




REPORT

NON-FINANCIAL STATUS

2023

 GRUPO arania

**Independent Limited Assurance Report on the Consolidated
Non-Financial Statement for the year ended
December 31, 2023**

ARANIA CORPORACIÓN INDUSTRIAL, S.A.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE (CONSOLIDATED) NON-FINANCIAL INFORMATION STATEMENT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of ARANIA CORPORACIÓN INDUSTRIAL, S.A.:

Pursuant to Article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2023, of ARANIA CORPORACIÓN INDUSTRIAL, S.A. (hereinafter the Group) that forms part of the Consolidated Management Report of the Group.

The content of the Consolidated Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in “Annex III: Content required by Law 11/2018 regarding the Statement of Non-Financial Information” in the accompanying NFS.

Responsibility of the Board of Directors

The preparation of the NFS included in the Consolidated Management Report of ARANIA CORPORACIÓN INDUSTRIAL, S.A. and its content, is the responsibility of the Sole Director of the Group. The NFS has been prepared in accordance with the content required by current mercantile regulations and in conformity with the criteria outlined in the selected *Sustainability Reporting Standards of Global Reporting Initiative (GRI standards)*, as well as other criteria described in accordance with that indicated for each subject in “Annex III: Content required by Law 11/2018 regarding the Statement of Non-Financial Information” of the mentioned NFS

The Sole Director is also responsible for the design, implementation and maintenance of such internal control as he determines as necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

The Sole Director is further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with independence and other ethical requirements of the International Code of Ethics for Accounting Professionals (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Our Firm applies International Standard on Quality Management 1 (ISQM 1), which requires us to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team consisted of experts in the review of non-financial information and, specifically, information on economic, social, and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our review has been performed in accordance with the requirements established in the current International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Institute of Chartered Accountants (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower.

Our work consisted in making enquiries of Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and selective tests by means of sampling as described below:

- ▶ Meetings with Group personnel to obtain an understanding of the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analysis of the scope, relevance and integrity of the content included in the NFS for the year 2023 based on the materiality analysis made by the Group and described in section “Materiality assessment”, considering the content required by prevailing mercantile regulations.
- ▶ Analysis of the processes for gathering and validating the data included in the 2023 Non-Financial Information Statement.
- ▶ Review of the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFS.

- ▶ Check, through tests, based on a selection of a sample, the information related to the content of the 2023 NFS and its correct compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the Board of Directors and Management.

Basis for qualified conclusion

The Consolidated Statement of Non-Financial Information does not include, as indicated in the "Annex III: Content required by Law 11/2018 regarding the Statement of Non-Financial Information" required by Law 11/2018, the information on the annual average of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification and the average remuneration by age, information required by the commercial regulations in force on non-financial information.

Qualified Conclusion

Based on the procedures carried out and the evidence we have obtained, except for the effects of the question described in the paragraph "Basis for qualified conclusion", no additional aspect has come to our attention that would lead us to believe that the EINF of the Group for the year ended December 31, 2023 has not been prepared, in all its significant aspects, in accordance with the contents contained in the current commercial regulations and following the criteria of the selected GRI standards, as well as those other criteria described in accordance with what is mentioned for each subject in the "Annex III: Content required by Law 11/2018 regarding the Statement of Non-Financial Information" of the aforementioned State.

Use and distribution

This report has been prepared as required by current mercantile regulation in Spain, thus it may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Nombre del socio/a firmante

July 3th, 2024

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*We're a new style of
steel transformation.*



Mr. Eric Arana

Chairman

In Euba-Amorebieta,
July 2024

Grupo Arania began in 1940. It is currently an industrial corporation made up of more than 1100 people, with four diversified business units, 6 factories, a technology centre and an R&D laboratory, in addition to subsidiaries and offices in multiple countries.

At Grupo Arania we are committed to sustainability as one of the mainstays of our growth strategy. Companies are not immune to the challenges we face as a society, and when these arise, we are convinced that companies can be a source of solutions and clearly contribute to the common good. It is therefore a pleasure for me to present this new non-financial status report 2023. In addition to complying with the ever stricter information requirements, with this report we hope to show our stakeholders the progress we are making in sustainability.

Our commitment to sustainability is slowly gaining recognition among external organisations. The fact that EcoVadis has recognised different Group companies with significant ratings is very satisfying and encourages us to continue in this direction. Aratubo has received the platinum medal, its highest award, only achieved by the top 1% of companies in the sector, AR Racking has received the gold medal, and Arania the silver medal, which is clear evidence of our commitment to the environment, social development and ethical economic growth. It would not have been possible to face all these challenges in 2023 without the daily commitment and dedication of the extraordinary team of people that make up Grupo Arania, to whom I am extremely grateful. As I do like to repeat, "on our own we can only do so much, but together we can do a lot more".

*We believe in people and the strength
of teamwork.*

We are Grupo Arania.



Otzarreta beech wood, Bizkaia.

ORGANISATION AND BUSINESS MODEL

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More than
80 years of
experience

**6 production
plants**

Amorebieta, Galdakao, Vitoria-Gasteiz,
Tudela, Slovakia and Mungia.

**436,000
tonnes**

steel processing capacity
per year.

1,085 people

employed.

80%

average export.



The Group companies

4 industrial sectors

Cold rolling

ARANIA AND LAMINCER

Welded steel pipes

ARATUBO

Industrial shelving

AR RACKING

Metal shelving

AR SHELVING

Presence in more than 65 countries

Production centre in **Slovakia**.

Commercial offices in various countries: **France, UK, Chile, Peru, Colombia, Germany, USA.**

Sales in almost all of **Europe** and **Latin America**.



We are the leading precision cold rollers of steel in southern Europe with over 80 years of experience in the industrial and automotion sectors.

At Arania we base our value proposition on excellence, flexibility and service, all within the framework of business, social and environmental sustainability.

Location

Amorebieta, Bizkaia

Production

90,000 t/year

Employees

173

Installations

28,000 m²

Exports

65%

Commercial presence

30 countries





We are a cold rolling company with almost 40 years of experience, centred on offering excellent service, accessible customer support, flexibility and competitive delivery terms.

We offer the client technical consultancy in all matters related to cold rolled steels.

Location

Mungia, Bizkaia

Production

35,000 t/year

Employees

74

Installations

6,800 m²

Exports

37%

Commercial presence

30 countries

LAMINCER



Note: Lamincer was purchased in December 2023. Data from this company is not considered for the other indicators throughout this document unless expressly indicated.

ARATUBO



At Aratubo we specialise in the manufacture, certification and adaptation of precision-welded steel tubes to meet each customer's specifications.

We are committed to providing a comprehensive service, delivering each final component according to the needs of each individual project.

Location

Vitoria-Gasteiz, Álava-Araba

Production

105,000 t/year

Employees

190

Installations

70,000 m²

Exports

90%

Commercial presence

+25 countries



Note: Inter-company operations are not considered when calculating export data.



At AR Racking, we stand out for our experience in the design, manufacture, calculation and installation of industrial storage systems and metal shelving for a variety of loads, always complying with the most rigorous European standards.

Our leading position in the storage systems industry provides us with in-depth knowledge of our customers' internal logistics needs.

Location

Tudela, Navarre

Production

70,000 t/year

Employees

304

Installations

35,000 m²

Exports

70%

Commercial presence

60 countries

AR RACKING



Note: Inter-company operations are not considered when calculating export data.

AR SHELVING



At AR Shelving we specialise in the design and manufacture of light-load metal shelves, aimed at the hardware and DIY sector. We consider ourselves the ideal ally for DIY retail anywhere in the world.

Location

Galdakao, Bizkaia

Bytča, Slovakia

Production

20,000 t/year

Employees

309

Installations

25,000 m²

Exports

80%

Commercial presence

+40 countries



Note: Inter-company operations are not considered when calculating export data.



Tatra mountains, Slovakia.

1940

Arania began in Bizkaia



1971

New Arania plant in Amorebieta, dedicated to cold rolling, profiles and welded pipes.



1991

Constitution of AR Systems specialising in the light shelving market.

1997

Launch of Aratubo in Vitoria-Gasteiz, Jündiz (Álava-Araba). Specialising in the manufacture of precision-welded steel pipes.

1998

Picking shelves launched by AR Systems.



▼
2000

Comprehensive overhaul of the Arania installations in Amorebieta: New cold rolling mill.

2004

Creation of Arestant in Tudela (Navarra) and the activity of industrial storage systems.

2007

Opening of Arestec technology centre in Zamudio (Bizkaia).



▶ **2009**

Arania receives the Ernst & Young award for best internationalisation.

2015

Grupo Arania receives the Internationalisation Award from Bilbao Chamber of Commerce.

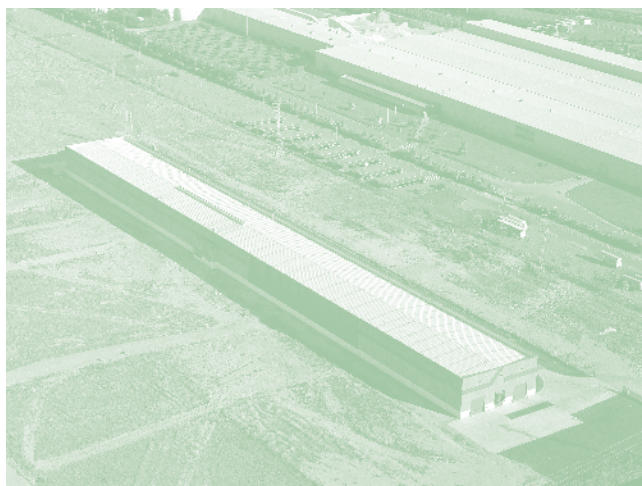


2016

Arania closes an order with Austrian manufacturer Ebner for the supply and installation of bell annealing furnaces.

2017

Expansion of AR Racking's production centre in Tudela to 21,000 m² in 2008, and 35,000 m² in 2017.



2018

Expansion of Aratubo's production centre. 2nd building of 14,000 m² in 2016 and a 3rd of 24,000 m² in 2018.

Inauguration of the AR Lab Research Laboratory at the Mondragon University.

New offices in Peru, Chile, Colombia, France, UK, Belgium and Germany.



2020

Grupo Arania celebrates its 80th anniversary.

2021

Collaboration agreement with the UPV.
AR Racking Research Centre: Storage
Solutions.

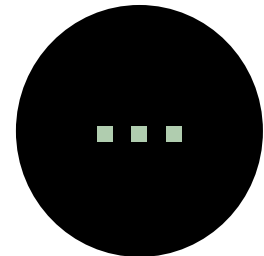


2022

GRUPO ARANIA publishes its Non-
Financial Status Report 2021 (NFSR) for the
first time.

Opening of new USA office of AR Racking
Inc. and AR Shelving Inc. in Charlotte (NC).

On 15 September 2022 the annual
Sustainability Committee announced
the creation of the new Sustainability
Department of Grupo Arania, managed by
Ana Guinea since January 2023.



2023

Arania and Aratubo calculate and verify
their carbon footprint based on ISO
14064:2018 for scopes 1, 2, and 3.

Arania verifies its Product Carbon
Footprint Tool (known as Arania PCF
Tool) in accordance with the principles
of the ISO standard 14067:2018.

Acquisition and incorporation of
Lamincer Precision Steel, S.A.U.

Arania awarded the Sustainability Prize
2023 by the Arbige Enpresa business
association.

Aratubo wins the SEA healthy business
award 2023.

Certifications

GRI 2-29

The ISO: international standards establish a framework for aligning management systems, covering areas such as quality, environmental management, energy, and occupational health and safety. These all encourage a focus on processes, ongoing improvement and integrated risk-based thinking.

The commitment of Grupo Arania's companies to certifying their management systems provides significant advantages. It stimulates ongoing improvement and provides distinction within the market, strengthening the image and generating trust among clients, consumers, shareholders and competent authorities.

In 2023, Arania and Aratubo reached a significant milestone in obtaining the ISO 14064 certification, focusing on the accounting, verification and reporting of greenhouse gases (GHG), providing guidelines for our companies to quantify and manage their emissions and absorptions of GHG.

The accounting of the GHG inventories and the project evaluations and transparent and believable verification processes empower Grupo Arania's companies to better understand and mitigate their environmental impact in the context of climate change.

In addition, it is worth noting that in 2023 Arania secured and verified the first version of its Product Carbon Footprint Tool (also known as Arania PCF Tool) with specialised external help, and in accordance with the principles of ISO 14067.

The tool refers to the direct GHG emissions and the indirect GHG emissions from energy and other indirect GHG emissions from cradle to grave for 1 tonne of flat cold rolled product manufactured in the Amorebieta plant in Bizkaia, Spain.

These certifications back the companies' commitment to reducing their environmental impact and underlines their focus on decarbonisation and business sustainability.



Vineyard in Rioja Alavesa.

Committed to the ongoing improvement of the companies' environmental performance.

ARANIA

ISO 9001:2015
ISO 14001:2015
ISO 14064:2018
ISO 14067:2018
ISO 45001:2018
ISO 50001:2018
IATF 16949:2016

ARATUBO

ISO 9001:2015
ISO 14001:2015
ISO 14064:2018
ISO 45001:2018
ISO 50001:2018
IATF 16949:2016

AR RACKING

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
ISO 50001:2018
ISO 3834-2: 2021
EN-1090-1:2009 (CE marking)

AR SHELVING

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
FSC Chain of custody

Main markets

GRI 2-2 AND GRI 2-6

Grupo Arania is positioned as a notable European leader in steel processing, strengthening its influence in the main global markets, as described below.



Urkiola Nature Reserve, Bizkaia.



COMPANY	PRODUCTS/SERVICES	GEOGRAPHIC SCOPE	CUSTOMERS
ARANIA LAMINCER	High and low-carbon precision cold rolled steel. Alloy and microalloyed steels with high yield strengths.	Spain Europe Mexico South America	Automation Industry Electrical Furniture
ARATUBO	Manufacture of precision welded pipes.	Spain Europe Northern Africa Mexico USA	Integral supplier for automotion Shopfitting Furniture (hospital, office, commercial) Warehousing Logistics (conveyor rollers)
AR RACKING	Design, manufacture, calculation and installation of industrial storage systems and metal shelving.	Spain Europe USA Mexico Central and South America	Food & beverages Automation Pharmacy and cosmetics Large industrial distributors Transport and logistics
AR SHELVING	Design and manufacture of metal shelving for light loads.	Spain Europe USA Mexico Central and South America	Hardware DIY

CORPORATE IDENTITY

GRI 2

MISSION

Grupo Arania, with a history dating back to 1940, is a business conglomerate specialising in the processing and marketing of steel. Its mission is rooted in providing complete, high added value solutions to its customers, and is notable for excellence in the products and services that constitute its operational core.

Through a firm commitment to our human team and the implementation of an advanced management model, we are focused on consolidating our international presence, encouraging innovation and diversifying operations. In addition, we pay special attention to the impact that activities may have on personal development and on the development of sustainable growth.

VISION

Grupo Arania aspires to establish an alliance with all its stakeholders, seeking to share lasting added value even in uncertain settings, with the objective of positioning ourselves as a leader in respect and equality between people, adaptability, ethics in management and contribution to the environment.



Arlobi menhir, Gorbeia Nature Reserve, Alava.

VALUES

Our corporate identity and reputation are based on the following values, which define the nature of our company and guide both internal and external actions.

Honesty

Integrity in our approach

The essential strategy of Grupo Arania focuses on respect for and compliance with standards and individual rights, prioritising these considerations above bold strategies or questionable tactics.

Transparency

Our organisational culture is based on communication and transparent openness with our stakeholders, with the aim of providing the maximum possible clarity. The only limit we establish refers to the need to safeguard confidential information that may represent a risk to our organisation.

Responsibility

Promotion of sustainable practices

At Grupo Arania, a process is under way to identify procedures that may have an adverse impact on the environment. Efforts are made on all levels to mitigate this impact, minimising it wherever possible or eliminating it completely, considering its origin and the availability of viable alternatives.

Supervision of our behaviour

We have a Corporate Sustainability Directorate whose responsibility is to monitor and evaluate the level of sustainability of practices within the organisation, and to propose the corrective action deemed necessary to improve performance in this area.

Occupational safety and prevention

At Grupo Arania, prevention and job safety are priority aspects provided for with the promotion of safe individual conduct, backed by annual training programmes, equipment and advanced processes designed to guarantee the highest level of occupational safety.

Contribution

Relationship with the environment

We drive value generation in our environment through a contracting policy that respects the principles of equality, competition, skills and capabilities. In addition, we back sociocultural initiatives as far as our possibilities and available resources allow.

Cooperation

Integration

In our strategic planning, we recognise, assess and take into account the expectations and suggestions of our stakeholders. We pay special attention to the people that comprise our organisation, as well as our customers and suppliers, whom we consider fundamental allies who are fully involved in our strategic decisions.

Expressed synthetically as leaders in conduct, they are as follows:

PEOPLE

Equality, health and safety, and commitment to individual and collective progress.

MANAGEMENT

Ethics, transparency and honesty.

ADAPTATION

Flexibility and involvement in changing situations.

CONTRIBUTION

Cooperation in and contribution to the achievement of the Sustainable Development Goals (SDG)

NiGuk project

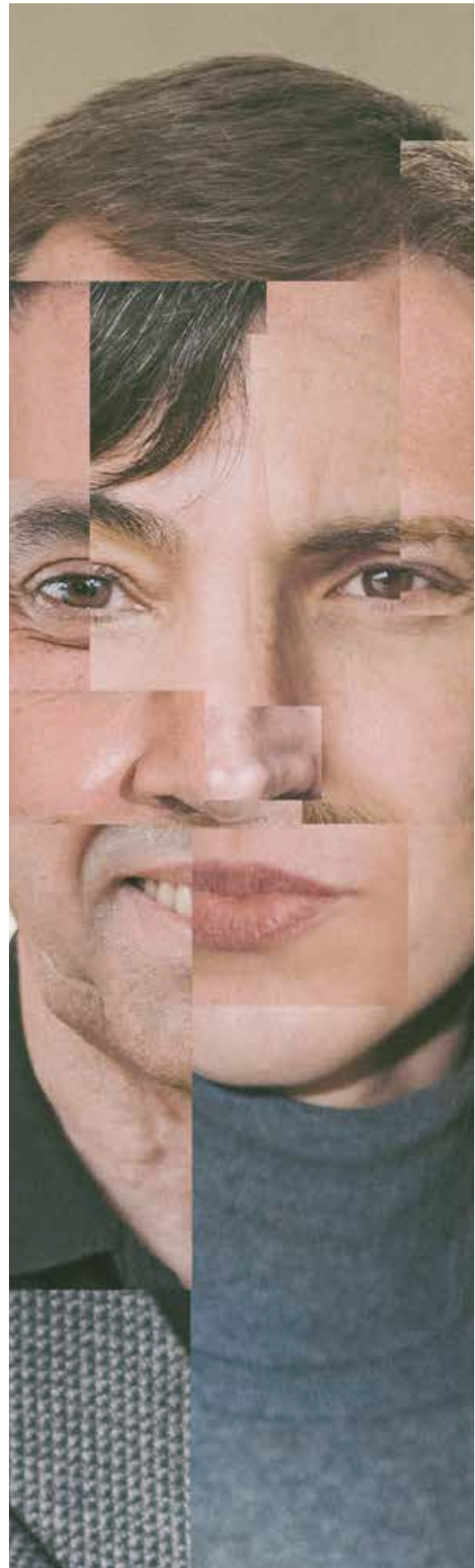
In 2023 we launched the NiGuk project with the purpose of reinforcing a shared corporate identity, with a collective and aligned strategic vision, which guides the principles and values of our business activities and the people that make it possible.

NiGuk began to create a feeling of belonging that:

- Accommodates, cares for and guides the people who make up the Group in its day-to-day activity, and makes us part of a comprehensive project.
- Facilitates and leads the teams of decision makers of the Group's companies in the same strategic direction.
- Allows our stakeholders to identify each person and activity in the Group with the same values.
- Helps unify the history and evolution of the Group: recover and write the history, the present and the future of Grupo Arania.

In conjunction with an external collaborator, it was the communications teams of the four companies that initiated the project, and who are responsible for its implementation and diffusion. The method consists of listening to and reflecting on, through different Group dynamics, the ideas, feelings and self-judgement within the Group and with respect to Grupo Arania.

In 2024 we are still consolidating the project and formalising a roadmap to continue our efforts toward a collective, inclusive corporate identity.





1st session: history and values.



2nd session: define actions.



3rd session: involve.



4th session: define and raise awareness.



Business plan 2023-2026

Flexibility and efficiency framed by sustainability

2023 was characterised by the need for adaptive flexibility to take on the changes in pace and maintain the competitiveness required by the market. Grupo Arania, in addition to its current goals focused on safety, quality and efficiency, which involve improvements to installations and processes and the implementation of automated systems, is incorporating new challenges of digitisation and sustainability, notably the reduction of CO2 emissions as a central part.

Within a volatile world marked by uncertainty and rather bleak economic prospects for 2023, our DNA still holds the determination to face the future with more ambitious projects that prepare us for significant demand in the medium term. This is accompanied by a strategy under way to explore new sectors and markets. We are in an era of transformation and opportunity, where Grupo Arania seeks to continue its growth, consolidating the fundamental values of the Group: commitment to sustainability, quality and excellence to maintain our place as leaders in the sector.

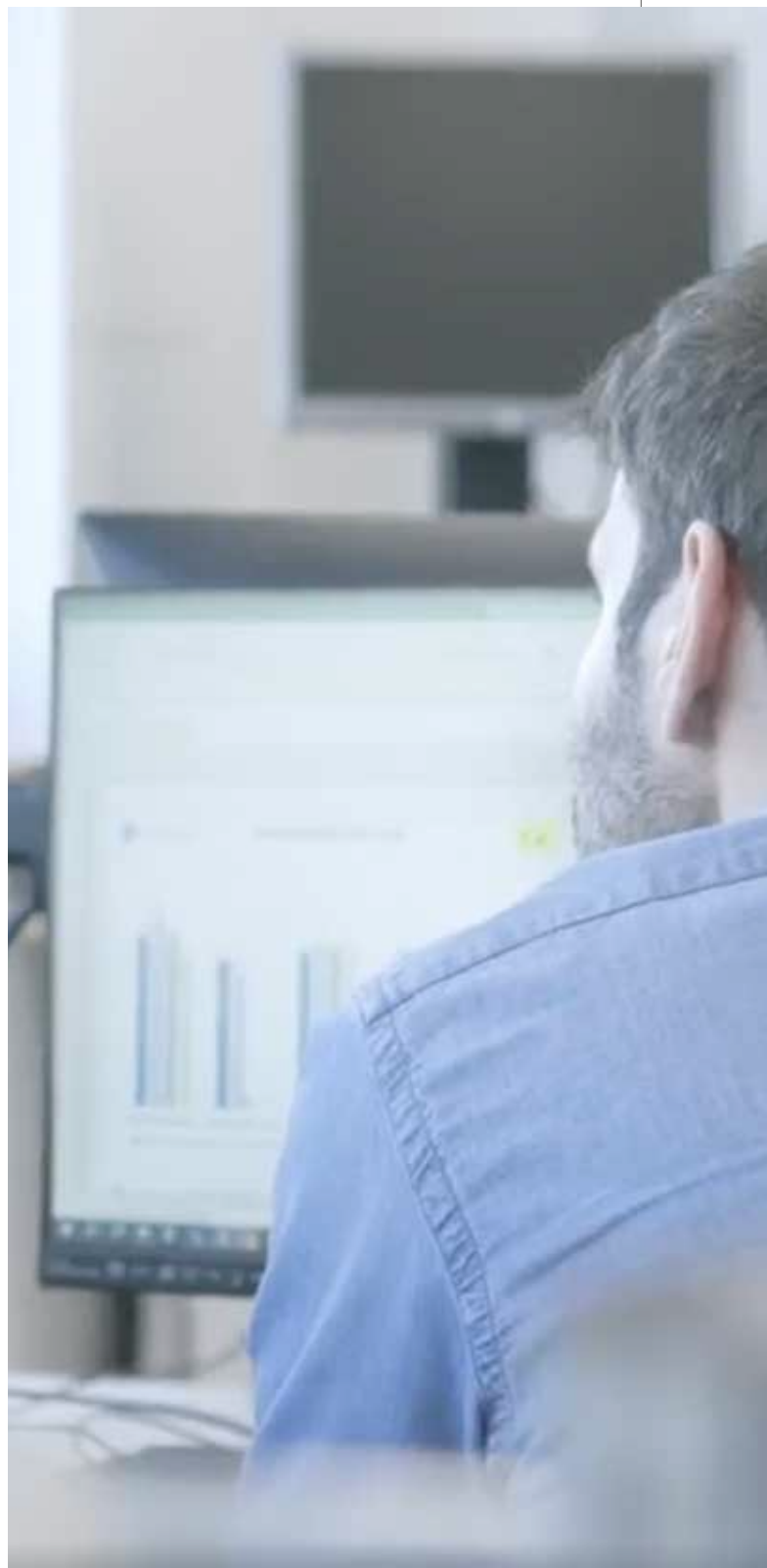
The coming years will present substantial challenges, amplified by an unpredictable world, which will require flexible relationships with customers, suppliers and the workforce to guarantee continuity of growth and ongoing improvement in quality. We will continue to drive technological transformation and digitisation, as well as persisting in our efforts to meet the goals of energy efficiency and reducing carbon emissions.

Digitisation and artificial intelligence

In 2023, Grupo Arania began an innovative project that used artificial intelligence (AI) and advanced analysis techniques to predict energy consumption in real time on its manufacturing lines. This project was developed in various stages:

- 1/ More than 250 process variables were identified, some known and others previously unknown, that affected energy consumption.
- 2/ Through regression techniques and drawing up a decision tree, the interdependence between the variables was determined, its impact on processes and its contribution to energy consumption.
- 3/ With this information, an algorithm was developed and a model was trained to predict the energy consumption of each reference according to the manufacturing line and all the relevant parameters.
- 4/ A concept test was conducted that made it possible to identify patterns of use for each reference, which could then be compared to real consumptions. This allowed us to analyse deviations and establish preventive maintenance to avoid downtime in operations and guarantee product quality.

We continue to be proactive when integrating and developing solutions based on Industry 5.0 in our day to day work, on



both product development and manufacture. We have a working group that identifies all the challenges related to manufacturing and new materials that we could resolve with technology 5.0.

It is also important to note the automatic warehouse in the Arania plant, which began in 2022 and continues in 2023. It is an innovative logistics solution developed by our in-house engineering department, in collaboration with different divisions of the Group, with participation from leading companies in the sector of digital technology and automation. It places us in an unbeatable situation to take on similar processes at other facilities. During the year we have continued to study the feasibility of extending the innovative solution to the other factories of the Group.

Since 2022, Grupo Arania has been part the Basque ecosystem of Artificial Intelligence when Aratubo became a member of BAIC, the Basque Artificial Intelligence Center. Through collaboration between the public and private sector, the ecosystem basically seeks to raise the business competitiveness of the Basque Country by implementing various initiatives in different areas of activity. Grupo Arania actively participates in two groups of skills and talent of the

association, in which we deal with the roles, aptitudes and training of the AI, and work actively in the projects group, in which we identify different case studies, technological partners and strategic projects to develop collaboratively.

Intermodality in transport

In 2023 Grupo Arania companies maintained their firm commitment to intermodal transport which currently has a share of 30%. Our focus centres on continuing to reduce our carbon footprint to align with sustainability goals, while developing alternative capacities to mitigate the challenges that stem from the shortage of professional drivers in the transport sector.

In addition to intermodal transport, the supply of raw materials by railway and ship plays an important role in the sustainable logistics chain of Grupo Arania in Europe. These efforts will continue throughout 2024, in which a significant milestone will be the project related to opening a buffer warehouse in Germany, with a focus on railways, and that replicates the model already in use in Italy.





Aiako Harria Nature Reserve, Gipuzkoa.

INNOVATION

The incorporation of Sustainable Development Goal (SDG) No. 9: Industry, Innovation and Infrastructure in Grupo Arania's business model, in conjunction with the various associated goals, frames the structural management of innovation aimed at tackling the main challenges of our sector.

Improving production efficiency through automation and continual improvement programmes, as well as the continuous investment in R&D+i to remain at the forefront of technology and product in each of our businesses, are two fundamental mainstays to strengthen our competitiveness over the competition.

Strategy and goals for innovation

The evaluation and development of innovation projects at Grupo Arania includes the focus of social responsibility, giving rise to the creation of products that directly affect energy efficiency and, therefore, CO2 emissions, a primordial goal in the European Union's energy strategy for the next decades.

All of the projects entail a number of benefits that directly affect the environmental conduct of the companies in Grupo Arania, as they are more efficient in terms of energy and use of resources and raw materials. This results in the minimisation of waste materials and energy due to more efficient production processes, which leads to a significant reduction in waste, CO2 emissions and pollution in general.

These practices have a positive effect on personnel as they reduce risks and accidents during production, as well as considerably lowering stress and the workload to which they are exposed.

Potential of the environment for innovation

To promote joint training and development in the field of innovation, we actively collaborate with various stakeholders, such as clients, suppliers, clusters, universities, research centres, technology centres and business associations.





Innovation in products and processes (R&D+I)

The SPRI research and development (R&D) support programme with Hazitek has continued, incentivising research and development projects through subsidies intended to provide the resources required for industrial research and experimental development. In 2023, the innovation projects can be classified in two broad distinctive categories: Research and development into new products, and simulations, predictive models and optimisation. The projects in both categories promote and demonstrate the measures under way to minimise emissions, pollution (noise and light) and energy consumption.

Research and development into new products

Project: Rad+

Objective: Second year (*) of the project focused on making motor vehicles lighter.

Project: NoS-B

Objective: Manufacture, assembly and use in an automated environment.

Project: LOWHC

Objective: Development of electrical steels.

Project: AHSS

Objective: Second year (*) of the project focused on the development of steels with properties typical of third-generation steels.

Project: GOHT

Research into more energy efficient in-line heat treatment techniques to reduce the carbon footprint of cold rolled steel.

Collaborative innovation project

The project consists of developing a collaborative innovation project or catalysing process driven by leading companies that covers innovation needs and challenges, with the objective of attracting and accelerating startups in Bizkaia.

Photovoltaic self-supply

Project under the incentive programme related to self-supply and storage, with renewable energy sources, as well as the implementation of renewable thermal systems in the residential sector within the framework of the Recovery, Transformation and Resilience Plan, funded by the European Union.

Simulations, predictive models and optimisation

Project: ACPRESS

Objective: Using simulations to predict the behaviour of materials

Project: PILAR

Objective: Developing a model to simulate mechanical properties.

Automated, digitised production line

In 2023 we continued to optimise our production lines with digitisation. This included recording the signals and parameters of the whole manufacturing process for alignment in temporary series and subsequent analysis of manufacturing. In addition, projects have been launched to improve the logistics and traceability of raw materials and products, and to automate quality control.

Digital transition and green programme

Smart automation of the movement of materials in the Amorebieta plant, Bizkaia. This project was partly subsidised by European funds for innovation.

Optimisation of processes and patents

Throughout 2023, the different companies that make up Grupo Arania continued to work on patenting innovative solutions and optimising existing products with isolated recalibrations and industrial redesign.

Optimisation in energy consumption

Measures continued in the plants to reduce energy consumption, including:

- Replacement of less efficient compressors with more advanced and efficient models.
- Replacing obsolete starters and motors with variable frequency units and motors with better efficiency.
- Changing conventional lighting for LED technology in production areas and offices.

SUSTAINABILITY STRATEGY

GRI 2-23

Since 2015, with the introduction of the Grupo Arania Code of Conduct and Responsible Practices (available in the People section of our website grupoarania.com), we have highlighted the importance of managing intangible aspects, cultivating a corporate culture rooted in values shared by all collaborators and establishing a sustainable management model as its mainstay.

Grupo Arania's sustainability strategy is based on a corporate culture that backs its market value proposition and is key to differentiating ourselves and prospering. This culture, known as the "Grupo Arania spirit" in previous statements, is also reflected in the definitions of our Mission, Vision and Values.



Detva region, Slovakia.



Sustainability, viewed as an essential contextual component, in conjunction with the lessons learned, the necessary alignment with the 2030 Agenda and the Sustainable Development Goals (SDG), as well as the recent Group restructuring process and its presentation as a consolidated entity to be more dynamic, efficient and transparent, lead us to reaffirm our commitment to an ESG focus: Environmental, Social and Governance.

Commitment to good practices,

based on integrity and ethics.

Commitment to people,

guaranteeing equal treatment and opportunities in the workplace and in working conditions. In addition, we make an effort to facilitate the development of competencies and skills that allow employees to fulfil their assigned responsibilities and functions efficiently. We aspire to promote the progress of everyone, according to objective criteria based on their merits and experience.

Commitment to the environment,

adopting environmental protection as a fundamental component and playing an active role in the development of the values associated with sustainable development, even beyond the requirements of the current legislation.

Commitment to society,

based on the principles of collaboration and transparency and on providing resources to facilitate the social and occupational integration of disadvantaged groups.

Living Sustainability arises from the analysis of the needs and expectations of our internal stakeholders, in particular our collaborators, and our external stakeholders related to our operations in some way. This concept covers all the actions carried out within the framework of our sustainability strategy, including aspects of corporate governance and economic, social and environmental areas within Grupo Arania.

Living Sustainability

Living Sustainability represents all the actions that we conduct within Grupo Arania's sustainability strategy and demonstrates our involvement with the Sustainable Development Goals set in the 2030 Agenda and with the 10 universal principles of the UN.

Environmental Responsibility

SDG: 6, 7 and 13

- Certification ISO 14001: Environmental management system.
 - Certification ISO 50001: Energy management system.
 - 100% use of electricity from renewable sources and photovoltaic panels (self-supply).
 - Calculation and external verification of the Organisational Carbon Footprint (scope 1, scope 2 and scope 3) and that of the product.
 - Environmental product declaration (EPD).
 - Circular Economy: reduction, reuse and recycling of consumption and waste.
 - Digitisation to reduce environmental impacts in production.
 - Intermodal transport.
-



Social Commitment

SDG: 3, 5 and 17

- Global Compact Partners: Commitment to the 10 universal principles.
 - Promotion of and respect for human rights.
 - Certification ISO 45001: Occupational Health & Safety System.
 - The organisation's health footprint.
 - Effective equality plan between men and women.
 - Professional development: Continuous training.
 - Internal communications.
 - External social actions: Culture and inclusion.
-

Governance and Sustainable Economic Growth

SDG: 8, 9 and 12

- Governance: Culture of sustainability, risk management and opportunities.
 - Corporate Social Responsibility: Active and voluntary contribution to sustainability.
 - Integration of the SDG in strategy.
 - Responsible communication and reports: Global Compact, sustainability report, EcoVadis, SAQ5.0, and audits.
 - Ethical business practices based on the Code of Conduct.
 - Cybersecurity: Prevention and trust for stakeholders.
 - Responsible innovation, making a positive contribution to the economic, social, and environmental field.
 - Due diligence: identify, prevent, mitigate and be accountable for our own negative impacts and those of our commercial partners.
-



Irurrekaeta waterfall, Arce Valley, Navarre.

COMMITMENTS TO STAKEHOLDERS

GRI 2-23

With the aim of meeting the needs and expectations of all groups involved in the operations of Grupo Arania, it is important to highlight some of the aforementioned commitments in the Sustainability Strategy.

Shareholders

The Grupo Arania project transmits confidence as it fully backs the fundamental good practices of integrity and ethics. It seeks to reinforce the balance between the legitimate profitability of the investment and sustainable business strategies that are respectful of the various stakeholders.

Directors

Implement suitable internal and external control mechanisms to ensure compliance, by both staff and the organisation as a whole, of the guidelines and recommendations of Integrated Management System and Code of Conduct.

Promote effective equal opportunities and treatment in access to employment and in working conditions.

Ensure a comprehensive occupational safety and prevention system that contemplates suitable measures to prevent unnecessary risks in the workplace.

Facilitate the work-life balance of employees.

People

Maintain confidentiality of the data and information resulting from the operations of Grupo Arania.

Communicate immediately and transparently any internal situation or behaviour that is not in line with the values, integrity and ethics that sustain the activities of Grupo Arania.

Abstain from participating in actions that could entail an undue advantage toward customers or suppliers, which could compromise the principle of fair competition, regardless of any type of compensation offered.



Customers

Disseminate and share the Code of Conduct with all customers as an expression of our commitment to sustainability.

Provide our customers with transparent and easily understandable information on the conditions of negotiation and characteristics of the products and services, including relevant aspects such as the useful life and recovery and recycling options.

Reject sales proposals that are not viable for Grupo Arania, whether this is because we cannot guarantee maximum quality or because it could bias fair competition by receiving unregulated profits, such as commissions, bonuses or incentives from the customer.

Encourage a culture of sustainability among all customers as an integral part of our relationship and the creation of value within a solid collaboration alliance.

Suppliers

Transmit and share this Code of Conduct with all suppliers as part of our commitment to sustainability from Grupo Arania.

Standardise suppliers with the inclusion, to the extent possible, of sustainability criteria such as the origin of raw materials, respect for human rights and the implementation of measures against corruption.

Competitors

Grupo Arania participates in competition at both national and international level, complying with the diverse regulations in force that ensure fair competition, avoiding practices such as price fixing, market division and the abuse of dominant positions.



Collaborators

Transmit and share the Code of Conduct to all employees as part of Grupo Arania's commitment to sustainability.

Urge people to adopt sustainable and respectful practices towards people and the environment, and guarantee the integral protection of information and intellectual and industrial property to which they may have access due to their relationship with Grupo Arania.

Social setting

The relationships established through Grupo Arania with the various participants, organisations and institutions, on a local, national and international level, shall be based on the principles of collaboration and transparency. Resources will be provided for collaboration agreements with local institutions, especially those aimed at the incorporation into the labour market of disadvantaged groups.

Participation in development projects and programmes that have public funding will be managed with maximum transparency and justification of investment to meet the established objectives.

Environmental setting

Grupo Arania has implemented a culture of ongoing improvement that is reflected in its quality and environmental policies, backed by various certifications that guarantee that the management will go way beyond requirements established by the Administration.

In its interactions with stakeholders, Grupo Arania adopts a proactive role in transmitting values linked to sustainable development.



MATERIALITY ASSESSMENT

GRI 3

Grupo Arania continually determines the impact of its activities with regard to its ESG focus, aiming to achieve the best results in a sustainable and balanced manner for all its stakeholders. This is based on its sustainability strategy and actively listening to the needs and expectations of these stakeholders to enable it to adapt to the changes in the environment.

The impacts are identified and assessed using systemised mechanisms through the various references and international standards that Grupo Arania assumes voluntarily, certified by entities accredited for this purpose. The certifications ISO 9001, ISO 14001, ISO 45001 and ISO 50001 are fundamental tools in this process.

To prioritise actions, self-diagnostic reflections are made with participation from different groups and this internal vision is contrasted with publicly recognised entities. The selection and weighting of material topics is based on the deployment of the “Value for People Model” and the Leadership Model, as expressed in the “Commitment to our people” section of the corresponding report.

Participation in selection and weighting of material topics involves some of our internal stakeholders such as Directors and Staff assigned specific leadership. The participation of representatives of external stakeholders is expected to be gradual, led by the new Sustainability Directorate.

In 2023, Grupo Arania began to work on developing its double materiality with external specialists in corporate sustainability, to approach the financial aspects as well as environmental, social and governance. We intend to formalise it and establish an ESG roadmap in 2024.

This comprehensive focus entails a deeper understanding of how our company's decisions impact its financial results as well as society and the environment.

In addition, we are actively working on preparing ourselves for the Corporate Sustainability Reporting Directive (CSRD), which represents a significant milestone in the standardisation and transparency of information related to sustainability.

These initiatives indicate the company's commitment to creating long-term value, corporate responsibility and a positive contribution to society and the environment.

Impact identification and evaluation

Risk management and the identification of significant aspects in safety, occupational health and environment, as well as energy management through ISO certifications, are consolidated practices throughout Grupo Arania.

The commitments of the Code of Conduct and Good Practices also comply with the Principle of Due Diligence as a preventive measure against economic globalisation and consider respect for human rights and the fight against corruption and bribery.

The material topics selected in the sustainability report last year are included again in this report. In addition, the regular strategy appraisals, and the SWOT analysis of the strategy and processes of each of the Grupo Arania company plans have improved the identification of material topics.

The internal vision has been compared with the methods used by the Global Compact Spanish Network in the document “Contribution of Spanish companies to the EU's sustainable development strategy 2030”, which expresses the level of implementation of aspects related to the SDG among Spanish companies.

The choice of this reference has taken into consideration the number and type of entities that participated in the consultation and the panel of experts involved. Using this, three blocks of Material Topics have been established, classified by ESG type.

SCOPE GOVERNANCE	SCOPE ENVIRONMENT	SCOPE SOCIAL
1 Corporate policies of sustainability, human rights and anti-corruption	Decarbonisation and reduction of CO₂ emissions	Promotion of health and welfare in the workforce
2 Evaluation of suppliers with environmental and social criteria	Measurement of carbon footprint and use of renewable energy	Development of the people management model
3 Certification of management systems for an integrated focus on risk management	Responsible management of natural resources and waste	Promotion of leadership and talent retention
4 Innovation, digitisation and cybersecurity	Alignment of activities and processes to the European Taxonomy	Alliances with universities and other knowledge management entities



Peak of Gorbea mountain, Álava.

ORGANISATION AND BUSINESS MODEL
MATERIALITY ASSESSMENT

Each of the fields of the Material Topics identified have been linked to their impacts, both positive and negative. For the negative impacts, the attributes of severity and probability have been considered, and for the positive, their scope and degree of benefit.

CODE	SCOPE GOVERNANCE	NEGATIVE IMPACTS	POSITIVE IMPACTS
G1	Corporate policies of sustainability, human rights and anti-corruption	Absence of explicit references to commitments to stakeholders.	Awareness-raising for stakeholders and management framework for definition of the goals and objectives of compliance and improvement in legislative and regulatory fields.
G2	Evaluation of suppliers with environmental and social criteria	Uncertainty and risks in the supply chain with impact on deadline fulfillment and customer loyalty.	General confidence in the long-term relationships and improvement of corporate image.
G3	Certification of management systems for an integrated focus on risk management	The lack of unified criteria for approaching risks and opportunities blurs the efficacy of the planned resources and is a source of constant uncertainty regarding the success and continuity of the company project.	The management approaches based on our stakeholders' needs and expectations facilitate taking action and proper resource planning to minimise incidents and potential harm in case of unforeseen events.
G4	Innovation, digitisation and cybersecurity	Obsolescence of processes, products and systems with the consequence of damaging the brand image and market positioning.	Improvement in competitiveness, confidence for business continuity and safeguarding of critical information.

ORGANISATION AND BUSINESS MODEL
MATERIALITY ASSESSMENT

CODE	SCOPE ENVIRONMENT	NEGATIVE IMPACTS	POSITIVE IMPACTS
M1	Decarbonisation and reduction of CO2 emissions	This entails a focus contrary to the international sustainability strategies and compromises business continuity.	General opportunities to deploy innovation activities and improve the efficiency of production processes.
M2	Measurement of carbon footprint and use of renewable energy	The international situation has demonstrated the vulnerabilities of using fossil fuels, the volatility of prices and their significance in the reduction of GHG emissions.	This enables the quantification of production processes throughout the value chain and taking measures to improve energy efficiency and significantly contribute to mitigating climate change and the efficiency of operational costs.
M3	Responsible management of natural resources and waste	The severity of irresponsible management of natural resources and waste generated impacts breach of legislation and exposure to administrative and penal sanctions.	It is the basis for improving the efficiency of production processes with good visibility for the brand image, generating strong corporate cohesion with all our stakeholders.
M4	Alignment of activities and processes to the European Taxonomy	Possible contribution to significant damage to some environmental sustainability objectives.	Contribution to achieving the environmental objectives of the European legal framework on sustainability.

ORGANISATION AND BUSINESS MODEL
MATERIALITY ASSESSMENT

CODE	SCOPE SOCIAL	NEGATIVE IMPACTS	POSITIVE IMPACTS
S1	Promotion of health and welfare in the workforce	This is compulsory to minimise incidents and accidents that may generate irreversible risks.	This generates cohesion both in the closest circle of the workforce and in the neighbouring social community, taking on the reputation of a "role model" to imitate.
S2	Development of the people management model	Insufficient uniform criteria to consolidate the shared vision of the company project.	Systematisation of the key elements of people management, from incorporation to professional career development and recognition.
S3	Promotion of leadership and talent retention	Inefficient management structure with bottlenecks for decision-making.	The management approaches based on our stakeholders' needs and expectations facilitate taking action and proper resource planning to minimise incidents and potential harm in case of unforeseen events.
S4	Alliances with universities and other knowledge management entities	This can generate frustration and lead to loss of talent.	Reinforces corporate commitment and brings visibility to corporate policies on equal opportunities, improving the efficiency of training resources, learning and generation of innovative ideas.

As a final result of the selection and prioritisation process for the material topics, the following are notable:

Priority issues

These four aspects represent critical areas where Grupo Arania attributes a high level of importance in terms of impact on business performance, with values above 80 out of 100, and its influence on the Sustainable Development Goals (SDG), with scores above 50 out of 100.

- 1 Implementation of certified management systems for comprehensive risk management.*
- 2 Commitment to decarbonisation and the reduction of carbon dioxide emissions.*
- 3 Development and implementation of corporate policies centred on sustainability, human rights and the fight against corruption.*
- 4 Fostering of employee health and well-being.*



ORGANISATION AND BUSINESS MODEL
MATERIALITY ASSESSMENT

MATERIAL TOPICS (classified by ESG area)	CODE	SIGNIFICANT IMPACT ON THE MANAGEMENT AND RESULTS OF GRUPO ARANIA (0 to 100, intervals of 5)	SIGNIFICANCE FOR THE GI (0 to 100, intervals of 5)
GOVERNANCE			
Corporate policies of sustainability, human rights and anti-corruption	G1	80	60
Evaluation of suppliers with environmental and social criteria	G2	74	50
Certification of management systems for an integrated focus on risk management	G3	90	60
Innovation, digitisation and cybersecurity	G4	65	40
ENVIRONMENT			
Decarbonisation and reduction of CO₂ emissions	M1	90	70
Measurement of carbon footprint and use of renewable energy	M2	60	50
Responsible management of natural resources and waste	M3	75	30
Alignment of activities and processes to the European Taxonomy	M4	50	40
SOCIAL			
Promotion of health and welfare in the workforce	S1	75	40
Development of the people management model	S2	80	60
Promotion of leadership and talent retention	S3	75	50
Alliances with universities and other knowledge management entities	S4	75	40



GOVERNANCE

58	Ownership and legal form
60	Corporate and management structure
62	Code of conduct and risk management
66	Due diligence and general scheme of risks
76	Information on respect for human rights
78	Information on the fight against corruption and bribery

GRI 2-1, GRI 2-9, GRI 2-11, GRI 2-13 AND GRI 2-14

OWNERSHIP AND LEGAL FORM

GRI 2-1, GRI 2-9, GRI 2-10 AND GRI 2-11

ACI (Arania Corporación Industrial) with its head office in Euba-Amorebieta Spain (Ctra. N-634 km 88 48340) is a public limited company; on 31 December 2023 its share capital amounted to 11,988,328 euros, divided into 1,498,541 shares with a nominal value of 8.00 euros each.

The shareholders are:

Eric Arana Lahitte

Holder of 819,485 shares that represent 54.69%

International Steel Business, S.A.

Holder of 679,056 shares that represent 45.31%



Bardenas Reales, Navarre.

CORPORATE AND MANAGEMENT STRUCTURE

GRI 2

The recent consolidation of GRUPO ARANIA is shown in the following diagram:

ARANIA CORPORACIÓN INDUSTRIAL S.A.

ARANIA S.A.U.

LAMINCER PRECISION STEEL, S.A.U.

ARATUBO S.A.U.

AR SHELVING S.A.U.
AR SHELVING S.R.O.

USA
AR Shelving INC

AR RACKING S.A.U.

Colombia
AR Storage Solutions SAS

Germany
AR Racking GmbH

Chile
AR Sistemas de almacenaje Limitada

USA
AR Racking INC

Peru
AR Racking Perú SAC

United Kingdom
AR Racking Limited

Arania Corporación Industrial S.A. is the head of the Group regulated by its articles of association.

The foundations for governance are as follows:

- Delegation of the daily management of the Group to the executive team.
- The four business lines assume the executive responsibilities in a decentralised, autonomous manner, and the effective management of each production plant.

The structural design is based on the centralised corporate functions of governance and control, which can be consulted in the Organisational Chart of Responsibilities. In this context, the Chairman of Arania Corporación Industrial holds primary responsibility for supervising the management, the institutional representation of the Group and the leadership and promotion of the Group strategy and its transformation process.

Organisational chart of responsibilities

Family-owned capital Group, independent

Grupo Arania is one of the European leaders in the area of steel processing



CODE OF CONDUCT AND RISK MANAGEMENT

GRI 2-15, GRI 2-16 AND GRI 2-23

With the objective of standardising the different perceptions regarding values and commitments, a document named the Grupo Arania Code of Conduct and Responsible Practices has been maintained since 2015. This code seeks to strengthen links with our stakeholders offering a transparent view of the values and commitments, in addition to acting as a guide to conduct in business activities.

It is crucial to understand that the Code of Conduct is not merely a declaration of intentions, nor a superficial improvement in social terms for our stakeholders. It has been designed as an instrument to promote transparency and honesty toward these groups, where sustainability is considered a central element in an advanced management model.

In 2023, we began to update our Code of Conduct and Responsible Practices to reflect the current pressures and needs of society and companies, and we expect to approve them in 2024. In addition, with the approval of the project related to compliance with penal regulations in 2023, our objective is to continue improving the responsible practices within the Group activities.

The Grupo Arania Code of Conduct and Responsible Practices is available to access on the website grupoarania.com/personas, thus providing extensive visibility and accessibility for all interested parties.

Internal bodies and control and verification procedure

Corporate Sustainability Committee

The Corporate Sustainability Committee has the authority to act under their own initiative and when asked to do so by any person or organisation related to Grupo Arania in the development of their professional activity.

The responsibilities of the Corporate Sustainability Director include:

- The internal communication of this Code of Conduct to all Grupo Arania staff.
- External communication with customers, suppliers and colleagues, either directly or through people that maintain a close, trusting relationship with these stakeholders.
- Collection, analysis and response to all matters that affect the application of the Code of Conduct, informing the CSR Committee of all discrepancies identified.
- Consultancy for the heads of different departments on corporate sustainability matters.
- Supervision and evaluation of indicators related to sustainability in Grupo Arania.

Sustainability Committee

The main function of the Grupo Arania Sustainability Committee is to encourage and promote an organisational culture rooted in CSR, establishing a distinctive identity for the whole Group regarding responsible practices. The Committee intends to schedule three ordinary meetings per year, although it may also meet extraordinarily at any time if the issues to cover are urgent.

The composition of the CSR Committee is as follows:

Chairman

Managing Director

Sustainability Director

Procedure

Any individual has the right to contact the Sustainability Directorate to express complaints, suggestions or other pertinent considerations, in the event they perceive any breach of the Code of Conduct.

The process entails a verbal or written communication to the Sustainability Committee, which shall maintain maximum confidentiality of all information received. In addition, it has the authority to interpret and resolve any situation that may be in conflict with the principles of the Code of Conduct.

All matters posed will be attended to and the person who initiated the process will be notified. The Sustainability Directorate will also inform the CSR Committee of all matters handled, to permit a fluid exchange of information.



Internal communications

CSR represents a fundamental value that we wish to share with all members of our organisation. In this regard, communication must be transparent, providing sufficient information and fostering greater participation in decision-making.

Everyone who is part of Grupo Arania has the responsibility to comply with the Code of Conduct, as its primary objective is to ensure that the Group's practices are based on honesty, integrity and sustainability, essential elements of our corporate reputation.

The CSR Committee is responsible for providing the communication channels necessary to the whole Grupo Arania workforce to facilitate optimum understanding and application of the Code of Conduct.

External communication

The commitment to transparency is also communicated to our external stakeholders through the Code of Conduct. As it is a publicly accessible document, it reflects our willingness to reveal our actions and resources openly, as an act of responsibility toward our community.

Any contribution, suggestion or clarification related to the Code of Conduct should be directed to the Sustainability Directorate. The Code of Conduct is available for all Grupo Arania stakeholders through the usual communication channels.



DUE DILIGENCE AND GENERAL SCHEME OF RISKS

GRI 2-25

The alignment of Grupo Arania with the principle of due diligence as a preventive mechanism is expressed in the declarations of the Code of Conduct and in the implementation of its duly documented and certified Management Systems.

The aspects related to respect for human rights and the fight against corruption and bribery are defined in Law 11/2018, which acts as a reference framework for this report. These aspects are covered specifically in the Code of Conduct, which establishes the management approach and the actions necessary for its prevention and monitoring.

GOVERNANCE
DUE DILIGENCE AND GENERAL SCHEME OF RISKS

It is important to indicate that Grupo Arania is currently in a Group-wide process of drawing up and consolidating policies, as each company in the Group currently has their own. This will enable a more holistic application of the policies and a joint short and long-term effort in terms of due diligence.

In areas such as quality, environmental management, energy, and occupational health and safety, specific declarations will be made that back the definition of quantifiable goals and objectives, as well as the allocation of resources to achieve them. This reflects Grupo Arania's commitment, within its capabilities, to identifying and evaluating possible adverse risks, and adopting policies and measures intended to stop, prevent, mitigate, monitor, disclose, tackle and repair these risks, explaining the process involved in each case. We analyse the macro- and microenvironments, which are formalised in our documented Management Systems. Using these analyses, we determine the general algorithm of the risks managed during the period covered by this report.

With a view to the future, Grupo Arania is firmly committed to adopting proactive measures in chronic and acute risk management, recognising the significance of anticipating coming challenges. In this regard, a double materiality assessment will be conducted and exhaustive mapping strategies will be implemented that identify and assess both lasting risks and those emerging throughout 2024. In addition, alignment with the standards of the Task Force on Climate-related Financial Disclosures (TCFD) will be prioritised, thus strengthening transparency and informed decision-making regarding the impacts of climate change. These two points will be worked on with external support specialising in corporate sustainability and climate change.

These actions reflect our commitment to sustainability and resilience, demonstrating a progressive and responsible vision of the future of our company and of the planet.

The general algorithm of risks managed during the period covered by this report, based on the results of the analyses conducted up to now, is the following:

Financial risks

Operational risks

Cybersecurity risks

Risks of environmental impact

Risks related to occupational health and safety

Financial risks

Financial risk management is concentrated in the Financial Management department, which has the essential procedures for monitoring exposure to fluctuations in credit, cash flow and exchange rate risks. The main financial risks that affect the company are listed below:

Credit risk

In general terms, the cash flow and equivalent liquid assets are maintained in financial institutions with high credit ratings. In addition, a significant part of the accounts receivable from clients are covered by insurance, bank guarantees and other similar guarantees. These amounts are recorded in the balance sheet net of any provisions for possible insolvencies, which are estimated by the Directors of each company considering the experience of previous financial years and the evaluation of the current economic climate.

The Group does not face significant exposure to credit risks, as exposure is diversified between a large number of considerations and clients.



Liquidity risk

Prudent liquidity risk management entails maintaining a satisfactory level of cash and negotiable values, as well as having access to financing through committed credit lines and the ability to settle market positions.

Meticulous control of working capital, avoiding excessive risk concentrations in financial institutions, and the constant monitoring of the levels of indebtedness and generation of funds allow effective management of the business' liquidity risk. Special attention is paid to various key aspects:

- **Liquidity of cash assets**, carried out with very short timelines.
- **Diversification of maturing credit lines and control of financing and refinancing.**
- **Monitoring** of the remaining life of lines of financing.
- **Diversification of sources of financing**, with banks being the most significant due to their accessibility and competitive cost compared to other alternatives.

To guarantee cash flow and fulfill all payment commitments, Grupo Arania has cash at bank and in hand specified on the balance sheet, as well as the lines of finance described in the report.

Exchange rate risk and interest rate risk

Grupo Arania conducts transactions in currencies other than the euro, but these amounts are not considered significant. Therefore, it is estimated that the exposure to the risk of exchange rate fluctuations will not have a notable impact on the financial results.

The reference interest rate for the debt contracted by Grupo Arania is based chiefly on the EURIBOR although part of the long-term debt is contracted at a fixed rate with the purpose of mitigating fluctuation risks that could significantly affect the financial results.

Operational risks

Annual strategy appraisal per business:

During the annual meeting of the directors of each company, a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the businesses was carried out, and management plans were drawn up to guarantee the orderly development of each of the companies. Based on the strategy appraisals conducted, we have identified the following main risks that must be managed:

Supply risks

The principal threat for the business lies in the supply of steel. To mitigate this risk, the Group has adopted a policy of supplier diversification, both in Europe and internationally. An ongoing approval process is being carried out, as set out in the supply chain and supplier management section, and new purchasing alternatives are constantly being sought.

Market risks: geographic, sectorial and product

The Group's strategy in this respect focuses on the diversification of geographical markets, as well as the expansion of the portfolio of sectors and products. After consolidating our presence in the European markets, we are expanding toward new borders beyond Europe, including Latin America and the United States. With four different business lines, each of our companies have solid teams devoted to developing new products to maintain our leadership position on the markets.

Risk of loss of competitiveness compared to the competition

In addition to market and purchasing management, to maintain our competitiveness we are working based on two other fundamental factors:

1 *We are seeking to improve production efficiency through automation and continual improvement programmes.*

2 *We are making continuous investment in R&D to remain at the forefront in technology and assembly line production in each of our businesses.*

Risk of loss of talent in the organisation

Another of the risks identified is the loss of talent from the organisations for different reasons.

Either they are lost because they leave the organisation, or because we are not attractive to external talent or because we are not able to develop the potential and talent of the people in our organisation.

With the aim of limiting this risk and making the organisation better able to attract and develop talent and ensure its loyalty, various actions are being implemented.

- **NIGUK project** to develop a corporate identity and a culture that takes care of people and believes in the right context for promoting this talent.
- **IMPULSA project**, in conjunction with the University of Deusto, to develop and promote loyalty among the new leaders of the organisation.
- **Revision of the skills evaluation and development system (ESD)** for the personal and professional development of personnel. The skills EDS is based on improvement conversations and the IAF (Improvement Action File) method that promotes commitment to improvement and development actions.
- **Group Work-Life Balance Model** which acts as a regulating framework for flexible hours, a shorter day on Fridays and working from home.
- **Activation of the confidential psychological support service** with the purpose of caring for the emotional, psychological and social well-being of everyone in Grupo Arania.

- **Access to the Grupo Arania Portal** through the website and app as a channel for communication and corporate identification.
 - **Implementation of inclusive Group Equality Policies** to guarantee equality between women and men in addition to the clear communication of zero tolerance of all types of aggression, offering protocols for action in situations of harassment.
-

Cybersecurity risks

The current panorama of threats in cyberspace mark an upward trend in which adversaries have become more sophisticated, relentless and harmful in their attacks.

Grupo Arania's cybersecurity department invests in the implementation of advanced defence systems to protect its systems and data wherever they are, and 24x7 monitoring of any suspicious activity.

It continues to promote cybersecurity knowledge with awareness-raising sessions as an initial protection measure. It provides a friendly service to clear up doubts among its personnel, promoting non-action in the event of risk among users ("think before you decide and, if in doubt, ask").

Given the importance of cybersecurity in the operational scope (OT), an area in which due to its complexity and obsolescence the same safety measures are not applied, Grupo Arania is making progress in the application of procedures for good practices in this area and technological measures to protect the industrial control systems supported by the OT Cybersecurity Committee as its governing, coordinating and monitoring body, guaranteeing satisfactory handling of cybersecurity risks.

Risks of environmental impact

Grupo Arania's management systems certification strategy, as explained in detail in the business model section, in conjunction with the commitment to our stakeholders, has led to the certification of all the Group's companies according to the standard ISO 14001. These certifications, backed by independent third-party assessments, facilitate the identification of risks and opportunities related to:

- **Compliance with legal requirements** on the environment.
- **Identification and evaluation of important environmental aspects.**
- **Prevention or reduction of unwanted impacts**, including the possible influence of external environmental conditions on the organisation.
- **Identification of possible emergency situations** with environmental impact.

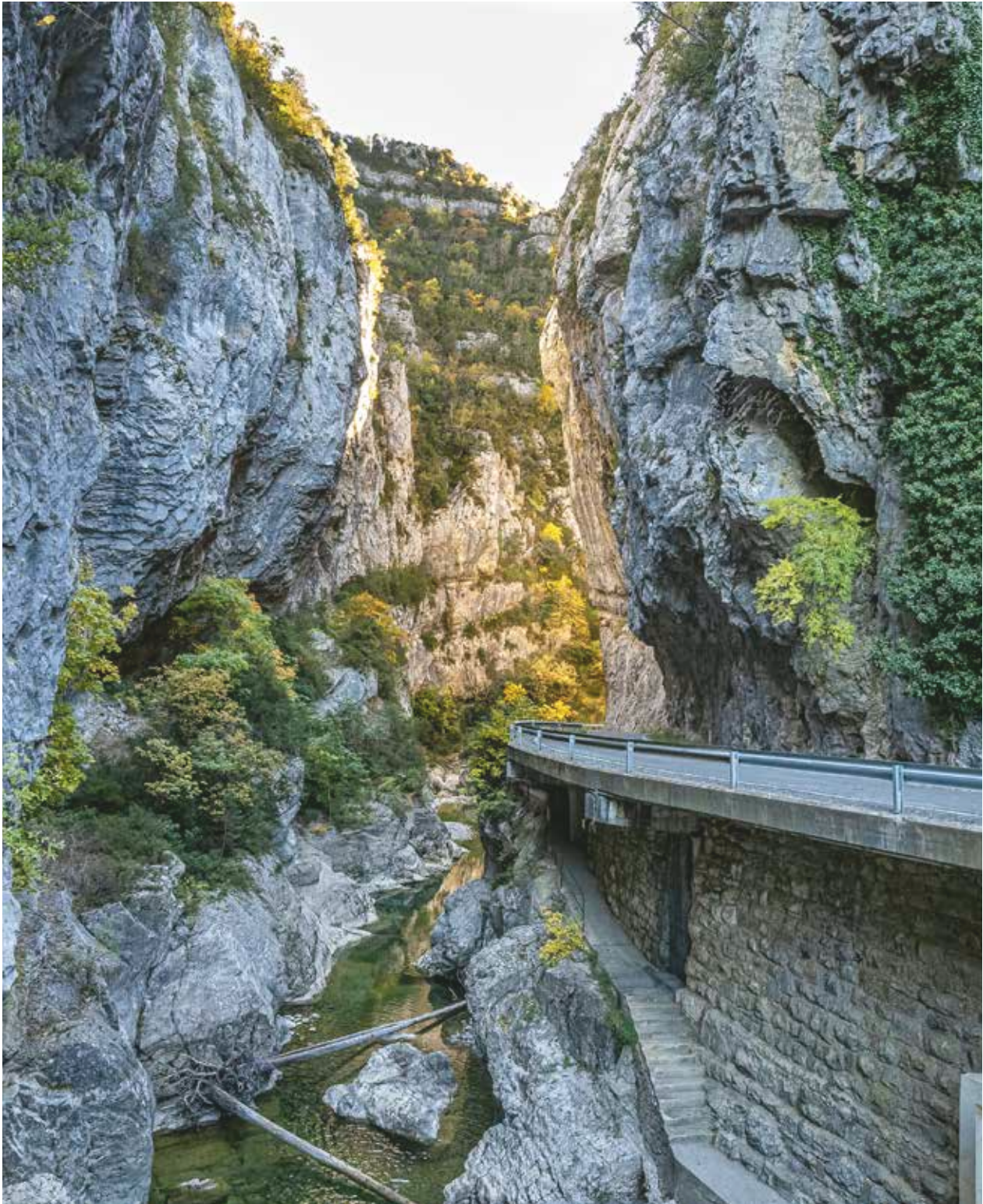
Performing periodical internal and external audits, in conjunction with the monitoring of specific environmental objectives, guarantees operational control, the response capacity in the event of an emergency and the ongoing improvement of environmental performance.

Risks related to occupational health and safety

This section maintains the same arguments on the focus on and implementation of good practices, as described in the previous section, but considering the specific standard for this area: ISO 45001.



GOVERNANCE
DUE DILIGENCE AND GENERAL SCHEME OF RISKS



Foz de Arbayun, Navarre.

INFORMATION ON RESPECT FOR HUMAN RIGHTS

GRI 2-23

Grupo Arania's commitment to respecting, backing and safeguarding human rights is absolute throughout all operations carried out, regardless of the country in which they take place, in accordance with the Corporate Code of Conduct.

We are dedicated to creating a fair and respectful work environment, committed to eliminating discrimination in the workplace and in employment, eliminating forced or obligatory labour and the effective abolition of child labour. We strive to implement policies that promote equal opportunities, ensure ethical labour practices and guarantee that there are no

children working in our operations nor those of our suppliers. We believe in dignity and respect for all individuals and we work continuously to reflect these values in all our business activities.

Grupo Arania actively promotes these commitments among all its professional and commercial partners, and abstains from participating in actions that compromise universal human rights, respecting the internationally recognised standards in the International Bill of Human Rights, the fundamental rights established in the International Labour Organisation Declaration and the 10 principles of the Global Compact.

GOVERNANCE
INFORMATION ON RESPECT FOR HUMAN RIGHTS

For Grupo Arania, the identification, prevention and mitigation of risks related to human rights is a central pillar in its contribution to the 2030 Agenda, especially the social dimension:

- **Ensuring that its own operations do not cause or contribute to negative effects** on human rights, and dealing with these effects if they occur.
- **Attempting to prevent or mitigate the negative consequences on human rights** directly associated with its operations, products or services, even when they have not contributed to their generation.

In the workplace, human rights include the right to a safe working environment, to fair compensation for the same work, the right to freedom of association and collective bargaining, protection against forced labour and the right to privacy.

Grupo Arania promotes a commitment to respect for human rights and also applies this to its suppliers by establishing specific requirements in its approval process.

During the financial year 2023, there were no reports of potential violations of human rights in the Group's activities.



INFORMATION ON THE FIGHT AGAINST CORRUPTION AND BRIBERY

GRI 2-23, GRI 205-1, GRI 205-2 AND GRI 205-3

One of the most significant milestones of 2023 was the approval of the project related to compliance with the penal regulations. This consists of a set of preventive tools that aim to avoid penal infringements within the company. According to the penal code, there are different crimes that could be committed by legal persons, which include fraud, bribery, trading in influence or money laundering, among others. Although it is not obligatory, we believe that it is a vital mechanism to improve the management of possible crimes identified and contribute to a responsible corporate focus in the short and long term.

Grupo Arania's Code of Conduct represents, within a context of the Governance, the formulation and formal expression of

the values and principles that should guide the behaviour of all the entities that make up the Group, as well as the people subject to it in the performance of their responsibilities and in their occupational, commercial and professional interactions.

Compliance with the Code is understood to be compatible with strict adherence to the current legislation and the common practices in each jurisdiction where the Group performs its operations. In no case may the application of the Code of Conduct imply failure to comply with the current legal obligations.



GOVERNANCE
INFORMATION ON THE FIGHT AGAINST
CORRUPTION AND BRIBERY

With the fundamental purpose of preventing corruption, bribery and money laundering, Grupo Arania establishes the following Guidelines:

- **At Grupo Arania it is forbidden to request, receive or accept any item of value** that may induce unfair or undue labour practice, as well as offer, give or authorise the delivery of any item of value with the aim of improperly influencing the labour practice of another person.
- **The Group respects its employees' participation in activities outside of the Group**, provided these activities are conducted within the applicable legal framework and do not enter into conflict with their duties as employees of the Group or affiliated companies, and are not used as a means to carry out corrupt practices.
- **Grupo Arania processes its stakeholders information with maximum confidentiality and privacy**, ensuring it is not used improperly for its own benefit or that of third-parties by the members of the Group.
- **The Group does not facilitate money laundering nor the funding of terrorist activities**, and fully collaborates with the competent authorities in each jurisdiction and provides all information requested in accordance with the applicable standards.
- **Grupo Arania abstains from providing financial support or making donations** of any type to politicians and/or political parties.
- **The Group may collaborate with non-profit organisations**, provided a clear reciprocal benefit is guaranteed and documented for both parties, and never to cover up unlawful acts of corruption or bribery.
- **All the transactions made by the Group must be recorded clearly and accurately** in the appropriate accounting books, faithfully reflecting the transactions made and complying with the internal monitoring standards established.

Grupo Arania promotes adherence to these guidelines against corruption and bribery among its main suppliers and collaborators.

Zero reports of corruption and bribery in 2023.



COMMITMENT TO OUR PEOPLE

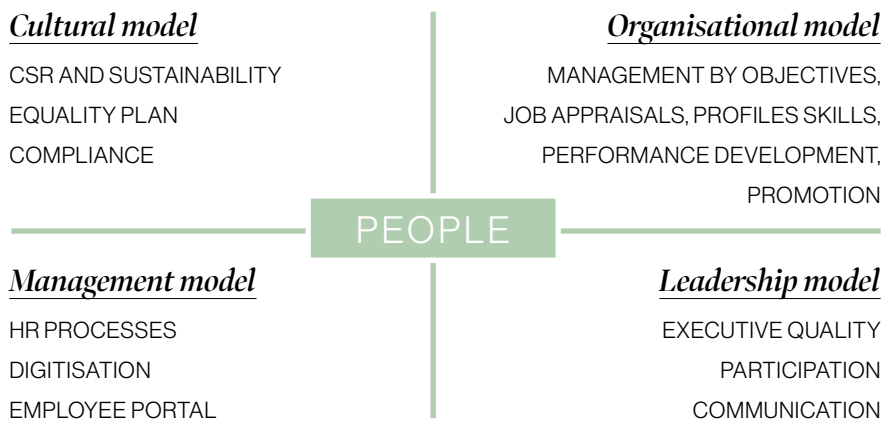
84	Employment
96	Training
98	Health and safety
104	Equality and accessibility

The heart of Grupo Arania's success lies in its dedication to people, who are the true essence of our competitive advantage in the market.



In 2023, Grupo Arania has continued to dedicate significant resources to the progress and training of its human team, reaffirming its commitment to the job safety, stimulation and dedication of the whole of its workforce. The focus on people's well-being and development is based on the solid management, leadership, organisation and corporate culture models that characterise the Group.

Overview of the strategic map



Our firm dedication to the job safety, inspiration and commitment of all collaborators highlights the fundamental role our human capital plays within the structure of Grupo Arania. This commitment is backed by a reference framework to which everyone adheres, including customers, suppliers and partners: the Code of Conduct and Responsible Practices of Grupo Arania. The staff training and development policies have generated a visual value map that emphasises fairness, executive growth and skills-based management, thus enriching the human resources management model.

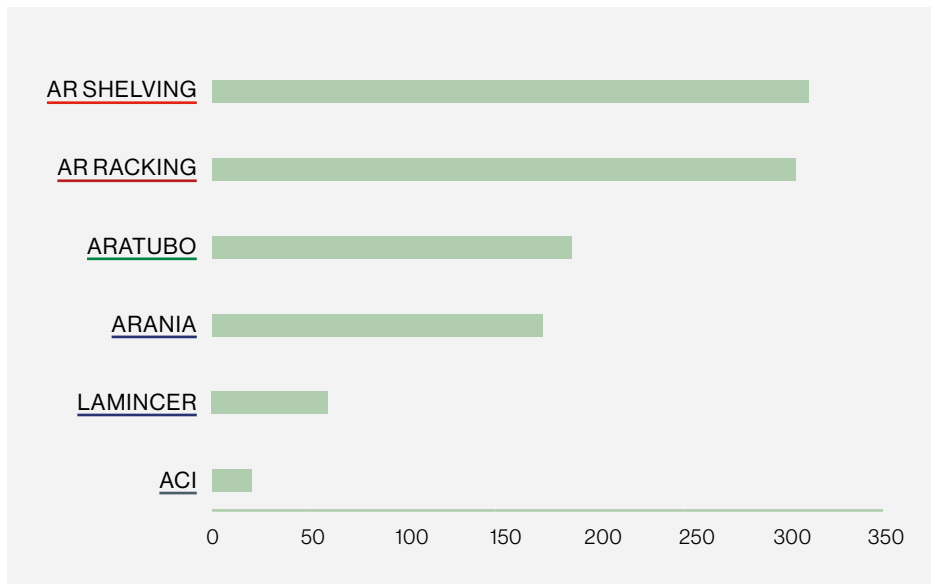
The commitments acquired by Grupo Arania in its Code of Conduct ensure the implementation of responsible and ethical practices in all our internal and external operations, promoting a decent and safe working environment.

The Group rejects any form of child labour and guarantees equal opportunities, non-discrimination, inclusion of professionals and optimum diversity in the workforce, complying with the current legislation and following the best international practices.

EMPLOYMENT

GRI 2-7

People 2023



**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

People in Grupo Arania 2023*

COMPANY	PEOPLE
ACI	22
ARANIA	173
ARATUBO	190
AR SHELVING	309
AR RACKING	304
LAMINCER PRECISION STEEL	74
TOTAL PEOPLE	1072

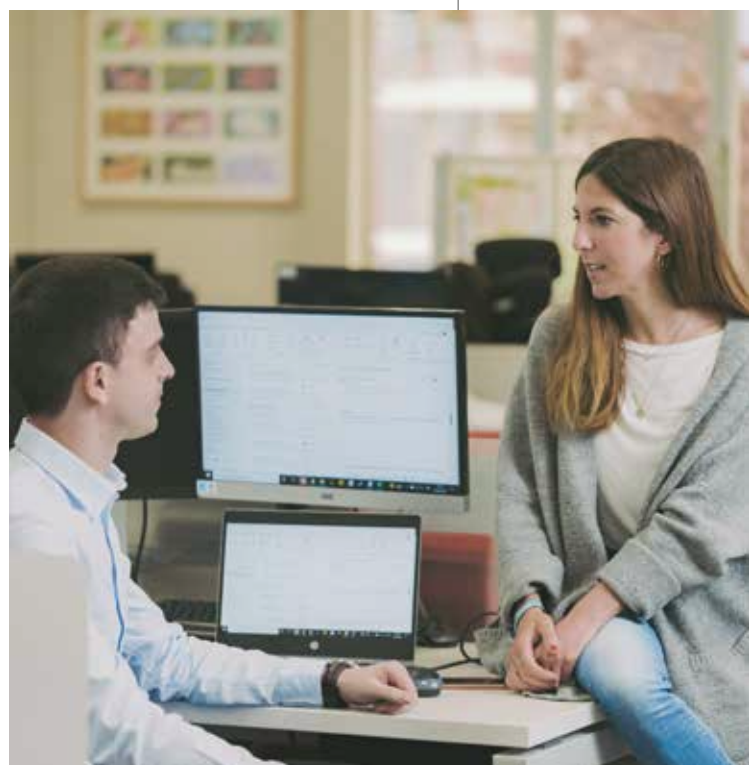
*Note: the data includes staff in subsidiaries. Interns and early retirees not included. Lamincer included.

People by gender 2023

GENDER	PEOPLE
Women	299
Men	773
TOTAL	1072

People by age 2023

AGE	PEOPLE
Over 50	295
30–50	655
Under 30	122
TOTAL	1072



COMMITMENT TO OUR PEOPLE
EMPLOYMENT



People by level 2023

LEVEL	PEOPLE
Strategic Level	69
Management Level	145
Technical Level	186
Operational Level	672
TOTAL	1072

People by country 2023

COUNTRY	PEOPLE
Spain	752
Slovakia	265
UK	6
Germany	7
France	9
USA	7
Chile	13
Colombia	5
Peru	8
TOTAL	1072

People in Grupo Arania 2022-2023

In the business environment, the measurement and analysis of the indicators related to our people are fundamental to understand our labour structure and dynamic. This section is devoted to showing indicators on different areas, contract types and hierarchical levels within the organisation, as well as the variations depending on factors such as duration, rotation and company growth.

The data presented corresponds to the close of 2023 and is not an average. We are working so that the 2024 report can include these averages for the information indicated in law 11/2018.

This year Grupo Arania acquired the company Lamincer Precision Steel, thus consolidating its leadership in southern Europe and its sustainable growth.

The data that appears below in this report, except when expressly indicated otherwise, does not report indicators for the company Lamincer, as it was acquired in December 2023. It will be included in the 2024 sustainability report.

COMPANY	PEOPLE		% VERTICAL		RELATIVE VARIATION
	2022	2023	2022	2023	
ACI	0	22	0%	2.20%	2.20%
ARANIA	173	173	17.87%	17.33%	-0.54%
ARATUBO	180	190	18.60%	19.04%	0.44%
AR SHELVING	327	309	33.78%	30.96%	-2.82%
AR RACKING	288	304	29.75%	30.46%	0.71%
TOTAL	968	998	100%	100%	

**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

Types of contract 2023

TYPES OF CONTRACT	Full time	Part time	TOTAL
Permanent	898	3	901
Temporary	97	0	97
TOTAL	995	3	998

Segregated part time contracts 2023

GENDER	AGE	LEVEL	PEOPLE
Male	Over 50	Technical	2
Male	Under 30	Technical	1

Types of contract 2022-2023

TYPES OF CONTRACT	PEOPLE		% VERTICAL		RELATIVE VARIATION
	2022	2023	2022	2023	
Permanent	725	901	74.90%	90.28%	15.38%
Temporary	243	97	25.10%	9.72%	-15.38%
TOTAL	968	998	100%	100%	

Contract types by gender 2023

GENDER	Temporary	Permanent	TOTAL
Women	46	244	290
Men	52	656	708
TOTAL	98	900	998

**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

Contract types by gender 2022-2023

GENDER	2022		2023		% VERTICAL				RELATIVE VARIATION	
	Temporary	Permanent	Temp.	Perm.	2022		2023		Temp.	Perm.
					Temp.	Perm.	Temp.	Perm.		
Women	119	166	46	244	48.97%	22.90%	46.94%	27.11%	-2.03%	4.21%
Men	124	559	52	656	51.03%	77.10%	53.06%	72.89%	2.03%	-4.21%
TOTAL	243	725	98	900	100%	100%	100%	100%		

Contract types by age range 2023

AGES	Permanent	Temporary	TOTAL
Over 50	248	9	257
30-50	569	50	619
Under 30	83	39	122
TOTAL	900	98	998

Contract types by age range 2022-2023

AGES	2022		2023		% VERTICAL				RELATIVE VARIATION	
	Temporary	Permanent	Temp.	Perm.	2022		2023		Temp.	Perm.
					Temp.	Perm.	Temp.	Perm.		
+ 50	50	183	9	248	20.58%	25.24%	9.18%	27.56%	-11.39%	2.31%
30-50	130	496	50	569	53.50%	68.41%	51.02%	63.22%	-2.48%	-5.19%
- 30	63	46	39	83	25.93%	6.34%	39.80%	9.22%	13.87%	2.88%
TOTAL	243	725	98	900	100%	100%	100%	100%		

Types of contract by level 2023

LEVEL	Permanent	Temporary	TOTAL
Strategic	68	0	68
Management	137	1	138
Technical	172	11	183
Operational	523	86	609
TOTAL	900	98	998

Performance assessment

Within the framework of management by skills and performance assessment, in 2023 the following number of assessments were carried out in the categories indicated compared to 2022.

LEVEL/ CATEGORY	2022	2023	% VERTICAL		RELATIVE VARIATION
			2022	2023	
Strategic	15	31	6.38%	9.90%	3.52%
Management	72	102	30.64%	32.59%	1.95%
Technical	123	130	52.34%	41.53%	-10.81%
Operational	25	50	10.64%	15.97%	5.34%
TOTAL	235	313	100%	100%	

In the search for highly efficient teams, it is essential to recognise that true potential usually lies within the organisations themselves. Before considering external hiring, it is essential to identify and cultivate in-house talent by implementing substantial development programmes. This strategic focus not only strengthens leadership skills and the abilities of current employees, it also promotes a feeling of belonging and commitment to the company.

We have a skills Evaluation and Development System (EDS), an instrument that allows us to analyse where we should aim to improve the skills and the professional development of people in management, strategic, technical and indirect operational jobs.

The evaluation and analysis process includes:

- 1 *A qualitative and quantitative overview in terms of training, employee skills, and trends in the workforce.*
- 2 *Analysis of existing and desired skills.*
- 3 *Identification of skills, including two Strengths (S) and two areas of Improvement (I).*
- 4 *Questionnaire for employees.*

Once the evaluation and analysis stage has been conducted, the conversation on how to improve begins.

This process is currently carried out by monitoring professional growth and skills, and helping to identify training topics (for indirect labour).

New contracting

GRI 401-1

Confidence in the human team and a healthy working environment are reflected positively in the staff rotation indicators of the companies in Grupo Arania.

This entails the control and reduction of various costs, including:

- 1 *Costs related to recruiting and contracting new staff.*
 - 2 *Costs related to the necessary training for integrating new staff.*
 - 3 *The cost of opportunity as a result of the time and resources invested by the company in replacing leavers.*
 - 4 *Costs related to the lower initial productivity of staff contracted.*
-

**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

New contracts by company 2023

COMPANY	RECRUITS 2023	ROTATION *
ACI	1	0.00%
ARANIA	8	0.55%
ARATUBO	33	1.08%
AR RACKING	48	5.55%
AR SHELVING	9	3.57%
AR SHELVING S.R.O.	42	3.45%

* Rotation calculated with voluntary leavers

New contracts by company 2022-2023

COMPANY	2022		2023		ABSOLUTE VARIATION
	RECRUITS	ROTATION *	RECRUITS	ROTATION *	
ACI	0	0.00%	1	0.00%	0.00%
ARANIA	17	3.80%	8	0.55%	-3.25%
ARATUBO	29	3.70%	33	1.08%	-2.62%
AR RACKING	49	2.64%	48	5.55%	2.91%
AR SHELVING	3	3.10%	9	3.57%	0.47%
AR SHELVING S.R.O.	15	4.08%	42	3.45%	-0.63%

* Rotation calculated with voluntary leavers

Annual staff turnover formula

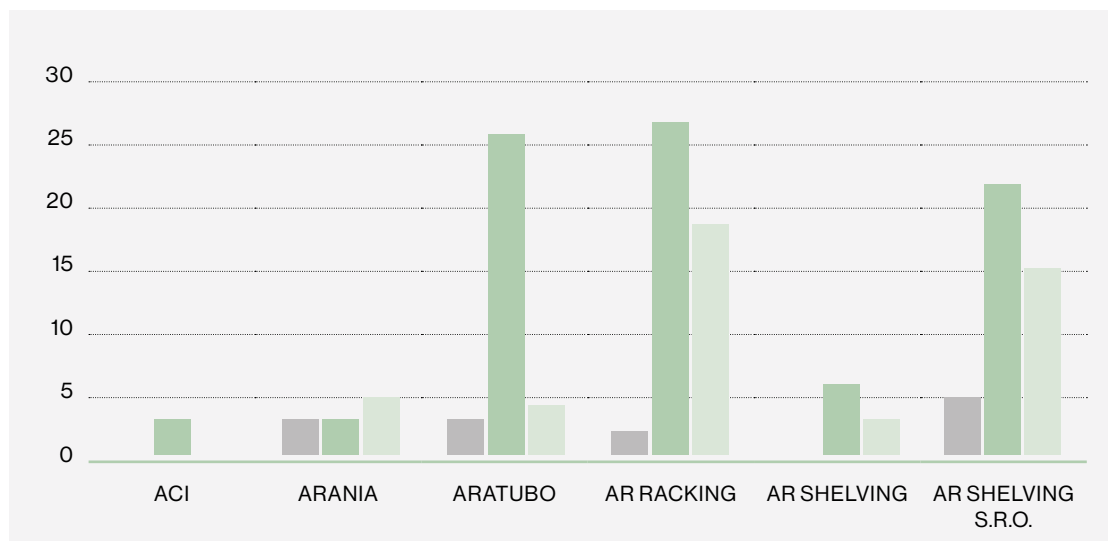
Annual staff turnover %=

[quantity of employees leaving / (initial quantity of employees + final quantity of employees) / 2] x 100

**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

The data segmented by age group and gender for each of the Group's companies is as follows:

New contracts by age 2023



GENDER	ACI	ARANIA	ARATUBO	AR RACKING	AR SHELIVING	AR SHELIVING S.R.O.	TOTAL
Female	0	2	7	21	6	21	57
Male	1	6	26	27	4	21	85
TOTAL	1	8	33	48	10	42	142

The company's social responsibility policy is firmly committed to the well-being of its workforce, ensuring working conditions that go beyond the minimum requirements established, thus promoting a fair and equal working environment.

Dismissal data 2023

DISMISSALS BY GENDER	QUANTITY	DISMISSALS BY AGE	QUANTITY	DISMISSALS BY LEVEL	QUANTITY
Women	2	Over 50	3	Strategic	3
Men	3	30 to 50	2	Management	0
TOTAL	5	Under 30	0	Technical	1
		TOTAL	5	Operational	1
				TOTAL	5

Maternity and paternity leave

GRI 401-3

At Grupo Arania, we back the concept of a work-life balance, and highlight our commitment to family well-being.

We have a personal, family and work life balance programme that allows: flexible hours, the possibility of working from home 1 full day a week, as well as an effective working day of 6 hours on Fridays in June, July, August and September (indirect labour).

The flexible hours make it possible to adapt work schedules to personal life, which contributes to a better work-life balance. Working from home, in turn, reduces the time and stress related to daily commuting and makes it possible to be more present at home.

In addition, there are other benefits such as:

- 1 Agreements with restaurants with reduced set menu prices for staff.*
- 2 Nursing service.*
- 3 Agreements for physiotherapy.*
- 4 Agreement with mental health company. Cost of the service met 100% by the company.*
- 5 Employee portal to access relevant personal and professional information.*
- 6 Possibility of charging private electric vehicles at companies with chargers.*
- 7 Promotion of training.*
- 8 Actions throughout the year in favour of workforce health.*

**COMMITMENT TO OUR PEOPLE
EMPLOYMENT**

In 2023, we observed notable participation in our parental leave programme, with a reincorporation rate of 100% afterwards.

	2022		2023	
	Women	Men	Women	Men
Question A *	8	17	23	16
Question B **	8	17	23	16
Question C ***	3	16	21	16
Question D ****	7	17	23	16
RETURN RATE	100%	100%	100%	100%

Return rate: total number of employees retained 12 months after returning to work after a period of parental leave / total number of employees returning from parental leave in the period in previous reports.

A* No. of people with the right to leave

B** No. of people who have taken leave

C*** Total no. of people who returned to work in 2023

D**** No. of people who returned after finishing their leave and continued working for the following 12 months

Absenteeism data

Since 2022 we have a Group Absenteeism Committee, which was set up to monitor action in this field. The Committee will monitor and analyse work absences to identify trends, underlying causes and possible solutions that will help reduce absenteeism and improve staff productivity. This Committee will work in collaboration with Human Resources and other departments to implement policies and programmes to foster a healthy work environment and reduce absences.

The absenteeism data for 2023 was:

COMPANY	ABSENTEEISM 2022	ABSENTEEISM 2023	ABSOLUTE VARIATION
ARANIA	12.62%	12.99%	0.37%
ARATUBO	13.30%	13.53%	0.23%
AR RACKING	7.70%	7.56%	-0.14%
AR SHELVING	14.59%	26.19%	11.60%
AR SHELVING S.R.O.	21.40%	19.97%	-1.43%

TRAINING

The human team is the driving force of the organisation, so during 2023 around 15,000 hours of training were scheduled, thus demonstrating our genuine commitment to talent development.

This enables the people in Grupo Arania to continue to progress in their professional career in a setting that promotes innovation and initiative.

At Grupo Arania, we value both people and the organisation. One of our fundamental principles is internal promotion, meeting the needs of new posts with talent coming from our own team, thus strengthening our recruitment pool.

We firmly believe that training and continuous development are fundamental to achieve operational excellence and maintain a competitive advantage in the market.

Our training policy is designed to encourage professional growth, improve competencies and skills, and ensure our staff are aligned with the company's strategic objectives.

In 2023 the IMPULSA programme was created in collaboration with the University of Deusto. This programme consists of 12 in-person sessions in areas such as management, supervisory skills, digitisation, negotiation and finance, among others.

These sessions are not just for training in itself, but also to consolidate the spirit of belonging through training and team work, reinforcing Grupo Arania's values and personality.

The Grupo Arania training policy is an essential pillar of sustainable development in our organisation. By investing in the training and growth of our people, we not only improve their individual performance, but also strengthen our collective capacity to take on the challenges of the future and make the most of new opportunities.

**COMMITMENT TO OUR PEOPLE
TRAINING**

Training 2023

COMPANY	ACTIONS 2022	TRAINING HOURS 2022	ACTIONS 2023	TRAINING HOURS 2023	% VERTICAL 2022	% VERTICAL 2023	RELATIVE VARIATION
ACI	25	2478	20	1124	24.13%	6.49%	↓17.64%
ARANIA	58	2738	66	3623	26.67%	20.92%	↓5.75%
ARATUBO	66	1956	62	2491	19.05%	14.40%	↓4.65%
AR RACKING	93	2160	101	6544	21.04%	37.80%	↑16.76%
AR SHELVING	29	935	46	3532	9.11%	20.40%	↑11.29%
TOTAL	265	10267	295	17314	100%	100%	=



***Value for people, value for
the organisation.***

HEALTH AND SAFETY

GRI-3 AND GRI 403

ISO 45001 is the international standard for occupational health and safety management systems, aimed at protecting workers and visitors from accidents and illnesses in the workplace.

All Grupo Arania companies hold the ISO 45001 certification and their Occupational Health and Safety policies explicitly express the following commitments:

1 *Prevent harm or impairment to the health of the people related to the activity.*

2 *Ensure healthy and safe working conditions, eliminate hazards and reduce risks to the extent possible.*

3 *Encourage consultation and worker participation.*

4 *Improve performance regarding safety.*

Safety indicators

ARATUBO	2018	2019	2020	2021	2022	2023	Target 2024
Frequency index	59.7	102	64	102.4	94.37	85.79	≤ 64.28
Severity index	1.4	1.7	2.2	3.4	2.6	3.73	≤ 3.21
No. of accidents with leave	12	19	11	17	25	24	≤ 18

ARANIA	2018	2019	2020	2021	2022	2023	Target 2024
Frequency index	73.7	86.3	88.6	77.4	93	136	≤ 65.8
Severity index	1.2	1.9	3.2	3.5	2.5	3.17	≤ 0.8
No. of accidents with leave	23	24	24	23	26	32	≤ 15

AR RACKING	2018	2019	2020	2021	2022	2023	Target 2024
Frequency index	27.4	30.6	13	40.4	26.9	22.90	≤ 22
Severity index	0.39	0.55	0.15	0.35	0.21	0.04	≤ 0.19
No. of accidents with leave	4	5	2	7	5	4	≤ 3

**COMMITMENT TO OUR PEOPLE
HEALTH AND SAFETY**

AR SHELVING

	2018	2019	2020	2021	2022	2023	Target 2024
Frequency index	39.9	89.2	34.1	103.5	30.64	69.8	≤ 30
Severity index	0.6	0.6	1.6	3.5	3.22	7.26	≤ 3
No. of accidents with leave	2	5	2	6	2	5	≤ 2

AR SHELVING S.R.O.

	2018	2019	2020	2021	2022	2023	Target 2024
Frequency index	30.95	21.4	13.11	32.62	39.01	19.55	≤ 18
Severity index	0.43	0.55	0.34	0.36	0.88	0.84	≤ 0.60
No. of accidents with leave	4	6	4	11	17	8	≤ 6

Leave segregated by gender and type

		ACCIDENTS WITH LEAVE	ACCIDENTS WITHOUT LEAVE	ACCIDENTS EN ROUTE WITH LEAVE	ACCIDENTS EN ROUTE WITHOUT LEAVE
ARANIA	MEN	32	18	0	1
	WOMEN	0	0	1	0
ARATUBO	MEN	23	11	1	0
	WOMEN	1	1	0	0
AR RACKING	MEN	4	5	0	2
	WOMEN	0	0	0	0
AR SHELVING	MEN	5	5	0	0
	WOMEN	0	0	0	0
AR SHELVING S.R.O.	MEN	7	4	0	0
	WOMEN	1	0	0	0

**COMMITMENT TO OUR PEOPLE
HEALTH AND SAFETY**

Data segregated by gender for frequency, severity and occupational illness

		ARATUBO	ARANIA	AR RACKING	AR SHELIVING	AR SHELIVING S.R.O.
Frequency	MEN	81.06	99.99	22.10	97.00	17.10
	WOMEN	3.52	0.00	0.00	0.00	2.44
Severity index	MEN	4.60	3.53	0.80	10.09	-
	WOMEN	0.00	0.00	0.00	0.00	-
Occupational illness	MEN	0	0	1	0	0
	WOMEN	0	0	0	0	0



Gorbeia Nature Reserve, Alava.

Worker training on occupational health and safety

GRI 403-5

In 2023, training was carried out in the area of Health and Safety with the purpose of integrating occupational risk prevention at all levels of the company.

This year, we have dedicated a limited number of hours to training on environmental issues and energy efficiency compared to prevention. Our objective is to gradually increase training in these areas to promote a greater commitment to sustainability.

Occupational Health and Safety (OHS) and Environment and Energy Efficiency (E+EE) training plans 2023

Training hours

E + EE	64
ORP	2490

COMMITMENT TO OUR PEOPLE
HEALTH AND SAFETY



EQUALITY AND ACCESSIBILITY

GRI 405



Llanada Alavesa.

Remuneration and wage gap

The focus of our Human Resources management in all entities that comprise Grupo Arania defends and promotes fundamental principles that contribute to personal and professional growth.

In this regard, it promotes a work environment based on respect and trust, where tolerance, equality and diversity are acknowledged as pillars that enrich our organisational culture.

Grupo Arania reiterates its commitment to implementing and developing policies that guarantee equal treatment and opportunities between women and men, avoiding any form of direct or indirect gender discrimination. In addition, we are committed to driving and promoting specific actions to achieve effective equality in all our operations, establishing gender equality as an essential strategic principle in our Human Resources policy.

The Grupo Arania Code of Conduct, implemented in 2015, transparently reflects our commitments and values, making a commitment to act in compliance with them in all our interactions with the different stakeholders. The Code of Conduct and Responsible Practices is available to the public and all stakeholders on our website.

It is worth mentioning that we plan to review and update Code of Conduct this year within the framework of the Compliance Programme on which the Group is working.

The process takes into account the new developments and coming guidelines on disclosure regarding social, environmental, and organisational governance matters (including the CSDD, CSRD, and many others).

Gender representation

Grupo Arania works in the metal sector, a predominantly masculine environment in which only 18% of the workforce are women. This proportion is in contrast with the gender distribution in the general labour market, where women hold around 45% of jobs.

We promote wage equality to ensure that women and men receive equitable compensation for jobs of equal value.

In addition, we promote equal access to professional development and leadership opportunities for both genders.

We promote an inclusive working environment with a programme of gender equality training and awareness-raising.

At Grupo Arania 29% of the workforce is female, as result of the continuous work and improvements the Group has made in favour of diversity and gender equality. This figure also reflects Grupo Arania's commitment to promoting specific initiatives to attract more women to the metal sector.

These actions include establishing associations with training centres and organising open events to show the occupational opportunities available in the different Group facilities.

NFSR CLASSIFICATION	No. of people	Mean	Men	Mean men	Women	Mean women	Wage gap
STRATEGIC LEVEL*	68	€95,083.38	55	€101,808.65	13	€65,385.71	-35.78%
MANAGEMENT LEVEL	138	€54,079.01	106	€55,784.72	32	€48,934.51	-12.28%
TECHNICAL LEVEL	183	€33,448.17	113	€35,747.12	70	€29,737.01	-16.81%
INDIRECT OPERATIONAL LEVEL	89	€27,842.43	25	€22,148.45	64	€30,066.64	35.75%
DIRECT OPERATIONAL LEVEL	520	€29,890.20	408	€34,894.29	112	€16,659.57	-52.26%
TOTAL	998	€38,146.77	707	€42,917.49	291	€28,479.89	-33.64%

*The strategic level includes all executive positions.

The calculations in the table have been made according to the theoretical gross salary. The administrator's salary is not included as it is in the annual accounts.

Remuneration

Within the Group, remunerations are determined depending on the levels of responsibility, without discriminating by gender and based on the individual merits achieved in performing work.

In 2023, there was a mean wage gap between men and women that exceeded 25% in two categories (strategic and direct operational), when comparing the mean compensation of positions with a similar level of responsibility.

In 2023, the total wage gap exceeded 33% with increases in all categories except one (indirect operational level).

At Grupo Arania we continue to work to increase and improve the integration of women in all areas of our activity to meet corporate goals related to gender equality.

It is important to note that the remunerations are applied according to the categories established in the collective agreement, without age distinctions. 100% of the people are covered by a collective agreement, 52% of the workforce by an in-house collective agreement and the remaining 48% have conditions negotiated based on a collective agreement.

This report has not segregated salaries by age, although this will be taken into account and included in the 2024 report.



Promoting female talent

With the objective of promoting female talent and counteracting male predominance in a sector traditionally oriented toward men, as well as to guarantee the growth of technical and leadership skills, a system of internal promotion and professional development has been implemented.

This system helps women gradually take on roles with greater responsibility at strategic and managerial levels. As a result, 3 women were promoted from managerial to executive posts in 2023.

With the continuation of the organisation's Equality Plan in 2023, Grupo Arania ratifies its real commitment to effective equality between women and men, establishing a number of measures of specific action in fundamental areas such as work-life balance, harassment prevention, wage parity, equality and professional promotion.

We have an Equality Board with the purpose of promoting equality and diversity, analysing, debating and proposing the challenges and opportunities in this subject to the Directors. It is constituted by an equal number of representatives of the company and of the workers.

The Board works to increase and improve the integration of women in all areas of our business activities, in conditions of full equality, fostering professional development and promoting diversity, from an open and inclusive culture.

Surveys aimed at the whole workforce were conducted for diagnostics and to gain feedback on the Equality Plan, focusing on these main areas of work:

Prevention of sexual or gender-based harassment.

Promotion and professional development.

Language and communication.

Prevention of psychological harassment or mobbing.

Training.

Work-life balance.

Pay equity.

Recruitment process and contracting.

Occupational health and working conditions.

Protection for victims of gender-based violence.

Integration and accessibility

At Grupo Arania we are committed to the universal integration and accessibility of all people, including those with disabilities, of whom there were 8 employees in 2023.

As part of our firm commitment to inclusion, we guarantee that our physical spaces and digital platforms are accessible to all.

We firmly believe in the importance of promoting an inclusive working environment, so we have implemented a programme of awareness-raising and training for our staff, inclusive contracting policies and reasonable adjustments for employees with disabilities. We are committed to building a space where every individual feels appreciated and respected, regardless of their abilities.

Inclusion and equality in the workforce

At Grupo Arania, we are delighted to include individuals with unique skills in our team and are driven by equality in how we treat people.

Every day, we are pleasantly surprised to see how each person brings their uniqueness to the team and how their special skills enrich our production operations.



Kieran Cieza de Diego. Technical Assistant at Arania

For more information consult <https://bit.ly/Empleoinclusivo>. To see the latest news related to inclusivity in our workforce, visit the LinkedIn profiles of the Group's companies.



COMMITMENT TO THE ENVIRONMENT

- 114 Circular economy and waste management
- 116 Sustainable use of resources
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- 124 Protection of biodiversity

GRI 3-1, GRI 3-2 AND GRI 301

A commitment to the environment is essential to continue moving forward in innovation and promoting sustainable development.



Cape Matxitxako, Bermeo, Bizkaia.

Grupo Arania demonstrates its commitment to the environment by adopting internationally renowned standards and certifications such as ISO 14001 on environmental management and ISO 50001 on energy management. These certifications show the Group's commitment to minimising its environmental impact, carrying out operations following the precautionary principle, and making more efficient use of the resources available.

We conduct gas leak audits to detect and prevent losses. During 2023 we did not have to make any top-ups as we did not detect any leaks.

All points of emission are subject to periodical reviews by approved inspection bodies, in all of which the value of solid particle emissions is below the limit.

Similarly, the acoustics measurements indicated by legislation were performed. We took measures to reduce noise inside the factories, for example by moving cutting machines into cabins, leading to considerable reductions. We are trying to encapsulate or shield with noise-absorbing material, generally with rock wool panels in areas where it is considered necessary.

Regarding light pollution, our activities do not cause changes to the environment, so it does not directly affect the ecosystem where the companies are located.

In 2023, the Group did not receive any environmental fines or sanctions, thus demonstrating its commitment to sustainability and compliance with the current ecological standards.

Throughout 2023, we continued to advance in the following established environmental lines of action:

- 1 Purchase of electricity from 100% renewable sources.
 - 2 Investment projects for photovoltaic panels.
 - 3 Promotion of sustainable mobility with the installation of charging points for electric vehicles.
 - 4 Strategic commitment to low-carbon steel.
 - 5 Review of the logistics model in search of more sustainable alternatives.
 - 6 Digitisation strategies to reduce environmental impacts in production.
 - 7 Project to calculate the organisation's carbon footprint in all of the Group companies.
 - 8 Project to draw up a decarbonisation plan.
-

For 2024, the following main actions have been planned:

» *Calculate the consolidated carbon footprint of the Group.*

» *Draw up the first Environmental Product Declaration (EPD) in one of the Grupo Arania companies.*

CIRCULAR ECONOMY AND WASTE MANAGEMENT

GRI 3-1, GRI 3-2 AND GRI 301

At Grupo Arania we acknowledge the benefits inherent in adopting a circular perspective in our operations.

The implementation of a circular economy strategy entails prioritising the reuse of materials and establishing a production and consumption system that reduces waste generation to a minimum. At Grupo Arania, we strive to integrate this philosophy in all of our activities.

One of our main competitive advantages lies in the fact that a significant part of our waste is scrap metal. This material, as it is infinitely recyclable, perfectly exemplifies the principles of the circular economy due to its long life cycle.

In addition, at Grupo Arania, we go beyond the applicable regulatory standards, promoting preventive action and making efficient use of resources in our operations. This focus enables us not only to comply with our environmental responsibilities, but also to maximise efficiency and sustainability in our processes.

Waste

The monitoring and control of both hazardous (HW) and non-hazardous (NHW) waste is performed according to the specific technical instruction of the Documented Environmental Management System:

GRUPO ARANIA	2019	2020	2021	2022	2023
HW (t)	4,797	4,373	5,868	5,429	4118
NHW (t)	508	494	541	810	512
Scrap metal (t)	25,097	21,704	25,471	21,852	23547
GROUP TOTAL	30,402	26,571	31,880	28,091	28177

In 2023, we have continued to consolidate our agreements with suppliers for direct sales of our scrap metal waste. By opting for this direct sale method, Grupo Arania improves the efficiency of its supply chain and reduces its environmental footprint by avoiding the unnecessary transportation of these materials to external intermediaries. This measure significantly reduces fuel consumption and carbon emissions associated with transport, which at the same time helps mitigate climate change. In addition, this initiative promotes closer collaboration with our suppliers, thus strengthening trade relations in the supply chain.

Audits and constant monitoring of processes have helped us to identify areas of improvement, which has resulted in a significant reduction in the tonnage of hazardous waste compared to previous years.



SUSTAINABLE USE OF RESOURCES

GRI 302

Grupo Arania bases its commitment to the sustainable use of resources on two pillars of management practices:

1 *ISO 50001 Certification
on Energy Management
Systems.*

2 *Guarantee of Origin
Certification (GoO).*

In this regard, Arania, Aratubo and AR Racking are ISO 50001 certified, which entails implementing an energy policy and appropriate management of the energy aspects arising from their activities.

The implementation of an energy management system in accordance with the standard ISO 50001 demonstrates the company's commitment to the ongoing improvement of its energy performance, as it helps identify opportunities to improve efficiency in the use of energy in all areas.

The objective is that in 2024 all the Group's companies will be EN ISO 50001 certified.

COMMITMENT TO THE ENVIRONMENT
SUSTAINABLE USE OF RESOURCES

Similarly, Grupo Arania ratifies its commitment to sustainability by accrediting its electrical energy with the Guarantee of Origin Certification issued by the National Commission of Markets and Competition (CNMC).

This certification guarantees that Grupo Arania uses renewable energy in its production processes. This enables us, in conjunction with our investment in photovoltaic energy, to reduce our dependence on fossil fuels and mitigate the risks linked to price volatility, in addition to providing our clients with detailed information on the origin of the energy consumed and the environmental impacts associated with the manufacturing cycle of our products.

All of the businesses in the Group are committed to the GoO certification and continuing to drive the transformation toward a more efficient, sustainable, and environmentally-friendly industry.



Consumption

Providing continuity to the monitoring of usage, we present the main materials consumed in 2023.

This year we are reporting the electricity consumption data separating the self-supply from the photovoltaic installations.

GRUPO ARANIA

CONSUMPTION/RESOURCES	2019	2020	2021	2022	2023
Electricity (MWh)	26,963	25,467	28,432	26,213	27289
Electricity (MWh) (self-supply)					1253
Total electricity (MWh)					28542
Gas (MWh)	48,000	43,262	53,251	50,150	49848
Petrol (litres)	4,077	4,764	3,710	6,739	8685
Mains water consumption (m³)	110233	108,123	151,291	135,684	40545
River water consumption (m³)	N/A	N/A	N/A	N/A	71057
Total water consumption (m³)¹	110233	108,123	151,291	135,684	111602
Wood (t)	2,623	2,169	2,420	17,141	16054
Plastic (t)	163	172	195	374	369
Metal strapping (t)	352	241	315	424	396
Coolant (t)	163	201	159	143	143
Hydrochloric acid (t)	2,837	2,306	2,455	2,585	2091
Nitrogen (m³)	357,100	356,337	438,280	359,905	345549
Hydrogen (m³)	510,908	468,240	712,317	620,904	572212
Paint (t)	81,366	83,449	97,143	77,083	711
Cardboard (t)	7	14	16	700	872
Plastic strapping (t)	4	11	3	50	48
Degreasing reagent (t)	N/A	N/A	N/A	N/A	12

¹As of 2023, the data on the consumption of both mains and river water will be segregated, to obtain a more detailed and precise understanding of our water use. This measure will allow us to identify specific areas of use and take specific actions to optimise our use of water and reduce our environmental impact.

COMMITMENT TO THE ENVIRONMENT
SUSTAINABLE USE OF RESOURCES

At Grupo Arania we are continuing to optimise and recalibrate our processes to improve our social and environmental performance.

We seek to reuse scrap metal and secondary materials to extend their life cycle and reduce the use of virgin materials.

Regarding water, there are several initiatives under way to help reduce the water we use:

- **Elimination of the osmosis process** in water circulation with coolant
- **Artificial intelligence and automation project** in collaboration with BAIC to optimise consumption
- **Replacement of irrigation for an automatic unit** to avoid wasting water and energy due to the meteorological conditions
- **Remote metering project:** meters that use active alerts to enable us to detect leaks immediately

Next year, we will research and study new ways to monitor our reduction and reuse data, as well as new technologies to keep reducing our consumption.

It is important to note the actions planned in the sustainable packaging project:

- 1 *Changing packaging for more sustainable materials.*
- 2 *Increasing pallet weight and % load on pallets.*
- 3 *Reusing them.*
- 4 *Evaluating new packaging.*
- 5 *Encouraging the return of packaging.*

We do not carry out specific actions aimed at combating food waste, as this is not relevant due to the sector in which we work.

CLIMATE CHANGE, CARBON FOOTPRINT AND DECARBONISATION

Climate change represents one of the most urgent and significant challenges of our time, with profound implications for the environment, society and the global economy.

The increase in greenhouse gas emissions (GHG), principally caused by human activity, is contributing to global warming and significant changes in climate. These changes manifest themselves in phenomena such as higher temperatures, an

increase in sea level, extreme weather events and changes to climatic patterns.

These consequences have a direct impact on the value chain and operations of Grupo Arania. Therefore, it is imperative to adopt specific measures to mitigate carbon emissions and adapt to the inevitable impact of climate change.

Mitigation of climate change: carbon footprint of the organisation

To evaluate and manage Grupo Arania's impact on the climate, we have been calculating the organisation's carbon footprint for years.

The carbon footprint describes the total amount of greenhouse gas emissions directly or indirectly caused by an organisation. These analyses make it possible to identify the main sources of carbon emissions of the operations and establish clear goals to mitigate them.

For this carbon footprint analysis we follow the international standards and regulations on the subject.

In particular, we have followed the Standard UNE-EN ISO 14064-1: 2019, the Corporate Accounting and Reporting Standard on GHG Emissions of the GHG Protocol, as well as the standards and regulations for the development of national inventories of the Intergovernmental Panel on Climate Change (IPC).

The organisation's carbon footprint in scopes 1, 2, and 3 have been calculated and verified for the companies Arania and Aratubo in accordance with the standard ISO 14064.

In late 2023 we began working on calculating the carbon footprint for the other Group companies for scope 3, as well as on establishing a decarbonisation plan that should be adopted by early next year after calculating the consolidated footprint of the Group.

**COMMITMENT TO THE ENVIRONMENT
CLIMATE CHANGE, CARBON FOOTPRINT AND DECARBONISATION**

The emissions data for the two companies verified can be seen below. We have detected a fault in the values published in 2022 regarding 2021. The correct data is published in this report.

ARANIA	SCOPE	2020	2021	2022	2023 ²
	1	5112	6704	5622	--
	2	1,828	0	0	--
	3			225498	--

ARATUBO	SCOPE	2020	2021	2022	2023
	1	373	426	356	296
	2	1,060	0	0	0
	3			243724	255377

²We are concluding work on the calculation and verification of emissions for 2023 with external specialists in climate change.

In the case of Aratubo, note the reduction in intensity of 6.5%, going from 2.92 to 2.73 tCO₂e/t produced in 2023.

In addition to the organisation's carbon footprint, Arania has a product carbon footprint verified with ISO 14067, and also has a tool verified for its calculation.

The calculation of the product carbon footprint enables Arania to identify the stages in the life cycle of the product that generate the most carbon emissions, which provides valuable information to implement measures to reduce it in specific areas and improve operational efficiency.

Adaptation to climate change: risk management

In addition to understanding the impact of Grupo Arania's activities on climate change, it is just as important to recognise the impact of climate change on its operations and supply chain to be able to adapt. That is why the company has committed to conducting a climatic risk analysis, following the **recommendations of the Task Force on Climate-related Financial Disclosures** (TCFD). The analysis will conclude before the end of the year and will be conducted with support from external specialists in climate change and corporate sustainability.

During the second semester of 2024 we will analyse the risks and opportunities previously identified by the organisation, whether corporate ESG or pertinent matters using TCFD and SASB.

This analysis will make it possible to identify and evaluate the main **physical risks** due to climate change that could affect Group operations. These risks can include extreme events such as heat waves, heavy rain, drought and other adverse climatic phenomena that could interrupt the supply chain, damage the installations or affect the availability of key resources.

The risks associated with the transition toward a low-carbon economy will also be analysed. These **transition risks** may include changes to climatic regulations and legislation, changes in consumer preferences, ground-breaking technological advances and other factors that could impact the profitability, reputation and market position of the Group.

This climatic risk analysis will allow us to be better prepared to foresee, manage and adapt to the possible impacts of climate change on our operations and to identify opportunities to improve the resilience and sustainability of our business in the long term.

PROTECTION OF BIODIVERSITY

At Grupo Arania, we deeply value nature and acknowledge the essential importance of preserving biodiversity, the ecosystem and its services for the company's sustainable development.

With full awareness of this value, and of the impact our activities can have on the environment, we are committed to respecting and protecting biodiversity in all of our operations and projects. This commitment extends to all our stakeholders, fostering their participation in the conservation of biodiversity.

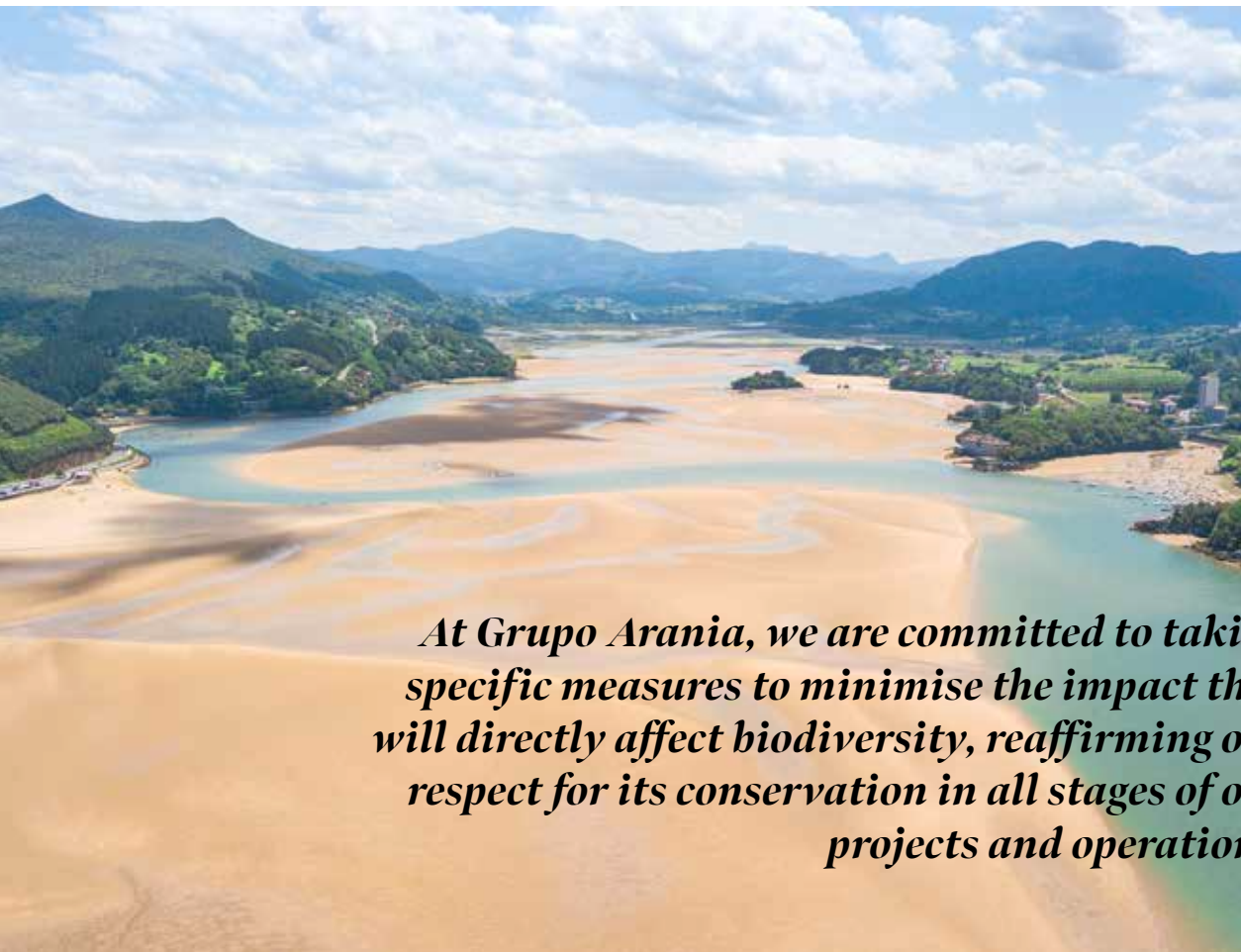
Although none of our production plants are within protected natural spaces, we thoroughly evaluate the possible environmental impact that our activities may have, especially in areas of interest near our installations. We implement the preventive measures identified in our Environmental Management System, according to the standard ISO 14001, which is implemented and certified in all of the Group companies.

Environmental management and the preservation of biodiversity are corporate priorities present in all of our companies and activities.

COMMITMENT TO THE ENVIRONMENT
PROTECTION OF BIODIVERSITY

We work continually to guarantee that our business development is compatible with the protection and conservation of biodiversity.

The Environmental Management Model is based on the calculation of the Corporate Environmental Footprint backed by the Life Cycle Assessment of the product. The calculation of the Corporate Environmental Footprint, which Grupo Arania will be working on in the coming years, will enable us to quantify the impact of its activities on the environment. This data, contextualised with biodiversity status in the areas around our installations, will be fundamental to establish specific environmental improvement objectives and align ourselves with the Integrated Environmental Permit (IEP).



At Grupo Arania, we are committed to taking specific measures to minimise the impact that will directly affect biodiversity, reaffirming our respect for its conservation in all stages of our projects and operations.

Urdaibai Biosphere Reserve, Bizkaia.



Aitzulo cave in the Aratz-Aizkorri Nature Reserve, Gipuzkoa.

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GRI 204, GRI 308, GRI 414, GRI 2-28 AND GRI 416

GRUPO ARANIA'S COMMITMENT TO SUSTAINABLE DEVELOPMENT

At Grupo Arania, we recognise the fundamental importance of sustainable development as a comprehensive focus to guarantee the balance between sustainable economic growth, environmental protection and social well-being.

We are committed to actively contributing to the Sustainable Development Goals (SDG) established in the 2030 Agenda of the United Nations and the 10 universal principles of the UN, through the lines of action established in the “Living Sustainability” strategy.

Our commitments are derived from an exhaustive analysis of the current setting, which includes the risk and opportunities assessment, as well as the needs and expectations of our key stakeholders. We are committed to implementing specific actions that reflect this commitment, seeking not only to minimise our negative impacts, but also to maximise our positive contributions to a future that is sustainable for everyone.



Environmental responsibility

We respect, care for and value the environment through the responsible and conscious use of natural resources, implementing sustainable measures that ensure ecological balance. These measures include the use of sustainable resources, minimisation of waste, the water footprint and emissions, investment in more efficient and sustainable technologies, and the optimisation of production processes.

Certification ISO 14001: environmental management system.

Certification ISO 50001: energy management system.

Consumption 100% of renewable energy.

Projects aimed at self-supply.

Sustainable mobility: charging points for electric vehicles.

Circular economy: reduction, reuse and recycling.

Calculation and reduction of the Organisational Carbon Footprint according to the standard ISO 14064.

Calculation and reduction of the Product Carbon Footprint according to the standard ISO 14067.

Digitisation to reduce environmental impacts in production.

More sustainable logistics models.

Alliances with corporate organizations and multi-sector associations.

With the principles of care, respect and preservation of the natural environment, we work to minimise the impact of our operations throughout the life cycle of our products. We contribute to the transition towards a low-carbon economy, including measures for the adaptation to and mitigation of climate change in processes and products



Social commitment

We believe in building an equal, diverse society. As part of our commitment to the community, we are implementing initiatives intended to promote the common good and encourage social cohesion. Similarly, we are promoting internal programmes designed to improve the quality of life of our team, both within and outside of the company.

Commitment to the Global Compact and the UN 2030 Agenda.

Promotion of and respect for human rights.

Certification ISO 45001: Occupational health and safety system.

Healthy company: protection and promotion of health.

Equality Plan 2023-2026.

Professional development: continuous training.

Sustainability training.

Occupational integration and inclusion.

External social action: culture and inclusion, biodiversity and collaboration with educational centres.

Collaborations with sectoral organisations, business organisations, clusters and institutions.



Governance and sustainable economic growth

The promotion, application and control of the ethical principles in the Grupo Arania Code of Conduct guides strategy, risk management and decision-making in Grupo Arania.

We concentrate on establishing lasting commercial relationships based on trust, honesty and professional responsibility, with zero tolerance of corruption and bribery. In addition, we prioritise quality and responsible innovation, improving processes, incorporating technology and promoting sustainability. Risk management in information security and information transparency are also fundamental pillars of our communication with our stakeholders

Governance: sustainability culture, risk management and ESG opportunities.

Corporate Social Responsibility: active and voluntary contribution to sustainability.

Ethical business practices based on the Code of Conduct.

Responsible communication and reports.

Cybersecurity: prevention and trust for stakeholders.

Responsible innovation, making a positive contribution to the economic, social, and environmental field.

Responsible purchasing: assessment of technical, economic, social and environmental aspects.

Due diligence: identify, prevent and mitigate our own impact and that of our business partners.

Double materiality assessment.

Penal compliance project.

SUPPLIERS AND SUPPLY CHAIN

GRI 2-7

In Grupo Arania's sustainability strategy, the concept of the "sustainable supply chain" plays a fundamental role. This focus on the supply chain considers two key areas:

1 *Steel as a sustainable raw material.*

2 *Raising supplier awareness of the ESG focus.*

Steel as a sustainable raw material

Grupo Arania seeks to encourage the responsible and sustainable use of steel as a raw material, guaranteeing its ethical origin and environmentally-friendly production. The use of low CO2 emissions steel in the production process is a key objective in Grupo Arania's operational plans for the medium to long term.

Through investment in R&D projects, the company is exploring new technologies and innovative processes that will enable products to be made with fewer carbon emissions. Similarly, it collaborates closely with academic institutions, suppliers and industrial partners to develop advanced solutions that may revolutionise the way steel is produced and processed. These collaborations are driving research into new materials and the decarbonisation of the Group, since it is a process we are undertaking alongside our suppliers.

With a firm commitment to innovation and technical excellence, Grupo Arania continues to work tirelessly to meet its objective of offering high quality products with the lowest environmental impact possible.



Raising supplier awareness of the ESG focus

Grupo Arania is working on raising awareness and training suppliers in ESG principles, promoting responsible practices throughout the supply chain and taking the first steps toward exhaustive due diligence on sustainability.

As part of its commitment to a sustainable supply chain, Grupo Arania establishes the following as essential management practices:

Approval and monitoring of suppliers incorporating sustainability criteria.

To select new suppliers, a process is used which includes:

1. Risk analysis:

Future fault types are assessed, as well as other aspects such as technical contact, the logistics process, technology, delivery scheduling and product quality.

2. Management Systems Certificates:

Suppliers are required to be at least ISO 9001 certified. It is recommended that they also have the certificates ISO 45001, ISO 14001, ISO 50001 and IATF 16949.

COMPANY INFORMATION
SUPPLIERS AND SUPPLY CHAIN

As described in the procedures documented in the management system, the decision to approve a new supplier is made within the scope of the Raw Material Strategy Committee, involving the Director General, the Purchasing Director, Process Product Technology (PPT) and the Supply Chain Director.

In 2022 we began to work on an audit plan aimed at key suppliers that incorporates aspects of sustainability. This plan was completed in 2023, in line with the directive on due diligence of the companies regarding sustainability which is pending approval in 2024. For its implementation, the staff responsible for purchasing and supplier management have been trained in matters related to sustainability, in particular human rights in the supply chain.

The key supplier approval and monitoring process according to ESG criteria is as follows:



By approving key suppliers with sustainability criteria, Grupo Arania will be able to guarantee that their main commercial partners share their values and commitments related to sustainability.

CONSUMERS AND OTHER SOCIAL AGENTS

GRI 416

The contribution of Grupo Arania to society is evident in our internal and external Corporate Social Responsibility initiatives. Our sustainability strategy covers community investment in line with business and social objectives and social and environmental needs. We strive to transmit this contribution responsibly, promoting the values of the Group and disseminating behaviour that benefits the company.

In addition, we acknowledge the importance of establishing firm and transparent relationships with all interested parties, including consumers, customers, suppliers, employees and local communities. Along these lines, at Grupo Arania we continue to collaborate in work experience programmes with education centres and participate in conferences and talks in different professional and university training centres. We would highlight our relationship with centres such as Mondragon

University, the University of Deusto and the University of the Basque Country, as well as visits by different education centres to Grupo Arania's production plants: University of Deusto, Nuestra Señora del Carmen School, Lauaxeta Ikastola, and UPV/EHU.

Grupo Arania defines a social welfare policy linked to its business strategy and stemming from the commitments set out in our Code of Conduct.

The commitment to social needs and the creation of value for the local community is one of our strategic axes.

The social welfare activities we carry out are governed by the principles of respect for human rights, transparency, adaptability and added value.

The social welfare action refers to the following areas, without detriment to others that may be considered:

1 *Culture and occupational inclusion.*

2 *Education and work access.*

3 *Collaboration with business and sector associations.*

4 *Contributions to and collaboration with foundations and NGOs.*

At Grupo Arania we are constantly seeking opportunities to improve and strengthen our relationships with all interested parties, with the aim of building a more sustainable and prosperous future for everyone.

Awards:

»» *Seal of Corporate Social Responsibility awarded by Ikaolan Bizkaia: the network of public vocational training centres of Bizkaia.*

»» *SEA Healthy business award 2023 for Aratubo.*

»» *Sustainability award 2023 for Arania by Arbige Enpresa, a leading business association in the Basque Country.*

»» *EcoVadis Medal 2023 for Arania, Racking and Aratubo.*



Participation in associations:

ACICAE

Basque Automotion Cluster

ADL

Logistics Development Association

EAC

Spanish Association for Quality

AEFAME

Association of Family Businesses of the Basque Country

AEFEM

Spanish Association of Metal Shelving Manufacturers

AENOR

Spanish Association for Standardisation and Certification (AENOR)

AER

Association of Entrepreneurs of La Ribera

AIAS

Association of Surface Finish Industries

Basque Alliance for the SDG

Alianza Alavesa for Sustainable Development 2030

ALOG

Chilean Logistics Association

APD

Association for Management Progress

APPROLOG

Peruvian Association of Professionals in Logistics

ATEG

Spanish Technical Association of Galvanising

BAIC

Basque Artificial Intelligence Center

Álava Chamber of Commerce

CCL

Lima Chamber of Commerce

CEBEK

Bizkaia Business Confederation

CESOL

Spanish Association of Welding and Joint Technologies

CIELFFA

European Federation of the National Associations of Cold Rolled Narrow Steel Strip Producers and Companies

ESTA

European Steel Tube Association

EUSKALIT

FEM/AEM

Spanish Handling Association

FVEM

Bizkaia Federation of Metal Companies

ICHA

Chilean Steel Institute

JUNDIZ

Association of Companies of Jündiz

MHI

Material Handling Industry

MLC-ITS EUSKADI

Basque Country Mobility and Logistics Cluster

UN Global Compact

GREEN DEAL

Community of companies and organisations in business in Vitoria-Gasteiz working on the transition to business models that require fewer natural resources and have a lower climatic impact

RMI

Rack Manufacturers Institute

SEA

Companies of Álava

SERNAUTO

Spanish Association of Automotive Suppliers

SIDEREX

Basque Country Steelworks Cluster Association

UAHE

Spanish Association of Iron Warehousing

UNESID

Union of Steel Companies

VDKL

Verband Deutscher Kühhäuser & K hllogistikunternehmen e.V.

VLB

Verband f r Lagertechnik und Betriebseinrichtungen

COMPANY INFORMATION
CONSUMERS AND OTHER SOCIAL AGENTS

In 2023, our important milestones included Aratubo's participation, as a members of the Basque Artificial Intelligence Center (BAIC), in the first edition of the Dataton Euskadi, which aimed to resolve business challenges by using artificial intelligence and data. Also this year, Grupo Arania was a gold sponsor of Steel Tech, an iron and steel sector event presented by SIDEREX and the Bilbao Exhibition Centre, that unites the main key participants in the whole value chain.

Since 2023 Grupo Arania has also joined the **Basque Alliance for the SDG** that seeks collaboration in the development of the 2030 Agenda and its Sustainable Development Goals.



Aiako Harria Nature Reserve, Gipuzkoa.

Customer/Consumer Health and Safety

At Grupo Arania, in addition to complying with the pertinent regulations and standards on health and safety, we strive to go further by adopting proactive measures to guarantee the safety and well-being of all our stakeholders.

Our prioritisation of the health and safety of all our stakeholders is reflected in our Corporate Social Responsibility strategy, which we have adopted voluntarily. In particular, it is evident in our statement of values on health and safety, as well as in our express commitments to our clients to provide transparent information about the characteristics of our products and services.

Evaluation of the impacts of the categories of products and services on health and safety

Throughout this document reference has been made to the ISO certifications in the scope of Quality, Environment and Health and Safety for all the Group companies.

These certifications allow a focus on processes, the application of the ongoing improvement cycle and integrated risk-based thinking.

Grupo Arania evaluates the impacts of products and services on health and safety, with the purpose of implementing improvements in all stages of the life cycle. Through a comprehensive product management service, we offer the market a wide range of solutions that comply with rigorous quality and safety standards. These solutions are the result of our constant technological development work and our dedication to guaranteeing the safety and well-being of our clients.

Complaints systems, complaints received and their resolution

In 2023 no incidents arising from non-compliances related to impacts on the health and safety of the categories of products and services were recorded through the information management channels of the companies in Grupo Arania.

Complaint management is assigned to the corresponding CS (customer support). The number of complaints received in 2023 was 1803, all of which have been closed.

The CS, in collaboration with the Area Managers of each customer, are responsible for compiling all the pertinent information to ensure the complaints are handled appropriately. This process makes it possible to identify the root cause of the problem and determine the corrective action necessary.

Once an official complaint has been received from the client, the salesperson or CS supervisor assigned to the client account records the complaint in the IT system. It is recorded according to the specific type of complaint.

The default allocation and identification of the person responsible for each complaint, as well as the implementation of containment measures within 24 to 48 hours, are tasks managed by the CS and Quality Control departments. The analysis of causes and proposals for Corrective Action are carried out in collaboration with the departments involved.

Finally, the CS is responsible for communicating to the customer, either directly or through the Area Manager, all of the information on the resolution of the problem and the corrective action adopted. This information may be provided in a report in the format requested by the customer.

Loans linked to sustainability

In the current panorama, characterised by growing environmental and social awareness, as well as by greater demand for corporate responsibility, loans linked to sustainability are emerging as a key financial instrument driving change toward more responsible and sustainable business practices.

These loans are beginning to perform a fundamental role in the corporate strategy of Grupo Arania, enabling us to generate a greater positive impact on the company and the environment.

Loans linked to sustainability represent an innovative form of finance in which the loan conditions are directly linked to the company's performance in environmental, social and governance matters. To evaluate the performance, these loans incorporate specific goals and metrics related to sustainability.

FISCAL INFORMATION

COMPANY	TAXES: AVERAGE EFFECTIVE RATE
ARANIA S.A.U.	24%
ARATUBO S.A.U.	0%
AR RACKING S.A.U.	28%
AR SHELVING S.A.U.	0%
AR SHELVING S.R.O.	0%

COMPANY INFORMATION
FISCAL INFORMATION

Profits obtained by country, income tax paid and public subsidies received (thousands of euros).

COMPANY	(Thousands of euros)		
	Profit	Tax	Subsidies
AR SHELVING USA	-646.75	0	
AR RACKING USA	-4.8	0	
TOTAL USA	-651.55	0	
AR SHELVING SPAIN	-344.49	0*	8.05
ARANIA	-29.63	0*	197.69
AR RACKING SPAIN	10285.62	4014.00	65.22
ARATUBO	-5790.67	0*	91.2
ACI	7606.85	0*	
TOTAL SPAIN	12027.69	4014.00	
AR RACKING COLOMBIA	238.74	178.73	
AR RACKING GERMANY	63.93	26.38	
AR RACKING CHILE	249.9	98.97	
AR RACKING PERU	-293.75	0	
AR RACKING UK	-18.94	0	
AR SHELVING SLOVAKIA	-1444.82	0	

* Consolidated tax filed

Other information required in this section is compiled in the Fiscal Note of the Consolidated Annual Accounts Report of the financial year 2023 attached.



APPENDICES

146	Appendix I: Statement of GRI standards
150	Appendix II: Index of GRI content
156	Appendix III: Content required by Law 11/2018 on non-financial information

APPENDIX I: STATEMENT OF GRI STANDARDS

This report has been drawn up in accordance with GRI 1: Foundation 2021.

Grupo Arania has presented the aforementioned information in the index of GRI content (Appendix II) for the period between 1 January 2023 and 31 December 2023, using the GRI standards as a reference.

Any suggestions, comments or other information on the content and availability of this report should be sent to the e-mail address info@grupoarania.com.

Assuming the commitment that the quality of the information provided by Grupo Arania is important for our stakeholders to be able to make solid and reasonable evaluations and to take the appropriate action, the principles set out in section 4 of GRI 1 Foundation 2021 have been applied.

Principles for preparing the report

1 Accuracy

The accuracy and details of the qualitative information are backed by the different corporate statements (such as the Code of Conduct and the Integrated Policies) and the reliability of a management system that is documented and certified by independent external entities in the areas of quality, environment, occupational health and safety and energy management.

Regarding quantitative data, although a significant improvement is seen due to the alignment with the GRI requirements and analysis of earlier reports, there are still opportunities for improvement in the data gathering processes, which we will continue to strengthen in the next financial year.

2 Balance

The information presented reflects the annual positive and negative trends of the impacts generated by Grupo Arania, based on the information available. In some cases, there has not been a consolidated deployment of the information, as certain actions are in the process of implementation in some of the Group companies. For example, the calculation of the carbon footprint and the development of innovation projects are still in the development and learning stages.

3 Clarity

The content presented in this report has been structured with an index to facilitate the search for information. In addition, we have used tables, infographics and graphs of consolidated data for the main values of each of the ESG areas so that the information is accessible and understandable.

Finally, to make the information accessible, like in previous years, the report will be published in three languages (Spanish, English and Slovak) and will be available to the public on our website (www.grupoarania.com).

4 Comparability

Our learning from the experience of previous reports has enabled us to improve the dynamics in the selection and compilation of data for this 2023 report.

The information presented includes data related to the period covered by the current report and previous periods, which facilitates analysis of the changes in the impacts over time.

To analyse these impacts compared to other organisations, absolute values are presented, as well as percentages, using internationally accepted units, according to data standardised in accordance with the ESG area reported (turnover, employment, carbon footprint calculations, etc.).

5 *Exhaustiveness*

The focus used to consolidate the information on the companies in Grupo Arania in this NFSR, in accordance with requirement 2-2-c of GRI 2: General Disclosures 2021, is aligned with the consolidated financial information.

The description of impacts arising from management practices and the involvement of Grupo Arania with regard to its activities, products and services has a solid base in the certification of their management systems.

These certifications, issued with respect to internationally recognised standards (ISO/IATA) by independent third-party entities, guarantee the implementation of management practices related to activities, products and services which are based on, among other things, the following concepts:

Understanding of the needs and expectations of the interested parties .

Risk-based thinking.

Knowledge of the organisation.

Verification of the processes, products and services supplied externally.

6 *Context of sustainability*

Grupo Arania recognises the importance of providing its stakeholders, such as investors, clients, employees and the general community, with a clear and complete vision of its performance in sustainability. In this regard, the report presents information on how the Group contributes to the Sustainable Development Goals (SDG) established in the United Nations 2030 Agenda, through the lines of action established in the strategy "Living Sustainability."



7 *Timing*

The information presented corresponds to the activities and results of last year, 2023. In coherence with the rest of the accounting reports that Grupo Arania establishes in its management practices, reporting will be conducted annually.

8 *Verificability*

The compilation, analysis and communication of the information and the other processes used to prepare this report are based on the documented management system of Grupo Arania. Its certification in accordance with ISO standards, which covers a process of identification of Strategic Lines and their deployment in policies, procedures, formal communication channels and feedback of information and data, provides support and reliable evidence of the quality of this report.



La Arboleda, Bizkaia.

APPENDIX II: INDEX OF GRI CONTENT

In compliance with the provisions of GRI 1, the following table specifies all the GRI standards used and lists all the content included in the report.

APPENDIX II: INDEX OF GRI CONTENT

GRI STANDARD	CONTENTS	PAGE OR URL	OMISSION IF RELEVANT
GRI 1 Foundation 2021	Principles for preparing reports		
	Use of the GRI standards	Appendix I	
	Statement of use of the GRI standards		
GRI 2 General Disclosures 2021	2-1 Organisational details	25 and 58	
	2-2 Entities included in the presentation of sustainability reports	10 to 16	
	2-3 Reporting period, frequency and contact point	Appendix I	This content cannot be omitted
	2-4 Restatements of the information:		
	Acquisition of LAMINCER	13, 60 and 61	
	Restatements on workforce	84 to 95	
	Fiscal information	142 and 143	
	2-5 External assurance	www.ey.com/es_es/audit/services	
	2-6 Activities, value chain and other business relationships	25	
	2-7 Employees	84 to 95	
	2-8 Workers who are not employees		No up-to-date information available for 2023
	2-9 Governance structure and composition	60 and 61	
	2-10 Nomination and selection of the highest governance body	62 to 65	
	2-11 Chair of the highest governance body	61	
	2-12 Role of the highest governance body in the overseeing the management of impacts	62 to 65	Delegation to the Sustainability Directorate
	2-13 Delegation of responsibility for managing impacts	62 to 65	
2-14 Role of the highest governance body in sustainability reporting	7		
2-15 Conflicts of interest	62 to 65		
2-16 Communication of critical concerns	62 to 65		

APPENDIX II: INDEX OF GRI CONTENT

GRI STANDARD	CONTENTS	PAGE OR URL	OMISSION IF RELEVANT
GRI 2 General Disclosures 2021	2-17 Collective knowledge of the highest governance body	62 to 65	Delegation to the CSR Committee
	2-18 Evaluation of the performance of the highest governance body	58	The Chairman is the controlling shareholder
	2-19 Remuneration policies		Information unavailable
	2-20 Process to determine remuneration		Information unavailable
	2-21 Annual total compensation ratio		Information unavailable
	2-22 Statement on sustainable development strategy	40 to 43	Sustainability strategy Code of conduct
	2-23 Policy commitments	44 to 47	Integrated Policies of the management systems
	2-24 Embedding policy commitments	22 and 23	No up-to-date information available for 2023
	2-25 Processes to remediate negative impacts	22 and 23	
	2-26 Mechanisms for seeking advice and raising concerns	22 and 23	Certified management systems
	2-27 Compliance with laws and regulations	22 and 23	Global Sustainability Plan
	2-28 Membership of associations	138	
	2-29 Approach to stakeholder engagement	44 to 47	
2-30 Collective bargaining agreements	107		



APPENDIX II: INDEX OF GRI CONTENT

GRI STANDARD	CONTENTS	PAGE OR URL	OMISSION IF RELEVANT
MATERIAL TOPICS			
GRI 3 Material topics 2021	3-1 Process to determine material topics	48 to 55	This content cannot be omitted
	3-2 List of material topics	50 to 55	
Information on the fight against corruption and bribery (in Corporate Management and Code of Conduct)			
GRI 3 Material topics 2021	3-3 Management of material topics	44 to 55	Code of conduct
	Certification of management systems for an integrated focus on risk management		
GRI 205 Anti-corruption 2016	205-1 Operations assessed according to the risks related to corruption	78 and 79	Inferred from the CSR Committee supervision procedure
	205-2 Communication and training about anti-corruption policies and procedures	78 and 79	
	205-3 Confirmed incidents of corruption and actions taken	78 and 79	
GRI 3 Material topics 2021	3-3 Management of material topics	23	Chart of certifications
	Certification of management systems for an integrated focus on risk management		
GRI 2 General Disclosures 2021	2-23 Policy commitments	44 to 47	Inferred from the CSR Committee supervision procedure
	2-24 Embedding policy commitments	62 to 65	
	2-25 Processes to remediate negative impacts	62 to 65	



APPENDIX II: INDEX OF GRI CONTENT

GRI STANDARD	CONTENTS	PAGE OR URL	OMISSION IF RELEVANT	
MATERIAL TOPICS				
Promotion of health and welfare in the workforce				
GRI 3				
Material topics 2021	3-3 Management of material topics	23	Certification ISO 45001 Occupational Health and Safety Risk Management	
GRI 403	Management approach disclosures:			
Occupational safety 2018	403-1 Occupational health and safety management system	98 to 102	The management approach is based on ISO 45001 systems certified by a third party.	
	403-2 Hazard identification, risk assessment, and incident investigation	98 to 102		
	403-3 Occupational health services	98 to 102		
	403-4 Worker participation, consultation, and communication on occupational health and safety	98 to 102		
	403-5 Worker training on occupational health and safety	98 to 102		
	403-6 Promotion of worker health	98 to 102		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	98 to 102		
	Topic-specific disclosures:			
	403-8 Workers covered by an occupational health and safety management system	98 to 102		
	403-9 Work-related injuries	98 to 102		
403-10 Work-related ill health	98 to 102			

APPENDIX II: INDEX OF GRI CONTENT

GRI STANDARD	CONTENTS	PAGE OR URL	OMISSION IF RELEVANT
MATERIAL TOPICS			
Decarbonisation and reduction of CO emissions			
GRI 3 Material topics 2021	3-3 Management of material topics	32 to 34	Business plan 2023-26
		133	Innovation in low-carbon steel
		23	Certification ISO 50001
		120 to 123	Calculation of carbon footprint
GRI 302 Energy 2016	302-1 Energy consumption within the organisation	118 and 119	The information presented has been drawn up within the scope of the ISO 50001 certification
	302-2 Energy consumption outside of the organisation	118 and 119	
	302-3 Energy intensity	118 and 119	
	302-4 Reduction of energy consumption	118 and 119	
	302-5 Reductions in energy requirements of products and services	118 and 119	
GRI 303 Water and effluents 2018	303-3 Water withdrawal	118	The information presented has been drawn up within the scope of the ISO 14001 certifications.
	303-4 Water discharge	23	
	303-5 Water consumption	118	
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	120 to 123	Calculation of carbon footprint
	305-2 Energy indirect (Scope 2) GHG emissions	120 to 123	
	305-5 Reduction of GHG emissions	120 to 123	
Corporate policies of sustainability, human rights and anti-corruption			
GRI 3 Material topics 2021	3-3 Management of material topics	grupoarania.com/personas	Statement of values Code of conduct Sustainability strategy Business plan 2023-26 Innovation in low-carbon steel Certification ISO 50001 Calculation of carbon footprint

APPENDIX III: CONTENT REQUIRED BY LAW 11/2018 ON NON- FINANCIAL INFORMATION

The following table lists the content required by Law 11/2018 on non-financial information.

**APPENDIX III: CONTENT REQUIRED BY LAW 11/2018
ON NON-FINANCIAL INFORMATION**

CONTENTS	PAGES	CRITERIA APPLIED
Business model		
<ul style="list-style-type: none"> • Business structure, internationalisation and main markets • Corporate identity • Innovation • 2023/2026 Plan • Strategy of sustainability and commitments to our stakeholders (GI) • Materiality assessment • Governance • Code of conduct and risk management 	7 to 79	<ul style="list-style-type: none"> Consolidated annual accounts Strategy appraisals Participation in innovation programmes with allies and partners in the sector GRI 2-44 AND GRI 2-47 Principle of due diligence
Information on respect for human rights	76 and 77	<ul style="list-style-type: none"> Code of Conduct and Responsible Practices Principle of Due Diligence European Convention for the Protection of Human Rights and Fundamental Freedoms (EHCR) Art 21 EU Treaty
<ul style="list-style-type: none"> • Management approach 	See Code of Conduct*	Commitments acquired in the Code of Conduct
Information related to the fight against corruption and bribery		
Information related to the fight against corruption and bribery	78 and 79	<ul style="list-style-type: none"> Code of Conduct and Responsible Practices CSR Committee
<ul style="list-style-type: none"> • Management approach 	See Code of Conduct*	Commitments acquired in the Code of Conduct
Social and staff-related matters		
<ul style="list-style-type: none"> • Management approach • Employment • Social relations • Training • Health and Safety • Equality and accessibility 	83 to 109	<ul style="list-style-type: none"> Commitments acquired in the Code of Conduct Certification ISO 14001
Company information		
<ul style="list-style-type: none"> • Management approach and Commitments to sustainable development • Suppliers and supply chain • Consumers and other social agents • Fiscal information 	128 to 131 132 to 135 136 to 141 142 and 143	<ul style="list-style-type: none"> Commitments acquired in the Code of Conduct, alignment with prioritised SDG

*www.grupoarania.com/personas



NFSR 2023

