TAFALLA
IRON FOUNDRY

Sustainable Purchasing Policy

1. PURPOSE

Sustainable purchasing: a tool for progress

At Tafalla Iron Foundry, S. Coop., we consider sustainable purchasing to be a fundamental tool for promoting progress, innovation, and value creation.

This Sustainable Purchasing Policy embodies our commitment to integrating Environmental, Social, and Governance (ESG) criteria throughout our supply chain, aligning ourselves with the requirements set out in UNE-ISO 20400 and the United Nations Sustainable Development Goals (SDGs).

We view sustainable purchasing not only as a responsible practice but also as a core pillar for the holistic advancement of our organization and the community to which we belong.

We recognize that long-term success depends on maintaining a harmonious balance between economic activity, people's well-being, and respect for the environment.

We are guided by unwavering principles of ethics, transparency, and commitment, with an inclusive and participatory business model that positions us as leaders in the transition toward a more sustainable world.

By incorporating sustainable purchasing guidelines through this Policy, we aim for every purchasing decision to reflect our purpose: placing people at the center, promoting responsible and mutually beneficial relationships with our local and global environments. With this in mind, we seek to:

- PROMOTE SUSTAINABLE INNOVATION We drive the development of products and services that minimize environmental impact through innovative approaches, promoting resource efficiency, emission reduction, and material recycling. We especially value products that contribute to the circular economy and the use of renewable energy through design and technology.
- GENERATE RESPONSIBLE VALUE We strive to ensure that our business practices are not only profitable but also ethical and responsible. This means selecting suppliers and products that respect labor rights, promote social equity, and minimize environmental impact. Every purchase is evaluated for its ability to foster inclusion, protect ecosystems, and support the development of local communities.
- PROMOTE TRANSPARENCY AND ETHICS In our cooperative, transparency and ethics are essential foundations for building trust-based and lasting relationships with suppliers and stakeholders. We are committed to maintaining an open and honest communication environment where every interaction is based on integrity and mutual respect. We therefore demand and promote ethical standards throughout our supply chain–from supplier selection to contract execution–ensuring that every collaborator upholds principles of labor fairness, financial transparency, and fair business practices.
- CONTRIBUTE TO COLLECTIVE PROGRESS. We believe that genuine, long-lasting progress is achieved through active collaboration with our supply chain to promote sustainable practices that benefit communities at all levels. At the regional level, we support initiatives that generate decent employment, stimulate the local economy, and respect the cultures and traditions of the areas where we operate. At the international level, we facilitate the exchange of sustainable knowledge and technologies that contribute to the well-being of supplier communities and global ecological balance.

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2. SCOPE OF APPLICATION

Sustainable purchasing: a shared responsibility

This Sustainable Purchasing Policy applies to all procurement activities carried out by our Cooperative, covering every phase of the purchasing process–from supplier selection and evaluation to contract management and monitoring. It includes, but is not limited to, the purchase of goods, services, and materials, as well as relationships with suppliers and business partners.

The Policy is mandatory for all Cooperative employees directly or indirectly involved in the purchasing process, ensuring that all departments act consistently with the principles of sustainability, ethics, and social responsibility established herein.

Its scope also extends to all suppliers, their affiliates and subsidiaries, contractors, and subcontractors with whom the Cooperative establishes business relationships. We aspire to work as an integrated team with all our stakeholders, encouraging them to adhere to the principles outlined in this Policy and to promote sustainable practices within their own operations and supply chains.

More broadly, the Policy also applies to any commercial or investment activity in which the Cooperative is involved, ensuring that all economic and strategic decisions actively support our sustainability and responsibility goals.

3. OUR COMMITMENTS

Actions that transform

This Sustainable Purchasing Policy applies to all procurement activities carried out by our Cooperative, covering every phase of the purchasing process–from supplier selection and evaluation to contract management and monitoring. It includes, but is not limited to, the purchase of goods, services, and materials, as well as relationships with suppliers and business partners.

With the ultimate goal of integrating our business practices within our Code of Conduct and Corporate Social Responsibility Policy, the following indicators will be taken into account in the Sustainable Purchasing Strategy:

- **Environmental Issues**: strong commitment to reducing greenhouse gas and pollutant emissions, promoting recycling, efficient use of natural resources, and circular economy principles.
- **Social Issues:** adherence to the UN Global Compact, International Labour Organization (ILO) Conventions, OECD Guidelines for Responsible Business Conduct, UN Guiding Principles on Business and Human Rights (Ruggie Principles), and the UN Women's Empowerment Principles.
- **Ethics and Governance:** promotion of cooperative leadership and values, creation of a climate of trust and transparency through inclusive communication, establishment of a participatory organizational model, and development of training and career advancement programs for all employees. We also commit to ensuring gender equality, fair remuneration policies, work-life balance, and safe, dignified working conditions for all.
- **Conflict-free Technology:** strict respect for human rights in connection with the exploitation and violence affecting local populations linked to the extraction of conflict minerals.
- **Ethical Culture:** we commit to operating with honesty and integrity, ensuring that all purchasing activities are open and accessible to all stakeholders. We maintain a robust anti-corruption and anti-bribery policy within purchasing

processes, guaranteeing transparency, open dialogue, and honesty with all suppliers to achieve shared sustainability goals.

4. AN INTEGRATED SYSTEM OF SUSTAINABLE PURCHASING

Integrating ethics and responsibility

- To ensure compliance and monitoring of the principles and guidelines of this Policy, we have established a Sustainability Committee within our Cooperative. This Committee holds executive functions and has the authority to inform, advise, and make proposals on sustainability matters.
- The Sustainability Committee is responsible for periodically reporting to the Management Committee on the progress of Policy implementation and sustainability strategy. It will also monitor international sustainability initiatives and the Cooperative's commitments, proposing adherence to new relevant initiatives when appropriate, thereby reinforcing our commitment to sustainable and ethical development.
- We have implemented an internal reporting system to ensure compliance with all the guidelines of this Policy, enabling any interested party to report potential breaches without fear of retaliation, provided they act in good faith.
- We actively encourage the search for new solutions and technologies that improve the sustainability of our purchases, investing in R&D, collaborating with suppliers to develop more sustainable products, and updating our policies and practices based on the latest developments.

In line with the guiding principles of our Code of Conduct, Corporate Sustainability Policy, and Supplier Sustainability Guide, all members of TAFALLA IRON FOUNDRY, S. COOP. commit to complying with applicable laws and regulations, especially those related to purchasing management.

Our commitment to sustainability drives us to act with integrity, fostering loyalty and mutual respect. As a cooperative, aware of our role as catalysts of positive change, we embrace these values with the firm purpose of building a more responsible and supportive future together.

Reviewed and approved by the Management Council in September 2025

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