ecodesign**. These include:

- **A life-cycle assessment tool for medium-voltage switchgear used in secondary distribution and for low-voltage switchboards.**
- **A tool for automating life-cycle assessments** of medium-voltage switchgear used in primary distribution. Piloting on the cpg.0 lite 2000 A switchgear unit.

It is also important to note **Ormazabal's** involvement in establishing the Basque Ecodesign Center (BEC), an initiative forming part of the Basque Government's "Green Deal" strategy. The BEC arose from collaboration between private-sector companies and the Basque Government, with the aim of conceptualising and implementing innovative ecodesign projects. By applying ecodesign tools from the initial stages of product development, these projects seek to minimise the carbon footprint of products used in electricity distribution networks and renewable energy integration.

This initiative is supported by the Basque Government's Department of Economic Development, Sustainability and Environment through the publicly owned companies Ihobe and SPRI, together with leading companies such as Iberdrola, EDP, Siemens Gamesa and **Ormazabal**.

In 2021, **Ormazabal** renewed its commitment to collaborating with the BEC for the 2021–2025 period. During 2025, the company made progress on two significant projects launched the previous year. The first focuses on analysing and assessing physical climate risks, enabling emerging challenges to be anticipated and managed more effectively and strengthening the company's resilience to changes in the climate. The second project aims to calculate the company-wide Scope 3 carbon footprint.

Waste Management

The main costs incurred by **Ormazabal** in minimising waste are associated with its management and removal, as well as the purchase of recycling containers.

To further this commitment, the company has continued to implement measures and procedures in some product divisions aimed at promoting waste reduction and recycling and thereby mitigating its environmental impact.

The initiatives introduced include **supplier packaging-waste return schemes** at several plants in Spain, which have contributed to reducing the amount of waste generated.

Waste segregation at source has also been improved, while waste management providers that sent waste to landfill have been replaced by providers specialising in recycling. This has increased the proportion of waste recycled and considerably reduced the amount sent to landfill.

In addition, hazardous products have been replaced with safer alternatives, reducing the generation of hazardous waste. These new products are supplied in reusable and/or recyclable packaging, reinforcing **Ormazabal's** commitment to the circular economy and sustainability.

Hazardous waste is defined as waste whose intrinsic properties pose a risk to human health or the environment. In 2025, this waste was managed as follows: **18% was recycled, 47% underwent other recovery operations and the remaining 35% was subjected to other disposal processes.**

During the same period, **69% of non-hazardous waste was recycled, 21% underwent other recovery operations and the remaining 10% was sent to controlled landfills.**

In 2025, **Ormazabal maintained the downward trend in total waste generation** observed in the previous year, while also reducing the proportion sent to landfill.

Waste type (kg)	2025	2024	Change (%)
Hazardous waste	381,782	337,555	13%
Non-hazardous waste	5,318,123	5,979,215	-11%

Sustainable Use of Resources

Water Consumption

With sustainability as a strategic priority, **Ormazabal** continued working in 2025 towards a production model aligned with the responsible use of water throughout the supply chain. To this end, it implemented various **awareness-raising measures** designed to strengthen understanding among everyone in the company of the importance of managing this resource, which is essential to life, efficiently.

The data in the table show a reduction in Ormazabal's water consumption in 2025.

Consumption (m³)	2025	2024	Change (%)
Water consumption	46,979	49,750	-6%

Energy Consumption

All **Ormazabal** companies implement measures aimed at improving energy efficiency and remain firmly committed to reducing energy consumption.

With regard to energy consumption arising from fuel use, the company is making significant efforts to reduce its dependence on fossil fuels, prioritising the **replacement of combustion equipment with more efficient electrical alternatives**, such as air-source heat pump systems. These initiatives are described later in the section on energy efficiency.

The data show an increase in energy consumption in 2025, specifically in diesel and petrol consumption. Despite the company's efforts to progressively electrify its vehicle fleet, this change was primarily due to the significant increase in **Ormazabal's** commercial activity during the year.

Total electricity consumption increased by 6% compared with the previous year. Nevertheless, the composition of this consumption developed positively, with a decline in electricity from non-renewable sources and an increase in the on-site consumption of self-generated renewable electricity. This trend demonstrates **Ormazabal's** sustained commitment to energy efficiency and the use of green energy in its operations.

All **Ormazabal** sites in Spain and France have **Guarantees of Origin (GoOs)** for the electricity consumed during the year. The company aims to continue extending this coverage to all its sites wherever a 100% renewable supply can be secured.

Furthermore, the energy audits covering all locations within their scope—conducted by Stratenergy, a **Velatia** company—comply with Royal Decree 56/2016. This legislation requires large companies or corporate groups to undergo an energy audit every four years covering at least 85% of the total final energy consumption of all their facilities located in Spain.

Fuel consumption ⁽⁸⁾	2025	2024	Change (%)
Natural gas consumption (Nm ³)	1,052,122	1,102,841	-5%
Diesel consumption (L)	222,161	169,485	31%
Petrol consumption (L)	76,795	65,443	17%

⁽⁸⁾ In addition, 24,931 litres of oil, 1,002 litres of LPG and 102 litres of butane were consumed.

Electricity consumption (kWh)	2025	2024	Change (%)
Electricity from non-renewable sources	998,634	1,191,836	-16%
Electricity from renewable sources	11,142,010	10,267,878	9%
Self-consumed electricity	1,241,512	1,173,143	6%
Total electricity consumption	13,382,156	12,632,858	6%

During the previous year, energy audits were conducted at Ormazabal Boroa, Ormazabal Burgos, Ormazabal Corporate Technology, Ormazabal Igorre, Ormazabal Cotradis Transformadores, Ormazabal Cotradis Transformadores II, Ormazabal Getafe, Ormazabal Ólvega, Ormazabal Seseña 1, Ormazabal Seseña 2 and Ormazabal Zaratamo. These audits identified the improvements and savings achieved through the energy-efficiency measures implemented by **Ormazabal** in previous years, as well as new actions to be undertaken over the next four years.

Electric Mobility

Sustainable mobility occupies a central position in **Ormazabal**'s decarbonisation strategy and its transition towards a cleaner, more environmentally friendly economy. The company therefore makes significant investments in this area.

In 2025, **40% of the company vehicle fleet consisted of hybrid vehicles, while 41% comprised electric and plug-in hybrid vehicles**. To facilitate this transition, the company has installed a total of **29 charging points across its sites**. It has also committed to replacing its fleet exclusively with hybrid or electric vehicles bearing the Spanish Directorate-General for Traffic's **DGT "0" emissions label**, thereby taking further steps in its commitment to sustainability and emissions reduction.

Raw-Material Consumption

To optimise resource use, **Ormazabal** promotes the efficient and responsible management of raw materials throughout every stage of the production process and across all its areas of activity. The company has environmental management systems that enable it to measure and analyse consumption and implement measures whenever necessary.

As mentioned in the "Circular Economy" and "Waste Management" sections, **Ormazabal** continuously conducts **research and pursues improvements** to identify alternatives that enable raw materials to be used increasingly efficiently, both in product manufacturing and in packaging solutions. It is also progressively incorporating **recycled materials** into its products wherever permitted by the available technology and technical requirements.

The following table shows the evolution of consumption of the main raw materials used in **Ormazabal**'s production processes. These include electrical steel sheet, aluminium, copper, steel, oils, paints, concrete, cement, aggregates and other materials such as resin, hardener, quartz and silicone.

As a result of its efforts to optimise resources, **raw-material consumption decreased in 2025** compared with the previous year.

Biodiversity Protection

Biodiversity is vital not only to maintaining the balance of ecosystems but also as a source of goods and services that are fundamental to our quality of life. Its conservation is essential to ensuring the sustainability of the planet and the well-being of present and future generations.

Recognising the importance of protecting and restoring habitats and species, particularly in the most vulnerable ecosystems, **Ormazabal** began monitoring the potential impacts of its operations on protected areas worldwide in 2023 and repeats this assessment annually. Using tools such as the **Natura 2000 Network viewers in Europe and the United Nations' Protected Planet platform** (WCMC), the assessment confirms that none of the company's facilities are located within protected areas, ensuring that its activities do not affect threatened habitats or particularly vulnerable areas.

Raw materials (tonnes)	2025	2024	Change (%)
Total	71,173	79,706	-11%

4.3. Provisions and Insurance

In accordance with the precautionary principle, **Ormazabal** periodically reviews the provisions recognised to cover potential environmental risks. In addition, the group's **Environmental Liability insurance** policy provides coverage for risks associated with such impacts.

4.4. Certifications

In 2025, **Ormazabal** reaffirmed its commitment to excellence in environmental protection through the implementation of its **Environmental Management System**. This system is aligned with the most widely recognised international standards and certifications, as well as the most stringent compliance requirements, including **ISO 14001**, which is in place at its main companies.

As a result, the company renewed the certifications of **Pre-fabricados Uniblok**, **Ormazabal Cotradis Transformadores**, **Ormazabal Distribución Primaria** and **Ormazabal International Business** during the year.

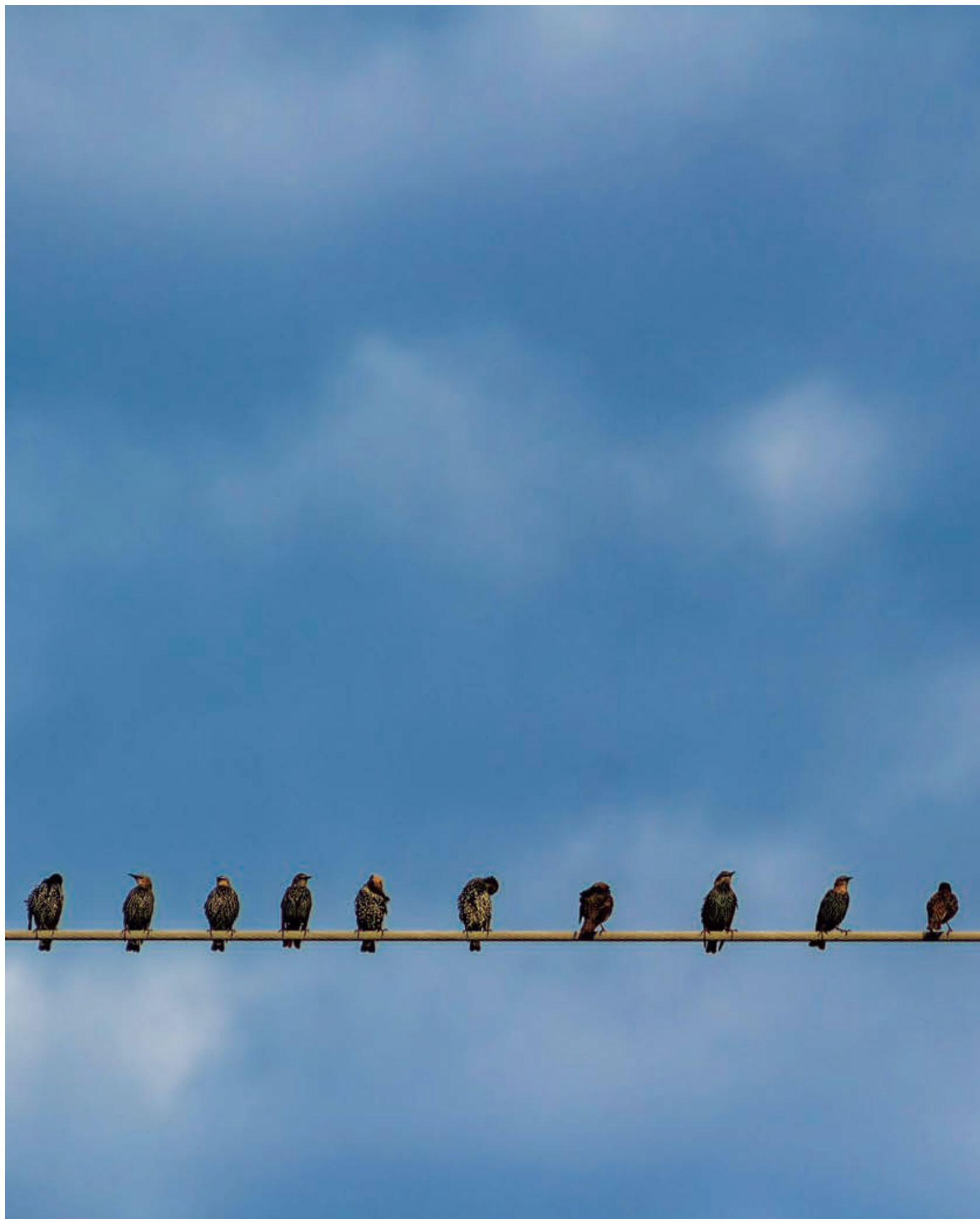
ISO 14001 is the global benchmark for implementing and assessing environmental management systems. This voluntary certification enables **Ormazabal** to align itself with the highest international standards of sustainability and environmental compliance.

In addition, several **Ormazabal** companies prepare Environmental Product Declarations (EPDs) as part of their sustainability strategy. EPDs are intended to provide customers, partners and other stakeholders with clear and transparent information about the company's environmental performance and impact, reflecting its commitment to continuous improvement in this area.

To ensure the proper implementation and maintenance of these certifications, **Ormazabal** has a **dedicated team based across its main production plants**. Its responsibilities include identifying applicable legal requirements relating to environmental management and assessing compliance with them; helping to define, implement and evaluate environmental objectives; conducting internal audits of the Environmental Management System; and providing new employees with specific training on these matters and standards.

Country	Company
Spain	Ormazabal Cotradis Transformadores
	Ormazabal Distribución Primaria
	Ormazabal y Cía. (Ormazabal Distribución Secundaria)
	Ormazabal Media Tensión
	Ormazabal International Business
	Prefabricados Uniblok
	Aislantes Sólidos
	Ormazabal Corporate Technology
	Ormazabal Burgos Switchgear
France	Ormapost
China	Ormazabal Kunshan Switchgear
	Ormazabal Zhuhai Switchgear
United Kingdom	Ormazabal UK
Germany	Ormazabal GmbH
Brazil	Ormazabal do Brasil
Mexico	Ormazabal México

The implementation of an Environmental Management System reaffirms Ormazabal's commitment to preserving the environment.





05 | Social

Ormazabal continues to expand its human ecosystem in step with the growth of its business

5.1. Commitment to Our People

Ormazabal's growth is the result of the work, talent and dedication of the people who make up its diverse and distinctive human ecosystem, which is why they are its most valuable asset.

At the end of 2025, the company's team comprised 2,794 people. The vast majority of employees are based in Europe (90%), primarily in Spain (78%), while the remaining 10% work on other continents. In terms of gender composition, 80% are men and 20% are women.

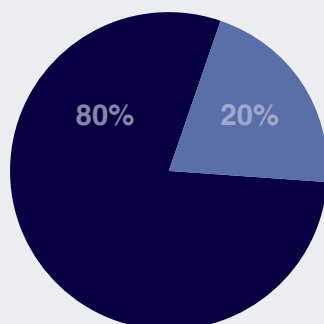
Approximately two-thirds of employees are between 26 and 51 years old, resulting in an organisational profile that combines youth with extensive experience.

Attracting and managing talent are crucial to **Ormazabal's** ability to successfully address the company's challenges. In this context, and as a result of the growth in its business activity, the workforce increased by 3% in 2025.

WORKFORCE DISTRIBUTION BY GENDER

2,794
PEOPLE

2025

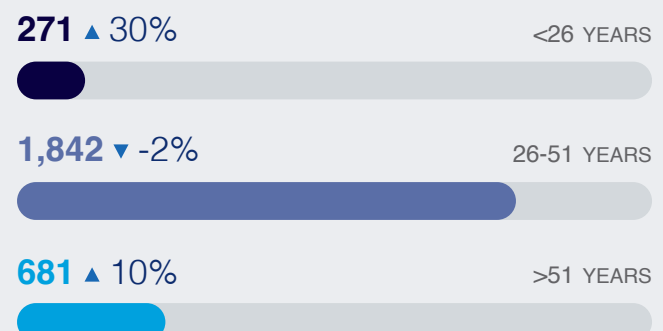


569
WOMEN
▲ 3%

2,225
MEN
▲ 4%

WORKFORCE DISTRIBUTION BY AGE

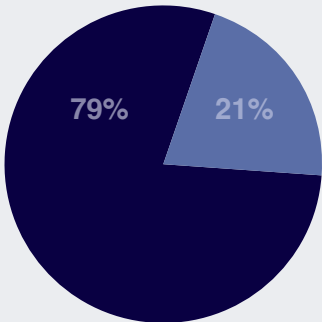
2025 | 2,794 PEOPLE ▲ 3%



2,701
PEOPLE

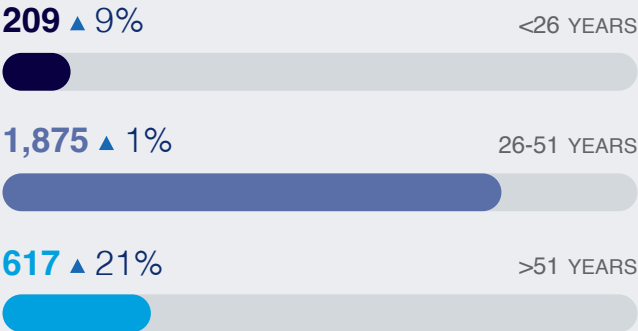
2024

2024 | 2,701 PEOPLE ▲ 6%



553
WOMEN
▲ 4%

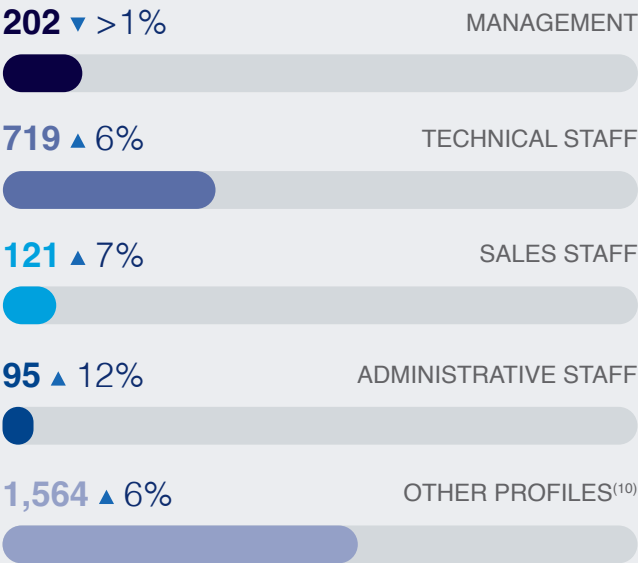
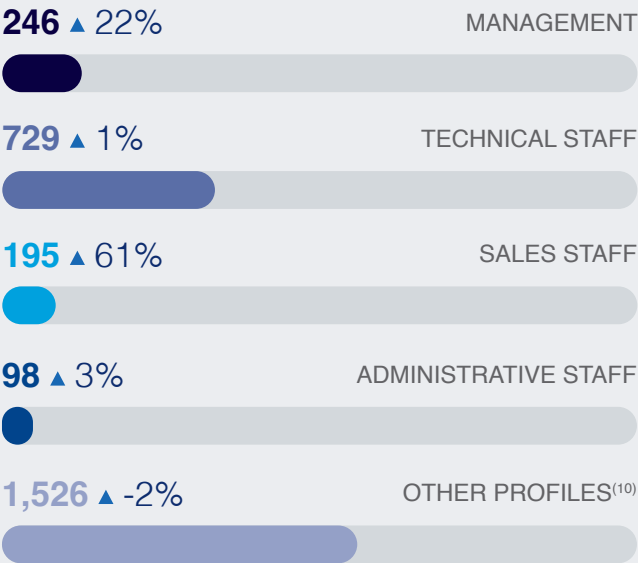
2,148
MEN
▲ 6%



WORKFORCE DISTRIBUTION BY PROFESSIONAL CATEGORY⁽⁹⁾

2025 | 2,794 PEOPLE ▲ 3%

2024 | 2,701 PEOPLE ▲ 6%

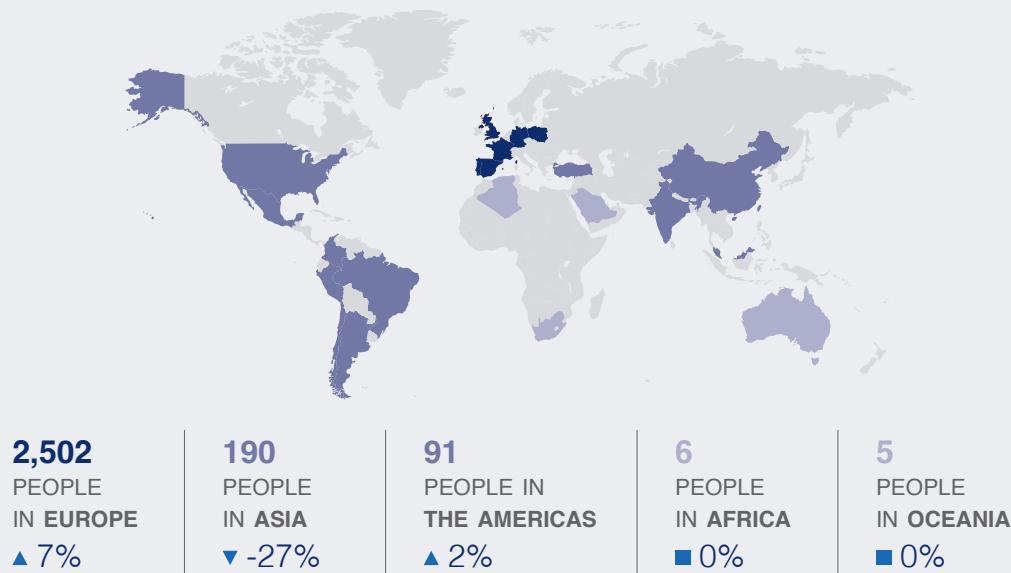


⁽⁹⁾ The methodology used to determine professional categories changed in 2025 compared with 2024. The actual changes in the data are therefore 0.4%, 5%, -6%, -2% and 5%, respectively. The overall change in the 2025 figure compared with 2024 is consequently 3%.

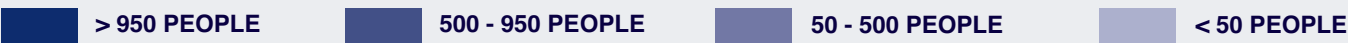
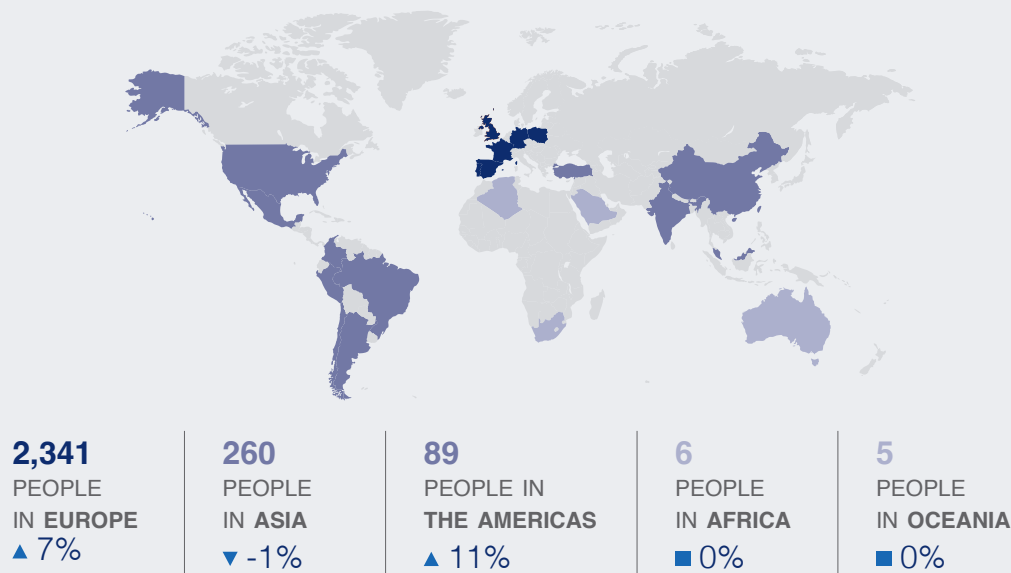
⁽¹⁰⁾ The "Other profiles" category consists primarily of direct labour, profiles that do not correspond to any of the other categories and employees in partial retirement.

WORKFORCE DISTRIBUTION BY CONTINENT

2025 | 2,794 PEOPLE ▲ 3%



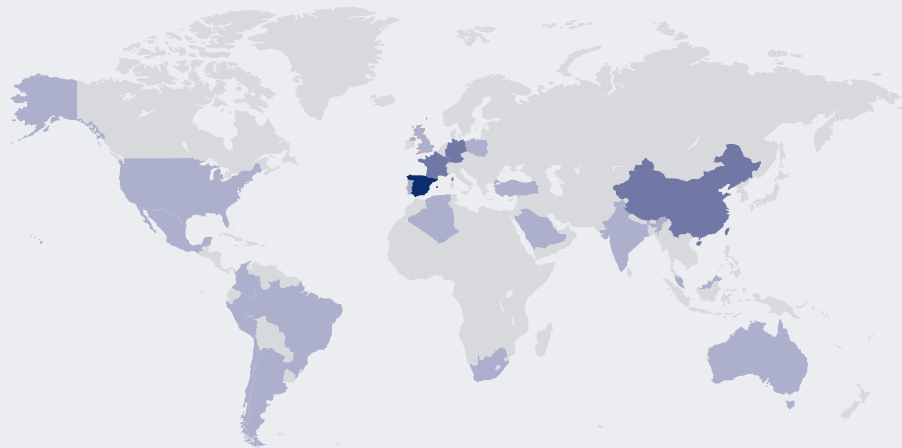
2024 | 2,701 PEOPLE ▲ 6%



WORKFORCE DISTRIBUTION BY COUNTRY

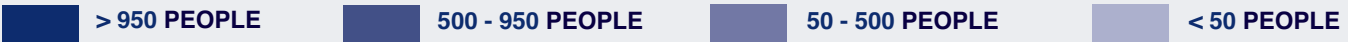
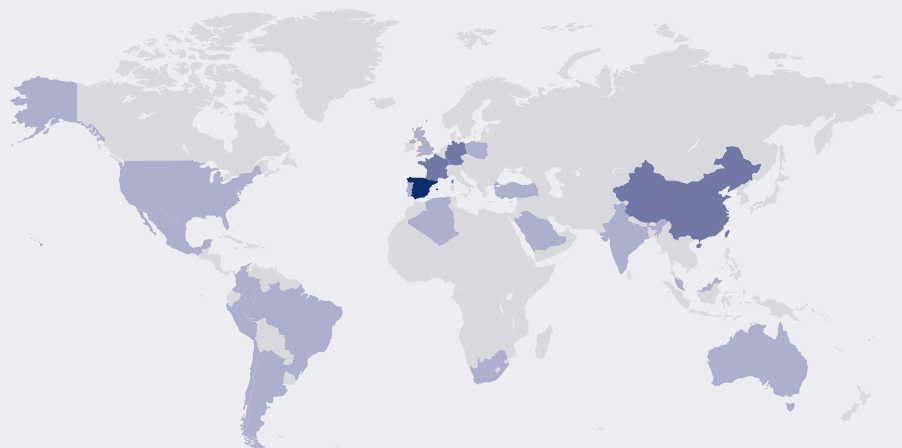
2025 | 2,794 PEOPLE ▲ 3%

SPAIN **2,186** · ▲ 7%
CHINA **175** · ▼ -29%
FRANCE **143** · ▼ -1%
GERMANY **87** · ▼ 7%
UNITED KINGDOM **65** · ▲ 14%
ARGENTINA **34** · ■ 0%
BRAZIL **34** · ▲ 3%
MEXICO **20** · ■ 0%
OTHERS⁽¹¹⁾ **50** · ▲ 9%



2024 | 2,701 PEOPLE ▲ 6%

SPAIN **2,038** · ▲ 7%
CHINA **247** · ▼ -2%
FRANCE **145** · ▼ -0.68%
GERMANY **81** · ▼ -2%
UNITED KINGDOM **57** · ▲ 50%
ARGENTINA **34** · ▲ 17%
BRAZIL **33** · ▲ 3%
MEXICO **20** · ▲ 25%
OTHERS⁽¹¹⁾ **46** · ▲ 2%



⁽¹¹⁾ "Others" includes the following countries: Algeria, Australia, United States, Colombia, Poland, Portugal, South Africa, Türkiye, India, Jordan, Malaysia and Vietnam.

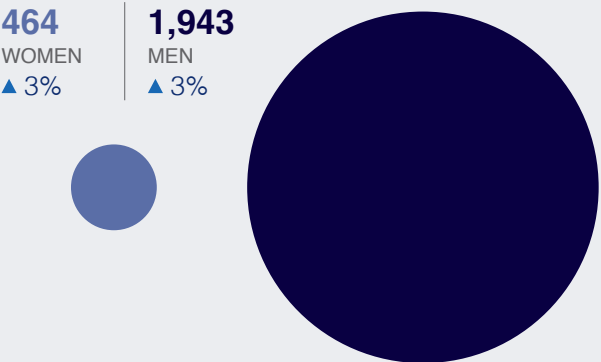
Workforce Structure

Distribution by Employment Contract Type

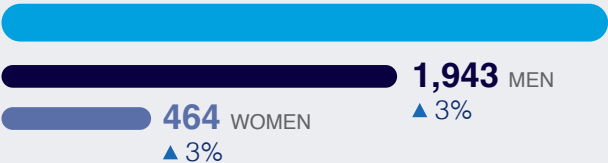
At the end of 2025, **86% of employment contracts at Ormazabal were permanent**, of which 96% were full-time. The remaining 14% of the workforce was employed under temporary contracts, **demonstrating the company’s commitment to a stable and engaged team.**

2025 | 2,794 PEOPLE

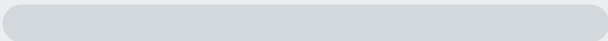
2,407 · ▲ 3%
PERMANENT CONTRACTS



2,407 · ▲ 3%
FULL-TIME

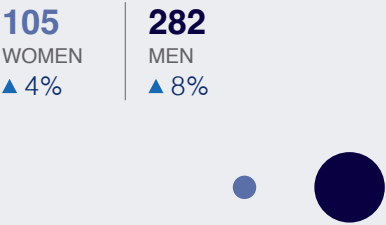


0 · ■ 0%
PART-TIME

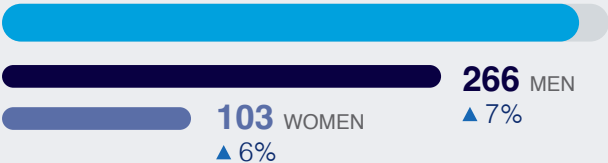


MEN WOMEN

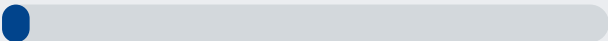
387 · ▲ 7%
TEMPORARY CONTRACTS



369 · ▲ 7%
FULL-TIME



18 · ▲ 6%
PART-TIME

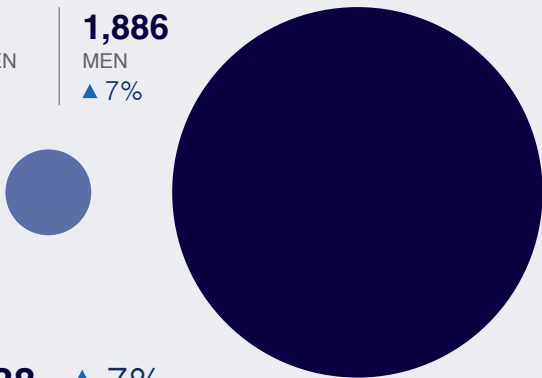


16 MEN ▲ 23%
2 WOMEN ▲ -50%

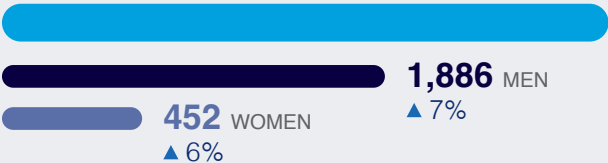
2024 | 2,701 PEOPLE

2,338 · ▲ 7%
PERMANENT CONTRACTS

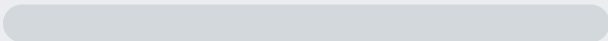
452 WOMEN
▲ 6% | 1,886 MEN
▲ 7%



2,338 · ▲ 7%
FULL-TIME



0 · ■ 0%
PART-TIME



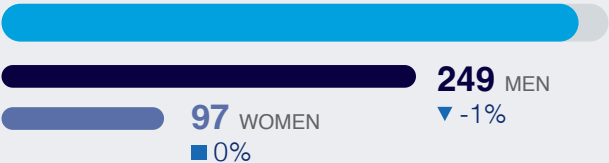
■ MEN ■ WOMEN

363
TEMPORARY CONTRACTS

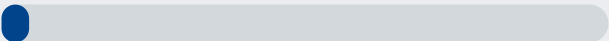
101 WOMEN
▼ -3% | 262 MEN
▼ -0.76%



346
FULL-TIME



17 · ▼ 11%
PART-TIME



● 13 MEN ▲ 8%
● 4 WOMEN ▲ 43%

The workforce distribution shows a clear trend towards permanent and full-time contracts, regardless of gender.

86% of contracts in force in 2025 are permanent: a commitment to a stable and engaged team.

AVERAGE WORKFORCE BY CONTRACT TYPE, WORKING TIME AND GENDER

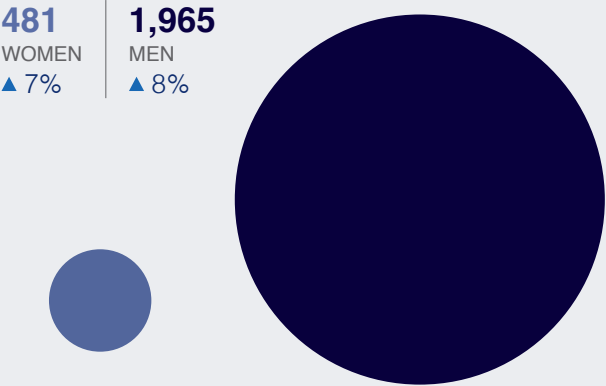
2025 | 2,862 CONTRACTS · ▲ 7%



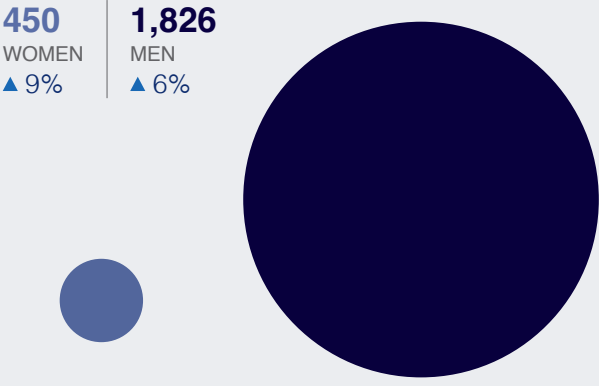
2024 | 2,676 CONTRACTS · ▲ 5%



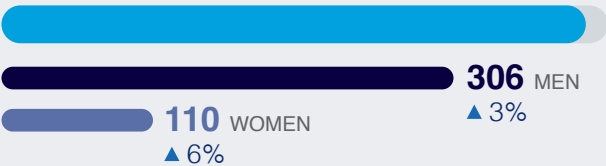
2,446 · ▲ 7%
PERMANENT CONTRACTS



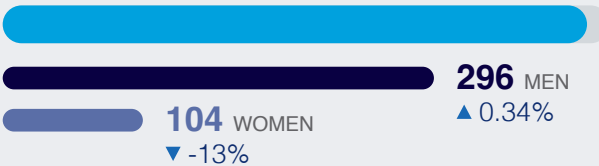
2,276 · ▲ 6%
PERMANENT CONTRACTS



416 · ▲ 4%
TEMPORARY CONTRACTS



400 · ▼ -4%
TEMPORARY CONTRACTS



MEN WOMEN

Annual Average Number of Contracts

The experience, knowledge and skills of **Ormazabal's** people are fundamental to strengthening its competitive position in the market. **Recognising the importance of supporting the professional development of young people**, the company offers work placements each year through various programmes, including dual vocational training and educational cooperation agreements. Many of these placements subsequently lead to employment contracts.

The following breakdown, which shows the annual average number of permanent and temporary contracts, indicates that permanent employment increased by 7% compared with the previous year. This increase demonstrates **Ormazabal's** commitment to job stability and sustainable growth, as well as its determination to continue strengthening its workforce with professionals committed to the company over the long term.

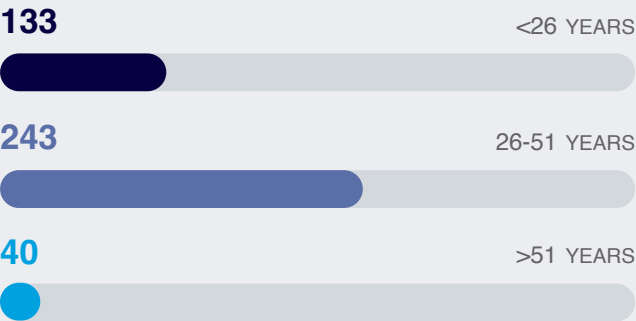
AVERAGE BY CONTRACT TYPE AND AGE

2025 | 2,862 CONTRACTS · ▲ 7%

2,446 · ▲ 7%
PERMANENT CONTRACTS

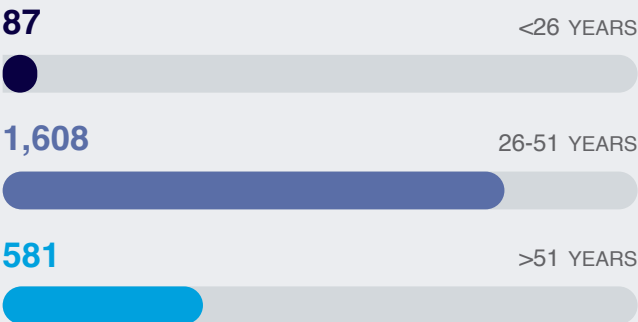


416 · ▲ 4%
TEMPORARY CONTRACTS



2024 | 2,676 CONTRACTS · ▲ 5%

2,276 · ▲ 6%
PERMANENT CONTRACTS



400 · ▼ -4%
TEMPORARY CONTRACTS



Average by Type of Working Time

Ormazabal's average workforce grew in 2025 compared with the previous year, reaching 2,794 people, compared with 2,701 in 2024.

The company has implemented remote working extensively, particularly for positions in which this arrangement is compatible with the duties performed.

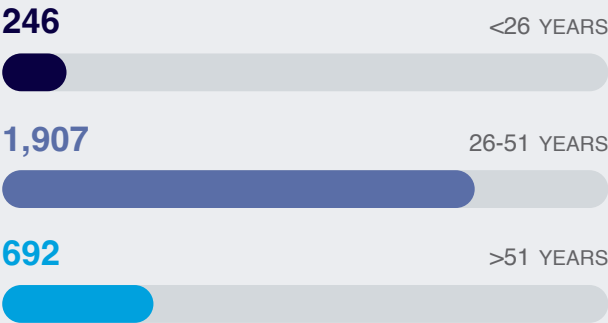
Most people in the organisation also benefit from flexible working hours, a measure that helps them balance their personal and professional lives and **reduces the need to request shorter working hours for family reasons.**

The distribution of the workforce by working pattern, broken down by gender, age and professional category, is as follows:

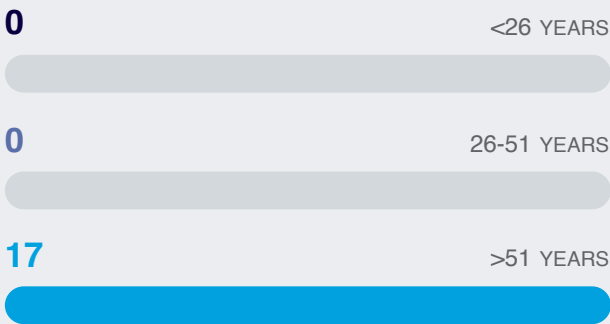
AVERAGE TYPE OF WORKING TIME BY AGE

2025 | 2,862 WORKING DAYS · ▲ 6%

2,845 · ▲ 7%
FULL-TIME



17 · ■ 0%
PART-TIME

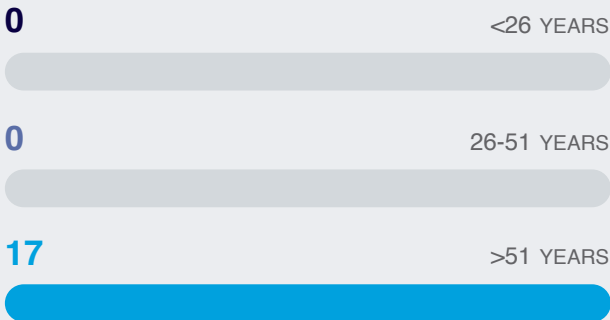


2024 | 2,676 WORKING DAYS · ▲ 5%

2,659 · ▲ 5%
FULL-TIME



17 · ▼ 6%
PART-TIME

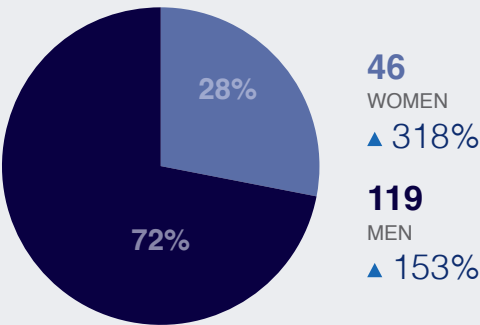


Involuntary Departures

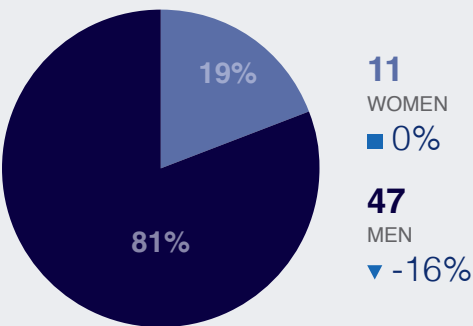
A significant increase in involuntary departures was recorded during the year compared with the previous year, rising from 58 cases in 2024 to 165 in 2025 as a result of the restructuring of Ormazabal's subsidiary in China. The breakdown of these departures by gender is as follows:

NUMBER OF INVOLUNTARY DEPARTURES BY GENDER

2025 | 165 DEPARTURES · ▲ 184%



2024 | 58 DEPARTURES · ▼ 13%



MEN

WOMEN



5.2. Employment

Employees with Disabilities

For almost four decades, **Ormazabal** has maintained a strong partnership with the **Lantegi Batuak Foundation** and other non-profit organisations dedicated to promoting and achieving the social inclusion and labour-market integration of people with disabilities. This partnership has resulted in the employment of personnel for various production activities, both in Spain and in other countries in which the company operates.

Ormazabal also works with the **Basque social-economy business group Urbegi** and its foundation to create employment opportunities and promote the social and labour-market inclusion of people with disabilities.

In 2025, the company continued to undertake specific initiatives to raise employee awareness in this area. For example, the “**Arco**” programme, which is designed to integrate the company’s young talent, included an **event with people with functional diversity**. Participants took part in a chain-reaction exercise conveying the message that every component has value.

Equality

For **Ormazabal**, equal opportunities and diversity are integral to its management model and corporate culture. It promotes an inclusive environment in which everyone can realise their full potential, contribute their talent and develop professionally without distinction of any kind.

Velatia's Protocol for the Prevention of and Action against Workplace Harassment, which applies to **Ormazabal**, safeguards employees' fundamental rights. The protocol establishes specific measures to address any form of workplace harassment, whether sexual, discriminatory or psychological. In 2021, it was updated to specifically include gender-based harassment among the issues it addresses, demonstrating the group's firm commitment to equality.

In line with **Principle Six of the United Nations Global Compact**—"Businesses should uphold the elimination of discrimination in respect of employment and occupation"—**Ormazabal** supports equal opportunities and diversity as essential values in its management.

Furthermore, in accordance with the group's **Code of Ethics**, **Ormazabal** is committed to ensuring an inclusive and respectful environment free from discrimination on the grounds of race, colour, gender, sexual orientation, language, religion, political or other opinion, national or social origin, economic status, disability or any other status.

The **Ethics and Corporate Crime Prevention Committee** is responsible for managing complaints, claims, suggestions and enquiries relating to harassment situations that could not be resolved through an informal procedure.

Velatia has also appointed a specialist mediator who acts as a confidential adviser and manages cases considered "minor", referring more serious cases to the Committee, together with any breaches of agreements reached through the informal procedure.

As part of its commitment to gender equality, **Ormazabal** has an **Equality Plan** whose principal objectives include:

- Embedding its **Equality Policy** throughout the organisation.
- Strengthening **equal opportunities** for the company's people.
- Promoting a culture of **zero tolerance** towards violence in the workplace, with particular emphasis on preventing sexual and gender-based harassment.

The plans are reviewed and updated when they reach the end of their term, with the support of independent experts. An action plan is then established on the basis of the conclusions reached and is subject to periodic monitoring.

Ormazabal's Equality Plan includes general and specific objectives, an internal analysis and assessment of the organisation, and specific proposed measures for the years in which it remains in force. **During 2025, the company continued to make progress in implementing** the Plan and updating those plans whose terms expired during the year.

During the year, the company also further developed the **LEAP initiative** (Learn, Engage, Act and Progress), launched as a pilot project in 2022. Its purpose is to gather feedback and proposals for action on equality based on the experiences of women of different ages and from different companies and organisational levels. In 2025, the initiative was consolidated through a partial rotation of its participants following a call for volunteers, as well as the **addition of three male participants to the team**, thereby promoting a more diverse perspective.

Finally, **Ormazabal** organised various activities and events throughout the year, including the **International Day of Women and Girls in Science** on 11 February, **International Women's Day** on 8 March and **International Women in Engineering Day** on 23 June.



Gender Perspective

The collective bargaining agreements applicable at **Ormazabal** regulate employees' minimum remuneration and establish **pay-equity criteria** for positions of equal value, irrespective of gender. Accordingly, both employees covered by collective agreements and those who are not receive fair and equitable remuneration, avoiding any form of gender-based discrimination.

The calculation of women's actual average remuneration—comprising fixed and variable pay—compared with that of men, excluding senior management, shows a difference of 12% in 2025. This represents a **reduction compared with the previous year, consolidating the downward trend recorded in recent years.**

This difference is largely explained by the **continued underrepresentation of women in the industrial sector.** At **Ormazabal**, women account for **20% of the total workforce.** However, among the company's management team, comprising people with responsibility for different areas, female representation rises to 29%, reflecting **progress in leadership diversity.**

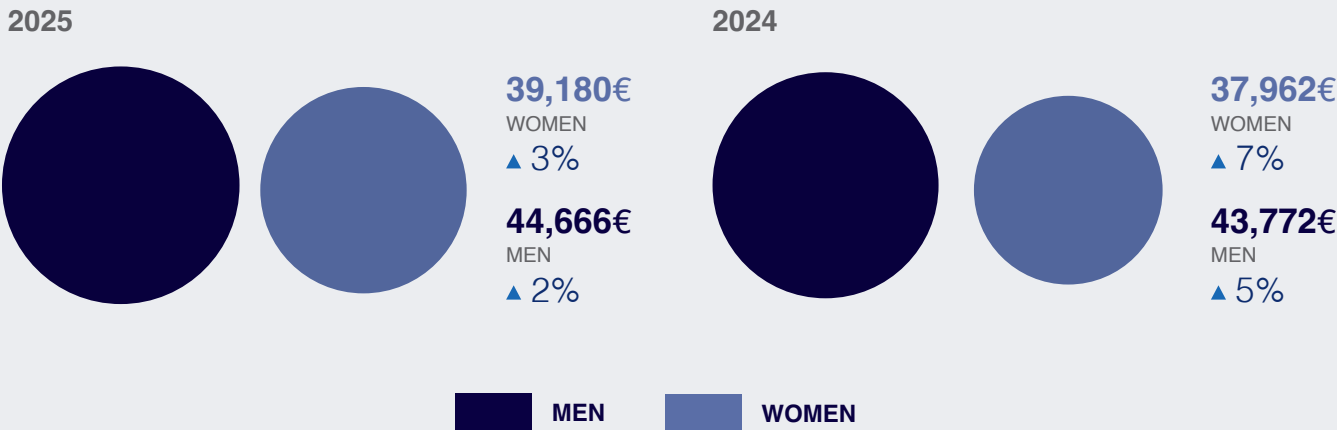
Breaking the so-called "glass ceiling" remains a firm, long-standing ambition for **Ormazabal.** Nevertheless, the small number of women in certain professional profiles represents a structural challenge that the company continues to address.

In this context, **Ormazabal** promotes initiatives designed to strengthen female representation, including the **Ormazabal Mentoring Experience (OMEX)**, a mentoring programme that supports professional development, and the previously mentioned LEAP initiative, the company's first project to adopt a gender perspective by gathering experiences and promoting measures that contribute to advancing equality within the organisation.

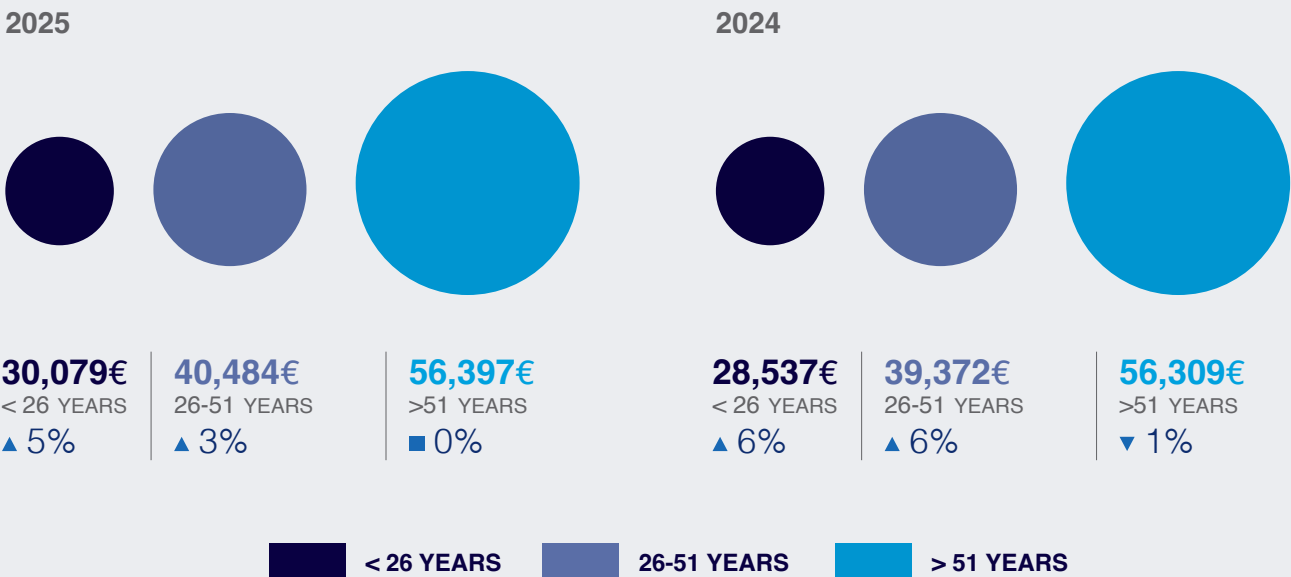
Average Remuneration

In 2025, **average employee remuneration increased** compared with the previous year, except among senior management. The amounts, taking into account all remuneration components within the organisation—including fixed and variable pay, bonuses, social benefits, incentives and other payments—are distributed as follows, broken down by gender, age and professional category:

AVERAGE REMUNERATION BY GENDER (€)



AVERAGE REMUNERATION BY AGE (€)





Organisation of Work

For **Ormazabal**, safeguarding the well-being of its team and becoming a benchmark for the creation of quality employment are strategic priorities. To this end, it has launched various initiatives aimed at improving the organisation of work. These include monitoring **working-time** records through a tool that helps prevent excessive working hours and encourages employees to make appropriate use of their annual leave entitlements.

Each **Ormazabal** company establishes the applicable conditions governing working hours, rest periods and other related matters. In this regard, the section of **Velatia**'s Code of Ethics concerning labour rights specifies that working hours must comply with the local legislation of each country, while also ensuring respect for the conventions and recommendations of the International Labour Organization (ILO).

Since 2018, **Ormazabal** has promoted internal reflection on balancing professional, family and personal life. This has led the company to progressively analyse and implement measures such as **remote working** and the widespread introduction of **flexible working hours**. No new initiatives were launched in this area during 2025.

In terms of labour relations, it should be noted that freedom of association and trade union representation are fully recognised in the company's internal rules, as well as in the collective agreements and other agreements concluded with employees and their representatives.

Ormazabal also attaches great importance to **effective and transparent internal communication**. It therefore provides a range of channels, including the corporate website, intranet, noticeboards at production plants, internal publications, suggestion boxes, annual events, works councils, health and safety committees, and direct communication with managers and senior management.

Since 2021, the **My Velatia** application, which is shared across the group, has strengthened this communication ecosystem by providing an agile and accessible channel for the entire organisation. In 2023, the tool received the “**Excellence in Internal Communication**” award from the technology company Nunsys Group.

Workplace Absenteeism

The Workplace Absenteeism Index, defined as scheduled working hours missed as a result of sick leave or workplace accidents, reached a total of **240,034 lost hours** in 2025. This represents an **increase of 20%** compared with the 199,820 hours recorded in 2024.

Health and Safety

At **Ormazabal**, a preventive health and safety culture guides the organisation's management practices to ensure safe working environments, in keeping with its commitment to people's well-being.

This commitment is set out in its **Sustainable Development Policy and its Quality, Environment, Health, Safety and Well-being Policy**, and is structured around three fundamental principles:

- Establishing safe working environments by developing a **preventive occupational health and safety culture**.
- Promoting **respect for people's health and safety** by preventing injury and ill health.
- Obtaining and maintaining **internationally recognised certifications** for quality, environmental and occupational health and safety management systems.

In accordance with this preventive approach, **Ormazabal** also makes the following commitments:

- **Training:** promote training activities aimed at identifying hazards and reducing health and safety risks during operations.
- **Working conditions:** provide safe and healthy working conditions to prevent injuries and health problems.
- **Workplaces:** protect and improve the physical spaces and equipment at its workplaces against various risks, ranging from unauthorised access to fire.
- **Workforce protection:** safeguard employees, insofar as possible, by complying with applicable sector-specific regulations and adopting the necessary measures.
- **International certifications:** obtain and maintain internationally recognised certifications for quality, environmental and occupational health and safety management systems.

Each **Ormazabal** company ensures compliance with applicable regulations, supported by its health and safety committees. The company also has **specialist personnel** who work continuously to improve practices and procedures and to obtain and apply the most stringent occupational risk-prevention standards.

As part of its commitment to prevention, several **Ormazabal** companies are **certified to ISO 45001**, the international benchmark for occupational health and safety management systems. This voluntary certification reflects the company's commitment and proactive approach to a key aspect of its management: protecting employees and visitors at its workplaces from occupational accidents and diseases.

Country	Company
China	Ormazabal Kunshan Switchgear Ormazabal Zhuhai Switchgear ⁽¹²⁾
United Kingdom	Ormazabal UK
Spain	Prefabricados Uniblok Ormazabal y Cía (Ormazabal Distribución Secundaria) Ormazabal Media Tensión Ormazabal International Business Ormazabal Distribución Primaria Ormazabal Burgos Switchgear Ormazabal Corporate Technology Ormazabal Cotradis Transformadores
France	Ormapost
Brazil	Ormazabal Brasil
Mexico	Ormazabal México

⁽¹²⁾ The **Ormazabal** plant in Zhuhai, Guangdong Province, China, provides **all employees with free regular medical consultations and annual health checks**. This initiative, designed to promote people's health and well-being, demonstrates the commitment and shared responsibility of the company's different entities.

Accidents

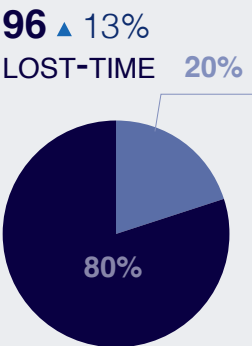
In keeping with its commitment to health and safety, **Orma-zabal** has established minimising the number of accidents as a priority objective and closely monitors changes in its most representative indicators:

BREAKDOWN OF THE NUMBER OF ACCIDENTS BY GENDER

2025 | 183 ACCIDENTS ▼ -1%

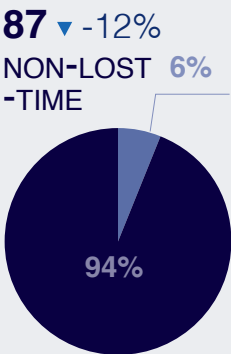


2024 | 184 ACCIDENTS ▼ -12%



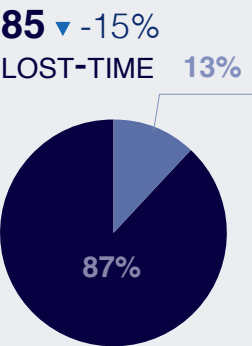
20 WOMEN
▲ 82%

76 MEN
▲ 3%



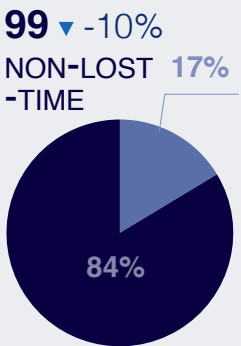
5 WOMEN
▼ -50%

82 MEN
▼ -8%



11 WOMEN
▼ -8%

74 MEN
▼ -16%



10 WOMEN
▼ -44%

89 MEN
▼ -3%

MEN WOMEN

In 2025, **96 lost-time accidents were recorded**, of which 76 involved men and 20 involved women. In addition, **87 non-lost-time accidents occurred**, involving 82 men and 5 women. By comparison, 85 lost-time accidents were reported in 2024—74 involving men and 11 involving women—together with 99 non-lost-time accidents—89 involving men and 10 involving women.

With regard to occupational diseases, three cases were reported in 2025, all involving men. Similarly, the single case reported in 2024 involved a man.

Index ⁽¹³⁾ 2025			
	Men	Women	Total
Frequency Rate	20	20	20
Severity Rate	0.49	0.5	0.49

Index ⁽¹³⁾ 2024			
	Men	Women	Total
Frequency Rate	20	12	19
Severity Rate	0.53	0.47	0.51

In 2025, the **Frequency Rate stood at 20**, representing a **slight increase** from 18.9 in 2024. The **Severity Rate**, meanwhile, **decreased slightly** from **0.51 in 2024 to 0.49** in the current year.

⁽¹³⁾ The number of hours worked by employees is theoretical and is based on an estimated working time of 145 hours per month for each business line.



Education

In a constantly changing market, having a well-trained team is vital to adapting rapidly, addressing challenges and providing valuable solutions. At **Ormazabal**, education therefore goes beyond being an investment: it is a fundamental component of the company's growth and achievement of its objectives.

The company attaches great importance to the effective management of training, structuring initiatives, processes and procedures to ensure the genuine and effective development of its teams.

Ormazabal's training programmes are aligned with the guidelines of the **Performance Assessment Process established in the Human Capital Framework Policy**. The company seeks to disseminate and share internal knowledge while progressively developing the skills required by its workforce in accordance with the organisation's strategy.

Through continuous learning, Ormazabal seeks to:

- Improve **performance** in different roles.
- Facilitate **adaptation to cultural and technological changes** that enable **Ormazabal** to remain competitive.

Education Commitments:

In accordance with the **Human Capital Framework Policy**, **Ormazabal's** commitments to continuous learning include:

- Ensuring the **acquisition and updating** of knowledge and skills that are critical to the business.
- Linking training directly to the **current or future responsibilities** of each role and, consequently, to the results of performance assessments.
- Combining **different learning methods**: on-the-job learning, learning involving support from third parties—such as mentoring and coaching—and specific training activities.



Highlights in 2025:

Against this backdrop, **Ormazabal** provided training tailored to the requirements of each role across all countries in 2025. The **workshops supporting the rollout of its Leadership Model** were particularly noteworthy during the year.

The following programmes stand out within these areas:

- **Introduction of Specific SF₆ Modules into the Sophos Programme**

Sophos is a training and certification programme aimed primarily at the sales team, designed to broaden and improve its knowledge of **Ormazabal's** complete range of products and solutions. In 2025, specific modules on the **transition to fluorinated-gas-free—SF₆-free—technology** were added.

- **Fifth Edition of the Ormazabal Mentoring Experience**

This programme is designed to support the professional development of internal talent through a relationship between an experienced individual—the mentor—and a developing professional—the mentee—thereby facilitating learning and knowledge transfer.

- **Increased Participation in the Oikonomia Finance Module**

Oikonomia is an online course aimed at business-unit managers, providing advanced knowledge of the financial concepts commonly used at **Ormazabal**. Although designed for a specific group, the training is open to any employee with an interest in the subject.

- **More than 3,700 Hours of Leadership Training**

This was the second year of the rollout of Ormazabal's Leadership Model, which is based on the principle that everyone in the company, regardless of their role, should develop leadership skills, whether through self-leadership or leading others. During 2025, **105 leadership workshops were held, with 1,479 participants completing a total of 3,700 hours of training**. The model will continue to be implemented progressively over the coming years until it reaches the entire workforce.

DISTRIBUTION OF TRAINING HOURS BY CATEGORY

2025

49,749
HOURS
▲ 6%

3,597 · ▼ -19%

MANAGEMENT

18,484 · ▼ -17%

TECHNICAL STAFF

1,704 · ▼ -16%

SALES STAFF

1,167 · ▲ 4%

ADMINISTRATIVE STAFF

24,797 · ▲ 45%

OTHER PROFILES

17.8 HOURS · ▲ 2%
AVERAGE TRAINING PER EMPLOYEE

2024

47,053
HOURS
▲ 24%

4,421 · ▲ 22%

MANAGEMENT

22,387 · ▲ 45%

TECHNICAL STAFF

2,024 · ▲ 104%

SALES STAFF

1,119 · ▲ 194%

ADMINISTRATIVE STAFF

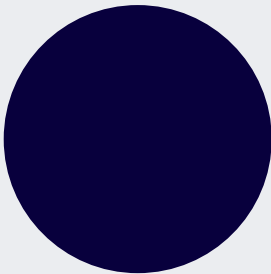
17,102 · ▼ -2%

OTHER PROFILES

17.4 HOURS · ▼ 16%
AVERAGE TRAINING PER EMPLOYEE

HOURS INVESTED IN TRAINING BY GENDER

2025 | 49,749 HOURS

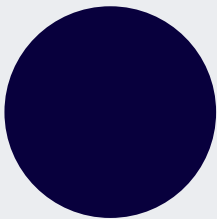


11,817
WOMEN
▼ -3%

37,932
MEN
▲ 9%

MEN WOMEN

2024 | 47,053 HOURS



12,181
WOMEN
▲ 76%

34,872
MEN
▲ 13%

In 2025, the number of training hours increased significantly, particularly among direct labour employees.

Satisfaction surveys reveal a high level of customer satisfaction in the Asian market.

5.3. Customers

Customers are at the heart of **Ormazabal**'s business. This philosophy is embedded in the company's DNA, guides all its actions and is reflected at every stage of the process, from product design to after-sales service.

The company's entire value chain is geared towards providing a service that fully meets customer needs through **customised solutions and long-term relationships built on trust**.

Ormazabal strictly complies with all applicable safety and environmental legislation and regulations in every country in which it operates, while remaining focused on meeting each customer's specific needs.

In Europe, the company continuously monitors regulatory changes that could affect its products, adapting them swiftly to new specifications and requirements whenever necessary.

Ormazabal also pays particular attention to the **technical documentation** accompanying its products, with the aim of providing an optimum level of protection for people and property when its equipment is used or handled. It ensures that 100% of installed or delivered products are accompanied by the documentation required under the applicable standards and procedures.

This documentation includes detailed information on the results of tests certifying compliance with applicable regulations, together with descriptions of technical performance and installation and assembly requirements.

Among other purposes, the materials supplied are intended to:

- Eliminate hazards wherever possible.
- Incorporate appropriate safeguards into equipment to minimise risks.
- Provide information on residual risks to facilitate the preparation of operating procedures designed to prevent them, the training of operating personnel and the use of personal protective equipment.
- Maximise the use of recyclable materials and establish procedures for the appropriate treatment of equipment at the end of its useful life, in accordance with the environmental regulations established by the competent authorities.

Ormazabal uses the **Advanced Management Model** as a framework for continuously assessing and improving its management system. With a particular focus on customer satisfaction, this model incorporates various internal assessment mechanisms—such as surveys and interviews—that provide a better understanding of customer needs and expectations and help identify areas for further improvement.

In recent years, **Ormazabal** has conducted **satisfaction surveys in various countries** where it has a commercial presence and production plants. **In 2025, this survey was conducted in China and revealed a high level of customer satisfaction.** Particularly positive ratings were received for the service provided by company personnel, the quality of technical support, product safety and reliability, and response times.

During the year, the company continued to organise customer workshops. This highly valued initiative seeks to anticipate solutions that address the future needs of leading companies in the electricity distribution and renewable energy sectors, supporting them throughout their energy transformation.

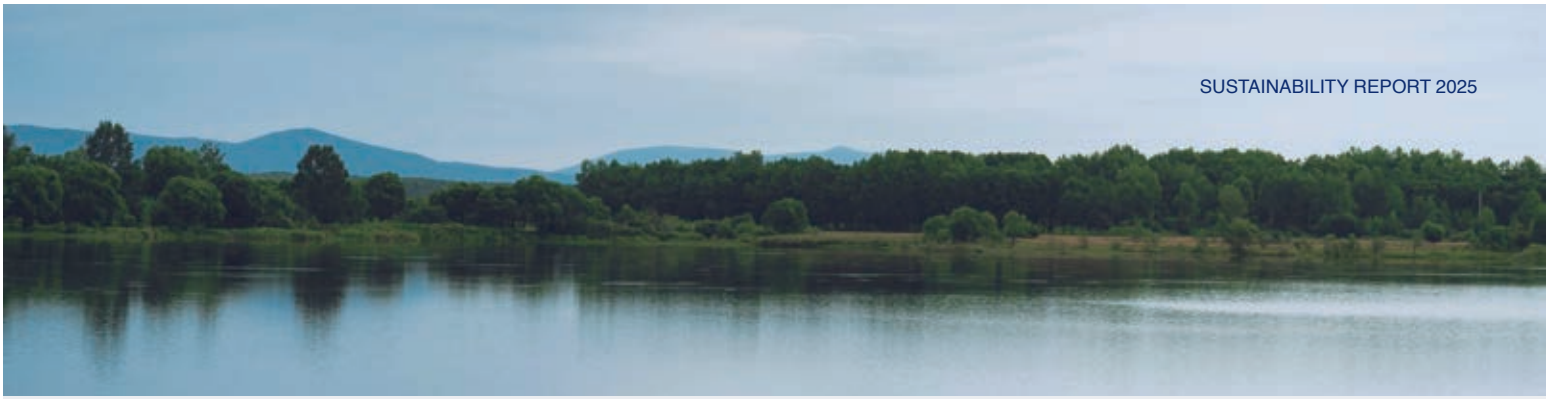
All **Ormazabal** products and services comply with the quality standards established in the applicable regulations. The company's firm commitment to quality and continuous improvement is reflected, among other aspects, in its **18 companies certified to ISO 9001**.

Country	Company
Spain	Ormazabal Cotradis Transformadores
	Ormazabal Distribución Primaria
	Ormazabal y Cía. (Ormazabal Distribución Secundaria)
	Ormazabal Media Tensión
	Ormazabal International Business
	Ormazabal Protection & Automation
	Prefabricados Uniblok
	Aislantes Sólidos
China	Ormazabal Burgos Switchgear
	Ormazabal Zhuhai Switchgear
China	Ormazabal Kunshan Switchgear
France	Ormapost
Germany	Ormazabal GmbH
Germany	Ormazabal Limited UK
Argentina	Ormazabal Argentina
Brazil	Ormazabal do Brasil
Turkey	Ormazabal Elektromekanik San. İç ve Dis Ticaret
Mexico	Ormazabal México

Ormazabal has a robust **Complaints and Claims Management System** designed to address the specific requirements of the sector in which it operates. Through this system, the company continuously monitors the notifications received, recording their type, status and resolution date. This process helps improve service quality and enables corrective action to be taken when necessary.

Incidents reported through the available informal and formal channels are managed by a specialist team using an incident-recording tool. Each case is analysed individually and the appropriate measures are adopted to provide a suitable response in accordance with the highest quality standards.

During 2025, the company received **2,609 requests for action** concerning quality-related incidents or errors in the supply of products and services. Of these, **1,447 were satisfactorily resolved**, while **1,162 remained in progress at the end of the year**. In the previous year, 2,597 claims were managed, of which 1,816 were closed and 781 remained outstanding at year-end.



5.4. Suppliers

Ormazabal approaches economic growth with a strong sense of social and environmental responsibility and a firm commitment to ethical conduct. It extends this vision to its supply chain, promoting relationships based on trust and transparency in order to progress jointly towards a more sustainable and responsible business model.

The company seeks to **add genuine value to procurement-management processes**, both within its own businesses and those of its suppliers. This approach facilitates adaptation to the local environment and contributes to creating wealth and employment in the communities in which it operates.

One of its principal ambitions is also to **promote responsible production and consumption models throughout the supply chain**.

During 2025, **Ormazabal continued to make progress in this direction**, working to consolidate strong relationships with suppliers that are fully aligned with its principles and objectives.

The **Sustainable Development Policy and Procurement Policy** set out the company's commitment to its supply chain, focusing on the following aspects:

- Extending **social, environmental and occupational risk-prevention criteria** to supplier relationships.
- Establishing stable, mutually beneficial relationships based on strict compliance with **Velatia's** Code of Ethics.
- Promoting respect for **sustainable development principles** throughout the supply chain, including human rights and compliance with the laws, standards and regulations in force in the countries where the company operates.

To ensure the effective application of these operating principles, **Ormazabal** has a **Single Regulatory Framework for the Procurement Function** that applies throughout the organisation. It establishes common, mandatory guidelines governing the entire procurement cycle, from identifying a requirement through to its fulfilment. **All Ormazabal companies have a supplier approval process** through which suppliers formally undertake to comply with the group's Procurement Policy and Code of Ethics.

An additional **supplier assessment process** evaluates aspects including quality management, production, non-conformity management and product traceability. This process also **assesses the environmental, social and governance (ESG) matters most relevant to Ormazabal**, with the aim of monitoring appropriate compliance throughout the supply chain. In numerical terms, 49 supplier assessments were conducted in 2024, compared with a total of 35 in 2025.

Finally, **Ormazabal** has a **Supply Chain Risk Management System** that enables strategic suppliers to be monitored according to their level of criticality. The company is currently recording the ratings and results obtained through this process. The group's new supplier portal will play a fundamental role in achieving this objective.

Local Suppliers

Prioritising proximity when selecting suppliers not only has a direct impact on regional economies but also helps strengthen relationships with local communities.

Ormazabal maintains a **strong commitment to local companies** in the main regions in which it operates, particularly those where it has production plants. Regular monitoring of purchasing volumes by geographical area helps ensure significant participation by local suppliers.

Its strategy combines a **global supplier base for strategic raw materials**—such as copper, aluminium and steel—with **suppliers located close to points of consumption for standard materials**. This approach enhances the company’s competitiveness by providing greater operational flexibility and closer proximity to the end customer.

The following table shows the **six countries with the highest purchasing volumes** from local suppliers, together with the evolution of expenditure in each country. In 2025, the **increases recorded in Germany and the United States** were particularly noteworthy.

Expenditure on local suppliers (%)	2025	2024	Change (%)
Spain	83%	82%	1%
France	96%	97%	-1%
Germany	86%	81%	6%
China	93%	98%	-5%
England	99%	99%	0%
United States	93%	81%	15%

Sustainable Procurement Project

Ormazabal continues to implement this sustainable procurement project across its companies, having participated in it since 2019. This pioneering private-sector initiative seeks to prioritise the procurement of **products and services with a lower environmental impact** through measures defined annually.

During the year, **Ormazabal** continued working along the following lines:

- Annual updating and monitoring of the **Conflict Minerals Policy**. The company conducts due diligence on its suppliers to ensure that human rights are not infringed, using the Conflict Minerals Reporting Template (CMRT) as a reference.
- Analysing and monitoring, in collaboration with raw-material suppliers, the proportion of **recycled material incorporated** into their production processes, with the aim of promoting its use.

During 2025, **Ormazabal** made progress in incorporating recycled material into the following raw materials:

- **Stainless steel:** the company's principal supplier, which provides more than 90% of all the steel consumed, supplied 78 tonnes of "green" stainless steel with a carbon footprint 70% lower than that of the material currently used. This represents an increase of 124% compared with 2024.
- **Green electrical steel:** **Ormazabal** promotes the use of this strategic material because of its lower environmental impact. To this end, it has engaged with key customers to encourage its use while obtaining direct feedback to improve its application.
- **Reuse of wooden packaging with EU steelworks:** **Ormazabal** has implemented a returnable wooden-packaging loop between its transformer plant in Madrid and a supplier in Germany.
- **In 2025, Ormazabal launched a circular-economy project for copper materials**, aimed at reintroducing copper scrap into the system and thereby reducing copper consumption.





5.5. Positive Social Impact

At **Ormazabal**, economic growth and the social dimension go hand in hand, always from a sustainable perspective. This commitment is reflected in its support for the development of the communities in which it operates by participating in and promoting projects of social, cultural and environmental interest.

To this end, the company continually invests in social projects that foster progress in fundamental areas such as education, culture, employment and the integration of people with disabilities. For example, **Ormazabal** supports initiatives that protect children's rights by facilitating access to education, training programmes and measures that promote the labour-market integration of young people and people with disabilities. It also supports initiatives that seek to make culture more accessible to society.

The company's commitments in this area are set out in its **Social Action Policy** and structured around three principal courses of action:

- Contributing to the development of local communities.
- Maintaining business relationships that foster innovation and a better quality of life.
- Creating value for the group.

For **Ormazabal**, maintaining direct and transparent communication with its stakeholders is essential in order to understand their needs and expectations. The company also monitors and undertakes to ensure that everyone within the organisation complies with the guidelines of the Code of Ethics when carrying out their professional activities.

Supporting the Development of Local Communities

As part of its firm commitment to developing local communities, **Ormazabal** collaborates with educational institutions, promotes job creation, contributes to economic activity in its surrounding areas, fulfils its tax obligations and supports the redistribution of the value generated.

Active Commitment to a More Sustainable Electricity Network

To support progress towards a sustainable electricity network model, the company collaborates with regulatory authorities on the development of public policies and actively participates in industry associations across all the areas in which it operates, at both national and European level, in some cases assuming a leadership role.

Ormazabal also advocates a regulatory framework that ensures the sustainability of the electricity system through the design, commissioning and maintenance of a reliable, durable, efficient and environmentally responsible distribution network. This vision is fully aligned with the criteria and principles guiding the design, manufacture and delivery of its products, equipment and services.

In its institutional and administrative activities, the company takes a proactive approach to monitoring and complying with Competition Law. It also participates in numerous forums and associations, reinforcing its role as a leading player in the sectors in which it operates. This involvement promotes the creation of shared value, the exchange of best practices, stronger stakeholder relationships and engagement with the principal actors driving the transition towards a more sustainable future.

Country	Association/Group	Association/Group
Spain	AFBEL	Spanish Association of Manufacturers of High- and Medium-Voltage Electrical Equipment
	Clúster de la Energía del País Vasco	Basque Country Energy Cluster
	Confebask	Basque Business Confederation
	Euskalit	Basque Foundation for Quality Promotion
	Basque Ecodesign Center	Basque Ecodesign Center
	AEE	Spanish Wind Energy Business Association
	UNE	Spanish Association for Standardisation
	CONSORCIO ENERGÍAS RENOVABLES	Renewable Energy Association
	ENERCLUB	Spanish Energy Club
	CONFEMETAL	Confederation of Metalworking Companies
	AEDIVE	Electric Mobility Business Association
	SERCOBE	National Association of Capital Goods Manufacturers
	CEOE	Spanish Confederation of Business Organisations
	UNEF	Spanish Photovoltaic Union
	FUNDACIÓN EMPRESA Y CLIMA (FEC)	Climate change mitigation
	FORO PARA LA ELECTRIFICACIÓN	Electricity use and its benefits
	CLUB MARÍTIMO ESPAÑOL	Services for Spanish maritime industries
	FORO MARÍTIMO VASCO	Services for Basque maritime industries
	AEMENER	Spanish Association of Women for Energy
	SREC	Spain Renewable Energy Consortium
	AELEC	Association of Electric Power Companies
	CIDE	Association of Small Energy Distributors
	BIND 4.0	Basque Open Innovation Platform
	INNOBASQUE	Basque Innovation Agency
	GSGHI	Global Smart Grid Innovation. Iberdrola Hub
	Alianza NET Zero Mar	Decarbonisation of maritime transport and ports
	ASEME	Association of Electric Companies

Country	Association/Group	Association/Group
France	GIMELEC	Group of companies in the technology and digital sector
	MATPOST	SEE Technical Committee and Conference Organisation
	AVERE	European Association for the Promotion of Electromobility and Sustainable Transport
Portugal	ANIMEE	Portuguese Association of Electrical and Electronics Companies
UK	BEAMA	Trade association for manufacturers and providers of energy infrastructure technologies and systems
Germany	ZVEI	Expert Committee Network Components (business- and market-oriented)
Europe	T&D Europe	European Association for Electricity Transmission and Distribution
	EOPSA	European Onshore Power Supply Association
	CIREC/CIGRE	International Conference on Electricity Distribution
	EURELECTRIC	Sector association representing the interests of the electricity industry
	ORGALIME	European Association of Technology Industries
	BUSINESS EUROPE	European association for industrial growth and competitiveness
	EDSO_E	European Association of Distribution System Operators
	GEODE	European Association of Small Electricity Distributors
	CEDEC	European Association of Small Electricity Companies
China	WIND EUROPE	Wind energy
	Jiangsu Province Renewable Energy Industry Association (JSREA)	Renewable energy industry association in Jiangsu Province
	Electric Power Technology Collaboration (EPTC)	Collaboration in electrical power technology
	China Energy Storage Alliance (CNESA)	Energy storage alliance
International	China Photovoltaic Industry Association (CPIA)	Photovoltaic industry association
	IEC	International Electrotechnical Commission



Social Commitment in 2025: Building Well-Being and a Better Future

Ormazabal expresses its commitment to the community and its social concerns through specific actions in areas such as solidarity, **education and the protection of natural resources**. To this end, it promotes and participates in various initiatives aimed at achieving shared goals and contributing to collective well-being.

The following are some of **Ormazabal's** most significant contributions in 2025:

Planting a Commitment to Biodiversity

During the year, **Ormazabal** continued the “**Kumula**” **re-forestation project** in partnership with Lurgaia. Company employees and their families participate voluntarily by planting trees, with 900 new trees planted during 2025. The project's principal objective is to restore and promote native biodiversity while helping to offset the company's carbon footprint.

Industria Erronka: Connecting with Future Talent

Addressing the challenges facing industry successfully requires a sufficient number of skilled professionals. True to its commitment to helping train future talent, **Ormazabal** once again sponsored the “**Industria Erronka**” initiative in 2025, organised by the Biscay Federation of Metal Companies (FVEM).

This collaboration was developed along two lines: the company welcomed students to its production facilities, while several **Ormazabal** professionals visited educational institutions to encourage young people to explore the opportunities offered by the industrial sector.

Ormazabal Contribution Week: United by a Shared Purpose

Contribution Week is an initiative designed to involve all company employees in **volunteering activities with a social and environmental focus**, thereby strengthening Ormazabal's positive impact on its surroundings.

The third edition of the event took place in 2025, with activities organised in several countries and a wide range of initiatives. These included a stress-management webinar for employees, a charity run in Madrid supporting people with disabilities, animal-welfare activities, educational support, volunteering at a community kitchen and a visit to a care home for older people.





An Ecosystem of Mutual Learning

Ormazabal actively participates in the university ecosystem, establishing a symbiotic relationship in which the company contributes its leadership, experience and commitment to technological innovation as a leading company in its sector, while benefiting from the talent, ideas and knowledge emerging from the academic community. This interaction takes the form of joint activities that foster both students' professional development and the company's capacity for innovation.

Since 2001, **Ormazabal** has maintained a close partnership with the **Bilbao School of Engineering at EHU–University of the Basque Country** through an industry-sponsored classroom—the **Ormazabal Classroom**—whose principal objectives are to:

- Identify and attract talent by facilitating the recruitment of high-potential students. Since the classroom was established, 50% of participating students have subsequently joined the company.
- Develop projects in areas of interest.
- Consolidate the **Ormazabal** brand as a benchmark in the technology sector.

Since 2007, **Ormazabal** has also operated an industry-sponsored classroom at **Mondragon Unibertsitatea**, focusing on power electronics and the protection, automation and communications of medium-voltage networks. Its purpose is to develop projects with final-year students in disciplines of interest to the company and its ecosystem. Each project is supervised by different **Ormazabal** professionals.

Since 2006, **Ormazabal** has also had an industry-sponsored classroom at the **School of Engineering and Industrial Design of the Technical University of Madrid (UPM)**. This facility combines training and research, providing future engineering professionals with practical knowledge of transformer substations, the simulation of faults that may occur in these installations and the associated protection systems.

Ormazabal Corporate Technology, a fundamental pillar of the company dedicated to research and development, is a member of the Board of Trustees of the **Euskampus Foundation of the University of the Basque Country (EHU)**. This interinstitutional organisation works to stimulate R&D&I in the Basque Country, with a clear commitment to social responsibility and regional integration. Its mission is to design, coordinate and implement measures that strengthen and accelerate the modernisation and internationalisation of the Basque public university.

More Ways of Connecting Education and Business

In addition to these contributions, **Ormazabal** continued to strengthen its links with the university community and society more broadly throughout the year through various initiatives, including:

- **Inspira STEAM:** as a partner company in this innovative project, **Ormazabal** helped promote scientific and technological careers among young women, with company professionals giving talks at educational institutions in Bilbao and Madrid.
- **EHU–University of the Basque Country Careers Fair (JEPE2025):** once again, the company participated in this key event supporting university students' entry into the labour market.
- **Formula Student Bizkaia:** by sponsoring this prestigious event, **Ormazabal** seeks to foster innovation and creativity among future generations of engineering professionals.
- **Third Host Event at B Accelerator Tower:** on 4 November, around thirty students from Biscay gained first-hand insight into **Ormazabal's** business and had the opportunity to interact with professionals from different areas of the organisation.

Through these activities, the company seeks to act as a **bridge between academia and industry, creating an ecosystem of mutual learning** that benefits both parties and society as a whole.





| Appendices

1. Scope and Coverage

This report constitutes **Velatia's Sustainability Statement** for the 2025 financial year, prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). Its purpose is to provide a reliable, comparable and verifiable overview of the group's environmental, social and governance performance.

1.1 Scope and Coverage

Since publishing its first report in 2012, **Velatia** has progressively moved towards a reporting model aligned with European sustainability requirements. This report includes:

- The information required under **Spanish Law 11/2018 on Non-Financial Information and Diversity**, in accordance with the standards applicable during the reporting year.
- Since publishing its first report in 2012, **Velatia** has evolved towards a reporting model fully aligned with European requirements. As part of this process, **Velatia has followed the principles and guidelines established by the Global Reporting Initiative (GRI) indicators when preparing its Sustainability Report**, thereby ensuring the quality, completeness and comparability of the information reported.

- With the aim of progressively adapting the report's structure and content to the forthcoming CSRD requirements, it includes certain disclosure requirements established in **ESRS 1 and ESRS 2**, including the principles governing information quality and the cross-cutting disclosures.

- The thematic **E, S and G ESRS** have also been partially incorporated where applicable, based on the 2024 **Double Materiality Assessment**.

The reporting period covers the **2025** financial year and includes comparative information for 2024.

2. Reporting Principles

2.1 Stakeholder Inclusion (ESRS 2 – SBM-2 / IRO-1)

Velatia incorporates its stakeholders' expectations through structured dialogue mechanisms tailored to the nature of each relationship. This feedback is incorporated into both the materiality assessment and the design of policies, objectives and action plans.

2.2 Sustainability Context (ESRS 2 – SBM-1)

The report presents the group's **environmental, social and governance** performance, describing how sustainability is incorporated into its business strategy, its principal impact drivers and its interdependencies with the environment in which it operates.

2.3 Relevance and Completeness (ESRS 1 – Qualitative Characteristics)

The report's content is based on the **2024 Double Materiality Assessment**, which identifies material impacts, risks and opportunities relating to the group's operations, value chain and regulatory environment.

The report incorporates all significant events occurring during the reporting year, ensuring **completeness, neutrality and freedom from bias**.

2.4 Comparability, Accuracy and Clarity (ESRS 1 – Quality Requirements)

The information is presented in a structured format, with charts, tables and historical data series that make it possible to assess changes in performance over time.

The methodologies applied, together with any changes in criteria and limitations, are disclosed in accordance with the **transparency** and **traceability** requirements established by the ESRS.

In 2025, **Stratenergy** and **Supsonik** were incorporated into the reporting scope of the electrical business (**Ormazabal**), having previously been included under "Other Businesses".

2.5 Reliability and Verification

The data have been reviewed by PricewaterhouseCoopers Auditores, S.L. under a limited assurance engagement, in line with the CSRD requirements for external assurance.

3. List of Material Topics

To identify its material topics, **Velatia** considered:

- The objectives of its target markets and relevant regulatory changes.
- International practices and benchmarks in the electrical and telecommunications sectors.
- Emerging risks and strategic opportunities associated with the energy and digital transitions.
- Significant impacts in the geographical areas where Velatia has a substantial presence.

The results of the assessment provide the basis for applying the thematic ESRS:

Environment

- E1 Climate Change
- E2 Pollution
- E3 Water and Marine Resources
- E4 Biodiversity and Ecosystems
- E5 Resource Use and Circular Economy

Social

- S1 Own Workforce
- S2 Workers in the Value Chain
- S3 Affected Communities
- S4 Consumers and End-users

Governance

- G1 Business Conduct

The assessment considers impacts, risks and opportunities in accordance with ESRS 2 and the double materiality principle.

4. Contact

Contact point for questions about the report: anyone wishing to obtain further information about the content of this report may contact the group's Sustainability Department at **sustainability@Velatia.com**.

GRI Indicators

The following section details the requirements established by Spanish Law 11/2018 of 28 December and their correspondence with the Global Reporting Initiative (GRI) Standards reported by **Velatia**:

The Non-Financial Information Statement under Law 11/2018			
Contents	Standard Used (GRI)	Chapter and Section	Notes
General Information			
Materiality	3-1 Process to determine material topics.	Chapter 3 Sustainability Strategy.	
	3-2 List of material topics.		
	3-3 Management of material topics.		
Brief description of the group’s business model, including: 1) its business environment, 2) its organisation and structure, 3) the markets in which it operates, 4) its objectives and strategies, 5) the principal factors and trends that may affect its future development.		Chapter 1.1 General Information.	The entities included in the consolidated financial statements are listed in the appendices to the Consolidated Annual Report for the year ended 2025. They are therefore not expressly listed in this document.
		Chapter 2.1 Governance Bodies.	
		Chapter 2.2 Our Sustainable Governance.	
		Chapter 2.3 Responsible Conduct and Corporate Culture.	
		Chapter 3 Sustainability Strategy.	
		Chapter 3.5 Innovation as a Driver of Sustainability	
Policies applied by the group, including the due diligence procedures used to identify, assess, prevent and mitigate significant risks and impacts, together with verification and control procedures and the measures adopted.		Chapter 2.3 Responsible Conduct and Corporate Culture.	
	3-3 Management of material topics.	Chapter 2.4 Risk Control and Management.	

Principal risks related to these matters and associated with the group’s activities, including, where relevant and proportionate, its business relationships, products or services that could have adverse effects in these areas, and how the group manages those risks. This should include an explanation of the procedures used to identify and assess them in accordance with the relevant national, European or international reference frameworks for each matter. Information must also be provided on the impacts identified, including a breakdown of those impacts and, in particular, the principal short-, medium- and long-term risks.

3-3 Management of material topics.

Chapter 2.4
Risk Control and Management.

Chapter 3
Sustainability Strategy.

Key non-financial performance indicators that are relevant to the specific business activity and meet the criteria of comparability, materiality, relevance and reliability.

To facilitate the comparison of information over time and between entities, particular use shall be made of generally applicable non-financial key performance indicator standards that comply with the relevant European Commission guidelines and the Global Reporting Initiative Standards.

The report must identify the national, European or international framework applied to each matter. Non-financial key performance indicators must be applied to each section of the Non-Financial Information Statement.

These indicators must be useful, taking into account the specific circumstances, and consistent with the parameters used in the organisation's internal management and risk-assessment procedures. In all cases, the information presented must be accurate, comparable and verifiable.

Other Useful Information on the Preparation of the Document – Reporting Practice

- 3-1 Process to determine material topics.
- 3-2 List of material topics.
- 3-3 Management of material topics.

Chapter 3
Sustainability Strategy.

1. Information on Environmental Matters

Environment – General:

1) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety, together with environmental assessment or certification procedures.

2) Resources allocated to preventing environmental risks.

3) Application of the precautionary principle and the amount of provisions and guarantees established for environmental risks.

3-3 Management of material topics – Environment: General.

2-23 Policy commitments.

201-2 Financial implications and other risks and opportunities due to climate change.

Chapter 2.4

Risk Control and Management.

Chapter 3

Sustainability Strategy.

Chapter 4

Environment.

Measures to prevent, reduce or remediate carbon emissions that seriously affect the environment.

3-3 Management of material topics – Emissions.

305-5 Reduction of GHG emissions.

Chapter 4

Environment:

· Pollution and Climate Change.

Taking into account any form of atmospheric pollution specific to an activity, including noise and light pollution.

3-3 Management of material topics – Environment.

Chapter 3

Sustainability Strategy.

Measures for the prevention, recycling, reuse, other forms of recovery and disposal of waste.

3-3 Management of material topics – Environment: General.

306-1 Waste generation and significant waste-related impacts.

306-2 Management of significant waste-related impacts.

306-3 Waste generated.

Chapter 4

Environment:

· Circular Economy and Waste Management.

Measures to combat food waste.	3-3 Management of material topics – Environment: General.	Chapter 3 Sustainability Strategy.
--------------------------------	---	--

Water consumption and water supply in accordance with local constraints.	3-3 Management of material topics – Environment: General. 303-5 Water consumption.	Chapter 4 Environment: · Sustainable Use of Resources.
--	---	---

Consumption of raw materials and the measures adopted to improve the efficiency of their use.	3-3 Management of material topics – Environment: General. 301-1 Materials used by weight or volume.	Chapter 4 Environment: · Sustainable Use of Resources.
---	--	---

Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energy.	3-3 Management of material topics – Environment: General. 302-1 Energy consumption within the organisation.	Chapter 4 Environment: · Sustainable Use of Resources.
--	--	---

The significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	3-3 Management of material topics – Environment: General. 305-1 Direct (Scope 1) GHG emissions. 305-2 Energy indirect (Scope 2) GHG emissions.	Chapter 4 Environment: · Pollution and Climate Change.
--	--	---

Measures adopted to adapt to the consequences of climate change.	3-3 Management of material topics – Environment: General.	Chapter 4 Environment: · Pollution and Climate Change.
--	---	---

Voluntary medium- and long-term greenhouse gas emissions-reduction targets and the measures implemented to achieve them.

3-3 Management of material topics – Environment.

Chapter 4
Environment.

Measures taken to preserve or restore biodiversity.

Impacts caused by activities or operations in protected areas.

3-3 Management of material topics – Environment.

Chapter 3
Sustainability Strategy.

2. Information on Social Matters

Total number and distribution of employees by gender, age, country and professional category.

3-3 Management of material topics – Human Capital.
2-7 Employees.
405-1 Diversity of governance bodies and employees.

Chapter 5.3
Our People:
· Workforce data by business.
· Workforce distribution.
· (Table showing workforce distribution at year-end by category).

Total number and breakdown of employment contract types.

2-7 Employees.

Chapter 5.3
Our People:
· Workforce distribution by contract type, working time and gender.

Annual average number of permanent, temporary and part-time contracts by gender, age and professional category.

2-7 Employees.
405-1 Diversity of governance bodies and employees.

Chapter 5.3
Our People:
· Distribution of employees based on the average workforce.

Number of dismissals by gender, age and professional category.	401-1 New employee hires and employee turnover.	Chapter 5.3 Our People: · Turnover Rate. · Dismissals.
Average remuneration and its evolution, disaggregated by gender, age and professional category or positions of equal value.	3-3 Management of material topics – Human Capital.	Chapter 5.3 Our People: · Average Remuneration.
Gender pay gap and remuneration for equal positions or based on the company average.	3-3 Management of material topics – Human Capital. 405-2 Ratio of basic salary and remuneration of women to men.	Chapter 5.3 Our People: · Pay Gap.
Average remuneration of directors and senior executives, including variable remuneration, attendance allowances, severance payments, contributions to long-term savings schemes and any other remuneration, disaggregated by gender.	3-3 Management of material topics – Human Capital.	This information is not disclosed for reasons of confidentiality.
Implementation of measures to ensure the right to disconnect from work.	3-3 Management of material topics – Human Capital.	Chapter 5.3 Our People: · Organisation of Work. · Digital Disconnection.
Employees with disabilities.	405-1 Diversity of governance bodies and employees.	Chapter 5.4 Employment: · Accessibility. · Employment of People with Disabilities.
Organisation of working time.	3-3 Management of material topics – Employment	Chapter 5.4 Employment: · Organisation of Work.
Number of hours of absenteeism.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Workplace Absenteeism.

Measures intended to facilitate work-life balance and encourage both parents to assume shared responsibility for exercising these rights.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Organisation of Work. · Digital Disconnection.
Occupational health and safety conditions.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Health and Safety.
Work-related accidents, particularly their frequency and severity, and occupational diseases, disaggregated by gender.	403-9 Work-related injuries. 403-10 Work-related ill health.	Chapter 5.4 Employment: · Health and Safety.
Organisation of social dialogue, including procedures for informing and consulting employees and negotiating with them.	3-3 Management of material topics – Human Capital. 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	Chapter 5.4 Employment: · Labour Relations.
Percentage of employees covered by collective agreement, by country.	2-30 Collective bargaining agreements.	Chapter 5.4 Employment: · Percentage of Employees Covered by Collective Bargaining Agreements, by Country.
Overview of collective bargaining agreements, particularly in the area of occupational health and safety.	403-4 Worker participation, consultation and communication on occupational health and safety.	Chapter 5.4 Employment: · Labour Relations. · Health and Safety.
Mechanisms and procedures established by the company to promote employee involvement in its management through information, consultation and participation.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Key Activities.

Policies implemented in the area of training.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Training.
Total number of training hours by professional category.	404-1 Average hours of training per year per employee.	Chapter 5.4 Employment: · Training.
Universal accessibility for people with disabilities.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Accessibility. · Employment of People with Disabilities.
Measures adopted to promote equal treatment and opportunities for women and men.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Equality.
Equality plans (Chapter III of Organic Law 3/2007 of 22 March on effective equality between women and men), measures adopted to promote employment, protocols against sexual and sex-based harassment, and measures for the inclusion and universal accessibility of people with disabilities.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Equality.
Policy against all forms of discrimination and, where applicable, diversity management policy.	3-3 Management of material topics – Human Capital.	Chapter 5.4 Employment: · Equality.

3. Information on Respect for Human Rights

Implementation of human rights due diligence procedures. Prevention of risks relating to human rights violations and, where applicable, measures to mitigate, manage and remedy any abuses committed.	3-3 Management of material topics – Business Ethics and Corporate Governance. 2-23 Policy commitments. 2-26 Mechanisms for seeking advice and raising concerns.	Chapter 2.3 Responsible Conduct and Corporate Culture. Chapter 2.4 Risk Control and Management: · Human Rights Risks.
Reports of human rights violations.	406-1 Incidents of discrimination and corrective actions taken.	As in 2024, no reports of human rights violations were received in 2025.
Promotion of and compliance with the provisions of the fundamental ILO conventions concerning respect for freedom of association and the right to collective bargaining.	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	Chapter 5.4 Employment: · Freedom of Association and Trade Union Representation.
The elimination of discrimination in respect of employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour.	3-3 Management of material topics – Business Ethics and Corporate Governance. 408-1 Operations and suppliers at significant risk for incidents of child labour. 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour.	Chapter 2.3 Responsible Conduct and Corporate Culture: · Ethics and Integrity.

4. Information on Anti-corruption and Anti-money Laundering

Measures adopted to prevent corruption and bribery and measures to combat money laundering.	3-3 Management of material topics – Business Ethics and Corporate Governance. 2-23 Policy commitments. 205-1 Operations assessed for risks related to corruption. 205-3 Confirmed incidents of corruption and actions taken.	Chapter 2.3 Responsible Conduct and Corporate Culture: · Ethics and Integrity.
---	--	--

Contributions to foundations and non-profit organisations.	413-1 Operations with local community engagement, impact assessments and development programmes.	Chapter 5.7 Positive Social Impact.
--	---	--

5. Information on Society

The impact of the company's activities on employment and local development, and the impact of its activities on local communities and the surrounding area.	3-3 Management of material topics – Impact on Society. 413-1 Operations with local community engagement, impact assessments and development programmes.	Chapter 5.6 Suppliers.
Relationships maintained with local community stakeholders and the forms of dialogue established with them.	2-29 Approach to stakeholder engagement . 413-2 Operations with significant actual and potential negative impacts on local communities.	Chapter 3 Sustainability Strategy. Chapter 5.7 Positive Social Impact.
Partnership and sponsorship activities.	2-28 Membership associations.	Chapter 5.7 Positive Social Impact. · (Associations Table)
Inclusion of social, gender-equality and environmental considerations in the Procurement Policy, and consideration of suppliers' and subcontractors' social and environmental responsibility in business relationships.	3-3 Management of material topics – Responsible Relationships with Partners and Suppliers. 2-6 Activities, value chain and other business relationships. 204-1 Proportion of spending on local suppliers.	Chapter 5.6 Suppliers.
Supplier and subcontractor monitoring systems and audits, and the results thereof.	3-3 Management of material topics – Responsible Relationships with Partners and Suppliers.	Chapter 5.6 Suppliers.
Measures for consumer health and safety.	3-3 Management of material topics – Economic Performance and Customer Relations.	Chapter 2.5 Customers.
Complaints systems, complaints received and their resolution.	3-3 Management of material topics – Responsible Relationships with Partners and Suppliers.	Chapter 2.5 Customers.

Profits earned by country.

207-4 Country-by-country reporting.

Chapter 5.7

Positive Social Impact:

- Contribution to Society.
- Profits Earned by Country.

Corporate income tax paid.

207-4 Country-by-country reporting.

Chapter 5.7

Positive Social Impact:

- Tax Responsibility.
- Corporate Income Tax Paid.

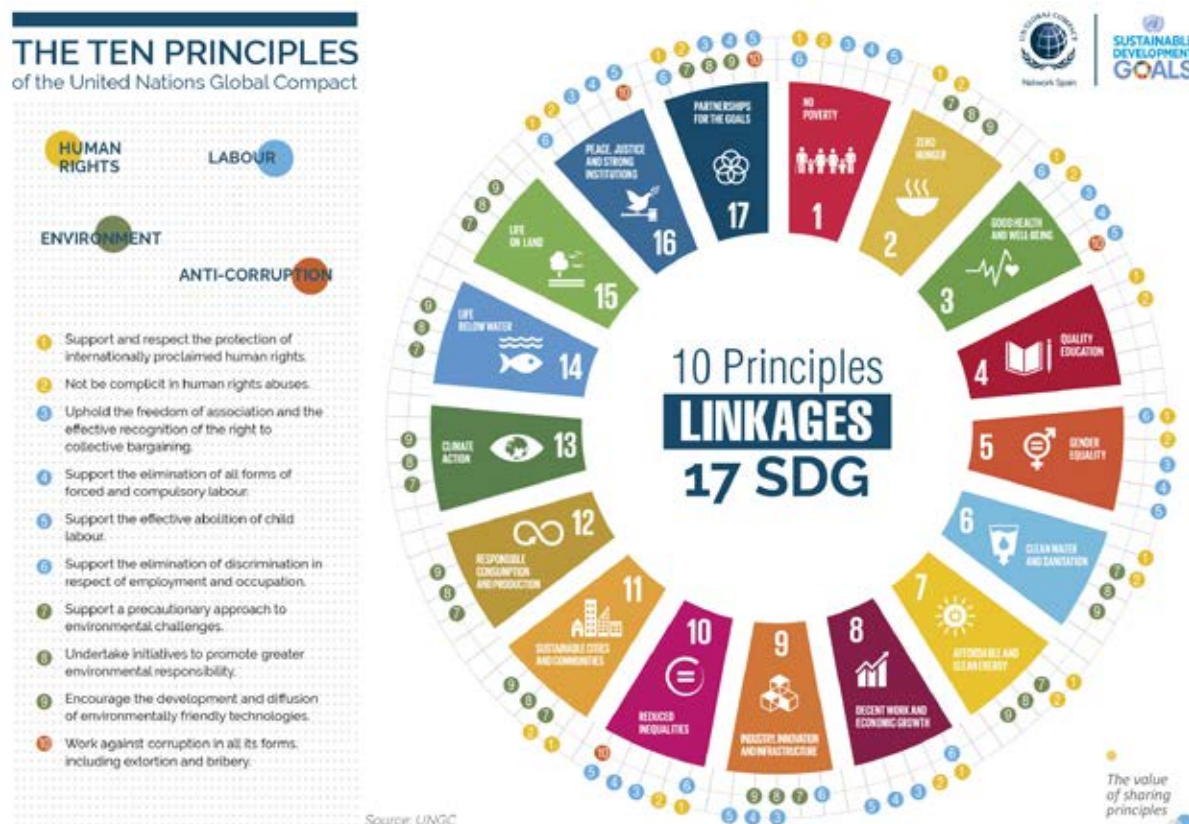
Public subsidies received.

201-4 Financial assistance received from government.

Chapter 5.7

Positive Social Impact.

5. Correlation of Global Compact Principles



6. Velatia Decarbonisation Plan

6.1. Introduction

6.1.1. Purpose and Scope of the Report

This report describes **Velatia's Decarbonisation Plan**, documenting its strategy, emissions inventory, targets and measures for reducing greenhouse gas (GHG) emissions in compliance with Law 7/2021, Royal Decree 214/2025, the CSRD and ESRS E1.

The plan covers all activities under Velatia's operational control, including Scope 1 emissions (direct emissions) and Scope 2 emissions (purchased electricity).

6.1.2. Regulatory Framework

- **Law 7/2021 on Climate Change and Energy Transition.**
- **Royal Decree 214/2025** on carbon footprints and emission-reduction plans.
- **Paris Agreement and SBTi.**
- **CSRD and ESRS E1 – Climate Change.**

6.2. Organisational Profile

6.2.1. General Description

Velatia is an international industrial group engaged in technological and industrial activities across Europe, the Americas and Asia. Energy consumption and certain industrial processes are its principal sources of emissions.

6.2.2. Organisational Boundary and Limits

The inventory and plan cover all companies and facilities under **Velatia's** operational control in Spain and other countries, following the GHG Protocol approach.

6.3. Climate Governance

- **Responsibilities:** the Sustainability Department and each business, under the supervision of the Board of Directors.
- **Integration:** the plan is incorporated into corporate management, investment decisions and operational processes.
- **Monitoring:** annual review and strategic updates every two years.

6.4. GHG Emissions Inventory

6.4.1. Methodology

- **GHG Protocol** as the principal standard.
- **Activity data:** energy and material consumption by facility and source.
- **Emission factors:** official emission factors and market-based factors for electricity.
- **Scopes:**
 - **Scope 1:** stationary and mobile combustion and the use of products, including SF₆.
 - **Scope 2:** purchased electricity, calculated using the market-based method.

6.4.2. Consolidated Results (tCO₂e)

Year	Scope 1	Scope 1 (SF ₆)	Scope 2	Total Scopes 1+2
2019	2,964	6,658	4,532	14,154
2020	2,489	7,014	1,151	10,655
2021	3,651	11,750	1,009	16,410
2022	2,778	7,980	1,080	11,838
2023	2,703	4,472	1,020	8,195
2024	3,019	7,396	959	11,374

6.5. Baseline Assessment

6.5.1. Principal Sources of Emissions

- **SF₆**: the largest individual source of emissions at Ormazabal.
- **Natural gas**: used in industrial processes.
- **Non-renewable electricity**: particularly in Mexico, China and certain European facilities.
- **Mobile combustion fuels**: automotive diesel and petrol, with a lower relative contribution.

6.5.2. Developments and Trends

- Reduction in Scope 2 emissions as a result of the transition to renewable electricity in Europe.
- Variability in SF₆ emissions depending on projects and technological substitution.
- Progressive improvements in energy efficiency and electrification.

6.6. Decarbonisation Targets

6.6.1. SBTi Targets for 2030

VELATIA (Including SF ₆)	Base year (2021)	Most recent year (2024)	Target year (2030)	% SBT reduction
Scope 1	15,401	10,415	8,367	46%
Scope 2	1,009	959	585	42%
Total	16,410	11,374	8,952	45%

6.6.2. 2050 Target

- **Climate neutrality**: total Scope 1 and Scope 2 emissions of 1,641 tCO₂e in 2050.

6.6.3. Velatia's 2030 Target – Aligned with the SBTi

Scope	2021 (tCO ₂ e)	2024 (tCO ₂ e)	2030 (tCO ₂ e)	Expected Reduction (%)
Scopes 1+2	16,410	11,374	8,738	47%

6.7. Decarbonisation Action Plan

6.7.1. Principles

- Alignment with the CSRD, ESRS and SBTi.
- Prioritisation of material emission sources, particularly SF₆ and electricity.
- Continuous improvement and annual review.

6.7.2. Principal Measures

- **Progressive phase-out of SF₆**: technological substitution in products as new solutions are introduced onto the market.
- **Transition to renewable electricity**: electricity procurement backed by Guarantees of Origin.
- **Sustainable mobility**: fleet renewal and electrification.
- **Other levers not yet quantified but to be implemented progressively**: energy efficiency through process optimisation and reduced consumption, self-generation and other measures.

6.7.3. Timeline

- **2025–2026**: roll-out of renewable electricity.
- **2027–2028**: technological substitution of SF₆.
- **2029–2030**: consolidation and closure of remaining gaps.

6.7.4. Resources

Technical and R&D teams, CAPEX and OPEX investment, and strengthened climate governance.

6.7.5. Expected Impact

- Absolute reduction of 7,672 tCO₂e between 2021 and 2030.
- An emissions-reduction pathway aligned with the SBTi and climate neutrality by 2050.

6.8. Monitoring, Control and Review

- **KPIs**: absolute emissions and emissions intensity, percentage of renewable electricity, reduction in SF₆ emissions and efficiency.
- **Monitoring system**: annual monitoring, strategic review every two years and external audit.
- **Continuous improvement**: corrective action in response to deviations and methodological updates.

6.9. Communication and Reporting

- **Publication**: an accessible and transparent report prepared in accordance with the CSRD and Royal Decree 214/2025.
- **Integration**: incorporation into the annual report, sustainability report and internal reporting.
- **Stakeholders**: internal and external communication and responsiveness to the expectations of customers, suppliers, regulatory authorities and shareholders.

6.10. Conclusions

Velatia's Decarbonisation Plan establishes a robust, quantified roadmap aligned with regulatory requirements and international best practices.

Achieving its targets will require leadership, investment and cross-functional coordination, placing **Velatia** on a pathway towards climate neutrality and sustainable competitiveness.

7. Independent External Assurance Report on the Non-Financial Information Statement



Informe de verificación independiente

A los socios de Velatía, S.L.:

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera Consolidado (en adelante EINF) correspondiente al ejercicio finalizado el 31 de diciembre de 2025, de Velatía, S.L. (Sociedad dominante) y sociedades dependientes (en adelante Grupo Velatía o el Grupo) que forma parte del informe de gestión consolidado de Grupo Velatía.

Responsabilidad de los administradores de la Sociedad dominante

La formulación del EINF incluido en el informe de gestión consolidado de Grupo Velatía, así como el contenido del mismo, es responsabilidad de los administradores de Velatía, S.L. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards* de *Global Reporting Initiative* (estándares GRI) seleccionados de acuerdo a lo mencionado para cada materia en el Anexo "2. Indicadores GRI" incluida en el informe de gestión consolidado adjunto del citado Estado.

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

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

Nuestra independencia y gestión de la calidad

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

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

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

www.pwc.es

1

PricewaterhouseCoopers Auditores, S.L.
Torre PwC, P.º de la Castellana 259 B, 28046
Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111

R. M. Madrid, hoja M-63.988, folio 75, tomo 9.267, libro 8.054, sección 3.ª
Inscrita en el R.C.A.C. con el número 50242 - NIF: B-79031290

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría o de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

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

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

- Reuniones con el personal de Velatía, S.L., para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.
- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2025 en función del análisis de materialidad realizado por Grupo Velatía y descrito en el apartado "Estrategia de Sostenibilidad", considerando los contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2025.
- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2025.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2025 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los administradores y la dirección de la Sociedad dominante.

Fundamento de la conclusión con salvedades

Grupo Velatía no incorpora en su Estado de Información No Financiera Consolidada del ejercicio 2025 "la remuneración media de los consejeros y directivos, incluyendo la retribución variable, dietas, indemnizaciones, el pago a los sistemas de previsión de ahorro a largo plazo y cualquier otra percepción desagregada por sexo", así mismo no presenta para este indicador la información relativa al ejercicio 2024 exigido por los criterios de comparabilidad exigidos por el artículo 49.G del Código de Comercio. Nuestra conclusión sobre el Estado de Información No Financiera Consolidado correspondiente al ejercicio terminado el 31 de diciembre 2024 contenía una salvedad al respecto.

Conclusión con salvedades

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido, excepto por los efectos de la cuestión descrita en la sección "Fundamento de la conclusión con salvedades", no se ha puesto de manifiesto aspecto adicional alguno que nos haga creer que el EINF de Velatia, S.L. y sociedades dependientes correspondiente al ejercicio anual finalizado el 31 de diciembre de 2025 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados de acuerdo a lo mencionado para cada materia en el Anexo "2. Indicadores GRI" incluida en el informe de gestión consolidado adjunto del citado Estado.

Uso y distribución

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

PricewaterhouseCoopers Auditores, S.L.

Joaquín Guerola Gonzalvez

22 de abril de 2026



ormazabal
velatia

www.ormazabal.com