



NON-FINANCIAL STATEMENT REPORT 2024

Period from 01/01/24 to 31/12/24

28/04/2025 Ed.00

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1 Introduction

This document is the non-financial information statement of Cables de Comunicaciones Zaragoza, SL (hereinafter CABLESCOM) and the company Cablescom interconnect Technology (Suzhou, China) Co., Ltd, incorporated at 55% in April 2018. CABLESCOM has been owned by Hengtong Group since 2016.

This document is prepared in accordance with and in compliance with Law 11/2018, of December 28, which modifies the Commercial Code, the revised text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing of Accounts, in matters of non-financial information and diversity.

2 Aim

The purpose of this document is to comply with Law 11/2018, of December 28, which modifies the Commercial Code, the revised text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing of Accounts, regarding non-financial information and diversity, specifically its first article and point 6. In this sense, this document contains sufficient and necessary information to understand the evolution, results and situation of CABLESCOM and Cablescom interconnect Technology, and the impact of its activity in terms of environmental and social issues, respect for human rights and the fight against corruption and bribery, as well as those relating to personnel, including the measures that, where appropriate, have been adopted to promote the principle of equal treatment and opportunities between women and men, non-discrimination and inclusion of people with disabilities and universal accessibility.

CABLESCOM has prepared this report in accordance with the Global Reporting Initiative (GRI) Standards for the period from 1 January to 31 December 2024.

The non-financial information contained in this document has been prepared in accordance with current commercial regulations and refers to the aforementioned period.

Furthermore, the preparation of this non-financial statement takes into account the recommendations of renowned international initiatives on social responsibility, such as:

- Global Reporting Initiative (GRI) standards and guidelines for preparing sustainability reports.
- Sector analysis based on the study of non-financial information statements, social responsibility reports and sustainability reports from companies in the sector.
- The Ten Principles of the United Nations Global Compact.
- The ILO Declaration on Fundamental Principles and Rights at Work.

3 CEO Letter

Dear collaborators, clients, and partners,

I am writing to present the Non-Financial Statement Report of Cables de Comunicaciones Zaragoza. As part of the Hengtong Group, our company has consolidated its position as a benchmark in the manufacturing of telecommunications and railway signaling cables, contributing to the development of critical infrastructure for connectivity and sustainable mobility.

The current global context presents us with unprecedented challenges. The conflicts in certain regions and frictions of world trade due to imposed tariffs have created market uncertainty and impacted the global economy, affecting supply chains and the cost of raw materials. Despite this scenario, Cables de Comunicaciones Zaragoza has remained commitment to operational excellence and has achieved solid financial results, reflecting our ability to adapt and remain resilient.

In an increasingly interconnected world with growing environmental awareness, our responsibility extends beyond operational excellence. In this regard, we want to reaffirm our commitment to sustainable growth, innovation, and continuous improvement in ESG (environmental, social, and governance) criteria.

Our goal is to continue expanding our business while maintaining the highest standards of quality and efficiency. To achieve this, we invest in digitalization, process optimization, and the development of solutions that meet our clients' needs while minimizing our environmental impact.

One of our main challenges and commitments for the coming years is reducing our carbon footprint. We are implementing strategies to improve energy efficiency, increasing the use of sustainable materials, and promoting a circular economy in our production processes. We firmly believe that sustainability and business growth are not mutually exclusive but complementary goals, and we work to ensure that our activities generate a positive impact on society and the environment.

On the social front, we continue to strengthen our initiatives to guarantee a safe, inclusive, and diverse work environment, promoting the professional development of our team and fostering a culture of ethics and transparency in all our operations.

At Cables de Comunicaciones Zaragoza, we are convinced that the future is built with vision, responsibility, and collaboration. I sincerely appreciate the dedication and commitment of our employees, the trust of our clients, and the support of our partners. Let us continue working together towards a more sustainable and prosperous future for all.

Eddie Wang
CEO, Cables de Comunicaciones de Zaragoza S. L.

4 Key figures 2024

Social

- ✓ **Workforce:** 332 people
- ✓ **Women in the workforce:** 38,67%
- ✓ **Local employment:** 100%
- ✓ **Purchases from local suppliers:** 39,71%
- ✓ **Protection under collective agreements:** 100% of hires

Environmental

- ✓ **Expenditure on environmental protection and improvement:** 287.104,20€
- ✓ **Waste sent for recovery:** 53%
- ✓ **Reduction in CO₂ emissions:** 18%
- ✓ **Reduction in consumption:**
 - **Water:** 23,03%
 - **Electricity:** 23,83%
 - **Fuel:** 29,85%
 - **Natural gas:** 17,82%

5 Organisational context

5.1. About CABLESCOM

- **Who are we**

CABLESCOM is a company dedicated to the design, development and production of copper and fiber optic cables for telecommunications, signaling and instrumentation.

Key milestones and achievements

1971: Founded by Telefónica and General Cable to meet the production needs of the existing copper cable voice and data networks of the time.

1983: Produces the first fiber optic cable manufactured in Spain.

1992: First supplier awarded the contract for the Spanish AVE high-speed train line.

1996: CABLESCOM is wholly managed by General Cable.

1998: CABLESCOM is acquired by the american brand Corning.

2000: Under new management by the Altron company.

2016: CABLESCOM is acquired by Hengtong Group.

2016 marks a turning point for CABLESCOM, as it transitions from manufacturer to provider of end-to-end connectivity solutions.

2018: The company constitutes 55% of Cablescom Interconnect Technology (Suzhou) Co. Ltd, based in Wuijiang City (China).

- **Presence**

CABLESCOM has its headquarters and production plant in Zaragoza, located in the Malpica Industrial Estate, covering a built area of 81,885 m2, which houses the production plant, offices and warehouses. It also has a sales office in Madrid (Calle Acanto, 22).



Illustration 1. Aerial photograph of CABLESCOM facilities

On 20 September 2024, the groundbreaking ceremony for the expansion of the Zaragoza facilities took place. The ceremony was attended by the President of the Government of Aragon, Jorge Azcón; the Chinese Ambassador to Spain, Yao Jing; the Mayor of Zaragoza, Natalia Chueca; and the Chairman of the Board of Directors of CABLESCOM, Eddie Wang, among other distinguished representatives of institutions and companies.



Illustration 2. Groundbreaking ceremony for the expansion of the facilities.

With an investment of €10 million, CABLESCOM is creating a new production plant that will incorporate state-of-the-art technology and lead to significant growth.

The single-store building will have a floor area of around 8,000 square meters. With this expansion, the total covered area will be 37,900 square meters. The layout of the new building will include three main areas: extrusion, protection and painting. It will also have a chemical storage area and a testing machine. In the current warehouse, a new 800-square-metre office area will be added, among other improvements. The new facility is expected to be operational in autumn 2025.

CABLESCOM operates mainly in Europe, in the North African and Middle Eastern markets, although it also pursues opportunities in South America and other markets at the request of its regular customers. Its customers are telecommunications and/or railway operators, engineering firms, installers and distributors in both the telecommunications and railway sectors.

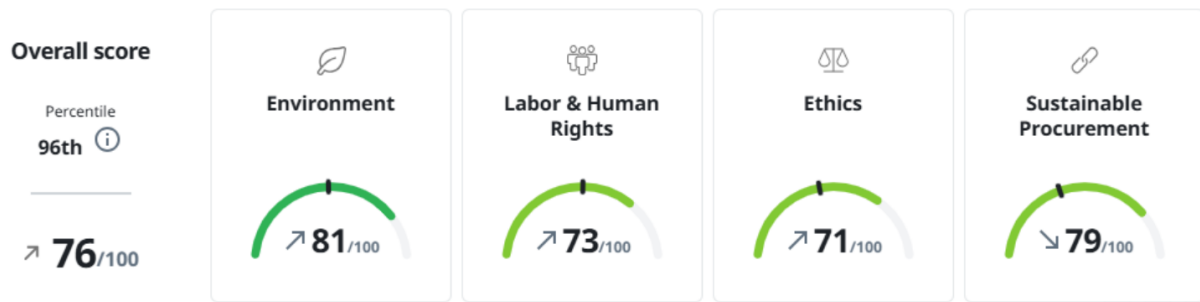
It provides its services to customers in different geographical areas, and its portfolio includes companies such as Telefónica, Orange, ADIF, Alstom, SNCF, Siemens, Enyse, Eircom, Infrabel, Deutch Bahn, etc.

It should be noted that CABLESCOM has been registered with EcoVadis since 2015. In November 2024, the latest assessment was carried out, obtaining a score of 76/100 points, two points higher than in 2023, thus maintaining a Gold level of sustainability recognition, well above the average for companies rated in the sector.



The EcoVadis rating covers a wide range of non-financial management systems, including environmental impacts, labour practices and human rights, ethics, and sustainable procurement.

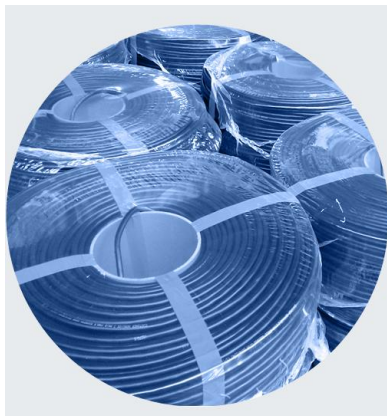
Each company is rated on material issues depending on its size, location, and type of business. These evidence-based assessments provide scores from zero to one hundred (0-100) and medals (bronze, silver, gold), where applicable. EcoVadis ratings are validated by a global team of experts and adapted to more than 200 industry categories, 160 countries and companies of all sizes.



▪ Our products

CABLESCOM specialises in the manufacture and Supply of copper and fiber optic cables, specifically designed for signalling systems and telecommunications networks. Its main products include:

- **Telecommunications cables:** These cables are essential in communication networks, as they enable the efficient transmission of data and signals. They are used in a variety of applications, from local area networks (LANs) to wide area networks (WANs).
- **Optical Fiber Cables:** These offer high speed and transmission capacity, making them ideal for telecommunications applications that require high bandwidth. These cables are fundamental to high-speed internet infrastructure and other advanced communication applications.
- **Cables for railway systems:** Designed to withstand the specific demands of railway infrastructure, these cables ensure reliable and secure communication in high-vibration environments and adverse environmental conditions.



In addition to these products, CABLESCOM focuses on developing sustainable and technologically advanced solutions to improve network connectivity and efficiency. The company offers a wide range of designs and configurations, including:

- **Junction and distribution boxes:** These boxes are crucial for managing and protecting cable connections in telecommunications networks.
- **CTOs and indoor or outdoor network access point:** These provide accessible and secure connection points for end users, both indoors and outdoors.

- **Optical splitters:** Used to split an optical signal into multiple signals, these are essential for efficient signal distribution in fiber optic networks.
- **ODF (Optical Distribution Frames):** Facilitate the organisation and management of fiber optic cables in a network environment.
- **MDU (Multiple Dwelling Units), SDU (Single Dwelling Units) or MTU (Multi-Tenant Units):** Specific solutions for different types of building, ensuring optimal connectivity in each case.

It also provides any passive equipment necessary for any FTTx (Fibre to the x) network topology, ensuring that fibre optic networks are robust, efficient and capable of meeting growing connectivity demands.

Copper cable and fiber optics sold: 45.068,46 Km

▪ Awards and recognition

Aragonese Corporate Social Responsibility Award (2014)

The Government of Aragon awarded the Aragonese Award for Corporate Social Responsibility in the Initiation category for striking a balance between the different dimensions of social responsibility actions.



Illustration 3. Diploma and award for the Aragonese Award for Corporate Social Responsibility

MAZ Healthy Company Award (2020)

It was awarded in the 6th edition of the Awards granted by Mutua MAZ in the Large Company category for the 'Physical and mental well-being of its workers'. The gala was held in June 2024, as due to the pandemic it could not be held in person until that date.



Illustration 4. Photograph of MAZ award ceremony

Best Spanish PYME at the 7th Diversity Management Award organised by Fundación Diversidad (2021).

The award was granted for the company's broad view of diversity, its selection processes, its support for the integration into the labour market of groups at risk of social exclusion and migrants, its initiatives to promote mental health, its promotion of work-life balance and its wide range of awareness-raising activities..



Illustration 5. Photograph of the 7th Diversity Management Awards ceremony

Aragon Government's 'Healthy Companies' Award (2022).

Thanks to its policy of promoting health among its employees as a fundamental pillar, it won the 'Healthy Companies' award at the Sports Gala organised by the Aragon Government.



Illustration 6. Photograph of the Healthy Companies Award ceremony

RSA 2025 Seal as a Great Socially Responsible Company by the Government of Aragon (2024)

Awarded in 2024 by the Aragonese Institute of Development to companies, organisations and entities that demonstrate a strong commitment to the principles of social responsibility. The aim is to seek the involvement of companies in promoting productive activities aligned with the Sustainable Development Goals and the UN's 2030 Agenda.



- **Mission, vision and values of the corporate culture**

CABLESCOM's success is based on its consolidation as an efficient organisation with proactive management and a professional team that is motivated and committed to the company's values, with the aim of achieving excellence in the company's products and services.

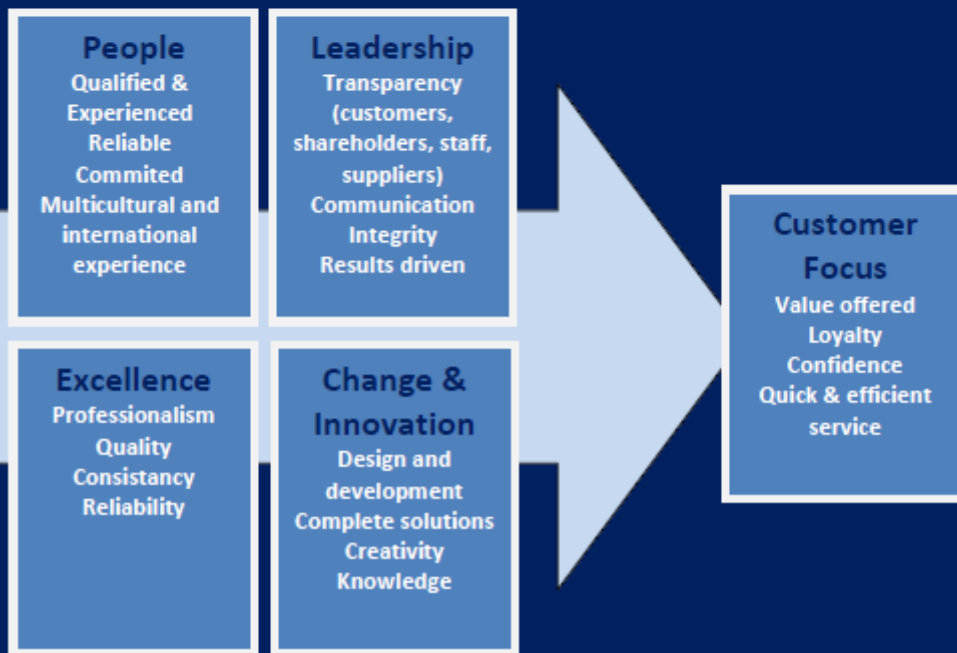
Mission

To achieve sustainable growth to the benefits of our stakeholders by providing a wide range of high-value products and services to our customers, addressing their real needs of increasing the value of their businesses.

Vision

As a respected Brand of Hengtong Group, to become a reference partner for our customers through innovation, professionalism and reliability of our products and services.

Values



▪ Organisation and Structure

Through its corporate governance model, CABLESCOM acts with the utmost responsibility to ensure that all actions are carried out in accordance with the principles of legality, ethical management and corporate social responsibility. Ensuring sustainability and the creation of long-

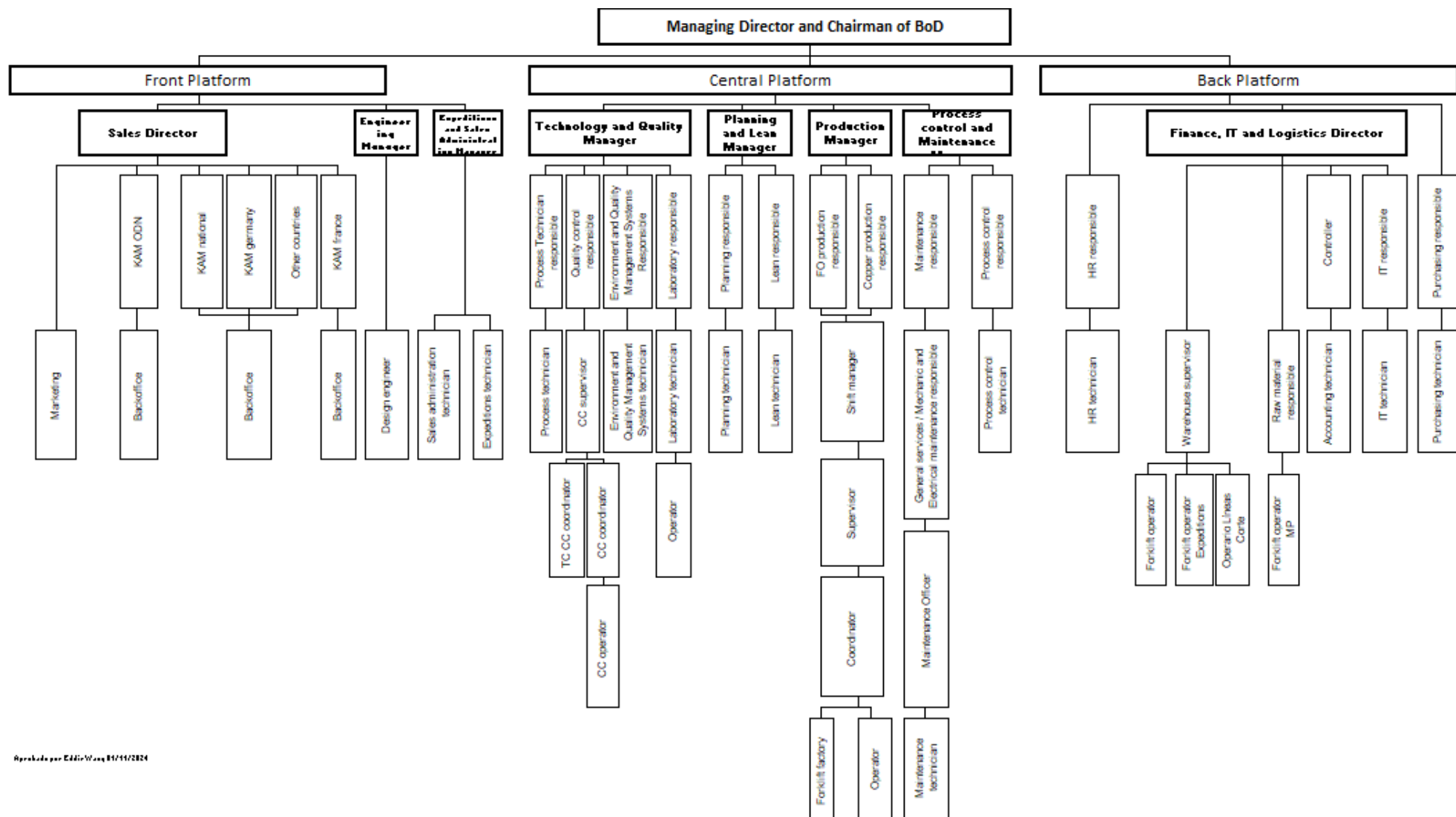
term shared value for all stakeholders is a priority for the company. In addition, all decisions are aligned with the strategy of the Group's parent company at the global level.

The governance structure consists of a Board of Directors made up of five members, four of whom are men (80%) and one is a woman (20%). Among them is a Chief Executive Officer. During 2024, six meetings were held, at which, among other matters, a financial analysis was carried out, guidance on the organisation's strategy was provided, new projects were evaluated, the structure of the board was discussed, etc.

At the executive level, the company has a management committee which, until February 2024, was composed of three directors, two men (66.6%) and one woman (33.3%). Since then, one director has left, so it currently consists of two directors.

The company's mission and vision are realised and decisions are made and implemented by this committee.

The organisational chart and process map of CABLESCOM is structured as follows:



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Ilustración 7. Organisational chart CABLESCOM

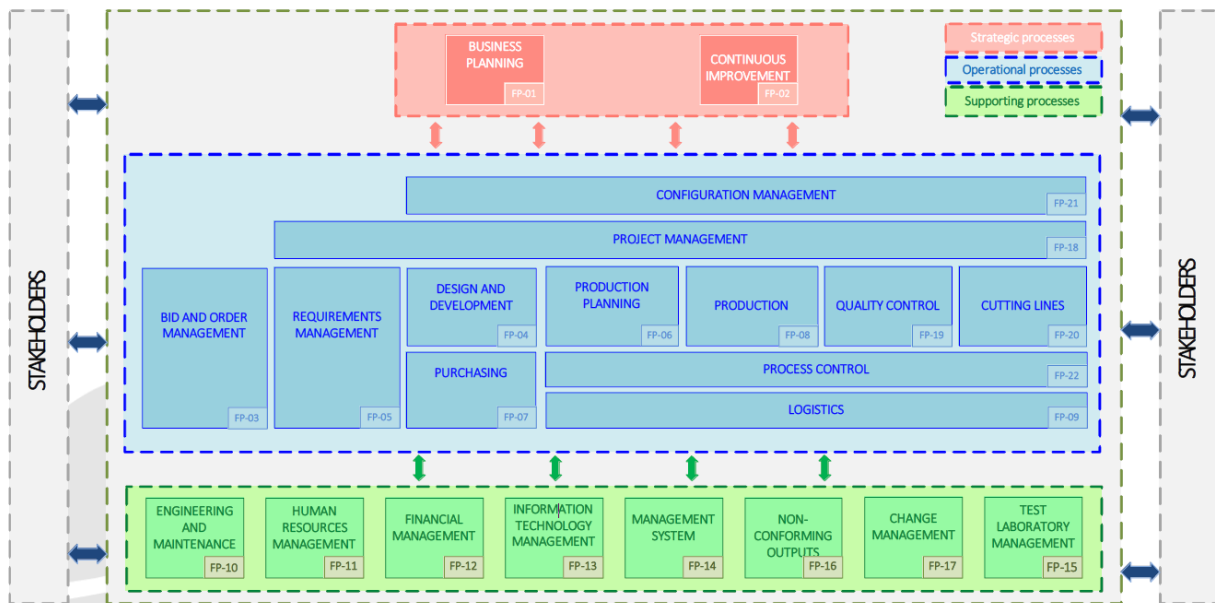


Illustration 8. Process Map CABLESCOM

Objectives and strategies

The company's objectives and strategies respond to the strategic axes of its business plan. The following objectives have been set for 2024:

1. Market expansion objective

- Growth and focus on emerging markets in countries deploying FTTH (Fibre to the Home) networks: Germany, United Kingdom, etc.
- Expansion of the portfolio of products and solutions offered to telecommunications and railway customers.

2. Internal operating objective

- Improve OEE (indicators that measure the efficiency of industrial machinery) for each section.
- Reduction of waste.
- Implementation of LEAN methodology.

3. Key objectives

- Intensify commercial activity in the railway market.
- Successfully complete the approved capacity increase involving a new building, new machinery and changes to the workflow.
- Customer satisfaction by addressing any future needs they may have.
- Be an active player in the process of establishing an anti-dumping tariff on Indian optical cable with the potential to generate opportunities for European manufacturers.
- Improve the efficiency of key processes.
Reduce carbon footprint.

▪ ESG strategy (Environment, Social and Governance Strategy)

CABLESCOM is aware of the importance of corporate social responsibility for the growth and survival of the organisation. For this reason, it has developed an ESG (Environment, Social and Governance Strategy), which seeks to amplify its commitment in the environmental, social and governance areas. The ESG strategy is geared towards acting responsibly, strengthening its communities and business partners to make a positive difference and build a sustainable future.



During 2024, in line with the company's strategic sustainability objectives, several measures have been implemented, such as:

- Objective: LEAN implementation. Lean manufacturing training, hiring a qualified company for LEAN implementation, projects to reduce preparation times on different production lines, and monitoring of the implementation plan. All actions were carried out in 2024, improving operational efficiency, optimising resources and identifying areas for improvement.
 - OEE (Overall Equipment Effectiveness) production indicator:
 - OEE Fibre Optics: from 49,6% to 52,1%
 - OEE Copper: from 42,2% to 45,7%
- Objective: Reduction of carbon footprint. Replacement of screw compressors with spindle compressors and gradual replacement of lighting systems with lower-energy alternatives. These actions were implemented with the aim of achieving the initial goal of reducing 40 t CO₂ eq. Thanks to these measures, not only was the target achieved, but it was significantly exceeded, reaching an improvement of 120%, equivalent to a total reduction of 48 t CO₂ eq.
- Objective: Circular economy. Reduction of copper waste, improvement of OEE indicators (which measure the efficiency of industrial machinery) in fibre and copper through process improvements and training. As already mentioned, with the LEAN objective, the production indicator for optical fibre and copper was improved.

To continue advancing in ESG matters, the following actions will be implemented:

- Consolidation of social policies and business ethics.
- Improvement of our communication with stakeholders through:
 - Publication of the non-financial report, based on GRI standards.
 - Disclosure of the CDP (Carbon Disclosure Project) report.
- Double materiality assessment, taking into account impact and financial materiality. This approach allows us to more effectively identify and manage our positive and negative

impacts, both internal and external, in order to make more informed and strategic decisions, ensuring that impacts are managed in a responsible and sustainable manner.

- Taxonomic study in accordance with Regulation (EU) 2020/852 for the identification and classification of economic activities that contribute significantly to environmental objectives, such as climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.
- Regarding suppliers:
 - Establish strategic alliances with suppliers committed to ethical and sustainable practices.
 - Promote environmental and social transparency throughout the supply chain.
 - Collaborate with suppliers and business partners to implement sustainable production and distribution practices that reduce environmental impact.
 - Include ESG criteria in supplier audits.
 - Promote environmental awareness among employees and suppliers and encourage sustainable practices throughout the supply chain.
- Regarding customers and consumers:
 - Establish channels of communication and collaboration with customers on ESG matters.
 - Seek feedback from stakeholders to understand their expectations and include their perspective in the sustainability strategy.
 - Encourage efforts to achieve sustainability goals and establish common responsible business practices.
- Carbon footprint reduction:
 - Conduct and disseminate detailed Life Cycle Assessment (LCA) reports for our main cables. Work closely with our customers to implement initiatives that reduce the environmental impact of their products.
 - Reduction of the carbon footprint, in accordance with the actions and objectives included in our Carbon Footprint Reduction Plan:
 - Energy efficiency strategies.
 - Adopt renewable energy sources in all production processes.
 - Consider the acquisition of more efficient machinery and improve the efficiency of the production process.
 - Working with our suppliers to develop actions aimed at reducing the impact of their operations and, consequently, reducing our carbon footprint in scope 3.
- In terms of people:
 - Implement a comprehensive and ambitious training and awareness plan for employees, covering the four areas of sustainability: governance, social, supply chain and environment. In addition, strengthen the sustainability department by hiring highly trained and experienced staff.
- In terms of equality:
 - Outline initiatives to promote diversity, equity and inclusion within the organisation.
 - Implement the actions and plans set out in the company's equality plan for the next three years.
 - Implement inclusive hiring practices, diversity training programmes, and policies that ensure equal opportunities for all employees.
 - Create a work environment that respects individual differences and promotes a sense of belonging for all team members.

Thanks to the Ecovadis tool, it has been possible to measure performance in terms of sustainability. By 2025, the goal is to continue improving the score in the tool by strengthening all supply chain management processes and identifying areas for improvement. A comprehensive risk analysis will be carried out in the supply chain to assess risks and develop contingency and resilience plans for supply chain operations. This not only improves sustainability practices, but also reinforces the commitment to responsible and ethical business operations.

The ESG strategy is driven and coordinated within the organisation by two departments: the environmental aspect by the Quality and Environment Department and the social and governance aspect by the Human Resources Department. Documents are also shared, such as communication material designed to announce campaigns, scorecards and reports to monitor performance, and records of actions taken, among others.

The ESG strategy developed directly influences the following Global Compact Sustainable Development Goals:



CABLESCOM recognises that the path to sustainability is a long process. Therefore, during 2024, it has developed a more advanced ESG Strategy to enable the correct evolution and development towards a more sustainable organisation.

▪ Main factors and trends that may affect its future evolution

No significant technological changes are expected in the market for signalling and communication cables in the railway sector. Copper cables for switchboards and conductors are a mature product and have been extensively tested in safety and signalling installations. In this market, safety and reliability are prioritised above any other characteristic, and current cable designs have been shown to fully meet reliability requirements.

As for the fibre optic cables purchased by telecommunications operators, there is a significant degree of uncertainty because certain factors could have a significant impact:

- New, more efficient and environmentally friendly fibres.
- New satellite communication networks that could replace current cables with airborne transmission.

However, at present, there is no known technological forum that foresees a significant change in the short/medium term with a major impact on the telecommunications business.

Nor are any legal or statutory changes with a major impact on the business expected.

The estimated trend is for slow growth due to inflation and the current political situation.

5.2. Innovation: a fundamental pillar for the future



The Company is committed to innovation in all aspects of cable manufacturing, as well as to efficiency and sustainability/ESG in production processes and to attracting the best talent. This has enabled it to adapt to changing market needs, with a high capacity to respond to the expectations and needs of its main stakeholders.

Highly committed to innovation and research and development (R&D) to improve its products and processes, here are some highlights:

- **Process optimization:** Advanced machinery has been incorporated to improve energy efficiency and reduce resource consumption in operations.
- **Product Innovation:** A notable example is the Oval Flat Cable, an innovative solution designed to optimise data transmission in fibre optic networks. One of the main benefits is its high-strength oval structure, which not only improves space management but also provides greater flexibility and adaptability and reduces the risk of damage during installation. This cable is compact and lightweight, making it easy to install in a variety of environments without compromising performance.

This comprehensive approach to innovation and sustainability not only improves operational efficiency and reduces environmental impact, but also ensures that the company is at the forefront of technological and sustainable trends, providing its customers with products that contribute to a greener and more sustainable future.

5.3. Policies

CABLESCOM stands out for its social responsibility, integrating sustainability, ethics, social responsibility and contribution to sustainable development strategies into its corporate governance in a comprehensive and cross-cutting manner. In this context, the company has developed a Code of Conduct based on its values and cultural pillars. This code guides the policies, procedures and behaviour of all employees and collaborators within the organisation.

The Code of Ethics is a fundamental reference in terms of ethics, social and environmental responsibility, as well as financial and legal compliance. Its objective is to build a shared foundation of trust and efficiency for ethical conduct and responsible business practices. It helps the company make the right decisions, be responsible and act transparently. The basic principles included in this document are:

- Respect for the law. All activities shall be carried out in strict compliance with the legislation in force in each country in which it operates.
- Ethical integrity. All business and professional activities of CABLESCOM and its employees shall be based on the values of integrity and honesty, avoiding all forms of corruption and respecting the particular circumstances and needs of all those involved in them. The Company will promote among its employees the recognition and appreciation of behaviours that are consistent with the principles established in the Code.
- Respect for human rights. All actions of CABLESCOM and its employees will strictly respect the human rights and civil liberties enshrined in the Universal Declaration of Human Rights. There is a commitment to treat people with respect, equality and dignity without distinction as to race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, disability or a conviction for which a pardon has been granted or a record suspended.

Employees can send an email (buzon.comunicaciones@cablescom.com) if they detect or suspect a breach of the Code of Conduct, or speak directly to their line manager or the Human Resources Department. Communication can be made either identified or anonymously. Additionally, if the informant so wishes, they may request a face-to-face meeting, which must be held within 7 days of the request. The entire process is stipulated in the internal information system.

This Code of Ethics was drafted and approved by the group's General Management in 2022. It is published on the website ([Microsoft Word - CABLESCOMCodigo de etica empresarial 2022.docx](#)) and on the company's intranet, and is also given to all new employees.

CABLESCOM has an integrated management system policy. In addition to this policy, the organisation currently has a series of policies/procedures in place that demonstrate the organisation's compliance in various areas, including, notably:

- Climate action policy.
- Sustainable procurement policy.
- Integrated quality and environmental policy.
- Labour practices and human right policy.
- Human resources policy.
- Harassment prevention and treatment protocol.
- Occupational risk prevention and treatment protocol.
- Corporate social responsibility policy.
- Internal information system policy.

- Procedure of managing, investigating and responding to communications received through the internal reporting system.
- Code of business ethics.
- Internal code of conduct.
- External code of conduct.

5.4. Policy results

Every year, the organisation submits its quality and environmental management practices to audits by an independent third party.

Based on these audits, CABLESCOM obtains and renews its ISO 9001 quality management, ISO 14001 environmental management, ISO 14064 greenhouse gas and ISO/TS 22163 quality management requirements for the railway sector certifications annually.

These audit services verify compliance with regulations, internal policies and procedures, and establish action management plans: identifying risks and establishing ways to address them.

The company also has a scorecard of indicators for quality management systems, environmental management and carbon footprint calculation.

During 2024, the results of the corporate policies described throughout this document confirm that no significant risks to people or the business have arisen.

5.5. Risks. Due Diligence Procedure

CABLESCOM has an integrated management system, within which it performs a risk analysis associated with each process of the organisation.

The organisation manages risks and opportunities through the Risk and Opportunity Management Procedure PG31. Each risk and opportunity is assessed according to impact (I) and probability of occurrence (P). The risk/opportunity level is classified using a risk prioritisation number $NPR = I \times P$.

Depending on the NPR, actions are prioritised, with those with the highest classification being addressed first. The actions will be aimed at:

- Eliminating the risk, establishing the necessary actions to prevent it from happening again.
- Containing the risk, establishing actions to prevent the risk from spreading to other processes.
- Monitoring the risk, establishing actions to track it.
- Accepting the risk, assuming that it may occur.

Once it has been checked whether the actions have been implemented, their effectiveness is verified by re-evaluating the risk/opportunity and recording the new NPR. The effectiveness of the actions established will be reviewed at least once a year by Management.

In addition, these risks and opportunities are divided into:

- Operational. Those related to commercial management, order management, Supply planning, production, shipping, and incident management.
- Strategic. Those related to strategic planning.

In addition, there are regulations and policies in this area, such as the Internal and External Code of Conduct, training courses and, in general, an important regulatory framework and legal basis.

Other control instruments implemented during 2024 in relation to due diligence and compliance are:

- Internal audits of the management systems in place.
- Adherence by suppliers to the code of ethics and policy on labour practices and human rights.

In addition, there is a Compliance Management System Manual (MG02 Compliance Management System Manual) that includes compliance with legal requirements and those voluntarily acquired within the internal strategy and structure as a means of preventing risk situations that could pose a significant threat to the stability and continuity of the organisation's activity.

CABLESCOM identifies and assesses its risks annually through the Compliance risk management matrix, where priorities and actions to mitigate or eliminate the risk are established based on the severity and probability of the risk.

The following measures are taken to monitor these risks:

- Annual Audit by the Hengtong Group.
- Annual financial Audit.
- Periodic inspections by the Hengtong Group.
- Internal process Audit.
- Annual review of the management system.
- Quarterly business performance meetings.
- Continuous monitoring of non-compliance and legal compliance.
- External legal advice.

The identification, assessment and management of opportunities is carried out in a similar manner to risk management, following the guidelines set out in document PG31 Risk and Opportunity Management. This systematic approach ensures that all opportunities are analysed with the same rigour and methodology as risks, enabling comprehensive and consistent management.

In addition, opportunities for improvement are identified through internal and external audits. These audits provide an objective and detailed view of the organisation's processes and practices, highlighting areas where improvements can be implemented. Internal audits allow the company to self-assess and proactively adjust its strategies, while external audits provide an independent and expert perspective, ensuring compliance with current standards and regulations.

On the other hand, with regard to security risks arising from possible cyberattacks, a series of specific actions have been identified and established. These actions include the implementation of a detailed disaster recovery procedure designed to ensure operational continuity and rapid restoration of affected systems. In addition, new preventive measures have been adopted to strengthen the security infrastructure, minimise vulnerabilities and protect sensitive data against unauthorised access, such as multi-factor authentication (MFA) systems, Defender endpoint (EDR), updated hardware and software versions, encryption of local and removable drives (Bitlocker), network segmentation, protection against email phishing, increasing password complexity and increasing their update frequency.

CABLESCOM is aware of the long road ahead in terms of due diligence, which is why it plans to expand its procedures in the coming years in order to improve its processes for detecting, preventing, identifying, assessing, measuring and controlling significant risks and impacts, whether existing or potential.

6 Environmental issues

6.1. Global Environment

CABLESCOM has an integrated quality and environmental policy, in which it is committed to promoting a philosophy of sustainability within the company. This policy includes commitments such as:

- Promoting a philosophy of sustainability through the prevention, measurement, control and reduction of pollution and greenhouse gas (GHG) emissions, actively contributing to the fight against local pollution and climate change. To this end, the target for 2030 is to reduce CO₂ emissions by 99% in scope 1 and 2 and by 65% in scope 3.
- Achieving net zero greenhouse gas emissions by 2040 (Net Zero 2040).
- Preserve biodiversity and optimise the organisation's environmental performance through continuous assessment of environmental aspects, implementation of improvement programmes and employee awareness.
- Promote a circular economy model through the use of materials, technologies and practices that improve energy efficiency, minimise waste and residues, and encourage the sustainable use of natural resources throughout their life cycle.
- Encourage the supply chain and other stakeholders to incorporate practices aligned with sustainability and the reduction of their carbon footprint.
- Establish annual strategic improvement objectives and monitor them in order to take action.
- Monitor the emergence of risks in order to eliminate or minimise them.

It is worth mentioning that it also has a specific climate change policy that establishes the principles of action necessary to meet its environmental commitments. This policy is aligned with the objectives of the Paris Agreement, which seeks to limit global temperature rise and reduce greenhouse gas emissions. Through this policy, the company is committed to implementing concrete measures to mitigate climate change, adapt to its impacts and contribute to the transition to a low-carbon economy. The commitments made are as follows:

- Increase energy consumption from renewable sources. In this regard, the target for 2026 is for renewable energy consumption to represent at least 13% of the total, including the installation of solar panels.
- Promote the improvement of production technology and machinery, progressively replacing it with more efficient machinery. For this reason, the target is to reduce emissions related to electricity consumption by 1.5%.
- Establish production efficiency measures in terms of reducing the use of materials for manufacturing. To this end, the target for 2030 is a 1% annual reduction in the consumption of the most commonly used materials through process optimisation.

Since 2007, an integrated management system certified to ISO 9001 and ISO 14001 has been in place, with ISO 14064 verification in 2023 for the quantification and reporting of greenhouse gas emissions and removals.

Thanks to this integrated management system, all actual and potential negative environmental impacts of the company's activity are identified through a robust procedure for identifying and assessing environmental aspects (direct and indirect, under normal, abnormal and emergency conditions) throughout the entire life cycle of products and activities. In addition to implementing operational control measures, specific actions are planned to address risks and opportunities, as well as to achieve environmental performance objectives.

With regard to climate change-related risks, we have identified:

RIESGO	IMPACTO	ACCIONES
Cambio en el comportamiento de los clientes en cuanto a requisitos solicitados que están relacionados con nuestro compromiso en materia de sostenibilidad, cambio climático y el medio ambiente.	No conseguir ganar un Tender por no estar alineados con los requisitos ambientales del cliente	Se ha incorporado una línea estratégica de Sostenibilidad en Business Plan Definidos objetivos de disminución de huella de carbono y desperdicio.
No tener en cuenta en la organización el impacto del cambio climático	Personal sometido a temperaturas extremas. Condiciones de trabajo no adecuadas. Catástrofes naturales que puedan afectar a nuestras instalaciones	La organización dispone de un plan de actuación interno ante temperaturas extremas y un sistema automático de alertas de temperatura. Además se realiza la medición y verificación de la huella de carbono según ISO 14064 y se ha establecido un Plan de reducción Huella de Carbono 2025- 2030, con diferentes acciones en los distintos alcances.

In addition to the company's firm commitment to supporting all measures aimed at reducing its carbon footprint, there is a growing trend among major customers to demand a solid environmental commitment from their suppliers. They not only evaluate products on the basis of price, but also incorporate mandatory environmental criteria that carry significant weight in their tenders and bids.

All responsibilities and functions involved in environmental management are set out in operating procedures. The content of these procedures is constantly updated in line with new environmental obligations and commitments to minimise our environmental impact. The content of operating procedures that affect environmental impact forms part of the training requirements for the people involved.

During 2024, acetylene consumption has been considered a significant direct environmental aspect. Significant waste includes hazardous waste such as contaminated absorbents, aerosols, water containing hydrocarbons and waxes, paste waxes, halogenated solvents and empty metal containers, and non-hazardous waste such as plastics and fibre optic waste..

To this end, the organisation has a Quality and Environment department made up of two technicians and a manager (Head of Tech and Quality).

In 2024, €287,104.20 has been allocated to environmental management. This amount mainly includes the salaries of staff dedicated to environmental management, the maintenance of the company's environmental certifications, waste management, emissions and discharge control, consulting, training and the purchase of consumables for environmental management.

No environmental fines or penalties were received during 2024.

CABLESCOM has environmental civil liability insurance to guarantee that, in the event of environmental damage to natural resources, the damage will be repaired to restore it to its original

state. The amount is €3,593.90, which covers the costs of accidents, prevention, avoidance, pollution, primary, complementary and compensatory repairs. In addition, there is a sublimit for soil decontamination at the insured centre and defence costs managed by the insurer.

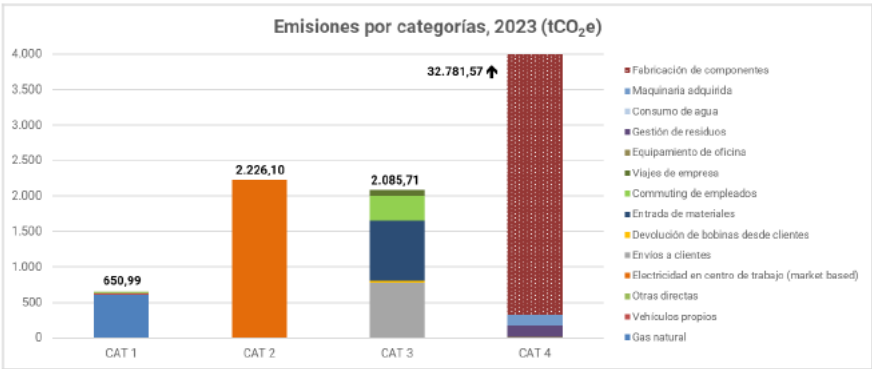
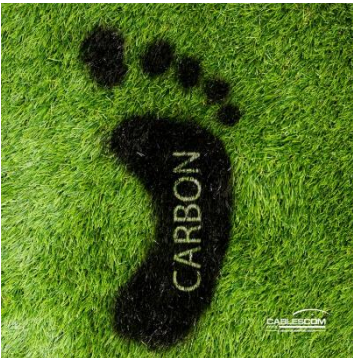
6.2. Pollution

Carbon footprint

Committed to establishing measures to combat global warming in order to ensure the company's sustainable development, CABLESCOM has made a commitment through its climate change policy mentioned above.

In 2022, it launched its Greenhouse Gas Strategy to annually assess its GHG emissions and create a short-term reduction plan. Verification for the calculation of the carbon footprint under the ISO 14064-1:2028 standard was carried out by Bureau Veritas in both 2022 and 2023.

The scope of the inventory includes direct emissions (Scope 1), indirect emissions from energy use (Scope 2) and other indirect emissions (Scope 3), which include indirect emissions from transport (customer shipments, material intake, material returns, employee commuting, business travel) and component manufacturing.



Graph showing emissions in 2023 by category

Total emissions in 2023: 37.744,38 t CO₂ eq (18% less than in 2022)

Emissions from component manufacturing and electricity consumption at the plant are the most significant in the inventory.

The base year used is 2023, as this was the year in which new emission sources were incorporated. No further emission sources not already included are expected to be incorporated in the future, so this year will be used to monitor the evolution of emissions over time.

With regard to the calculation of the footprint for 2024, the data obtained at the date of this report are as follows:

- Category 1: 23,5794 t CO₂ eq
- Category 2: 2.522,3687 t CO₂ eq
- Total 1+2: 2.545,9481 t CO₂ eq

For clarification purposes, it should be noted that the calculations have been made using the 2023 conversion factors, since, at the time of writing this report, the relevant issuing entities had not yet published the updated factors. Therefore, these calculations are pending verification by an independent third party.

Based on the results obtained, an Emissions Reduction Plan has been developed with a target for 2030. Among the measures adopted are the following::

- **Reduction of heating requirements.** The plant expansion works will include systems that will make heating unnecessary in certain areas of the plant, or greatly limit its use. This will enable a reduction in the consumption of natural gas required, until the natural gas heating system is completely replaced by an electric one.
- **Replacement of the natural gas heating system with an electric system and contracting electricity with GdO (Guarantee of Origin).** The aim is to achieve 100% renewable electricity supply by 2025.
- **Replacement of natural gas by biogas.** The plan is to use 40% biogas from 2025 onwards, with zero fossil emissions and a small proportion of biogenic emissions other than carbon dioxide. This makes biogas combustion emissions 93% lower than those of natural gas.
- **Installation of solar panel son the roof of the building.** The first phase of this measure aims to implement an installation with an estimated annual generation of 977 MWh in the current warehouse and 736 MWh in the warehouse under construction.
- **Replacement of screw compressors with spindle compressors.** Screw compressors consume less electricity.
- **Installation of lighting ignition systems.** More efficient lighting, with lower consumption and fewer hours of operation, will reduce emissions in this category. The plan is to install this system in 50 locations over two years.
- **Fleet vehicle renewal.** The plan is to gradually renew the vehicles, replacing them with hybrid or electric vehicles.
- **Eco-design. Lighter products with components that produce fewer emissions.** The company's R&D department is considering the technical possibility of modifying the design of the cables manufactured, using fewer resources, resulting in cables that do not reduce their technical characteristics.
- **Promotion of "green purchasing".** Project underway with three relevant suppliers, in which they are asked annually for information on the carbon footprint of their products and their reduction plans.
- **Reduction of emissions in purchased products.** Relationships with suppliers participating in the reduction of emissions by collaborating in the development and implementation of energy efficiency measures, reduction of fossil fuel use in both production and transport of materials, reduction in the use of resources and raw materials.
- **Lighter products and transport efficiency.** It is expected that the weight of purchased materials can be reduced, which would reduce the emissions associated with their transport, in line with the two previous measures.

The status of the measures adopted in 2024 is shown below:

MEASURE	STATUS IN 2024
Installation of solar panels on the roof of the building	Due to technical problems with the installation, the placement of panels that was planned for the roof of the existing warehouse has been delayed until 2025, when they will be installed on the new warehouse that is currently under construction. This is expected to be completed by the end of 2025.
Replacement of screw compressors with spindle compressors	All compressors replaced with spindle compressors in 2023.
Installation of lighting ignition systems	Replacement of light fixtures with more efficient ones is still in progress. In 2024, a total of 41 light fixtures were replaced in production.
Renewal of fleet vehicles	No vehicles were replaced in 2024, as they are being replaced as the current leasing contracts expire. The number of cars has been reduced, from 7 in 2023 to 6 in 2024.
Promotion of 'green purchasing'	During 2024, the Ecovadis tool was used, but without achieving the expected results. There are no plans to continue using it in 2025.
Reduction in the consumption of certain materials	We have managed to reduce waste of the following materials: TI (fire-retardant thermoplastic) for micromodules (from 11.44% to 9.82%) Sheet steel and galvanised steel tape (from 11.73% to 5.21%) FRP (fibreglass) (from 9.8% to 9.22%)
Reduction in heating requirements	According to the reduction plan, the measure is scheduled for 2025.
Replacement of the natural gas heating system with an electric system and electricity contract with GdO	According to the reduction plan, the measure is scheduled for 2025.
Replacement of natural gas with biogas.	According to the reduction plan, the measure is scheduled for 2025.
Eco-design. Lighter products with components that produce fewer emissions	No progress
Reduction of emissions in purchased products.	No progress
Lighter products and transport efficiency.	No progress

Table 1. - Action plan for reducing carbon footprint emissions.

In its commitment to combating climate change, CABLESCOM aims to go beyond simply reducing emissions, pledging to achieve carbon neutrality by 2040 (Net-Zero 2040). To achieve this, it will implement the measures mentioned above, which will be reviewed and improved as necessary in the coming years. The goal is to minimise its emissions in all categories by 2040 and offset those emissions that cannot be completely eliminated. These actions and goals will be aligned with initiatives such as the Science Based Targets Initiative (SBTi) and the ISO 14068:2023 standard 'Climate change management — Transition to net zero'.

In addition, in 2024, CABLESCOM continued to respond to the Carbon Disclosure Project (CDP) survey (investor or supply chain responses) and made its response available to the public on the CDP website, obtaining a D rating (2022). The Carbon Disclosure Project is an independent, non-profit organisation, derived from an initiative led by the institutional investor community.

Each year, large corporations are asked, through comprehensive questionnaires, to disclose their greenhouse gas emissions and climate change strategies in their response to the CDP.



Noise and light pollution.

In 2020, a noise assessment report was carried out based on Law 7/2010, of 18 November, on protection against noise pollution in Aragon. Based on the results obtained, it is not necessary to implement measures to prevent/reduce environmental noise.

During 2024, no environmental measurements or measures to prevent, reduce or repair light pollution have been taken because it is not considered significant and, therefore, necessary. In any case, CABLESCOM complies with the municipal ordinances of the localities where the work centres are located in terms of light pollution.

6.3. Circular economy and waste prevention and management

CABLESCOM is committed to minimising waste at source, with the aim of conserving natural resources and reducing landfill occupation. To this end, it implements various measures aimed at promoting the circular economy, such as:

- Return and recycling system for wooden reels, pallets and supports. These items are sent to customers, who then return them to CABLESCOM's facilities for inspection, repair and subsequent return to the market. In addition, these reels are FSC and PEFC certified, indicating that the wood comes from responsibly and sustainably managed forests, ensuring that it meets strict environmental, social and economic standards.
- Reuse of polyethylene waste to manufacture filler rods for fibre optic cables. Polyethylene plastic waste is generated in the extrusion lines and sent to a waste management company, which shreds it and returns it in the form of polyethylene pellets. These pellets are re-extruded in the manufacturing lines of new cables that require them. In 2024, 11.33 tonnes (70% less than in 2023) of plastic pellets were recovered because there were not enough staff to manufacture the rods directly in the plant and it was decided to purchase them.
- Reuse of IT equipment through the procedure “*PE54 Reuse of IT Equipment*” and the “*Take Back*” program, with the aim of minimizing the volume of non-recoverable equipment (by giving the equipment a second life, either as a whole or through its parts) and maximizing their efficient use.
- Clothing reuse program in direct collaboration with *Caritas*. This program includes the installation of a clothing container accessible to all employees, facilitating the donation of garments they no longer use. Through this initiative, sustainability is promoted while supporting a charitable organization recognized for its work in helping people in vulnerable situations.

All waste generated at the plant is managed by authorized external waste managers in accordance with current legislation and treated through recovery, regeneration, reuse, recycling, or any other form of utilization.

RECOVERY (R) / DISPOSAL (D)	WASTE	2024 (Tn)	2023 (Tn)	2022 (Tn)	VARIATION 24 VS 23
D	Organic waste	128,2	241,9	233,5	-89%
R	Copper cables waste	206,2	183,1	89,1	11%
D	Optical fiber cable waste	242,1	206,3	125,2	15%
R	Ferrous and aluminum waste	121,4	28,7	23,0	76%
R	Paper and cardboard	58,5	69,6	91,3	-19%
R	Plastic (packaging)	10,6	9,1	9,0	14%
R	Optical Fiber reel casing waste	51,2	60,4	82,1	-18%
R/D	Stripped coverings	185,4	170,7	156,7	8%
R	PE plastic lumps	31,3	48,6	20,3	-55%
R	Wood (reel remains)	201,0	265,0	125,1	-32%
R	Pallets	18,8	20,3	20,9	
D	FRP reels (fiberglass)	90,9	NO DATOS	NO DATOS	
R	PVC plastic lumps	25,7	48,6	20,3	-89%
TOTAL NON-HAZARDOUS WASTE		1.371,140	1.303,6	976,0	5%

Table 2 – Non-hazardous waste 2022–2023–2024

In 2024, organic waste and FRP (fiberglass) waste have been separated, which explains the decrease in total waste and the absence of separate data for fiberglass reel waste in previous years.

The increase in ferrous and aluminum scrap is due to the cleaning carried out at the facilities.

Plastic lump waste is generated when changing materials in the extruders.

Wood waste has decreased because production volume was lower, resulting in less waste generation.

Of this non-hazardous waste, 715.5 kg (52% of the total non-hazardous waste) has been recovered through recovery, regeneration, reuse, recycling, or other utilization processes by authorized waste management companies.

WASTE	2024 (Kg)	2023 (Kg)	2022 (Kg)	VARIATION 24 VS 23
Aerosols	66,0	-	-	
Water contaminated with hydrocarbons and waxes	1.316,0	-	1.290,0	
Obsolete electrical equipment	326,0	1.571,0	120,0	-382%
Contaminated absorbents	4.873,0	1.850,0	2.210,0	62%
Waste oils	699,0	-	-	
Paste waxes	3.520,0	1.190,0	830,0	66%
Halogenated solvents	238,0	-	290,0	
Empty metal containers	386,0	-	230,0	
Empty plastic containers	6.161,0	10.408,0	10.320,0	-69%
Copper filters	379,0	-	150,0	
Ink mixtures with non-halogenated solvents	4.829,0	3.322,0	4.254,0	31%
Used batteries	34,0	-	30,0	
Sanitary waste	-	4,0	4,0	
Aqueous cleaning solutions	200,0	190,0	-	5%
Inorganic chemical waste	21,0	-	-	
TOTAL HAZARDOUS WASTE	23.048	18.535	19.728	20%

Table 3. – Hazardous waste 2022-2023-2024.

The decrease in the amount of electrical material waste is due to the one-off removal of obsolete equipment carried out in 2023, while the reduction in plastic container waste is because less fiber has been painted, which is the process where this type of waste is mainly generated.

On the other hand, the increase in paste wax waste was caused by the higher production of cables with filler and the occasional removal of the waste generated after cleaning the extruders used to manufacture this filler.

Of this hazardous waste, 12,705 kg (55% of the total hazardous waste) has been recovered for recycling, regeneration, or composting.

As part of its measures to reduce food waste, Cablescom has launched several campaigns since 2023 aimed at preventing waste generation in the cafeteria and supporting SDG 12.3, which focuses on reducing food waste by encouraging staff not to discard edible food.

Únete a este reto y dale un respiro al planeta.

¡Empecemos por el Comedor de CablesCom!



¡No tires alimentos!

Si no lo has consumido, llévatelo a casa.

In addition, process standardization has been implemented to reduce waste of key raw materials (optical fiber, PBTP, Polyone, and blocking tapes).

6.4. Sustainable Use of Resources

Water consumption

Water consumption comes from the public water supply network and is used for both manufacturing and sanitary purposes. A large portion of the water used in production is part of a closed-loop water circuit, which helps minimize overall consumption. Within this circuit, three different uses can be distinguished:

- Untreated running water (for sanitary use, irrigation, air conditioning circuit, fire protection system, etc.)Agua osmotizada (para procesos de fabricación)
- Osmotized water (for manufacturing processes)
- Chilled water (for manufacturing processes). In this case, the water returns to a pit equipped with filters that remove particles before it flows back into the hot-water tank, closing the circuit.

Water consumption is detailed in the following table:

ANNUAL CONSUMPTION 2024 (M³)	ANNUAL CONSUMPTION 2023 (M³)	ANNUAL CONSUMPTION 2022 (M³)	VARIATION 24 VS 23
11.760	14.468	14.563	-23,03%

Table 4. – Water consumption 2022-2023-2024.

In 2024, water consumption decreased due to the installation of chillers on the optical fiber cable extruders. This allows the water to be cooled directly on the production line, avoiding the closed-loop circulation to the cooling towers. With the previous method, water was lost through evaporation during the cooling process.

Material consumption

A record and control system is maintained for the consumption of all raw materials used in manufacturing. The details are shown in the following table:

RAW MATERIAL	ANNUAL CONSUMPTION 2024 (Tn)	ANNUAL CONSUMPTION 2023 (Tn)	ANNUAL CONSUMPTION 2022 (Tn)	VARIATION 24 VS 23
Copper	1.455	1.213	650	17%
Optical Fiber	109	174	234	-59%
Plastics for copper cable sheathing (Polyethylene, PVC, Flame-retardant thermoplastic, Polyamide)	2.594	2.218	2.190	14%
Filling compound	54	79	44	-46%
Plastics for optical fiber cable sheathing	242	310	339	-28%
Aluminum tape	83	89	62	-7%
Steel sheet tape	1.064	751	349	29%
Copper tape	78	69	32	12%
FRP supporting element (optical fiber cables)	490	626	655	-28%
Aramid yarn	67	93	112	-39%
Filling gel (optical fiber cables)	86	105	117	-22%
Filling gel	86	105	117	-22%
TOTAL RAW MATERIALS	6.408	5.831	4.903	9%

Table 5. – Raw materials consumption 2022-2023-2024.

Comparing this data with 2023, there has been a 9% increase in raw material consumption. This is mainly due to increased production of copper cables in 2024, a process in which materials such as copper, steel sheet tape, and copper tape are used.

Conversely, the production of optical fiber cables decreased, leading to a reduction in the materials used for their manufacture (optical fiber, plastics for fiber cables, aramid yarn, and filling gel).

Throughout 2024, the company has maintained its commitment to implementing projects aimed at saving various raw materials. These initiatives included specific actions such as standardizing work methods, which have optimized processes and ensured greater consistency in production. In addition, intensive efforts have been made to identify and reduce defects that generate waste, resulting in a significant improvement in the efficiency and sustainability of operations.

Energy consumption

With regard to electricity consumption, Cablescom uses energy from the general power grid. Until April 2024, 36.2% of the electricity consumed came from renewable energy sources; from that date onward, the percentage of renewable energy decreased to 18.7%. It is planned that by 2025, the company will purchase energy with a Guarantee of Origin (GoO).

ANNUAL CONSUMPTION 2024 (KWh)	ANNUAL CONSUMPTION 2023 (KWh)	ANNUAL CONSUMPTION 2022 (KWh)	VARIATION 24 VS 23
6.941.190	8.594.964	7.244.987	-23,83%

Table 6. – Electricity consumption 2022-2023-2024.

The following measures have been implemented to reduce electricity consumption::

- Installation of improved lighting systems in several key areas, such as the tape-cutting area, welding area, rigid stranding line, cable repair lines, and N₂ raw material storage area.
- Replacement of air-conditioning chillers with new, more efficient equipment, with an investment of 58,164.92€.
- Replacement of process water chillers with new, more efficient units, with an investment of 22,724€.
- Acquisition of four new portable evaporative coolers, with an investment of 7,914.40€.
- Replacement of DC motors with AC motors and drivers in the EC6 corrugator and rigid stranding line.
- Installation of new AC motors and drivers in the EC3 take-up unit (extruder 3) and the FL2 taping line (strapping line 2).

It is worth highlighting that in 2024, Cablescom carried out its first energy audit, as established under Royal Decree 56/2016. The purpose of this audit is to assess the company's energy situation and, through the analysis and comparison of various potential modifications and actions, to identify and implement a coherent and optimal set of solutions. These solutions not only reduce energy consumption but also improve service quality, extend equipment lifespan, and enhance user comfort.

Additionally, it should be noted that by the end of 2024, the company discontinued operations on a fourth shift, which also contributed to the reduction in energy consumption.

Fuel consumption

Fuel is used to power forklifts and company vehicles.

Consumption details are provided in the following table:

TYPE OF FUEL	ANNUAL CONSUMPTION 2024 (L)	ANNUAL CONSUMPTION 2023 (L)	ANNUAL CONSUMPTION 2022 (L)	VARIATION 24 VS 23
Gasóleo A	2.902	3.162	2.042	-8,96%
Gasolina	2.795	2.877	2.706	-2,95%
Diesel	2.629	4.784	3.837	-81,97%

Table 7. – Fuel consumption 2022-2023-2024

Fuel consumption has decreased because the number of vehicles fluctuated in 2024, ranging between 6 and 7 throughout the year.

Natural Gas Consumption

Natural gas is used for heating the production facility and the offices. The consumption is detailed in the following table:

ANNUAL CONSUMPTION 2024 (KWh)	ANNUAL CONSUMPTION 2023 (KWh)	ANNUAL CONSUMPTION 2022 (KWh)	VARIATION 24 VS 23
2.819.460	3.321.822	3.377.503	-17,82%

Table 8. – Natural Gas Consumption 2022-2023-2024.

The reduction in this consumption is mainly due to the fact that, at the end of 2024, there was no fourth work shift, which resulted in less use of heating—the main consumer of natural gas—over fewer days. In addition, two heating units (tape cutting and boiler shop) were removed because these areas ceased to exist with the start of construction of the new facility.

Gas Consumption

During the manufacturing process, butane is required to remove the plastic layer (copolymer) from steel and aluminum tapes, as well as for coil capping and for cleaning tooling in the die room and in the extruders (torches used for heating the steel overlap).

The consumption is detailed in the following table:

TYPE OF GAS	ANNUAL CONSUMPTION 2024	ANNUAL CONSUMPTION 2023	ANNUAL CONSUMPTION 2022	VARIATION 24 VS 23
Acetylene (nº of industrial cylinders)	3	1	2	67%
Oxygen (nº of industrial cylinders)	2	3	2	-50%
Argon (nº of industrial cylinders)	1	0	1	100%
Butane (kg)	118	296	43	-150%

Table 9. – Gas consumption 2022-2023-2024.

Butane gas is used in the manufacture of copper cables. The remaining gases are used for maintenance tasks in the facilities (welding for small repairs or new installations).

6.5. Climate Change

Measures have been established to adapt to the consequences of climate change and voluntary reduction targets have been set to reduce greenhouse gas emissions, in accordance with the Paris Agreement to remain within the Global Carbon Budget for 1.5°C or 2°C. CABLESCOM plans to reduce its carbon footprint by 2025 by 87% in categories 1 and 2, which are those directly related to and controlled by the company's actions, and by 15% in categories 3 and 4. Overall, the goal is to achieve a 20% reduction across all categories. The entire organization including management and staff commits to implementing the measures included in the company's Reduction Plan as effectively as possible. The measures proposed to achieve these reductions are outlined in the previous section on pollution.

In addition, CABLESCOM aims to become a Net Zero company by 2040.

6.6. Biodiversity Protection

CABLESCOM does not carry out direct measures to preserve or restore biodiversity, as its facilities are located in an industrial area where biodiversity is not affected and no impacts are generated on protected natural areas. However, measures are in place to protect biodiversity from indirect impacts, such as purchasing FSC-certified wooden reels for cables and FSC-certified paper sheets, which help protect biodiversity in forests that are sustainably managed thanks to this certification.

In 2024, following the tradition of previous years, a session was held as part of the **"Green March"** campaign, during which the birds that inhabit the trees on the premises were fed. This initiative aims to raise awareness about the importance of the animals that surround us. In previous years, actions such as tree planting around the organization, installing bird feeders, and cleaning existing birdhouses had been carried out.



Illustration 9. Photographs of Green March 2023 campaign activities

7 Social and Personnel-Related Matters

7.1. Employment

a) Total number of employees by gender, age, country, and professional classification.

As of December 31, 2024, the workforce of CABLESCOM and Cablescom Interconnect Technology consisted of 332 people, representing an 11,78% increase compared to 2023.

Professional Classification and Age	Male	Female	Total
Executives, Middel management and Technician	40	26	66
Under 30 years old	8	8	16
Between 30 and 50 years old	16	16	32
Over de 50 years old	16	2	18
Administrative staff	7	0	7
Under 30 years old	7	0	7
Between 30 and 50 years old	0	0	0
Over de 50 years old	0	0	0
Operarators	156	103	259
Under 30 years old	41	11	52
Between 30 and 50 years old	56	61	117
Over de 50 years old	59	31	90
Total:	203	129	332

Table 10. – Total number of employees by gender, age, country, and professional classification.

One of the female employees aged between 30 and 50 in the category of Executives, Middle Management, and Technicians belongs to Cablescom Interconnect Technology, whose subsidiary is located in China, as mentioned in the introduction of this report.

b) Distribution of employees by gender, age, country, and professional classification.

Regarding the distribution of employees by gender during 2024, 38.86% are women, compared to 29.97% of the workforce in 2023. This represents an 8.89% increase in the presence of women in 2024.

Additionally, the percentage by professional categories and age ranges shows that the majority of employees fall within the Operators category. A total of 46.99% of the workforce are male operators, compared with 31.02% who are female operators.

Professional classification and age	Male	Female	Total
Executives, Middel management and Technician	12,05%	7,83%	19,88%
Under 30 years old	2,41%	2,41%	4,82%
Between 30 and 50 years old	4,82%	4,82%	9,64%
Over de 50 years old	4,82%	0,60%	5,42%
Administrative staff	2,11%	0,00%	2,11%
Under 30 years old	2,11%	0,00%	2,11%
Between 30 and 50 years old	0,00%	0,00%	0,00%
Over de 50 years old	0,00%	0,00%	0,00%
Operators	46,99%	31,02%	78,01%
Under 30 years old	12,35%	3,31%	15,66%
Between 30 and 50 years old	16,87%	18,37%	35,24%
Over de 50 years old	17,77%	9,34%	27,11%
Total:	61,14%	38,86%	100%

Tabla 11. - Distribution of employees by gender, age, country, and professional classification.

c) Total number of types of employment contracts by gender, age, and professional classification.

The total number of permanent contracts in the consolidated workforce is 190, an 11.76% increase compared to 2023, all of which are full-time. Regarding temporary contracts, the total amounts to 142, and all of them are also full-time. In total, 57.23% of employment contracts are permanent and 42.77% are temporary.

	Operators			Administrative staff			Executives, Middle management and Technician			TOTAL
Age and type of contract	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Under 30 years old	42	9	51	7	0	7	7	1	8	66
Permanent	15	1	16	1	0	1	7	1	8	25
Full-time	15	1	16	1		1	7	1	8	25
Part-time			0			0			0	0
Temporary	27	8	35	6	0	6	0	0	0	41
Full-time	27	8	35	6		6			0	41
Part-time			0			0			0	0
Between 30 and 50 years old	74	37	111	0	0	0	28	15	43	154
Permanent	36	17	53	0	0	0	28	14	42	95
Full-time	36	17	53			0	28	14	42	95
Part-time			0			0			0	0
Temporary	38	20	58	0	0	0	0	1	1	59
Full-time	38	20	58			0		1	1	59
Part-time			0			0			0	0
Over 50 years old	62	31	93	0	0	0	16	3	19	112
Permanent	40	11	51	0	0	0	16	3	19	70
Full-time	40	11	51			0	16	3	19	70
Part-time			0			0			0	0
Temporary	22	20	42	0	0	0	0	0	0	42
Full-time	22	20	42			0			0	42
Part-time			0			0			0	0
TOTAL:	178	77	255	7	0	7	51	19	70	332

Table 12. – Total number of types of employment contracts

d) Distribution of types of employment contracts by gender, age, and professional classification.

	Operators			Administrative staff			Executives, Middle management and Technician			TOTAL
Type	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Under 30 years old	12,65%	2,71%	15,36%	2,11%	0,00%	2,11%	2,11%	0,30%	2,41%	19,88%
Permanent	4,52%	0,30%	4,82%	0,30%	0,00%	0,30%	2,11%	0,30%	2,41%	7,53%
Full-time	4,52%	0,30%	4,82%	0,30%		0,30%	2,11%	0,30%	2,41%	7,53%
Part-time			0,00%			0,00%			0,00%	0,00%
Temporary	8,13%	2,41%	10,54%	1,81%	0,00%	1,81%	0,00%	0,00%	0,00%	12,35%
Full-time	8,13%	2,41%	10,54%	1,81%		1,81%			0,00%	12,35%
Part-time			0,00%			0,00%			0,00%	0,00%
Between 30 and 50 years old	22,29%	11,14%	33,43%	0,00%	0,00%	0,00%	8,43%	4,52%	12,95%	46,39%
Permanent	10,84%	5,12%	15,96%	0,00%	0,00%	0,00%	8,43%	4,22%	12,65%	28,61%
Full-time	10,84%	5,12%	15,96%			0,00%	8,43%	4,22%	12,65%	28,61%
Part-time			0,00%			0,00%			0,00%	0,00%
Temporary	11,45%	6,02%	17,47%	0,00%	0,00%	0,00%	0,00%	0,30%	0,30%	17,77%
Full-time	11,45%	6,02%	17,47%			0,00%		0,30%	0,30%	17,77%
Part-time			0,00%			0,00%			0,00%	0,00%
Over 50 years old	18,67%	9,34%	28,01%	0,00%	0,00%	0,00%	4,82%	0,90%	5,72%	33,73%
Permanent	12,05%	3,31%	15,36%	0,00%	0,00%	0,00%	4,82%	0,90%	5,72%	21,08%
Full-time	12,05%	3,31%	15,36%			0,00%	4,82%	0,90%	5,72%	21,08%
Part-time			0,00%			0,00%			0,00%	0,00%
Temporary	6,63%	6,02%	12,65%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	12,65%
Full-time	6,63%	6,02%	12,65%			0,00%			0,00%	12,65%
Part-time			0,00%			0,00%			0,00%	0,00%
TOTAL:	53,61%	23,19%	76,81%	2,11%	0,00%	2,11%	15,36%	5,72%	21,08%	100,00%

Table 13. - Distribution of employment contract types

e) Annual average of permanent contracts, temporary contracts, and part-time contracts by gender, age, and professional classification.

In 2024, a total of **374 employment contracts** were executed. The annual average is detailed below:

	Operators			Administrative staff			Executives, Middel management and Technician			TOTAL
Age and type of contract	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Under 30 years old	42	9	51	7	0	7	7	1	8	66
Permanent	15	1	16	1	0	1	7	1	8	25
Full-time	15	1	16	1		1	7	1	8	25
Part-time			0			0			0	0
Temporary	27	8	35	6	0	6	0	0	0	41
Full-time	27	8	35	6		6			0	41
Part-time			0			0			0	0
Between 30 and 50 years old	92	61	153	0	0	0	28	14	42	195
Permanent	54	17	71	0	0	0	28	13	41	112
Full-time	54	17	71			0	28	13	41	112
Part-time			0			0			0	0
Temporary	38	44	82	0	0	0	0	1	1	83
Full-time	38	44	82			0		1	1	83
Part-time			0			0			0	0
Over 50 years old	63	31	94	0	0	0	16	3	19	113
Permanent	41	11	52	0	0	0	16	3	19	71
Full-time	41	11	52			0	16	3	19	71
Part-time			0			0			0	0
Temporary	22	20	42	0	0	0	0	0	0	42
Full-time	22	20	42			0			0	42
Part-time			0			0			0	0
TOTAL:	197	101	298	7	0	7	51	18	69	374

Table 14. – Annual average of employment contract types

f) Number of dismissals by gender, age, and professional classification

Age and professional classification	Male	Female	Total
Executives, Middel management and Technician	2	0	2
Under 30 years old			0
Between 30 and 50 years old			0
Over 50 years old	2		2
Operarators	14	11	25
Under 30 years old	2		2
Between 30 and 50 years old	8	7	15
Over 50 years old	4	4	8
Total:	16	11	27

Table 15. – Number of dismissals by gender, age, and professional classification.

g) Average remuneration and its evolution, disaggregated by gender, age, and professional classification or equivalent value.

Professional classification and age	Male	Female	Total
Executives, Middel management and Technician	37.503 €	29.676 €	33.589 €
Under 30 years old	14.566 €	7.481 €	11.024 €
Between 30 and 50 years old	42.904 €	42.515 €	42.709 €
Over 50 years old	55.039 €	39.031 €	47.035 €
Operators	23.976 €	16.929 €	20.452 €
Under 30 years old	20.271 €	10.854 €	15.563 €
Between 30 and 50 years old	24.854 €	19.188 €	22.021 €
Over 50 years old	26.802 €	20.745 €	23.774 €
Total:	30.740 €	23.302 €	27.021 €

Table 16. - Average remuneration disaggregated by gender, age, and professional classification

The data are obtained from the payroll records. The most notable differences in salaries are due to personnel who joined the company throughout the year and were not employed at the beginning of it.

Salary data for the Administrative professional category cannot be provided, as this category only includes interns.

The salary of the employee working at Cablescom Interconnect Technology has also been considered, using the CNY to € conversion tool: <https://www.exchange-rates.org/es/convensor/cny-eur>

h) Gender pay gap, remuneration for equal or average positions within the company.

The following details the gender pay gap across all categories::

	Male	Female	%
Executives, Middel management and Technician	37.233 €	29.784 €	20,01%
	23.976 €	16.929 €	29,39%
	Total:	24,70%	

Table 17. – Gender pay gap

As mentioned in the previous section, the most notable salary differences are due to personnel who joined the company during the year.

- i) **Average remuneration of directors and executives, including variable compensation, allowances, severance, contributions to long-term savings plans, and any other benefits, disaggregated by gender.**

Due to confidentiality and considering the small number of directors and executives, information regarding the average remuneration received is not disclosed.

- **Policies on working conditions, hiring, selection, and digital disconnection.**

CABLESCOM has a human resources policy that promotes the continuous improvement of employees' skills, abilities, and motivation, while prioritizing well-being, work-life balance, and optimal working conditions and safety.

Fundamental principles of this policy include:

- **Shared responsibility:** Establishing appropriate policies.
- **Human relations:** Based on respect and trust, equality of opportunity and treatment, effective, transparent, honest, and open communication, listening, and dialogue.
- **Staff selection:** Identifying the most suitable candidates through a process focused on talent selection, professional development, and equal opportunities, ensuring integrity, honesty, respect, and fair treatment throughout the process.
- **Work-life balance:** Facilitating flexible working conditions.
- Competitive, motivating, and equitable **remuneration.**
- **Professional development:** Supporting and enhancing training and learning, offering career development opportunities, and considering succession planning. Internal promotion is encouraged based on the evaluation of skills, experience, knowledge, and competencies required for the role.
- **Labor relations:** Ensuring employees' freedom of association.
- **HR organization:** Implemented through processes, systems, and other tools.
- **Safety and risk prevention:** Actively integrated into the company with consensus.

Regarding digital disconnection, all CABLESCOM employees work on-site, ensuring practical disconnection outside working hours.

- **Employees with disabilities.**

During the reporting period, CABLESCOM employed 6 people (4 men and 2 women) with disabilities, complying with the 2% quota required by the General Disability Law.

7.2. Work organization

The work schedules and shifts of **100% of CABLESCOM employees** are established in the company's collective agreement, Chapter III. All employees are assigned to one of the following shifts: morning, afternoon, night, or central. The time bands for each shift are:

- Morning shift: 06 -14h.
- Afternoon shift: 14-22h.

- Night shift: 22-06h.
- Central shift: For office and production staff, 08:15 – 16:45 with 30 minutes for lunch.

Thanks to the company's collective agreement, employees enjoy rights more favorable than those established by current legislation regarding salaries, working hours, and sick leave.

The total number of hours of absenteeism in 2024 was 75,344 hours due to common illnesses and 1,740 hours due to workplace accidents. This differs from 2023 because the data were collected through SAP Human Resources management software, whereas in 2024 it was obtained from the company's mutual insurance provider.

Measures to facilitate work-life balance and encourage shared parental responsibilities are outlined in the CABLESCOM Equality Plan. Additional benefits under the collective agreement include company transport, cafeteria service, medical service, vacation pool, assistance fund during temporary incapacity, life insurance, retirement insurance, and early retirement at age 64.

In 2024, a total of **5 employees took parental leave**: 3 men and 2 women. This demonstrates the participation of both genders in utilizing this benefit and highlights the importance of work-life balance.

7.3. Health and safety

CABLESCOM is committed to providing a safe and healthy work environment in compliance with applicable regulations. The company has a health and safety policy that includes the following commitments:

- Comply with current Occupational Health and Safety legislation.
- Ensure a system based on preventive best practices, contributing to continuous improvement and achieving management objectives.
- Maintain a prevention management system that:
 - Integrates all hierarchical levels of the company
 - Documents all actions in the Preventive Plan
 - Defines organizational structure, responsibilities, functions, practices, procedures, processes, and resources necessary for risk prevention activities.
- Ensure health and safety through information and training about general and specific risks present in the workplace.
- Periodic monitoring of employees' health based on the inherent risks of their positions.
- Annually establish preventive activities to avoid accidents, occupational incidents, and work-related illnesses.
- Promote employee involvement in their preventive responsibilities, considering any non-compliance with regulations that could cause harm to health as serious.

Additionally, the Corporate Code of Ethics, in section 5d, states that it will provide employees with a safe and stable work environment, ensure that occupational risk prevention measures are kept up to date, and strictly comply with applicable regulations.

To address workplace safety, ergonomics, industrial hygiene, applied psychosociology, and occupational medicine, CABLESCOM has contracted an external prevention service. This agreement ensures compliance with all regulations and the implementation of best practices in each of these areas.

According to the prevention plan, necessary preventive actions have been carried out, which are detailed in the annual preventive activities program. These actions include periodic workplace visits aimed at creating a safe work environment. During these visits, risks that cannot be entirely eliminated are identified, minimized, and controlled.

Continuous monitoring of employees' health is also conducted. This includes periodic medical examinations following specific protocols designed according to the inherent risks of each position. These exams allow early detection of health issues and implementation of measures to ensure the workforce's well-being.

Furthermore, in accordance with Article 38 of Law 31/1995, CABLESCOM has established a Health and Safety Committee that meets quarterly as stipulated.

Protocols have been created to promote the safety and health of particularly sensitive workers, including:

- Pregnant employees
- Minors
- Employees with disabilities
- Employees with special psychophysical characteristics.

Identified sector-related risks include:

- Slips, trips, and falls on the same or different levels due to wet or slippery surfaces.
- Physical overexertion from manual handling of loads.
- Forced postures and repetitive movements.
- Cuts, crushing, or impact injuries to different body parts.
- Projection of foreign particles into the eyes.
- Burns from welding.
- Electrical shocks and electrocution.
- Fires and explosions from using lamps or portable electrical tools in confined spaces containing combustible gas residues.
- Poisoning from chemical agents.
- Contact with products containing hazardous substances.
- Eye or respiratory irritation due to chemical exposure.
- Musculoskeletal injuries in hands/wrists from assembly tasks.
- Work-related stress.
- Noise caused by work tools.

- **Medical service**

CABLESCOM provides a medical service with a doctor performing family physician duties three days a week (Monday, Wednesday, and Friday) for two hours per day, covering both morning and afternoon shifts. All personnel can access this service.

A first aid protocol for accidents has also been implemented, along with measures to reinforce and optimize the occupational prevention system.

- **Canteen service**

A canteen service is available with a healthy menu that promotes the selection of local suppliers and seasonal fresh products. Menus are adapted to the needs and requirements of employees when necessary. Continuous campaigns promoting healthy eating were conducted on the company’s social media during the reported year.

● **Work-related accident and occupational illnesses**

In 2024, a total of 46 work-related accidents occurred, of which 44 (95.65%) happened during working hours and 2 (4.35%) were in itinere. Of the accidents during working hours, 31 resulted in sick leave (including the 2 in itinere) and 15 did not result in sick leave.

The following table shows the breakdown of accident types and the frequency and severity rates by sex:

	Male	Female	Total
Total number of wor-related accidents (with and without leave, excluding relapses)	26	20	46
Number of occupational illnesses	1	0	1
Accident frequency rate (number of accidents/number of hours worked*10 ⁶)	57,77		
Accident severity rate (number of lost workdays/number of hours worked*10 ³)	2,11		

Table 19. – Types of work-related accident and frequency and severity rates.

It was not possible to break down the indices by sex due to lack of information from the mutual insurance company.

7.4. Social Relations

CABLESCOM organizes its social dialogue with personnel through workers’ representation committees on various matters. Through these committees, procedures are developed for providing information, negotiation, and consultation with staff.

The Works Council is composed of 13 employee representatives, elected through union elections, divided into three sections: 5 delegates from UGT, 5 from CCOO, and 3 from AIC.

The Health and Safety Committee consists of 6 members: 3 company representatives and 3 representatives from the various union sections. This committee meets quarterly and records follow-up actions in official minutes.

The Equality Commission comprises 3 members from the social side (one for each union section).

100% of employees are covered by CABLESCOM’s own Collective Agreement.

The balance of collective agreements, particularly in the field of occupational health and safety, is reflected in Chapter VI of the company’s Collective Agreement, as well as in safety and health performance indicators (accident indices, frequency, and severity

7.5. Training

CABLESCOM has an HR policy that not only promotes and supports but also continuously enhances employee training and learning. To encourage comprehensive professional development, the company implements appropriate training programs based, whenever possible, on active learning methodologies.

Each year, a thorough process is conducted to identify the training needs of personnel. These needs are collected and presented to management, which is responsible for planning and organizing them, ensuring that training programs align with the company’s strategic objectives and employees’ development expectations.

Training provided in 2024 included:

Office training: Primarily focused on office tolos and software, such as carbon footprint calculation software, Wrike software, project management, management system and policies, and prevention and awareness of harassment.

Onboarding: Whenever new personnel join CABLESCOM, a scheduled induction is conducted on the first day by different departments, ending with a tour of the entire plant. This plan is carried out for both office and production personnel.

The total number of training hours at CABLESCOM was 2.046 hours.

	Office training	Onboarding	TOTAL
Executives, Middel management and Technician	1.829		1.829
Operators		217	217
TOTAL	1.829	217	2.046

Table 20. - Participation and Total Training Hours in 2024.

As every year, at the beginning of the year, the various departments identify the training needs of the staff. Work is ongoing for 2025. It is worth mentioning that, during the year, the company collaborated with seven interns. These internships provide participants with an opportunity for learning and professional development.

7.6. Universal Accessibility for People with Disabilities

CABLESCOM’s indoor spaces are adapted for people with disabilities. There are ramps providing access to all areas of the organization, and there are no elevators since the entire facility is on a single floor. CABLESCOM has a Code of Conduct that recognizes and implements the commitment to non-discrimination of any person for any reason

7.7. Equality

CABLESCOM has had an equality plan since July 2023, aimed at ensuring equal opportunities between women and men, currently under review and pending registration. It includes the following measures and actions:

Recruitment. *Action implemented:* Monitoring recruitment processes for women in underrepresented areas. In 2024, the presence of women in the workforce continued to increase, with a general 44% rise in hiring of women.

Training. *Action implemented:* Conducting three equality campaigns during the validity of the equality plan. In 2024, the “Equality Plan 23-25” campaign continued. Additionally, 24 employees have been trained since the start of this initiative on the current labor market situation, gender roles and stereotypes, and direct and indirect workplace discrimination.

Internal promotion. *Action implemented:* Adopting a positive action measure where women are given preference for promotions to positions, functions, or professional groups in which they are underrepresented, assuming equal merit and ability. In 2024, two internal promotions were carried out, with technicians advancing to managerial roles.

Occupational Health. *Action implemented:* Monitoring periodic occupational risk assessments to evaluate current and future factors that could affect women’s access to certain positions. In 2024, this action was paused.

Communication: The company has several communication channels (TV, notice boards) to provide all employees with information about equality values, equal treatment and opportunities, and harassment protocols. In 2024, communication continued through these channels.

In this regard, the Internal Code of Conduct and the Corporate Ethics Code, in section 5c, also include a prohibition against discrimination: no form of discrimination based on sex, race, ethnicity, religion, sexual orientation, opinion, disability, marital status, or age will be tolerated. Equal opportunities are guaranteed based on professional merit.



8 Respect for Human Rights

To ensure due diligence in human rights and prevent possible violations, as well as to implement measures to mitigate, manage, and remedy any potential abuses, the organization has:

- Labor practices and human rights policy
- Human resources policy
- Sustainable procurement policy
- Corporate Ethics Code
- Internal Code of Conduct
- External Code of Conduct
- Protocol for the prevention and treatment of harassment.

- Renewed CEO commitment letter reaffirming the company's unwavering commitment to promoting and protecting human rights across all operations.

CABLESCOM's position regarding human rights includes:

- **Prohibition of Discrimination.** No discrimination will be tolerated based on sex, race, religion, sexual orientation, marital or family status, opinion, disability, or age. Equal opportunities are guaranteed based on professional merit.
- **Human Rights Protection.** The company will not contract with suppliers, contractors, or subcontractors who do not follow ethical labor practices in accordance with International Labour Organization principles and UN standards.
- **Prohibition of Child Labour.** CABLESCOM and its suppliers will not hire minors (under 18), recognizing every child's right to a dignified childhood.
- **Prohibition of Forced Labor or Abuse.** No forced labor, involuntary work, physical punishment, sexual or racial harassment, verbal or power abuse, or any form of intimidation will be allowed.
- **Freedom of Association and Collective Bargaining.** Individual and collective labor rights are guaranteed for all staff, without exception. No negative consequences will result from exercising these rights.

It is also important to emphasize that, since 2010, CABLESCOM has adhered to the United Nations Global Compact. This commitment involves integrating the 10 fundamental principles of the Compact into daily operations. The commitment to support and respect the protection of fundamental human rights applies not only to our internal activities but also extends throughout our entire value chain. In this way, we ensure that our business partners and suppliers also comply with these ethical and human rights standards, promoting a fair and respectful working environment at every stage of our operations.

As a measure to defend against and prevent human rights violations, CABLESCOM has established an external Code of Conduct. This code must be accepted and followed by all suppliers before beginning any commercial relationship with the company.

If any CABLESCOM employee is concerned or suspects that a violation of the Code of Conduct or applicable legislation has occurred or may occur, these suspicions can be reported anonymously or identified by sending an email to buzon.comunicaciones@cablescom.com with all information that may be relevant to substantiate the allegation. Any such report will be received confidentially, acknowledgment of receipt will be provided, and a reasonable period will be indicated to determine its admissibility.

During 2024, no complaints were received regarding the violation of human rights and fundamental freedoms at CABLESCOM. No cases of discrimination or actions contrary to the core conventions promulgated by the ILO were recorded.

9 Fight against corruption and bribery

To prevent corruption and bribery, CABLESCOM has established a **Corporate Ethics Code**. This code is mainly based on:

Anti-corruption laws: Strict compliance with applicable laws prohibiting bribery and corruption, particularly bribery of public officials.

Use of privileged information: such information must not be used or disclosed for any purpose other than its original intent.

Bribery and corruption: Personnel may not engage in corrupt or bribery practices, either by accepting, offering, or promising to give (or perform) a bribe, illicit commission, or other inappropriate payments, benefits, or advantages to any person, individual, or entity, nor make any direct or indirect payment to them (or third parties).

Anti-money laundering laws: Business will only be conducted with accredited partners, and funds will only be received from legitimate sources. Employees must take measures to prevent and detect any unacceptable or suspicious payments and report them to their superiors or through established channels.

Accuracy of financial information: Financial information must be reported fairly, accurately, timely, and comprehensibly in accordance with applicable accounting standards. False entries, misleading reports, or improper accounting practices are prohibited. Transactions, payments, or company asset transfers must have supporting documentation and proper approvals.

Fraud: Zero tolerance for fraudulent activity or improper approval of assets and corruption. Employees are required to report any suspected fraudulent activity and will be protected at all times after doing so.

Fair competition: Illegal practices of unfair competition are prohibited. Compliance with applicable antitrust laws in the countries where CABLESCOM operates is guaranteed. Price-fixing or any other monopolistic practices, as well as illegal activities such as break-ins, theft, information misrepresentation, wiretapping, or data theft, are forbidden.

Use of assets: Assets must not be used for unethical or illegal purposes or in violation of the law and must be protected from misuse or negligence.

Gifts, gratuities, and favors: Receiving bribes, improper payments, gifts, donations, or favors that could influence commercial, administrative, or professional relationships is strictly prohibited in all countries where CABLESCOM operates. In particular, any form of gift to public officials or auditors that may affect their judgment or impartiality is absolutely forbidden. Contributions to political parties or organizations controlled by them are also prohibited.

In addition, through its External Code of Conduct and sustainable procurement policy, CABLESCOM informs suppliers about the eradication of any form of corruption, extortion, or bribery and ensures compliance with local, national, and international laws.

Complementing the previous code is the internal Code of Conduct, which details the organization's position regarding bribery, corruption, extortion, and fair commercial relationships.

As previously mentioned, CABLESCOM has a Compliance Management System Manual (MG02 Compliance Management System Manual) and a Compliance Risk Management Register. This register identifies and evaluates risks and documents actions implemented to prevent, mitigate, or eliminate them.

For anti-money laundering, there are various procedures:

1. **PE17 Fund Outflow Procedure.** This procedure aims to control fund outflows and ensure proper justification.

2. **PE03 Payment Verification Procedure.** This procedure aims to prevent identity fraud involving Management and/or suppliers by verifying the identity of payment requesters to prevent fraudulent use.
3. **PE13 Purchasing card.** This procedure regulates the use of the company credit card used by the purchasing department for certain payments.

Regarding measures to control corruption and bribery in purchasing and supplier management, there are various procedures such as PG13 Supplier Evaluation, PG16 Purchasing, PE11 Purchase Conditions Negotiation. For clients, there are processes including FP03 Purchase and Client Management, PG02 Order Management, PG10 Offers, PE05 Commercial Offer Approval, PE07 Treasury Department Documents and Actions, PE18 Commission Procedure, etc.

No cases of corruption or bribery occurred in 2024.

10 Information about the company

10.1. Company commitments to sustainable development

CABLESCOM's commitments to sustainable development are outlined in its Internal and External Codes of Conduct, its sustainable procurement policy—which supports the economic development of the local communities in which the group operates—and the actions carried out in 2024, reinforcing these commitments. Additionally, CABLESCOM has been a signatory to the United Nations Global Compact since 2010.

Among CABLESCOM's commitments to sustainable development, the impact of its activity on direct and indirect employment and local development stands out. Indicators supporting this include that 100% of employment is local, as all personnel reside in the province where the organization is headquartered, and 39.71% of purchases are local (national) purchases. Furthermore, 85% of our suppliers, who were sent the Code of Conduct, have demonstrated adherence to it. This high level of commitment reflects the importance that business partners place on ethical and sustainable practices, aligning with the company's corporate values and contributing to a more responsible and transparent business environment.

Other organizational collaborations with local community entities and stakeholders include:

Collaboration with Cáritas Diocesana de Zaragoza. Since 2008, CABLESCOM has worked with Cáritas to create employment opportunities for people facing difficulties accessing the labor market.



Collaboration with Fundación Adecco. In March 2024, taking advantage of the celebration of Women's Week at CABLESCOM, the collaboration agreement with the foundation was renewed to continue promoting inclusion and diversity and to strengthen the company culture.



FUNDACIÓN ADECCO

Associations and Sponsorships

CABLESCOM is a member of the following associations/foundations:

- MAFEX: Association of Spanish manufacturers of products and services for the railway market
- FACEL: Association of Spanish cable manufacturers.
- EUROPACABLE: Association of European cable manufacturers.
- Fundación Adecco.
- Fundación Rey Ardid.
- Fundación por la Inclusión Social/Caritas .

Additionally, in 2024, CABLESCOM sponsored the ESIC Corporate Race and the Civil Guard race.

2024 Activities:

Conference and Exhibition on Gender Equality and Non-Violence (Government Delegation of Aragón). As part of the annual Equality Plan and aimed at raising awareness about gender equality and non-violence, an exhibition provided by the Government Delegation of Aragón was held, accompanied by a talk by Mónica del Real, Head of the Gender Violence Unit of the Government of Aragón.



Illustration 10. Day of the Conference and Exhibition on Gender Equality and Non-Violence, CABLESCOM

International Women's Day Celebration. On March 8, all female employees were given a purple bag as a closing gesture for the celebration of this important day.



Illustration 11. International Women's Day in CABLESCOM

Grand Prix + BBC. A team-building day was held where employees tested their skills and teamwork through various activities.



Illustration 12. Grand Prix CABLESCOM

Collaboration with IES Pedro de Luna.

A day was shared with 4th-year ESO students from the institute to teach them about CABLESCOM's history, passion for innovation, and facilities, allowing them to see our products and state-of-the-art machinery up close.



Illustration 13 Day with students from IES Pedro de Luna

Expotalent '24. Participation in the employment fair organized by the University of Zaragoza to provide new opportunities for young talent.



Illustration 14. CABLESCOM Stand, Expotalent '24

Stress Management Workshop. Mutua MAZ conducted a psychoeducational workshop on stress, providing guidance on personal psychological resources that can be used to manage it effectively. *Illustration 15. Stress Management Workshop, CABLESCOM.*



Illustration 15. Stress Management Workshop, CABLESCOM

International Breast Cancer Day Celebration. In collaboration with the Spanish Association Against Cancer, bracelets were distributed to all female employees in October to raise awareness, support research, and promote early diagnosis. This contribution cost €229.75.



Illustration 16. International Breast Cancer Day, CABLESCOM

Collaboration with Red Cross.

CABLESCOM staff collaborated with Red Cross in packaging toys during its pre-Christmas campaign..



Illustration 17. Collaboration with Red Cross, CABLESCOM team

Acutel Technology Fair. CABLESCOM participated in the Acutel Technology Fair held in Granada, one of the most important fairs for telecommunications operators and technology companies in Spain.



Illustration 18. CABLESCOM Stand, Acutel Technology Fair

ESIC Corporate Race. The CABLESCOM team participated in the 8km ESIC Corporate Race in Zaragoza. The goal of this race is to strengthen the shared values of the business and sports world. The sponsorship cost was 826.45.€.



Illustration 19. ESIC Race Group Photo

No further financial contributions were made to foundations or non-profit entities mentioned above in 2024.

Commitment to Stakeholders

CABLESCOM carries out a thorough process to identify stakeholders, followed by a detailed evaluation to determine which parties are relevant. This evaluation is based on specific criteria such as degree of influence, relationship, and dependency. Additionally, a comprehensive analysis of stakeholder needs and expectations, as well as feedback sources, is conducted. This integrated approach allows for a better understanding of stakeholder dynamics and priorities, ensuring that the company's strategies and actions align with their interests and contribute to mutual success.

After evaluation, the relevant stakeholders are: Shareholders, Management, Public Administration and regulatory entities, Railway (FFCC) and non-railway (non-FFCC) customers, employees, subcontracted personnel, raw material suppliers, auxiliary and outsourced service providers, banks, and certification bodies.

CABLESCOM has a communication plan updated in September 2024 for all stakeholders. The main communication channels include meetings, committees, conferences, fairs, surveys, email, phone calls, visits, bulletin boards, social networks, website, whistleblowing channel, audits, etc.

10.2. Subcontracting and Suppliers

CABLESCOM has a procurement procedure (PG16) for supplier management. This process describes how suppliers are selected, evaluated, classified, approved, and monitored for performance. A sustainable procurement policy is also in place, outlining the following principles for the entire supply chain:

- Compliance with applicable laws and regulations.
- Adoption of environmentally respectful policies.
- Fair, transparent, and impartial treatment, ensuring commitments are respected by both parties.
- Communication channels for all stakeholders.

- Abstention from bribery, corruption, extortion, or fraud.
- Measures to ensure that minerals in products do not come from conflict or high-risk areas.
- Respect for dignity and human rights, rejecting child or forced labor, harassment, discrimination, abuse, or other physical or psychological violence.
- Confidentiality of shared information.
- Elimination of conflicts of interest that may undermine objectivity and independence.
- Compliance with occupational health, safety, and hygiene requirements
- Support for local economic development in communities where the group operates.
- Promotion of continuous improvement and innovation.

At the start of commercial relationships, suppliers are asked to complete form RPG16-01 (“New Business Partner Form”), which gathers detailed information, including sustainability-related matters. This ensures suppliers meet CABLESCOM’s environmental and social sustainability standards, promoting responsible practices across the supply chain.

Additionally, an External Code of Conduct and a Policy on Labor Practices and Human Rights are provided to all suppliers for adherence before any commercial relationship. Social or environmental clauses are also integrated into supplier contracts.

Audits are conducted on suppliers as part of social and environmental oversight, as established in procedure PG05 “Audit Management.” These audits evaluate supplier performance in areas such as.

- Quality System management and staff competence; Safety, Health, and Environment.
- Customer requirements management.
- Production process control.
- Maintenance and measurement equipment management
- Warehouse management
- Supply chain management.
- Non-conformity management and customer satisfaction.
- CSR and Sustainability.

Evaluation is conducted using a scored questionnaire, classifying suppliers as:

≥ 90% = Supplier A

80-89% = Supplier B

< 80% = Supplier C

Audits are annually planned based on::

- Supply issues or material rejections.
- Results of previous supplier evaluation.
- Material usage quantity.
- Suppliers for railway products or special processes.
- Environmental impact (sustainability criteria).

In 2024, three audits were conducted on raw material suppliers from Portugal, China, and Spain with satisfactory results:

Supplier 1: B (84%)

Supplier 2: A (100%)

Supplier 3: B (84%)

After an audit, suppliers are required to submit an action plan to correct identified deviations..

The number of suppliers is reflected in the following table::

Total Suppliers	642 ud
Local National*	255 ud
Non-local National	276 ud
International (within EU)	71 ud
International (outside EU)	40 ud

* Local nationals are considered those from Zaragoza province (Postal code 50XXX)

10.3. Consumers

CABLESCOM has a procedure for Non-Conforming Outputs (PG17) to manage all types of product non-conformities. Depending on the type of non-conformity (defective product in process, customer complaint, or raw material rejection), it is handled in a specific way involving all affected departments, always performing a root cause analysis, action plan, and follow-up.

It is worth mentioning that CABLESCOM holds ISO 9001 certification (previously mentioned) and, since 2023, ISO/TS 22163, which is specific to the railway sector, as this sector includes some of the organization's main clients. Additionally, two CPR (Construction Product Regulation) audits are conducted annually according to UNE 50575 standards for cable fire performance, with specific fire tests that the cables must pass.

Laboratory tests accredited by ENAC are also performed based on ISO 17025 criteria.

The organization provides channels for customers to communicate complaints and claims through the commercial department. These are managed according to the PG17 procedure mentioned above.

In 2024, a total of 31 customer complaints were registered, all of which were addressed with proper follow-up by the operations department in coordination with the relevant area and resolved. Of these complaints, only 3 were resolved without achieving customer satisfaction, while the remaining complaints were satisfactorily resolved. Specifically, 12 complaints were related to copper cables and 19 complaints were related to fiber optic cables.

No specific measures are implemented regarding consumer health and safety, as CABLESCOM products do not reach the final consumer directly, but all products comply with client standards.

10.4. Tax Information

For the reported period::

Total CABLESCOM revenue: €64,731,424.74

Net income after taxes: -€1,875,979.70

Corporate income taxes: €79,203.38

Public subsidies received: €20,629.08

11 ANNEX I. INDEX OF CONTENTS REQUIRED BY LAW 11/2018

Contents Required by Law 11/2018 EINF		Section of the Report	Reporting Criteria: GRI
Modelo de Negocio			
Description of the group's business model	Description of the business model.	5.1	GRI 2-1 (2021), GRI 2-6 (2021)
	Geographical presence.	5.1	GRI 2-1 (2021)
	Objectives and strategies.	5.1	GRI 2-22 (2021)
	Main factors and trends affecting future evolution	5.1	GRI 3-3 (2021), GRI 2-22 (2021)
Environmental Issues			
Policies	Management approach.	5.3, 5.4	GRI 3-3 (2021)
Main risks	Main risks and impacts derived from the group's activities and their management.	5.5, 6.1	GRI 3-3 (2021)
	Effects of the company's activity on environment, health, and safety	6.1	GRI 3-3 (2021)
	Environmental assessment or certification procedures.	6.1	GRI 3-3 (2021)
General	Resources dedicated to environmental risk prevention.	6.1	GRI 3-3 (2021)
	Provisions and guarantees for environmental risks.	6.1	GRI 3-3 (2021)
Pollution	Measures to prevent pollution	6.2	GRI 3-3 (2021)
Circular Economy and waste prevention and management	Measures for waste prevention and management.	6.3	GRI 306-3 (2020)
	Actions to combat food waste	6.3	GRI 306-3 (2020)
Sustainable use of resources	Water consumption	6.4	GRI 303-5 (2021)
	Raw materials consumption.	6.4	GRI 301-2 (2016)
	Energy: Direct and indirect consumption; measures to improve energy efficiency, use of renewable energies	6.4	GRI 302-1 (2016)
Climate Change	Greenhouse Gas (GHG) emissions	6.2	GRI 305-1a1 4 (2016)
	Measures to adapt to Climate Change	6.2, 6.5	GRI 3-3 (2021)
	GHG reduction targets	6.2	GRI 3-3 (2021)
Biodiversity protection	Measures to preserve or restore biodiversity	6.6	GRI 304-3 (2016)
	Impacts caused by the activity	6.1	GRI 304-2 (2016)
Social and Personnel Issues			
Policies	Management approach	5.3, 5.4	GRI 3-3 (2021)
Empleo	Total number and distribution of employees by gender, age, country, and professional category	7.1	GRI 2-7 (2021)
	Total number and distribution of contract types	7.1	GRI 2-7 (2021)
	Annual average of permanent, temporary, and part-time contracts by gender, age, and professional category	7.1	GRI 2-7 (2021)
	Number of dismissals by gender, age, and professional category	7.1	GRI 2-7 (2021)
	Average remuneration by gender, age, and professional category or equivalent value	7.1	GRI 2-21 (2021)
	Gender pay gap	7.1	GRI 2-21 (2021)

	Remuneration for equivalent roles or company average	7.1	GRI 2-21 (2021)
	Average remuneration of directors and executives, broken down by gender	7.1	GRI 2-21 (2021)
	Work disconnection measures	7.1	GRI 2-23 (2021)
	Employees with disabilities	7.1	GRI 405-1 (2016)
Work organization	Work time organization.	7.2	GRI 2-23 (2021)
	Number of absenteeism hours	7.2	GRI 403-9 (2016)
	Measures to facilitate work-life balance	7.2	GRI 2-23 (2021)
Health and safety	Health and safety conditions at work	7.3	GRI 403-1 al 4 (2016)
	Accident indicators by gender	7.3	GRI 403-9 (2016)
	Occupational diseases	7.3	GRI 403-9 (2016)
Social relations	Organization of social dialogue	7.4	GRI 2-29, GRI 2-30 (2021)
	Percentage of employees covered by collective agreements	7.4	GRI 2-30 (2021)
	Balance of collective agreements in health and safety	7.4	GRI 403-4 (2016)
Training	Training policies	7.5	GRI 404-2 (2016)
	Total training hours by profesional category.	7.5	GRI 404-1 (2016)
Accesssibility	Universal accessibility for people with disabilities.	7.6	GRI 2-23 (2021)
Equality	Measures for gender equality	7.7	GRI 2-23 (2021)
	Equality plans	7.7	GRI 2-23 (2021)
	Measures to promote employment	7.7	GRI 3-3 (2021)
	Protocols against sexual and gender harassment	7.7	GRI 412-1 (2016)
	Policy against discrimination and diversity management.	7.7	GRI 3-3 (2021)
Human Rights			
Policies	Management approach	5.3, 5.4, 8	GRI 3-3 (2021)
Human Rights	Application of due diligence procedures	8	GRI 2-23, GRI 2-24, GRI 2-26 (2021)
	Measures to prevent and manage possible abuses.	8	GRI 2-23, GRI 2-24, GRI 2-26 (2021)
	Complaints of human rights violations	8	GRI 406-1 (2016)
	Promotion and compliance with ILO provisions	8	GRI 407-1, GRI 408-1, GRI 409-1 (2016)
Anti-Corruption and Bribery			
Policies	Management approach	5.3, 5.4	GRI 3-3 (2021)
Corruption and Bribery	Measures to prevent corruption and bribery	9	GRI 205-2 GRI 205-3 (2016)
	Measures to prevent money laundering	9	GRI 2-23 (2021)
	Contributions to foundations and non-profit organizations	10.1	GRI 201-1 (2016)
Society			
Corporate commitment to sustainable development	Impact of company activity on employment and local development	10.1	GRI 203-2 (2016)
	Impact on local populations and territories	10.1	GRI 203-2, GRI 413-2 (2016)
	Relations with local communities	10.1	GRI 2-29 (2021), GRI 413-1 (2016)
	Association or sponsorship actions	10.1	GRI 201-1 (2016)

Subcontracting and suppliers	Inclusion of ESG issues in purchasing policy	10.2	GRI 308-1 (2016)
	Consideration of social and environmental responsibility of suppliers and subcontractors	10.2	GRI 308-1 (2016)
	Monitoring systems and audits and their results	10.2	GRI 414-2 (2016)
Consumers	Measures for consumer health and safety	10.3	GRI 416-1 (2016)
	Management system for complaints received	10.3	GRI 418-1 (2016)
Fiscal Information	Benefits obtained by country	10.4	GRI 207-4 (2016)
	Corporate income tax paid	10.4	GRI 207-4 (2016)
	Public subsidies received	10.4	GRI 201-4 (2016)