

**Informe de Verificación Independiente del Estado de Información
No Financiera Consolidado correspondiente al ejercicio anual terminado
el 31 de diciembre de 2021**

ARTECHE LANTEGI ELKARTEA, S.A. y SOCIEDADES DEPENDIENTES

INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO

A los accionistas de Artechte Lantegi Elkarte, S.A.:

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera Consolidado adjunto (en adelante EINF) correspondiente al ejercicio anual finalizado el 31 de diciembre de 2021, de Artechte Lantegi Elkarte, S.A. y Sociedades Dependientes (en adelante, el Grupo) que forma parte del Informe de Gestión Consolidado del Grupo.

El contenido del EINF incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la tabla "Anexo A.1 Índice de contenidos GRI y de la Ley 11/2018" incluida en el EINF adjunto.

Responsabilidad de los Administradores

La formulación del EINF incluido en el Informe de Gestión Consolidado del Grupo, así como el contenido del mismo, es responsabilidad de los Administradores de Artechte Lantegi Elkarte, S.A. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards* de *Global Reporting Initiative* (estándares GRI) seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la tabla "Anexo A.1 Índice de contenidos GRI y de la Ley 11/2018" del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

Los administradores de Artechte Lantegi Elkarte, S.A. son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICCC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría o de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en su naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad que se obtiene es sustancialmente menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades del Grupo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- ▶ Reuniones con el personal del Grupo para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.
- ▶ Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2021 en función del análisis de materialidad realizado por el Grupo y descrito en el apartado "2.4. Grupos de interés y análisis de materialidad", considerando contenidos requeridos en la normativa mercantil en vigor.
- ▶ Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2021.
- ▶ Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2021.
- ▶ Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2021 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- ▶ Obtención de una carta de manifestaciones de los Administradores y la Dirección.

Párrafo de énfasis

El Reglamento (UE) 2020/852 del Parlamento Europeo y del Consejo de 18 de junio de 2020 relativo al establecimiento de un marco para facilitar las inversiones sostenibles establece la obligación de divulgar información sobre la manera y la medida en que las actividades de la empresa se asocian a actividades económicas que se consideren medioambientalmente sostenibles en relación con los objetivos de mitigación del cambio climático y adaptación al cambio climático por primera vez para el ejercicio 2021 siempre que el Estado de Información No Financiera se publique a partir del 1 de enero de 2022. En consecuencia, en el EINF adjunto no se ha incluido información comparativa sobre esta cuestión. Adicionalmente, se ha incorporado información para la que los administradores de Arteche Lantegi Elkartea, S.A. han optado por aplicar los criterios que, en su opinión, mejor permiten dar cumplimiento a la nueva obligación y que están definidos en el apartado "2.6. Taxonomía climática" del EINF adjunto. Nuestra conclusión no ha sido modificada en relación con esta cuestión.

Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF del Grupo correspondiente al ejercicio anual finalizado el 31 de diciembre de 2021 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la tabla "Anexo A.1 Índice de contenidos GRI y de la Ley 11/2018" del citado Estado.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

ERNST & YOUNG, S.L.

2022 Núm. 01/22/04829
30,00 EUR

SELLO CORPORATIVO:

Sello distintivo de otras actuaciones

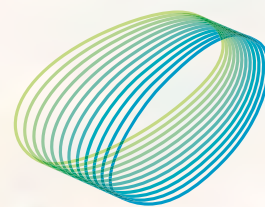
ERNST & YOUNG, S.L.



Alberto Castilla Vida

28 de marzo de 2022

2021 NON-FINANCIAL INFORMATION STATEMENT AND **SUSTAINABILITY REPORT**



arteche





2021
NON-FINANCIAL
INFORMATION
STATEMENT AND
**SUSTAINABILITY
REPORT**

CONTENTS

2021 NON-FINANCIAL INFORMATION STATEMENT AND SUSTAINABILITY REPORT

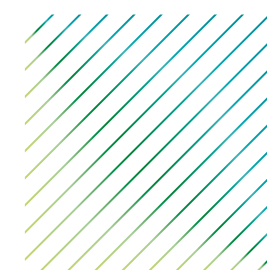


2021 SUSTAINABILITY REPORT	6	CHAPTER 3 GOOD GOVERNANCE, ETHICS AND RISK MANAGEMENT	46
LETTER FROM THE PRESIDENT	8	3.1. Corporate governance system	48
CHAPTER 1 SUSTAINABLY PROVIDING VALUE	10	3.2. Governance	50
1.1. A leading, global, diverse, innovative and sustainable company for 75 years	12	3.3. Organization and structure	55
1.2. Identity and values	13	3.4. Ethics	57
1.3. Our activities	15	3.5. Risk management system	59
1.4. Innovation	16	3.6. COVID-19 pandemic risk management	61
1.5. International vocation	22	CHAPTER 4 OUR ENERGY: PEOPLE. #MOVINGTOGETHER	64
1.6. Arteche in figures	24	4.1. Our team	67
1.7. Today's energy sector is fostering our growth	27	4.2. How we defend human and labor rights	71
CHAPTER 2 SUSTAINABILITY IN OUR DNA	28	4.3. Health and safety	76
2.1. Our sustainability strategy	30	CHAPTER 5 OUR COMMITMENT TO THE PLANET	78
2.2. Responsibility for economic, environmental and social issues	32	5.1. Management and environment approach	81
2.3. A commitment to the united nations global compact since 2014	34	5.2. Working for a better world	83
2.4. Stakeholders and the materiality analysis	35	CHAPTER 6 SOCIALLY RESPONSIBLE	92
2.5. SDG awareness actions	42	6.1. Our collaboration with society	95
2.6. Climate taxonomy	43	6.2. Participation in external institutions	104

6.3. Shared values. A requirement of our value chain	104
6.4. From customer service to a customer focus	106
6.5. Fiscally responsible	108
CHAPTER 7 ZERO" TOLERANCE FOR CORRUPTION AND BRIBERY	110
7.1. Crime risk prevention and program	113
7.2. Measures to prevent corruption	113
CHAPTER 8 ABOUT THIS REPORT	116
8.1. Sustainability report information perimeter	117
8.2. Independent outside verification	119

ANNEXES	120
Annex A.1 Gri and spanish Law 11/2018 content index	121
Annex A.2 Contact channels	128
Annex A.3 Independent outside verification	128
Annex A.4 Participation in R&D projects with public funding	128
Annex A.5 People indicators	129
Annex A6 Environmental indicators	133





2021 SUSTAINABILITY REPORT

For the fourth year in a row, we're presenting our Non-Financial Information Statement and Sustainability Report in order to be fully transparent in communicating our sustainability progress in fiscal year 2021 and our contributions to the UN 2030 Agenda Sustainable Development Goals.

We hope to thus offer our stakeholders answers as concerns our evolution in the areas of environmental and social affairs and governance which are all key factors in our project for the future.

This Sustainability Report is a part of the 2021 Consolidated Management Report for Artech Group (hereinafter, "the Group" or "Artech") which was prepared by its Board of Directors and is dated March 28, 2022. By publishing this document, Artech is meeting the requirements set forth in Spanish Law 11/2018, of 28 December 2018, on non-financial information and diversity which transposed Directive 2014/95/EU into Spanish law. It reports information with the required detail on environmental, social and personnel-related topics as well as human rights, society and the fight against corruption and bribery.

The information includes all significant impacts for the

period subject of the report, establishing priorities with respect to the information on the basis of the principles of materiality, completeness, the sustainability context and stakeholder inclusion pursuant to the Global Reporting Initiative (GRI) requirements. To this end, the GRI Sustainability Reporting Standards were used as a reference when providing information on indicators and aspects considered relevant based on the materiality analysis conducted by the Group whenever such information may be presented with sufficient quality.

References were added to the GRI indicators covered in each section at the beginning of each section (such as GRI 102-14, for example). The provisions of the Guide for preparing Global Reporting Initiative sustainability reports (GRI standards) were taken into consideration meaning a series of standards were chosen based on the information requirements established by Spanish Law 11/2018, the Artech sector of business and the materiality analysis performed. The indicators are reported partially or completely.

The information in this report was verified by Ernst & Young, S.L., as the independent verification service provider pursuant to article 49 of the Spanish Commercial Code.

“We hope this document meets the needs of our stakeholders in understanding our evolution in the areas of environmental and social affairs and governance which are all key factors in our project for the future”

LETTER
FROM THE
PRESIDENT

TAKING ON THE FUTURE WITH **CONFIDENCE** AND **COMMITMENT**

This year, in 2022, we're going through a very exciting period for Arteche. This year, we're celebrating our 75th anniversary and the start of a new phase that began on June 11, 2021.

This latest milestone has led to the growth of the Arteche team, which now includes our investors and their own excitement about our shared future-looking project.

Besides being concerned about our results, which is typical of any company with a long-term outlook, becoming a listed company involves transparency, good governance, a solid project and a medium- and long-term strategy that generates confidence among the company's people, suppliers, shareholders and now, investors as well. It's a commitment that has been present as a part of our values from the very beginning.

We've been demonstrating our commitment for 75 years, particularly over these last few convulsive years, thus strengthening the confidence:

of our people through immense efforts in digitalization which have allowed us to remain connected and enhance productivity in our processes,
of our customers by maintaining the same level of quality as always and working to meet expectations with regard to deadlines and shared projects,
of our suppliers, allying ourselves with them to become one team,
of our shareholders, by getting them excited about this project again just as they were on the very first day and, of our investors, restlessly working to

give them the expected return on their confidence in Arteche.

Reinforcing this idea of "confidence" right now seems more important to us than ever. We're living in a macroeconomic context affected by a number of variables we couldn't even have imagined a few years back. Flexibility and resilience are characteristics we work on internally as a company in order to constantly adapt to this situation by offering what we've always demonstrated: a way of doing things based on values, commitment, transparency and experience. These are all concepts which are deeply rooted at Arteche in addition to being the basis of our sustainability.

We use this experience to face the current times marked by the wear of a pandemic that has already gone on for two years as well as a war that is devastating the people of Ukraine, the human and economic consequences of which will have a global impact.

It is at times like this when companies must respond by proving their values, strength and commitment.

Flexibility, risk management, intuition to take advantage of opportunities and transparency are nowadays even more important than they have ever been when it comes to ensuring value creation and economic sustainability.

Supported by our solid 75 years of experience and the possibilities offered by a promising electric power sector, we're going to keep on moving forward with our commitment to sustainability as the main players in the energy



transition, a company of reference and an example for society in terms of equal opportunities for women, men and anyone with talent and ambition who wishes to be a part of our team and, of course, with the good governance that has accompanied our company since its foundation.

In 2021, we continued to grow and made progress towards these goals. We hope we can transmit through this report the same

emotions we feel at Arteche when doing our work.

Sincerely,

ALEXANDER ARTETXE
President and CEO
Arteche Group

“Now, more than ever, we want to continue working to strengthen that confidence we're known for with the experience that has kept us afloat for 75 years and with our eyes on the future like a lighthouse helping us reach our goals”

1

SUSTAINABLY PROVIDING VALUE

WE WORK WITH THE
AIM OF CONTINUING TO
PROVIDE AGILE AND
RESPONSIBLE ANSWERS
TO ENERGY CHALLENGES
ALL WHILE REMAINING
FAITHFUL TO OUR
COMMITMENT TO PEOPLE,
SOCIETY AND THE PLANET.
AND ALWAYS TOGETHER.





1

SUSTAINABLY PROVIDING VALUE

1.1. A LEADING, GLOBAL, DIVERSE, INNOVATIVE AND SUSTAINABLE COMPANY FOR 75 YEARS

Over these 75 years of history at Arteche, we've achieved unique experience and positioning in the electric power sector. What began as an adventure in a little shop on Gordoniz street is now a solid business group with products installed in more than 175 countries.

THE HISTORY OF ARTECHE:

1946

THE FOUNDATION
OF ARTECHE, THE
FIRST CUSTOM
TRANSFORMERS

1961

OUR FIRST
AUXILIARY
RELAYS

1968

OUR FIRST R&D
TECHNOLOGY
CENTER

1975

THE FIRST EXPORT
OF AN ARTECHE
PRODUCT

1979

THE FIRST
OVERSEAS
BRANCH SET UP
IN LATAM

1990

ELECTRONIC
METERING
TRANSFORMERS

1993

THE FIRST BRANCH
SET UP IN NORTH
AMERICA

2004

THE FIRST BRANCH
SET UP IN ASIA

2010

OPTICAL
TRANSFORMERS

2011

GAS INSULATED
TRANSFORMERS
FOR GAS INSULATED
SUBSTATIONS

2013

ULTRA HIGH
VOLTAGE
LABORATORY

2021

FIRST LISTING ON
BME GROWTH
ACQUISITION OF
ESITAŞ JOINT VENTURE
WITH HITACHI ENERGY
TAKEOVER OF 100%
OF SMART DIGITAL
OPTICS

1.2. IDENTITY AND VALUES

This year, we're celebrating our 75th anniversary with products installed in more than 175 countries. Our

experience and internationalization allow us to directly understand local contexts in the electric power sector,

all the individual requirements and complex demands as well as the social realities

For these reasons, Arteche continues moving forward with a clear guiding principle:

#MovingTogether.

PURPOSE

To continue providing agile and responsible answers to energy challenges all while remaining

faithful to our commitment to people, society and the planet. And always together.

MISSION

To be an international reference in the electric power sector with a vocation for helping our customers offer the greatest possible value in order to grow together as we develop the electricity network of the future and all as a family

business with roots and corporate headquarters in Biscay. Our keys are dominating technology, boosting knowledge and developing people as part of a sustainable, attractive and socially and environmentally responsible project.

VISION

We aspire to always be on the cutting edge of technological innovation in the sector and be internationally recognized

for quality and service level in all our products and solutions for transportation systems and energy distribution.

VALUES

To develop our mission and vision, we have summarized our corporate values at Arteche into four main areas:



CUSTOMERS

- Closeness
- A presence with our customers
- Making good on promises
- Quick responses
- Searching for solutions
- Listening, learning and bringing something to our customers



PEOPLE

- A commitment to the company's project
- A commitment to people
- Sharing knowledge
- Joint efforts to achieve common goals
- Taking on challenges
- Resolving problems wherever they occur



INNOVATION

- Innovative ambition
- A systematic search for opportunities
- Not conforming to the status quo and always wanting to achieve more
- Collaborating with others to transform knowledge



EXCELLENCE

- Doing things well the first time
- An ambition to exceed the highest standards of quality and efficiency
- Continuous improvement
- Aspiring for an excellent corporate reputation



THE ARTECHE GROUP GENERAL POLICY

The involvement and leadership of our President and CEO at Arteche Group, Alex Artetxe, in disseminating, developing and updating the values are reflected in this declaration:

WE, AT ARTECHE GROUP,

As designers, manufacturers, integrators and marketers of products and solutions for power distribution network measurement, protection, automation, control and communication and as project managers for electricity generation, transmission and distribution.

ARE COMMITTED TO:

Offering our customers close attention to details in order to meet their needs and expectations with the highest-quality ARTECHE products and services.

✓ **Creating a transparent environment** in which to operate and interact, focusing on the aspects outlined in our code of conduct and which are heavily present in our corporate values, guaranteeing our management is appropriate to the context and our organization's aims.

fostering equality and non-discrimination so as to better understand and meet people's and the environment's needs.

✓ **Encouraging communication,** participation, consultation, teamwork, cooperation and collaboration through all levels of the organization.

✓ **Guaranteeing information security** in all our processes, products and services within the organization and with regard to third parties, identifying and eliminating any hazards and risks detected.

✓ **Attaining and maintaining the most competitive version of our products and services** by promoting innovative attitudes and professional development among our personnel, working under a culture of prevention and continuous improvement in order to achieve the greatest of efficiency in our processes thanks to our vocation for excellence.

✓ **Developing and promoting a corporate culture of prevention** as concerns harmful conducts in addition to supervisory actions with adequate procedures that allow us to detect, correct and sanction irregularities within the organization and with any external party.

✓ **Working for social progress, environmental balance and sustainable economic growth,** by protecting and guaranteeing human rights, workplace safety and environmental protection all while respecting everyone's individual and collective rights at Arteche in addition to

These values are aligned with the principles of Sustainable Development, Corporate Social Responsibility and, therefore, with the 2030 Agenda - United Nations Sustainable Development Goals.



arteche

February 21, 2020

ALEXANDER ARTETXE
President and CEO
of Arteche Group

1.3. OUR ACTIVITIES

At Arteche, we focus our business on designing, manufacturing and marketing electrical components and solutions in the areas of electricity generation, transportation and distribution as well as on industrial electric power applications, energy quality, distribution automation and the railway sector.

The key is dominating technology, enhancing our knowledge and developing the people that are a part of this sustainable and attractive project which is responsible towards society and the environment. We always aspire to be on the cutting edge of technological innovation in the sector and be international recognized for our quality and service level in all of our energy transport and distribution network products and solutions.



METERING AND MONITORING SYSTEMS

Leaders in products for energy metering systems

- HV and MV metering transformers
- Voltage transformers for auxiliary services
- Digital metering
- Low-voltage transformers and sensors



TRANSMISSION NETWORK AND DISTRIBUTION AUTOMATION

Solutions to make electric power distribution digital and automatic

- Auxiliary relays and test blocks
- SAS: Substation and electric power network automation systems



NETWORK RELIABILITY

Services that reinforce the efficiency of electric power infrastructures

- Power restoration devices
- Energy quality
- Renewable energy interconnection
- Specialized services

1.4. INNOVATION

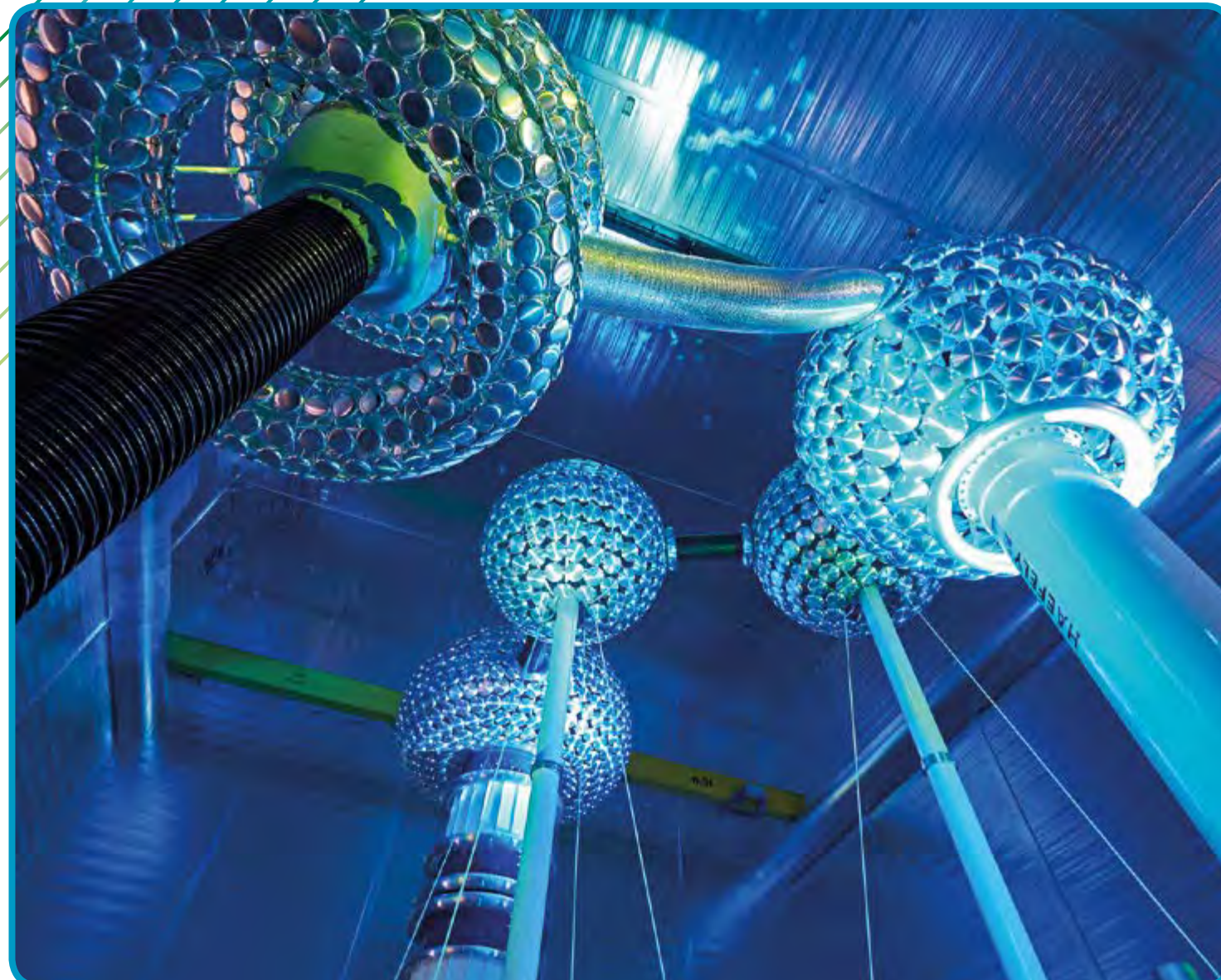
“At Arteche, we’ve been working on innovation since our very foundation”

For Arteche, innovation is a strategic variable, a corporate value and, above all, a commitment to ourselves and our customers.

Our priorities are oriented towards developing actions that focus on achieving an energy distribution and transport system that can efficiently, reliably and sustainably integrate the new realities of the energy transition

(renewable technologies, electric power interconnections, electric vehicles, energy storage...).

At Arteche, we’ve been working on innovation since our very foundation and firmly believe that investment in R&D&I is fundamental to maintaining a good competitive position in the market, growth and sustainability



1.4.1. THE CHALLENGES FOR ARTECHE OF THE R&D&I STRATEGY

SUSTAINABLE, TECHNOLOGICAL, INNOVATIVE AND SOCIAL ENERGY CHALLENGES



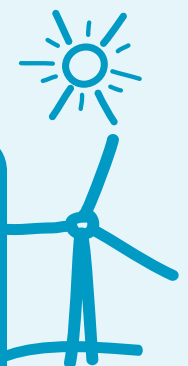
ELECTRIFICATION,
offering solutions for efficient mobility and the reliable interconnection of renewable generation.

DECARBONIZATION
as an essential part of the Circular Economy and the exclusive use of sustainable materials in our equipment and infrastructures.



DIGITALIZATION
of the electric power distribution network so it is monitored, automatic, predictive, secure and intelligent – *Smart Grids*.

DECENTRALIZATION
supported by the Industry 4.0 to equip the devices and infrastructures operating in the network with remote tools and predictive systems to assist with decision making.



“Investment in R&D&I is fundamental to maintaining a good competitive position in the market, growth and sustainability”

DISSEMINATION
of knowledge to support the necessary talent and offer our customers innovative, convenient and functional solutions.



1 SUSTAINABLY
PROVIDING
VALUE

1.4.2. ARTECHE DATA
AND INDICATORS

2021
IN
DATA



9.5 M
Investment in
innovation

70
R&D&I
projects

+ 150
R&D profiles
and Talent
Stream



+ 20%
Women



+ 3,700
Hours of
training

+ 180,000
Hours
dedicated



8
Development
centers



+ 3%
of turnover
earmarked for
R&D&I activities



+ 25
External
collaboration
arrangements

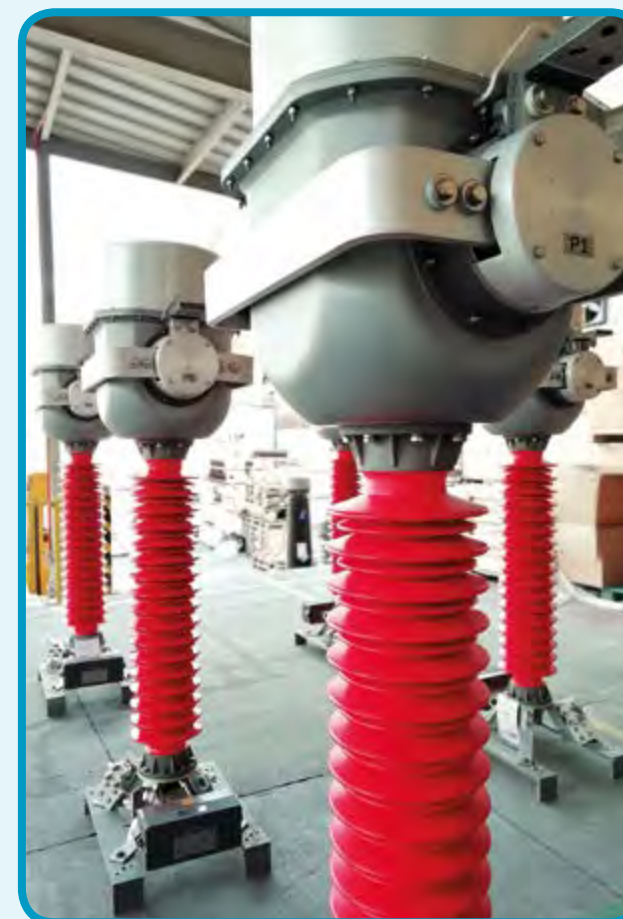


80% of all contracts for
products that have been
updated in the last three years

65% of all effort in
products with at least 10
years of service life



TALENT IN R&D: Around **10 new hires**, more than **10 university interns** (nearly 20% are eventually hired with an employment contract) and **enhanced indirect contracting** through collaboration with technology centers and universities.



“The knowledge, experience and leadership demonstrated by Artech over the last 75 years have made it one of the sector’s major references”



1 SUSTAINABLY PROVIDING VALUE

1.4.3. R&D&I PROJECTS

ORGANIZATIONAL, INNOVATIVE AND TECHNOLOGICAL CAPACITY

TECHNOLOGICAL INNOVATION AND PRODUCTS

Our strategic lines frame our R&D&I roadmap for the coming years so that we may offer **innovative and sustainable solutions** by applying disruptive technologies when developing our new products.

ARTECHE TECHNOLOGY CENTER

The R&D&I team includes the **Arteche Technology Center**, an R&D business unit that includes the Basque Science and Technology Network (RVCT) which contributes to the group's R&D&I strategic projects with specialized resources and techniques.

PREPARING TO IMPLEMENT IEC STANDARD 62443

Cybersecurity does not only encompass information technologies (IT) but also operational technologies (OT) which are critical to the survival of the business. Our commitment to cybersecurity is seen through our own specialized laboratory, **Arteche Cybersecurity Lab** - a physically and digitally isolated space with all the security measures required by its criticality where we do cybersecurity testing.

IEC 62443 is an international series of standards that address cybersecurity for operational technology in automation and control systems like those developed at Arteche. We have worked throughout 2021 to prepare our systems and operations to implement this standard with a view to becoming certified in 2022.



TECHNOLOGY, INNOVATION AND TALENT

Innovation does not only constantly occur at Arteche thanks to the internal capacity and organizational structure, but also because we try to **create alliances with various agents in this ecosystem** both locally and internationally. This has led to the addition of solutions which are now part of our product and service portfolio. Technology, innovation and talent are our great transformers for a sustainable future.

ORGANIZATIONAL INNOVATION AND PROCESSES

The **capacity to innovate, transform processes**, add **new technologies** and **develop new products** are strategic aspects for the Arteche business as well as a source of competitive advantage and, above all, a firm commitment to customer satisfaction in a context that is becoming faster and faster and more secure all the time in a cleaner, more efficient and more effective environment.



ORGANIZATIONAL STRUCTURE AND THE DIGITAL "5 S'S"

We're aware that the customer experience begins with the employee experience.

That's why, among others in 2021, we took on an innovative and transversal project that is particularly strategic in deploying our innovation strategy and facilitating daily operations in a global context (not only as concerns the markets in which we operate, but also the products we develop and the diversity of our work teams).

The deployment of our new functional model, which is supported by strong leadership and management's commitment to R&D&I, involves different approaches and areas yet all aligned on excellence to design and develop new products and implement

improvements. At the same time, it groups our teams into these two areas and each one of our products into each group with both visions.

One of the greatest challenges in this **transformation** is achieving this alignment in our approach to become a driver for effective, efficient and collaborative progress.

To complete this system, we've implemented the **"DIGITAL 5 S's"**. This initiative has consisted of emphasizing collaborative work through a document management system based on cloud tools to foster transparency, communication and movement following the "5 S" methodology (irrespective of whether the workspace is physical or digital).



1 SUSTAINABLY
PROVIDING
VALUE



1.5. INTERNATIONAL VOCATION



Arteche began its international expansion in 1973, and nowadays has the following operations overseas:

- **Mexico:**
Arteche North America – Tepeji del Rio
Arteche ACP – Mexico City
- **USA:**
Arteche USA – Miami
- **Colombia:**
Bogota office
- **Brazil:**
Arteche EDC – Curitiba
São Paulo office
- **Chile:**
Santiago de Chile office
- **Argentina:**
AIT – Cordoba
Buenos Aires office
- **Spain:**
Arteche Lantegi Elkartea – Headquarters – Mungia
Electrotécnica Arteche Hermanos – Mungia
Electrotécnica Arteche Smart Grid – Mungia
Arteche Technology Center – Mungia
SAC Maker – Madrid
Arteche Gas Insulated Transformers – Vitoria Gasteiz
Seville office
- **France:**
Paris office
- **Germany:**
Munich office
- **United Kingdom:**
London office
- **Turkey:**
Esita5 – Istanbul
- **United Arab Emirates:**
Arteche Middle East – Dubai
- **India:**
Arteche SmartGrid India – Bangalore
- **China:**
Arteche DYH – Dalian
Shanghai office
- **Thailand:**
Bangkok office
- **Indonesia:**
Esita5 Indonesia – Bekasi
- **Australia:**
Arteche Smart Digital Optics – Sidney

1

SUSTAINABLY
PROVIDING
VALUE

ARTECHE AT A GLANCE

MAIN FIGURES



Contracts

2021 **€286M**
2020 **€264M**

Turnover

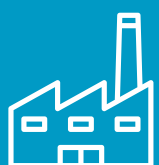
2021 **€282M**
2020 **€265M**

Net profit

2021 **€8.6M**
2020 **€0.7M**

Totals assets

2021 **€283M**
2020 **€238M**



Number of plants

2021 **14**
2020 **12**



Countries with a sales presence

2021 **17**
2020 **15**



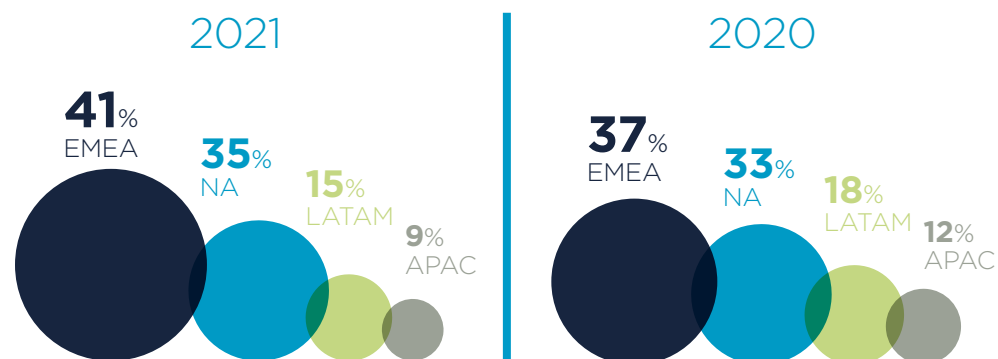
Number of people

2021 **2,349**
2020 **2,038**



1.6. ARTECHE IN FIGURES

2021 AND 2020 HIRING BY REGIONS



ECONOMIC PERFORMANCE AND ESG



ECONOMIC PERFORMANCE

Economic value generated
€283.6M
(+7%)

Economic value distributed
€274.8M
(+12%)

Economic value retained
€8.8M
(-57%)

Total tax contribution
€28M
(+18%)

Revenue
€282M
(+6.6%)

Profit per share
€0.16
(+730%) €



ENVIRONMENTAL PERFORMANCE (E)

Consumption of diesel B
-20.5%

Generation of hazardous waste
-44%

Recycled non-hazardous waste
52%

Scope 1 emissions
-3%

Environmental incidents and ISO non-conformities
0

Started measuring GHG emissions of scope
3



SOCIAL PERFORMANCE (S)

Hours of training
+40%

Personnel with indefinite contracts
86%

Women on the workforce
25%
(+300 pb)

Expenditure on local suppliers
80%

Complaints of human rights violations
0

Collaboration agreements with educational institutions
16

CORPORATE GOVERNANCE PERFORMANCE (G)

Approval of **five ESG policies** by the Board

The establishment of a **Risk Management System**

The implementation of a **Crime Prevention Model** at all plants in **Europe and Mexico**

Money laundering incidents
0

Sites assessed for corruption
100%

Employees trained on compliance
40%
(931)

1 SUSTAINABLY
PROVIDING
VALUE

2021 MAIN MILESTONES:



Approval
of the 2030
Sustainability
Strategic Plan

Corporate purpose:
to continue providing
agile and responsible
answers to energy
challenges all while
remaining faithful to
our commitment to
people, society and
the planet. And always
together

Cybersecurity
Laboratory

Listed on BME
Growth

We developed
a new controller
for overhead
distribution
automation

The Mexican
electric power
operator
trusts in us to
develop its
Smart Grid

Our PVTs
are helping
interconnect
renewable energies
all over the world

Takeover
of SDO

Indonesia
installs its
first mixed
buried/
overhead
line
protection
system

Acquisition of
Esitaş

JV with Hitachi
Energy

1.7. TODAY'S ENERGY SECTOR IS FOSTERING OUR GROWTH

The electric power sector is currently in an energy transition driven by three interrelated factors:

- Decarbonization
- Decentralization
- Digitalization

This evolution, caused by an increase in the demand for electricity, will lead to an increase in the demand for substations deriving from a new energy model with a tendency for more generation, particularly

of renewable energies, and an ever more decentralized electric power distribution network.

“ The energy sector is a forward-looking sector in which more consumption of environmentally friendly energies is expected. It's a future we're building together ”



2

SUSTAINABILITY IN OUR DNA

OUR COMMITMENT
TO SOCIETY IS FIRM.
AT ARTECHE, WE
WISH TO ACTIVELY
PARTICIPATE IN ORDER
TO CONTRIBUTE TO
SOCIAL DEVELOPMENT
AND GENERATE VALUE
FOR OUR CUSTOMERS
AND SOCIETY.



2 SUSTAINABILITY IN OUR DNA

2.1. OUR SUSTAINABILITY STRATEGY

Those of us who are a part of Arteche, our customers, our suppliers and all of the societies where we operate are the fundamental role-players in the development of this shared journey that is Arteche.

“Our commitment is to move forward together, **#MOVINGTOGETHER**”

In **FISCAL YEAR 2020**, following our strategic reflection process, we decided to **FOCUS ON THE FOLLOWING SDGs**:

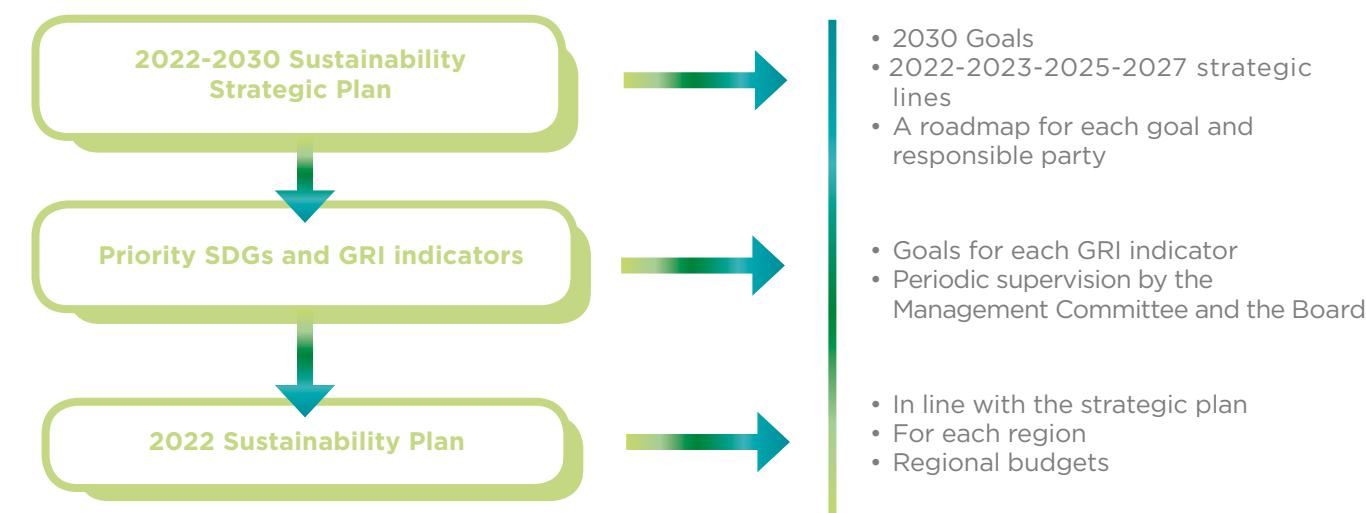
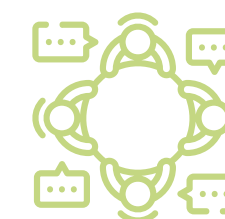


This **COMMITMENT** took shape through the following fundamental aspects:



The process of integrating the operational strategy with the ESG strategy continued in fiscal year 2021 with the approval of the 2022-2030 Sustainability Plan by our Board of Directors, thus proving our highest executive body's commitment to a comprehensively sustainable strategy.

The plan sets forth measurable multi-year goals based on **GRI INDICATORS** as well as a roadmap for each strategic line:



The **2022-2030 SUSTAINABILITY STRATEGIC PLAN** defines five main strategic lines for 2030 with 11 strategic goals:



2 SUSTAINABILITY IN OUR DNA

2.2. RESPONSIBILITY FOR ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES

Decisions on economic, environmental and social issues are made by the Board of Directors without prejudice to a prior analysis of certain subjects and proposals by the delegated committees.

Likewise, we have designated a Management Committee on the executive level presided by the Group's General Manager. The responsibilities of the corporate functional areas with regard to economic, environmental and social issues are as follows:

- Along with the General Manager and the rest of the management team, the **President and CEO** is responsible for the organization and strategic coordination of these issues.
- The **Secretary of the Board of Directors** is responsible for corporate governance issues.
- Aspects related to labor practices are the reasonability of the **Director of Human Resources**.
- Those related to the environment are the responsibility of the **Director of Operations** and the **EHS area**.
- Management of the supply chain is the responsibility of the **Director of Procurement**.
- Economic aspects are the responsibility of the **Director of Finance**.
- The **Compliance Officer** is responsible for proactively ensuring the Group's compliance system works effectively.
- The **Director of Internal Auditing** ensures the Group's information and internal control, risk management and governance systems work properly.



The responsibilities are undertaken in a decentralized manner by the various production companies through their respective management teams.

THE SUSTAINABILITY COMMITTEE

As a result of our commitment to sustainable development and the 2030 Agenda, the President and CEO leads the Sustainability Committee which is an executive body that is decentralized into regional sub-committees, the functioning of which is based on:

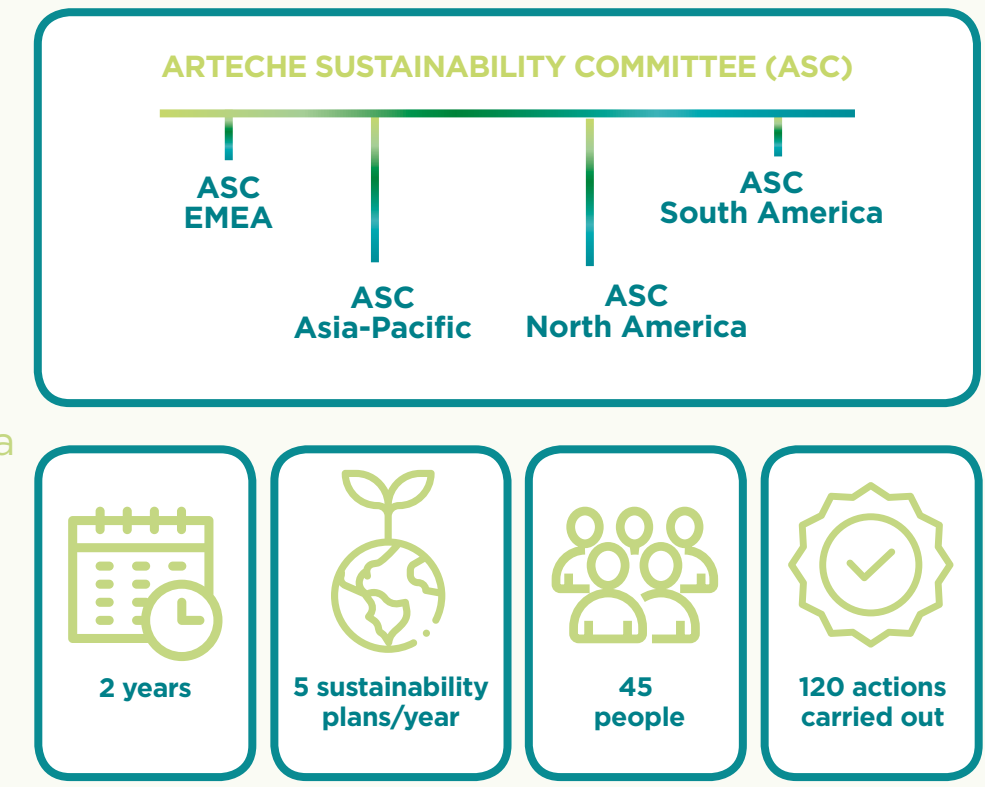
- **Duties:** leadership and coordination of sustainability goals and actions
- **Frequency:** monthly meetings
- **Composition:**
 - Leadership from the top executive
 - Diversity in professional profiles, gender, geography and responsibility
- **Management:**
 - Regional autonomy and decentralization
 - Ad-hoc sustainability plans per region
 - Annual budget allocation
 - Initiatives coordinated by the global committee
 - Diversity in communication channels with stakeholders
- **Reporting:**
 - Quarterly GRI indicator calculation
 - Quarterly internal communication to the entire organization
 - Non-financial *reporting* manual
 - Annual sustainability report
- **Supervision:**
 - Periodic appearances by the sustainability manager before the Auditing and Compliance Committee



“ To actively promote sustainable development from a global perspective: working for social progress, environmental balance and economic growth. The 2030 Development Agenda is an action plan meant to benefit people, the planet and prosperity ”

The purpose under which the Artech Group Sustainability Committee was created.

ORGANIZATION OF THE SUSTAINABILITY COMMITTEES



2 SUSTAINABILITY IN OUR DNA

2.3. A COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT SINCE 2014

Through a letter sent to the United Nations Secretary General, we manifested **OUR COMMITMENT**, which was reaffirmed in 2020 as *signatory* member, to:

- Human and labor rights as recognized in national and international laws.
- The Ten Principles of the United Nations Global Compact.
- The Norms on the Responsibilities of Transnational Corporations
- and Other Business Enterprises with regard to Human Rights.
- The OECD Guidelines for Multinational Enterprises.
- The Tripartite Declaration of Principles concerning Multinational Enterprises.
- The International Labor Organization's social policy as well as the documents and texts that may replace or complement the aforementioned.

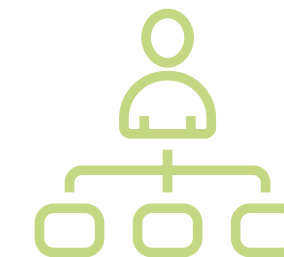
This report is a summary of Arteche's annual performance in the area of sustainable development, its strategy to this end and the main actions and projects undertaken.

For easier analysis as concerns the contributions to the 2030

Agenda, it is important to establish a relationship between the activities Arteche describes in this report and the different SDGs fostered by the activities carried out. Therefore, each section identifies the SDGs to which the company believes it has made a relevant contribution.



2.4. STAKEHOLDERS AND THE MATERIALITY ANALYSIS



Identifying the most significant issues for Arteche as well as our stakeholders is essential to decision making on our corporate governance, designing strategic plans and defining the content for our corporate reporting processes.

Thus, we've completed a materiality analysis in order

to identify the impacts that could derive from our activities which would become our priority issues and thereby integrating our business and sustainability goals when developing our strategy.

Our materiality analysis is detailed in the following sections.



“Communication with our stakeholders allows us to build trustworthy, long-term relationships”

STAKEHOLDER MAP REVIEW

We aim to meet our stakeholders' expectations and that's why we make efforts to maintain constant communication and, thus, build long-term relationships of trust and respect. In order to do so, we have different two-way communication strategies based on transparency and offering

honest, precise and reliable information.

As part of its annual strategic reflection process, the Management Committee updates the Group's stakeholders, their expectations and the main communication channels.

2

SUSTAINABILITY
IN OUR DNA



ARTECHE GROUP STAKEHOLDERS

STAKEHOLDERS	IMPORTANCE FOR ARTECHE	COMMUNICATION CHANNELS
EMPLOYEES AND THEIR FAMILIES	For Arteche, people are the heart of our organization. A team aligned with the organization’s strategy which is motivated and ready to do their best every single day is fundamental and a key part of our value proposal as a company.	Internal newsletter <i>Arteche Together</i> , <i>All Hands Meeting</i> , <i>Cafés con Vista</i> , intranet, performance evaluations, information panels, equality commissions, employee portal, ethics channel, sustainability channel...
WORKS COUNCIL AND UNIONS	Social dialog is essential to adding up all efforts as we advance together for shared benefits.	Committees, follow-up meetings, intranet, employee portal.
CUSTOMERS	Our work always focuses on our customers. We’ve been known for our closeness and service quality throughout these 75 years of history, and we work each and every day to offer the best solutions for each one of their needs.	Satisfaction surveys, visits, trade shows, social media, Arteche website.
SUPPLIERS	Suppliers are a key link in our value chain. We work together to achieve a sustainable and innovative supply process, always thinking about the long-term in our relations.	Visits, trade shows, periodic evaluations, ethics channel, social media, Arteche website.

STAKEHOLDERS	IMPORTANCE FOR ARTECHE	COMMUNICATION CHANNELS
SHAREHOLDERS, ANALYSTS AND INVESTORS	The support and trust we receive from our shareholders, analysts and investors is essential to carrying out our aims and turning our vision into a reality. With our good governance practices and transparency in our relations, we try every day to turn that trust into conviction.	General Meeting of Shareholders, annual reports, Arteche website – investors, specialized forums, investors relations manager.
GOBIERNO Y ADMINISTRACIONES PÚBLICAS	Governments and public agencies are decisive allies for our business in each of places where we operate.	Scheduled visits, legal requirements, surveys, Arteche website.
SOCIETY	Enhancing the efficiency and connectivity of the grid is one of our major goals as we focus on ensuring the highest possible quality in the generation, transmission and distribution of energy to society. Moreover, we seek to proactively contribute to its development by creating opportunities in the places where we are present.	Scheduled visits, open doors days, environmental indicators, Arteche website.
R&D CENTERS AND EDUCATIONAL INSTITUTIONS	Collaboration in the areas of innovation and future talent is fundamental for progress. We work together in order to generate the best synergies.	Open doors days, scheduled visits, joint projects, sector forums, Arteche website.

New stakeholders were identified when Arteche shares became listed on BME Growth: **analysts, minority shareholders and potential investors.**

2 SUSTAINABILITY IN OUR DNA

Aware of the importance of communication in the Group's strategy, our Board of Directors made several decisions aimed at strengthening our transparency, rigor in external communications and the application of best corporate governance practices:

- The approval of the **general policy for communications with shareholders and investors** which applies to all group employees
- The approval of the **sustainability policy** which includes Artech's commitment to each of our stakeholders
- The appointment of a **person responsible for investor relations**.
- The creation of a **corporate communications department**.
- The development of the **'Investors' section** of the corporate website.
- The approval of an **internal policy on conduct with regard to matters related to the securities markets** and the appointment of a person responsible for applying this policy.

MATERIALITY ANALYSIS

We conducted a materiality analysis in order to understand and prioritize the most relevant issues for our stakeholders and for our strategy. This analysis helps us develop a business strategy that is coherent with what is expected of the Group as well as determine which information must be reported.

These were the **PHASES OF THE MATERIALITY ANALYSIS**:

Contact

An evaluation of the changes in the Group's environment.

Identification

The identification of the issues that are relevant to each stakeholder.

Aggregation

The aggregation of the relevant issues into 15 themes.

Prioritization

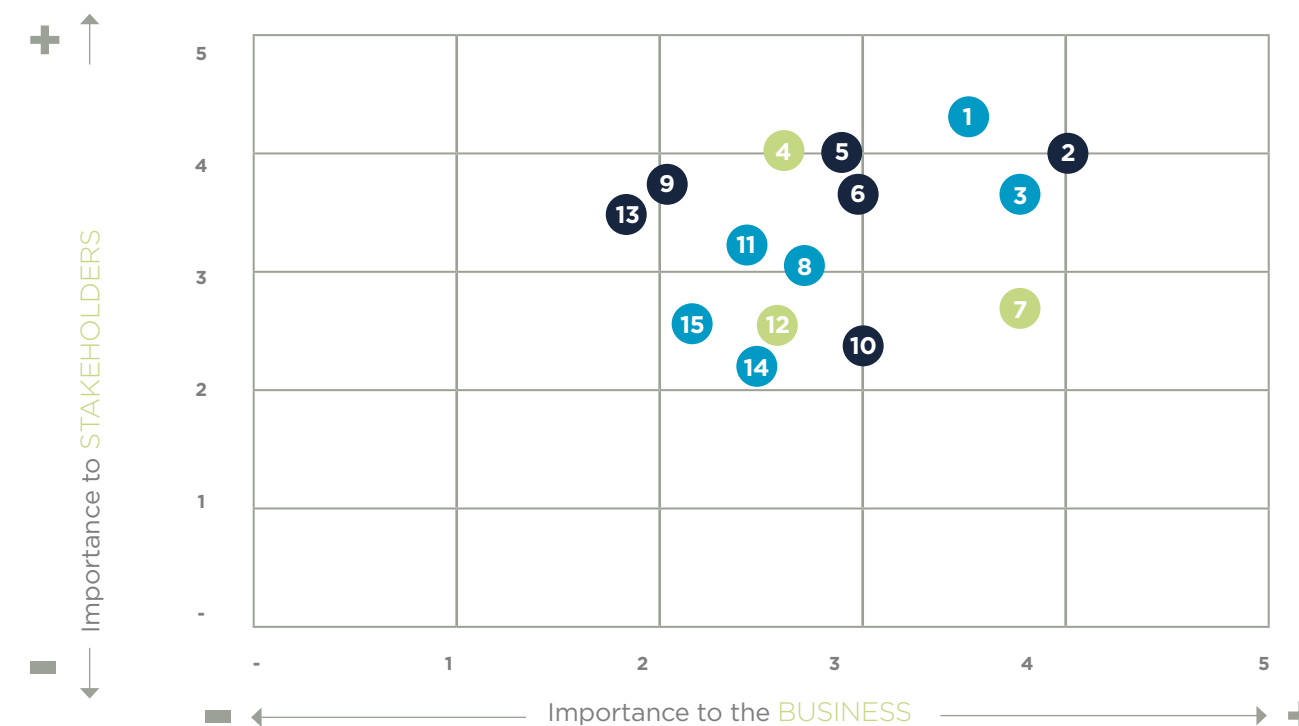
The prioritization of the issues based on their importance to the business and to each stakeholder.

Assignment

The assignment of each of the relevant issues to each 2030 Agenda SDG.



15 PRIORITY ISSUES were identified as a result of this process. They are mapped on this **MATERIATY MATRIX**:



E (Environment)

- 4 Carbon footprint
- 7 Innovation and sustainable products
- 12 Mitigation and adaptation to climate change

S (Social)

- 1 Quality jobs
- 3 Health and safety
- 8 Diversity and equality
- 11 Development and local commitment
- 14 COVID-19 pandemic
- 15 Employee experience and work organization

G (Corporate governance)

- 2 Economic and financial performance
- 5 Customer satisfaction
- 6 Good governance and risk management
- 9 Ethics and transparency
- 10 Responsible supply chain
- 13 Fiscal responsibility



SIGNIFICANT CHANGES IN THE MATERIAL ISSUES IN 2021

The evolution of the COVID-19 pandemic in 2021 and the success of the public health risk containment measures implemented by the Group have helped reduce the significance of this issue from a workforce health perspective despite its impacts on the supply chain, which have increased in relevance.

In addition, the new environment deriving from our delisting from BME Growth in 2021 and the increasing demand by our stakeholders for attention to ESG aspects have all made corporate governance, the fight against climate change, transparency and ethics in our business more important.

OUR PRIORITY SDGS AND COVERAGE OF MATERIAL ISSUES

As a result of dialog with our stakeholders, a materiality analysis and aware of the unquestionable economic, social and environmental repercussions of all of our activities, Arteche has framed our business activities within a commitment to our mission and values and in the context of respect for human rights. The SDGs to which our contributions are most relevant, and which are covered by this report are detailed below:

These SDGs are our priority objectives due to our capacity to influencethemandourstakeholders' expectations. However, they are not the only ones. We also foster initiatives related to the other SDGs.

Priority SDG	Description	Material issue	Coverage in the Sustainability Report
<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<ul style="list-style-type: none"> Guaranteeing an inclusive, equative and quality education and promoting learning opportunities throughout life for everyone. 	<ul style="list-style-type: none"> Employee experience and work organization Diversity and equality 	CHAPTER 4
<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<ul style="list-style-type: none"> Achieving equality between genders and empowering all women and girls. 	<ul style="list-style-type: none"> Diversity and equality 	CHAPTER 4
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<ul style="list-style-type: none"> Fostering sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. 	<ul style="list-style-type: none"> Economic and financial performance Good governance and risk management Ethics and transparency Quality jobs Health and safety COVID-19 pandemic Employee experience and work organization Customer satisfaction Fiscal responsibility 	CHAPTERS 1, 3, 4
<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<ul style="list-style-type: none"> Developing resilient infrastructures, promoting inclusive and sustainable industrialization and encouraging innovation. 	<ul style="list-style-type: none"> Responsible supply chain Innovation and sustainable products 	CHAPTERS 1, 6
<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	<ul style="list-style-type: none"> Making our cities and human settlements inclusive, safe, resilient and sustainable. 	<ul style="list-style-type: none"> Good governance and risk management Ethics and transparency Carbon footprint Mitigation and adaptation to climate change Development and local commitment Responsible supply chain Fiscal responsibility 	CHAPTERS 3, 5, 6 AND 7
<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	<ul style="list-style-type: none"> Guaranteeing the SDG sustainable consumption and production patterns. 	<ul style="list-style-type: none"> Carbon footprint Mitigation and adaptation to climate change Responsible supply chain Innovation and sustainable products 	CHAPTERS 1, 5 AND 6

2 SUSTAINABILITY IN OUR DNA

2.5. SDG AWARENESS ACTIONS

The SDGs are a great opportunity to enhance the value of our business sustainability and strengthen our relations with our stakeholders.

The great acceptance of this initiative at Artech has been reflected by the number of people who participate in our regional sustainability committees as well as the number

of sustainability proposals received (15) which exceeds the goal set for the year 2021 (21). Ten of these proposals have been accepted and implemented.



Several **initiatives to spread awareness for the SDGs** and the **2030 Agenda** have been carried out:

Corporate material on 6 corporate SDGs

Specific training and training pills on each SDG

Volunteers spreading awareness for the SDG among society at large

The Sustainability Committee continues to develop initiatives to help spread awareness for the SDGs through all levels of the organization, thereby boosting the sustainability communications plan.

2.6. CLIMATE TAXONOMY

DESCRIPTION

Some time ago, the European Union established a series of guidelines supported by a sustainable finance strategy seeking a transition towards a low-carbon economy. Thirty-five professionals were named by the European Commission to form the Technical Expert Group (TEG) on Sustainable Finance. Their task has been to define a classification system that establishes criteria for screening the economic activities that

significantly help mitigate and adapt to the climate.

The climate taxonomy is a system that classifies economic activities by itemizing the conditions of substantial contribution to the achievement of one or more of the six environmental goals set forth by the European Union without harming (or causing significant damage) to the other five and in compliance with certain minimum social safeguards based on the ILO, human rights and the OECD.

The taxonomy was developed as part of the search for uniformity and homogeneity in sustainability criteria all while preventing greenwashing with the ultimate objective of making it easier to compare sector companies so there is a re-orientation of flows towards more sustainable activities, the decarbonization of financial sector portfolios and increased possibilities for financing the non-financial sector.

SUSTAINABILITY GOALS BEHIND THE EUROPEAN GREEN BOND



The reporting obligation in fiscal year 2021 is limited to the percentage of eligibility which

represents the weight of the activities described by Spanish Royal Decree 2139/2021. These

eligible activities must be analyzed in subsequent years for alignment with the Taxonomy.

2 SUSTAINABILITY IN OUR DNA

ANALYSIS AND RESULTS

After conducting an analysis of the Artech Group's activities, we concluded that, based on the application of different methods, all of our production activities fall under two economic activity codes: *CNAE (Spanish Economic Activities Code) C27.11. Manufacture of electric motors, generators and transformers,*

C27.90 Manufacture of other material and electric equipment and CNAE N80.30 Research activities.

These economic activities are identified in the current wording of the Delegated Regulation 2021/2139 focusing on the environmental goals for

mitigation and adaptation to climate change in the following eligible activities:

- **3.1** Manufacture of renewable energy technologies.
- **4.9** Electricity transport and distribution.
- **9.2** Market research, development and innovation.

CALCULATING ELEGIBLE CAPEX

This indicator is obtained as a proportion of the fixed assets invested by the companies whose activities are considered eligible (numerator) out of the total assets acquired in fiscal year 2021 (denominator). This denominator (total Capex) is obtained by adding tangible

and intangible assets before depreciation, amortization, revaluation and impairment except changes in fair value. Likewise, it includes all resulting additions from business combinations. Therefore, it corresponds with the capitalized costs of tangible and intangible

assets pursuant to the general chart of accounts (NRV 2, 5 and 19).

The Group also includes the total Capex associated with the holding company in this ratio for facilitating the eligible activities.

CALCULATING THE ELEGIBLE OPEX %

This indicator is obtained as the proportion of OpEx from companies whose activities are considered eligible (numerator) out of the total taxonomic OpEx (denominator). This denominator limits all operating expenses to the non-capitalized direct costs related to research and development, building

renovation measures, short-term leases, maintenance and repairs as well as other direct expenses related to the daily maintenance of fixed assets by the company or a subcontracted third party which are needed to guarantee continued operation and the effectiveness of such assets. Therefore, they correspond to the

aforementioned costs included as tangible and intangible assets pursuant to the general chart of accounts (NRV 2, 5 and 19).

The Group also includes the total OpEx associated with the holding company and other companies that lease assets where the Group operates in this ratio for facilitating the eligible activities.

At Artech, we're committed to decarbonization and have used this tool to analyze our activities. In line with the criteria established, we have reached the following conclusion:



ARTECHE GROUP'S ELEGIBLE ACTIVITIES

Thousands of euros	Turnover	Investments (Capex)	Operating expenses (Capex)
Total eligible activities	281,404	13,928	10,202
Total Artech Group	282,076	13,955	10,242
% eligibility	99.8%	99.8%	99.6%
% de actividades no elegibles	0.2%	0.1%	0.4%

Falta está última fila

CALCULATING THE ELEGIBLE TURNOVER %

The key indicator referring to turnover is calculated as the proportion of revenue from companies whose activities are considered eligible (numerator) out of the total Artech Group revenue (denominator).

This revenue corresponds to that which is recognized in accordance with Spanish Royal Decree 1514/2007, of 20 November, which approves the Spanish General Chart of Accounts, and Spanish Royal Decree 1159/2010, of 17 September, which approves the

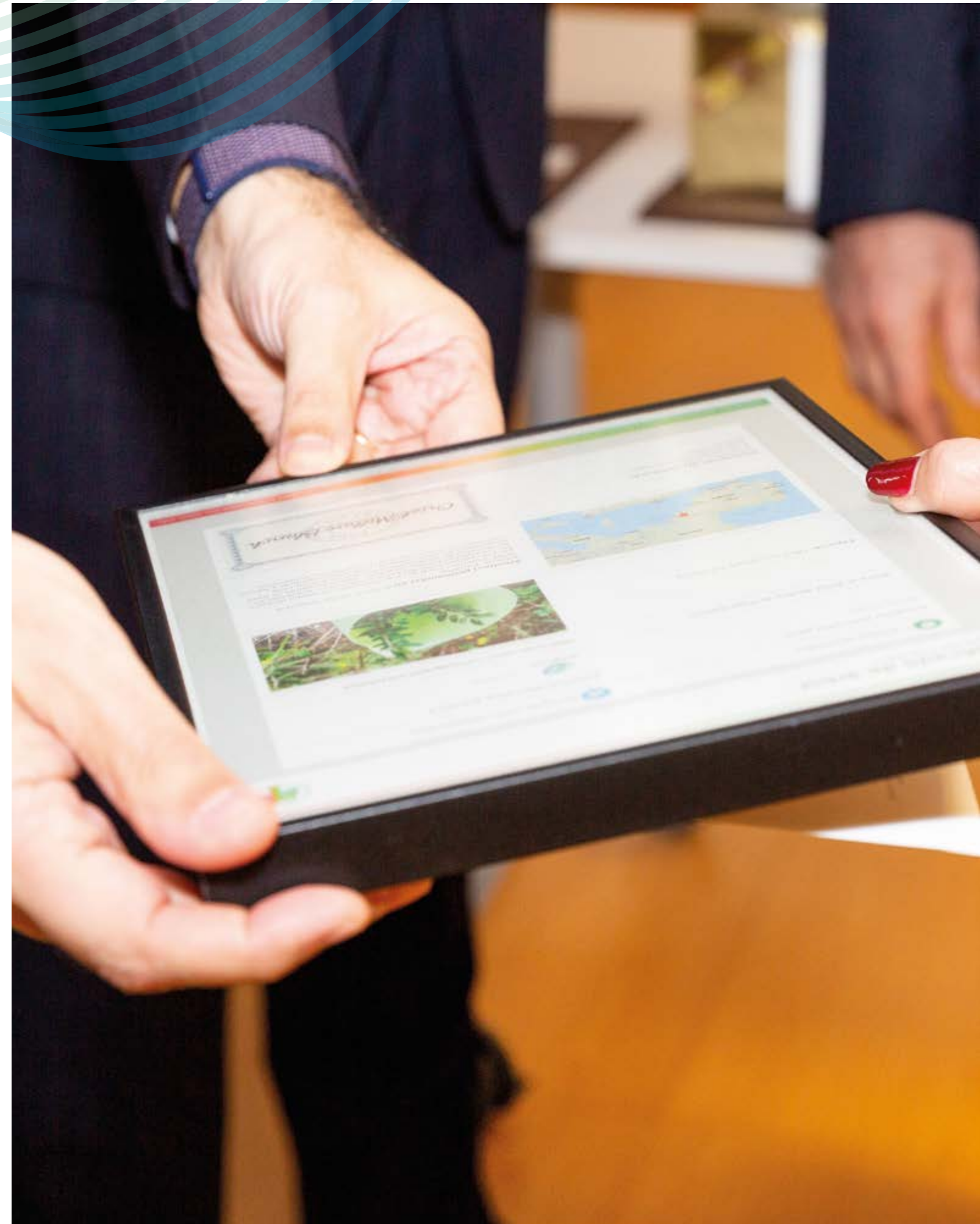
rules for preparing consolidated annual accounts and later modifications (including Spanish Royal Decree 602/2016) (General Chart of Accounts - group 70 accounts) after making any corresponding consolidation adjustments.



3

GOOD GOVERNANCE, ETHICS AND RISK MANAGEMENT

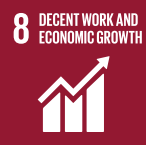


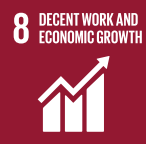



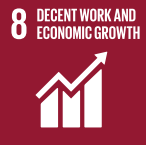
AT ARTECHE GROUP,
WE FULLY RESPECT
OUR COMMITMENT TO
BEST PRACTICES IN
GOOD GOVERNANCE,
ETHICS AND CORPORATE
RESPONSIBILITY IN OUR
ACTIVITIES.



Adaptation of the rules for all governance bodies.

Approval of five ESG policies by the Board: Risks, Communication with Shareholders, Sustainability, People and Market Abuse.

Consolidation of the risk management system.

Material Aspect	Related SDGs
Good governance and risk management	  
Ethics and transparency	  
COVID-19 pandemic	 

All of these measures were aimed at adapting the system to the new *BME Growth* framework and implementing best practices.

Thus, our corporate governance system is mainly comprised of the Bylaws, governance body Rules, the group's mission, vision and values, the Code of Ethics, corporate policies and the Integrated Management Model.

3.1. CORPORATE GOVERNANCE SYSTEM

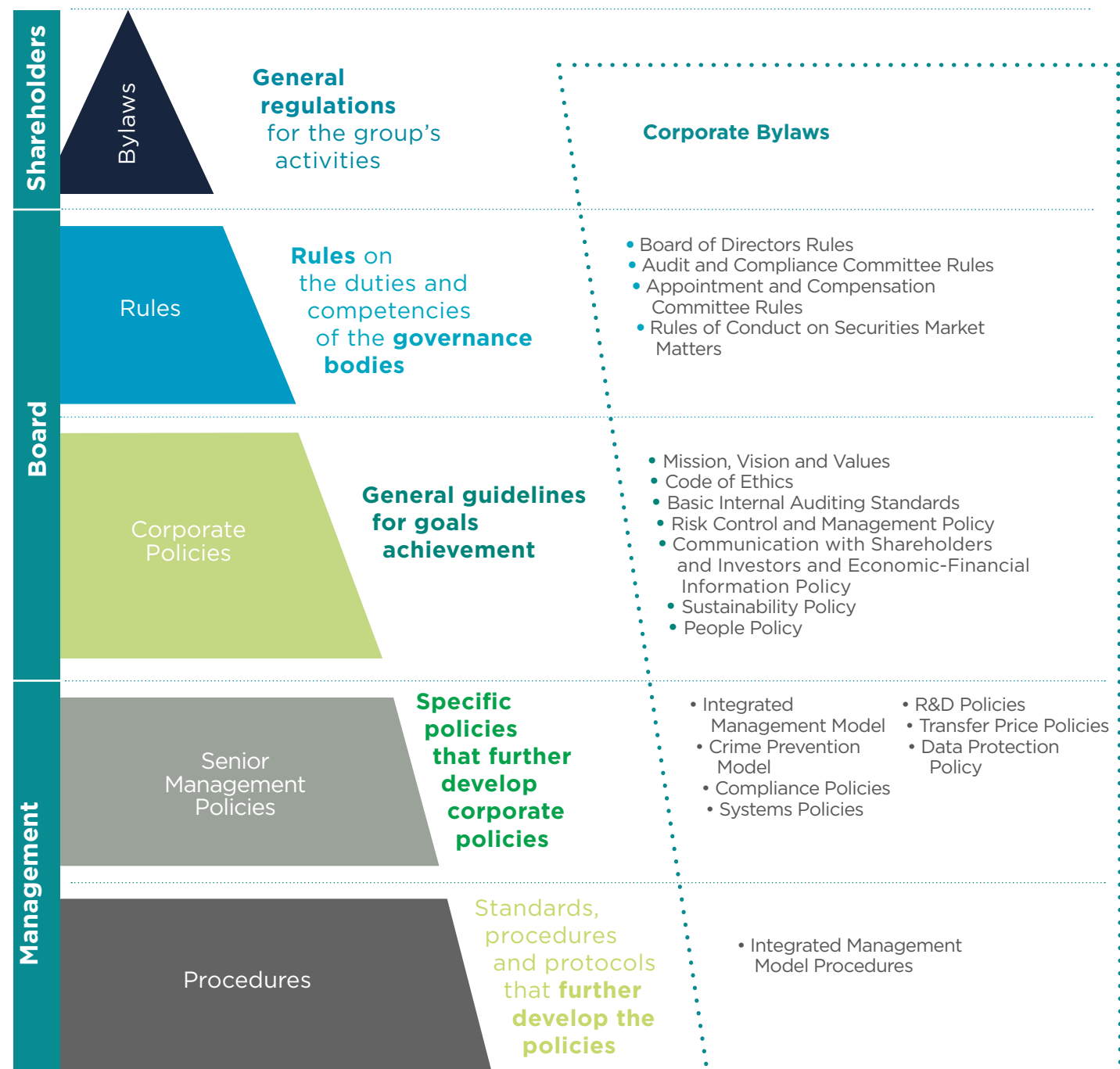
As the highest authority on the Group's corporate governance policy, the Arteché Board of Directors upholds a

commitment to best practices in good governance, ethics and corporate responsibility in its activities.

In 2021, we strengthened our Corporate Governance System with the following measures in different ESG areas:

Governance bodies	<ul style="list-style-type: none"> • Modification of the current Bylaws and approval of a new recast text. • Modification of the: <ul style="list-style-type: none"> - Board Rules. - Audit and Compliance Committee Rules. - Appointment and Compensation Committee Rules.
Transparency, market abuse and communications	<ul style="list-style-type: none"> • Approval of the Internal Rules of Conduct in Securities Markets. • Appointment of a manager for these rules. • Approval of the Communication with Shareholders and Investors and Economic-Financial Information Policy.
Risk management	<ul style="list-style-type: none"> • Approval of the Risk Control and Management Policy. • Approval of several <i>compliance</i> policies (see Chapter 7).
Environment and people	<ul style="list-style-type: none"> • Approval of the Sustainability Policy. • Approval of the People Policy.

ARTECHE GROUP CORPORATE GOVERNANCE SYSTEM



3

GOOD GOVERNANCE, ETHICS AND RISK MANAGEMENT

We've followed the same path as in prior years with regard to the following issues:

- Annual performance self-evaluations for the Board of Directors and all delegated committees.
- Boosting the three lines of defense model.
- Periodic reviews of the corporate policies that further develop the principles of the corporate governance system and which include the guidelines for our actions.
- The implementation of a risk management and internal control system.
- The creation of an "investors" section on the corporate website with access to the directors' and senior executives' profiles as well as our main rules and policies for corporate governance.

The ongoing monitoring of this system, which is the responsibility of all governance bodies in their own areas of action, is another requirement for improving the group's governance and fostering a culture of ethics as key aspects of the sustainability of our business model.

3.2. GOVERNANCE

3.2.1. SHAREHOLDER RELATIONS MODEL

The shares in Artech Group's parent company, Artech Lantegi Elkarte, S.A., have been listed in the *BME Growth segment of BME MTW Equity* (multilateral trading facility) since June 11, 2021. As of December 31, the Artech shareholders with a direct share of more than 5% were as follows:

ARTECHE LANTEGI ELKARTEA, S.A. SHAREHOLDING STRUCTURE



	2021	2020
Ziskua Ber, S.L.	52.38%	61.64%
ECN Cable Group	21.21%	28.11%
Basque Fondo de Capital Riesgo	6.40%	7.30%

Our shareholder relations model is based on the Communication with Shareholders and Investors and Economic-Financial Information Policy and the Internal Rules of Conduct on Securities Market Matters, both of which were approved by the Board of Directors.

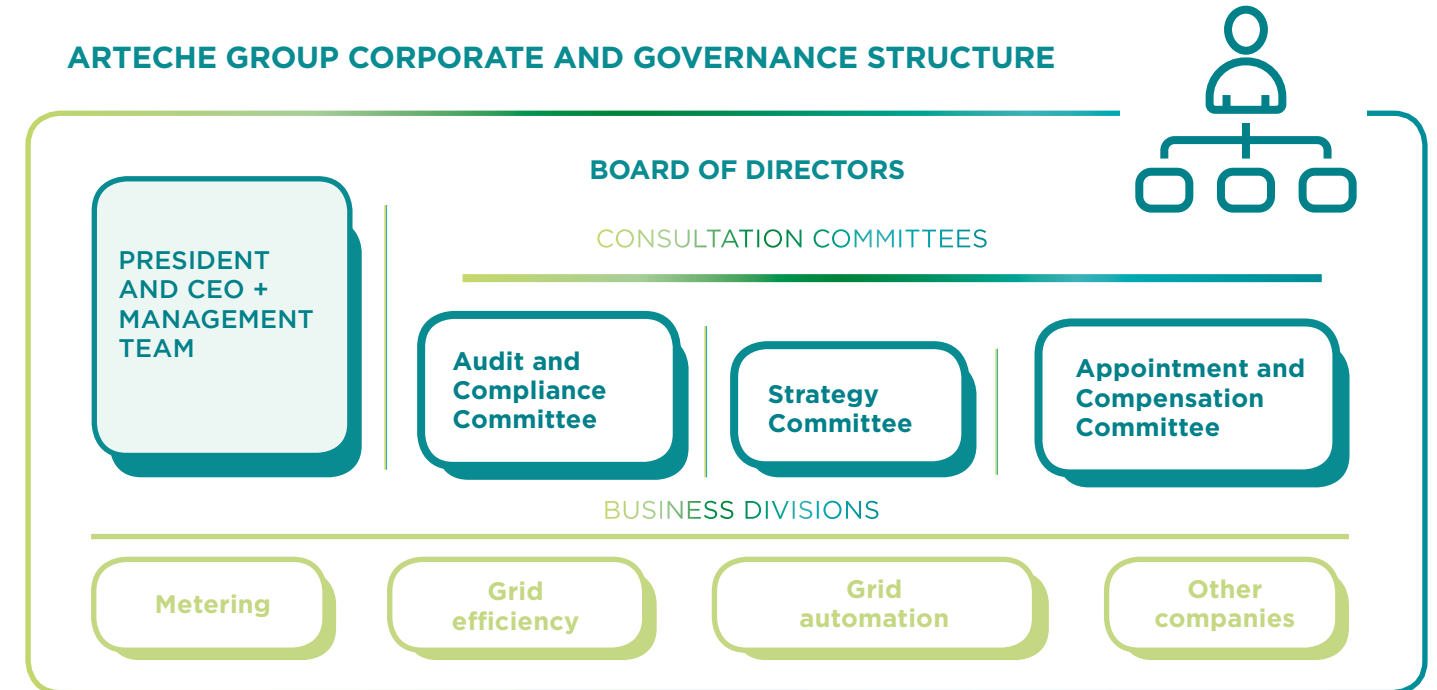
The Communication with Shareholders and Investors and Economic-Financial Information Policy defines the channels of communication and contact with shareholders and institutional investors as concerns their implication in the company and with full respect for all market abuse rules

and the principle of equal treatment for shareholders in the same position. On the other hand, the Internal Rules of Conduct on Securities Market Matters aims to guarantee respect for the Spanish Law on Securities Markets and the Market Abuse Regulation as applicable to the group.

3.2.2. CORPORATE AND GOVERNANCE STRUCTURE

Our group's corporate and governance structure is reflected in the following diagram:

ARTECHE GROUP CORPORATE AND GOVERNANCE STRUCTURE



Except for the matters reserved for the General Meeting by Law and the Bylaws, our Board of Directors is the highest decision-making authority following the General Meeting of Shareholders and is regulated by the Bylaws and the Board of Directors Rules.

3.2.3. BOARD OF DIRECTORS

The Artech Board of Directors holds the powers of group supervision, management, control and representation. Its mission mainly includes approving the strategy and exact organization

to put it into practice in addition to supervising and controlling management's achievement of the goals as well as ensuring respect for the group's social interests.

It is comprised of eight directors (one woman and seven men) - two executive directors, three proprietary directors, two independent directors, one outside director - and the Secretary.



COMPOSITION OF THE BOARD OF DIRECTORS AS OF DECEMBER 31, 2021

Office	Board Member	Type	Nationality	First appointment	Most recent appointment
President and CEO	Alexander Artetxe Panera	Executive	Spanish	06/26/2001	06/20/2018
Director	Ziskua Ver, S.L. (*)	Proprietary (*)	Spanish	06/26/2008	04/29/2019
Director	Dámaso Quintana Pradera	Proprietary	Spanish	04/29/2021	04/29/2021
Director	Pablo Ramallo Taboada	Proprietary	Spanish	04/29/2021	04/29/2021
Director	José María Abril Pérez	Other Outside	Spanish	04/29/2021	04/29/2021
Director	Gestión de Capital Riesgo del País Vasco, SGEIC, S.A. (**)	Proprietary	Spanish	04/29/2019	04/29/2019
Director	Guillermo Ulacia Arnáiz	Independent	Spanish	04/29/2021	04/29/2021
Director	Luis Aranaz Zuza	Independent	Spanish	04/29/2019	04/29/2021
Non-Director Secretary	Jose Ramón Berecibar	-	Spanish	05/28/2018	05/28/2018

(*) Represented by the legal entity Lander Artech España. Without prejudice to the fact that the board member Ziskua Ber, S.L. is a company shareholder, its natural person representative is also a member of the company's senior management.

(**) Represented by the natural person Yolanda Beldarrain Salaberria.

Before being listed on BME Growth and in order to adapt to the new regulatory framework, the Board of Directors made certain changes to its composition and that of its committees, subject to the shares being admitted

for trading in the BME Growth segment of BME MTW Equity and conditioned by such circumstance, at its meeting on April 29, 2021. Basically, these changes included the substitution of several legal

entities for natural persons and the reconfiguration of the composition of its committees as reported in the "Market Inclusion Informational Document" which is available at the Artech corporate website.

PRESIDENT AND CEO

The President and CEO is responsible for directing and the adequate functioning of the Board of Directors, supervising the group's management and institutional representation as well as leading and driving the group's strategy and its transformation process.

In relation to the concentration of power in the President of the Board of Directors, who also holds the position of top executive at the company, the group has taken measures to limit the risks of such concentration including the existence of

committees mostly comprised of independent or outside directors whose decisions are later approved by the Board in addition to delimiting the duties of the President in the Board rules.



CONSULTATION COMMITTEES

The committees have no executive duties and operate as permanent informational and advisory consultation bodies which make proposals related to the matters under their competence. They are governed by the provisions of the Bylaws and their own internal rules

of procedure (except the Strategy Committee, which is regulated by the Board Rules).

AUDIT AND COMPLIANCE COMMITTEE: The supervision of information systems, internal risk control and management, including

fiscal risks, the supervision of the process of preparing financial and non-financial information, the supervision of account auditors, internal auditing, the ethics channel and internal group compliance are all under its competence.

COMPOSITION OF THE AUDIT AND COMPLIANCE COMMITTEE AS OF DECEMBER 31, 2021

Office	Board Member	Type	Date of appointment as a Committee member
President	Luis Aranaz Zuza	Independent	6/9/2021
Director and Secretary	Pablo Ramallo Taboada	Proprietary	6/9/2021
Director	Guillermo Ulacia Arnáiz	Independent	6/9/2021

APPOINTMENT AND COMPENSATION COMMITTEE: It performs duties related to proposing appointments and re-

electing directors, proposing the directors' compensation system and sums, approving related policies, approving annual

management compensation and management policies related to training, promotions and selection.

COMPOSITION OF THE APPOINTMENT AND COMPENSATION COMMITTEE AS OF DECEMBER 31, 2021

Office	Board Member	Type	Date of appointment as a Committee member
President	Guillermo Ulacia Arnáiz	Independent	4/29/2021
Director and Secretary	Alexander Artetxe Panera	Executive	4/29/2021
Director	Dámaso Quintana Pradera	Proprietary	4/29/2021
Director	Gestión de Capital Riesgo del País Vasco, S.G.E.I.I.C, S.A. (being your natural person representative Yolanda Beldarrain Salaberria)	Proprietary	4/29/2021

STRATEGY COMMITTEE: This specializes in developing the focus on corporate development is a consultation body that group strategy with a special and inorganic growth.

COMPOSITION OF THE STRATEGY COMMITTEE AS OF DECEMBER 31, 2021

Office	Board Member	Type	Date of appointment as a Committee member
President	Alexander Artetxe Panera	Executive	4/29/2021
Director and Secretary	Dámaso Quintana Pradera	Proprietary	4/29/2021
Director	José María Abril Pérez	Other Outside	4/29/2021
Director	Guillermo Ulacia Arnáiz	Proprietary	4/29/2021

SELECTION AND APPOINTMENTS

Appointing, re-electing and dismissing directors are all under the competence of the General Meeting of Shareholders. The Appointment and Compensation Committee advises the Board of Directors on the most appropriate configuration for said body and its committees.

The members of the Board of Directors together have the pertinent technical knowledge to perform their duties in relation to Artech's sector of business to the extent each one of its members' competencies offer knowledge and experience

in industry, the electric power sector, listed companies and all other relevant fields. Their resumes are available at the Artech corporate website (www.artech.com/es/consejo-de-administracion).

CONFLICTS OF INTEREST

With respect to the procedure implemented to prevent conflicts of interest within the highest governance body, the fact that the directors communicate any situation of direct or indirect conflict that may be of interest to the company to the Board

of Directors in compliance with article 229 of the Spanish Capital Enterprises Act is particularly noteworthy. Directors who find themselves in such a situation refrain from intervening in any matters in which there could be a conflict of interest between

the company and the directors or related parties. The role of the Audit and Compliance Committee is to supervise operations with related parties as well as report the adoption of the corresponding decision by the Board of Directors in advance.

3.3. ORGANIZATION AND STRUCTURE

Our organizational structure is based on functional areas that support all production companies which, in turn, have their own hierarchical management mechanisms.

made up of the directors of all functional areas, except Internal Auditing and the *Compliance Officer*, with supervision and assurance duties.

The general manager is responsible for the group's operational management and directly reports to the President and CEO. This office is supported by the Group Management Committee, an executive body

The control model for our structure is based on the *Committee of Sponsoring Organizations of the Treadway* (COSO II), three-line model which aims to make all dimensions of the risk management and internal control system as robust as

possible in addition to enhancing governance body supervision mechanisms. This model reinforces the independence of supervision and assurance areas such as the *Compliance Officer*, who is responsible for supervising and controlling the group's regulatory compliance, and Internal Auditing, which is dependent on both the CEO hierarchically and the Audit and Compliance Committee functionally.

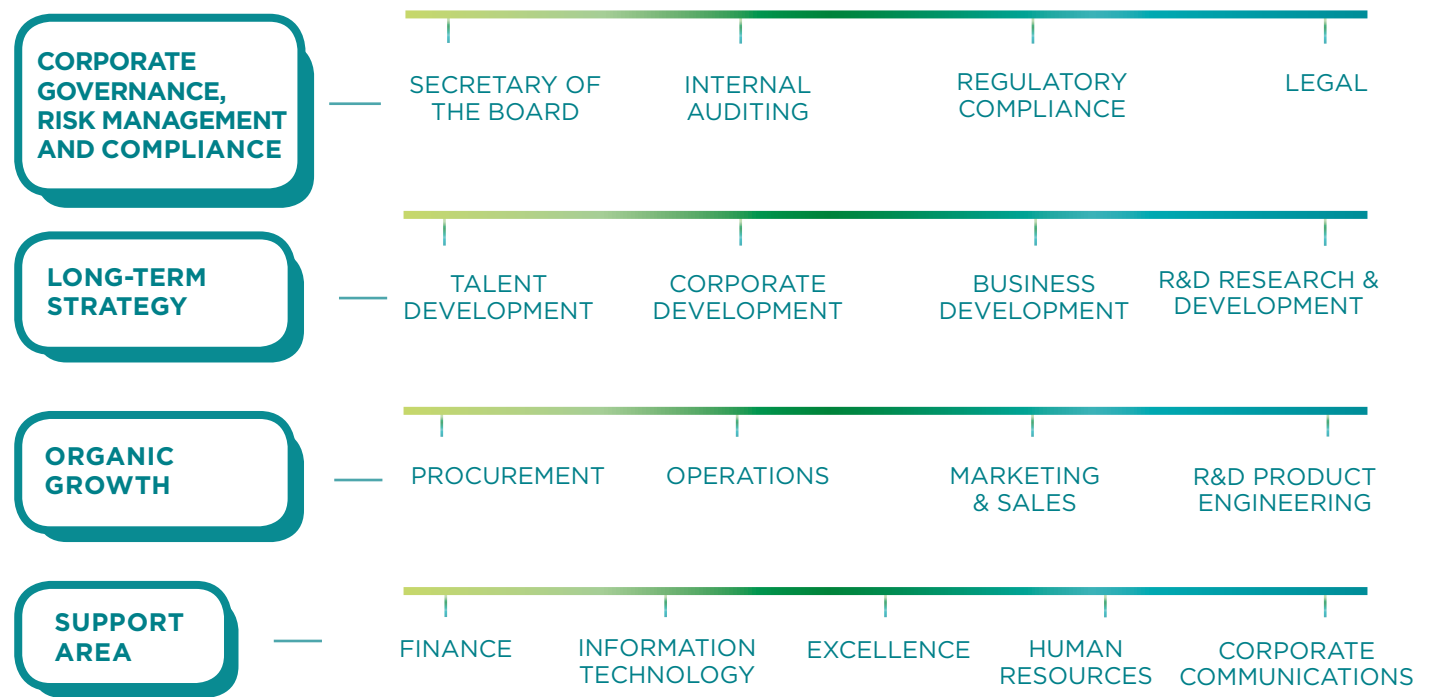




3

GOOD GOVERNANCE,
ETHICS AND RISK
MANAGEMENT

ARTECHE GROUP ORGANIZATION



3.4. ETHICS



3.4.1. VALUES, PRINCIPLES, STANDARDS AND RULES OF CONDUCT

Compliance is a part of our strategy and, along with the group's values, principles, standards and rules of conduct, it is reflected in the Arteche **Code of Ethical Behavior** which has been approved by the Board of Directors. It manifests our commitment and ties to human and labor rights as recognized by Spanish and international law and to the underlying principles of the *UN Global Compact*, the UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labor Organization Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy as well as all documents and texts that may replace or complement the foregoing.

In addition, the Code was prepared considering both generally accepted good governance recommendations as well as society's accepted principles of social responsibility as the basic reference for the group's monitoring. The Code is thus a fundamental part of the group's corporate governance system and is fully respectful of the principles of corporate organization established therein.

The **15 GENERAL PRINCIPLES OF OUR CODE OF ETHICAL BEHAVIOR** (guidelines for action, commitments of conduct and responsible practices) Included in it are:



Respect for the law	Professional conduct reflecting integrity Conflicts of interest	Measures against corruption
Fair hiring practices: equal opportunities and non - discrimination	Information transparency	Relations with customers and suppliers
Safety and health	Protection of own and third-party assets	Defense of competition
The environment	The use of the company's goods and services	Confidential information. Trade secrets.
Sustainable development.	Financial control	Relations with authorities and civil servants

This Code is applicable to everyone at Arteche, irrespective of their geographic location, hierarchical position or job role.

Arteche has an Ethics Channel which is open to our people and third parties who engage with us for any questions or to report non-compliance. Thus, they may ask any questions they have related to the Code or our internal policies and, as necessary, report any conduct they believe is against the rules. Arteche guarantees the utmost reservation and confidentiality by the Ethics Committee as well as impartial and independent processing of any formal or informal consultation or complaint without any type of retaliation against any informant. (**Ethics Channel:** https://canalresponsable.marcafranca.com/canaletico/presentacion_cliente/4714977183137792).

3 GOOD GOVERNANCE, ETHICS AND RISK MANAGEMENT

The Arteche Code of Ethical Behavior and Ethics Channel are available at the website: www.arteche.com.

This Code has been disseminated throughout the organization for proper awareness, understanding and compliance. All new hires have been informed of the principles established in our Code of Ethics and have expressly agreed to the commitments therein.

In addition to this Code, the Arteche Crime Prevention Program is also a part of its Corporate Compliance Program (see chapter 7 Zero Tolerance for Corruption and Bribery).

Our commitment to ethics and good governance is in turn transmitted to the third parties with which the group relates through various initiatives.

“There has been no Human Rights complaint against Arteche”

3.4.2. BODIES RESPONSIBLE FOR REGULATORY COMPLIANCE

In 2019, the Board of Directors appointed a **Compliance Officer**, who hierarchically reports to the President of the Board, in order to equip the organization with basic and fundamental support to ensure compliance with the regulations in effect as well as with the Code of Ethical Behavior and all of the group's internal policies and rules.

The area of Compliance is autonomous and has the power to develop its mission objectively, impartially and

independently with no need for authorization.

Likewise, it has sufficient authority and legitimacy to collect information at any time and access any records and documentation required to carry out its duties.

The Ethics Committee is an autonomous and independent control body which is responsible for ensuring regulatory compliance. Likewise, it is responsible for supervising and executing the Corporate Compliance

Program and all duties established therein.

It may act on its own initiative or at the request of anyone subject to the Code. Its decisions are binding for the company and for all employees.

It has its own rules of procedure defining its duties and responsibilities and is made up of a representative of the Board, the Compliance Officer, the General Manager, the Director of Legal Affairs and the Director of Human Resources.



3.5. RISK MANAGEMENT SYSTEM

3.5.1. ARTECHE GROUP INTEGRATED MANAGEMENT SYSTEM



Our aim is to achieve the best results, guarantee the company's short-term and long-term competitiveness and sustainability to satisfy our stakeholders and achieve balanced results.

The Arteche integrated management model, as approved by senior management and which includes a global and standard vision, helps us achieve this objective. Based on our mission, vision and values, we put ourselves in the right direction by establishing an annual strategy and annual goals so that everyone in the group may contribute.

This model is based on the requirements of standards:

- ISO 45001:2018 “Occupational Health and Safety Management Systems”,
- ISO 14001:2015 “Environmental Management Systems”,
- ISO 9001:2015 “Quality Management Systems”,
- ISO 27001:2013 “Information Security Management”

Our integrated management model is implemented through key business process throughout the group. Each one of these processes includes a description, procedure, indicators and rules for control as well as applicable policies.

All policies are periodically revised and updated in order

to achieve the desired results through the implementation thereof.

As part of this model, we have developed a results assessment and measurement system aimed at detecting deviations in our key business processes in addition to a monitoring, control and improvement system to attain the required objectives.



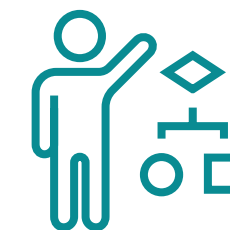
3.5.2. OUR RISK MANAGEMENT SYSTEM

Arteche Group activities are subject to different contingencies which would prevent or hinder the achievement of the goals set (measured with the systems established in the integrated model) if they occur. These risks are inherent to the countries where the group is present, including the markets or sectors in which it operates.

Upon the initiative of the Audit and Compliance Committee and aware of the importance of this aspect for business management and control, the Board of Directors has been fostering the implementation of a risk management system based on a proven methodology since 2019. This risk management model, which is provided for in the

Arteche Group Risk Management and Control Policy approved in 2021, is the responsibility of the Board of Directors which delegates the supervision and correct functioning thereof to the Audit and Compliance Committee. The basic principles of this policy are:





Arteche thus undertakes to provide the greatest possible certainty and confidence in reaching its strategic goals, protecting its results and reputation, safeguarding its financial stability and strength and guaranteeing compliance with the regulations in effect.

The basic tool of our risk management system is a Risk Map that is prepared each year and revised every six months. It divides the risks into the following categories:

- Strategic risks
- Financial risks:
 - Market risks
 - Credit risks
 - Liquidity and debt risks
- Operational and technical risks
- Technological risks
- Compliance and regulatory risks, including fiscal risks
- Corporate governance risks

These risk categories also include ESG risks related to the environment, people, compensation and equal opportunities.

The risks identified are assessed in terms of impact and probability, aggregated and prioritized to establish the responsible parties, risk indicators and action plans.

The entire process is led by the General Manager who gets the Management Committee and Regional Committees involved under the supervision of the Internal Auditing. The results are reported every six months to the Audit and Compliance Committee and annually to the Board of Directors.

THE MAIN ASPECTS OF OUR SYSTEM ARE:

Corporate risk map

Aligned with the 2022 Strategic Plan, it is included each year in the strategic reflection process.

Risk indicators and action plans

The main risks (Top12) are assigned periodic monitoring indicators and plans are assigned to the members of the Management Committee.

Supervision and reporting

The governance bodies are periodically informed of the status of the plans and indicator monitoring.

Three lines of defense model

Three independent lines ensure the system works properly.

Internal auditing plans

The annual internal auditing plan is fully focused on the group's main risks over the medium and long term.

In view of their relevance and implications on the business, certain risks are managed specifically:

- **Health and safety:** ISO45001:2018,
- **Environmental risks:** ISO14001:2015,
- **Criminal risks (Spain and Mexico):** ISO19601:2017 as a reference
- **Information security risks:** ISO 27001:2013

3.6. COVID-19 PANDEMIC RISK MANAGEMENT

The COVID-19 crisis has created a change in paradigm as concerns the ways in which we work and the way in which we relate with our stakeholders.

Although COVID-19 was a priority risk on the Arteche Group

corporate Risk Map in 2020 to the extent it posed a business continuity risk, the implications of the social and health impact became less significant while the impact on the supply chain and operations became more

relevant. In view of this, we have lowered its relative importance in our risk matrix by proportionally increasing the risks associated with the continuity of our operations and increased costs.

BUSINESS CONTINUITY AND OPERATIONS

In 2021, during the most crucial moments of the different pandemic waves, we were able to guarantee operations and production at all of our plants with the presence of production personnel and office personnel teleworking part-time in the afternoons. With the experience from the year 2020, the response from the group's systems has been quite positive as the information systems made teleworking possible for a large number of workers which clearly shows the capacity and resilience of our technology platform.



The system for managing this risk has been based on continuous pandemic monitoring at all locations through an internal contingency plan based on several protocols of action:

- **The creation of a Global Coronavirus Committee** made up of the General Manager and Health and Safety, Human Resources, and Operations and Systems managers as well as the directors of the main plants.

- **Regional committees** at the various plants where we operate.

From an operations perspective, the following stand out as effective measures:

- **Guaranteeing the safety** of all Arteche workers by minimizing the risks of contagion in going beyond the recommendations issued by the competent authorities.

- **A multi-disciplinary Task Force** meeting periodically and mainly including the areas of Operations, Procurement and Sales with a focus on analyzing customer expectations and material availability.
- **Encouraging versatility** among workers.

- **The development of improvement tools** for production planning.



3 GOOD GOVERNANCE, ETHICS AND RISK MANAGEMENT



OCCUPATIONAL HEALTH AND SAFETY

People are proving to be a fundamental cornerstone in overcoming this exceptional public health crisis. Protecting our workforce's health is a priority and the main driving force behind our actions as well as key to guaranteeing the continuity of our business.

Therefore, in addition to following the recommendations and measures from the public health authorities, different initiatives have been implemented to protect the workforce's health. In 2021, the measures were applied

based on the evolution of the different pandemic waves at each location, which has enabled us to keep all of our plants running. These measures include:

- The preparation and dissemination of the **"Protocol to Prevent the Spread of COVID-19"**.
- **Ongoing information** for the workforce on the situation and measures adopted.
- **Continuous disinfection** of common areas and the installation of hand sanitizer dispensers.
- Periodic **delivery of face masks**.
- **Signage** with the rules to follow.
- The **relocation of workstations** to guarantee distancing and the installation of separation panels between workstations.
- **Guaranteed continuous ventilation** in all buildings.
- **Monitoring of personnel** with symptoms and close contacts.
- **Screenings and testing**, serological or antigen depending on medical criteria.
- **Capacity limits** in different rooms.



WORK/LIFE BALANCE AND FLEXIBILITY

Some measures taken in 2020 were maintained in 2021 in a view to facilitating a work/life balance:

- **Flexible working hours** and generalized teleworking,

recommending it for the workforce.

- **Widespread teleworking**, recommending it for the workforce in the afternoons.
- **Offering remote training** using digital tools.

In fact, many of these measures have become standard in our daily work. Likewise, the possibility of teleworking has been set forth in collective bargaining agreements at several plants.



FINANCIAL RISKS

Given the type of Artech Group customers, the credit risk has not significantly increased yet the Credit Committee has

proactively managed two risk factors:

- A slight **drop in credit insurance coverage**,

especially in Spain and Mexico.

- **And increase of one day** in the average overdue customer account.



CYBERSECURITY

An evaluation of the Artech Group's readiness for contingencies in the context of COVID-19 was conducted in February 2020. As a result of this analysis, derivative risk factors were identified that directly affected the continuity of our business:

- A greater need for **portable resources** to perform telework.
- A higher demand for **remote access to data**.
- A need for **remote support** for users.

- More **malicious email campaigns** and digital fraud.

Teleworking decreased in 2021 as the authorities gradually relaxed the measures. However, the main measures taken in 2020 continued to remain in place:

- **Reinforced remote access infrastructures** as far as sizing and availability
- **Reinforced security measures** related to remote access.
- **Reinforcement for the security incident response team** to increase monitoring

and management of remote access alerts, COVID-19 related phishing, etc.

- **Security awareness communications** for customers, employees and suppliers.

The Artech Information Security Committee has supervised the efficacy of these measures which have enabled us to move towards a scenario of long-term teleworking possibilities without any relevant risks to the continuity of our business.



PROCUREMENT AND THE SUPPLY CHAIN

The main goal of the risk containment measures related to the supply chain and the increase in the price of raw materials has accounted for the criticalness level of each supplier in order to focus on the areas that could endanger the continuity of service deriving from:

- **Temporary closings** of critical supplier facilities.
- **Material scarcity**.
- The capacity and **price of transport**.
- **The cost of logistics services** and availability.

In 2021, the suppliers reflecting the highest risk were constantly monitored through multi-

department committees and weekly multi-regional procurement meetings. The measures were aimed at:

- **Reducing the number of exclusive suppliers** for critical materials and services.
- Making production **plants flexible**.
- Developing stronger **alternative sources of provision**.
- Developing **local suppliers**.

The impact of these risks has been different in each region where the Artech Group does business. However, as a result of these measures, there have been no significant incidents with respect to the supply chain.

“We're focusing on having a resilient supply chain by developing our relationships with our suppliers”

4

OUR ENERGY: PEOPLE. #MOVINGTOGETHER

WE BELIEVE IN A
GROUP THAT IS UNITED
BY OUR VALUES
WHERE TEAMWORK
IS FUNDAMENTAL
AND WHERE THE
PEOPLE WHO LEAD
ARE EXAMPLES
AND SOURCES OF
INSPIRATION.



4

OUR ENERGY:
PEOPLE.
#MOVINGTOGETHER

In 2021, we received more than 49,000 hours of training which is 30% more than in the previous year.

We have a real commitment to diversity and the development of female talent.

We create opportunities by creating quality jobs. 86% of our workforce have an indefinite contract.

Material topic	Related SDG
Employee experience and work organization	<div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div>
Diversity and equality	<div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>10 REDUCED INEQUALITIES</div>
Quality employment	<div>1 NO POVERTY</div> <div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div>
COVID-19 pandemic	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div>
Local development and engagement	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
Health and safety	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div>

4.1. OUR TEAM



4.1.1. LEADERSHIP MODEL

People are at the center of our sustainable business model. That's why the **Leadership Model** is one of the strategic lines the group works on in order to create a corporate culture that focuses on development, wellbeing and personal and professional growth among our teams.

We believe in a group that is united by our values where teamwork is fundamental and where the people who lead are proactive examples and sources of inspiration. Our model promotes transparency, meritocracy, talent development, communication skills and a vision for a long-term shared project.

Producing a leadership style that is inspiring, capable of generating energy and invigorating people's capacities as well creating an atmosphere of trust where each person gives the very best of themselves is our goal and the example we try to offer each day with our attitudes.

4.1.2. TALENT RECRUITMENT

We are a multinational company in a growing sector where the competition for talent is increasing all the time. We compete to attract the best talent, and, in this context, we are aware that the road begins long

before anyone joins our company. That's why we offer a challenging and forward-looking project.

As stated in our **People Policy**, our talent recruitment procedure

guarantees objectiveness, impartiality and transparency while ensuring processes that guarantee equal opportunities and encourage diversity and multidisciplinary teams.



At Artech, we have the greatest energy on the planet: **PEOPLE**.

Our excitement, experience and knowledge are reflected in everything we do. We undertake to maintain and implement initiatives that make our organization the best place to work and grow professionally in an environment where innovation and initiative are rewarded.

We want to attract the best talent and identify and encourage the best skills in the people who are already a part of Artech.

The Artech Group's commitment to people materialized in 2021 with the approval of the People Policy by the Board of Directors, the basic principles of which are:

- Actions in diversity, inclusion and equality.
- Actions in recruitment and talent.
- Actions in performance evaluation and talent management.
- Actions in training and talent development.
- Actions in compensation and benefits (compensation policy).
- Work ethics.



4

OUR ENERGY: PEOPLE. #MOVINGTOGETHER



PEOPLE DEVELOPMENT

In order to create high-performance teams, one step before searching externally is identifying and developing the talent that is already a part of the company so we can prepare individual development plans or work on organizational succession plans using our 'talent maps'.

Our performance evaluation cycle is a necessary annual process of reflection that guarantees goal setting and offers a chance to review people's expectations at Artech. It gives us input relating to training needs which are then used to form Training Plans.

Moreover, we promote internal knowledge management by taking advantage of the experience and know-how of the professionals on the Artech team.

Knowledge is a key factor when it comes to competitiveness. We learn from our customers

and collaborate with institutions and organizations around us to share knowledge, best practices as well as useful and relevant information.

Human resources provide the motor for all organizations and that's why we invest in developing and motivating the people at Artech in different ways. Thus, we create the ideal climate in which different duties are efficiently performed and our work and customer service are always of the highest quality. This leads to the greatest development of our team which directly affects the achievement of the best possible results for the company.

In 2021, we oriented a large part of our development training towards our managers, the backbone of our great team.

As a new development, we've implemented the program **'From Managers to Leaders'**,

the content of which was jointly defined by Artech and a training company and focuses on our present and future management. It included practice with the following tools:

- **active listening,**
- **how to give proper feedback,**
- **conflict mediation,**
- **design thinking...**
- **and it was approved for implementation in all of the group's regions.**

The ultimate objective is to provide our managers with the necessary tools to become examples of leadership, inspiring and developing their teams and using the people management skills that complement their technical skills. A total of 49,061 training hours were invested throughout 2021 (34,889 hours in 2020) which is an average of **20.9 training hours per employee** (16.6 hours per employee in 2020).

“This process guarantees motivated people who are aligned with our strategic goals”



4.1.3. SHARED PROJECT, COMMITMENT AND COMMUNICATION WITH PEOPLE

Communication is the lever that pulls the organization's processes along and has a direct impact on the climate and people's performance.

Our external and internal communication strategy in 2021 was to continue to listen to the people who are a part of Artech as well as other stakeholders

in order to understand their demands for communication and be able to work with the best channels for sharing information with each of them.

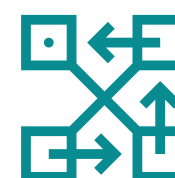
Internally, work has been done with different listening channels: surveys, meetings with our President and CEO at 'Coffee with a View', suggestion boxes... and,

above all, the focus has been on a transparent, honest, friendly and trustworthy communication style.

'Coffee with a View', a new initiative that began in 2021, along with quarterly meetings with General Management (*All Hands*) and our Internal Newsletter are our main internal communication channels.

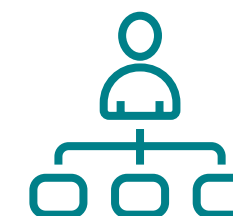


THE GOALS OF OUR INTERNAL COMMUNICATION



CASCADE COMMUNICATION

Structuring internal communication through cascade communication.



TRANSVERSALITY

Improving our transversal and upward communication and not just our downward communication in addition to improving participation in different areas.



ENGAGEMENT

Encouraging internal communication through different actions to increase the sense of belonging.



SHARED CULTURE

Transferring messages and our story so that those who collaborate with us are aware of them and become ambassadors for them.



artech *EMPLOYEE EXPERIENCE*

4

**OUR ENERGY:
PEOPLE.
#MOVINGTOGETHER**

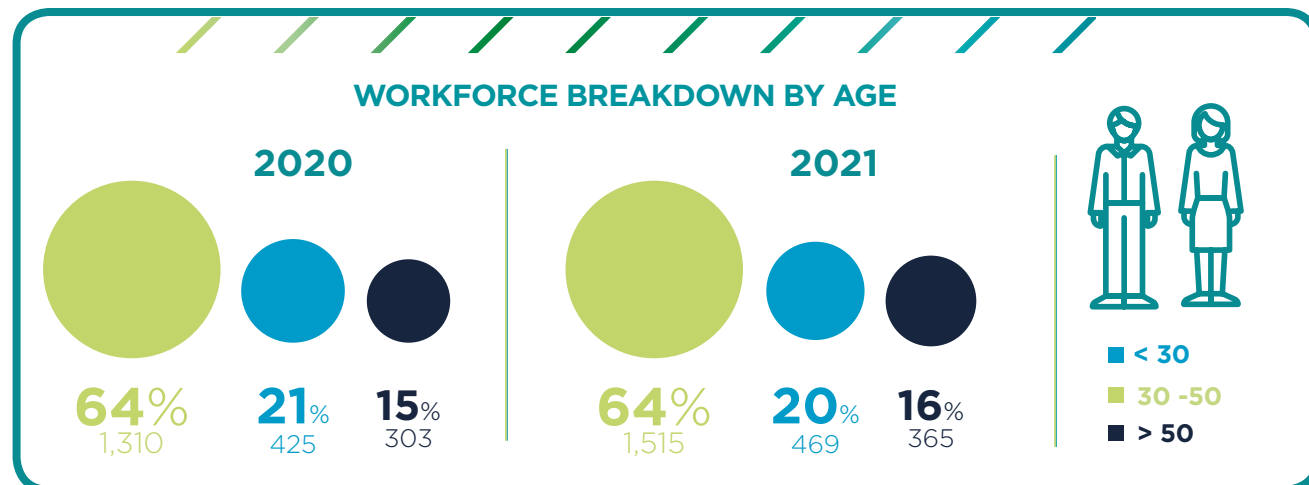
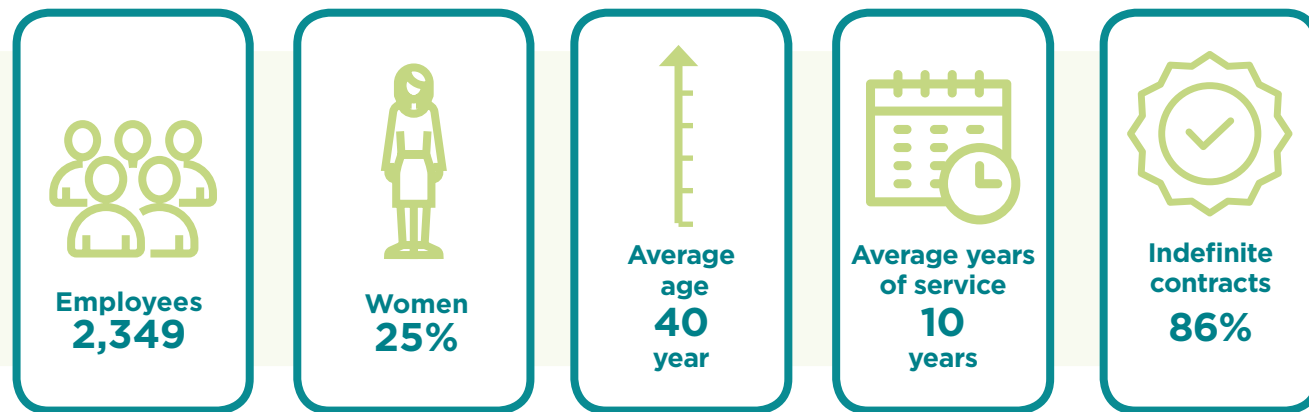
4.1.4. DESCRIPTION OF THE WORKFORCE

At Arteche, we look after our talent and that's why we remain highly attentive to our turnover indicators and individual interviews with people who for some reason switch companies. To this end, our turnover in 2021—without including the region

of Turkey which was recently acquired—dropped to 14.65% (18.01% globally), which is a decrease of 292 basic points.

We're committed to helping young people enter the job market. Of a total of 674 new contract signings,

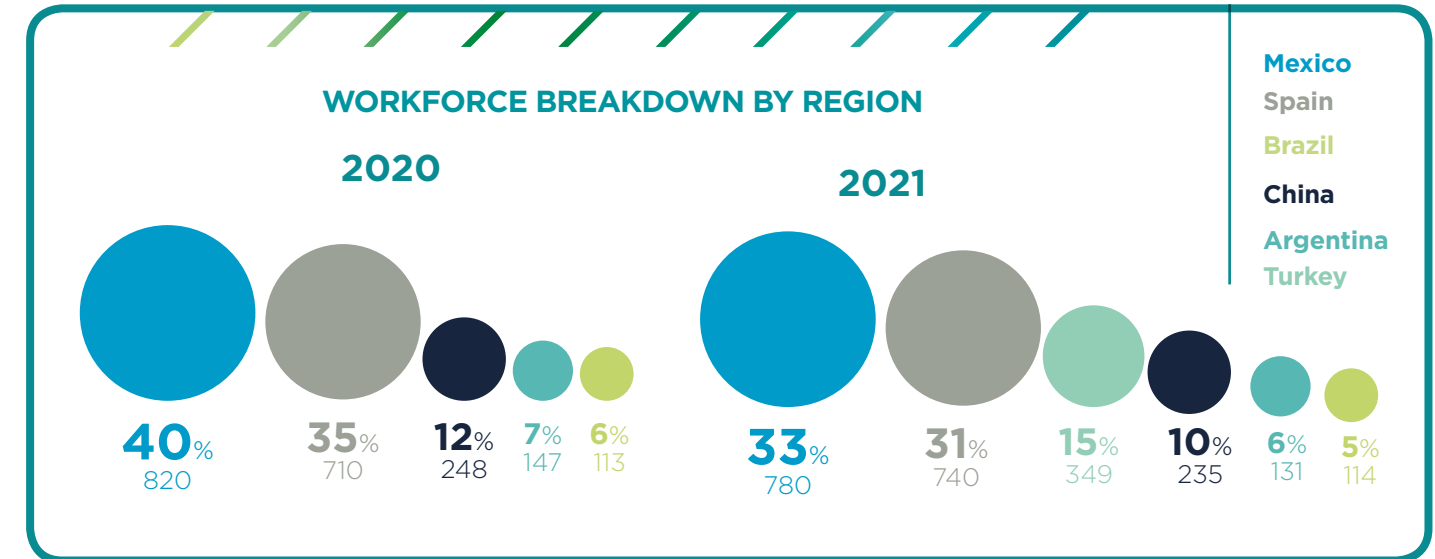
a high percentage involved people under 30 years of age (43%), who got such a professional opportunity after completing internships learning from experienced Arteche professionals who made themselves available for this purpose.



In 2021, there was a variation in the percentage of women and men in our management from 31% to 28% as a result of the re-classification of some positions and the acquisition of the new company Esitas (headquartered in Turkey and Indonesia) which had an impact on this percentage.

Diversity as a value: present in various countries, we currently integrate people of many different nationalities. Appropriate cultural diversity management leads to tangible competitive advantages

relating to an openness to knowledge and multiple points of view, contributions in talent attention and retention, a stronger Arteche culture, and an increase in innovation, creativity and productivity.



4.2. HOW WE DEFEND HUMAN AND LABOR RIGHTS



Besides being committed to the utmost respect for the laws in effect in all territories where we do business, at Arteche we firmly defend human rights to the extent the people who are a

part of Arteche can exercise their rights of freedom of association and collective bargaining in addition to our rejection of childhood labor, forced or mandatory labor and the

assignment of dangerous work to young people. There is also no tolerance for any violations of the rights of ethnic minorities and indigenous populations in the places where we operate.

“ We foster a culture of support for human rights, adopting the necessary measures to guarantee and promote protection and respect for them and aligning our practices with the underlying principles of the UN Global Compact ”

We expressly manifest this commitment in our Code of Ethical Behavior, the principles of which are of mandatory compliance for all Group professionals irrespective of the place where they work. With this declaration, Arteche is not only formalizing its public commitment but also wishes to send a clear message to all of its stakeholders that the company is firm in respecting human and labor rights as recognized by Spanish and international laws.

Most of our suppliers come from countries where these rights are legally protected; nonetheless, we are working on this commitment under the supervision of our Compliance Officer not only in Arteche's own operations but also through our supplier approval process. We evaluate them considering environmental, safety and social responsibility criteria. We demand a commitment from our suppliers to comply with all aspects of human rights as specified in the chapter on the

supply chain. The inspections, audits and performance evaluations of the Group's suppliers conducted in the last three years have not detected any supplier using forced labor, childhood labor or any other method contrary to human rights.

We approach these commitments from a corporate social responsibility perspective based on ISO 26000:2012 as the reference standard. Moreover, all of our companies in Spain have a Protocol of Action for cases of workplace harassment with a commitment to prevent any type of situation involving harassment or discrimination.

As concerns the fundamental conventions established by the International Labour Organization (ILO), we are able to ensure compliance with them in reference to forced labor and the abolition thereof, freedom of association and collective bargaining as well as the minimum age for work and ban on childhood labor.



“The Ethics Committee did not receive any complaints related to human rights at any group company in 2021”



NOTE 9S
D CAMERA

4.2.1. DIVERSITY, EQUALITY AND ACCESSIBILITY



Equal opportunity is a shared commitment at Arteche Group for all of our regions and workplaces.

It's a part of our corporate culture and has become a global way of thinking aimed at highlighting diversity from a gender perspective in all of our processes and policies. We have decided to go beyond just compliance with the law by driving real equality in our sector. To this end, we have made a commitment at Arteche to spreading awareness for and developing female talent.

We are committed to guaranteeing compliance with the Principle of Equal



Opportunities among men and women in our business.

- **Equal opportunities:** a pillar in our 2030 sustainability strategy.
- **A balance** in work, family and life.
- **Preventing sexual harassment** or sex-based harassment.
- **Communication** with the inclusive use of language and images.
- And **key aspects** of the company's activities.

At our plants in Spain, we base our compliance on the criteria set forth in Spanish Royal Decree-Law 6/2019, of 1 March, Spanish Royal Decree 901/2020 and Spanish Royal Decree 902/2020 of 13 October in order to be an equal-opportunity employer:

- We have an **Equality Plan negotiating committee**. It is made up of company representatives and female employees (RLT - Legal Workers' Representatives).

- This committee has completed **diagnostics** and drawn up **Equality Plans**.
- The equality committee is responsible for **implementing, monitoring and evaluating this plan**.

Some of the **actions taken in 2021** within the group include:

- A talent map, placing special attention on identifying female talent within the organization.
- **Development Plans for identified High Talent women**, including actions such as salary reviews and job promotions.
- **Communication materials and channels** with inclusive language and images that represent both sexes in order to spread awareness internally and externally for our commitment to equality.
- We have completed **various SDG5 Gender Equality training pills**.



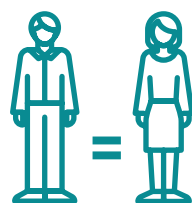
SUPPORTING SPORTS

Once again last year, we supported various sport activities, promoting the visibility of girls' and women's sport through collaboration with Ziortza Villa (an internationally competing long-distance runner), Rakel Mateo (European paratriathlete) and *Girls on Fire*, a team of women whose values, perseverance, efforts and personal drive inspire us and make us feel proud to accompany them along the way.

Moreover, the values of teamwork, sportsmanship and moving forward together in the same direction are attitudes we prize and also encourage through our support for other local sports teams in the areas where we're present such as the football, basketball and rugby teams that fill us with pride in seeing how they wear the Arteche name as a symbol of such values.



4 OUR ENERGY: PEOPLE. #MOVINGTOGETHER



WORKING ON SENSITIVITY TO EQUALITY AMONG OUR TEAMS

- On March 8th, Women's Day, a variety of training was given on gender roles, new masculinities and the company approach.
- Workplace health awareness campaigns with a gender perspective.

We believe in equal opportunities in all senses of the word. Twelve people with different capacities were a part of the Arteche team in 2021, three more than the prior year.

Our way of including different capacities is mixed, combining hiring by the company with a declaration of exceptionality (reaching 2% of the workforce with some type of disability, the adoption of alternative measures such as service provision agreements with various special job centers).

We guarantee that all new Arteche facilities comply with the basic requirements of accessibility for the disabled while our oldest facilities have been renovated in view of these



needs (parking, accessibility...), enabling such services and complying with the requirements at all of them.



WORK/LIFE BALANCE

People at Arteche are enjoying more and more flexibility and work/life balance measures thanks to the doors that have been opened with teleworking which had been implemented at Arteche long before the measures now required by law.

We also support quality time with family and parental leaves which are never risks to keeping one's job or the development of anyone on our team in any of our regions. In fact, our return-to-work rate remains steady at 100%.



4.2.2. COMPENSATION AND SALARY GAP DATA

We work to achieve real salary equity for all genders at our workplaces.

Our compensation policy establishes salary levels linked to the position held within the organization irrespective of sex, race, religion, age, sexual orientation, nationality, civil status or other factors.

Besides having public salary tables in our collective bargaining agreements, our People Department worked throughout 2021 on a job position list which was shared with the entire organization. This list describes the tasks, responsibilities and salary ranges for each job position, so people are not only aware of the corresponding compensation

but also the work being compensated. The compensation associated with this list entered into force on January 1, 2022 and guarantees transparency and salary equity among everyone in the same position.

We have progressively improved in recent years yet the average salary level of women at Arteche Group is

now 13.6% lower than the level of men (6% at the end of 2020).

We have observed the biggest difference in production jobs where female new hires do not have the same years of service as long-serving employees and in management roles, a category where there have been departures

and new hires that have affected this indicator.

Specifically, the average compensation for management was 97,000 euros in 2021 (107,000 and 72,000 euros for men and women, respectively) and 94,000 euros in 2020 (109,000 and 62,000 euros for men and women, respectively).

We have eight directors on our Board of Directors, one woman and seven men, two of whom are hold executive offices. All of our board members without executive duties receive the same compensation for per diems: 48,000 euros (a figure that has not changed in 2021, 2020 or 2019).

4.2.3. CREATING QUALITY JOBS

We seek the wellbeing of the people who work at Arteche and contribute to this through work/life balance and flexibility programs that enable a better balance between people's private lives and their job responsibilities

to the extent possible given the complexity, location and places of different activities.

To this end, besides applying work/life balance standards, policies and programs as

provided for in our internal rules, agreements and collective bargaining contracts, we have various possible working hours: alternating shifts, split shifts with in and out flexibility, morning shifts only, etc.

ABSENTEEISM RATE (HOURS AND PERCENTAGE)

	2021		2022	
Spain	83,430.31	4.35%	92,496.69	5.00%
China	21,166	4.39%	12,465.71	4.03%
Brazil	9,751.3	5.87%	7,431.81	4.54%
México	133,437	13.18%	121,945	11.94%
Argentina	17,931	6.19%	11,834	2.46%
Turkey (*)	11,850	1.59%	-	-

(*) The data from Turkey has been annualized for better comparability

The absenteeism percentage is still being affected by the pandemic despite the strict protocols implemented to protect our people from internal contagion.

Given the situation we're recurrently in due to COVID-19, teleworking has been encouraged as a contagion and risk prevention measure. Nonetheless, given the very dynamics of our business, only a portion of our workforce

is subject to this alternative work model.

Group companies comply with the laws in effect in each location with respect to social dialog and workforce participation in Occupational Health and Safety matters.

Likewise, we have Health and Safety Committees (CIPA, etc.) at these plants through which worker and employer

representatives make suggestions and recommendations and engage in control and monitoring tasks in this area.

The labor relations of 100% of the group's employees are based on some type of collective bargaining agreement, either company or sector wide.

As of the date of the analysis, the group had no formally approved disconnecting from work policies.



4.3. HEALTH AND SAFETY

3 GOOD HEALTH
AND WELL-BEING8 DECENT WORK AND
ECONOMIC GROWTH

Arteche is an organization that is fully committed to ongoing improvement in safety and occupational risk prevention with the aim of achieving and maintaining a healthy work environment focusing on the people who work at Arteche Group as well as those who collaborate with us or use our products and services.

A global Health and Safety Department was created in 2018 to develop our Health and Safety Management Model in order to make the health and safety management processes uniform and homogenous at all of the group's companies. In 2021, we continued reinforcing the required local areas where the organizational structure is at least compliant with the laws in the corresponding

country and best practices are shared among all companies.

People are encouraged throughout the organization to participate in health and safety forums at all group companies. These forums are essentially aimed at having two-way and continuous communication with regard to prevention, ensuring compliance with health and safety at work provisions (laws and internal group policies) and proposing the necessary actions for the ongoing improvement of the working conditions and preventing occupational risks. These forums collaborate with company management on continuous improvement, promoting and encouraging cooperation among workers to enforce and comply with the regulations and engage in surveillance and control.

Employee workshops were organized in 2021 by responsible parties to integrate health and safety on all levels of the company. The content of these workshop

discussions is prepared by the Health and Safety Department based on the most significant risks and incidents that occur at all of the group's plants.

Aware of their importance, our General Management handles the following duties:

- **Approving and monitoring** the established health and safety goals periodically.
- **Monitoring and ongoing improvement** of health and safety management and performance as well as of the indicators for improving health and safety.
- **Promoting development**, ongoing improvement and compliance with procedures that support the health and safety processes defined in the model.
- **Ensuring system integrity** when there are changes.

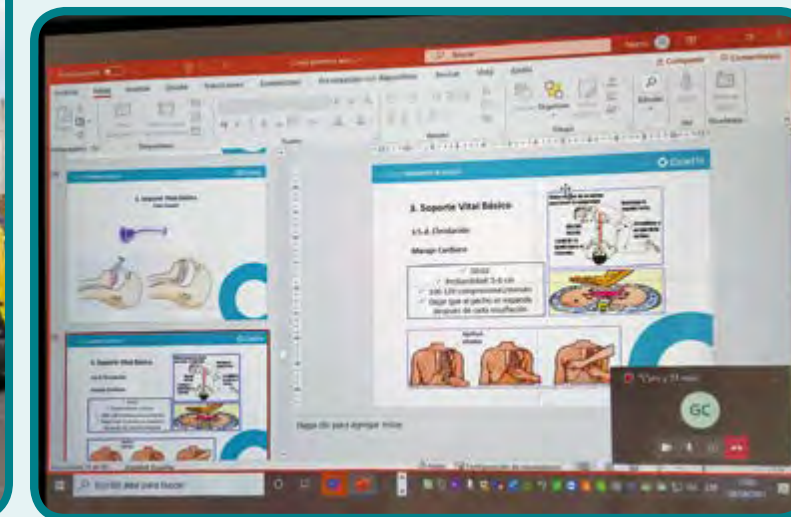
In 2021, we continued conducting ISO 45001 monitoring audits with positive results, maintaining our certification at all sites.

ABSENTEEISM RATE (HOURS AND PERCENTAGE)

Type	Total		2021		2020	
	2021	2020	Women	Men	Women	Men
Incidents leading to sick leave	26	42	4	22	6	36
Incidents not leading to sick leave and first aid	65	61	13	52	11	50
Material accidents + Near accidents	67	51	7	60	7	36
Incidents to/from work	27	7	10	17	3	4
Days lost	310	499	52	258	112	387
Diseases detected during the year	5	6	1	4	0	6
Sick leave frequency rate	6.98	10.8	4.35	7.84	7.00	11.85
Severity rate (*)	0.08	0.13	0.06	0.09	0.13	0.13
Occupational disease incidence rate (**)	2.12	2.97	1.72	2.26	0	3.77
Occupational disease severity rate	0.02	0.03	0	0.02	0	0.04

(*) Calculated as the number of days lost x 1000/no. of hours worked.

(**) Only our own personnel are taken into account. The data on hours worked by men and women are estimates in order to calculate rates by sex.



WORK-RELATED INJURIES

Type	2021			2020		
	Total	Woman	Man	Total	Woman	Men
Bumps against non-moving objects	5	1	4	17	4	13
Entrapment by or between objects	4	-	4	8	-	8
Bumps/cuts from objects or tools	4	-	4	4	-	4
Physical fatigue. Forced postures and movements.	3	1	2	4	1	3
People falling on the same level	2	1	1	3	1	2
Physical fatigue. Manual load handling	2	-	2	1	-	1
Fragment and particle projection	2	-	2	1	-	1
Tripping over objects	1	-	1	1	-	1
Falling objects due to collapse	1	-	1	1	-	1
Explosions	1	-	1	1	-	1
Exposure to chemicals	1	-	1	1	-	1

Accidents leading to sick leave in 2021 accounted for 38.1% due to bumps and cuts from objects and tools and bumps due to contact

with moving objects. They mostly affected men (due to the fact they focus on production work). Likewise, at Arteche Group, we

believe there are generally no risk situations that can cause a high incidence of occupational disease or severity thereof.

5

OUR COMMITMENT TO THE PLANET

WE ENCOURAGE
PREVENTION BEYOND THE
APPLICABLE REGULATORY
STANDARDS, MINIMIZING
THE ENVIRONMENT
IMPACT OF OUR
ACTIVITIES, EFFICIENTLY
USING RESOURCES AND
PRESERVING BIODIVERSITY.



5 OUR COMMITMENT
TO THE PLANET

- 20.5% reduction in B diesel fuel consumption.
- 44% reduction in hazardous waste generation with 60.8% recycled.
- 53% of non-hazardous waste has been recycled.
- 2.7% reduction in scope 1 emissions.
- 4.5% reduction in electricity consumption and scope 2 emissions.
- Start of scope 3 emissions measuring and management.
- 0 environmental incidents.
- 0 non-conformities during ISO 14001:2015 certification audits.

Material Topic	Related SDG
Innovation and sustainable products	<div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Carbon footprint	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Climate change mitigation and adaptation	<div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>



Our Code of Ethical Behavior, our Integrated Management Model, our values and our 2030 Strategic Sustainability Plan all include the environmental commitments we have undertaken. It is required by our stakeholders but also something we've committed to by signing the UN Global Compact.

5.1. MANAGEMENT AND ENVIRONMENT APPROACH



We have a vocation for promoting and integrating a culture of environmental responsibility. This is why we've defined, officialized and published our Sustainability Policy, we ensure compliance with environmental regulations and propose the necessary actions for ongoing improvement and the prevention of environmental risks. We encourage prevention, exceeding the applicable regulatory standards, minimizing the environmental impact of

our activities, efficiently using resources and preserving biodiversity pursuant to our 2030 Strategic Sustainability Plan (see chapter 2).

The Artech Group commitment to the environment was reflected in 2021 with the definition of the Sustainability Policy approved by the Board of Directors, the basic underlying environmental principles of which are:



- Minimizing waste and pollution
- Preventing any type of environmental incident
- Conserving our natural resources
- Promoting energy savings
- Engaging in and sponsoring research and development projects that foster environmental protection

This commitment is also communicated to our suppliers, customers and collaborating companies.

any negative repercussions of the product or service on the environment by conducting complete environmental analyses of their entire lifecycles.

We apply a precautionary approach to the development of new products and company activities in order to avoid

Our General Management has the following duties as part of their responsibilities:



- Periodically approving and monitoring the environmental goals.
- Monitoring and continuously improving indicators for environmental improvements.
- Promoting the development, ongoing improvement and compliance with procedures that support environmental processes as defined in the management model.



5.1.2. MANAGEMENT APPROACH

The environment-related ongoing improvement indicators at our plants are mainly the following GRIs:

- **302-1 Energy consumption within the organization.**
- **303-5 Water consumption.**
- **305-1 Direct (Scope 1) GHG emissions.**
- **305-2 Energy indirect (Scope 2) GHG emissions.**
- **306-2 Management of significant waste-related impacts.**
- **306-3 Waste generated.**
- **307-1 Non-compliance with environmental laws and regulations.**

And the management indicator:

- **Number of Non-Conformities following Audits (Internal and External)**

Our choice of suppliers includes environmental criteria as we monitor their environmental

performance. 100% of our suppliers have been evaluated based on such criteria.

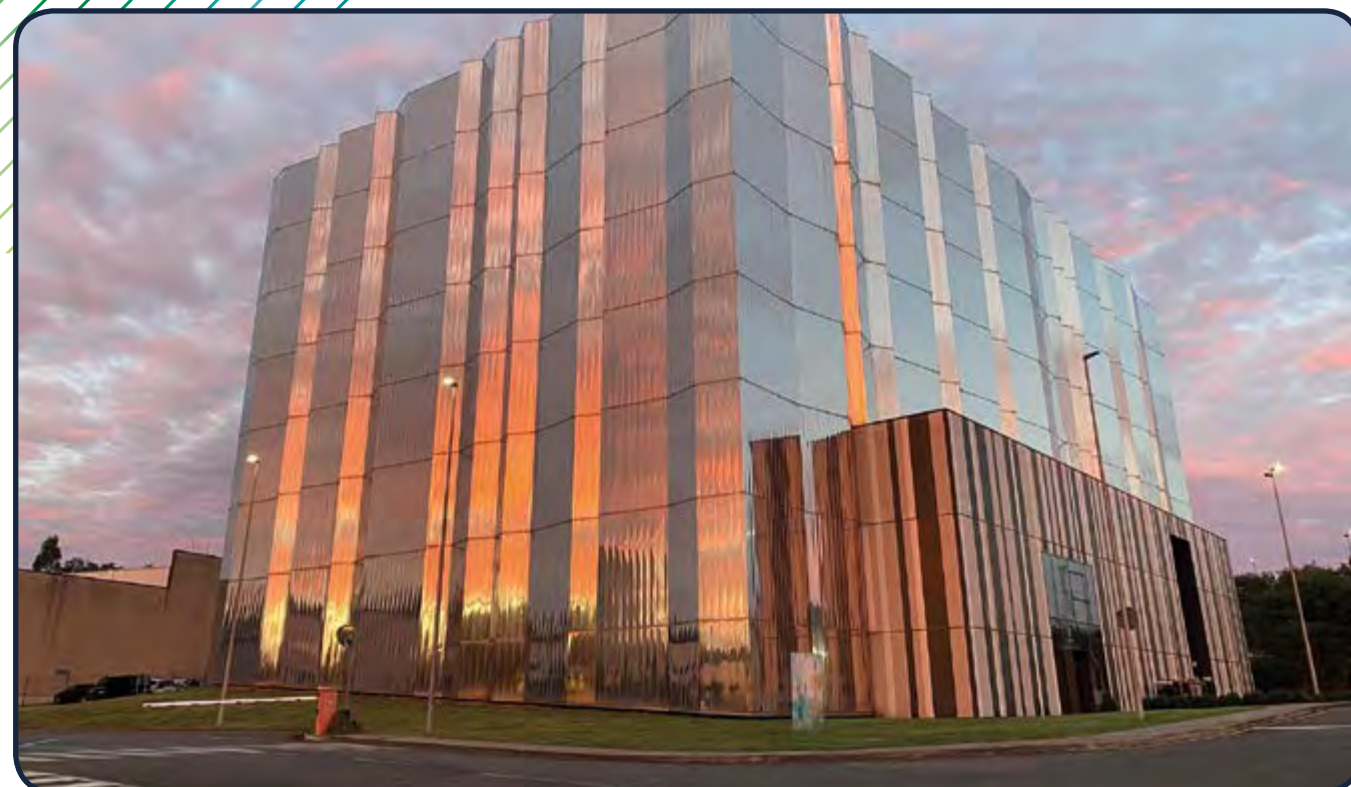
We periodically conduct internal and external audits to assess the level of compliance with standards.

- **Internal audits (annual at all group plants).**
- **All plants are ISO 14001:2015 certified.**

In addition, we have tools to immediately know about new applicable environmental and

tax laws which enable us to remain up to date on the financial implications and other risks and

opportunities deriving from climate change.



5.1.3. THE PRECAUTIONARY PRINCIPLE OR APPROACH



We take a precautionary approach when developing new company products and activities in order to prevent any negative repercussions on the environment. As concerns this aspect, one of the steps in our new product development process is conducting an environmental analysis of the product lifecycle, evaluating the potential impact of the product and the corresponding production process on the environment throughout all phases of its existence by quantifying the use of resources (input: energy, raw materials, water...) and environmental emissions (output: into the air, water and soil).

Considering our business is expected to grow, we have analyzed the potential impact we'll have on the environment and have reached the conclusion that we do

not expect any potential environmental impacts other than those already known and analyzed in our environmental impact assessment (which is updated annually for all group plants) given the fact no major changes are planned for our production processes or product design. We also identify and evaluate all applicable environmental laws at all plants.

Due to the nature of our business, there are no significant light or noise pollution impacts, and we make sure to identify, manage and comply with all applicable laws in both cases. This is also reflected in the materiality defined for our environmental performance.

As part of our Management System, we have integrated, implemented and certified all of the requirements of

standard ISO 14001:2015 including those corresponding to the procedures to prevent environmental impacts:

- **Control, monitor, measure and evaluate legal compliance in the areas of health and safety, environment and quality.**
- **Identify, record, update and evaluate all environmental aspects.**
- **Emergency health and safety and environment plans.**
- **Operational environmental controls.**
- **Coordination of business activities in the areas of health and safety and the environment.**
- **Environmental analyses of product lifecycles.**

5.2. WORKING FOR A BETTER WORLD



We have a standard procedure for the entire group aimed at identifying, recording, updating and annually evaluating all environmental aspects. This procedure describes how to identify, evaluate and create a work plan for environmental aspects at all of the group's production plants.

No significant environmental aspects have been identified within the group since 2018:

- **No sanction or notification of non-compliance with environmental regulations has been received.**
- **No negative environmental impact has been detected in the supply chain.**
- **There are no provisions for environmental risks.**



We conduct environmental assessments on the main products we manufacture based on the product lifecycle environmental analysis procedure. Likewise, we manage the measures necessary to reduce the international indicators that affect the environment such as

environmental incidents, electricity consumption, water consumption, waste generation, etc.

When doing so, we take into account the most adequate designs and technologies for the environmental and quality

characteristics of the product using prevention criteria.

We do the required measurements at all group plants in accordance with the applicable laws on emissions, environmental noise, etc

MAIN ENVIRONMENTAL INDICATORS

Category	Indicators	Unit	2021	2020	Var
Sustainable use of resources (consumption of fuel, electricity, water, and raw materials)	Diesel C	Liters	4,065	2,600	56%
	Diesel B	Liters	50,500	63,500	-20%
	Gasoline	Liters	10,229.57	7,984.33	28%
	Natural gas	m ³	22,951	18,981	21%
	LPG	Liters	1,171,829.5	1,198,397	-2%
	Electricity	kWh	16,980,083	17,777,240	-4.5%
	Water consumption	m ³	24,641.87	22,220.44	11%
Circular economy and waste management	Hazardous waste	Tn	320.63	573.01	-44%
	Recycled hazardous waste	Tn	194.96	409.65	-52%
	Non-hazardous waste	Tn	1,714.36	1,213.51	41%
	Recycled non-hazardous waste	Tn	905.81	583.59	55%
Climate change	Scope 1 emissions (*)	Kg CO ₂ e	2,166,314.93	2,226,249.1	-3%
	Scope 2 emissions (*)	Kg CO ₂ e	7,299,886.63	7,644,213.22	-5%

(*) The emission factors used are from the Spanish Ministry for Agriculture and Fisheries, Food and the Environment (MAPAMA) (April 2018 - Version 10)



5.2.1. THE CIRCULAR ECONOMY AND WASTE PREVENTION AND MANAGEMENT

We conduct annual studies on minimizing hazardous waste and packaging in the market. We have also implemented analyses of the entire product environmental

lifecycle as part of our product development procedure.

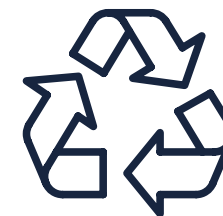
There was a variation in 2021 in the waste rate due to the direct



correlation between waste production and generation. We are also reporting the variation rate as adjusted for the increase in production.



In 2021, we reduced the **generation of waste by 44%** in comparison to 2020



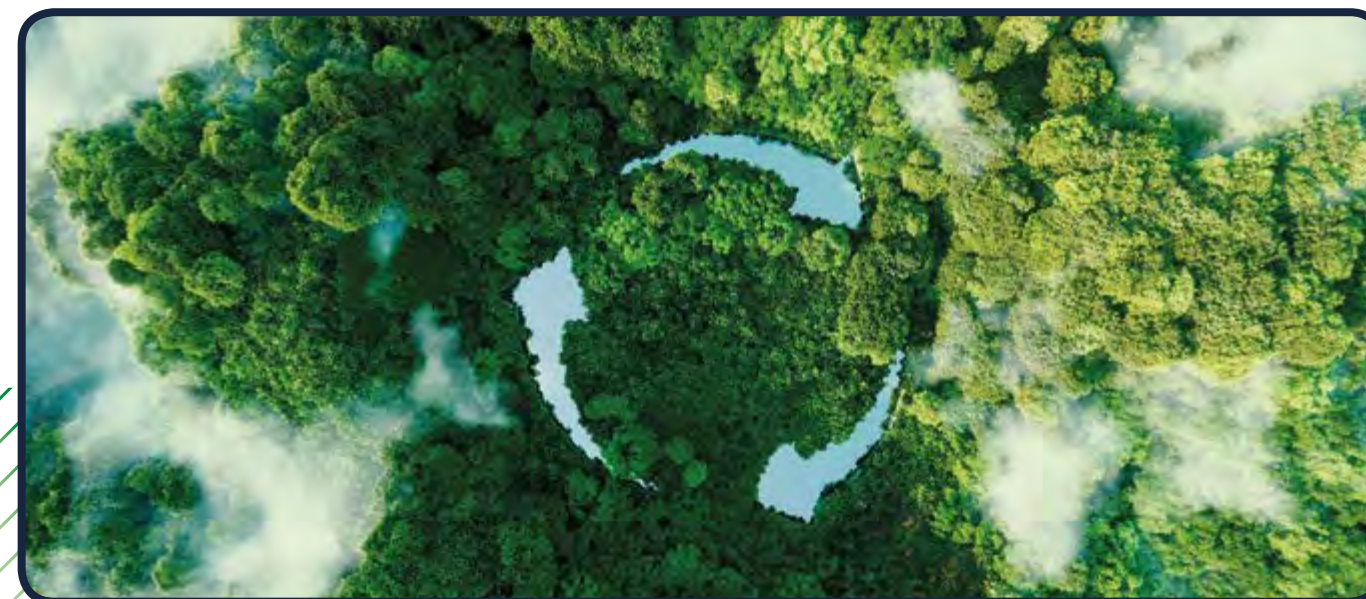
We recycle **60.8%** of the **waste classified as hazardous**



We've reduced the **waste** classified as hazardous by **-271.19 Tn**

We've improved in all regions thanks to the improvement actions implemented:

	China	Brazil	Argentina	Mexico	Spain
Hazardous waste	-18.86%	-27.07%	-1.43%	-29.19%	-38.57%



5 OUR COMMITMENT TO THE PLANET

We can conclude that COVID-19 has not had a representative impact on our generation and management of waste and that, because we defined and implemented a 2021 sustainability plan and monitor it quarterly

(Sustainability Report), we have achieved very significant improvements over the prior year.

We would also like to highlight that we have implemented a project to optimize our efficiency and

standardize our waste management at our plants in the EMEA region. We would like to continue improving and have, therefore, set the following goals adapted to the special characteristics of each region in our **2022 Sustainability Plan**:

2022 Plan Goals	China	Brazil	Argentina	Mexico	Spain	Global
Hazardous waste generation					Between -1% and 5%	-2%
Hazardous waste						+5%
100% recycled hazardous wastewater	8 t					
Resin wasted by manufactured equipment				-3.66%		
Thinner waste per manufactured equipment				-10%		
Copper waste			-5%			
Recycled non-hazardous waste		+5%				
Dining hall/sanitary waste		-10%				



5.2.2. SUSTAINABLE USE OF RESOURCES

ELECTRICITY CONSUMPTION

We have improved our energy consumption in 2021 by:

	China	Brazil	Argentina	Mexico	Spain
Electricity consumption	-8.66%	+6.76%	-11.3%	+4.49%	-8.03%

Globally, we've reduced our electricity consumption by 4.5% (in comparison to 2020). In the regions where consumption increased (Brazil and Mexico), there was an increase in production which directly affects energy consumption, especially at our transformer

and recloser plants because the production resources (furnaces, heaters, etc.) largely impact such consumption:

- **Mexico (+4.9%):** Eight electric furnaces were installed in the high voltage area to increase the installed capacity (six for

the drying process at 105°C and another two at 70°C for the dielectric oil filling process).

- **Brazil (+6.76%):** Due to a considerable increase in the production of *reclosers*.



We cannot report our renewable energy consumption as we do not have any way, to date, to verify our suppliers' sources of electricity.

We continue working to spread awareness for reducing electricity consumption. As part of our efforts to do so, we have carried out various initiatives at our plants:

- The replacement of air conditioning systems.
- The switch to LED for all light fixtures.
- Motion detectors in common areas.
- Lighting systems switched to more efficient systems.

- Work teams to define and launch energy savings awareness actions.
- Improvements to the production facilities to make them more efficient.
- Renewable energy consumption studies.

5 OUR COMMITMENT TO THE PLANET

Likewise, as part of the energy consumption reduction measures, energy audits have been conducted at all our production

plants. The resulting actions have been implemented as part of the **2021 Sustainability Plan**.

In view of these results, we have set the following goals in our **2022 Sustainability Plan**:

2022 Plan Goals	China	Brazil	Argentina	Mexico	Spain	Global
Electricity consumption	-2%	-1.5%	-2%	-2%	Between -1% and -2%	-1.5%
Renewable energy consumption						Start

WATER CONSUMPTION

Water consumption increased 11% in 2021 in comparison to 2020. After physically returning to work and with the associated sanitary consumption, it is worth noting that we have not reached the pre-pandemic consumption levels thanks to the actions taken over the past two years (reductions in Brazil and Argentina as a result of the leak detec-

tion and inefficiency elimination measures implemented). In fact, we saw a drop of more than 20%.

With respect to recycled water consumption, the supply of water comes from the different municipal systems in the areas where the various Artech Group companies are located and it is mainly used for employee consumption and,

to a lesser and more sporadic extent, to other secondary uses such as landscaping irrigation and building cleaning efforts. Thus, the possibility of reuse water consumption is not within our reach.

In view of these results, we have set the following goals in our **2022 Sustainability Plan**:

2022 Plan Goals	China	Brazil	Argentina	Mexico	Spain	Global
Water consumption	-2%	-5%	-5%	-2%	-2%	-3%



RAW MATERIALS CONSUMED

The consumption of raw materials (see table in the annex) has varied in comparison with the prior year due to:

MAIN RAW MATERIALS CONSUMED (IN THOUSANDS OF EUROS)

Raw material	2021	2020	Var.
Aluminum	15,562	14,066	11%
Steel	10,487	10,029	5%
Stainless steel	9,186	6,378	44%
Copper	15,018	13,217	14%
Magnetic sheet metal	10,139	9,378	8%
Mineral oil	3,174	3,353	-5%
Resin	7,188	5,445	32%
Paper	4,481	4,853	-8%
Plastic	2,494	1,927	29%

Artech is in the process of developing the systems to obtain the consumption of raw materials in kilograms.

- The drop in the consumption of mineral oil and paper is due to our ongoing process optimization.
- The increase in stainless steel, magnetic sheet metal and plastic is due to the product mix.
- The increases in copper, aluminum and resin are due to the product mix and the major increases in the price of raw materials in international markets.

5.2.3. GREENHOUSE GAS EMISSIONS

EMISSIONS RATES

Two of the indicators implemented in our management system are related to scope 1 and 2 direct and indirect greenhouse gas (GHG) emissions:

- **Scope 1:** direct GHG emissions from combustion in boilers, furnaces, vehicles, etc. which are owned by or are controlled by the entity in question.
- **Scope 2:** indirect GHG emissions associated with the generation of electricity purchased and consumed by the organization



5 OUR COMMITMENT TO THE PLANET

We've significantly improved in scope 1 emissions in almost all regions, except in Brazil and China due to production increases.

Considering the production data and the fact that scope 1

emissions are directly related to production and the opening of worksites, we observed that COVID-19 had no influence on the improvements achieved.

The consumption of LPG in Brazil and diesel fuel in China increased

in proportion to production at those plants, which was higher in 2021 than in 2020.

The goals we have set in our **2022 Sustainability Plan** are as follows:

Objectives Plan 2022	China	Brazil	Argentina	Mexico	Spain	Global
Scope 1 emissions	-1%					-2%
Diesel fuel consumption	-1%					
Coal consumption	-2%			-1%		
LPG consumption		-2%	-2%			-5%

With respect to scope 2 emissions, the data obtained reflect the same trend as the data for electricity consumption meaning the analysis is the same as for that indicator.

We can conclude that COVID-19 has not had a representative impact on GHG emissions and that we have improved over

the prior year thanks to the implementation and monitoring of the 2021 Sustainability Plan at most plants.

The Argentina plant and the Medium Voltage product range in Spain are currently under analysis and will be included in the 2022 results.

“We began measuring scope 3 GHG emissions in Spain, Mexico, Brazil and China in 2021”

We included the following in the **scope of measurement**:

- **Purchased goods and services:** GHG emissions from the extraction, production and transportation (cradle-to-gate) of goods and services purchased or acquired by the company during the reference year.
- **Capital goods:** GHG emissions from the extraction, production and transportation (cradle-to-gate) of capital goods purchased or acquired by the company during the reference year.
- **Fuel and energy-related activities** (not including scopes 1 and 2).
- **Leased assets** during the upstream or downstream phase.
- **Treatment or processing** of products sold.
- **Use of products** sold.
- **Treatment of products** sold at the end of their useful life.



We've defined the most representative products at each plant in order to use these products as the basis for calculating each company's scope 3 emissions. The **calculation method** used is the one established and officialized in our management system.

The results of this 1st measurement are as follows:

• **Scope 3 emissions in 2021 = 75,704,912.19 kg CO₂ E**

To improve these emissions, we've launched projects such as:

- **The installation of chargers for electric cars in Mungia.**
- **Hybrid company cars.**
- **Eco-designs for our products (see strategic projects).**

Moreover, we launched a new project to update the product environmental lifecycle tool which we will implement with the update to the required procedure (PA_IDEA 1_6).

With respect to the emissions of ozone-depleting substances (ODS), we do not use any substances in any of our processes that have such effect and, therefore, our impact is 0

OSD emissions. We are keeping this indicator in our sustainability indicators to guarantee it is controlled, reported and managed if there is any change that affects the results of said value

5.2.4. PROTECTING BIO-DIVERSITY

Arteche's industrial activities do not take place in any protected areas and respect our natural environments.



6

SOCIALLY RESPONSIBLE

WE WORK RESPONSIBLY
AND HONESTLY,
CONTRIBUTING TO THE
ECONOMIC AND SOCIAL
PROGRESS OF THE
COMMUNITIES WHERE
WE DO BUSINESS.



6 SOCIALLY RESPONSIBLE

We collaborate with 16 education institutions

We contribute to community electrification

80% of our purchases are from local suppliers

We get involved in the social development of the regions where we're present by collaborating with local associations and NGOs, making economic contributions and, in some cases, advising them on business management issues and fostering contacts and relationships with other organizations.

Likewise, our strategy is oriented towards enhancing competitiveness through the supply chain and we rely on both local suppliers as well as others with a global presence in order to do so.

In terms of social performance, Arteché takes the following material aspects into consideration:

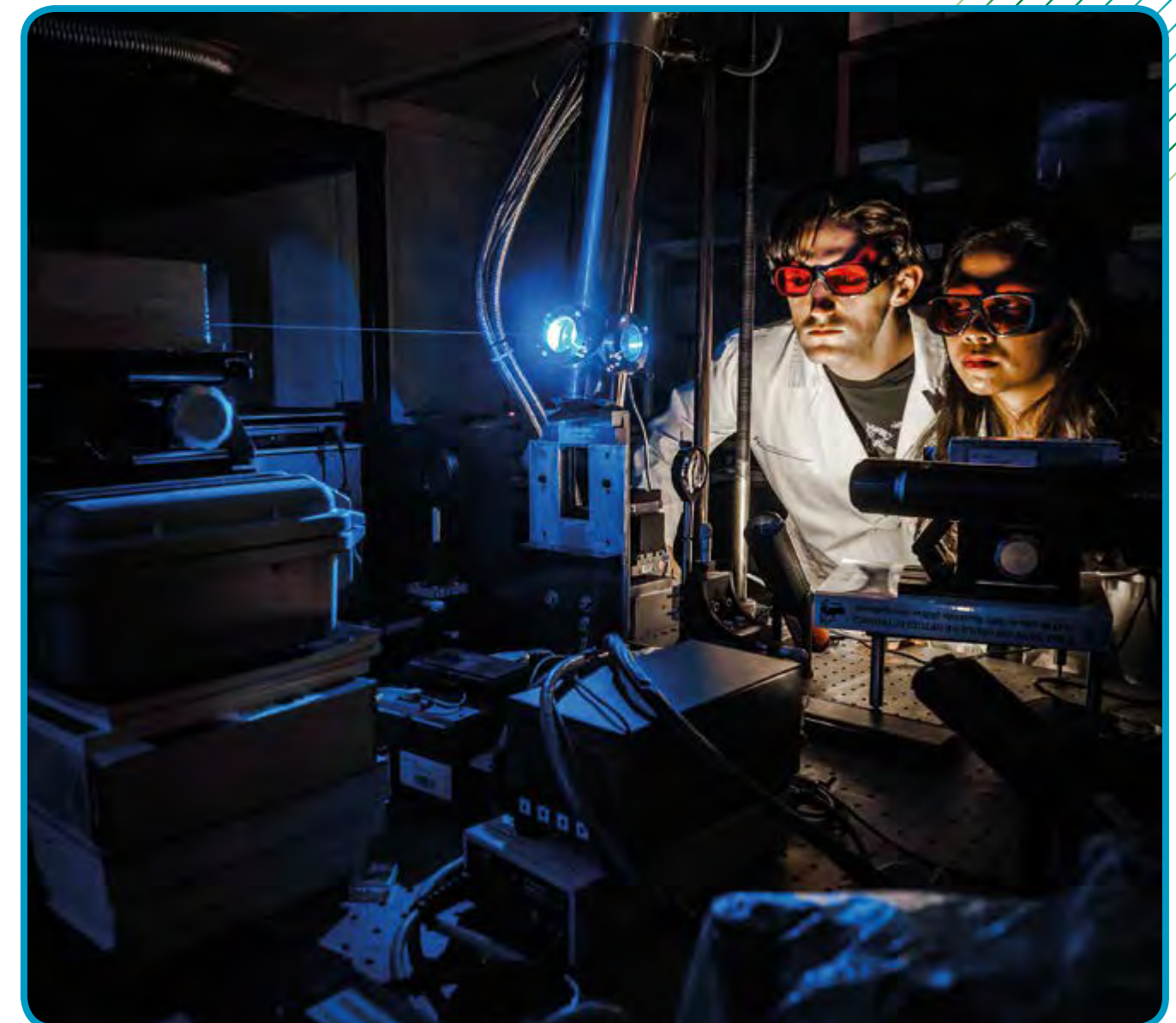
Material topic	Related SDG
Customer satisfaction	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
Tax responsibility	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>
Responsible supply chain	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
Local development and engagement	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>

6.1. OUR COLLABORATION WITH SOCIETY



We're committed to society and the areas where we work and, as a result, we work responsibly and honestly, contributing to the wellbeing and economic and social progress of the communities where we do business.

We encourage support for charity, educational and community service activities, helping to improve the societies where we're present through different actions.



6.1.1. THE ECONOMIC VALUE CONTRIBUTED TO SOCIETY

We see economic performance as a fundamental cornerstone for achieving a long-term sustainable business in all ESG areas.

From the very beginning, we have grown as an organization

along with the communities where we engage, contributing wealth to all our stakeholders with the idea of generating shared value.

For this reason, those of us at Artech Group believe we are

key agents of social development in the communities where we are located, contributing to a number of programs and activities that seek improved job and technological opportunities in the territories where we operate.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

(in millions of euros)	2021	2020
Direct economic value generated (*)	283.6	265.8
Economic value distributed (**)	(274.8)	(245.6)
Economic value retained	8.8	20.2

(*) The turnover and other operating revenue were considered as direct economic value generated.

(**) All procurement, personnel expenses, other operating expenses, exceptional expenses and financial expenses without including allocations for provisions were considered as economic value distributed.

In addition to the economic value distributed by our activities as a result of the monetary flows generated, we also induce other indirect economic impacts

as described throughout this report. The main impacts are indirect employment in local communities, contractors, our supply chain, the redistribution

of the taxes we pay, the enhanced quality of life in the communities where we contribute to their electrification and professional training.



6.1.2. TRADE SHOWS AND EVENTS WE HAVE PARTICIPATED IN

We have a vocation for sharing knowledge and collaborating with events that help disseminate it.

After a global pandemic situation which led to the postponement of many trade shows and events,

we have gradually gone back to the normal pace of business in 2021 by attending a total of 12 international sector fairs as a company during which we were able to listen to and directly learn about our customers' concerns.



SIFER

RVP IEEE Mex

WIND EUROPE

RAIL LIVE

CLEAN
POWER

IREE



And following the success of our specialist webinars in 2020, we kept holding them this year with the following results:



+50
Webinars



+4,200
attendees



+ 100
countries



8
businesses



5
languages



+ production
capacities
and re-use



6 SOCIALLY RESPONSIBLE

Moreover, participating in forums organized for the sector or where current topics of interest to

Arteche are shared is a habitual practice that fosters alliances for collaboration and environments

where knowledge can be shared. We participated in the following forums in 2021:

- **1. Family Business Forum** focusing on offering our vision as a family business in today's world.
- **2. Electrification and Grid Forum**, a gathering during which we spoke about the challenges and opportunities for this sector.

- **3. Biscay Business Forum**, a local event on how companies approach management in the current macroeconomic context.
- **4. Think on Marketing**, a meeting at which we presented our new developments as concerns our relations with

customers in a much more digital and innovative way.

- **5. Digitalization Forum** (CEBEK)
- **6. BIND 4.0 Program**
- **7. Biscay Startup Campus**

6.1.3. AN OPEN INNOVATION ECOSYSTEM

NETWORKED AND OPEN are the words that define the innovation model in which we believe.



WE COLLABORATE
INTERNATIONALLY
WITH TECHNOLOGY
AND SOCIAL ASSOCIATIONS

#MovingTogether

At Arteche, we trust in the ongoing evaluation of opportunities that strengthen our competitive positioning and technological leadership as a way to respond to the challenges of the future in the area of energy as well as to society at large.

In line with our mission of always being on the cutting edge of technological innovation in the electric power sector and being internationally recognized for the quality and level of service of all our products and solutions, Arteche develops R&D&I projects with private/public collaboration and actively participate in the main international electric bodies such as CIGRE and CIRED as well as in the primary international forums for knowledge development, technology and innovation (European SmartGrids Platform, T&D Europe...) as well as in our own territory (INNOBASQUE, Energy Cluster, Basque Energy Cluster, GAIA, CYBASQUE...).

In fact, our *Chief Technology & Innovation Officer* (CTO),

Óscar Fernández de Retana, has been a member of the Board of Directors and President of the GAIA (Basque Country Applied Technology and Knowledge Industries Association) Electronics Committee since 2019. This association has more than 280 affiliated companies. We also collaborate with agents in the Basque Research & Technology Alliance (BRTA) scientific-technology consortium and with TECNALIA, IKERLAN and TEKNIKER, among other associated technology centers.

We join forces with a number of Basque and global entities in either academics or the public sector as well as with our customers and suppliers and even those who were once our competitors but have now become our *partners* and collaborators as we share a vision, technology and developments to successfully approach the new electric transformations.

Moreover, we're an anchor company in the 6th edition (2021) of the Basque Government Open

Innovation and Acceleration BIND 4.0 Program aimed at developing and driving areas such as the smart industry and sustainable and clean energy in connection with the local entrepreneurship and *start-up* ecosystem. As part of our commitment to excellence, quality and innovation, we actively participate on international standardization and certification committees in the world of energy.

Staying alert for the latest regulatory developments prepares us to deliver our products and services with greater flexibility and in line with the market's and society's requirements, thus supporting development and regulatory compliance in the products with which we innovate and in the geographic markets in which we work (CTN, IRAM, NBR...). This means Arteche is boosting a culture of open and collaborative innovation as a driver of growth, competitiveness and sustainability to jointly create value in the energy transportation and distribution value chain and respond to society's energy challenges.



6 SOCIALLY RESPONSIBLE

MAKING A POSITIVE IMPACT ON THE COMMUNITY THROUGH OUR ELECTRIFICATION PROJECTS

We also collaborate with society with each one of our projects. The following stood out in 2021:

- **The Colectora Project** in which Arteche supplies voltage transformers for auxiliary services that are expected to enable the connection of seven wind parks to Colombia's electricity grid, thereby facilitating progress in renewable energy in the north of the country and the Caribbean coast.
- **The Watay Project** in which we participate with our inductive voltage transformers, our intensity and capacitive transformers and our gas insulated transformers for auxiliary services which is expected to not only create some 800 jobs, but also allow some 15,000 people access to electricity in remote northern Canadian communities.
- **The Girasol Solar Power Plant Project** which we have contributed to in order to help the Dominican Republic increase its photovoltaic generation by 50%.

6.1.4. PROMOTING QUALITY EDUCATION

Finding and making talent loyal is a priority challenge for Arteche. We believe collaborating with different academic institutions in the societies where we operate is essential to making it possible to add talent, transfer technical knowledge and, in general, develop the societies around us. The following collaboration efforts were undertaken in 2020:

- We had 36 young people doing university and vocational training internships in different departments.
- Artechegroup has 16 collaboration agreements signed with different universities and training centers.

This year, we participated in an Organization Internationalization University Master's Degree program.

Internally, we support lifelong learning for employees who

wish to enhance their academic background. To this end, we supported several of Arteches people in different places around the world in 2021 who wanted to further their education at higher institutions and other officially recognized programs.

In addition, school supplies were distributed in Argentina among employees' children and school grants were given out to employees' children in Mexico.

6.1.5. SHOWING SOLIDARITY WITH THOSE MOST IN NEED

Actions are taken periodically or in an isolated manner based on the needs that arise in the societies around us. The actions we were involved in last year focused on:

- **Collaboration with Ecoaliados** with whom we signed a collaboration agreement through the Arteches plant in **Argentina** to encourage recycling and sustainable cities
- Campaigns are carried out each year in **Mexico** to support senior citizen homes, periodic visits to Social Institute hospitals and tree planting in the area in addition to toy drives for different groups of people. We also deliver tons of wood, tools and other types of materials to various groups and associations in the region.
- In **Brazil**, we were recognized during the 'Campanha do Agasalho' for collecting more than 700 coats and shoes for those most in need.

In **Spain**, we participated in the initiative fostered by CEBEK 'SDG to School' through which volunteers worked with children from the Luisa de Marillac Association to reflect upon the world in which we live and how to improve it with our actions and behaviors.

6.1.6. PROMOTING A HEALTHY LIFESTYLE THROUGH SPORTS

At Arteche, we promote and participate in social competitions with other companies and local entities. Plus, we sponsor various teams and sports events in the areas where we operate. A few examples include:

- In **Spain**, we are members of the **Athletic Club Foundation**, a non-profit that uses soccer and the values and social dimension of the Athletic Club to support sports and help improve the quality of life of the underprivileged in Biscay. We sponsor soccer, **basketball, cycling, rugby and Basque pelota teams in Mungia** as well as a local elite paralympic athlete.
- This past year some 30 people from the company participated in the **Bilbao Business Race**. Our employees from one of the women's teams won gold and some of our male employees earned silver.
- In **Mexico**, we participated in the **Tepeji del Rio Tournament** as well as in different sports events in competition with other local companies.
- In **China**, the **Autumn Carnaval** event this year included recreational and sports activities fostering teamwork and healthy competition among colleagues in different departments.



6.1.7. INVESTING IN CULTURE

We participate in local sociocultural activities with donations and provide aid to encourage the Basque language and local events in the regions where we are present.

This year, we participated for the first time ever in **'Open House Bilbao'**, an international initiative which has reached

this city through which society has the opportunity to access buildings and architectural structures which are normally closed to the public. This year, Artech opened the doors to our Ultra High Voltage laboratory where volunteers from our plant explained the history of the laboratory and the characteristics that make it

so special and unique when it comes to testing in Europe.

On the other hand, we encourage and sponsor participation in activities like the ArtPhoto Contest, a photography competition organized annually on the subject of the use and impact of electricity. There are four different categories:



- **Life and Electricity**

Photographs that reflect the impact of electricity in people's and society's daily life and its influence on the day-to-day of each of us as individuals under any aspect: how electricity lights us up, heats us, moves us and entertains us.

- **Electric Infrastructures and Equipment**

The impact of electricity on our life would be impossible without the electricity generation, transmission and distribution infrastructure and equipment that facilitate its use and shape our landscapes.

- **Artech Products**

Compositions that integrated Artech products at substations, projects, specific projects, landscapes, etc.

- **Electric Work**

Compositions that represent the connection between electric power sector professionals and the work they do..

Participation in this contest is free of cost and open to our employees as well as anyone anywhere in the world who is interested in participating. A prize is awarded in each category.

More and more people participate in this cultural activity each year. In 2021, we again exceeded the record with more than 800 photographs from 50 different

countries and 5 continents. The winning photographs are chosen in each category by people from within Artech Group.


Life and Electricity:

Night Express by Evgeny Ivanov, from Russia.

Electric Infrastructures and Equipment:

New Energy by Jacek Cislo, from Polonia


Artech Products:

Sunset Artech by Pedro Ajuriaguerra, from España.


Electrical Work:

En el Aire by José Venegas, from España.



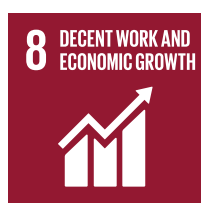
6 SOCIALLY RESPONSIBLE

6.2. PARTICIPATION IN EXTERNAL INSTITUTIONS

Arteche belongs to a number of associations related to its activity with the aim of being an agent of change in the different sectors where it does business.



6.3. SHARED VALUES. A REQUIREMENT OF OUR VALUE CHAIN



DESCRIPTION OF THE SUPPLY CHAIN

The purpose is the supply of materials or ensembles for manufacturing that comply with the requirements established in terms of quality, cost, delivery terms... Irrespective of the fact that the

Arteche Group organization is structured into areas, work is done by processes. The supply chain covers the following tasks even though they are done in different areas (procurement, operations, excellence).

- Selection and negotiation with suppliers
- Contract awarding
- Supplies
- Supplier quality
- Material reception
- Material storage
- Internal logistics
- External logistics

Raw materials and sub-assemblies account for the majority of all procurement. Contracts for raw materials are awarded to local suppliers for each production center as well as global suppliers for global and local procurement. As for sub-assemblies, all procurement is local. In both cases, suppliers must be evaluated/officially approved in accordance with technical department and excellence criteria before being awarded any contract.

For production companies located in Mungia, sub-assemblies are often purchased from special employment centers and occupational centers.

The channels of communication with suppliers providing the largest volumes require communication matrices that identify liaisons from both companies for issues of quality, deliveries, new projects, prices and logistics so as to facilitate

relations for day-to-day provisions as well as for any incidents, corrective actions and improvement projects.

During the supplier qualification/official approval process, Arteche evaluates them based on environmental, safety and social responsibility criteria. Our suppliers are required to make a commitment to complying with the following.



- **Compliance with all laws and regulations applicable in the country** where the activities take place unless they are less demanding than international ethical behaviors in which case the latter are followed.
- **Respect for human rights** and ensuring no employee suffers from harassment, physical or mental punishment or any other type of abuse.
- **Compliance with pay and working hours** in accordance with the laws, rules and standards applicable in the country in question including minimum wages, overtime

hours and maximum working hours.

- **No use of forced or mandatory labor** and ensuring employees are free to leave their job after giving notice well enough in advance.
- **No use of child labor** and, specifically, compliance with ILO standards.
- **Respect for the right of employees to freely organize.**
- Providing all employees with **proper workplace health and safety conditions.**
- **Respect for the environment and compliance with all laws** applicable in the country concerned with the use of sustainable resources.
- **The supply of products and services** in compliance with

the quality and safety criteria specified in contractual documents, ensuring they are safe for the intended use.

- **No use of fraudulent means** such as the payment of bribes.
- **The use of wood from sustainably managed forests** respecting the environment and thus fighting climate change efficiently.
- Assurance that the conflictive minerals acquired (tantalum, gold, tungsten and tin) exclusively come from **smelters and mines** listed as 'conflict-free'.
- **No use of fraudulent methods** to guarantee proper results and records of materials and functional testing required.



We apply the standard supplier qualification and official approval procedure to 100% of our new suppliers, including evaluations of all the points indicated above regarding the environment,

safety and social responsibility. The inspections, audits and performance evaluations of Artech Group suppliers conducted revealed no supplier with forced labor or childhood

labor operations. These audits check aspects related to the quality of their production processes and others related to the environment, workplace health and safety and human rights.

6 SOCIALLY RESPONSIBLE

We buy a high percentage of goods and services from Spanish companies:

PROPORTION OF SPENDING ON LOCAL SUPPLIERS

Country	2021	2020	Var.
Spain	84%	81%	11%
Mexico	76%	68%	5%
Argentina	80%	57%	44%
China	98%	89%	14%
Brazil	72%	34%	8%
Total	80%	74%	-5%

The expectation in Europe is that procurement will move outside the national market meaning these results are likely to gradually decrease.

The main reasons:

- Design changes that force us to find other suppliers outside Spain.
- We have launched a strategic subcontracting project in a European country. The objective is to reduce costs as well as eliminate potential risks with local suppliers.

6.4. FROM CUSTOMER SERVICE TO A CUSTOMER FOCUS

POLICIES AND RESULTS

At Artech, we value our capacity for local service as a competitive advantage which we reinforce by adding new remote monitoring technologies and predictive data analysis so that we can not only offer local services but also isolated services by identifying possible defects before they occur.

Along with local service teams located in the areas of our primary users throughout the world, we've added a top-level technical engineering team.

Innovation and high-value proposals allow us to be part of the transformation of the electricity distribution and transportation network sector as pioneers in the development of

optical metering solutions that allow our customers to improve in the continuity and quality of their services.

We are proud at Artech to be a part of the transformation of the electric power sector, remaining close to our customers, providing them with value and accompanying them through the development of electrical grids in more than 175 countries, always standing out for our vocation to service and closeness.

When designing our products, we guarantee compliance with applicable safety regulations (CE marking and the equivalent in other places around the world) concerning the products themselves and their use by users.

All of our products are labelled appropriately in accordance with the regulations applicable in each country.

We have a customer communication procedure to manage complaints, claims and queries to ensure they are all handled properly. All of these processes are recorded in our ERP based on the requirements established in our protocols. Artech has a specific and exclusive Customer Support Department to field these communications and manage them.

Likewise, there is a firm commitment to evaluating customer satisfaction every two years as per the internally established procedure.

REPORTED INCIDENTS AND THE RESOLUTION THEREOF

There are defined indicators to control and improve our customer complaint management processes.

Likewise, and in order to constantly improve the efficiency of our service and our communications with customers when resolving their complaints and claims, we defined and implemented the following *Customer Support* policies in 2018:

- Once a complaint is received from a customer, we undertake to send them confirmation of receipt of the complaint and process it within 48 hours.
- Once we have all the required information, we undertake to issue our suggestions for immediate action (to resolve the problem for the customer) in less than one week.
- If field work is required, we undertake to complete it in less than three weeks following a preliminary analysis as long as the customer makes such work possible.
- For factory equipment analyses, we undertake to have an analysis

report and a proposal with the corresponding actions in less than two weeks after receiving the equipment (and sending it to the customer).

v. For factory equipment analyses, we undertake to have an analysis report and a proposal with the corresponding actions in less than two weeks after receiving the equipment (and sending it to the customer)..

For even closer controls and monitoring of our customer claims process, we boosted the *Customer Support* structure in 2021 as part of the excellence area made up of managers, administrative personnel and service technicians at various manufacturing companies and in different geographic regions. Furthermore, we continued improving our policies for arranged campaign policies and commercial concessions.

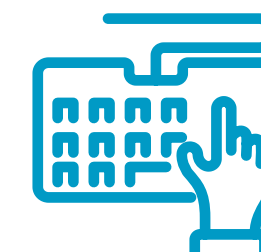
We would like to highlight an increase of 6% in the claims index in 2021 in comparison to 2020, which proves we continue to be more and more demanding in our controls, recording all types of minor incidents, even documental

type incidents (testing protocols, stickers, name plate data, packaging markings, etc.). This is how we are achieving greater customer satisfaction. We can also confirm proper implementation of all after-sales procedures which are being strengthened throughout the organization.

100% of customer claims come with immediate solutions to resolve the problem for customers and they are recorded in our ERP under quality notifications. The group's procedures establish a maximum of 48 hours to accept a claim.

In all cases of customer claims considered serious or significant, immediate actions are taken and a corrective action is opened meaning a multidisciplinary team analyzes the root causes and defines and implements containment or corrective actions to avoid any repetition of the problem.

There has been no non-compliance relating to impacts on the health and safety of products categories and services or any claims relating to breaches of privacy or a loss of customer data.





6.5. FISCALLY RESPONSIBLE

POLICIES AND RESULTS

Fiscally responsible behavior by all Artech Group companies is a part of the General Corporate Responsibility Policy which includes the basic principles of action which must be respected.

The duties and taxes we pay in the countries where we operate are the main contribution by group companies to supporting public expenditure and, therefore, one of our contributions to society.

The tax policy we apply falls under the ethical, social responsibility, transparency and institutional loyalty principles governing Artech Group.

The principles of our tax policy are based on:

- Preventing and reducing tax risks in each area, offering the human and material resources necessary to do so.
- Boosting relations with tax authorities based on legality, trust and collaboration.

- The understanding that the duties and taxes the various group companies pay to the corresponding administrations as our main contribution to supporting public expenditure and, thus, contribution to society.

Based on these principles, the group maintains the following tax practices:

- Not using artificial or opaque business or tax structures in order to avoid or reduce our tax burden or prevent or hinder knowledge by the tax authorities of the end beneficiary of our operations.
- Not constituting or acquiring any companies in tax havens for the purpose of evading our tax obligations.
- Establishing a reporting system that prevents and detects significant tax risks at any group subsidiary.
- Taking into consideration all recommendations and best

tax practices implemented in the countries where the group operates.

- Establishing a transfer price policy that ensures related operations do not transfer any tax to regions with lower tax rates.
- Providing all tax information and documentation requested by tax agencies as quickly as possible and with the proper scope.
- Informing the Board of Directors and the Audit and Compliance Committee of the tax policies applied by the group and informing the Board of the tax consequences whenever a relevant issue arises for any operations that are subject of its approval.

The group makes an impact on the economic development of different tax jurisdictions throughout the world with the tax contributions generated by its business which serves both an economic and a social purpose, always respecting the value of transparency:

ARTECHE GROUP TAX CONTRIBUTION

(in millions of euros)	Spain	Mexico	Brazil	Argentina	China	Total
Own contribution (*)	10,038	3,632	795	594	776	15,834
Of which: Business tax	-	1,887	209	-	86	2,181
Contribution by third parties (**)	7,249	2,021	2,625	114	233	12,242
Total 2021	17,287	5,653	3,420	708	1,009	28,076
Own contribution (*)	8,977	2,870	589	430	1,316	14,182
Of which: Business tax	-	751	35	-	598	1,384
Contribution by third parties (**)	6,582	1,418	1,488	107	66	9,661
Total 2020	15,560	4,288	2,077	536	1,382	23,843

(*) Own contribution: Business Tax, Social Security tax, local taxes

(**) Contribution by third parties: withholdings, value added tax

The prior analysis was done in accordance with the methodology established in the PwC report 'Total Tax Contribution'.

All things considered, we contributed to the territories where we do business with 28 million euros in 2021 between

our own contributions and third-party contributions (23.8 million euros in 2020).

What follows is a breakdown of profit before tax by country:

PROFIT BEFORE TAX BY COUNTRY

(in millions of euros)	2021	2020	Var.
Spain	3,609	395	11%
Mexico	2,391	4,301	5%
Argentina	560	846	44%
USA	762	710	14%
China	392	2,489	8%
Australia	3,216	(379)	-5%
Brazil	704	1,399	
Chile	-415	(138)	
Turkey	2,833	-	
Profit before tax	13,845	9,623	



As concerns tax deductions taken, they are mainly due to the research and development activities carried out at companies

based in Mungia and, specifically in 2021, made it possible for the tax group to apply article 64 bis of the Biscay Business Tax

Regulation on obtaining funding from a third party in exchange for passing the corresponding tax deductions on to them.

FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT

The subsidies received totaled the following in 2021 and 2020 (in thousands of euros):

	2021	2020
R&D&i subsidies	765	835

Subsidies were recorded in 2021 totaling 765,000 euros (835,000 euros in 2020). The main R&D projects carried out in 2021 with public funding have been

included in Annex A4. Basque Fondo de Capital Riesgo, the sole shareholder of which is the Basque Government-Eusko Jaurlaritza, holds 6.40% of the shares in

Artech Lantegi Elkartea (7.55% as of 31 December 2020) after converting the participatory loan it had granted to the company for 5 million euros in 2018 into capital.

7

“ZERO” TOLERANCE FOR CORRUPTION AND BRIBERY

INTEGRITY AND ETHICS
ARE THE FOUNDATION
FOR CONTINUING TO
DEVELOP OUR BUSINESS
WITH A COMMITMENT OF
“ZERO TOLERANCE” FOR
CORRUPTION AND
BRIBERY IN ALL AREAS
OF THE COMPANY.



7 "ZERO" TOLERANCE FOR CORRUPTION AND BRIBERY

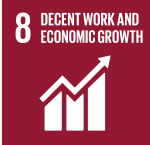


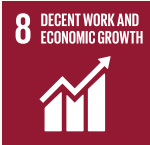


The implementation of a crime prevention model in Mexico

Zero money laundering incidents

The approval of 4 anti-corruption policies

100% of our locations have been evaluated for corruption

931 employees trained in compliance

Material topic	Related SDG
Good governance and risk management	  
Ethics and transparency	  



At Arteché, the fight against corruption and bribery is one of our basic sustainability and good governance goals and has led to the establishment of prevention measures to ensure both strict

compliance with the laws in effect in the territories where we do business as well as with the most demanding standards set forth in our Code of Ethical Behavior.

7.1. CRIME RISK PREVENTION AND PROGRAM

Our criminal risk management model, as established in our company's crime prevention program, is aimed at preventing or reducing the risk of crime in response to the different legal systems where we have implemented it: mainly in Spain and Mexico.

Our crime prevention program aims to prevent any conducts by management, the workforce, partners and, in general, anyone that must report in some way to Arteché acting in its name and on its behalf and who may create criminal liability for the group.

This program includes a promise by management, the organizational model that assigns professionals to certain tasks as well as descriptions of those responsibility tasks under the crime prevention program in addition to various policies and procedures.



As part of this program and for the purpose of the necessary periodic verification and ongoing improvements, the following has been done:

- **In Spain:** a full review of the criminal risk evaluations:
 - An assessment of the risks that have changed to confirm their applicability or rejection.
 - To the extent the prior year subject to risk analysis and evaluation reflects a change on the map, the adjustment of the prevention measures assigned has been assessed and, as applicable, new controls have either been implemented or the already existing ones have been reinforced.
- A full review of the program by Compliance in order to implement ongoing improvement actions in the system. This review involves professionals in positions of responsibility from all group areas and relevant processes.
- **In Mexico:** the implementation for the first year ever of the program by the Legal Department under the supervision of the Compliance Officer.

There was no incident relating to a breach of group standards in 2021.

7.2. MEASURES TO PREVENT CORRUPTION



At Arteché, we always keep in mind that the best way to continue growing and developing our business is by doing things well and with integrity. Beyond rigorous compliance with the applicable laws in the places where we do business, we base our work on the most ethically demanding standards.

Our Code of Ethical Behavior sets forth clear guidelines

against corruption, manifesting zero tolerance for corruption in business in any form which is always prioritized over any possible benefit for the group or its professionals. In order to develop and implement this commitment, the following policies of mandatory compliance for all people within the group were included in our management model in 2021:

7 "ZERO" TOLERANCE FOR CORRUPTION AND BRIBERY



CORRUPTION, FRAUD AND BRIBERY PREVENTION POLICY	It establishes a set of effective measures to prevent and, as applicable, detect and react to any type of corruption, fraud or bribery in the private or public sector – nationally or internationally- including any direct conducts by Arteche personnel as well as indirect conducts through third parties acting as intermediaries (agents, distributors, consultants or similar figures)
POLICY ON GIFTS, MARKETING AND PROMOTIONAL ITEMS AND GESTURES OF HOSPITALITY AND COURTESY	It establishes clear principles of action in relation to offers and/or acceptances of gifts, marketing and promotional items, gestures of hospitality and courtesy by people who are a part of Arteche Group in order to guarantee our conduct is in line with the Arteche Code of Ethical Behavior.
DONATIONS AND SPONSORSHIP POLICY	This policy aims to guarantee any such activities are transparent and coherent with our Code of Ethical Behavior, our values and our anti-corruption, fraud and bribery policy.
POLICY ON RELATIONS WITH CIVIL SERVANTS AND PUBLIC AUTHORITIES	It establishes clear guidelines and principles of action that orient the entire organization's actions and, particularly, those by people who engage in relations with civil servants or authorities – nationally or internationally – in order to prevent illegal practices and ensure transparency, institutional respect and correct relations with civil servants and authorities.
CONFLICT OF INTERESTS PREVENTION POLICY	It establishes the procedures for action that must be followed at Arteche in terms of prevention or, as applicable, the handling of conflicts of interest in which the group's professionals may find themselves in their relations with the company as well as with respect to conflicts that may arise with customers, suppliers and other stakeholders.

100% of all material locations were evaluated in 2021 for corruption risks. Likewise, the percentage of employees informed is 100% and training was provided to a total of 931 group employees. There were two cases of corrupt practices by group employees in 2021. The people involved were dismissed following the corresponding investigation by the Compliance Officer and an analysis by the Ethics Committee (none in 2020).



MONEY LAUNDERING PREVENTION MEASURES

Although the group companies are not subject to Spanish Law 10/2010 on money laundering and terrorism financing and even considering that Arteche is not excessively exposed to such risk, our criminal risk prevention management model evaluates it. Thus, we have established and applied control measures for receivables and payables that prevent them from being used to activate asset laundering and we maintain the precautionary principle in our relations with customers and suppliers as well as in equity operations. We did not detect any suspected money laundering operations in 2021 or 2020.



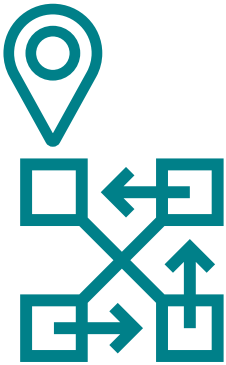
CONTRIBUTIONS TO FOUNDATIONS AND NON-PROFITS

At Arteche, we are committed to sustainability, ethics in business and improving the communities and areas where we work. We get involved in the social development of the regions where we operate by collaborating with local associations and NGOs through economic donations and, in some cases, advising them on business management issues and fostering contacts and relations with other companies. All of these actions are aligned with the group's sustainability strategy, its Code of Ethical Behavior and its crime prevention program, especially as concerns the risk of corruption. With approval from local general management, our geographic sustainability committees are responsible within the group for setting the strategy, receiving communications and channeling approvals of donations and sponsorships. Some of their decision criteria include:

- **Bans on donations and sponsorships** aimed at or that may be interpreted as an attempt to condition legal relations, business, tenders or any other benefit for Arteche
- **Bans on donations to political parties** either directly or indirectly
- No donations or sponsorships in cash or any other equivalent payment method such as gift cards.
- **Bans on donations and sponsorships to organizations that have been involved in corruption** or other conducts contrary to the Arteche code of ethical behavior
- **Bans on donations and sponsorships to organizations or individuals that**

- discriminate** due to race, sex, creed, national origin, sexual orientation or any other personal attribute
- Also not permitted are **donations to governmental entities and/or politically affiliated entities or people related to them** except when they are emergency donations to victims of a recognized disaster with an impact on a wide spectrum of the population (natural disasters, terrorist attacks, etc.)
- **Donations and sponsorships must be reflected in writing** and the sums must be delivered or transferred directly to the destination entity or the event with no third-party intermediaries involved.

The sum of the contributions made to foundations and non-profits totaled 81.67 thousand euros in 2021 (61 million euros in 2020). No contributions were made to political parties in 2021 or 2020. "Chapter 6. Socially Responsible" details the association and sponsorship actions we collaborate on in order to help improve the societies where we're present.



8

ABOUT THIS REPORT

Arteche Group has prepared its Non-Financial Information Statement and Sustainability Report in accordance with the Global Reporting Initiative

(GRI) Guide, following the principles and content defined therein (core option). This is a standard of reference for sustainability reports

which considers all of the most relevant aspects for stakeholders, including exhaustive information on ESG aspects

8.1. SUSTAINABILITY REPORT INFORMATION PERIMETER

8.1.1. TIME AND COMPANY SCOPE

The scope of this Sustainability Report refers to fiscal year 2021 information on the companies over which Arteche has control. Nonetheless, and in line with GRI Standards, the companies in India, Indonesia and Australia, the corporate delegations and holding companies which simply hold shares have been excluded from the scope of this report

since they are not considered relevant in terms of relative significance. Investee companies where there is no effective control capacity, we promote the policies approved by the group as concerns sustainability through the governance bodies of those companies.

The Arteche Group consolidated annual financial statements for 2021 itemize all companies in which Arteche has a direct or indirect interest. As a result, the list of dependent companies, all consolidated using the global integration method since a majority share or control of the company is held in all cases, included in the scope of this report is as follows



RELEVANT COMPANIES AND COUNTRIES IN TERMS OF SUSTAINABILITY INCLUDED IN THE 2021 INFORMATION PERIMETER

CORPORATION	COUNTRY	%
Arteche Lantegi Elkartea, S.A.	Spain	100%
Electrotécnica Arteche Hermanos, S.L.	Spain	100%
Electrotécnica Arteche Smart Grid, S.L.U.	Spain	100%
Arteche Centro De Tecnología, A.I.E.	Spain	100%
Arteche Gas Insulated Transformers, S.L.	Spain	100%
SAC Maker, S.A.U.	Spain	100%
AIT, S.A.	Argentina	100%
Arteche EDC Equipamientos e Sistemas, S.A.	Brazil	100%
Arteche DYH Electric Co. Ltd	China	70%
Arteche North America, S.A. de C.V.	México	100%
Arteche ACP, S.A. de C.V.	México	100%
Esitas Elektrik Sanayi ve Ticaret Anonim Sirketi	Turkey	100%

8 ABOUT THIS REPORT



8.1.2. CONDITIONING FACTORS OF THE INFORMATION

Pursuant to the previous section, the perimeter of this report is reduced to the relevant companies for the purposes of sustainability. To this end, the presentation of the information in this report is subject to the following conditioning factors:

- The financial information included in this report was found

in the group's 2021 consolidated annual financial statements ("global perimeter").

- The non-financial information included in this report is from the relevant companies for the purposes of sustainability ("perimeter of this report").

Under these criteria, Artech believes this report reasonably

reflects the group's economic, environmental and social performance in balanced manner. The limitations and differences identified between both perimeters have an immaterial impact on the global aggregate data and, therefore, the group does not believe they affect how the reader may assess its performance.

8.1.3. COMPARABILITY AND SIGNIFICANT CHANGES IN THE ORGANIZATION, CAPITAL STRUCTURE AND SUPPLY CHAIN

COMPARABILITY AND SIGNIFICANT CHANGES IN THE ORGANIZATION

For the purposes of the obligation set forth in Spanish Law 11/2018, and for the purposes of the comparability requirement, this report expresses both the figures from the current fiscal year as well as those corresponding to the fiscal year that ended on December 31, 2020. The 2020 Non-Financial Information Statement was prepared by the Artech Board of Directors on March 29, 2021. This information is prepared annually.

In July, August and December 2021, the Artech Group took control of the companies Esitas Elektrik Sanayi ve Ticaret Anonim Sirketi (Turkey), PT Esitas Pacific (Indonesia) and Smart Digital Optics (Australia), respectively. To facilitate the comparability of the data, the information on people in Turkey was included annually for this report. However, it does not include the environmental and health and safety information of the company recently incorporated in 2021 in Turkey as

no reliable data were available as of the date of the report. The Artech Management is working to obtain this information in a reliable manner for fiscal year 2022. The sustainability information for Indonesia and Australia is not considered relevant in terms of relevant significance. It is worth mentioning that the following changes were made to the information reflected in the non-financial information statement prepared and approved for fiscal year 2020:

	Information updated as of 12/31/2021	Information updated as of 12/31/2020
Average salary for men in Spain (€m)	44,050	51,177
Average salary for women in Spain (€m)	40,323	45,058

The global salary gap at Artech Group has, therefore, gone from the -8.1% reported in 2020 to -6%.

SIGNIFICANT CHANGES IN THE CAPITAL STRUCTURE

As mentioned in several sections of this report (1.1, 1.6, 3.1 and 3.2.1), the shares in Artech Lantegi

Elkartea, S.A. were listed for the first time in June 2021 in the BME Growth trading segment of BME

MTF Equity (multilateral trading facility).

SIGNIFICANT CHANGES IN THE SUPPLY CHAIN

There were no significant changes in the Artech Group supply chain during the year.

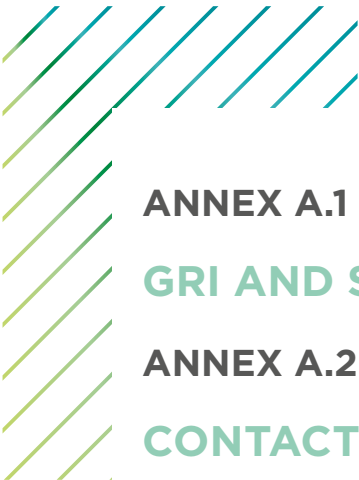
8.2. INDEPENDENT OUTSIDE VERIFICATION

Artech has ensured independent outside verification of its 2021 Non-Financial Information Statement and Sustainability Report through Ernst & Young, S.L. as reflected in Annex A3 of this report.





ANNEXES



- ANNEX A.1
GRI AND SPANISH LAW 11/2018 CONTENT INDEX
- ANNEX A.2
CONTACT CHANNELS
- ANNEX A.3
INDEPENDENT OUTSIDE VERIFICATION
- ANNEX A.4
PARTICIPATION IN R&D PROJECTS
WITH PUBLIC FUNDING
- ANNEX A.5
PEOPLE INDICATORS
- ANNEX A6
ENVIRONMENTAL INDICATORS



ANNEX A.1 GRI AND SPANISH LAW 11/2018 CONTENT INDEX

The following table includes the GRI content index and the content required by Spanish Law 11/2018, on non-financial information and diversity:

GENERAL DISCLOSURES

	Scope	Disclosure	Location	Explanations/ reason for omission
Business model	Description of the business model : <ul style="list-style-type: none">- Business environment- Organization and structure- Markets in which it operates- Goals and strategies- Main factors and trends that may affect its future evolution	GRI 102-2 Activities, brands, products and services GRI 102-4 Location of operations GRI 102-6 Markets served GRI 102-10 Significant changes to the organization and its supply chain GRI 102-16 Values, principles, standards and norms of behavior GRI 102-26 Role of highest governance body in setting purpose, values, and strategy.	Chapter 1. Sustainably Providing Value	
Policies and results of these policies	A description of the policies applied by the group as well as the results of these policies, including key indicators for pertinent non-financial results	103 Management Approach	Throughout the document	
Main risks and impacts identified	The main risks related to these topics and related to the group's activities including, when relevant and provided, their commercial relations, products or services that may have negative effects on these areas.	103 Management Approach 102-15 Key impacts, risks, and opportunities	Chapter 3. Good Governance, Ethics and Risk Management	

ENVIRONMENTAL TOPICS

	Scope	Disclosure	Location	Explanations/ reason for omission
Management approach		GRI 103-2 The management approach and its components	5.1. Management and Environment Approach	
Environmental management	Current and expected effects of company activities	GRI 102-11 Precautionary Principle or approach	5.1.3. The Precautionary Principle or Approach 5.2. Working for a Better World	
	Evaluation procedures or environmental certification		5.1.2. Management Approach	
	Resources dedicated to preventing environmental risks		5.1. Management and Environment Approach	
	The application of the precautionary principle		5.1.3. The Precautionary Principle or Approach	
	The quantity of provisions and guarantees for environmental risks		5.2. Working for a Better World	There are no provisions for environmental risks
Pollution	Measures to prevent, reduce or repair carbon emissions (also including noise and light pollution)	Internal framework: qualitative information on measurements made	5.2. Working for a Better World 5.2.3. Greenhouse Gas Emissions	
The circular economy and waste prevention and management	Measures for prevention, recycling, reuse and other forms of waste recovery and elimination	GRI 306-2 Waste by type and disposal method	5.2.1. The Circular Economy and Waste Prevention Management	In view of the Artech business model, there is no significant incidence of food waste
	Actions to fight food waste		n/a	

ENVIRONMENTAL TOPICS (CONT.)

	Scope	Disclosure	Location	Explanations/ reason for omission
Sustainable use of resources	Consumption of water and water supply pursuant to local limitations	Quantitative information on water consumption	5.2. Working for a Better World 5.2.2. Sustainable Use of Resources	
	Consumption of raw materials	GRI 301-1 Materials consumption by weight or volume	5.2. Working for a Better World 5.2.2. Sustainable Use of Resources	
	Measures taken to enhance the efficiency of use			
	Consumption , direct and indirect, of energy	GRI 302-1 Energy consumption within the organization	5.2. Working for a Better World 5.2.2. Sustainable Use of Resources	
	Measures taken to improve energy efficiency	GRI 302-4 Reduction of energy consumption	5.2.2. Sustainable Use of Resources	
	Use of renewable energies		n/a	There is no outstanding use of renewable energies
Climate change	Significant elements of greenhouse gas emissions generated	GRI 305-1 Direct (Scope 1) GHG emissions. GRI 305-2 Energy indirect (Scope 2) GHG emissions.	5.2. Working for a Better World 5.2.3. Greenhouse Gas Emissions	
	Measures taken to adapt to the consequences of climate change	Internal framework: a qualitative description of efficiency measures	5.2. Working for a Better World	
	Goals for reduction voluntarily established		2.1. Our Sustainability Strategy 5.2.3. Greenhouse Gas Emissions	
Bio-diversity protection	Measures taken to preserve or restore biodiversity	Internal framework: a qualitative description	5.2.4. Protecting Biodiversity	
	Impacts caused by activities or operations in protected areas			

SOCIAL AND PERSONNEL-RELATED TOPICS

	Scope	Disclosure	Location	Explanations/ reason for omission
Management approach		GRI 103-2 The management approach and its components	Chapter 4. Our Energy: People. #MovingTogether	
Salary gap	Total number and distribution of employees by sex, age, country and professional category	GRI 102-8 Information on employees and other workers	Annex A.5	
	Total number and distribution of employment contract types	GRI 405-1 Diversity of governance bodies and employees	Annex A.5	
	Annual average indefinite, temporary and part-time contracts by sex, age and professional category	Quantitative information on the percentage of contracts at closing	Annex A.5	
	Number of dismissals by sex, age and professional category	Quantitative information on dismissals	Annex A.5	
	Salary gap	GRI 405-2 Diversity and equal opportunity	4.2.2. Compensation and Salary Gap Data	
	Average remuneration by sex, age and professional category	Quantitative information on average remuneration for employees including fixed and variable	Annex A.5	
	Average remuneration of directors by sex	Quantitative information on average remuneration of directors	4.2.2. Compensation and Salary Gap Data	
	Average remuneration of management by sex	Quantitative information on average remuneration of management	4.2.2. Compensation and Salary Gap Data	
	The implementation of disconnecting from work policies	Internal framework: a qualitative description	4.2.3. Creating Quality Jobs	
	Employees with a disability	GRI 405-1 Diversity of governance bodies and employees	4.2.1. Diversity, Equality and Accessibility	
Work organization	Organization of work time	Internal framework: a qualitative description	4.2.3. Creating Quality Jobs	
	Number of absenteeism hours	Quantitative information on absenteeism hours	4.2.3. Creating Quality Jobs	
	Measures aimed at facilitating work/life balance and promoting co-responsible exercise thereof by both parents	Internal framework: a qualitative description GRI 401-3 Parental leave	4.2.2. Compensation and Salary Gap Data	

SOCIAL AND PERSONNEL-RELATED TOPICS (CONT.)

	Scope	Disclosure	Location	Explanations/ reason for omission
Health and safety	Health and safety conditions at work	Internal framework: a qualitative description	4.3. Health and Safety	
	Number of workplace accidents and occupational diseases by sex, frequency rate and severity by sex	GRI 403-2 Hazard identification, risk assessment, and incident GRI 403-9 Work-related injuries	4.3. Health and Safety	
Social relations	Social dialog Organization	Internal framework: a qualitative description	4.2.3. Creating Quality Jobs	
	Percentage of the workforce covered by a collective bargaining agreement by country	GRI 102-41 Collective bargaining agreements	4.2.3. Creating Quality Jobs	
	Summary of collective bargaining agreements, particularly in the field of health and safety at work	Internal framework: a qualitative description	4.2.3. Creating Quality Jobs	
Training	Policies implemented in the field of training	GRI 404-2 Programs for upgrading employee skills and transition assistance program.	4.1.2. Talent Recruitment	
	Total quantity of training hours by professional category	GRI 404-1 Average hours of training per year per employee	Annex A.5	
Universal accessibility for the disabled		Internal framework: a qualitative description	4.2.1. Diversity, Equality and Accessibility	
Equality	Measures taken to promote equal treatment and opportunities among women and men	GRI 401-3 Parental leave	4.2.1. Diversity, Equality and Accessibility	
	Measured equality plans adopted to promote employment, protocols against sexual harassment and sex-based harassment		4.2.1. Diversity, Equality and Accessibility	
	Integration and universal accessibility of the disabled	GRI 405-1 Diversity of governance bodies and employees	4.2.1. Diversity, Equality and Accessibility	
	Policy against all types of discrimination and, as applicable, diversity management		4.2. How We Defend Human and Labor Rights	

INFORMATION ON RESPECT FOR HUMAN RIGHTS

	Scope	Disclosure	Location	Explanations/ reason for omission
Management approach		GRI 103-2 The management approach and its components	4.2. How We Defend Human Rights	
Application of due diligence procedures in the area of human rights		GRI 102-16 Values, principles, standards and norms	4.2. How We Defend Human Rights	
Prevention of the risks of human rights breaches and, as applicable, measures to mitigate, manage and repair possible abuses committed		Internal framework: a qualitative description	4.2. How We Defend Human Rights	
Complaints of breaches of human rights		Quantitative information on the number of complaints	4.2. How We Defend Human Rights	
Promotion and compliance with the provisions of fundamental ILO conventions related to respect for the freedom of association and the right to collective bargaining, the eradication of workplace discrimination, the eradication of forced or mandatory labor and the effective abolition of child labor		<p>GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.</p> <p>GRI 408-1 Operations and suppliers at significant risk for incidents of child labor.</p> <p>GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor.</p>	4.2. How We Defend Human Rights	

INFORMATION ON THE FIGHT AGAINST CORRUPTION AND BRIBERY

	Scope	Disclosure	Location	Explanations/ reason for omission
Management approach		GRI 103-2 The management approach and its components	7.1. Crime Risk Prevention and Program	
Measures taken to prevent corruption and bribery		A qualitative description of the management done	7.2. Measures to Prevent Corruption	
Measures to fight against money laundering		A qualitative description of the measures	7.2. Measures to Prevent Corruption	
Contributions to foundations and non-profits		Qualitative and quantitative information on contributions	7.2. Measures to Prevent Corruption	

INFORMATION ON SOCIETY

	Scope	Disclosure	Location	Explanations/ reason for omission
Management approach		GRI 103-2 The management approach and its components	Chapter 6. Socially Responsible	
Company commitments to sustainable development	Impact of the company's activity on jobs and local development	GRI 102-12 External initiatives GRI 102-13 Memberships of association GRI 102-43 Approach to stakeholder engagement	6.1. Our Collaboration with Society	
	Impact of the company's activity on local populations and the territory		6.1. Our Collaboration with Society	
	Relations with local community members and types of dialog with them		6.1.3. An Open Innovation Ecosystem 6.1.6. Promoting a Healthy Lifestyle Through Sports	
	Actions of association or sponsorship			
Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in the procurement policy	A qualitative description of the management done	6.3. Shared Values. A Requirement of Our Value Chain	
	Consideration for social and environmental responsibility in relations with suppliers and subcontractors	A qualitative description of the management done	6.3. Shared Values. A Requirement of Our Value Chain	
	Systems for supervision and auditing and the results thereof	A qualitative description of the supervision and audit systems	6.3. Shared Values. A Requirement of Our Value Chain	
Consumers	Measures for consumer health and safety	A qualitative description of the measures	6.4. From Customer Service to a Customer Focus	
	Systems for filing complaints	A qualitative description of the complaint system	6.4. From Customer Service to a Customer Focus	
	Complaints received and their resolution	Quantitative information on the number of complaints received	6.4. From Customer Service to a Customer Focus	
Tax information	Profits earned by country	Profit before tax by country	6.5. Fiscally Responsible	
	Taxes on profits paid	Business tax paid in 2019	6.5. Fiscally Responsible	
	Public subsidies received	GRI 201-4 Financial assistance received from government.	6.5. Fiscally Responsible	

EU TAXONOMY

	Scope	Disclosure	Location	Explanations/ reason for omission
Information on EU Taxonomy		KPIs pursuant to Regulation 852/2020	2.6. Climate Taxonomy	
Eligible proportion of revenue				
Eligible proportion of CapEx				
Eligible proportion of OpEx				

9 ANNEXES

ANNEX A.2 CONTACT CHANNELS

GRI 102-1 GRI 102-3 GRI 102-53

Any query related to this report may be submitted through the following channels:

- The group's website: www.artech.com
- The group's sustainability box: sostenibilidad@artech.com
- The headquarters and principal place of business:
Artech Lantegi Elkartea, S.A.: Derio Bidea 28 48100 Mungia (Biscay) T.: (34) 94 601 12 00

ANNEX A.3 INDEPENDENT OUTSIDE VERIFICATION

"Included at the end of this document"

GRI 102-56

ANNEX A.4 PARTICIPATION IN R&D PROJECTS WITH PUBLIC FUNDING

R&D&I FUNDING PROJECTS WITH PUBLIC/PRIVATE COLLABORATION

Center for Industrial Technological Development (CDTI)



2017-2021 SUBSIDIES

- **REDELEC (IDI- 20170942, IDI-20170944):** Research in Cybersecurity Technologies for the Deployment of a More Secure Electrical Grid (2017-2021)



- **Basque Government HAZITEK**
- **MORETAT (ZL-2021/00744):** Advanced System for High Voltage Metering Transformer Remote Monitoring and Asset Management (2021-2023)
- **CINCOSEI (ZE-2020/00019):** Integrated Cybersecurity for Industrial Electronic Components and Systems (2020-2021)
- **ARCO (ZL-2019/00732, ZL-2020/00350, ZL-2021/00740):** Study, modelling and validation of the internal ARCO phenomenon in different dielectric insulators for the development of next-generation metering transformers (2019-2021)

- **TRUEVALS (ZE-2021/00004):** Trust Technologies for Smart Grid Value Chain Cybersecurity (2021)
- **ELKARTEK**
- **BIOAT (KK-2021/00102):** Analysis of new biodegradable liquids for application in high voltage insulators (2021/2022)

2019-2021 MONETIZATIONS

- **CAPACITATIVE (DE/2019/0007):** The development of a substation automation system based on the new hardware platform with next-generation functionalities (2021-2023)
- **PLATAFORM (DF/2020/0018):** The development of a new family of high-performing capacitive transformers (2019-2021)

ANNEX A.5 PEOPLE INDICATORS

HOURS OF TRAINING PER YEAR BY PROFESSIONAL CATEGORY

	2021 (*)	2020	2019
Specialists and supervisors	657	1,049	614
Operators	31,600	19,355	10,370
Technicians and administration	3,397	3,664	3,337
Higher education graduates	11,948	9,404	5,893
Management	1,459	1,417	2,844
Total	49,061	34,889	23,058

(*) Included are 418 hours of training provided by Esita Elektrik (a Turkish company acquired in July 2021), calculated annually for better comparability.

HOURS OF TRAINING PER YEAR BY PROFESSIONAL CATEGORY

	Men		Women		Total		Men %		Women %	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Specialists and supervisors	70	52	9	8	79	60	89%	87%	11%	13%
Operators	1,162	1,035	312	205	1,474	1,240	79%	83%	21%	17%
Technicians and administration	135	138	97	96	232	234	58%	59%	42%	41%
Higher education graduates	369	337	148	125	517	462	71%	73%	29%	27%
Management	34	29	13	13	47	42	72%	69%	28%	31%
Total	1,770	1,591	579	447	2,349	2,038	75%	78%	25%	22%

(*) Included as of 31 December 2021 are 349 employees from Esita Elektrik (a Turkish company acquired in July 2021); 116 women and 233 men.

PERCENTAGE OF PEOPLE DISTRIBUTED BY SEX, AGE, PROFESSIONAL CATEGORY AND TYPE OF EMPLOYMENT CONTRACT (*)

	Indefinite %		Temporary %		Indefinite		Temporary	
	2021	2020	2021	2020	2021	2020	2021	2020
Specialists and supervisors	96%	98%	4%	2%	76	59	3	1
Operators	79%	65%	21%	35%	1,170	811	304	429
Technicians and administration	97%	99%	3%	1%	226	232	6	2
Higher education graduates	96%	94%	4%	6%	498	432	19	30
Management	100%	100%	0%	0%	47	42	-	-
Men	86%	77%	14%	23%	1,518	1,226	252	365
Women	86%	78%	14%	22%	499	350	80	97
<30	71%	46%	29%	54%	333	194	136	231
30-50	88%	84%	12%	16%	1,334	1,104	181	206
>50	96%	92%	4%	8%	350	278	15	25
Total	86%	77%	14%	23%	2,017	1,576	332	462

Included as of 31 December 2021 are 349 employees from Esita Elektrik (a Turkish company acquired in July 2021), all of whom have indefinite contracts.

PERCENTAGE OF PEOPLE DISTRIBUTED BY SEX, AGE, PROFESSIONAL CATEGORY AND TYPE OF EMPLOYMENT CONTRACT (*)

	2021 (*)		2020			
	Indefinite	Temporary	Part time	Indefinite	Temporary	Part time
Specialists and supervisors	62	7	-	59	1	-
Operators	961	289	3	808	353	3
Technicians and administration	227	5	2	238	2	3
Higher education graduates	427	29	2	431	16	-
Management	43	-	-	42	-	-
Men	1,301	258	3	1,219	291	2
Women	402	68	3	358	81	5
<30	282	142	-	188	182	3
30-50	1,149	165	3	1,104	171	3
>50	272	16	2	284	20	-

(*) The averages contributed by Esita Elektrik (a Turkish company acquired in July 2021) are only considered for the six months during which it has belonged to Artech Group.

DISTRIBUTION OF WORKFORCE BY AGE (*)

	Men			Women		
	2021	2020	2019	2021	2020	2019
<30	345	332	275	124	93	84
30-50	1,116	1,002	930	399	308	303
>50	309	257	227	56	46	39
Total	1,770	1,591	1,432	579	447	426

(*) Included as of 31 December 2021 are 349 employees from Esita Elektrik (a Turkish company acquired in July 2021), 109 of whom are <30, 206 aged 30-50 and 34 >50.

TURNOVER RATE AND NEW HIRES

S.S.R.: Social Security Registrations S.S.D-R.: Social Security De-registrations T.R.: Turnover Rate

	2021 S.S.R.	2020 S.S.R.	2019 S.S.R.	2021 S.S.D-R.	2020 S.S.D-R.	2019 S.S.D-R.	2021 T.R. (*) (**)	2020 T.R. (*)	2019 T.R. (*)
Total	674	550	88	425	358	100	18.09%	17.57%	5.38%

(*) Calculated as (voluntary leaves and dismissals at the group / Total workforce at end of the year) x 100

(**) The annualized turnover rate contributed by Esitas Elektrik (Turkish company acquired in July 2021) was 37.25%.

The Artech Group turnover rate without considering Esitas Elektrik would be 14.75%.

Of the total number of Social Security de-registrations within the group, 37 (24 in 2020) were the result of dismissals:

DISTRIBUTION OF DISMISSALS BY SEX, PROFESSIONAL CATEGORY, AGE AND EMPLOYMENT CONTRACT

Dismissals			
	2021 (*)	2020	2019
Management	2	-	1
Specialists and supervisors	1	1	4
Operators	22	9	22
Technicians and administration	3	5	11
Higher education graduates	9	9	5
Men	24	17	21
Women	13	7	22
<30	18	6	6
30-50	15	15	21
>50	4	3	16

(*) Included are 16 dismissals contributed by Esitas Elektrik (Turkish company acquired in July 2021) calculated in an annualized way for better comparability.

DISTRIBUTION OF PEOPLE BY COUNTRY AND GENDER

	Men			Women		
	2021	2020	2019	2021	2020	2019
Spain	552	541	541	188	169	179
Mexico	581	612	518	199	208	169
China	195	209	173	40	39	40
Brazil	90	90	74	24	23	29
Argentina	119	139	126	12	8	9
Turkey (*)	233	-	-	116	-	-
Total	1,770	1,591	1,432	579	447	426

(*) Esitas Elektrik was acquired in July 2021; therefore, only data up to that date are included.

DISTRIBUTION OF THE WORKFORCE WITH A DISABILITY

2021				2020		
	Men	Women	Total	Men	Women	Total
Brazil	2	-	2	2	1	3
Spain	4	1	5	3	2	5
Mexico	-	-	-	1	-	1
Turkey	4	1	5			
Total	10	2	12	6	3	9

PARENTAL LEAVES

	2021 (**)			2020		
	Men	Women	Total	Men	Women	Total
Total no. of people with a right to parental leave	60	21	81	79	29	108
Total no. of people who have gone on parental leave	47	36	83	230	42	272
No. of people who have returned to work after a parental leave	61	13	74	72	26	61
Return to work rate (*)	129%	36%	89%	31%	62%	22%

(*) Calculated as the no. of people who have returnedx100/no. of people who had to return. The increase in 2021 is due to people who began their leave in 2020 and returned in 2021. The global rate is 100%
 (**) Included are 6 men and 2 women from Esitas Elektrik who had a right to parental leave, took it and have returned, calculated in an annualized way for better comparability.

DISTRIBUTION OF PART-TIME CONTRACTS BY SEX, PROFESSIONAL CATEGORY, AGE AND EMPLOYMENT CONTRACT

Part-time contracts			
	2021	2020	2019
Management	-	-	-
Specialists and supervisors	-	-	-
Operators	3	2	5
Technicians and administration	-	2	4
Higher education graduates	1	-	-
Men	3	2	2
Women	1	2	7
<30	-	-	7
30-50	2	3	2
>50	2	1	-
Temporary	-	-	8
Indefinite	4	4	1
Total	4	4	9

AVERAGE PAY BY AGE AND PROFESSIONAL CATEGORY

	2021	2020	2019
<30	8,205	7,248	7,714
30-50	20,719	21,789	23,773
>50	35,527	35,539	40,030
Management (*)	97,538	94,186	94,833
Specialists and supervisors	13,550	14,956	12,549
Operators	13,357	13,642	14,903
Technicians and administration	18,314	18,918	21,503
Higher education graduates	36,003	35,058	38,867
Total average remuneration	20,522	20,801	

(*) Including the Group Management Committee, geographic committees and areas that directly report to the President.

TOTAL AVERAGE REMUNERATION AND SALARY GAP

	Men			Women			Brecha (*)		
	2021	2020	2019	2021	2020	2019	2021 (**)	2020	2019
Total	21,232	21,081	23,567	18,349	19,805	21,194	-13.6%	-6%	-10.1%

(*) Calculated as average remuneration women/average remuneration men -1
 (**) The salary gap contributed by Esitas Elektrik as of December 31, 2021 was 19.8%.

ANNEX A.6 ENVIRONMENTAL INDICATORS

There was a variation in the waste rate in 2021 due to the direct correlation between waste production and generation:

WASTE REDUCTION RATE BY TYPE IN 2021

País		2021 waste variation rate (*)	2020 waste variation rate (**)
Spain	Hazardous	-38.57%	-10.65%
	Hazardous recycled	-39.44%	-10.15%
	Non-hazardous	+25.48%	-23.33%
	Non-hazardous recycled	+4.91%	-12.68%
Mexico	Hazardous	-29.19%	-44.4%
	Hazardous recycled	-67.55%	+66.8%
	Non-hazardous	+86.9%	-16%
	Non-hazardous recycled	+66.25%	-12.4%
Argentina	Hazardous	-1.43%	-65%
	Hazardous recycled	+23.2%	-79.8%
	Non-hazardous	+14.76%	-7.7%
	Non-hazardous recycled	+150.68%	+0.8%
China	Hazardous	-18.856%	-56%
	Hazardous recycled	-	-
	Non-hazardous	-9.76%	-48.3%
	Non-hazardous recycled	-	-
Brazil	Hazardous	-27.07%	-40.3%
	Hazardous recycled	-59.52%	-
	Non-hazardous	+209.8%	-30.1%
	Non-hazardous recycled	+0.59%	+8.2%
Total	Hazardous	-44%	-35.26%
	Hazardous recycled	-53%	+14.94%
	Non-hazardous	+40.83%	-20.45
	Non-hazardous recycled	+54.33%	-11.9%

(*) Calculated as: (2021 country tons / 2020 country tons) -1
 (**) Calculated as: (2020 country tons / 2019 country tons) -1

ELECTRICITY CONSUMPTION REDUCTION RATE BY COUNTRY

Country	Electricity consumption variation rate	2020 electricity consumption variation rate (**)
Spain	-8.03%	-0.84%
Mexico	+4.49%	+23.1%
Argentina	-11.3%	-3.6%
China	-8.66%	+31%
Brazil	+6.76%	-0.1%
Total	-4.5%	+9.68%

(*) Calculated as: (2021 country kWh / 2020 country kWh) -1
(**) Calculated as: (2020 country kWh / 2019 country kWh) -1

TASA DE REDUCCIÓN DEL CONSUMO DE AGUA POR PAÍS

Country	Electricity consumption variation rate	2020 electricity consumption variation rate (**)
Spain	+36.43%	-30.14%
Mexico	+39.56%	-44.94%
Argentina	-55.17%	-61.2%
China	+7.64%	+3.98%
Brazil	-10.7%	-21.76%
Total	+10.72%	-32.43%

(*) Calculated as: (2021 country m³ / 2020 country m³) -1
(**) Calculated as: (2020 country m³ / 2019 country m³) -1

DIRECT AND INDIRECT CO₂ EMISSIONS REDUCTION RATE

Country	2021	2020
Spain	-14.77%	-11.16%
Mexico	-12.70%	-7.76%
Argentina	-7.21%	-6.92%
China	+47.38%	-6.07%
Brazil	+17.31%	+67.74%
Total scope 1 emissions	-2.7%	+7.03%
Spain	-8.03%	-0.83%
Mexico	+4.42%	+23.13%
Argentina	-11.3%	-3.63%
China	-8.66%	+31.01%
Brazil	-6.33%	-0.07%
Total scope 2 emissions	-4.5%	+9.68%

2021 SCOPE 3 EMISSIONS CALCULATION

Company	Product	Total UPSTREAM Emissions	Total CORE Emissions	Total DOWNSTREAM Emissions	Total CO ₂ e and Scope 3 Emissions	Total units (year)* of this reference and equivalents	Total Scope 3 Emissions (tn CO ₂ Eq)
ADYH	KA145	882 kg Co ₂ E	NA	88.9 kg Co ₂ E	970.9 kg Co ₂ E	6149	5970064.1 kg Co ₂ E
AEDC	SMART RC 27KV THREE-PHASE	499 kg Co ₂ E	NA	7,990 kg Co ₂ E	8,489 kg Co ₂ E	1537	13,047,593 kg Co ₂ E
ANA	SMART RC 27KV THREE-PHASE	499 kg Co ₂ E	NA	7990 kg Co ₂ E	8,489 kg Co ₂ E	462	3,921,918 kg Co ₂ E
	VRJR-17	157 kg Co ₂ E	NA	706 kg Co ₂ E	863 kg Co ₂ E	4183	3609929 kg Co ₂ E
	CRFR-17	157kg Co ₂ E	NA	706 kg Co ₂ E	863 kg Co ₂ E		
	CA-72	402 kg Co ₂ E	NA	11,000 kg Co ₂ E	11,402 kg Co ₂ E	3966	45,220,332 kg Co ₂ E
	VJNX-36	179 kg Co ₂ E	NA	229 kg Co ₂ E	408 kg Co ₂ E	NA	NA
EAHSL	KA-100	152.5 kg Co ₂ E	NA	3.9 kg Co ₂ E	156.4 kg Co ₂ E	806	126,058.4 kg Co ₂ E
	CA-245 (CX+-CA+UT INCLUDED)	176 kg Co ₂ E	NA	4.4 kg Co ₂ E	180.4 kg Co ₂ E	8351	1,506,520.4 kg Co ₂ E
	SENSART VMAC	43.3 kg Co ₂ e	NA	0 kg Co ₂ E	43.3 kg Co ₂ E	13844	599,445.2 kg Co ₂ E
EASG	RF 4 125	0.28 kg Co ₂ E	NA	0.32 kg Co ₂ E	0.60 kg Co ₂ E	452107	271,264.2 kg Co ₂ E
	ADATECH CMD	160 kg Co ₂ E	NA	0 kg Co ₂ E	160 kg Co ₂ E	670	107,200 kg Co ₂ E
SAC MAKER	SATECH BCU	706 kg Co ₂ E	NA	0.59 kg Co ₂ E	706,59 kg Co ₂ E	1271	898,075.89 kg Co ₂ E
	MORE 6	71.3 kg Co ₂ E	NA	0 kg Co ₂ E	71.3 kg Co ₂ E	NA	NA
AGIT	UG3-145	706 kg Co ₂ E	NA	2,100 kg Co ₂ E	2,806 kg Co ₂ E	152	426,512 kg Co ₂ E
AIT	NA	NA	NA	NA	NA	1616	NA
Global	75,704,912.19 kg Co ₂ e						



arteche

