



# 2022 SUSTAINABILITY REPORT

28 NOVEMBER

**2022 Non-Financial Information  
Status Report  
COMANSA GROUP**



**COMANSA**

# CONTENTS OF THE REPORT

<b>SUSTAINABLE BUSINESS MODEL.....</b>	<b>5</b>
1. VISION OF THE GROUP AND ITS COMMITMENT TO SUSTAINABILITY .....	6
1.1 Mission and Vision.....	6
1.2 Values.....	6
1.3 Code of ethics.....	7
2. RELATIONSHIP WITH STAKEHOLDERS.....	8
2.1 Identification of stakeholders.....	8
2.2 Participation of stakeholders-Communication.....	10
3. BUSINESS MODEL .....	11
3.1 Activities.....	11
3.2 Brands.....	14
3.3 Products and services.....	14
4. MARKETS .....	16
5. SIZE OF THE ORGANISATION.....	16
6. IMPACTS, RISKS AND OPPORTUNITIES .....	16
6.1 Economic Perspective.....	16
6.2 Environmental Perspective.....	18
6.3 Social and Ethical Perspective .....	18
7. MATERIALITY.....	19
<b>ENVIRONMENTAL ISSUES .....</b>	<b>21</b>
1. ENVIRONMENTAL POLICY .....	22
1.1 Management Approach.....	22
1.2 Evaluation of the management approach.....	24
2. IMPACTS, RISKS AND OPPORTUNITIES .....	25
2.1 Performance.....	25
2.2 Risks.....	26
2.3 Relevance of environmental issues: classification, lessons learned and targets .....	27
3. ENVIRONMENTAL RISK MANAGEMENT.....	28
3.1 In planning of operations .....	28
3.2 Risk management in development and launch of new products.....	29
4. GOVERNING BODY MANAGEMENT .....	29
4.1 Function in environmental management.....	29
4.2 Frequency.....	30
4.3 Evaluation of effectiveness .....	30

5.	COMPLIANCE WITH ENVIRONMENTAL LEGISLATION AND REGULATIONS.....	30
6.	MEASURES TO PREVENT CARBON EMISSIONS .....	31
6.1	Initiatives to reduce Energy Consumption, NOx, SOx and GHG Emissions .....	31
6.2	Reduction of energy requirements of products and services .....	32
7.	ENERGY CONSUMPTION .....	33
7.1	Reduction of energy consumption derived from efficiency initiatives .....	33
8.	EMISSIONS .....	35
8.1	Significant Emissions of NOx, SO2, CO, Particles and VOCs .....	35
8.2	Greenhouse Gas Emissions.....	37
9.	RECYCLING, REUSE.....	39
9.1	Raw materials and materials related with the production process .....	39
9.2	Recovery and disposal of Waste.....	40
9.3	Actions to combat food waste .....	42
9.4	Water: consumption and recycling .....	42
10.	MEASURES FOR PRESERVING BIODIVERSITY .....	44
10.1	Significant impacts of industrial activity on biodiversity.....	44
11.	CLIMATIC TAXONOMY .....	45
	<b>ETHICS AND ANTI-CORRUPTION .....</b>	<b>46</b>
1.	REGULATORY COMPLIANCE SYSTEM .....	47
1.1	Compliance Management .....	47
1.2	Anti-corruption policy .....	48
1.3	Evaluation of management .....	49
1.4	Communication and training on anti-corruption policy and procedure .....	52
2.	MAIN RISKS .....	53
2.1	Risk of corruption, impacts, opportunities and effectiveness of the management process.....	53
2.2	Operations evaluated for risks related with corruption.....	54
3.	MEASURES TO PREVENT CORRUPTION .....	54
3.1	Risk assessment of commercial operations.....	54
3.2	Internal controls .....	54
3.3	Operational processes.....	55
4.	MEASURES TO COMBAT MONEY LAUNDERING .....	55
	<b>RESPECT FOR HUMAN RIGHTS.....</b>	<b>56</b>
1.	POLICY.....	57
1.1	Management .....	57
1.2	Evaluation and effectiveness.....	57
1.3	Training.....	57
2.	MAIN RISKS .....	57
2.1	Impacts and risks .....	57



2.2	Risk control .....	58
3.	DUE DILIGENCE PROCEDURES .....	58
3.1	Human Rights in the Supply Chain .....	58
3.2	Due Diligence on Human Rights .....	58
4.	RISK PREVENTION FOR HUMAN RIGHTS VIOLATIONS .....	58
4.1	Human Rights promotion and compliance projects .....	58
4.2	Complaints mechanisms .....	59
	<b>COMMITTED TO PEOPLE .....</b>	<b>60</b>
1.	POLICY .....	61
1.1	Responsibilities, Resources and Evaluation of management .....	61
1.2	Formal complaints mechanisms .....	61
1.3	Objectives and targets .....	61
2.	MAIN RISKS .....	62
2.1	Workplace accidents: .....	62
3.	EMPLOYMENT .....	63
3.1	Comansa Group Staff .....	63
3.2	Employees with Disabilities .....	64
4.	REMUNERATION .....	64
4.1	Remuneration management .....	64
4.2	Remuneration .....	65
5.	COMMUNICATION OF OPERATIONAL CHANGES .....	66
6.	ORGANISATION OF WORK .....	67
6.1	Organisation of working hours .....	67
6.2	Measures aimed at facilitating work-life balance .....	67
6.3	Absenteeism due to workplace accidents .....	67
6.4	Measures for disconnection .....	68
7.	HEALTH AND SAFETY .....	69
7.1	Management Approach .....	69
7.2	Processes of identification and evaluation of occupational risks .....	69
7.3	Hazard notification processes .....	71
7.4	Accidents at work and occupational illnesses .....	71
7.5	Health Monitoring .....	73
8.	TRAINING .....	73
8.1	Management approach .....	73
8.2	Group Plants .....	74
8.3	Programmes for improving skills of employees and facilitating their employability .....	75
9.	EQUALITY .....	76
9.1	Measures for promoting equality between men and women .....	76

9.2	Measures adopted for promoting employment.....	76
9.3	Protocols against harassment: .....	77
9.4	Policies against all kinds of discrimination .....	77
10.	ACCESSIBILITY .....	78
	<b>COMMITTED TO SOCIETY.....</b>	<b>79</b>
1.	POLICY AND RISKS.....	80
2.	COMMITMENTS TO SUSTAINABLE DEVELOPMENT .....	80
2.1	Social impact through projects.....	80
2.2	Impact on employment and local development .....	82
2.3	Digital transformation and improvement of competitiveness.....	82
2.4	Collaboration with the University .....	82
2.5	Commitment to clients.....	83
2.6	Commitment to the Community .....	83
2.7	Sponsorship partnerships.....	83
3.	SUBCONTRACTING AND SUPPLIERS.....	84
4.	MEASURES FOR CONSUMER HEALTH AND SAFETY .....	85
4.1	Quality .....	85
4.2	Security.....	86
5.	FISCAL INFORMATION .....	86
5.1	Profits earned by country.....	86
5.2	Taxes paid on profits .....	87
5.3	Public subsidies received.....	87
6.	ABOUT THIS REPORT.....	88
	<b>GRI CONTENTS.....</b>	<b>89</b>

## SUSTAINABLE BUSINESS MODEL

*“We wish to join a global movement, seeking to advance together toward sustainability. We understand that corporate social responsibility must consider sustainability criteria in its threefold economic, environmental and social dimensions, and to achieve this we have begun a long-term process which must gradually lead us toward the desired goal.*

*The path will be long and complex. CSR requires new ways of doing things and the adoption of clear ethical principles and responsible behaviour, as well as stronger bonds between the company and the community in which it undertakes its activities. Transparency is an essential part of this new vision of our company, which is why we are making information available here on our activity and our plans for the future, for our employees, clients, suppliers and the society that we form part of.*

*We are concerned about sustainability, not only looking at the short-term or immediate benefits. We have taken on social awareness and responsibility. This approach encompasses an active and voluntary contribution to social, economic and environmental improvement with the objective of improving our competitive situation and its added value.*

*We have taken on our firm commitment to this process, which we are prepared to periodically report to employees, clients, suppliers and other groups and collectives interested in the activities of this company and its economic, environmental and social impact. Additionally, all suggestions, proposals and ideas in this regard which may help us achieve the desired goal will be welcome.”*

Comansa Group Sustainability Report

## 1. VISION OF THE GROUP AND ITS COMMITMENT TO SUSTAINABILITY

Comansa Group has been progressively implementing social responsibility criteria in its threefold social, economic and environmental dimensions. The strategic map establishes the Mission and Vision, defining the Group's interest in being renowned as a business organisation with a global presence, and as a leader in technology, with management, personnel, shareholders and stakeholders in general respecting a series of rules of conduct and values to achieve this.

The Mission, Vision and Values have been included in the strategic plans. The Management Board had to face the challenge of converting the Group into a Multinational Group with production, service and commercial processes in different geographic locations, being aware that decisions on products, processes, and organisation, etc. had to be adapted to that priority. The project had very significant organisational, management and control requirements, for which the group had to have suitable resources and tools.

### 1.1 Mission and Vision

#### VISION:

**Selling in a "global market, being leaders, growing in the tower crane sector"**

- As a Group with activities and processes in different locations and partners in different markets
- With permanent multinational presence serving all relevant markets.
- As a leading Organisation capable of offering the market the optimal value proposal which constantly innovates, evolving our management model to adapt to the growing demands of markets.
- Being accessible and growing in an ambitious and demanding way with an organisational structure, industrial capacity and suppliers coordinated with our growth.
- With a range of tower cranes appropriate for and adapted to the markets.

#### MISSION:

**"To be leaders in technology, adapting and being agile and flexible, offering clients the product-service solution"**

- Capacity for adaptation, agility and flexibility.
- The most effective product-service solution.
- Maximum commercial and operations effectiveness through coordination with commercial networks, integrating the manufacturing operations of the two plants.

### 1.2 Values

The rules of conduct that the Group commits to respect to fulfil its mission are as follows:

#### Social Responsibility Values

##### ***Fundamental Rights and Freedoms***

Respect for legality, human rights and public freedoms

##### ***Social principles and rights***

Respecting and complying with current legislation, as well as international labour and social agreements. We support and respect internationally recognised fundamental human rights.

***Equal opportunities and mutual respect***

Guaranteeing equal opportunities and equal treatment, so that no person employed will be subjected to discrimination due to race, physical disability, illness, religion, sexual orientation, age, nationality or any other condition.

***Health and safety***

Applying best practices for health and safety, promoting the participation of suppliers and collaborators in this culture.

**Corporate Values**

***Integrity and ethics***

Our behaviour must be governed by the principles of good faith, trust and integrity of intentions.

***Professional, transparent and participative Management Style***

We aim for the management team and board members to carry out their functions with integrity, transparency, competence, honesty and effectiveness. We collaborate in everything we do through teamwork, sharing challenges and developing solutions together. They must be a role model, acting in compliance with the Code of Conduct. They must trust their team, setting it clear objectives and granting it a broad scope for action. They must be aware of the performance of their team, with special recognition of the most important achievements.

***Good governance***

Honesty and good relationships with third parties are fundamental principles. We defend business transparency and mutual trust with shareholders, rejecting all forms of corruption.

***Clear, open, humane relationships between people***

We value the contributions of each person, respecting their differences. We care for and support each other, valuing what we can learn from each other.

***Development of employees***

We offer an environment which promotes the personal and professional perspectives of employees and their capacity for growth. We invest in training and improvement of their skills and abilities. In turn, we expect all employees to be very demanding of themselves, and to actively participate in their continuous development.

**1.3 Code of ethics**

**The Management Board of Comansa Group, at its meeting on the 10<sup>th</sup> of January 2017, approved the Code of Ethics and Conduct**, which reflects the company having taken on the commitment to act with integrity, responsibility and transparency, in accordance with the Law and by virtue of high ethical and moral values.

This Code is within the context of the implementation of a Crime Prevention and Detection Model, with the aim of guiding the behaviour of all members in their relationships with different stakeholders. The Code sets out the ethical and conduct values of Comansa and details the principles by which the behaviour of its members must be governed to adapt to current legislation.

**The Code of Conduct is structured in 3 sections:**

- General principles and values
- General rules of conduct



- Application of the Code; mentioning the ethical channel for communication through which employees must communicate the conduct which may involve illegal actions or rules of the Code and the obligation of the Regulatory Compliance Officer to guarantee the confidentiality of the identity of whistleblowers

The Code of Ethics, the ethical channel and the workplace harassment protocol are available to employees of the company through the Employee Portal and the plant terminals.

Additionally, all have received specific training and have signed their commitment to compliance and reporting irregular situations which may arise.

**Control of compliance with the Code of Conduct** is carried out through:

- Ethics Committee: body for analysis of communications and/or reports.
- Ethical channel for communication: confidential means of reporting conduct which violates the code or which is irregular.
- Workplace harassment protocol: tool made available to all staff on the Employee Portal and plant terminals, to facilitate the identification of conduct related with workplace harassment.

The Regulatory Compliance Officer of the Group ensures that all employees are trained on its content and that this is certified by registered signature, that it is issued, and commitment to communicate any issue which may entail non-compliance with it through the Ethical Channel for communication.

**Code of ethics of clients and suppliers:**

Through Commercial and Operations Management, Comansa Group communicates a specific Code of Ethics and Conduct to clients and suppliers, which has been drafted to govern relationships between all individuals who have a direct or indirect relationship with our business Group, expecting both stakeholders to commit to compliance with the code.

The code of ethics for clients is posted on website of the Group. The codes of ethics of clients and suppliers are available in Spanish, English and French.

During 2022, suppliers making up 95% of invoicing and 135 clients have received the applicable Code of Ethics, Comansa Group having made an Ethical Channel for communication available to them so that they can report any behaviour which is irregular or contrary to the content of these codes, detected in their relationship with Comansa.

## 2. RELATIONSHIP WITH STAKEHOLDERS

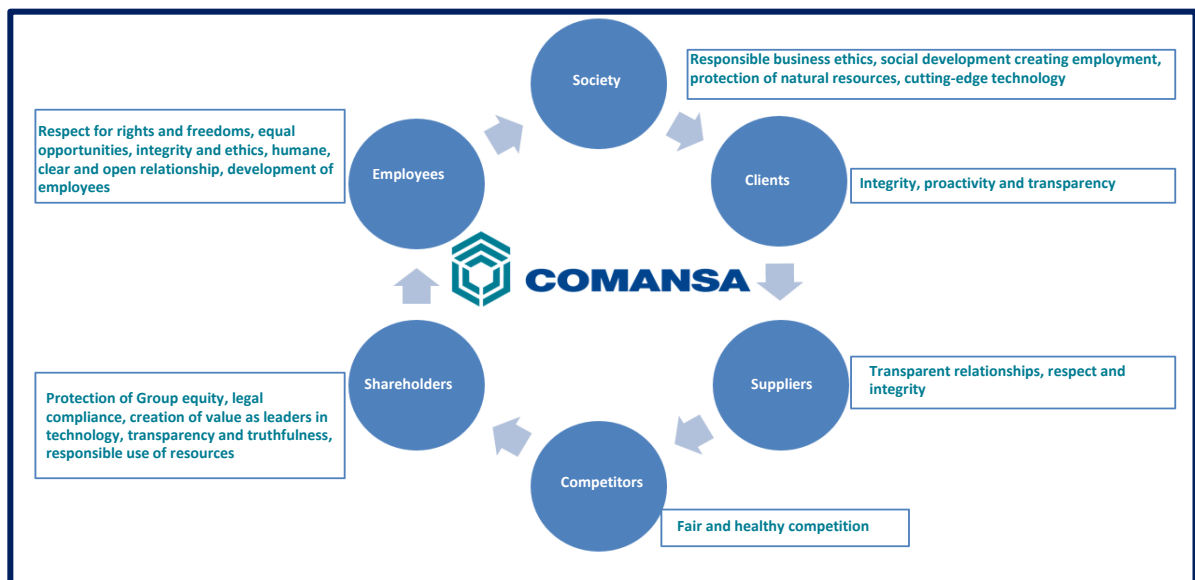
### 2.1 Identification of stakeholders

The stakeholders with which Comansa Group is involved are the following:

- Shareholders
- Partners
- Financial entities
- Clients
- Suppliers
- Employees and Works Council
- Society and Public Administrations

In its current Code of Ethics, Comansa Group formally identifies its main stakeholders, for which it defines the principles and rules of conduct which must govern its relationships with them.

- **With employees**, a humane, clear relationship of mutual respect must be maintained, having to respect the principle of “equal opportunities” in hiring, and promoting diversity and respect for dignity of all of them.
- **With suppliers**, ethical behaviour must be maintained, and they must be selected based on equal opportunities, not being able to receive advantages such as compensation for obtaining favours.
- **With clients**, relationships will be maintained based on sincerity, honesty, loyalty and transparency, in which the information provided to them is accurate. With this stakeholder group, the greatest care must be taken with the company’s reputation, complying with the commitments made. The confidentiality of their data must also be guaranteed, and as with suppliers, personal favours or gifts cannot be accepted.
- **Shareholders** must be guaranteed legal compliance, helping them to create value, being leaders in technology, controlling risks and being transparent. All information given to them must be transparent and accurate, guaranteeing them that the information and knowledge is protected, making responsible use of resources.
- **With Public Administrations**, relationships should be maintained based on collaboration and transparency.
- **With Society in general**, the governing principle is that of responsible business ethics, not allowing them to undertake irregular or fraudulent practices, having to collaborate in social development through the creation and maintenance of employment, providing cutting-edge technology for growth and protecting natural resources.



## 2.2 Participation of stakeholders-Communication

Stakeholders	Communication Channel
Shareholders	General Meeting of Shareholders
	BI Tools
	Quarterly meetings of the Board
	Comansa Group website
Clients and Partners	Plan of visits
	Annual client satisfaction survey
	System for Complaints, claims and suggestions
	Comansa Group website
Employees	Employee suggestions
	Communication of objectives and company situation
	Annual survey on infrastructure and working environment
	Annual performance interview
	Comansa Group website
	Employee welcome plan
	Internal monitoring and control committees (16)
	Ethical channel for communication or reporting
	Employee complaint and appeal system
	Employee Portal
Works Council	Quarterly meetings with Management to report on objectives and company situation
	Extraordinary meetings with Management to address any issue inherent to labour relations
	Extraordinary meetings to communicate significant operational changes in advance
Suppliers and Financial entities	Authorisation of suppliers
	Supplier audits
	Code of ethics for suppliers with signed commitment of compliance
	Comansa Group website
Society	Comansa Group website
	Social networks
	Relationship with Public Administrations in compliance with obligations
	Participation in Associations, Universities and training and education centres
	CSR Report

### 3. BUSINESS MODEL

#### 3.1 Activities

Comansa Group is a manufacturer of cranes for construction. With a wide range of tower cranes and luffing jib cranes, it is solidly established in Spain, China and the USA.

The main activities of the Group are divided between:

- Production of cranes
- Sale of cranes and spare parts
- Leasing of cranes

From its own headquarters in Spain, China and the United States, the Group provides service to its clients and manages all technical, commercial and after-sales queries at a global level.

The Group has an extensive network of distributors with extensive technical knowledge, which allows it to be able to provide a rapid and effective response to the end client.

Thanks to this extensive distribution network and its own commercial team, Comansa Group is in permanent contact with its clients, which allows it to learn their needs first-hand in order to provide the appropriate response to new requirements of the market. Below, some of the main types of project for which the cranes produced by the Group are used are highlighted:

#### ■ BRIDGES:

COMANSA cranes have been involved in building and expanding numerous bridges worldwide.

The support of COMANSA's engineering team in providing new and innovative solutions has been key in making sure that even the most complicated projects are a resounding success. Some notable examples are the Nhat Tan bridge in Vietnam, the La Pepa bridge in Cádiz, Cebu Link in the Philippines and the Gordie Howe bridge connecting the USA and Canada.



Image 1: First line: COMANSA Cranes in the construction of the Nhat Tan bridge in Vietnam (LEFT) and the La Pepa bridge in Cádiz (RIGHT) Second line: The Cebu Link bridge in the Philippines (LEFT) and the Gordie Howe bridge connecting the USA and Canada (RIGHT).

■ **TALL BUILDING PROJECTS:**

Some of the tallest buildings (over 300 metres tall) in countries such as Thailand and Vietnam have been built with the help of COMANSA cranes. Speed and elevation, a good climbing system and modular design are some of the characteristics which have made these projects a success, an example being the MahaNakhon tower, the tallest building in Thailand.



Image 2: COMANSA Cranes in the construction of the MahaNakhon tower in Thailand.

■ **DAMS:**

**Hydroelectric** power plants are usually located far from city centres, so simple assembly, high dependability and excellent performance tend to be key factors in terms of cranes. For this reason, COMANSA's tower cranes have been chosen to build or expand some of the world's most important dams and hydroelectric facilities, such as the Baixo Sabor dam (Portugal) and the Cambambe hydroelectric power station (Angola).



Image 3: COMANSA Cranes in the construction of the Baixo Sabor dam in Portugal (LEFT) and Cambambe power station in Angola (RIGHT)

■ **PORTS AND SHIPYARDS:**

COMANSA cranes are not only a great choice for purely construction projects, but are also an excellent solution for facilities where materials must be hoisted constantly, such as ports and shipyards. This is the case of the Paducah river port (United States), Brasa shipyard in Rio de Janeiro (Brazil), Damen Song Cam shipyard in Haiphong (Vietnam), Nakilat-Keppel Offshore & Marine in Ras Laffan (Qatar), the floating docks in the Port of Ensenada (Mexico), and Aibel in Haugesund (Norway).

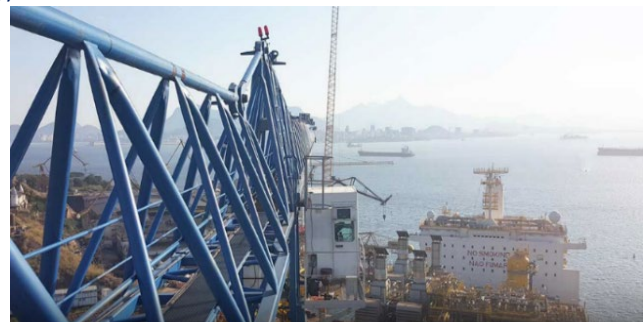


Image 4: Flat-top crane in the Brasa shipyard in Rio de Janeiro (Brazil).



■ **STADIUMS:**

Several tower cranes are usually needed to build large stadiums and sports complexes. Thanks to their free-standing flat-top design, COMANSA cranes are a great solution to keep assembly and material costs down. They have been used, for example, in the full renovation of the Maracanã Stadium (Brazil), and in the Real Betis Stadium in Seville.



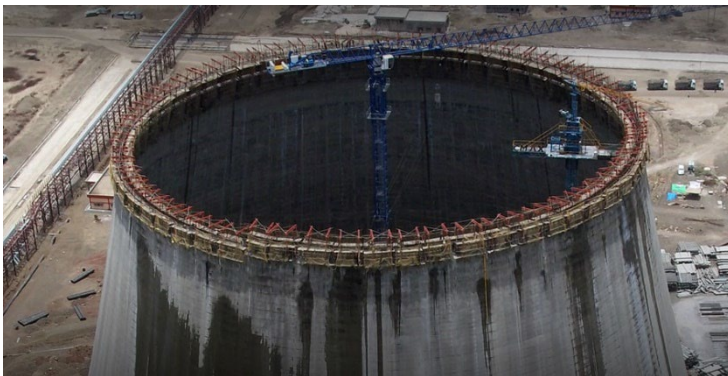
Image 5: Stadiums: Maracanã (Brazil), Perth (Australia), Wanda Metropolitano (Madrid) and Benito Villamarín (Seville) from left to right and top to bottom.

■ **POWER PLANTS:**

Global energy demand continues to rise year after year, requiring countries to make major investments in new nuclear, thermal and solar power plants. In recent years, dozens of power plants around the world have been built using COMANSA cranes, such as, for example, the Kalisindh thermal power plant in India.

The Comansa R&D team is available to the client to devise solutions adapted to specific projects. Additionally, many customers request the support of the engineering team to receive technical training, information about special configurations, location reports, reactions and interferences of a crane at a site, etc.

Image 6: Kalisindh Thermal Power Station, India.



### 3.2 Brands

Comansa Group has several trademarks, as in the table attached:



The Linden 8000 system

- Known worldwide for its robustness and modularity
- Purchased by Comansa in 1983 and added to the portfolio



- Modularity between sections of the tower
- High adaptability of jib length
- Extensively configurable with limited stock



- Speed and Safety
- Savings due to a more efficient overlap
- Greater resistance to fatigue

Comansa cranes are equipped with systems to make them more efficient and productive.



### 3.3 Products and services

The range of tower cranes is one of the most complete on the market, boasting a wide range of models and versions that adapt to all kinds of projects.

The range includes *Flat-Top* Tower Cranes and luffing jib cranes:

#### **Flat-Top Tower Cranes**



Comansa Group is the pioneer in the creation of the modular crane system with Flat-Top design (free-standing cranes). It is the only one of the global manufacturers to dedicate itself exclusively to the tower crane market and to opt solely for Flat-Top design cranes for its range of horizontal jib cranes.

This type of design offers the Group significant advantages, such as a high level of productivity, as it is possible to streamline the manufacturing process and produce many modules at the same time, simplification of the storage system and savings on transport, thanks to sections of towers in panels.

Likewise, this crane modality offers numerous advantages for clients, as its free-standing design, incorporating Linden technology, streamlines its assembly and results in significant savings, especially on sites which have several cranes working at the same time.

The following Series are identified:

Type	Maximum Load	Span
LC 500 Series	4 - 5 tonnes	35 – 50m
LC 1100 Series	5 - 8 tonnes	52.5 – 65m
LC 1600 Series	8 - 12 tonnes	65 – 70m
LC 2100 Series	12 - 50 tonnes	74 – 80m
LC 3000 Series	32 - 90 tonnes	60 – 80m

### Luffing Jib Tower Cranes

This type of crane is the best solution for very congested sites where there are buildings, other cranes or space limitations. Thanks to their luffing jibs, the cranes in the Group's luffing series offer optimal performance where horizontal jib cranes are not able to move loads freely.



All of the Group's luffing-jib cranes have a variable frequency in their slewing, hoisting and luffing mechanisms to ensure safe and smooth movements.

In 2022, Comansa launched its first hydraulic luffing jib crane, an initial model with a 16 tonne maximum capacity which is the launchpad for the new LCH family.

The luffing jib models of Comansa Group are:

Type	Maximum load	Span
LCL165	8 - 12 tonnes	50m
LCL190	12 - 18 tonnes	60m
LCL280	12 - 24 tonnes	60m
LCL310	12 - 24 tonnes	60m
LCL500	24 - 30 tonnes	65m
LCL700	50 - 64 tonnes	65m
LCH300	16 tonnes	<b>60m</b>

## 4. MARKETS

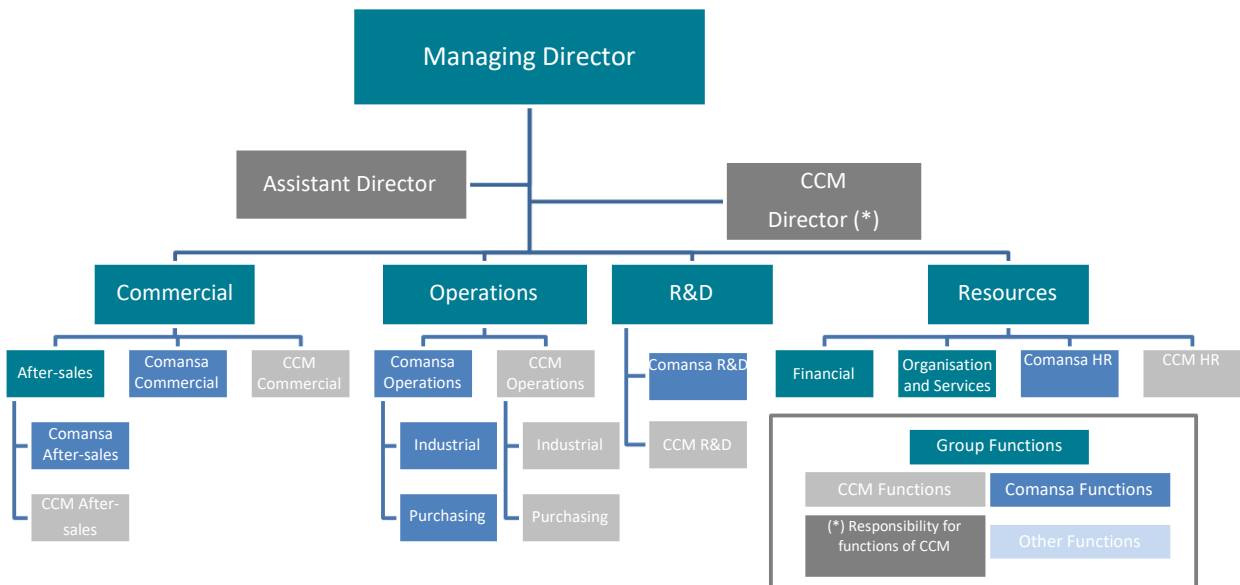
Comansa Group designs and manufactures tower cranes for the construction sector from its two production plants located in Spain and China. The clients of the Group are mainly construction, distribution and leasing companies. The types of projects in which the Group participates are Residential, Commercial, Industrial, Power Plants, Infrastructure (bridges or other elements), Mining, Shipyards and Offshore.

The Group is present in over 70 countries on 5 continents, the main large areas being the United States and Canada, Europe, China and Southeast Asia.

## 5. SIZE OF THE ORGANISATION

The Group is organised based on the following organigram:

COMANSA GROUP FUNCTIONAL ORGANIGRAM



## 6. IMPACTS, RISKS AND OPPORTUNITIES

Below, the most significant economic, environmental and social impacts are described, including the effects caused to shareholders, suppliers, clients, employees, the community and society in general.

Also included are the advances made to address risks throughout 2022, where the most pertinent changes and their contribution to compliance with the Sustainable Development Goals can be seen.

### 6.1 Economic Perspective

The most significant risks from an economic perspective have an impact on all stakeholders, as if they were to occur, they would have a considerable effect on the financial situation of the Group, and therefore the viability and stability



of the business project. Their description includes the measures or opportunities implemented by the organisation to avoid, minimise and control them. The most important are the following:

- **Procurement risk**, due to not having strategic raw materials at a specific time or because their price varies significantly in a short period of time. To address this risk, the group enters into agreements with suppliers which establish the prices several months in advance (depending on the supplier). In addition to this, commercial relationships are maintained with several strategic suppliers to reduce the risk of shortages.
- **Market risk due to changes in demand**, increased competition, or impossibility of developing markets or positioning products and services to cover the needs of clients. To reduce exposure to this risk, the Group has diversified the markets well.
- **Contractual risk due to guarantees**, due to malfunction of a product attributable to design or manufacturing flaws during the warranty period. This cost does not represent a significant risk due to its exposure level being low.
- **Risk of civil liability claims for liquidated damages that products may cause**. For coverage of this risk, the Group has contracted international civil liability insurance, which also includes coverage of civil liability derived from damages from “accidental pollution”, the Civil Liability of the Group covering atmospheric, soil or water contamination or pollution, provided that these harmful actions occurred as a result of a sudden, unforeseen, unexpected and unintentional accident. This policy also includes the costs of removal, cleaning or disposal of the pollutant substances for which the Group is legally liable due to contamination in third party settings or installations. The maximum limit of compensation for all coverage affected by one accident and for all payment items is 18 million euros.
- **Risk of losses associated with the inventory** of finished products due to obsolescence or collapse of the market, which may mean that these products can only be sold at prices so low that they are not sufficient to cover costs. At Comansa Group this risk is low due to manufacturing generally being planned based on specific client orders.
- **Credit risk and risk of non-payment due to default of clients**. Comansa Group manages charging systems in various forms to reduce this risk, such as credit cards for certain countries, advance payment, credit insurance policy, agreements with international leasing companies and export financing systems such as buyer credit or supplier credit. In situations of client non-payment, it is possible to recover the crane and resell it, given the durability of the product.
- **Exchange rate risk**, due to adverse exchange rate movements. To mitigate this risk, the Group contracts exchange rate insurance, which reduces the exchange rate differences for transactions in foreign currency.



## 6.2 Environmental Perspective

The environmental impact generated by the production activity of Comansa Group has a direct effect on the community where the different subsidiaries operate, especially on the neighbours of its installations and relationships with the Administration in general. The most significant risks from this perspective are the following:

- **Generation of hazardous waste**
- **Atmospheric emissions**
- **Consumption of energy resources**

### Performance:

To minimise these risks and contribute with its activity to complying with the Sustainable Development Goals approved by the National Assembly of the United Nations, during 2022 the Group

- has reduced energy consumption.
- It has reduced the energy requirements of products and services, incorporating actions in design and engineering aimed at placing increasingly efficient equipment on the market.
- It has reduced atmospheric emissions, with the installation of “water-based” paints, reducing the use of solvents.
- It has reduced greenhouse gases, through the use of photovoltaic energy.
- It continues the reduction of hazardous waste through the purification of industrial water.

## 6.3 Social and Ethical Perspective

One of the stakeholder groups most affected are employees, therefore their health and safety, as well as their training are very important. Regulatory compliance is another key aspect with regard to the application of applicable labour legislation in the various plants in which the Group operates.

Taking all of this into account, the most significant risks are the following:

- **Risk of accidents at work:** To address this risk, the company has a Health and Safety management system in accordance with the ISO 45001 standard, which ensures compliance with a standard far stricter than applicable legal requirements.
- **Risk of non-compliance with labour regulations:** In the Compliance Plan, the Group has integrated control and monitoring of this risk in the applicable specific process, with internal controls and audits which guarantee compliance with it.
- **Risk of discriminatory treatment and workplace harassment:** In the Compliance Plan, the Group includes the risk of violation of workers’ rights. For this purpose it has defined controls, including the ethical channel for communication, which guarantee compliance with it.

### Performance:

In 2022 Comansa Group has supported fulfilment of the Sustainable Development Goals as follows:

- Commitment to the prevention of crime and a way of acting with integrity, responsibility, transparency and high ethical and moral values, implementing a Crime Prevention Management System in accordance with UNE19601.
- Promoting compliance with the code of ethics through the implementation of an ethical channel for communication extending to all its stakeholders.

- Implementing due diligence procedures which guarantee scrupulous respect for human rights, incorporating a whistleblower channel, disciplinary process, workplace harassment protocol and management of protection of the whistleblower.
- Applying a Health and Safety Management System in accordance with ISO 45001, which ensures that its management goes far beyond regulatory compliance, investing in improving health and safety conditions through modern, safe installations and machines.
- Pursuing a sustainable business model from an environmental perspective in accordance with the ISO 14001 standard, managing to significantly reduce environmental impact.
- Commitment to equal treatment and opportunities between men and women, implementing an Equality Plan which includes undertaking an audit on remuneration.
- Promoting the development and employability of employees through effective continuous Training Plans.
- Creating and maintaining direct employment, increasing its permanent staff through hiring of local suppliers.
- Participating in infrastructure construction projects that generate significant positive impacts on society.

## 7. MATERIALITY

This Report has been drafted in accordance with the requirements of Law 11/2018 on Non-Financial Information. Its content includes the most pertinent and most important aspects from the perspective of Corporate Social Responsibility of Comansa Group.

To draft it, various internal and external sources of information have been used, following the GRI standard. The development and evolution of the report has involved the following phases:

- **Initial diagnosis of the situation:** This phase identified the coverage of the report, taking into account the activity of the group and the relationships with its stakeholders, especially with the subsidiaries from which it had to obtain the corresponding information, management systems existing in the organisation involved in the report and requirements of the GRI standard.
- **Prioritisation:** Participating directly in its creation were Resource Management, Human Resource Management and Financial Management, with the other departments of the company participating indirectly. All of these established its content, highlighting and placing value on the most important aspects and issues.
- **Checking:** The final content has been validated by Senior Management, having participated actively in the drafting of this report, incorporating its perspective in each phase into it.

The report establishes the 17 most pertinent aspects for Comansa Group and its stakeholders, presenting the most significant impacts throughout it.

Chapter 1: Sustainable Business Model				
Chapter 2:	Chapter 3:	Chapter 4:	Chapter 5:	Chapter 6:
Environmental issues	Combatting corruption and bribery <i>"Ethics and anti-corruption"</i>	Respect for Human Rights	Social and personnel issues <i>"Committed to people"</i>	Information on society <i>"Committed to society"</i>
Environmental management	Crime prevention system	Management policy	Talent and risk management	Commitment to sustainable development.
Recycling, reuse and recovery	Risks and effectiveness of operational processes	Due diligence processes	Employment, remuneration management and organisation of work, Employee Health and Safety	
Consumption of energy resources, raw materials and water				Subcontracting and suppliers
Measures for reducing atmospheric emissions	Controls, processes and measures for preventing corruption	Risks, impacts and prevention	Communication, Training and Equality	Health and safety of consumers
Measures for reducing climate change and preserving biodiversity				

# ENVIRONMENTAL ISSUES

*“Comansa undertakes all its activities seeking the maximum quality of the product it manufactures, protecting the environment, complying with applicable legal requirements and continuously improving the environmental management system. It also takes on its responsibility as a tower crane designer and manufacturer, adopting the direct participation of company personnel as one of the main pillars for promotion and dissemination of environmental values.”*

## PRINCIPLES

- *Comansa Group pursues a sustainable business model, evaluating the environmental aspects associated with its activity, implementing improvements which minimise the environmental impact throughout the product lifecycle, controlling consumption of natural resources, protecting biodiversity and ecosystems through efficient management of waste and emissions.*
- *The Group is firmly committed to compliance with applicable environmental legislation, striving to prevent pollution and minimise the potential environmental impact it generates where possible.*
- *All personnel are adequately trained to improve involvement and skill in their work with criteria of respect for the environment, developing a participative practice which generates suggestions.*
- *Developing an effort of continuous improvement in production processes, in the context of an environmental management system which allows efficiency and effectiveness to be improved in consumption of resources*

## 1. ENVIRONMENTAL POLICY

### 1.1 Management Approach

#### **Environmental management:**

The environmental management of Comansa Group begins with the analysis of the context in which it operates, through the identification of external and internal factors which may be pertinent for achieving the expected results. This management involves identifying and evaluating the threats and weaknesses arising from environmental conditions, climatology, biodiversity, regulatory development, the social context in which the Group undertakes its activity, the characteristics of the sector, technological development, the characteristics of the supply chain, business culture, organisational structure, the production process, human resources, its installations and the management practices implemented.

The environmental processes consider the needs of stakeholders and ensure compliance with legal requirements, evaluating the risk that the Group may find in this area.

Environmental aspects derived from its own activity such as atmospheric emissions, effluents, the generation of waste, the storage of chemical and hazardous products, external noise, energy consumption, the possibility of spillage, explosions, fires, floods and soil contamination are subject to measurement and evaluation, identifying risk situations or threats which should be avoided, as well as the strengths and good practices implemented by the Group which should be leveraged.

Measurements of the exterior sound level due to normal activity determine that the maximum levels permitted are not exceeded by any of the measurement stations during the night or day, therefore it is not necessary to take specific actions to reduce noise emissions.

With the aim of fulfilling the established requirements and to avoid or mitigate the light pollution of its operations, Comansa has gradually replaced the outside lighting of its plant with more efficient lighting (LED).

#### **Complaints mechanisms:**

All employees participate in the sustainability of the Group, not only being involved in the processes that apply to them from an environmental perspective, but also through “suggestions” and the “employee appeals system”, allowing them to send complaints, request information or propose improvements.

The organisation encourages this type of participation, rewarding the best suggestion made. From these, action plans arise to address risks and opportunities, incorporating them into the annual environmental management plan, which is evaluated through internal audits on all operational processes.

#### **Responsibilities:**

Each employee is assigned environmental roles and responsibilities. There are employees responsible for evaluating environmental aspects and legal requirements, undertaking maintenance on installations and contamination control equipment, undertaking analyses, managing waste, undertaking internal audits and managing the system in general.



**Resources:**

In 2022, the resources dedicated to making the industrial activity of the Group environmentally sustainable amounted to an approximate cost of €617,000, classified in 4 main blocks: costs of human resources, technology, infrastructure and subcontracting of processes.

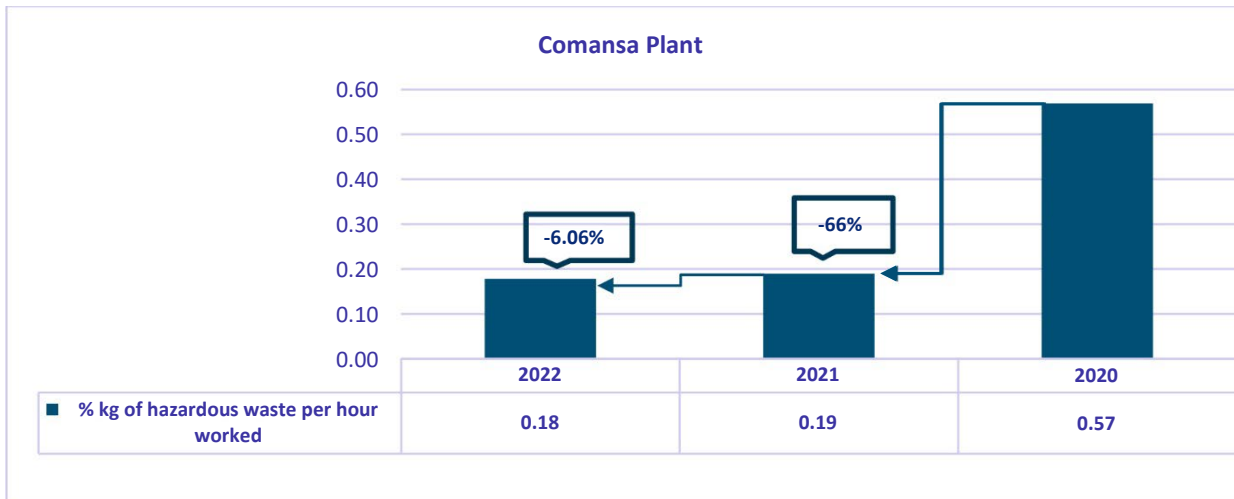
**Projects:**

The projects which have had the greatest influence on reduction of environmental impact have been:

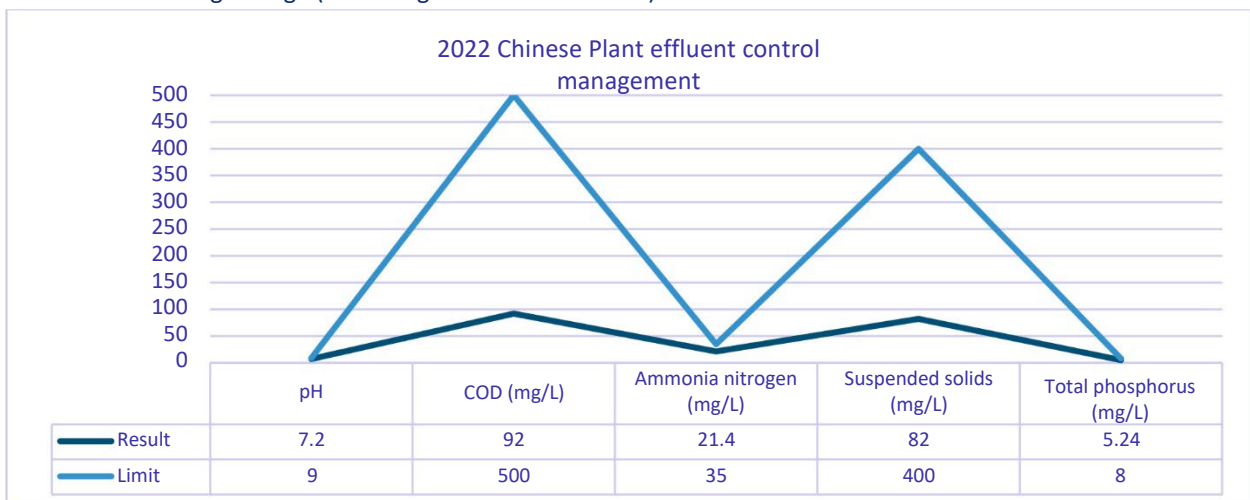
- Implementation and calibration of the plant air purification system.
- Undertaking measures derived from the energy audit.
- Expansion of the installation of photovoltaic energy, allowing reduction of GHG.
- Consolidation of the water purification system at the Spanish plant, reducing hazardous waste.
- Control of products that contain VOCs to reduce diffuse emissions.
- Optimisation of loading in containers.

**2022 Results:**

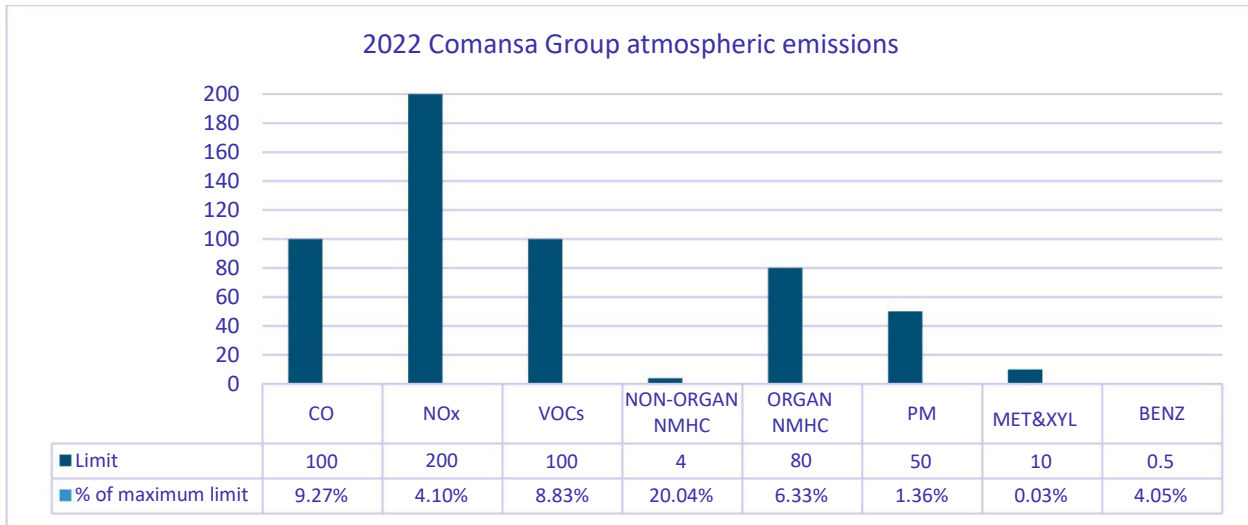
**Waste:** 6.06% reduction of hazardous waste.



**Effluents:** within legal range (an average of 18% of the limit)



**Emissions:** Average of 7% of the maximum limits



**Diffuse emissions:** reduce the rate compared with 2021. **Result: 22.08%** 5% reduction.

**Renewable energy:** reduce consumption, extending the photovoltaic installation up to 700 kWp. **1.02% reduction.** Self-consumption of 41% of energy used.

**Ecodesign:**

During 2022 various actions were carried out aimed at reducing the carbon footprint in transport and management of the product lifecycle. To do so, the following was carried out.

- Optimisation of loading in containers to the maximum so as to minimise the number of containers necessary for shipping of cranes.

**2023 Objectives:**

- Reduction of diffuse emissions.
- Reduction of paint residue hazardous waste.
- Analysis of the photovoltaic installation in cabin for consumption of certain elements of the cabin itself.
- Implementation of the PLM (Product Life Management) system. Involving management of the full product lifecycle, including the removal and recycling of the materials used.
- Study of installation of electric batteries for accumulation of surplus solar energy.
- Obtaining the ISO 14001 certification at the Esgren subsidiary.

**1.2 Evaluation of the management approach**

**Internal evaluation:**

Internally, environmental management is subject to a process of checking, measurement and performance evaluation, in accordance with legal requirements, the needs of the subsidiaries that make up the Group, the established management system and the relationship of Comansa Group with all stakeholders.

All processes which form part of the product lifecycle are evaluated, such as those related with purchasing, design, manufacturing, packaging and transport, use and end of lifespan.

**Measurement systems:**

There are various measurement systems: checklists, reports of accredited inspection bodies, specific declarations and reports, maintenance reports, reports of authorised companies, applicable indicators, audits of various administrations and employee suggestions.

The result of all of this determines the environmental prevention and correction measures to avoid legal or system non-compliance and rectify non-compliances.

**Achievement of objectives**

Comansa Group establishes the objectives taking into account the policy, legal requirements, results of audits and environmental evaluation carried out, communicating them to Senior Management, to department managers and to the employees involved.

**External evaluation**

The environmental management system of the main production plant of the Group in Spain is also subject to external checking by Bureau Veritas, the Organisation being certified in accordance with the ISO 14001:2015 standard.

In February 2022, the corresponding certification audit was passed, not identifying any non-compliance and placing a special emphasis on strengths such as analysis of the “context of the organisation, risks and opportunities”, “investment for environmental improvements in installations” and the “installation of the purifier”.

In the case of the China plant, the Administration annually audits environmental management through an external company. In this regard, we can mention the audit carried out in October 2022 on noise emissions, atmospheric emissions and industrial waste water management, determining that all of these were in line with applicable regulations and standards.

## 2. IMPACTS, RISKS AND OPPORTUNITIES

### 2.1 Performance

The environmental performance of Comansa Group is determined by various **processes**, through which measures are implemented to satisfy the requirements of the environmental management system and to achieve the expected results, controlling all production activities, to comply with legal and other requirements, with environmental objectives and to continuously improve environmental performance in each of its subsidiaries.

All of this is checked, measured and analysed, establishing corrective actions to act on the cause which may lead to non-compliance, obtaining audit evidence. Finally, the Senior Management of the Group carries out a review each year to ensure its suitability, adequacy and continuous effectiveness.

The optimal results achieved in the environmental management of the Group demonstrate ratings greater than mere compliance with applicable legal compliance. We refer to the effective management of hazardous waste carried out at the Spanish Plant, reducing the generation of work per hour, to the expansion of the solar installation of Urbizkain and Esgren, and to the control of emissions placing the Spanish Plant at levels much lower than the range established by environmental regulations.

**Continuous improvement** is implemented in the management processes, meaning that year after year opportunities are developed which are appropriately exploited to reduce the environmental impact generated by the industrial activity of the Group.

From a **financial perspective**, the value of expanding the photovoltaic installation and consolidating the water purification system continues to be confirmed, as in addition to entailing a significant reduction in energy consumption and hazardous waste, they have led to considerable economic savings, demonstrating that sustainable management is very profitable for the Organisation.

**Senior Management** leads the environmental management by taking on the responsibility to effectively achieve the expected results, making their involvement visible before the rest of the organisation and the stakeholders, taking the environment into consideration when defining the strategy in business processes.

The activities carried out for this purpose are:

- Approval of the environmental policy
- Review of the management system
- Approval of the environmental plan and objectives for improvement
- Approval of the environmental budget
- Quarterly communication of environmental information to employees

## 2.2 Risks

### Generation of hazardous waste:

One of the main risks for environmental impact derived from the industrial activity of the production plants of the Group is that caused by the generation of hazardous waste, such as oils, water with hydrocarbons, materials, contaminated packaging and filters of the installation of paint, aerosols and coolant. The group therefore continues to see an opportunity to consolidate the water purification system, as well as to reduce the hazardous waste produced per hour worked in the proper management of paint residue. This has led to a reduction result of 6.06%.

### Atmospheric emissions:

The painting facilities of the production plants of the Group constitute the source of atmospheric emissions. The potentially polluting gases derived from the production activities of these plants are the combustion parameters, emission of VOCs, CO, NOx and particles, as well as benzene, methylbenzene and non-methane hydrocarbons in the case of the Chinese plant. Additionally, and although it is not measured, the installation of an interior air purification system entails reduced extraction of smoke with welding particles by the roof of the warehouse.

### Spanish plant:

The painting facility of the Spanish plant was designed from the outset with a sustainable approach, being designed for use mostly with “water-based paint”. Nevertheless, it is inevitable for the covering process to consume a smaller amount of solvents, which entails the generation of diffuse emissions, which cannot exceed 25%. To reduce this impact, Comansa has an exhaustive and demanding plan to always keep this level below the required range. Additionally, it allocates resources to undertaking correct management of the solvent, recovering the greatest percentage possible in its separation phase.

Emissions are managed by registering them in an atmospheric emissions logbook, subjected to regulatory inspection by the corresponding accredited inspection body, for compliance on atmospheric emissions of pollutants with regard to the limit values established by applicable regulations. The results obtained, compared with the applicable limits, are all compliant, being far below the maximum permitted level (all are below 80% of the legal limit).

Chinese plant:

The Chinese plant is subject to annual checks on its atmospheric emission levels produced by its painting installation and its peening process, measuring emissions of metallic particles, benzene, methylbenzene xylene and non-methane hydrocarbons, the 2022 measurement being determined as compliant with the standard, with exposure levels far below 80% of the legal limit, and compliant with the standards of regulations GB 8978-1996, DB 33/887-2013, GB 12348-2008, GB 16297-1996, DB 33/2146-2018.

**Consumption of energy resources:**

The consumption of energy resources at the two Spanish production plants is subject to control and monitoring. During the 2018-2022 reference period there were very considerable reductions of energy consumption compared with production hours (21% in electricity, 41% in industrial water and 29% in gas).

The quarterly check on electrical energy, water and gas consumption that Spanish plants carry out through the Energy Efficiency Improvement Committee is a great opportunity to reduce them, through various improvements which over recent years have led to more efficient plants from an environmental and economic perspective, implementing LED lighting systems, opting for photovoltaic solar installations, etc.

The investments made in 2022 at the Comansa Spanish plant in renewable energy (photovoltaic panels) has led to a significant minimisation of environmental impact, generating 41% of energy for self-consumption. Likewise, an investment has been made in the Esgren plant, installing solar panels with an installed capacity of 100 kW for self-consumption.

In addition to this, there is a very important stakeholder group, the clients, who expect the cranes manufactured by Comansa group to be sustainable and consume less and less energy resources, if possible, in each phase of the product lifecycle and especially in the phases of transport, use and recycling of the crane.

With regard to this issue, the Organisation sees an opportunity in the development of “Ecodesign”, an area in which work has been carried out since 2015, having obtained increasingly efficient machines and equipment.

**2.3 Relevance of environmental issues: classification, lessons learned and targets**

The attached prioritisation matrix reflects the most pertinent environmental issues. The performance of the organisation is focused on the environmental management of all factors indicated in the tables. In it, the variable issues are faced with each other, based on the following classification criteria:

- 0: Does not cause it
- 1: Causes it indirectly or has a very weak causal relationship
- 2: Causes it semi-directly or has a medium causal relationship
- 3: Causes it directly or has a strong causal relationship

The relevance of environmental aspects for Comansa Group justifies the concern for the sustainable design of a safe, environmentally friendly final product, incorporating environmental criteria in its design and development phase, as well as assigning resources frequently to control emissions, reduce energy consumption and adequately manage waste.



Problematic situation													
Relevance for the strategy of the organisation on environmental issues													
Cº	Variable	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	Influence
P1	Sustainable <b>efficient motors</b>		0	0	0	0	0	0	0	0	3	0	3
P2	Product <b>modularity</b>	0		0	0	3	0	0	2	2	3	3	13
P3	<b>Noise emissions:</b> reduction	0	0		0	0	0	2	0	0	0	0	2
P4	<b>Crane illumination:</b> LED	0	0	0		0	0	0	0	0	3	0	3
P5	<b>Transport optimisation</b>	0	3	0	0		0	0	0	0	3	3	9
P6	<b>Replacement of aggressive products</b>	0	0	0	0	0		2	3	0	0	0	5
P7	<b>Emissions:</b> Emissions reduction (adequate management of solvent use)	0	0	1	3	3	3		3	0	3	0	16
P8	<b>Waste:</b> Reduction of hazardous waste	3	0	0	0	0	3	3		0	0	0	9
P9	<b>Waste:</b> Reduction of non-hazardous waste	0	0	0	0	0	1	0	0		0	0	1
P10	Energy <b>consumption:</b> electricity, water and gas	3	0	0	0	0	0	0	0	0		3	6
P11	<b>Energy costs:</b> transport and assembly	0	3	0	0	3	0	0	0	0	3		9
DEPENDENCE		6	6	1	3	9	7	7	8	2	18	9	39

### 3. ENVIRONMENTAL RISK MANAGEMENT

#### 3.1 In planning of operations

##### A. Risk Evaluation

The environmental aspects are identified analysing the processes of manufacturing, design and after-sales service of Comansa Group, based on the study of main and auxiliary activities, in normal or abnormal operating conditions, and the potential accidents or emergency situations foreseeable, which may have an effect on the environment.

At the Comansa Spanish plant, the environmental aspects are identified and evaluated based on the “Ecoscan” methodology. The rest of the environmental aspects derived from applicable legal requirements, external and internal factors and stakeholders are identified and evaluated in accordance with section 3.4 of Regulation 150008.

- *Ecoscan Methodology:* This methodology is endorsed by the Public Association IHOBE, a tool focused on detecting possibilities for minimising the generation of waste, emissions and effluents and for a more efficient use of natural resources and auxiliary raw materials within the activity.
- *Regulation UNE 150008 Methodology:* Regulation UNE 150008 defines environmental risk as “the result of a function which relates the likelihood of occurrence of a certain accident scenario and its negative consequences on the natural, human and socioeconomic environment”. It is commonly expressed in the following way: Risk = likelihood or frequency \* consequence or hazard.

All processes implemented at the Comansa Spanish plant form part of the environmental management system and are subject to internal checking and certification by the external entity approved for this purpose (Bureau Veritas) in accordance with the ISO 14001:2015 international standard.

The Chinese plant evaluates the environmental risks based on compliance with applicable legal requirements which are monitored annually by the governmental authority, analysing whether the levels are within the legal range.

**B. Planning**

Comansa Group defines the actions that will be implemented as a result of identification of environmental aspects, legal requirements and other applicable requirements, as well as risks and opportunities, planning them and establishing how they will be carried out.

The process is configured in the following way:

Start of the process	End of the process
<ul style="list-style-type: none"> <li>• Analysis of the context</li> <li>• Analysis of expectations and needs of stakeholders</li> <li>• Identification of environmental aspects</li> <li>• Identification of applicable legal requirements</li> <li>• Identification of risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Defining the actions that will be implemented to address them</li> <li>• Defining how they will be carried out</li> </ul>

**3.2 Risk management in development and launch of new products**

The Group ensures that the management of new projects takes into account the sustainable design of a safe, environmentally friendly final product, incorporating environmental criteria in its design and development phase, trying to take preventive measures that will reduce environmental impact in the different phases of the lifecycle, from production to disposal, without compromising the price or quality of the product.

Comansa Group focuses its Research and Development activities on the design of new projects, paying special attention to:

- Improvement of energy efficiency
- Reduction of environmental noise emissions
- Optimisation of manufacturing processes
- Care for environmental aspects

**4. GOVERNING BODY MANAGEMENT**

**4.1 Function in environmental management**

The Management Board of the Group supports the environmental management system and formalises it by charter. This system forms part of the Compliance System, also formally supporting it by giving the necessary authority to the “Compliance Officer”, who is responsible for the environmental system of the Group.

- It promotes an environmental culture at the heart of the Organisation, establishing and defending as one of the fundamental values of the organisation that the actions of its members are always compliant with the legal system in general.
- It adopts, implements, maintains and continuously improves the ideal management system for preventing and detecting non-compliance with environmental regulations.

- It provides the environmental management system with financial, material and human resources for its effective operation.
- It approves the environmental directives of the employees' code of ethics.
- It examines the efficacy of the compliance management system once a year, which includes the environmental field.
- It ensures that procedures are established which define training on the will of the Organisation, making decisions and executing them, promoting a culture which guarantees compliance with environmental regulations.
- It delegates the control function to General Management, which exercises it through the corporate directors of the company, who form part of the Control Committee.

#### 4.2 Frequency

Once a year, the governing body is informed of the suitability and implementation of the "Compliance" management system, which includes information inherent to the environmental management system of the Group, incorporating results of internal audits, the analysis of the annual environmental plan and objectives.

The information provided to the governing body includes:

- Opportunities for improvement.
- Suitability of processes.
- Degree of fulfilment of objectives.
- Suitability of resources (budget).
- The efficacy of actions.
- Proposal for making decisions on: Changes to the policy and processes, changes to processes, areas in which to monitor future non-compliance, corrective actions, continuous improvement initiatives, annual plan and objectives.

#### 4.3 Evaluation of effectiveness

##### Control Committee:

Quarterly, Senior Management is reported to through the Control Committee, made up of the corporate directors of the Group, regarding the evolution of the environmental management system of the group and the objectives.

##### Validation of the decisions of the Committee by General Management:

The validation of the work carried out by the Control Committee was subsequently carried out on the 28<sup>th</sup> of November 2022 by General Management, which concluded that the plan should be implemented, incorporating the objectives for improvement presented.

##### Approval by the Governing Body

Ultimately, it will be the highest governing body, the Management Board, that approves the initiatives of the Group by charter, including those inherent to the environmental sphere. In 2022 this action was carried out during the month of September, it being planned to carry out the same action in 2023.

## 5. COMPLIANCE WITH ENVIRONMENTAL LEGISLATION AND REGULATIONS

On an annual basis, Comansa Group evaluates compliance with requirements and establishes necessary corrective actions to act on causes which may lead to non-compliance with them.

The action process involves accessing the legal requirements and other applicable requirements, evaluating them and establishing corrective actions to act on the cause of a non-compliance (if existing), incorporating them into the Environmental Management Plan of the corresponding year.

On the issue date of this report, Comansa Group has presented the environmental declarations required by the Administration, has submitted to the pertinent controls of the Accredited Inspection Bodies, declaring that no non-compliance with environmental laws or regulations has been detected at either plant, being up to date in compliance with all applicable legislation.

## 6. MEASURES TO PREVENT CARBON EMISSIONS

### 6.1 Initiatives to reduce Energy Consumption, NOx, SOx and GHG Emissions

The objective is to reduce consumption of natural resources and greenhouse gas emissions.

#### 6.1.1 Energy Efficiency Forum:

At this Forum, environmental initiatives have been managed which have achieved significant reductions of impact. The most important have been the following:

##### **Monitoring of energy consumption**

Implementation of an energy consumption monitoring network which serves as a basis for management, using indicators to control deviations which allow energy savings, sectorisation, use and efficient exploitation of energy to be optimised.

##### **Investment in LED lighting**

The environmental impact derived from electrical energy consumption has been monitored and measured at the aforementioned Forum, which saw a great opportunity for reducing consumption in an environmentally friendly way in the investment in LED lighting systems in the office building, having made significant energy savings in electrical energy consumption in a sustainable way.

##### **Investment in photovoltaic solar energy**

Photovoltaic energy is a very important measure for reducing greenhouse gas emissions, as it cleans and transforms energy from the sun directly into electrical energy based on photovoltaic technology. The use of this technology is a very firm commitment of Comansa Group. It is not only an opportunity due to the significant savings on energy consumption, but also considerably reduces environmental impact due to not producing waste, contaminating water, or emitting toxic or polluting gases, being used to generate electricity for the purpose of "self-consumption".

At the Comansa Spanish plant the installation of Photovoltaic Panels and Inverters has been carried out in three phases to produce up to 700 kW of Photovoltaic Electricity Generation. The results analysed at this plant have led to the application of this type of installation at the Esgren plant, with an initial potential power of 100 kW, which will be increased in subsequent years.

#### 6.1.2 Installation of "water-based" paint

The paint used in the industrial process is "water-based paint", which has 10% solvent in its composition. At the Comansa Spanish plant, an opportunity has been seen to reduce the environmental impact generated by solvent emissions, replacing it in the cleaning of parts on the exterior of the painting cabin with biodegradable products free of VOCs.

The process involves a strict control of paint sprays and barrels of solvent used, ensuring that they are closed, providing them with screwable suction tubes, so that their evaporation is substantially reduced.

## 6.2 Reduction of energy requirements of products and services

The objective is to put increasingly efficient machines and equipment on the market. Product improvements to highlight:

- **Modularity of the product** facilitating the reduction of raw materials used and waste, as well as the energy necessary for its production.
- **Use of reusable components** considerably reducing the environmental impact; for example, the fitted feet which can be reused from one site to another instead of disposing of them after each works project as usual.
- **Efficient electric engines** which consume less energy.
- **Increased loading capacity** of the cranes without increasing energy consumption of the engines.
- **Reduction of noise emissions.**
- **Optimisation of transport**, due to the modularity of the components, minimising the number of containers necessary for transporting the crane.
- **Reduction of energy costs of transport and assembly**, due to the design of light structural models and use of design concepts which allow extremely simple logistics processes and assemblies.
- **Elimination of hexavalent chromium compounds in corrosion protection systems**, replacing them with innocuous compounds such as trivalent chrome.
- **Replacement of products which are harmful** for the environment, such as certain degreasers, replacing them with other innocuous ones, solvent-based enamels and paints replaced by water-soluble enamels.
- **Jib lighting system with LED technology** replacing metal halide lamps, offering reduced energy consumption with the same level of light intensity. This development is greatly valued in Nordic countries which have few hours of daylight and which must substitute it with lamps with high light intensity. The intensity of the lighting system is adjustable and it can be programmed to turn on and off using the calendar, which gives the system great efficiency.
- **Overhead beacon with LED technology** replacing incandescent lamps, offering reduced energy consumption with the same level of light intensity. These systems operate 24 hours a day, therefore energy savings are essential.
- **110 kW engine electricity consumption reduction system**, in cases where maximum hoisting power is not required, allows the energy consumption to be reduced, reducing the power of the engine.

Reduction of energy requirements on cranes	Savings	Measurement unit
LED technology on jib lighting system	82%	Watts
LED technology on overhead beacon	82%	Watts
110 kW engine consumption reduction system	40%	Watts

## 7. ENERGY CONSUMPTION

### 7.1 Reduction of energy consumption derived from efficiency initiatives

The energy consumption of the Group is essentially determined by the consumption of gas and electricity. Part of the electrical energy consumed comes from renewable energy produced by the photovoltaic installation, which is resulting in a significant reduction of electricity consumption, minimising the environmental impact that consumption of natural resources entails.

#### Type of energy used:

The energy installations related with energy resource consumption that have a direct effect on the environmental impact caused by the activity of Comansa Group are: Electricity installation, Natural gas supply installation, Heating installation, Compressed air installation, Air conditioning system, Installation of lighting and Natural gas consuming equipment. The two installations which consume practically all the thermal energy are the air conditioning system and the painting installation. In electrical energy, the consumption is mainly by the painting installation, warehouse lighting and air compressors.

#### Calculation basis used:

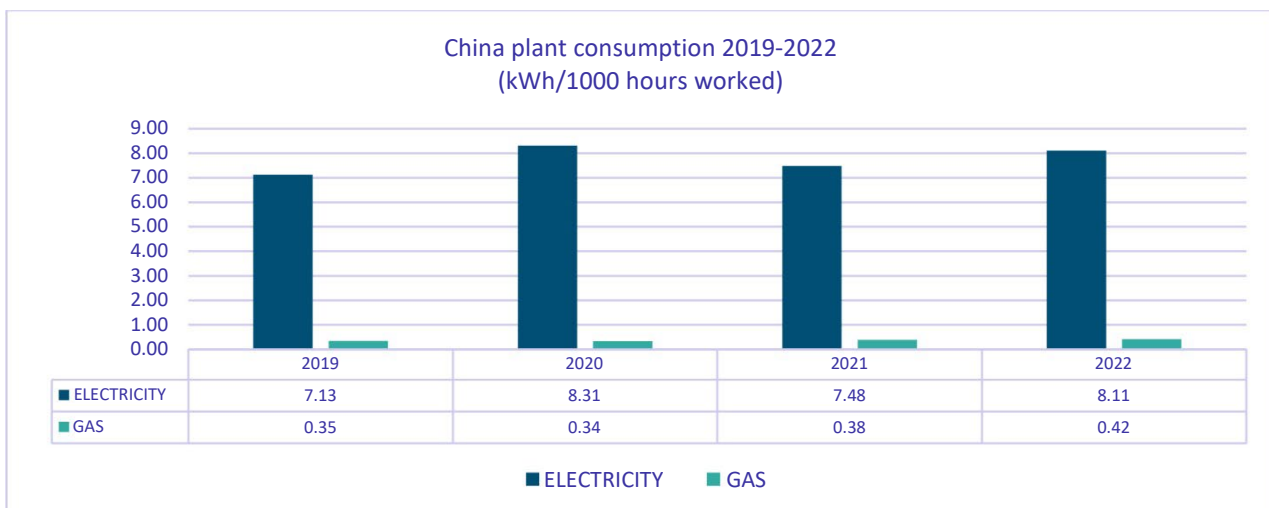
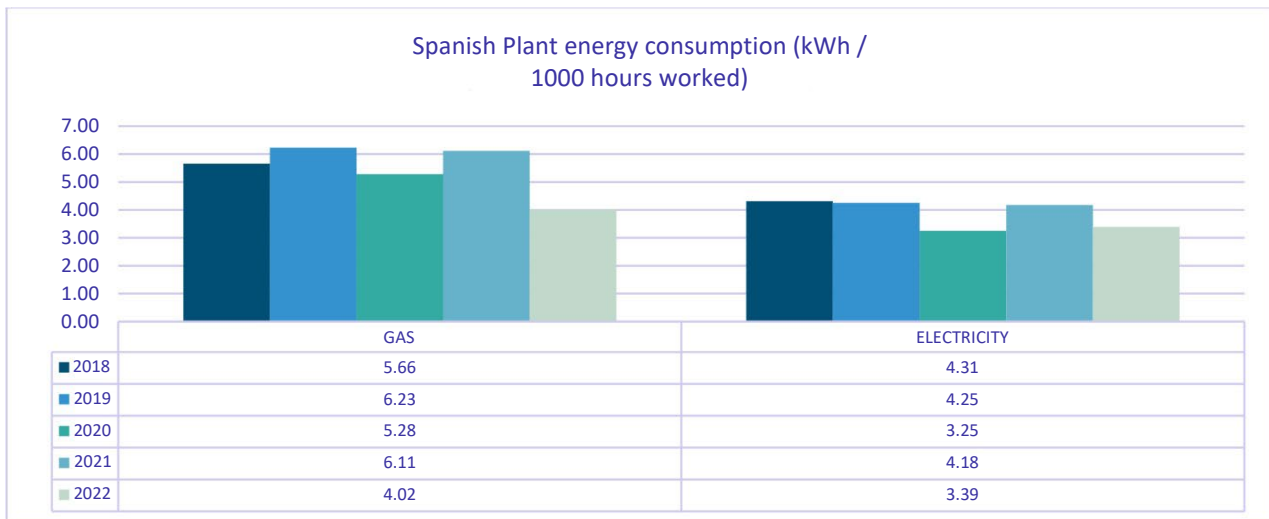
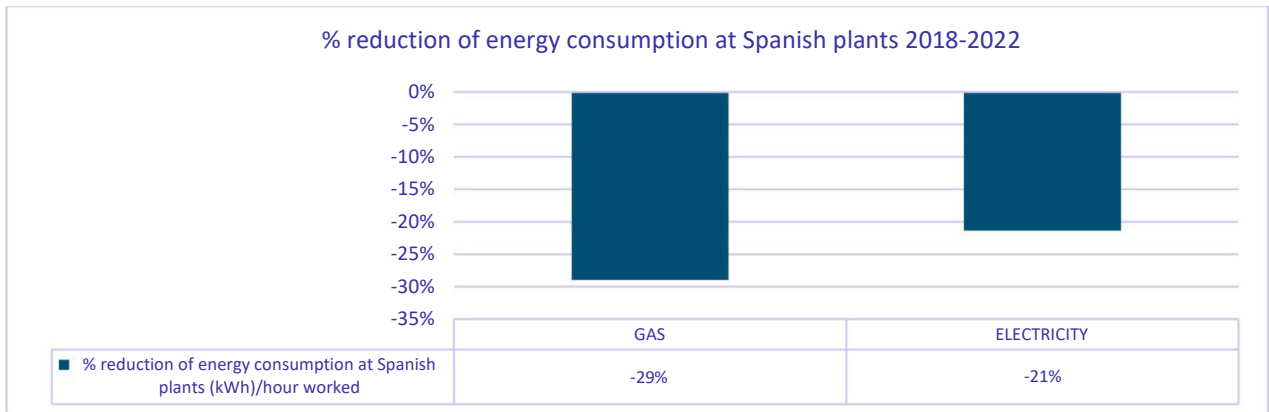
The calculations made to see the evolution of the energy consumption refer to the year 2018 in the case of the Spanish plants, in order to demonstrate the improvements achieved as a result of implementing the ISO 14001 management system and the Energy Efficiency Forum. In the case of the Chinese plant, the calculations refer to the year 2019.

#### Calculation tools used:

The ratios obtained have been calculated by dividing the consumption between the hours worked of the company. The gas and electricity consumption has been measured in kWh. This is the unit that expresses the relationship between energy and time, and is therefore the measurement used to measure energy consumption.

Year	GAS CONSUMPTION		Hours worked	ELECTRICITY CONSUMPTION	
	kWh	Consumption rate (1.000h)		Consumption rate (1000h)	kWh
2018	<b>2,740</b>	5.66	484,221	4.31	<b>2,087</b>
2019	<b>2,904</b>	3.46	840,336	4.55	<b>3,823</b>
2020	<b>2,077</b>	3.46	601,034	5.72	<b>3,436</b>
2021	<b>2,557</b>	4.00	639,922	4.95	<b>3,166</b>
2022	<b>1,769</b>	3.08	574,021	4.62	<b>2,651</b>

Tables showing the energy consumption of the two Spanish subsidiaries (COMANSA and ESGREN)





## 8. EMISSIONS

### 8.1 Significant Emissions of NOx, SO2, CO, Particles and VOCs

#### 8.1.1 Comansa Spanish plant:

Control of atmospheric emissions at the Comansa Spanish subsidiary is affected by the environmental regulation that regulates atmospheric emissions produced by production activity, Royal Decree 117/2003 and Autonomous Decree 6/2002 being applicable. Their reduction is determined by:

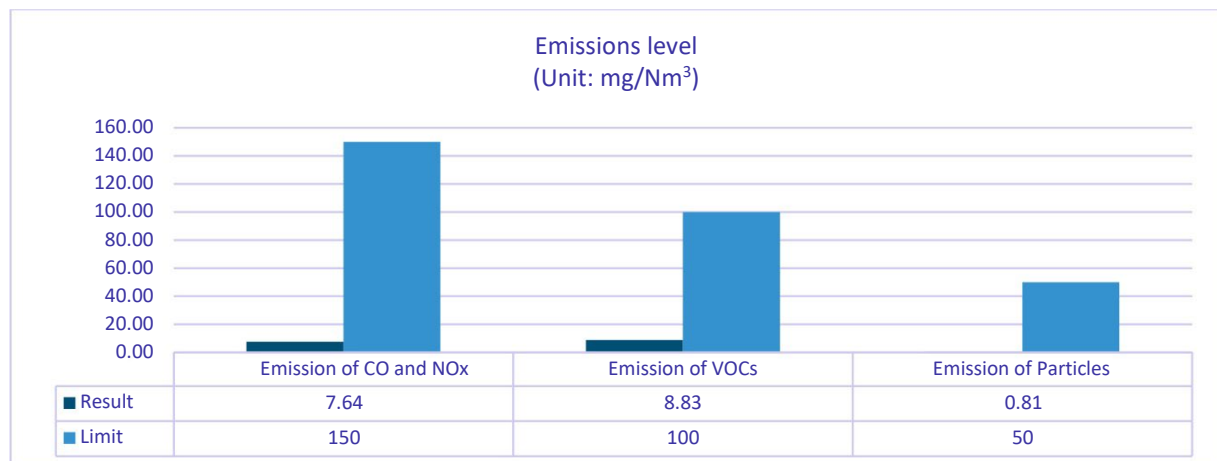
- Installation of “water-based” paint, reducing atmospheric emissions  
The emissions generated by the activity of the company are below 80% of the legal limits. Contributing to this good result is the fact that the paint used is "water-based" incorporating a lower % of solvent. Its emission points are subject to measurement every 5 years by an Accredited Inspection Body.
- Control of solvent, minimising atmospheric emissions  
The paint production process involves the consumption of solvents. The 2022 General Solvent Plan presented to the Administration demonstrates that all data is within the maximum permitted values, thanks to the correct management of solvent use by the painting department.

Emission factors used (element or circumstance contributing to the result): Atmospheric emissions originate in the painting process of the metallic structures of the cranes. It involves annual paint consumption of over 1000kg and under 10,000kg. This activity is carried out in the painting installation (specifically in the priming chambers and burners of the cleaning chambers), causing emissions of particles, VOCs, CO and NOx through the various emission points of the installation.

#### Emissions of CO, NOx, Particles and VOCs

Comansa is subject to inspection of emissions by the Accredited Inspection Body with a tri-annual frequency. The inspection carried out by the Accredited Inspection Body in May 2021 determined compliance with applicable regulations of the results obtained from the external check of atmospheric emissions at the 9 emissions points existing at the company in the cleaning chambers, priming chambers, drying furnaces and enamel chambers. The next inspection will be carried out in 2024.

The results obtained demonstrate that CO and NOx emissions are 5.1% of the limit, VOC emissions are 9% of the limit and particles 2%, as shown in the attached graph:



#### Calculation tools

The measurement procedures are:

- **Particles:** UNE-EN 13284-1 Emissions from stationary sources.  
Determination of low concentration particles.
- IT-INSP/E-079 Technical Instruction for the determination of particles.  
**TVOC:** Regulation UNE-EN 12619. Emissions from stationary sources.  
Determination of the mass concentration of total gaseous organic carbon.  
IT-INSP/E-075 Technical Instruction on use of the TVOC analyser.
- **CO, NOx:** - IT-INSP/E-085 Technical Instruction for gas analysers.

Measurement methods applied:

- **Particles:** Manual gravimetric method. Determination of solid particles through isokinetic sampling. Calculated comparing the mass of particles collected on filter (through filtration) and sampling train and the dry volume. Normal captured. Measurement on grid.
- **VOC:** Flame ionisation detection (FID) system. Measurement on grid.
- **Combustion gases:** electrochemical cells. Measurement on grid.

#### 8.1.1 Chinese Plant:

The control of atmospheric emissions of the Chinese subsidiary CCM is carried out annually by the entity accredited for this purpose ("*Alian Test*" Report).

The measurements carried out in October 2022 determined that particle gas emissions were in line with the standards of regulations GB 8978-1996, DB 33/887-2013, GB 12348-2008, GB 16297-1996, DB 33/2146-2018.

The results show that the average emissions are 13.2% from the maximum limit permitted, which shows that the plant is compliant with local regulations, being far below the limit.

The last measurement was in October 2022, and these are the results:

Area	Pollutant	Unit	Result	Limit
Peening machine	PM	PM (mg/m <sup>3</sup> )/10	<20	<b>30</b>
	NMHC	(mg/m <sup>3</sup> )	2.13	<b>80</b>
	Benzene	(mg/m <sup>3</sup> )	0.003	<b>40</b>
	Benzol series	(mg/m <sup>3</sup> )	0.003	<b>1</b>
Priming furnace	Benzene	(mg/m <sup>3</sup> )	7.72	<b>80</b>
	Methylbenzene and xylene	(mg/m <sup>3</sup> )	0.0375	<b>40</b>
	Volatile organic compounds	(mg/m <sup>3</sup> )	0.003	<b>1</b>
Painting Phase	Benzene	(mg/m <sup>3</sup> )	2.41	<b>80</b>
	Methylbenzene and xylene	(mg/m <sup>3</sup> )	0.003	<b>40</b>
	Volatile organic compounds	(mg/m <sup>3</sup> )	0.003	<b>1</b>

## 8.2 Greenhouse Gas Emissions

### Scope 1

GHG Scope 1 emissions of Comansa Group are the result of gas combustion for curing furnaces of the painting installation, for sanitary hot water and air conditioning of the offices and plant.

The combustion occurs in gas boilers for the air conditioning of offices and changing rooms, radiant tubes for the plant, and gas burners in turbines in gas furnaces.

The methodology used for the calculation is the direct measurement of the gas consumed. The emission factors have been taken from the calculator of the Ministry for Ecological Transition.



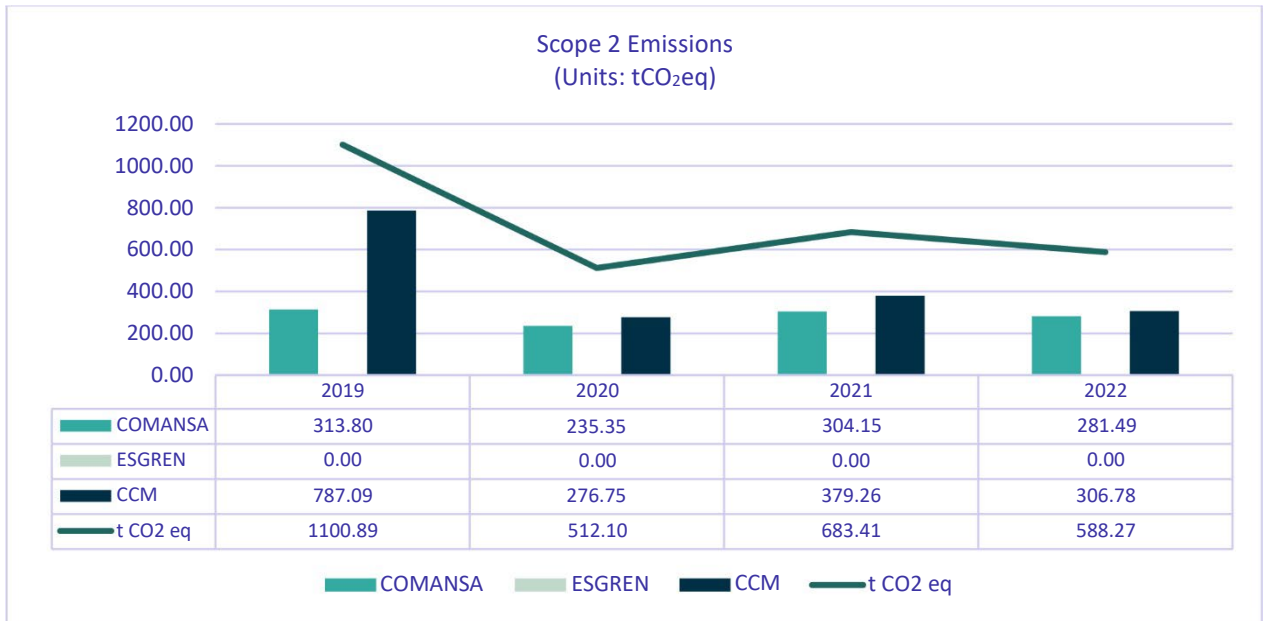
### Scope 2

Indirect GHG Scope 2 emissions reflect the tonnes of CO<sub>2</sub> equivalent, by consumption of kWh of electrical energy used in the industrial process.

Calculation of carbon footprint: It has been carried out taking into consideration both direct and indirect emissions, applying the data of quantities of fuels and consumption, the gas emissions factor and electricity expressed in kgCO<sub>2</sub>/kWh.

Since 2019, there has been a **reduction of 226.87 t. CO<sub>2</sub>eq.** in the total direct and indirect GHG emissions produced by our fixed installations and by electricity consumption.

The reductions have mainly arisen due to the generation of photovoltaic energy used for self-consumption. In 2022, 41% of all electrical energy consumed was generated by the Photovoltaic Installation.



## 9. RECYCLING, REUSE

### 9.1 Raw materials and materials related with the production process

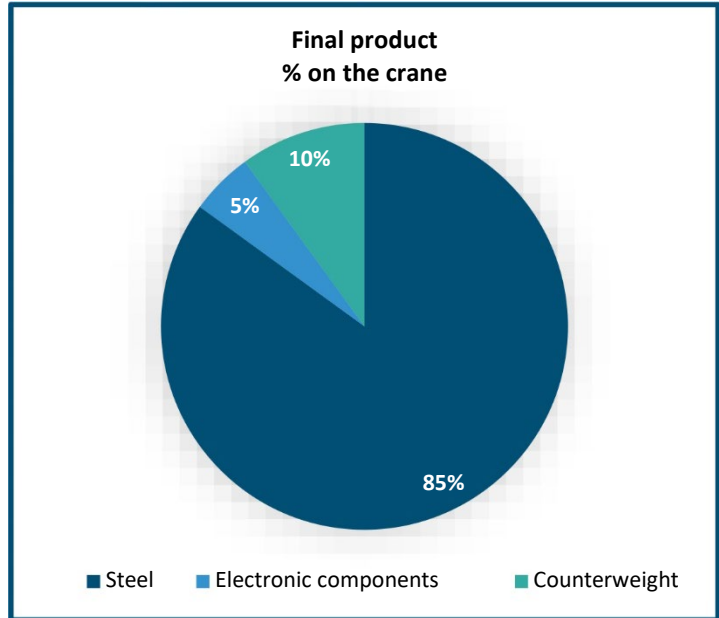
#### Materials used

The material of the final product (tower crane), as well as that necessary for its manufacture, is highly recyclable. All of it has been purchased from external suppliers.

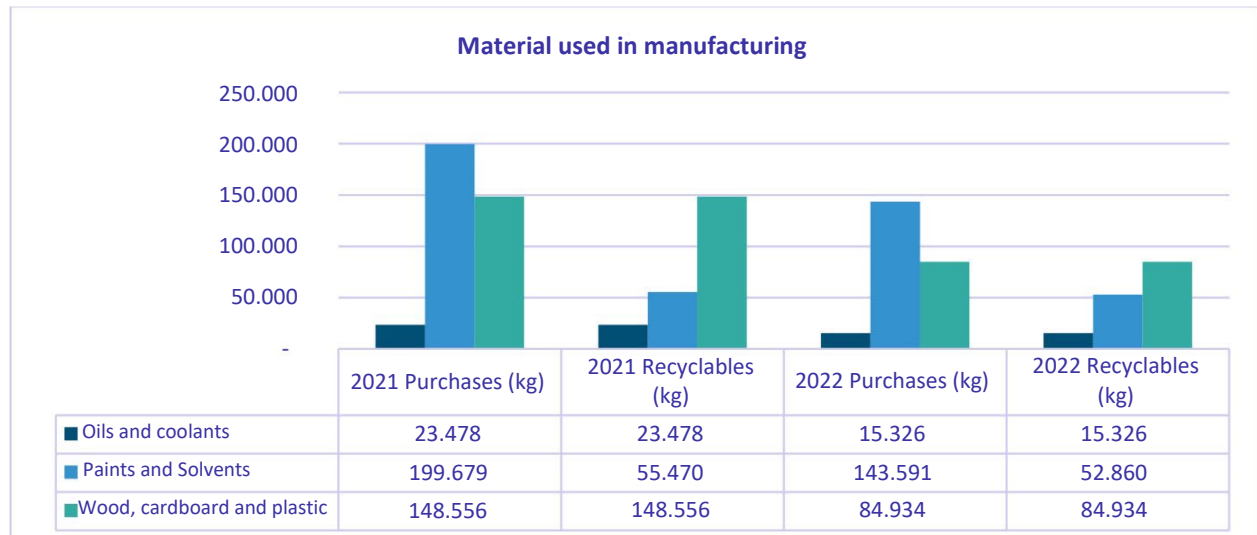
The final product mostly incorporates steel and electronic components.

**Both are 100% recyclable.** The steel comes prepared, not requiring any transformation process, and the electronic components are provided by suppliers to be incorporated into the product in the assembly process.

In addition to this, the counterweight of the crane is also subject to transformation into aggregates which are reused, such as stone or sand.



#### Material used in the manufacturing process:



**63%** of the materials necessary for the industrial process, which do not form part of the final product, such as oils and coolants, essential for making the production machines operate, paint, wood, cardboard and plastics which form part of the packaging required for the stockpiling of material in factories, as well as the paint and solvent essential for covering the cranes, are recyclable. All of these have been purchased from external suppliers. The measurements have been carried out internally at the plants by environmental managers.

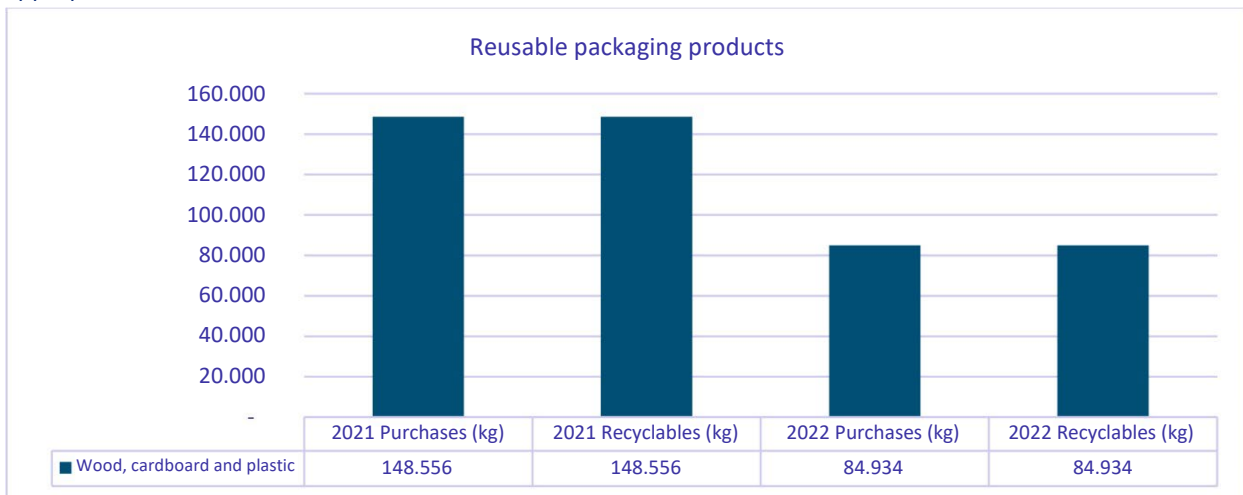
The paint used at the Comansa Spanish plant is “water-based”, which makes it adherent and dry, being an inert residue which ends up in cement plants for energy use.

**Products reused and packaging materials:**

The packaging used for sale of the product is made of wood, plastic and cardboard. These are materials purchased from external suppliers. Of all of these, wood can be 100% reused by clients. The rest of the packaging is made of material managed as a non-hazardous waste.

During 2022, **100%** of packaging used at the two production plants of the Group was subject to reuse.

Calculation of the ratio has been carried out taking into account the kilos of each form of packaging purchased, considering that 100% of the kilos of wood purchased was reused or could be reused if the client deemed it appropriate.



**9.2 Recovery and disposal of Waste**

Management of waste is carried out by the Industrial department, through the managers of the painting installations and logistics department, establishing tools for control and improvement of environmental aspects related with the residue, encompassing storage and labelling, environmental declarations to the Administration, hazardous waste with a greater impact and its appropriate separation, assigning significant financial resources for this purpose.

The two production plants have outsourced recycling and/or waste disposal.

In addition to this, care is taken to make packaging safe, robust and resistant, and to not exceed the storage period established by environmental regulations.

The waste produced by the activity is mostly recovered and recycled through recovery, regeneration and recycling processes. Waste which cannot be recovered is subjected to a specific process for disposal.

The implementation of pollution prevention measures ensures that spillages do not occur, due to a packaging and labelling control process for waste to avoid any loss due to being solid, resistant and not susceptible to attack, or forming hazardous combinations.

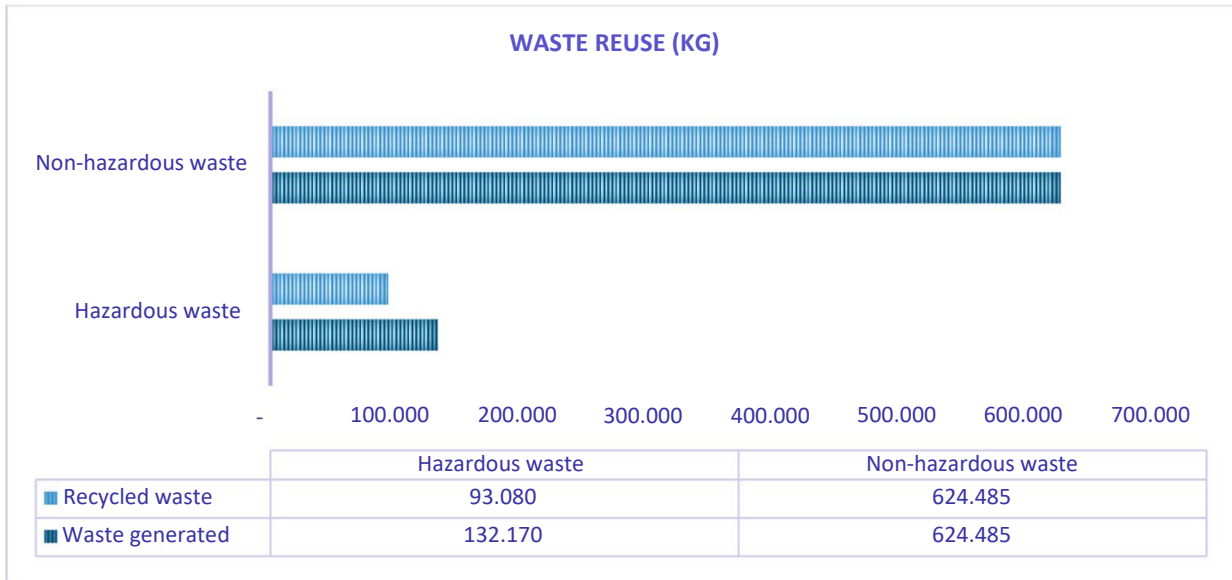
In addition to this, the risk of spillage is minimised by having “retention containers” in the pump room of the painting installation, as well as oil retention trays in all tooling machines.



The most important project implemented in the Spanish subsidiary to reduce hazardous waste has been the installation of a “water purifier” which allows industrial waters to be discharged to the collector, which previously had waste treatment due to having such high levels of contamination, after having undergone a purification process, which allows them to have pollutant parameters within the range established by environmental regulations.

**Waste by type and disposal method:**

The % of recycling of the waste generated is **95%**



The waste generated by the activity is hazardous and non-hazardous. All of it, except for that inherent to the use of paint, is recyclable, reusable and recoverable.

Hazardous waste is water with hydrocarbons, contaminated containers, contaminated material, paint filters, paint residue, aerosols, oils, cleaning water, sludge from the purifier, electrical material, and coolants.

Non-hazardous waste is cardboard, wood, plastic, sheathed cable, metallic powder, shavings and scrap.

The waste disposal and treatment method is decided by the external companies contracted to manage waste.

There are various evaluation methods for the waste generated at the Comansa plant:

- R1 Use as fuel
- R2 Recovery or regeneration of solvents
- R3 Recycling and recovery of organic substances
- R4 Recycling or recovery of metals and metallic compounds
- R5 Recycling or recovery of other inorganic materials
- R6 Regeneration of acids or bases
- R7 Recovery of components from catalysts
- R8 Regeneration and reuse of oils
- R9 Treatment of soils, producing a benefit for agriculture
- R10 Use of waste obtained from the above operations
- R11 Exchange of waste to subject it to any of the above operations

During the 2022 financial year, no spillages occurred at either of the two production plants.

### 9.3 Actions to combat food waste

Through the company it has contracted for cafeteria service for its employees, Comansa applies the following actions to combat food waste:

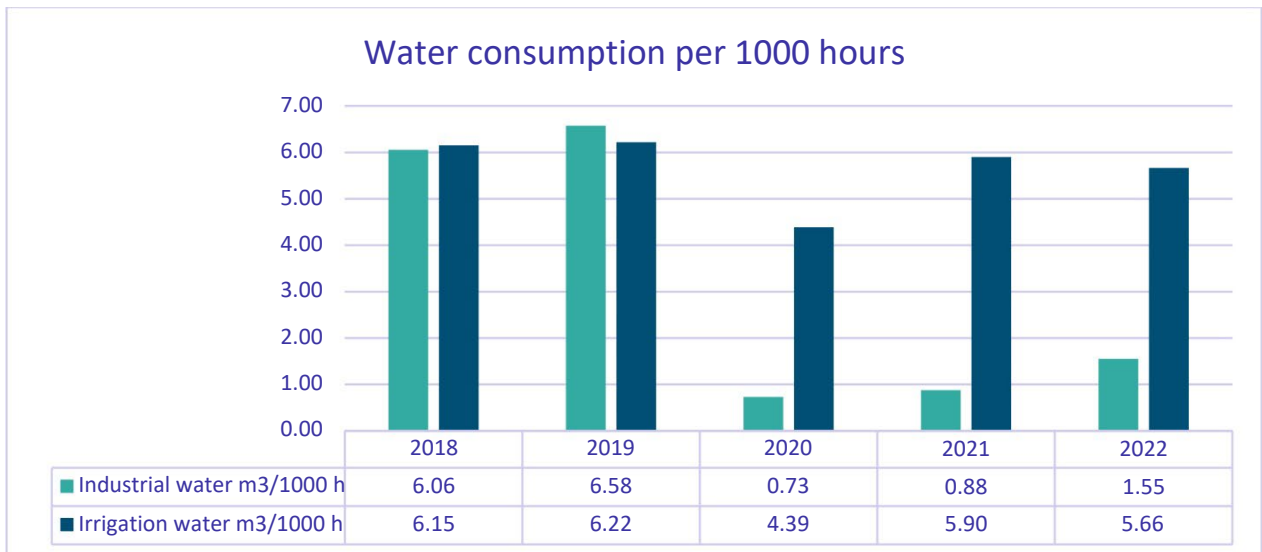
- Weekly control and update of forecasts of orders.
- Ensuring cooking on demand to avoid waste.
- Adequate management of frozen foods.
- Supervision of perishable raw materials, ensuring their consumption.

### 9.4 Water: consumption and recycling

#### Water as a shared resource and extraction

All of the water used comes from the water network of the region where the companies of the Group operate. No water extraction or catchment is carried out that is not from this source. The water used in the installations (industrial water), is used in the “parts washing” process. In addition to this, there is sanitary water and water allocated to garden irrigation. Given that water is a scarce and limited resource, the greatest impact is determined by potential uncontrolled leaks which waste this resource, and irresponsible use of it.

The Group is aware of control of this scarce resource and implements all measures it can to control its consumption, this fact being reflected in the evolution of consumption at its Spanish plants in recent years (2018-2022), which was reduced by **74.37% (industrial water)**.



**CONSUMPTION OF INDUSTRIAL WATER**

Year	m <sup>3</sup>	Hours worked	Consumption rate / 1000h
2018	2,932	484,221	6.06
2019	2,936	446,485	6.58
2020	277	379,053	0.73
2021	356	406,033	0.88
2022	659	424,567	1.55

**CONSUMPTION OF IRRIGATION WATER**

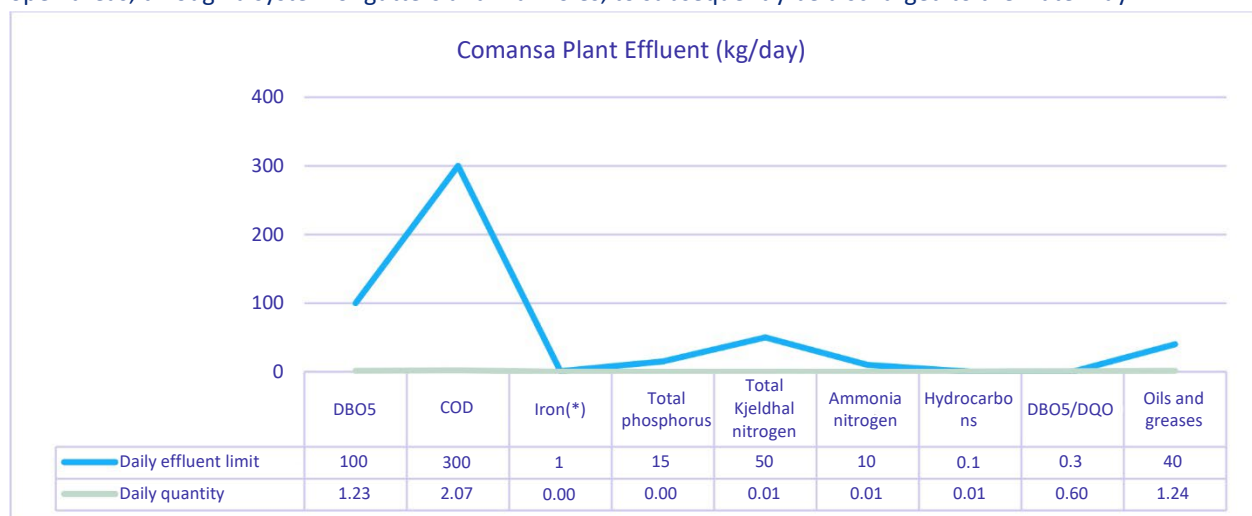
Year	m <sup>3</sup>	Hours worked	Consumption rate / 1000h
2018	2,979	484,221	6.15
2019	2,777	446,485	6.22
2020	1,663	379,053	4.39
2021	2,396	406,033	5.90
2022	2,405	424,567	5.66

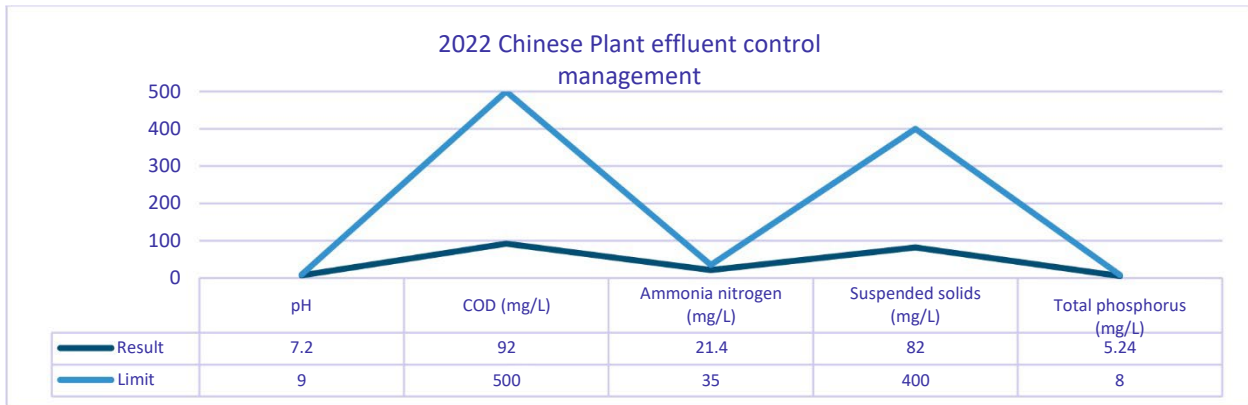
At the Comansa Spanish plant, consumption control systems have been installed, which generate alerts when consumption exceeds the established level. In addition to this, and in order to use this resource efficiently, systems have been installed for pressure washing parts, so that a better result is obtained with less water.

Another system installed is the unit for collecting moisture on the ground, so that irrigation water is activated based on the garden's need for water, avoiding unnecessary scheduled irrigation. The evolution of the consumption of this resource is monitored by the Energy Efficiency Committee and by the environment department, which allows stakeholders to participate, as indicated in standard 14001/2015, under which the aforementioned plant is certified.

**Impacts arising from Effluents**

The Group has 3 types of effluents (faecal water, rain water and industrial water). Faecal and industrial water are discharged to the collector to be purified and recycled, and rain water is discharged directly to the river. The discharge to the waterway comes from rain water, which is collected on the roof of the plants and offices, as well as open areas, through a system of gutters and manholes, to subsequently be discharged to the waterway.





(\*) The unit for iron is microgram/L

Effluents of the **CCM Chinese plant** are subject to periodic checking, the last measurement carried out in 2022 determining that all items analysed amount to a total of **22%** of the average of the legal limit.

## 10. MEASURES FOR PRESERVING BIODIVERSITY

The plants of the Group are production factories owned by Comansa Group, located 8km from Pamplona (Navarra - Spain) and in Hangzhou (China).

### 10.1 Significant impacts of industrial activity on biodiversity

The Group's position at all its plants, although there may be a risk of non-compliance with ecological quality objectives due to effluents and extractions which may affect the river habitat, is to protect biodiversity through adequate management of waste and effluents generated by its industrial activity.

#### Management of water:

No type of water is discharged to the river which is not properly controlled rain water, in the case of the Spanish plants, discharging only faecal water and industrial which has undergone a prior internal purification phase to the "collector" of the Association, to subsequently be processed at the Arazuri Waste Water Treatment Plant, where processes are carried out to eliminate solids, sand and grease, followed by primary decantation, basin aeration and secondary decantation, the resulting sludge subsequently being used in agriculture and gardening, and transforming the biogas generated in the digestion process of the sludge from the decantation into thermal and electrical energy.

Similar management is carried out at the Chinese plant, where through industrial water pipes all contaminated waters are discharged, after having undergone a prior control phase to ensure that the levels of contamination are within the range established by local regulations.

#### Management of waste:

The waste generated by all plants of the Group is subject to processing by duly registered external companies. Its proper storage, labelling and management ensures appropriate delivery to the manager for subsequent recycling, recovery or disposal.

## 11. CLIMATIC TAXONOMY

After undertaking an analysis of the activity of Comansa Group, it is concluded that it is not identified or described in the current implementation of the delegated Regulation 2021/2139, focused on the environmental objectives for mitigation and adaptation to climate change. In accordance with current implementation, this means that this economic activity is not a priority for the first two environmental objectives of the EU. As a result, and according to the definition of the Regulation, the economic activity of Comansa Group is not eligible.

This is logical as this delegated Regulation first focuses on economic activities and the sectors that have greater potential for contributing to the reduction of total greenhouse gas (GHG) emissions.

Although the economic activity of Comansa Group is not eligible, in the interest of compliance with the requirements of the Regulation, in future financial years materiality will be analysed: CAPEX and OPEX.

# ETHICS AND ANTI-CORRUPTION

*The crime prevention policy existing in the Group establishes the commitment to compliance with legislation and with the Code of Ethics, which rejects all forms of corruption and prohibits any behaviour contrary to the law, defining “due diligence” as the practice for the prevention, detection and eradication of irregular conduct. Likewise, the maximum commitment is required of the Management Board and Senior Management, as well as the rest of the members of the Organisation.*

*Comansa Group intends to guarantee and certify that it exercises due controls on its employees before judicial and administrative bodies, and before third parties related with the Group. The controls have the purpose of detecting potential risk situations which may arise in the scope of action of the Group.*

*Parameters are established for conduct expected of the parties affected by the policy, requiring their commitment, describing the measures adopted to supervise this mandate and the consequences in case of non-compliance.*

## PRINCIPLES

- *Comansa Group promotes zero tolerance against unlawful actions, respecting the legislation and regulations encompassed by its Code of Ethics.*
- *The Organisation implements control processes to prevent unlawful actions, encouraging the involvement of all its personnel and promoting awareness of the communication channel for reporting irregular conduct.*
- *Appropriate resources are allocated to a “regulatory compliance manager”, to coordinate all actions and undertake their work effectively.*
- *The Group will react quickly and effectively in case of reports, investigating the facts, respecting the rights of the parties, establishing disciplinary measures provided, without discrimination, and reporting to the authorities and collaborating with them in investigations which may arise.*

*Comansa Group Crime Prevention Policy*



## 1. REGULATORY COMPLIANCE SYSTEM

### 1.1 Compliance Management

#### Regulation UNE 19601

Management of the regulatory compliance of Comansa Group is carried out in the context of the Crime Prevention Management System in accordance with UNE 19601.

Comansa Group has the Bureau Veritas certification accrediting that it has a Penal Compliance Management System in accordance with the requirements of Regulation UNE 19601:2017, the standard for best practices in management systems.

Maintaining the certification involves undertaking a verification process through an audit in which all subsidiaries and all departments of the companies that make up the Group are involved.

The seal entails recognition of the effort made to strengthen the culture of regulatory compliance of the Group, through the adoption of an effective organisation and management model that improves a culture sensitive to criminal prevention and detection, opposing malpractice that tolerates or protects unlawful conduct, reducing the risk of crime being committed.

#### Objectives, projects, resources and responsibilities

On an annual basis, Comansa Group carries out a review of the compliance management system, establishing the lines of action of the “compliance” programme for the following year. The 2022 review considered the following information:

- a) **External, internal and stakeholder issues**
- b) **Information on compliance performance**, checking results of the internal audit, checking the evolution of risks before and after the controls, the number of controls audited, non-compliances and opportunities for improvement identified by the internal auditors.
- c) **Training**: the Group ensures that employees with responsibility in the system have the required training, demonstrating that 100% of employees involved have had it.
- d) **Opportunities for improvement**: 35 Opportunities for improvement are identified, derived from the internal audit process, which will be incorporated into the 2023 Compliance programme.
- e) **Adaptation of protocols or procedures**: The documented information determines that it is robust and that it ensures compliance with the UNE 19601 standard.
- f) **Objectives**: 92% of targets and planned actions have been reached to achieve the 2022 compliance objectives.
- g) **Adaptation of resources to manage the risk**: the penal compliance budget is adequate for managing the risk, amounting to 961 thousand euros.

- h) **Risks:** The actions for managing criminal risk are effective, having reviewed the evolution of risks before and after the controls.
- i) **Policy:** this is published on the website of the business Group, available to all employees on the Employee Portal and on the noticeboards of the Group's plants. In the employee Welcome Plan, information/training on the compliance policy is provided.
- j) **Processes:** There are 40 processes, pertinent among which is that regarding control of risk of corruption in business, which guarantees effective compliance with the UNE 19601 regulation.
- k) **Roles, responsibilities and authority:** Responsibility and authority in the pertinent functions has been communicated at all levels of the organisation.  
Delegation of powers: Senior Management delegates decision making, and the organisation has therefore established and is applying operational processes which guarantee that the decision process and level of authority of the decision makers is appropriate and free of conflict.
- l) **Skills**  
Personnel competence requirements: The individuals undertaking penal compliance functions are competent to do so.
- m) **Due diligence on individuals holding positions which are particularly exposed.** There is a due diligence procedure which determines the actions with regard to candidates for employment before they sign the employment contract or are promoted. The corporate competence management process evaluates "integrity and ethics". The employees holding exposed positions periodically make a declaration identifying and confirming their fulfilment of the compliance policy.
- n) **Deficiencies or shortcomings in the policy of the system and the rest of the management system:** The system is considered to cover multiple risk situations, with sufficient controls established to avoid them arising. All of this is managed with processes, which interconnected with each other facilitate compliance with the policy and objectives.

As a result of the analysis of the aforementioned points, the Committee adopted the decision to consider the system effectively implemented and the controls and measures necessary for its adequate operation in the organisation correctly executed.

## 1.2 Anti-corruption policy

In line with the regulatory compliance policy, Comansa Group is committed to the prevention of corruption in business, actively combatting it.

Its staff, clients and suppliers are involved in this management approach. All employees involved have been trained on the compliance regulation existing in the organisation "to prevent corruption in business". Clients and suppliers have been made to participate in it, by making the specific code of ethics applicable available to them, which includes information on how the Group acts and expects its stakeholders to behave in their relationships with Comansa to prevent corruption, including a chapter explicitly about the Anti-Corruption Policy of the company.

The Anti-Corruption Policy reflects commitment to compliance with the law so that no act of corruption can occur. In addition to this, commitment is required to not accept or offer any type of gift or benefit, whether monetary or

of any other type, to parties participating in negotiation processes of the Group, urging that any information or suspicion of any type of corruption or bribe which may affect negotiation of or compliance with a contract be communicated.

The corporate standard and control process for preventing corruption in business was approved by General Management in September 2019, with participation of the Governing Body in its content in the subsequent annual system review meetings in the 2020-2022 financial years. It provides the rules that must be followed to prevent crimes of public and private corruption and influence peddling being committed, prohibiting personal relationships or economic resources from being used to affect the decisions of a public post or the purchasing departments or other managers with decision making capacity in a private company.

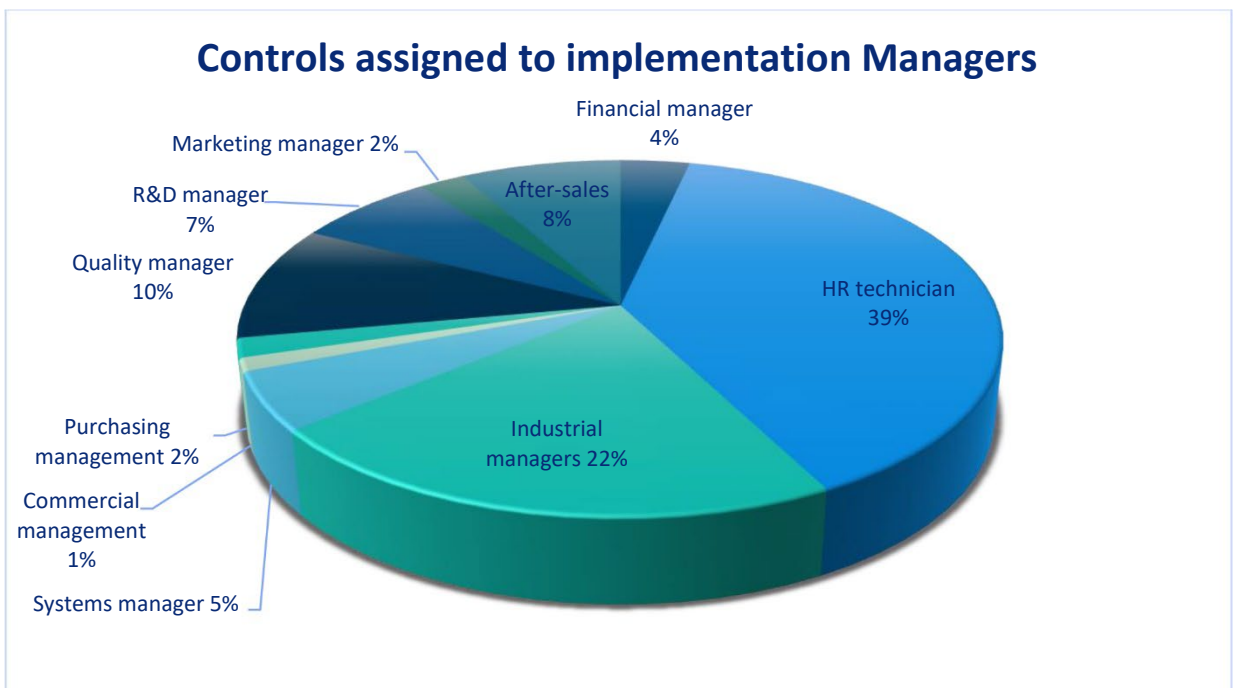
### 1.3 Evaluation of management

#### EVALUATION OF EFFICACY:

##### 1- Internal audit process: mechanism for evaluating efficacy

The regulatory compliance management system has a specific process for checking that the system is compliant, if it is implemented and if it is maintained effectively.

In 2022, 291 controls identified in all operational processes of the Group were audited. At Comansa 172 controls shown in the attached graph:



Cross-audits are carried out between different departments to guarantee impartiality and are carried out through a checklist which incorporates the controls identified in the operational processes.

The auditor comments on the existence of criminal risks, the existence of non-compliance, shortcomings in compliance with requirements and weaknesses or opportunities for improvement.

The efficacy of the processes is measured as shown in the table attached:

Description	Inputs	Outputs
Internal audits of all controls	Non-compliance due to not applying controls or not applying them correctly	Evaluation of the risk taking this circumstance into account The detection of non-compliance involves increased risk Increased risk valuation Identification of a new control to minimise the risk Incorporation of the control into the internal audit format
	Observations and risks	Detection of shortcomings due to insufficiency of controls or due to identifying new risk situations Increased risk valuation Identification of a new control to minimise the risk Incorporation of the control into the internal audit format
	Opportunities for improvement	Improvements that may minimise the risk Validation of the improvements by the department managers Incorporation of the new controls into the audit format
	Result compliant without risks or non-compliance	The risk is controlled correctly and there are no shortcomings or non-compliance Risk low Due to prudential reasons, the same level of risk may be maintained to continue prioritising the control

## 2- External audit:

In November 2022 the Group was subject to an external audit monitoring the system after having obtained the “penal compliance” certification in accordance with UNE 19601 in April 2021. Its result recommends granting the certification.

## 3- Whistleblower channel:

The Group has a whistleblower channel available to its employees. The channel guarantees confidentiality and anonymity, the whistleblower being protected. The channel extends to the main stakeholders, such as clients and suppliers.

There are various methods used to implement the channel. There is a specific application module, available to employees through the Employee Portal, through which all of them can lodge a query or report. In addition to this, all employees, clients and suppliers who do not have this tool have an email address created specifically for this purpose available to them.

All of them have been trained and/or informed of the obligation to make a report if the circumstances arise, as well as the channel established to make this communication.

## **RESULTS OF THE EVALUATION OF MANAGEMENT**

The results are communicated to the Control Committee which checks the progress, setbacks and non-compliance. The most important sections are:

### **1. Results of the internal audits**

The results of the audits have been documented in the internal audit report and subsequently extended and communicated to the Control Committee.

### **2. Degree of fulfilment of objectives 2022**

The rating obtained in fulfilment of objectives was 9.2 out of 10.

<b>Area</b>	<b>Objectives</b>
Workers' Rights and Social Security	Ensuring compliance with labour regulations with regard to the hiring policy, equality and workday registration.
Corruption	Implementing risk assessment protocol by country in commercial operations
Safety at work	Improvement of health and safety, implementing the employee Information and Awareness Plan, reinforcing the HR Operations Forum, increasing the safety of "field" operations and integrating the activity coordination protocol with clients
Scams, fraud or deceit against third parties (about product)	Preventive forum for incidents with cranes: Promotion of preventive investigations which improve product safety
Prevention and control model	Increasing controls on subsidiaries, implementing specific Compliance Plan in each of the subsidiaries following the structure of the matrix
Information security	Creation of a protection protocol for confidential information, and especially that classified as "trade secrets", Reinforcing personal data protection, unifying documentation and providing the information security system with greater robustness

### **3. Communication of results**

<b>Recipient</b>	<b>Frequency</b>	<b>Contents</b>
Control Committee	Quarterly	Evolution of the Compliance Plan
Managers	Quarterly	Evolution of Compliance objectives
Governing Body	Annually	Review of the Compliance system
Rest of employees	Quarterly/Half yearly	Evolution of Compliance objectives
Works Council	Quarterly	Evolution of Compliance objectives

### **4. 2023 opportunities for improvement**

The opportunities for improvement identified in the audit report are reviewed, identifying 52 initiatives which are included in the 2023 Compliance Plan.

## 1.4 Communication and training on anti-corruption policy and procedure

### Governing Body

All members of the Governing Body are aware of the anti-corruption policy and procedure of the Group, through the annual communication that the Compliance Officer makes before this body. In addition to this, in January 2017, the Governing Body received training on the corporate compliance crime prevention system, incorporating the crime of corruption in business as one of those which may have an impact on the Organisation.

### Employees

The compliance policy and the existence of anti-corruption policies has been communicated to 100% of employees of the Group.

### Business partners:

The majority of clients are aware of the code of ethics, in which there is a specific section on the anti-corruption policy of the Group.

Likewise, the majority of suppliers are aware of the anti-corruption policy of the Group, incorporated into the code of ethics for suppliers, and all of them have signed their commitment to compliance.

### Employees holding exposed positions

100% of employees who hold exposed positions have expressly committed to compliance with the policy. The list of formally committed employees is as follows:

Employment category	Country	No.	%
Salespeople	Spain	6	100%
Buyers	Spain	4	100%
Managers	Spain	14	100%
Industrial controllers	Spain	14	100%
Industrial managers	Spain	5	100%
Managers	China	5	100%
Industrial managers	China	9	100%

### Employees who have received training on anti-corruption

100% of buyers and sellers of Comansa Group have received training on the crime control process for corruption in business and on the specific regulation created for this purpose (anti-corruption regulation).

Employment category	Country	No.	%
Salespeople	Spain	6	100%
Buyers	Spain	4	100%
Managers	Spain	14	100%
Salespeople	China	7	100%
Buyers	China	6	100%

Employment category	Country	No.	%
Indirect labour	Spain	106	100%
Indirect labour	China	60	100%



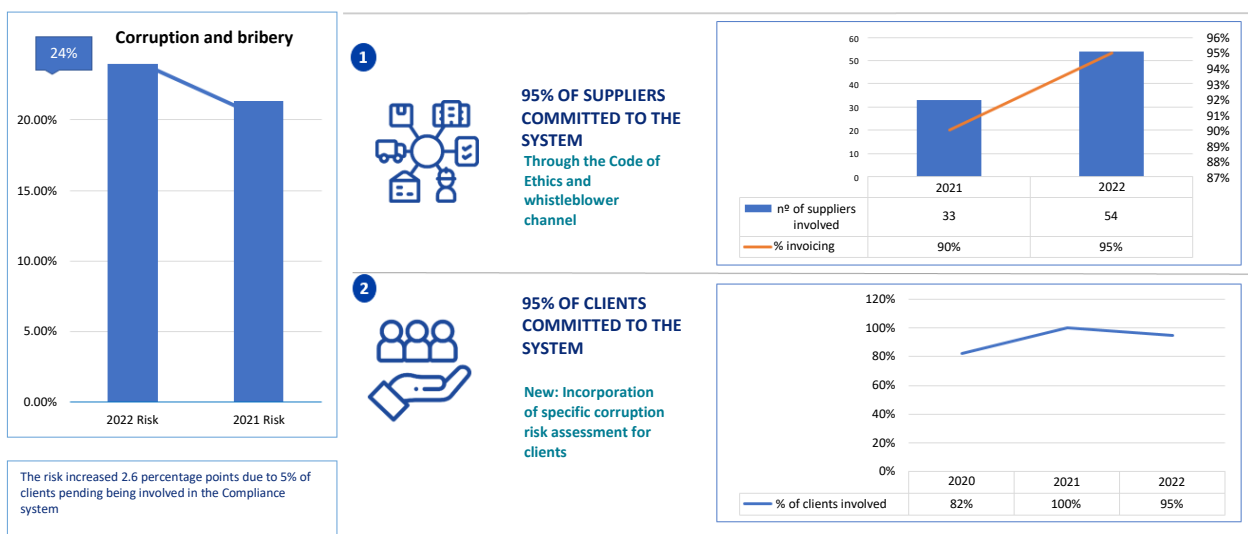
## 2. MAIN RISKS

### 2.1 Risk of corruption, impacts, opportunities and effectiveness of the management process

In the context of the Crime Prevention Programme (Compliance), a detailed study has been carried out on the criminal risks of the organisation, having consolidated the risk maps of each department on the risk map of the company, defining the priorities based on the evaluations carried out.

The risk of “corruption in business” has been identified and evaluated, taking into account the efficacy of the controls implemented to avoid them occurring, through internal audits, all of this having an effect on the review of the final risk evaluation.

Controls audited: 13  
No NC  
Internal audits: 2



In the audit carried out on the purchasing and commercial department, no action was noted that may lead to the company incurring a criminal offence, it being considered that all controls mitigate any criminal risk. Nevertheless, the risk has undergone a slight increase due to there being 15 new clients pending involvement in the system at the end of the financial year, their involvement being expected in the coming months

The Control Committee and General Management of the Group have been informed of the performance and management of the risk, as well as the 2023 proposals for improvement, having approved their implementation.

The Governing Body has been informed of the main new elements implemented in the system. With multiple practical examples of controls implemented in various departments, the aforementioned Body has been aware of their impact on the new risk evaluation. Additionally, it has also been informed of the commitment of clients and suppliers to the new code of ethics of Comansa Group and the results obtained in the management of compliance objectives and forecasts, expressly mentioning the commitment to extend the scope of the anti-corruption policies of the Group.

## 2.2 Operations evaluated for risks related with corruption

The risk evaluation of Comansa Group includes corruption as a risk factor. Operations with a risk of corruption evaluated amount to **4%** of the total risks identified by the company within the general evaluation of the Group.

The risk evaluation is carried out identifying the scenarios where there may be situations of corruption, taking into account their likelihood and impact.

## 3. MEASURES TO PREVENT CORRUPTION

Comansa Group determines the preventive measures allocated to preventing crimes of corruption being committed in its relationships with the most important stakeholders, such as clients and suppliers, demonstrating the diligence of the Organisation, through the implementation of multiple controls which are subject to periodic monitoring and measurement.

### 3.1 Risk assessment of commercial operations

Control of corruption is key in the Compliance System of the Group. Therefore, the mission of the control process of “private and public corruption and influence peddling” is to ensure that the company does not use its personal relationships or economic resources to influence the decisions of a public post or the purchasing department of a private company, basing these relationships on the principles of transparency and equal opportunities, ruling out any illicit action that seeks to obtain an advantage over third parties.

With the aim of strengthening the efficiency of this process, throughout 2022 Comansa Group has incorporated a new control aimed at evaluating the risk of commercial operations by clients, analysing the likelihood and impact that the materialisation of nine new risk factors would entail for the company. The scope of this new control has been aimed at a specific number of clients, its progressive implementation being planned over the coming years.

### 3.2 Internal controls

Manager	Control Manager	
Commercial Management and Corporate purchasing	Validation of financial conditions of orders and the invoicing and collection of the operation Validation of payments of commissions to distributors Validation of expenses of commercial and after-sales team Validation of effective use of cash	Financial department
	Risk assessment Validation of expenses with clients / Validation of travel and representation expenses Validation of effective use of cash Communication and issue of the Comansa Group Code of Ethics to clients and suppliers Communication of the whistleblower channel made available to clients and suppliers Compliance with Regulation NC_03_01	Commercial management and purchasing
	Ensuring welcome training on the established anti-corruption policy	Human Resources

### 3.3 Operational processes

INTERACTIONS		
RELATED PROCESSES	INTERACTION	
	INPUTS	OUTPUTS
Identification and evaluation of criminal risks	Identification and evaluation of risks	Establishing controls
Code of Ethics for employees	Section on relationships with clients, suppliers and competitors	Employees committed to compliance
Code of ethics of clients and suppliers	Management of corruption in relationships with these stakeholders	Clients and suppliers committed to the anti-corruption policy
Regulation against corruption in business	Applicable regulations in commercial and purchasing operations	Employees committed to compliance
Anti-corruption policy	Need for distributors, clients and suppliers committed to the anti-corruption policy of the company	Distributors, clients and suppliers committed to regulatory compliance
RELATED PROCESSES	INTERACTION	
	INPUTS	OUTPUTS
Travel policy	Need to control travel and/or representation expenses	Justified and approved expenses
Gift policy	Need for commercial relationships	Gifts within the established limit
Ethical channel for communication	Communications of risk situations	Preventive or corrective measures of the organisation

## 4. MEASURES TO COMBAT MONEY LAUNDERING

Comansa Group has identified and evaluated the risk of money laundering, determining that the likelihood of it occurring in its Organisation is very low, the risk therefore being considered residual, evaluated as “low”, and as such, in accordance with the process of its UNE 19601 Compliance Management System, specific monitoring and control measures are not necessary.

# RESPECT FOR HUMAN RIGHTS

*Comansa Group is committed to respect for internationally recognised human rights, requiring the compliance of its personnel and stakeholders. The Organisation examines the activities which may cause a violation of human rights in their scope, and establishes controls for early prevention, detection and management.*

*To put this into action, the Group is governed by the following principles:*

## PRINCIPLES

### With its employees and stakeholders:

- *Acting in employment relationships in accordance with the criteria of respect, dignity and justice, taking into account the different cultural sensibilities of each person and not allowing any form of violence, harassment or abuse at work, or discrimination due to race, religion, age, nationality, gender or any personal or social condition outside of their merits or abilities, with special consideration toward support and labour integration for people with disabilities.*
- *Compliance with applicable labour laws, at all times avoiding forced labour or work carried out by minors.*
- *Recognising employees' right to unions, freedom of association and collective bargaining.*
- *Prohibiting child labour and respecting the minimum working age.*

## 1. POLICY

### 1.1 Management

On an annual basis Comansa Group evaluates the risk of violation of Human Rights in its Organisation. It establishes specific controls to minimise or eradicate this, assigning managers to monitor and analyse the efficacy of the process, reporting its performance to the Governing Body, informing it if non-compliance or pertinent changes arise.

There is a specific risk control process that ensures compliance with applicable regulations on the rights granted to employees by the law.

It assigns resources allocated to training on Human Rights included in the annual training plan.

In addition to this, employees, clients and suppliers have been informed of the obligation to report situations of non-compliance with Human Rights in the Organisation through the ethical channel or whistleblower channel established for this purpose.

### 1.2 Evaluation and effectiveness

The likelihood of a violation of Human Rights occurring is very low, as risk situations are monitored by operational processes which incorporate a significant number of controls, aimed to prevent them occurring.

This, along with the impact which is the other variable considered in the evaluation, due to the reputational damage it would entail, not to mention the penalties by Administrations that may be imposed upon the Group, leads the overall evaluation of the risk to be considered low or very low.

### 1.3 Training

One of the Sustainable Development Goals on which Comansa Group has worked with special interest in 2022 has been continuing the action of raising its staff's awareness of "Equality", one of the most pertinent aspects of Human Rights for the Organisation.

Likewise, the Group continues to be committed to all employees taking on the principles and directives for action, which with regard to Human Rights are described in the Code of Ethics of the matrix, integrating it at all its plants.

Throughout 2022, all of this has involved 144 hours of training being provided on Human Rights policies or

## 2. MAIN RISKS

### 2.1 Impacts and risks

Internally, the main risks are discrimination and workplace harassment, and are determined by the impact that their occurrence would entail, because the existence of a workplace harassment protocol and a whistleblower channel, which all employees and stakeholders have been informed of, considerably reduce the likelihood of occurrence.

On the date of drafting this document, there have not been any complaints or reports by the employees or stakeholders.

## 2.2 Risk control

The risk control is reinforced by the internal audit process, which serves to check the efficacy of the established controls. The result of this is reported to the Control Committee in order to ensure and guarantee that the process is implemented adequately, effectively dealing with risks.

## 3. DUE DILIGENCE PROCEDURES

### 3.1 Human Rights in the Supply Chain

Commitment to respect for Human Rights also extends to all suppliers of the Group, who formalise a document acknowledging and accepting the Code of Ethics for suppliers, ensuring that the company they represent complies with this Code in the process of presentation and preparation of offers, as well as during the execution of all agreements signed with the Group for such purposes. There are no suppliers with negative impacts in the supply chain.

### 3.2 Due Diligence on Human Rights

Comansa Group has good practices which demonstrate the due diligence common to all members of the Organisation, also with regard to respect for Human Rights, such as the following:

**Policy:** All members of the organisation, at the time of their incorporation, receive the crime prevention policy which includes the commitment to comply with Human Rights.

**Ethical channel for communication:** Employees, clients and suppliers have an ethical channel for communication available for reporting or consultation with regard to any irregular conduct or action which is unlawful or contrary to the content of the Code of Ethics, explicitly including the section “violation of Human Rights”.

**Disciplinary actions:** There is a specific process for adopting disciplinary actions against members of the company who do not comply with the requirements derived from the policy and the system, having a specific protocol against workplace harassment.

**Protection of the whistleblower:** There will be no type of retaliation against members of the Group who refuse to participate or reject any activity in which a criminal risk may reasonably be considered to exist, provided that it has been appropriately communicated, or due to reporting in good faith through the ethical channel for communication.

## 4. RISK PREVENTION FOR HUMAN RIGHTS VIOLATIONS

### 4.1 Human Rights promotion and compliance projects

In total, there were 21 risk situations related with respecting Human Rights referred to in the evaluation process, which amounts to 15.67% of the total operations subjected to evaluation within the Group, no non-compliance of this type having been detected.

In 2022, the Group’s commitment to defending Human Rights to the main stakeholders continued to be extended. In this regard, the specific Code of Ethics for clients and suppliers was created, urging them to respect the social principles and rights and personal dignity of their employees, reject forced labour, guarantee equal opportunities and treatment, and prohibit child labour. There is also a specific regulation related with “Workers’ Rights” which



forms part of the “compliance” regulatory body of the Group. Making these codes available, Comansa Group expects their commitment to compliance.

#### 4.2 Complaints mechanisms

Comansa Group has established an ethical channel for communication for reporting criminal risks, including non-compliance and shortcomings of the system, guaranteeing confidentiality and anonymity, prohibiting reprisals, protecting those who make reports in good faith, facilitating advice and promoting the use of the communication channel.

At the time of making the report or consultation, the whistleblower receives a document proving that they have made the communication, to provide them with proof of their action which can be used in their defence if they are obligated to allow the irregularity or if the company retaliates against them for this reason.

## COMMITTED TO PEOPLE

*Comansa Group considers relationships with employees, its stakeholders and future generations essential.*

*In the Corporate Social Responsibility action plans, the way in which the activity affects all of them, and vice versa, is analysed.*

*The owners and their shareholders are highly committed to the business project and maintenance of job posts.*

*Employees have optimal working conditions and receive sufficient and adequate training, which allows them to specialise in their work and be able to carry out their professional career, participating in continuous improvement.*

*The Group offers future generations the opportunity to join its Organisation, committing to their subsequent development within it, therefore actively collaborating with Universities and Technical Schools, providing access to work for the largest possible number of graduates.*

*Innova-RSE Sustainability Report*

## 1. POLICY

Comansa Group is committed to respecting the legal system existing in each of the territories where it carries out its activity and the adoption of measures that guarantee respect for the Fundamental Rights set out in the Universal Declaration of Human Rights and with regulations of the ILO. The rules for action which make up the Human Resources and Occupational Risk Prevention policies of Comansa Group are set out in the Code of Ethics for Employees in effect in chapters 1 to 4 inclusive.

### 1.1 Responsibilities, Resources and Evaluation of management

Resource Management is the highest post with operational responsibility on labour aspects of the Group, it being General Management that approves and ensures the necessary resources are provided to maintain adequate working conditions, guaranteeing the health and safety of employees, providing information which promotes their development in the context of equal opportunities.

Management of the Health and Safety system is evaluated annually by an external company according to the ISO 45001 standard. Likewise, compliance with the legal systems of the territories where the Group operates is measured through checks on legal requirements, undertaking monitoring and measurement in the context of compliance management.

### 1.2 Formal complaints mechanisms

Comansa Group has a Communication Plan that incorporates multiple mechanisms for participation, such as the various Committees for managing departments and/or various issues of the company, the employee suggestions system, the incident communication channel, performance interviews, etc. These established practices facilitate and promote a more satisfactory working atmosphere and alignment of all company resources with strategic objectives, effectively contributing to ultimately achieving them.

### 1.3 Objectives and targets

#### Significant milestones in 2022

- Increase of permanent staff, with 95% being permanent employees.
- Remuneration audit successfully passed without wage gap, determining that there are no indications of direct or indirect discrimination due to gender in the salary structure.
- Consolidation of the OHS (Occupational Health and Safety) awareness plan, reducing the average incidents per week by 30%, through training and awareness raising of 100% of direct employees.
- Standardisation of the coordination interview and development of employees. Implementation of digital disconnection.
- Effective management of workday adaptation needs.
- Improvement of the process for setting specific targets for variable remuneration.
- Integrated recertification by the company Matrix, of the prevention and environmental management systems, in accordance with ISO 45001 and ISO 14001.

#### Significant challenges for 2023:

- Climate: Creation of the 360º Human Resources Plan for integrating and connecting people with the business and with the business strategy
- Security: Reduction of accident rates.
- Investments: Continuing with the investment plan to strengthen the safety of Work Teams.
- Equality: Improving the working environment, making it safer from an equality perspective, implementing more women's changing room installations.

- Training: implementing training actions that contribute to the development of key employees of the Group
- Processes: automating HR processes to achieve greater efficiency in management of and attention to employees
- Subsidiaries:
  - Taking advantage of the Group's corporate knowledge to provide greater support to Esgren in the field of people, prevention, training and diversity management.
  - External audit of Health and Safety system at the Chinese plant.

## 2. MAIN RISKS

In the scope of social issues, the following risks, impacts and opportunities are identified, related with occupational risk prevention, training, and adequate professional development of employees.

### 2.1 Workplace accidents:

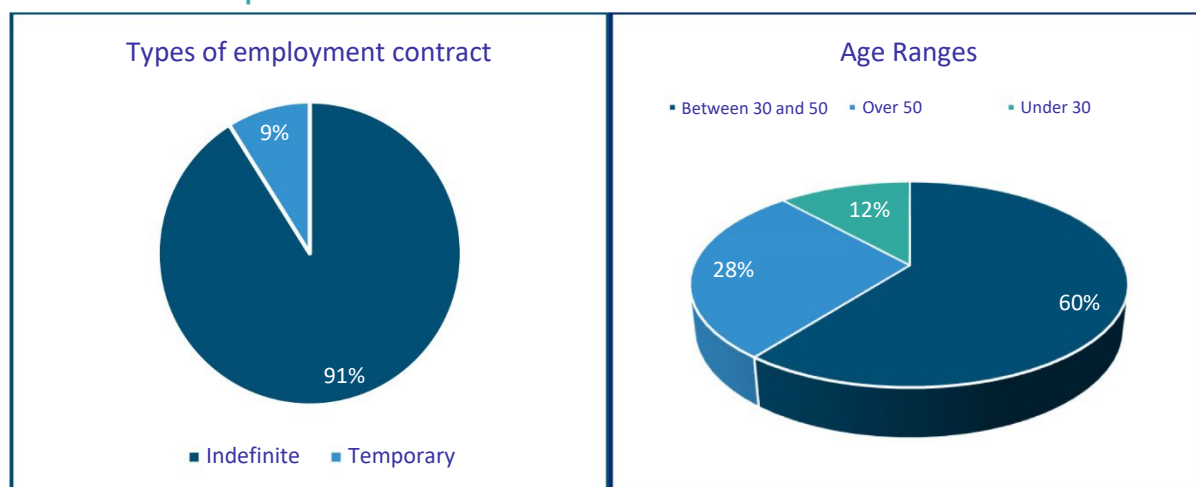
The movement of very voluminous parts, mostly over 500 kilos, entails a **risk of accident** evaluated as being "significant".

The creation and effective operation of Prevention and Compliance Forums, in which all managers of the departments involved participate, are a **very important opportunity** for achieving improvements in safety conditions, strengthening compliance with annual prevention plans.

General Management and the highest body of Group Governance carries out the review and approval of the employee Health and Safety system, demonstrating that the management system implemented is key in the efficacy of the occupational risk prevention processes, involving the whole Organisation, giving it a significant volume of resources, making all employees take on their functions and responsibilities, ensuring the effective training of all staff, increasing safety controls, auditing all risks and making all stakeholders participate in their management.

### 3. EMPLOYMENT

#### 3.1 Comansa Group Staff



At the end of the 2022 financial year, the staff of the Group had 438 employees. It is a very stable staff, 91% of which have an employment relationship with an indefinite, full time contract.

The data has been gathered through “Business Intelligence” tools of the system of indicators existing in the Organisation and various reports of managers of the different areas involved in this report.

The type of contract and workday is identified by the national legislation of the country where they are located. The details of the Group’s employees by contract type and age group and by Professional Group are as follows:

Contract type	Workday	SPAIN		CHINA		General total
		M	F	M	F	
INDEFINITE	Full-time	245	18	113	23	399
TEMPORARY	Full-time	16	0	22	1	39
General total		<b>261</b>	<b>18</b>	<b>135</b>	<b>24</b>	<b>438</b>

Professional Group	Staff by Employment category											
	% under 30				Between 30 and 50				Over 50			
	M	F	M	F	M	F	M	F	M	F	M	F
GP1	8%	0%	4	0	18%	4%	49	11	16%	1%	20	1
GP2	2%	2%	1	1	5%	4%	14	11	6%	0%	7	0
GP3	8%	0%	4	0	3%	2%	9	6	2%	0%	3	0
GP4	10%	0%	5	0	3%	2%	9	5	7%	1%	9	1
GP5	45%	2%	23	1	16%	1%	42	2	20%	2%	24	2
GP6	24%	0%	12	0	40%	0%	106	1	45%	0%	55	0
<b>General total</b>	<b>96%</b>	<b>4%</b>	<b>49</b>	<b>2</b>	<b>86%</b>	<b>14%</b>	<b>229</b>	<b>36</b>	<b>97%</b>	<b>3%</b>	<b>118</b>	<b>4</b>

Fitting into professional categories or groups is determined by the classification established in article 70 of the autonomous region Collective Agreement for the steel and metal industry of the autonomous community of Navarra. During the period of this report, there have not been any situations of personnel layoffs.

### 3.2 Employees with Disabilities

Comansa Group has contracted two employees with disabilities of 33% or greater, and also outsources various services to a Special Employment Centre, thus collaborating indirectly with the labour and social integration of people with disabilities who form part of their staff, the cost of these services exceeding what is required by legislation on integration of people with disabilities. The percentage of employees with disabilities contracted by Comansa is 0.37%.

## 4. REMUNERATION

### 4.1 Remuneration management

#### 4.1.1 Governing Body

The Management Board of Comansa Group is made up of 3 men who do not have an employment relationship with the Group, and it has not contracted obligations on pensions, life insurance or of any other type with the former or current members of the Management Board.

#### 4.1.2 Staff

##### Managers

The process for determining the remuneration of managers has been carried out by an independent external consultant, their analysis taking into account internal equity and external competitiveness as a starting point. This process determines the short and long term fixed and variable remuneration structures and the salary review process, including the specific analysis of the position of General Management.

In line with best practices and trends of the market, the different management posts have been grouped into professional groups based on criteria of contribution to the Organisation. In this way, the aforementioned posts are classified based on levels of responsibility and families of posts.

##### Employees

Taking alignment with the strategy as a fundamental premise, Comansa Group promotes the professional group of all employees, evaluating their skills, their vocation for progress and alignment with the values of the Group, consolidating this management as a global tool for evaluation of performance and potential, which facilitates a vision of internal talent, allowing decision making and the design of action plans based on results.

With this collective, remuneration analysis is carried out based on criteria of contribution and degree of competence necessary to carry out the work, which allows pertinent internal comparisons (between posts and employees) and external comparisons (with the market) to be made, entailing the review of the position of **employees** in the organigram of each functional area, based on them assuming functions with a greater or lesser importance or level of responsibility.

The remuneration situation of the company is adequate, as a balance exists between “**internal equity**” and “**external competitiveness**”. This means that employees with a comparable relative contribution are similarly remunerated, individual differences existing due to their performance or contribution with a certain, rather narrow range.

The most popular profiles are analysed taking into account the criticality of each profile, establishing salaries comparable to those existing on the general labour market of reference.

**Commitment to people and attracting talent:**

All employees of Comansa Group have optimal working conditions and receive sufficient and adequate training, which allows them to specialise in their work and to be able to carry out their professional career, participating in continuous improvement. This leads to productivity and a working environment which are essential to ensuring the future of the organisation.

Comansa Group actively collaborates with Universities and Technical Schools, facilitating access to a job post for a large number of graduates who begin their professional career with the Group.

**Remuneration Policy:**

The remuneration policy of Comansa Group affects all employees and workers. No differentiation is made due to gender, with organisation around criteria of legal compliance, based on compliance with the applicable labour regulations corresponding to the territory where its plants are located.

It has a defined system for determining salaries and salary review criteria, with applicable labour legislation as a starting point, objectively assigning the workers to the corresponding professional groups, based on the training required and the responsibility of the functions carried out. Increasing competitiveness has involved introducing **variabilisation** components for salaries, linking them to results of **EBITDA** and **productivity**.

**Target-based Remuneration System:**

Particularly notable is the target-based variable remuneration system, applicable to indirect personnel, which depends on the economic results of the Business Group and the achievement of business objectives by the department and individual professionals.

It follows a series of targets or final objectives such as promoting teamwork, alignment with the strategy and rewarding enrichment of the job post, continuously improving, innovating and taking on greater challenges.

Thanks to this system, costs have been made flexible, and the priorities of the company or what Management wishes to place value on have been communicated to employees, being an important tool for motivation and support for the strategy.

## 4.2 Remuneration

### **Wage gap**

The wage gap by regions, determined by the ratio of the base salary and short term fixed and variable remuneration of women compared with men, by professional category and by location with significant operations is as follows:



LOCATION	Professional Group	RATIO	LOCATION	Professional Group	RATIO
CHINA	GP1	6.76%	SPAIN	GP1	-6.70%
	GP2	11.68%		GP2	19.53%
	GP3	5.84%		GP5	-0.33%
	GP4	23.74%		GP6	11.30%
	Mean	12%		Mean	5.95%

Professional groups are not included where there are not employees of both sexes, therefore not allowing comparison.

#### 4.2.1 Average remuneration

Management of remuneration at Comansa Group takes into account applicable labour regulations in the different geographic areas where the Group operates, internal consistency and external competitiveness of remuneration, the latter having information created by specialised consultants available.

The average remuneration of Comansa Group has increased from €28,563.85 in 2021 to €30,365.23 in 2022. The salary distribution and its evolution by collectives, sex and age is:

Remuneration by sex with regard to the average			
2021		2022	
M	F	M	F
1%	-12%	1.19%	-11.19%

Remuneration by collectives with regard to the average					
2021			2022		
PLANT	OFFICES	MANAGEMENT -GP1	PLANT	OFFICES	MANAGEMENT -GP1
-8%	-4.51%	50.11%	-10.59%	-4.08%	53.73%

Remuneration by age ranges with regard to the average					
2021			2022		
Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50
-40%	-6%	28.05%	-28.28%	-4.00%	20.50%

## 5. COMMUNICATION OF OPERATIONAL CHANGES

The social dialogue between Comansa Group, its employees and its representatives is periodic and constant over time, which allows understanding of the interests and expectations of both parties, to allow beneficial conditions to be achieved. The negotiation and communication processes with employees are different within the Group, which allows the most appropriate channels to be adapted based on applicable regulations and customs of each geographic region where the Group operates.

All employees are covered by the Collective Agreement of the Sector and/or by labour regulations of countries where the Group has established its plants. This regulatory framework determines the relative notification periods related with substantial modifications to work and provisions for consultation and negotiation, among other aspects.

## 6. ORGANISATION OF WORK

### 6.1 Organisation of working hours

The organisation of work is carried out in accordance with the legislation of the countries where Comansa Group is established. Each company of the Group establishes working hours, breaks, calendar, holidays, leave and unpaid leave. In addition to this, each Company establishes the work-life balance measures it considers necessary.

The criteria and policies on working hours, organised and unorganised breaks, flexibility criteria, registration of working hours and management of overtime are subject to agreement with representatives.

### 6.2 Measures aimed at facilitating work-life balance

Comansa Group is committed to balance between professional and personal life, to achieve balance between work and family life and improve its employees' quality of life.

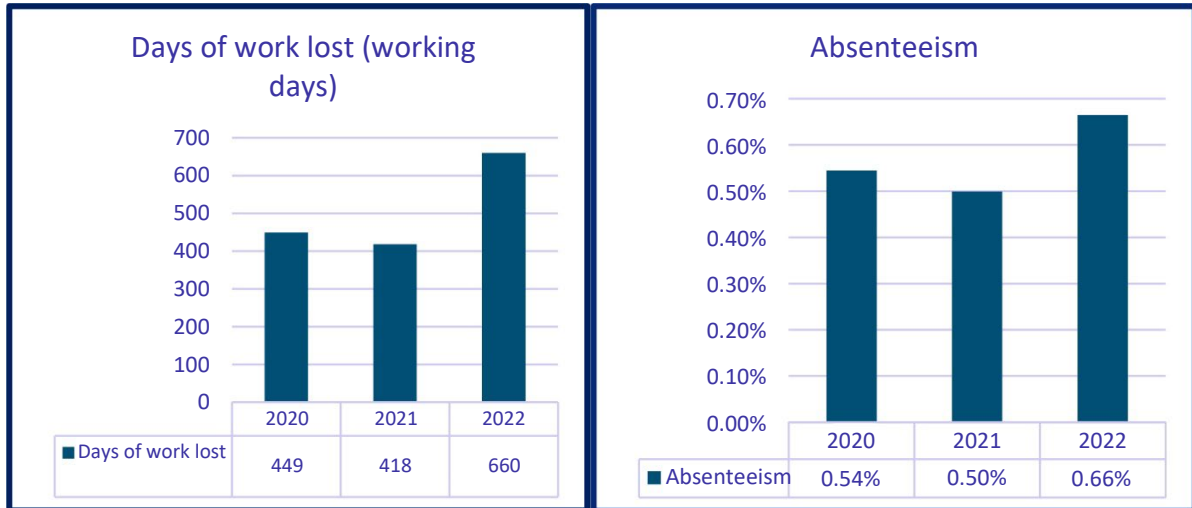
Comansa Group has been developing a programme to increase the flexibility of working hours and activities which are not linked to systems of work shifts, offering employees flexibility in arrival and departure times, continuous workday, summer hours and cafeteria service hours. Employees have a Medical Centre available in the installations of the company, can request leave with the right to reserve their post, and enjoy various permissions to attend to family situations.

In addition to this, 100% of requests for workplace adaptations have been responded to, in accordance with the law, without jeopardising the proportional distribution of shifts.

Parental leave: Parental leave for Group employees has been governed by the regulations of the geographic area where its plants operate, the rate of return to work and retention of employees using this leave being 92%.

### 6.3 Absenteeism due to workplace accidents

Absenteeism includes employees and non-employees whose work is controlled by the Organisation, serious or mortal workplace accidents not having occurred at any of the plants.



#### 6.4 Measures for disconnection

Comansa Group has an internal regulation on digital disconnection (NC\_10\_01), which forms part of the regulatory body of the Compliance Management System in accordance with UNE 19601, pending approval by the legal services of the company.

This regulation includes the object and scope of application, the courses of action to guarantee disconnection, specifying the rules for action related with communications outside of working hours, enjoyment of holidays, optional days, daily and weekly rest, invitations and attendance of meetings or training courses, good practices to make meetings efficient, training and awareness of personnel managers and system of exclusions.

During 2022 the Works Council was informed of the new rule and training has been carried out with managers for deployment with their teams.

## 7. HEALTH AND SAFETY

### 7.1 Management Approach

#### Policy and management of prevention

Comansa Group prioritises the prevention of incidents to guarantee that the health of personnel is safeguarded, promoting the health and safety of employees through the application of measures and undertaking activities necessary for the prevention of risks derived from work. For this purpose, the company has established a policy for health and safety at work and is committed to continuous improvement of its execution.

The Group is committed to undertaking all activities seeking the maximum quality of the product it manufactures, working in a safe environment in which the main risk of suspended loads is controlled, minimised and identified as a priority, protecting the environment, complying with applicable legal requirements and continuously improving the health and safety and environmental management system.

#### The main projects and initiatives which have been worked on in 2022 were the following:

- Digitalisation of the processes of CAE, line audits, preventive safety observations and investigation of incidents.
- Increasing the safety of work equipment.
- Awareness programmes.
- Exhaustive monitoring of operational control measures through fortnightly operations – ORP forum.

#### Responsibilities:

The functions, responsibilities and authority of all individuals who undertake occupational risk prevention tasks are documented. Members of company management with OHS responsibilities have the necessary authority to carry out their functions. Management appoints OHS managers, who regularly report on their performance, being regularly informed of preventive management and being actively involved in periodic reviews and the establishment of objectives. All employees have been trained on their functions and responsibilities, taking into account the role to which they belong.

#### Resources:

The Group has allocated €542,295 to guaranteeing the health and safety of all employees at its plants.

#### Complaints and claims mechanisms:

Comansa Group has established and maintains internal communication processes between all levels, which allows participation of employees in investigating incidents and their involvement in identification of hazards. In addition to this, making suggestions on prevention is encouraged and rewarded.

Complaints and claims are mainly channelled through the Health and Safety Committee and Specific forums for monitoring and measurement at the Group level, by the chain of command and the prevention department of all subsidiaries of the Group.

### 7.2 Processes of identification and evaluation of occupational risks

The Group has certifications and tools for identification and evaluation of occupational risks, which avoid unwanted effects, anticipating hazardous events, their danger and consequences, applying appropriate risk controls to achieve the expected results, beyond legal requirements.

In 2022, certification audits and maintenance of certifications have been carried out at the **Spanish plants** of the Group in accordance with ISO 45001.

Additionally, the implementation of the occupational risk prevention management system at the **Chinese plant** is carried out through monthly controls and annual internal audits, carried out by the matrix in the scope of "Penal Compliance" in accordance with UNE 19601, 2023 being forecast for the aforementioned plant being subjected to an external certification process. The individuals involved in this control and monitoring process are the "Compliance Officer" of the Group, the risk prevention technician of the matrix and Human Resource management of the subsidiary.

In the implementation of operational controls, a hierarchy is followed in their determination according to the following order: 1-Elimination of the hazard; 2-Replacement with less hazardous materials, processes, operations or equipment; 3-Use of controls by engineering; 4-Use of administrative controls; 5-Providing adequate PPE and ensuring it is used.

Comansa Group has an External Prevention Service, which takes on the specialities of Safety at Work, Industrial Hygiene and Ergonomics and Health Monitoring in the case of the Spanish plants, and the "Occupational Health Service", which according to Chinese regulations applies to this geographic region where the Group operates.

The changes that may arise are managed so that their implementation does not involve the introduction of new hazards. Outsourced processes and purchasing are also monitored, as well as potential emergency situations.

The processes carried out to identify all potentially harmful situations are those related with operational control: hygiene and ergonomic measurements, monitoring the health of employees, safety inspections of machines and workplaces, audit plan of operational processes, plan for monitoring of employees, industrial safety plan, preventive maintenance safety plan, control process for work at heights, safety protocol with crane prototypes, management of critical equipment, investigation of incidents, coordination of activities and work permits.

In addition to all of this, there are support processes which also contribute to the identification of hazards such as the risk communication process, communication of risks to the Health and Safety Committee, Operations-HR Forum, Compliance meetings with subsidiaries and employee complaints and appeals system.

All processes are led by prevention technicians, external prevention service, human resources management of all plants, Compliance Officer of the Group and industrial managers. In this way, we guarantee their quality, using the results obtained to establish objectives for improvement and increase safety controls.

### 7.3 Hazard notification processes

#### 7.3.1 Representation of employees on Health and Safety committees

The Spanish plants have a Health and Safety Committee and Risk Prevention Officer, as established by reference standards on labour. Both represent 100% of employees contracted directly by Comansa Group.

This Committee meets on a quarterly basis and is in charge of ensuring the health and safety of staff, ensuring compliance with the Prevention Plan and the implementation of preventive and corrective measures to avoid risks arising. Through their representatives on the Safety Committee or the prevention officer, employees channel all their complaints about health and safety.

At the Group level, there are formal Health and Safety Committees at all plants, being formed by Management and by employee representatives. These Committees take charge of participating in the creation of prevention plans, promoting initiatives to improve safety, debating the implementation of projects and new technologies, ascertaining the prevention situation at the work centres, analysing the data and ensuring that employees are informed and trained, as well as the compliance status of the annual plan for preventive activity.

#### 7.3.2 Participation and consultation of employees on health and safety

Employees communicate information on risks, incidents or accidents which occur, to various levels and functions of the organisation, channelling them through the different compliance management Committees or Forums which carry out monthly monitoring on all incidents and the resolution of actions arising from them. Review of the compliance system ensures the involvement of Management at the Group level.

Employees through the chain of command, representatives, industrial or direct managers actively participate in the undertaking and review of OHS practices through suggestions for improvement, communicating risks and participating in meetings to investigate incidents. Participation is incentivised, ensuring confidentiality. The forums for employee participation are as follows:

FORUM	Objective	Geographic scope	Meeting frequency	nº of participants
Compliance	Control of Health and Safety of employees (accidents and risks)	China	monthly	4
Compliance	Control of Health and Safety of employees (prevention plan)	Spain	monthly	4
Compliance	Report to Control Committee on "Health and Safety" of group employees	Group	Quarterly	5
Operations Forum	Control of Comansa Prevention Plan	Spain	fortnightly	9
Health and Safety Committee	Control of risk situations	Spain	Quarterly	7
Incident investigation	Control of causes of accidents and incidents	Spain	On demand	5

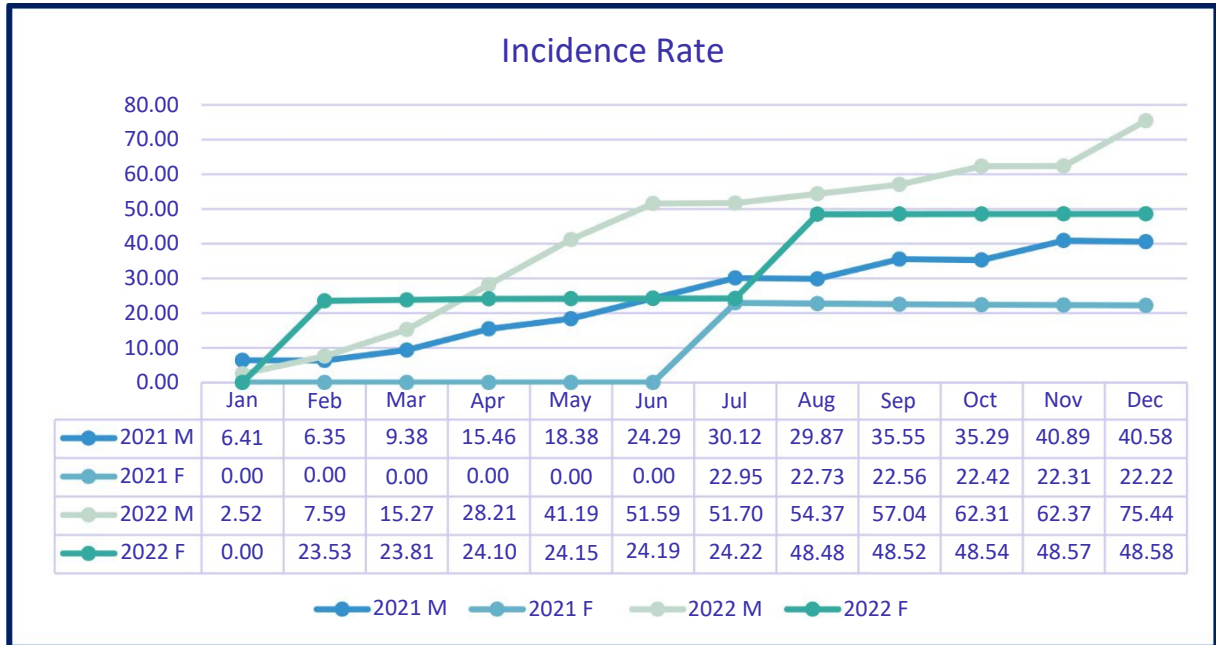
### 7.4 Accidents at work and occupational illnesses

Accidents at work are investigated and are the main source for identifying preventive and corrective actions.

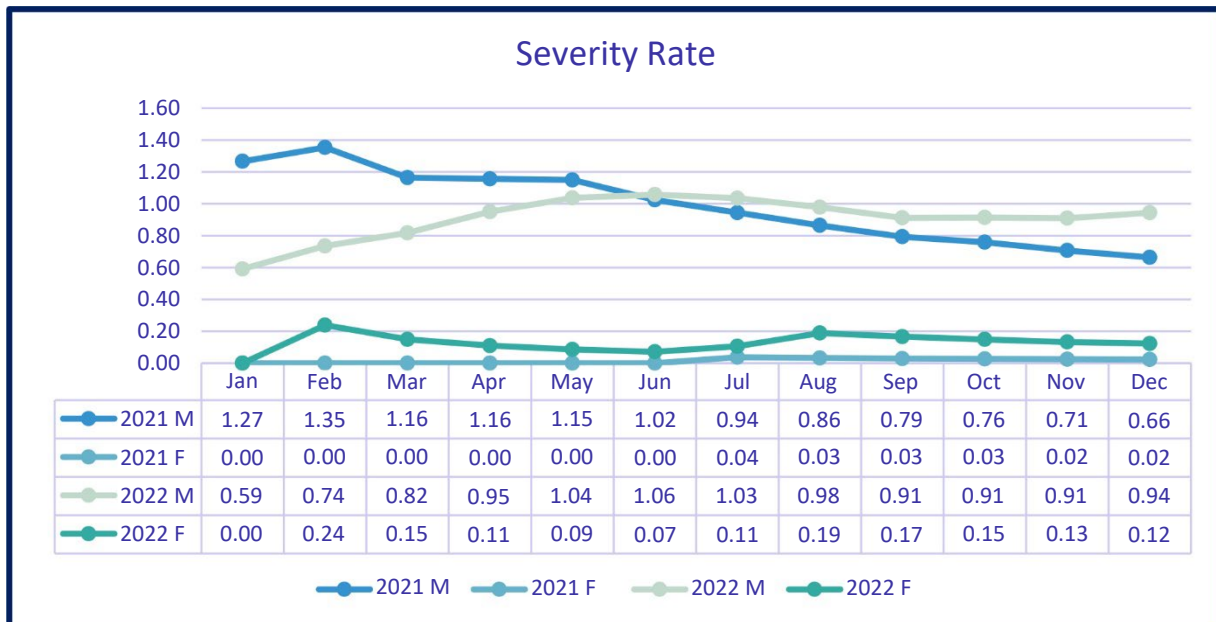
During 2022 we have had 2 professional illnesses that were treated in accordance with the established protocol. This has led to the relocation of one and the adaptation of the other's post.

The Group policy is oriented toward promoting preventive investigation, analysing all potential risk situations, even if they have not yet occurred with damage to the health of employees.

Below are the accident rates of the Group corresponding to 2022:

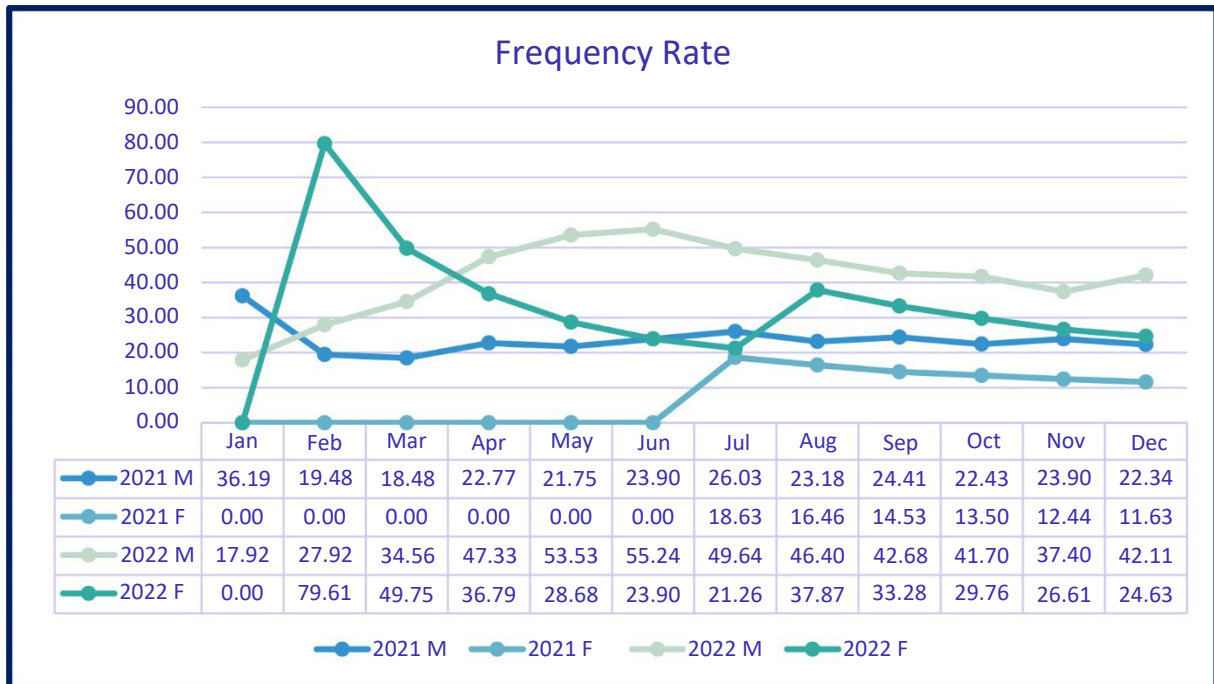


**Incidence Rate:**  $N^{\circ}$  of accidents  $\times 10^3 / N^{\circ}$  of employees



**Severity Rate:**  $N^{\circ}$  of workdays lost  $\times 10^3 / N^{\circ}$  of hours worked





**Frequency rate:**  $N^{\circ}$  of accidents  $\times 10^6 / N^{\circ}$  of hours worked

## 7.5 Health Monitoring

In the analysis of employees with a high incidence or risk, no employees with a high incidence or a high risk of illnesses related with their activity were detected.

All employees of the Group are subjected to monitoring and supervision by the corresponding medical service, which involves a medical assessment each year to determine whether or not they are fit for work, or the need to adapt the work to the characteristics of the employee affected by a pathology. Medical action protocols are applied at all plants, established by the regulations of each geographic region where the subsidiaries operate.

At the Spanish plants, the clinical information of employees is considered confidential personal data, therefore its management is governed by the Organic Law on Data Protection.

## 8. TRAINING

### 8.1 Management approach

Comansa Group has the goal of ensuring that all employees are aware of the technology and have the necessary skills and knowledge to undertake their activities, including the established management systems at the level corresponding to them.

In addition to this, Comansa Group has a training plan for its network, in order to carry out technical and specific training for technical personnel of after-sales and authorised services, with regard to crane models and new applications of machines.

A training activity is considered to have an impact on the organisation when it contributes to the implementation of the strategy or increasing the intellectual capital of the company, achieving optimal adaptation between what the organisation needs and what individuals provide, quantitative evaluation being possible.

The identification of training needs first takes into account training related with the strategy, and subsequently other training related with new projects, issues or shortcomings, professional promotion or development plans, or compliance with legal requirements.

### Objectives and targets: Efficacy of the training

Comansa Group manages training to make it fundamentally effective, understanding efficacy as “contributing value” to the company. The contribution is identified and measured through “contributions to the post”, through the effective transfer of the knowledge acquired, therefore courses which have not entailed improvements in the performance of the functions inherent to the different job posts are not considered effective.

### Liability

The managers of each of the functional areas of the company are those responsible for defining and reviewing the training requirements of the job posts, ensuring that they are consistent with the assigned functions.

The training requirements by post/function are maintained continuously with the proposals of the managers of the functional areas and the managers of the procedures, rules and instructions on quality.

### Resources

The resources that the Group allocated to training its employees in 2022 amounted to €134,984 (€308 per employee).

## 8.2 Group Plants

At Group level, the number of hours of training per employee is 13.43 hours:

Categories	Man		Woman		Total employees trained	Total hours of training
	Employees trained	Hours of training	Employees trained	Hours of training		
2022						
Administration	15	95	20	126	35	221
Directors	18	279.5	6	62.5	20	342
Middle managers	12	152	2	19	160	171
Non-qualified	151	2,734.5	2	11	82	2,745.5
Technician	145	2,144	11	261.5	97	2,405
General total	<b>341</b>	<b>5,404.5</b>	<b>41</b>	<b>480</b>	<b>394</b>	<b>5,884.5</b>

2022 TRAINING HOURS			
Gender	Man	Woman	Total Ratio
Average training hours per employee	13.65	11.43	13.43
Hours of Training	5,404.50	480	5,885

### 8.3 Programmes for improving skills of employees and facilitating their employability

#### Improvement of skills

**Language Schools:** Facilitating employees who interact with international markets being able to study a second language through different contracts formalised by companies of the Group and various schools and training centres.

**Programme for Organisation and engineering of production and management of industrial plants:** Aimed at personnel of the China and Spanish plant related with the organisation and management of efficient and competitive production of operations of industrial businesses, in accordance with the most advanced trends at present, also being applicable to service operations and services of industrial companies.

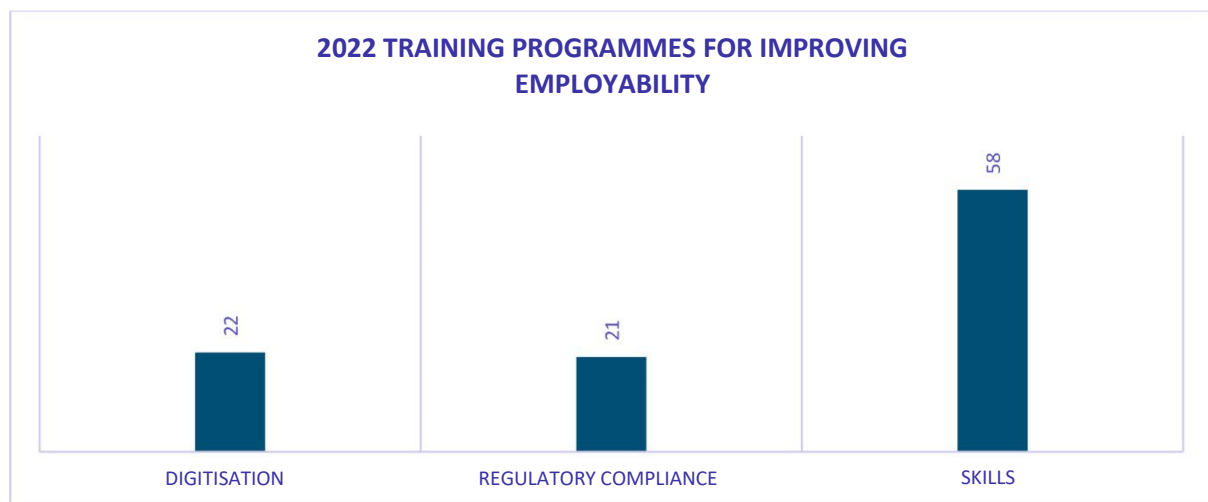
**Qualification programme for authorisation in welding:** Aimed at employees of the Chinese plant, so that they can have the corresponding permits to carry out work outside of the Organisation.

**PLM Project:** Training Comansa on PLM (Product Lifecycle Management) technology allows administration of the full lifecycle of a product through computer tools from its conception, to its design and manufacture, service and discontinuation.

#### Programmes supporting transition to facilitate continuous employability of employees

Comansa Group employees benefit from this type of continuous training programme, which enhance the development of their professional career through increasing and improving their skills and abilities.

During 2022, 101 training programmes or actions were identified related with development of technical skills, digitisation of industrial processes and regulatory compliance, contributing not only to optimal performance of work, but also facilitating employability.



## 9. EQUALITY

### 9.1 Measures for promoting equality between men and women

Comansa Group has carried out an assessment of equal opportunities between women and men at the company, identifying proposals for improvement which were integrated into the 2021-2024 equality plan.

This Plan establishes the equality objectives to be achieved, strategies and practices to adopt to achieve them, and the establishment of effective monitoring and evaluation systems for the established objectives.

The objectives of the Plan for the next 2 years are as follows:

- Prioritising, in equal conditions, hiring of women in masculine areas or departments.
- Analysing situations in which undervaluing of work by women is detected, and correcting this, adapting the responsibility and the functions carried out to the corresponding professional group.
- Carrying out regular assessments to analyse potential wage gaps, both from the perspective of new hires and at an internal level.
- Involving individuals who must improve their employability, or professional recycling in training.
- Guaranteeing the principles of objective assessment and non-discrimination in internal promotion
- Studying new work-life balance measures which may be compatible with the work system of the company.

The monitoring and evaluation of the Equality Plan is assigned to the Equality Committee, which interprets the content of the plan and evaluates the degree of compliance with it, the objectives set and the actions planned.

Undertaking remuneration audit by Mercer. The following general conclusions are drawn from the full analysis carried out on Comansa: Distribution by gender is slightly better than data for the sector with regard to presence of women, although the representation of women by hierarchical levels in positions of equal value is relatively balanced. The salary structure is derived from the collective agreement. The other concepts apply to the whole staff, sometimes differentiated by the position held. There are regulated frameworks of the variable remuneration system. There are no indications of direct or indirect discrimination due to gender in the salary structure.

### 9.2 Measures adopted for promoting employment

Comansa Group, with regard to hiring, carries out proactive monitoring of the presence of men and women, keeping statistical information on selection processes.

There is a growing trend toward hiring women at Comansa, as 47% of the women on staff having been incorporated into the company in the last 6 years and 12% of women have been promoted to posts with greater responsibility. Likewise, the percentage of permanent contracts is among women is 100% and among men 93%. Women mostly perform functions of the technical category, 59% of them being dedicated to this type of work, 31% being dedicated to administration.



18% of management personnel are women, and if we observe the Management Committee of Comansa Group, women make up 20%.

#### **Differentiated training and recycling measures between men and women**

There is no difference in access to training between men and women. The year ended with 100% of staff participating in different courses. All participated equally and there were no differences in this regard. Participation in training is determined by the strategy, the existence of issues or shortcomings, non/compliance with legal requirements, promotions and the assumption of new responsibilities and training derived from performance interviews.

#### **9.3 Protocols against harassment:**

There is a **protocol on harassment** which guarantees a safe work environment free of any situation of sexual or sex-based harassment, having incorporated this into the welcome plan at the Spanish plants, so that all employees are aware of its content and know how to access it through the ethical channel for communication, incorporating the possibility of reporting a risk situation, either directly or by filing a report.

#### **9.4 Policies against all kinds of discrimination**

Comansa Group declares its commitment to the establishment and implementation of policies which integrate equal treatment and opportunities between women and men, without direct or indirect discrimination due to sex, as well as the implementation and promotion of measures to achieve real equality within our organisation, establishing equal opportunities between women and men as a strategic principle of its Corporate and Human Resources Policy, in accordance with the definition of this principle established by Organic Law 3/2007 of the 22<sup>nd</sup> of March for effective equality between women and men.

In each and every area in which the activity of this company is carried out, from selection to promotion, the salary policy, training, working and employment conditions, occupational health, organisation of working hours and work-life balance, Comansa Group adopts the principle of equal opportunities between women and men, paying special attention to indirect discrimination, this being understood as “The situation in which an apparently neutral provision, criterion or practice places a person of one sex at a specific disadvantage compared to persons of the other sex”.

With regard to both internal and external communication, it is communicated that all decisions are adopted in this regard and an image of the company is projected in accordance with this principle of equal opportunities between women and men.

The stated principles will be implemented by promoting measures for equality or through implementation of an equality plan that entails improvements compared with the current situation, mediating the corresponding monitoring systems in order to advance in achieving real equality between women and men at the company, and by extension, in society as a whole.

To undertake this, the legal representation of employees has been relied upon, not only in the collective bargaining process, as established in Organic Law 3/2007 for effective equality between women and men, but in the whole process of developing and evaluating these equality measures and the equality plan.

## 10. ACCESSIBILITY

The installations of Comansa Group comply with regulations on accessibility for people with disabilities. With regard to accessibility of information, through its website Comansa Group allows it to reach the largest possible number of people.

Comansa designs its cranes in compliance with regulation UNE-EN14439 Cranes. Safety. Tower cranes. In particular, all entrances, staircases, platforms, landings, steps, manholes, handrails, handles, safeguards and safety protections for work at heights are compliant with regulation UNE-EN13586 Cranes. Entrances. This regulation has been created by the AEN/CTN 58 Machinery for lifting and transport technical committee, a committee in which Comansa actively participates.

## COMMITTED TO SOCIETY

*To generate wealth and wellbeing for society, Comansa Group adopts responsible business ethics which allow the creation of value for its shareholders to be compatible with sustainable development that encompasses the main objectives of social cohesion, development of a favourable context for employment relationships, environmental protection and constant communication with the different groups related with the Company in order to respond to their needs and expectations.*

*As part of our responsible business ethics, we promote development and improvement in quality of life of the community, fulfilling the following commitments:*

- *Not undertaking practices which may be considered irregular in its relationships with clients, providers, suppliers, competitors, authorities, etc.*
- *Contributing to the development and benefit of the community through the creation and maintenance of employment, seeking to hire local personnel, development of local suppliers of goods and services, and leading new, competitive product developments.*
- *Supporting research to contribute to raising the technological level of our environment.*
- *Preventing environmental pollution and using all measures necessary to protect natural resources.*



## 1. POLICY AND RISKS

As indicated in section 18 of its Code of Ethics, Comansa Group is committed to responsible business ethics based on integrity and professionalism, which contributes to developing the community where the Group operates, creating direct and indirect employment through supporting its suppliers, which are mainly local, constant investment in product and process innovation, and elevating the technological level of its environment. All of this entails a very considerable contribution to guaranteeing the continued existence and future of the business project.

The Group is committed to the sustainable development of the Community, participating in multiple different infrastructure construction projects, which generate significant positive impacts on Society, such as hiring local personnel, purchasing the goods and services necessary for its industrial process, training its employees, increasing their salaries and improving infrastructure, through modular cranes with multiple advantages in sustainable transport, increasingly efficient in consumption of energy resources.

There is also a constant commitment to improvement of the technological capacity, safety and quality of its product, constant communication with clients and extensive experience in the field of tower cranes, thus contributing to satisfying the sustainable development expectations of our clients. For this purpose, each year the Group carries out satisfaction surveys on clients, channelling their proposals into periodic R&D innovation plans which improve and enhance the quality, safety and efficiency of the product.

The Group is committed to collaborating with Technical Schools and Universities to generate knowledge which facilitates the development of the community where it operates.

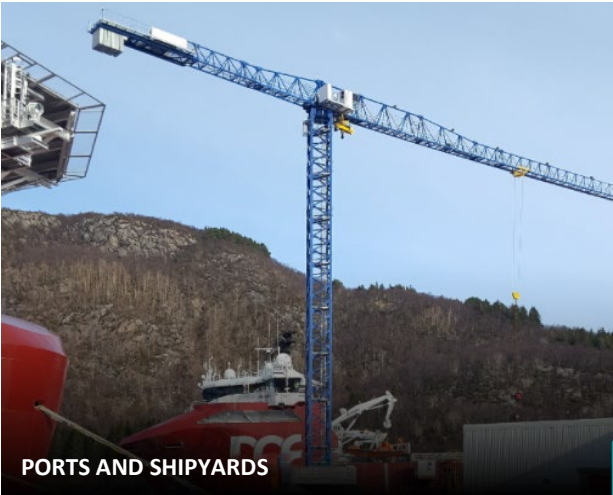
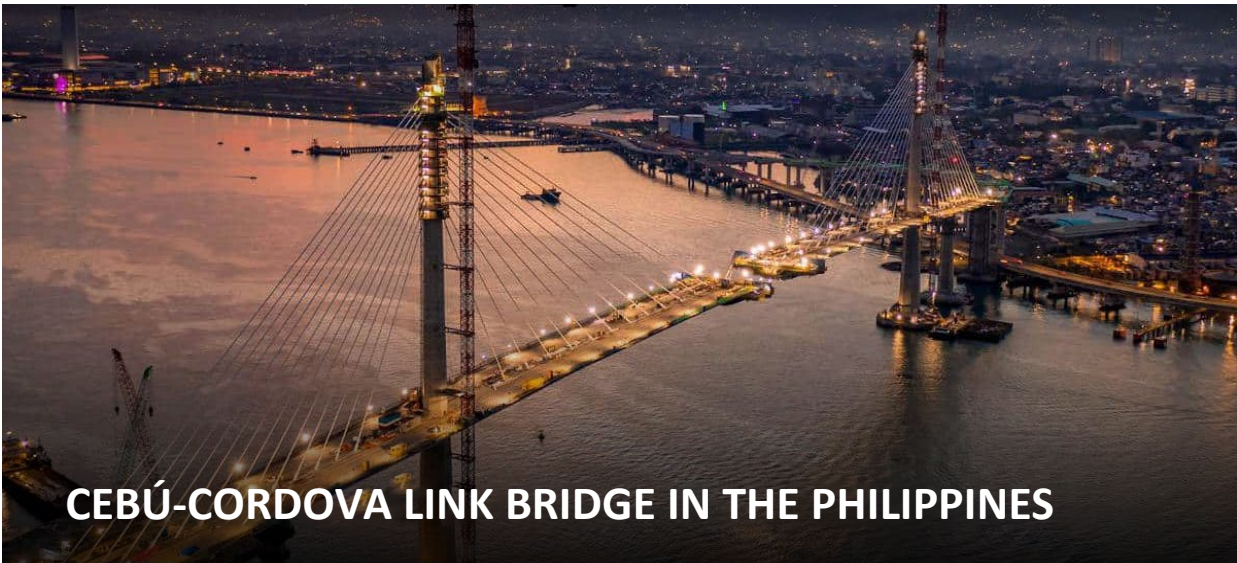
The most significant risks are global economic and political instability which may jeopardise the growth and development of the Group, as well as lack of alignment between the social objectives of the Group and some communities. These risks are subject to control and monitoring by various Committees existing in the Organisation. The analysis process of the Organisation and its context is a source for detecting this type of risk, which after being analysed are incorporated into action plans for minimisation and/or elimination.

## 2. COMMITMENTS TO SUSTAINABLE DEVELOPMENT

### 2.1 Social impact through projects

With its cranes, the Group contributes to improving the communities in which it works, taking care of the environment and the wellbeing of people, facilitating the construction of infrastructure which provides connections between large cities and new urban developments, becoming a central line of connection and enhancing the local economy, offering greater opportunities for economic development.

Examples:



## 2.2 Impact on employment and local development

### Direct employment: Creation and maintenance of employment

Comansa Group is committed to generating employment and managing costs with social responsibility criteria, it being particularly notable that 94% of Comansa staff had indefinite contracts in 2022.

In 2022, the vast majority of employment created was for the collective of employees in a situation of risk (over 45 years of age, immigrants, people with family difficulties, recently qualified young people, unemployed employees and employees with children).

### Local suppliers

The development of local suppliers, through contracting products and services inherent to its activity, allows the generation and maintenance of indirect employment. 95% of Comansa suppliers (94% by volume) have been local, with conditions aligned with Comansa with regard to the policy on regulatory compliance, social and human principles and rights, and health and safety and environment systems.

Local suppliers are understood as those located in the same country as the activity contracting its services.

## 2.3 Digital transformation and improvement of competitiveness

### Digitisation

Comansa Group contributes to the industrial transformation of the community through digital initiatives for improving processes and adapting its product, implementing digital projects which improve the quality and productivity of crane sales processes and which serve to adapt the current product to the digital standards of the market.

One of the most pertinent initiatives in the organisation is the *Product Lifecycle Management (PLM)* project for managing cranes from their initial design to their final amortisation, integrating data, processes and systems, achieving a significant reduction in the cost of launching new products and reviews of models of cranes thanks to the promotion of more efficient, faster, easier processes, with precise and reliable data.

Another notable initiative is that related with digitisation of the product through the *“Fleet management and telediagnosis”* project.

### New business models

Comansa Group, along with two Companies from Navarra (Nabrawind and Tetrace), have created a joint company “which takes charge of the full process of assembly and installation of the automatable “Nabralift” towers that Nabrawind commercialises globally”. Nabralift is a tower assembly system designed by Nabrawind, which through hydraulic devices on the ground, and inserting the modules in the lower section, allows the tower to be erected; thus, large sized cranes are not necessary because the pieces have a smaller size and weight. The company called Navassy Wind, S.L. offers Nabrawind coverage at a global level.

## 2.4 Collaboration with the University

### Public University of Navarra and University of Navarra

Comansa Group offers young graduates or final year students the possibility of undertaking curricular or extracurricular internships.

## 2.5 Commitment to clients

In the analysis process of the situation of the organisation and its context, Comansa Group identifies the technological innovation needs of its clients, developing a design plan that allows the best technology and product to be offered to them.

Additionally, there are also other sources for learning the expectations of clients, such as the visit plan, monitoring meetings and satisfaction surveys.

The communication channels with clients are the website, attending trade fairs, social networks, meetings, etc. The satisfaction survey provides the most pertinent indicators for evaluating the relationship with the client. The survey carried out in 2022 was sent to clients from 59 different countries, obtaining communications and contributions from 16.4% of them which are helping the Organisation to take corrective actions and define lines of work which improve our commercial, service and marketing activity. With regard to the satisfaction survey, we can highlight the following concerns as pertinent:

- Customer service and support from after-sales, commercial and marketing departments.
- Speed of delivery of spare parts.
- Ease of transport and assembly of the crane
- Delivery periods
- Payment conditions and prices
- Ease of use and operation of the crane
- The characteristics of the crane and its adaptation to the market
- Performance of mechanisms
- Prestige of the brand

## 2.6 Commitment to the Community

The Organisation understands the importance of contributing to improving people's quality of life. For this purpose, during 2022, COMANSA Group contributed 3.2% of net profits to organisations dedicated to helping the sick and disabled and people in situations of social exclusion.

The financing of these contributions was borne 100% by the company. All these contributions are part of the Social Volunteering Plan of COMANSA Group, with the objective of committing to people in situations of social exclusion.

## 2.7 Sponsorship partnerships

Comansa Group participates in activities with entities from the worlds of business and culture. All of these are related with the interests of the organisation, participating in many of them by actively strengthening its commitment to technological, cultural and business development.



In the attached list, some of the entities in which it participated in 2022 are identified.

<b>ASSOCIATIONS AND ENTITIES</b>
Navarra Association of Metal Businesses (ANEM)
Navarra Business Confederation (CEN)
Spanish Association for Machinery for Construction (ANMOPYC)
Spanish Association of Personnel Managers (AEDIPE)
Association for Progress and Management (APD)
Public University of Navarra
Spanish Association of purchasing, hiring and procurement professionals (AERCE)
Brandok Comunicación S.L. (DIARIO DE NAVARRA newspaper)
University of Navarra Business Foundation (UNAV)
Negocios en Navarra, S.L.
Committee For European Construction Equipment (CECE)
S&P GLOBAL PLATTS
Marketing Club of Navarra
Navarra Industry Association (AIN)
CRE100DO Foundation
Galvanising

Particularly notable is the representation of Comansa Group in the **CECE European network**, which represents and promotes European industries of construction and related equipment, coordinating the perspectives of national associations and their members, influencing national and European institutions and other organisations from around the world to achieve a competitive and fair environment through harmonised rules and regulations.

Likewise, Comansa Group is associated with and a member of the management committee of **ANMOPYC** sectoral organisation, a private non-profit organisation established in 1982 with the aim of defending the interests of companies of the Spanish sector of machinery for public works and construction.

#### **STANDARDISATION ENTITIES**

**CEN:** Comansa Group participates in the European Committee for Standardisation (CEN), Technical Committee 147 Cranes – Safety. Work Group WG12 Tower Crane.

**UNE:** It is also represented at the Spanish Association for Standardisation (UNE), Technical Committee 58 - Lifting and Transport Machinery, Subcommittee SC1 Heavy lifting equipment. Cranes, for the development of UNE regulations on cranes, vertical transport equipment, hoists, lifting machinery and load lifting accessories.

**AEM:** Comansa Group also belongs to the Spanish Materials Handling Association (AEM) and the European Materials Handling Federation (FEM), Cranes and Lifting Equipment Product Group (FEM PG CLE EOT).

### **3. SUBCONTRACTING AND SUPPLIERS**

#### **Authorisation of suppliers**

Comansa Group ensures that suppliers are aware of and able to comply with the technical requirements of products and services to be supplied to the Group. For this purpose, at COMANSA, authorisation procedures have been established, evaluating compliance with environmental regulations with regard to management of waste, emissions

and effluents, and equality of conditions, with better evaluations for suppliers whose manufacturing process takes into account the reduction of environmental impacts, those which provide products with a low energy consumption and long lifespan, those that are reusable and which can be transported efficiently, taking advantage of the capacity and loads, and those which ensure that the batches supplied are of an appropriate size to minimise waste.

#### **Evaluation of suppliers**

The authorisation encompasses evaluation through questionnaires, analysing the environmental management system, compliance with applicable regulations and sustainable practices and improvements.

#### **Monitoring and auditing systems and their results**

Comansa Group has procedures with the purpose of establishing selection and evaluation criteria for suppliers of raw materials or subcontracted services that form part of the final product. They also take into account other suppliers whose activities or service provision may have a significant effect on the manufacturing of the product.

During 2022 the audit plan established with suppliers was undertaken. This has involved monitoring all suppliers, taking into account the continuous evaluation of non-compliance. However, suppliers with a greater number of non-compliance incidents, as well as the main subcontracting supplier of welded product have been subject to undertaking the corresponding audits. In the audited processes of external suppliers, no non-compliance was identified.

#### **Sustainability of the supply chain**

##### Code of ethics

The majority of the Group's suppliers have adhered to the Code of Ethics for conduct, which includes ethical, social and environmental commitments. All of these have received the aforementioned code and have signed the commitment to comply with it. During 2022, the aforementioned code was updated, the objective for 2023 being the extension of its scope to the supply chain of the Chinese plant.

## **4. MEASURES FOR CONSUMER HEALTH AND SAFETY**

### **4.1 Quality**

The quality policy of Comansa Group is materialised by offering the market quality, technologically advanced products and services at competitive prices, which warrant the satisfaction of its clients in terms of quality, performance, reliability and service. The review and maintenance of this policy is carried out annually in the Review process by Management.

The main risks of the Group, if the commitments to clients are not fulfilled, is dissatisfaction in claims arising from products and services, and loss of market share due to product obsolescence.

The impacts of these risks arising would affect the Group's reputation and the continuous improvement of the product, which would not benefit from technological development to give it greater efficiency.

To respond to the needs of the client, the Group addresses health and safety throughout the product lifecycle, to ensure compliance with legal requirements, implementing the quality and safety management system that incorporates the evaluation of all the most significant categories of products and services, and client claims processes, to be attended to, processed in the corresponding department, acting on them in the form and period agreed, incorporating indicators which are subject to specific monitoring.

Client claims involve the immediate establishment of corrective actions, technical analysis of the product, the process, the delivery and quality of suppliers. The evolution of the aforementioned indicators was favourable, following the same line as the client satisfaction survey we referred to in section 2.5.

Comansa Group has implemented the certified system of quality management by processes, in accordance with ISO 9001 at all its plants, which certifies compliance with all legal requirements, client requirements and those specific to the sector.

#### 4.2 Security

Comansa Group also has the objective of offering products which are safe for the end user, as well as for other stakeholders, safety being understood as what may affect the physical safety of users of its machines, as well as the information security or Cybersecurity of its installations. It is the responsibility of the Information Technology department, R&D department and Compliance Officer to ensure that equipment is secure in terms of cybersecurity and in terms of physical safety for people's health.

The machines manufactured by Comansa Group incorporate the most suitable protection systems, in addition to complying with entrance safety standard EN 13586:2020. Among the safety measures that the cranes incorporate, we can highlight the following:

- System that stops the machine in the case of the operator having fainted.
- Safeguards which cover the moving parts, avoiding risk of entrapment.
- System that stops the crane in case of unauthorised access.
- Tools to avoid falls from heights (hatches) and to avoid impacts of moving and fixed parts.
- Electronic limitation systems.
- Control of zones, to avoid collisions with obstacles.
- Anti-collision systems, to avoid collisions with other cranes.
- Weather vane system, so that the crane rotates with the wind and is not destabilised.
- Carriage safety system and surge arresters as protections against lightning strikes.

Information security management has the purpose of determining measures to avoid incurring cyber risks caused by security breaches, threats to network systems, and violation of personal data privacy and IT service providers, establishing controls and evidence to mitigate the risk of occurrence.

The compliance management system integrates this information security (cyber risk) aspect and checks compliance with the established controls so that the identified risk factors do not arise. On an annual basis, the information security process is subject to internal and external audits to check the effective application of all controls, not having detected any security incident or accident.

## 5. FISCAL INFORMATION

### 5.1 Profits earned by country

As has been explained through the report, Comansa Group has production plants in Spain and China. Likewise, Comansa Group owns 51% of a company in the United States called Linden Comansa America, LLC, with the company purpose of commercialisation and lease of cranes manufactured by Comansa Group at the Spanish plant for the United States and Canada. Being considered a "commercial network" of Comansa Spain and not having a production plant or significant staff in the Group, we provide data on the profits earned in the USA along with those in Spain.



The profits earned by country in 2022 are as follows (in millions of euros):

	Spain + USA	China
Net profit (including external partners)	€3 million	-€0.4 million

### 5.2 Taxes paid on profits

Based on the same division as in the previous section, the taxes on profits paid in 2022 (taxes on 2021 results) are detailed:

	Spain + USA	China
Taxes on profits paid	88 thousand euros	137 thousand euros

All taxes paid in the “Spain + USA” group correspond to the USA. In Spain, no tax was paid on profits in 2022 due to using the tax loss and deductions that Comansa Group has in Spain.

### 5.3 Public subsidies received

During the 2022 financial year, Comansa Group received financial subsidies from the public administrations where the Group is located. The subsidies approved in 2022 by the different Public Bodies were as follows:

- Social security discounts for certain employees
- Generation of tax deductions associated with investments and Research and Development projects
- Capital grants for production investments and undertaking Research and Development projects
- Operating subsidies for hiring unemployed young people under 30 years of age
- Loan with subsidised interest rate
- Operating subsidies for aid for additional energy costs

The total subsidies received by Comansa Group during 2022 amounted to 1 million euros.

## 6. ABOUT THIS REPORT

This report fully responds to Law 11/2018 of the 28<sup>th</sup> of December, modifying the Commercial Code, the consolidated text of the Corporate Law approved by Royal Legislative Decree 1/2010 of the 2<sup>nd</sup> of July, and Law 22/2015 of the 20<sup>th</sup> of July on Account Auditing, non-financial information and diversity. It almost fully responds to the requirements and proposals of the Global Reporting Initiative organisation set out in the “GRI Standards”.

# GRI CONTENTS

<b>CATEGORY: BUSINESS MODEL</b>				<b>5</b>
<b>GRI</b>	<b>CONTENT TITLES</b>	<b>REFERENCE</b>	<b>PAGE</b>	
102-2	Activities, brands, products and services	3. Business Model	11-15	
102-4	Location of activities	4. Markets	16	
102-6	Markets and services	4. Markets	16	
102-15	Key impacts, risks and opportunities	6. Impacts, risks and opportunities	16-19	
102-16	Values, principles, standards and behavioural rules	1. Vision of the Group and its commitment to sustainability	6-7	
102-40	List of stakeholders	2. Relationship with stakeholders	8-10	
102-42	Identification of stakeholders	2. Relationship with stakeholders	8-10	
102-47	List of material issues	7. Materiality	19	
<b>CATEGORY: ENVIRONMENT</b>				<b>21</b>
103-2	The management approach and its components	1. Environmental policy	22-25	
103-3	Evaluation of the management approach	1. Environmental policy	22-25	
102-15	Key impacts, risks and opportunities	2. Impacts, risks and opportunities	25-28	
102-11	Precautionary principle or approach	3. Environmental risk management	28-29	
102-30	Effectiveness of the risk management processes	4. Governing body management	29-30	
102-29	Identification and management of Impacts	4. Governing body management	29-30	
102-31	Economic, environmental and social evaluation	4. Governing body management	29-30	
307-1	Non-compliance with legislation	5. Compliance with legislation and environmental regulations	30-31	
302-4	Reduction of energy consumption	6. Measures to prevent carbon emissions	31-32	
305-5	Reduction of GHG emissions	6. Measures to prevent carbon emissions	31-32	
305-7	NOx, SOx and other atmospheric emissions	8.1 Significant Emissions of NOx, SO2, CO, Particles and VOCs	35-36	
103-2	Management focused on "effluents and waste"	9.2 Recovery and disposal of waste	40-41	
303-1	Water extraction by source	9.4 Water, consumption and recycling	42-43	
303-1	Sources of water affected	9.4 Water, consumption and rec9.9.3 Water, consumption and recycling	42-43	
301-1	Materials used by weight and volume	9.1 Raw materials related with manufacturing	39-40	
301-2	Recycled materials consumed	9.1 Raw materials related with manufacturing	39-40	
301-3	Recovered products and packaging	9.1 Raw materials related with manufacturing	39-40	
102-2	Management approach focused on "energy"	7. Energy consumption	33	
302-1	Renewable and non-renewable consumption	7. Energy consumption	33	
302-3	Energy intensity	7. Energy consumption	33	
302-4	Reduction of energy consumption	7. Energy consumption	33	
302-5	Reduction of energy requirements	6.2 Reduction of energy requirements of products and services	32	
305-1	Direct emissions of GHG (Scope 1)	8.2 Greenhouse Gas Emissions - Scope 1	37-38	
305-2	Indirect emissions of GHG (Scope 2)	8.2 Greenhouse Gas Emissions - Scope 2	37-38	
305-4	Intensity of GHG emissions	8.2 Greenhouse Gas Emissions	37-38	
103-2	Management approach focused on "reduction of emissions"	8. Emissions	35-38	

103-2	Management approach focused on “biodiversity”	10. Measures for preserving biodiversity	43-44
<b>CATEGORY: ETHICS AND ANTI-CORRUPTION</b>			<b>45</b>
103-2	Management approach and its components	1.1 Compliance Management and 1.2 Anti-corruption Policy	46-47
103-3	Management approach evaluation	1.3 Evaluation of management	48-50
205-2	Communication and training on anti-corruption policy and procedure	1.4 Communication and training on anti-corruption policy and procedure	51
102-15	Key impacts, risks and opportunities	2. Main risks	52-53
102-30	Effectiveness of the risk management processes	2.1 Risk of corruption, impacts, opportunities and effectiveness of the management process	52
205-1	Operations evaluated in relation with risks related with corruption	2.2 Operations evaluated with risks related with corruption	53
103-1	Management approach focused on “anti-corruption”	3. Measures to prevent corruption	53
<b>CATEGORY: HUMAN RIGHTS</b>			<b>55</b>
103-2	Management approach and its components	1.1 Management policy	56
103-3	Management approach evaluation	1.2 Evaluation and effectiveness	56
412-2	Training of employees on policies or procedures on Human Rights	2.3 Training	56
102-15	Key impacts, risks and opportunities	2. Main risks	56-57
102-30	Effectiveness of the risk management processes	2.2 Control of risk and 1.1 Management	57
103-2	Management approach focused on “evaluation of Human Rights”	3. Due diligence procedures	57
412-1	Operations subjected to reviews or evaluations on impact on Human Rights	4.1 Human Rights promotion and compliance projects	57-58
102-17	Mechanisms for advice and ethical concerns	4.2 Complaints mechanisms	58
<b>CATEGORY: SOCIAL ISSUES RELATED WITH PERSONNEL</b>			<b>59</b>
103-2	Management approach and its components	1. Policy	60-61
103-3	Evaluation of the management approach	1.1 Responsibilities, resources and evaluation of management	60
102-35	Remuneration policies	4. Remuneration	63-64
102-15	Key impacts, risks and opportunities	2. Main risks	61
102-30	Effectiveness of the risk management processes	2. Main risks and 1.1 Responsibility, resources and evaluation of management	60-61
102-7	Size of the Organisation	3.1 Staff of the Group	62
102-8	Information on employees	3.1 Staff of the Group	62
405-1	Percentage of employees by employment category, by sex and age groups	3.1 Staff of the Group	62
401-1	Total number and staff turnover rate	3.1 Staff of the Group	62
405-2	Average remuneration by sex and professional classification	4.2.1 Average remuneration	65
102-36	Process for determining remuneration	4.1 Remuneration management	63-64
201-3	Obligations derived from social benefit plans and other retirement plans	4.1 Remuneration management	63-64
402-1	Minimum notification periods on operational changes	5. Communication of operational changes	65
405-1	Percentages of employees with disabilities	3.2 Employees with disabilities	63
103-2	Management approach focused on “organisation of work, absenteeism and work-life balance”	6. Organisation of work	65-66
401-3	Parental leave	6.2 Measures aimed at facilitating work-life balance	65-66
403-2	Types of accidents and workplace accident rates (days and hours lost and %)	6.3 Absenteeism due to workplace accidents	66
103-2	Management approach focused on “Health and Safety”	7. Health and safety	67-71

403-2	Types of accidents (accident rates)	7.4 Accidents at work	70
102-43	Approach for participation of stakeholders (unions and collective bargaining)	2. The relationship with stakeholders (chapter 1 Business Model)	8-10
403-1	Representation of employees at joint Health and Safety Committees	7.3 Hazard notification processes	69
102-41	Collective bargaining agreements	5. Communication of operational changes	65
403-4	Occupational health and safety issues addressed in formal agreements with the legal representation of employees	7.3.2 Participation and consultation of employees on health and safety	69
103-2	Management approach focused on "Training"	8. Training	71-73
404-2	Programmes for improving skills of employees	8.3 Programmes for improving skills of employees and facilitating their employability	73
404-1	Average annual training hours per employee	8.2 Group Plants	72
103-2	Management approach focused on "Accessibility"	10. Accessibility	76
103-2	Management approach focused on "Equality"	9. Equality	74-75
103-2	Management approach focused on "Equality plans"	9.1 Measures for promoting equality between men and women	74
103-2	Management approach focused on "promotion of employment"	9.2 Measures adopted for promoting employment	74-75
103-2	Management approach focused on "protocols against harassment"	9.3 Protocols against harassment	75
103-2	Management approach focused on "policies against discrimination"	9.4 Policies against any kind of discrimination	75
<b>CATEGORY: INFORMATION ON SOCIETY</b>			<b>77</b>
103-2	Management approach and its components	1. Policy and risks	78
103-3	Evaluation of the management approach	1. Policy and risks	78
102-15	Key impacts, risks and opportunities	1. Policy and risks	78
102-30	Effectiveness of the risk management processes	1. Policy and risks	78
203-1	Investment in infrastructure and services supported	2.1 Social impact through projects	78
203-2	Significant indirect economic impacts	2.2 Impact on employment and local development	80
204-1	Local suppliers	2.2 Impact on local development (local suppliers)	80
203-2	Significant indirect economic impacts	2.3 Digital transformation and improvement of competitiveness	80
203-2	Significant indirect economic impacts	2.4 Collaboration with the University	80
102-43	Approach for participation of stakeholders	2.5 Commitment to clients	81
413-1	Participation operations in the local Community	2.6 Commitment to the Community	81
102-13	Membership of associations	2.6 Sponsorship partnerships	81
308-1	Suppliers who have passed the evaluation and selection filter (environmental and social)	3. Subcontracting and suppliers - authorisation of suppliers	82-83
102-9	Supply chain	3. Subcontracting and suppliers	83-84
416-1	Evaluation of impacts on health and safety of products and services	4. Measures for consumer health and safety	83-84
416-2	Cases of non-compliance related with impacts on health and safety	4. Measures for consumer health and safety	83-84
102-17	Mechanisms for advice and ethical concerns (reports received and resolution)	4. Measures for consumer health and safety	81
418-1	Substantive reports related with client security breaches and client data loss	4. Measures for consumer health and safety	81
201-1	Economic value generated and distributed	5. Fiscal Information	82-83
201-4	Financial assistance received from the Government	5. Fiscal Information	82-83