



# Sustainability Report 2024



# Commitment from the Presidency

## Responsibility, strategy and continuity for a shared future

[2-22]

Dear customers, suppliers, staff, associates and stakeholders,

After more than 60 years of history, we are still convinced that corporate growth cannot be separated from a shared responsibility: for our customers, who form part of the team, for the environment in which we operate and for future generations. This responsibility permeates our way of making decisions, of acting and, above all, planning ahead the continuity of our business model.

This 2024 Sustainability Report is a reflection of who we are: an organisation that has been growing consistently for more than six decades, supported by perseverance, commitment and a work culture that focuses on the long term. **Our purpose is none other than to create lasting value for society** beyond the immediate result and without compromising the opportunities of future generations.

The current context requires us to move with agility in an increasingly complex environment. Technological acceleration, pressure for immediate decisions, the shortage of qualified talent in industrial sectors such as ours, geopolitical instability, increased regulation and growing global competition are transforming the rules of the game.

In the face of these challenges, we respond with a clear strategy and a corporate culture that combines accumulated experience with a solid vision of the future. A way of doing business with responsibility, with purpose and with a view to the long-term impact.

In 2024 we have made concrete progress that demonstrates our way of doing business. We have strengthened our policies, including environmental policies, made progress in digitalisation and consolidated a culture of efficiency and transparency. We have also met most of the strategic objectives set at the beginning of the year, especially in the areas of corporate governance, talent management and operational efficiency. One of the objectives that we are still working on and that will transcend the 2024 financial year is the full implementation of the new traceability system, whose deployment has taken more time than expected due to its technical complexity.

In the area of governance, we have strengthened our governing bodies by **creating an external Board**, as well as improving transparency and communication of business decisions to our stakeholders.

**Talent development** continues to be a strategic priority, because we know that it is the driver that powers our

### Our strategy hinges on six key axes:

1. **Diversification** of products, regions, and sectors as a driver of responsible and sustained growth.
2. **Digitalisation** of processes to become more agile, efficient and transparent.
3. **Attracting, developing and retaining** talent, the powerhouse of our transformation.
4. **Maximising the social and environmental value** of our activities.
5. **Improving** the availability, quality and traceability of data.
6. Strengthening **corporate governance** and improving management transparency.







transformation To this end, we have implemented continuous training programmes, periodic performance evaluations and salary reviews that seek to recognise and enhance the commitment and growth of our team.

In addition, adapting to the new European standards is helping us to improve the quality of our information and to anticipate future demands.

In the commercial aspect, **we have expanded our international presence**, supporting our customers - especially in fields such as energy, mining, and food - in their own technological transformation and energy transition projects.

Looking forward to 2025, our focus continues to be on strengthening the business model, with the incorporation of technologies that will enable us to better measure and communicate our impacts. This commitment is underpinned by firm values: responsibility, integrity, continuous improvement and respect for the environment.

At the same time, we maintain our purpose of supporting customers in their development, as we have done throughout our history. Accordingly, we actively explore emerging sectors such as hydrogen, alternative energies and the technological transition, which are key opportunities to generate growth and shared value.

We know that the road to truly sustainable development is not without challenges. But we also know that our greatest strength is the people who drive this organisation every day, and the trust of our customers and allies.

Thank you for being part of this journey. We will continue working so that Grupo Cuñado is synonymous with responsibility, rigour and commitment to the future.

Yours sincerely,

**Carlos David Cuñado**  
Chairman

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01

Our essence and  
development



## 1.1

# Our history and essence

Grupo Cuñado began its operations in 1963, within the framework of the "Spanish economic miracle", a stage marked by the growth and dynamism of domestic industry. That year, Máximo Cuñado Alonso, a businessman from Burgos, founded the company with the purpose of supplying pipes, valves and accessories to various industrial sectors. With only six employees and at 32 years of age, he laid the foundations of what is today a market leader.

For more than sixty years, we have undergone a process of expansion and transformation aligned with the evolving needs of the market and our customers, consolidating ourselves as a strategic partner in important industrial projects, both domestically and internationally.

We base our activity on the continuous quest for excellence, prioritising collaborative work and forging lasting relationships with customers, suppliers and associates. Transparency and commitment are guiding principles that have been decisive in consolidating Grupo Cuñado's reputation as an industry leader.

The innovative founding impulse is maintained in current projects, through the integration of new technologies and the constant improvement of processes, always in accordance with standards of quality, sustainability and social responsibility.

### The principles that guide us

**Integrity**  
We act coherently, according to our values, and are honest with ourselves and others.



**Innovation**  
We anticipate changes; developing new solutions that increase our competitive edge.



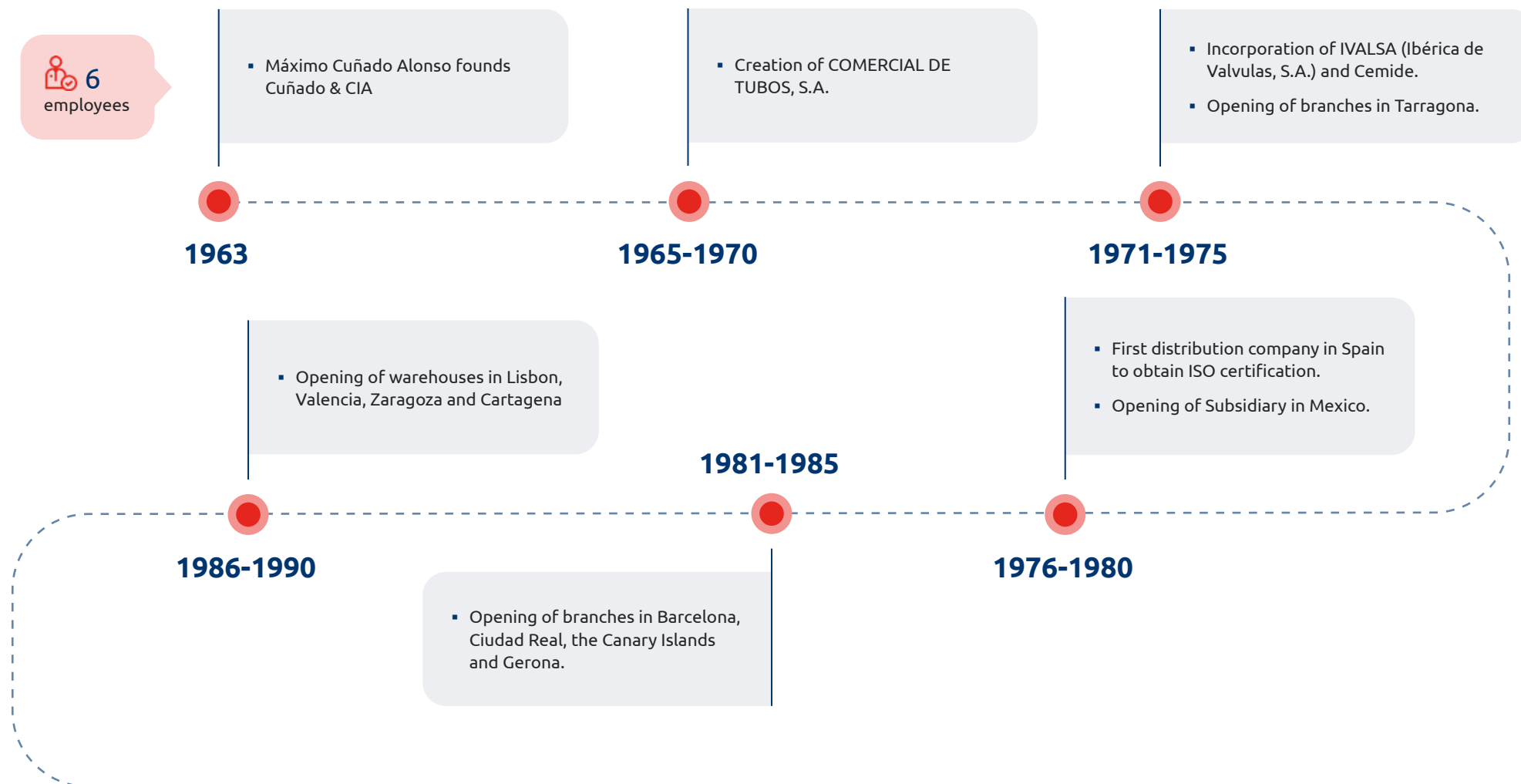
**Continuous improvement**  
We always look for ways to improve, ensuring quality and effectiveness in our actions.

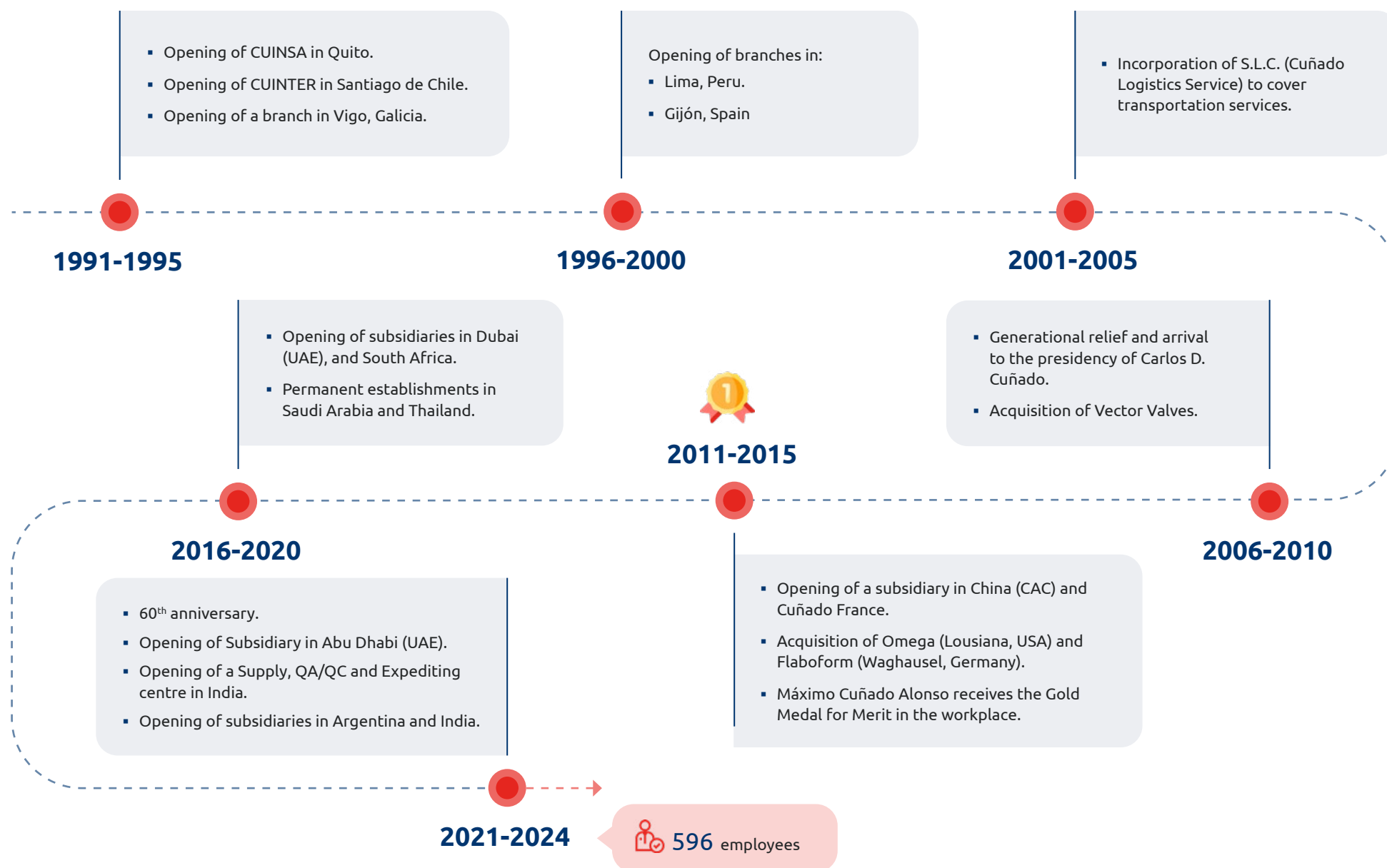


**Teamwork**  
We believe in collaboration, convinced that working as a team surpasses individual effort.



## ... over 60 years of experience







## 1.2

# Our business model

[2-6]

Our business model is based on offering efficient, specialised solutions for the **supply of steel materials aimed at major industrial infrastructures**. Through a combination of strategic stock, our own logistics capacity and advanced technical management, we meet the needs of sectors such as energy, food, the chemical industry, shipbuilding and construction, among others.

We rely on a robust and versatile operational structure that addresses three main areas: distribution, projects and comprehensive supply. In all of them we share the same purpose: to provide our customers with access to steel materials with efficiency, reliability and a high capacity for adaptation.

In terms of **distribution**, we operate an international network of strategically located warehouses, which allows us to respond quickly and effectively to the needs of local markets. We keep a dynamic balance of stock, a wide variety of catalogue items and competitive pricing, supported by our own and outsourced logistics, as well as continuous coordination between centres

In terms of **projects**, we manage the procurement of complete packages of materials, acting as a technical and

logistical link between customer and manufacturer. We coordinate specifications, documentation, manufacturing tracing, inspections, deliveries and transportation from multiple origins. Our teams, distributed in several countries, work in an integrated way to execute each project with precision and consistency.



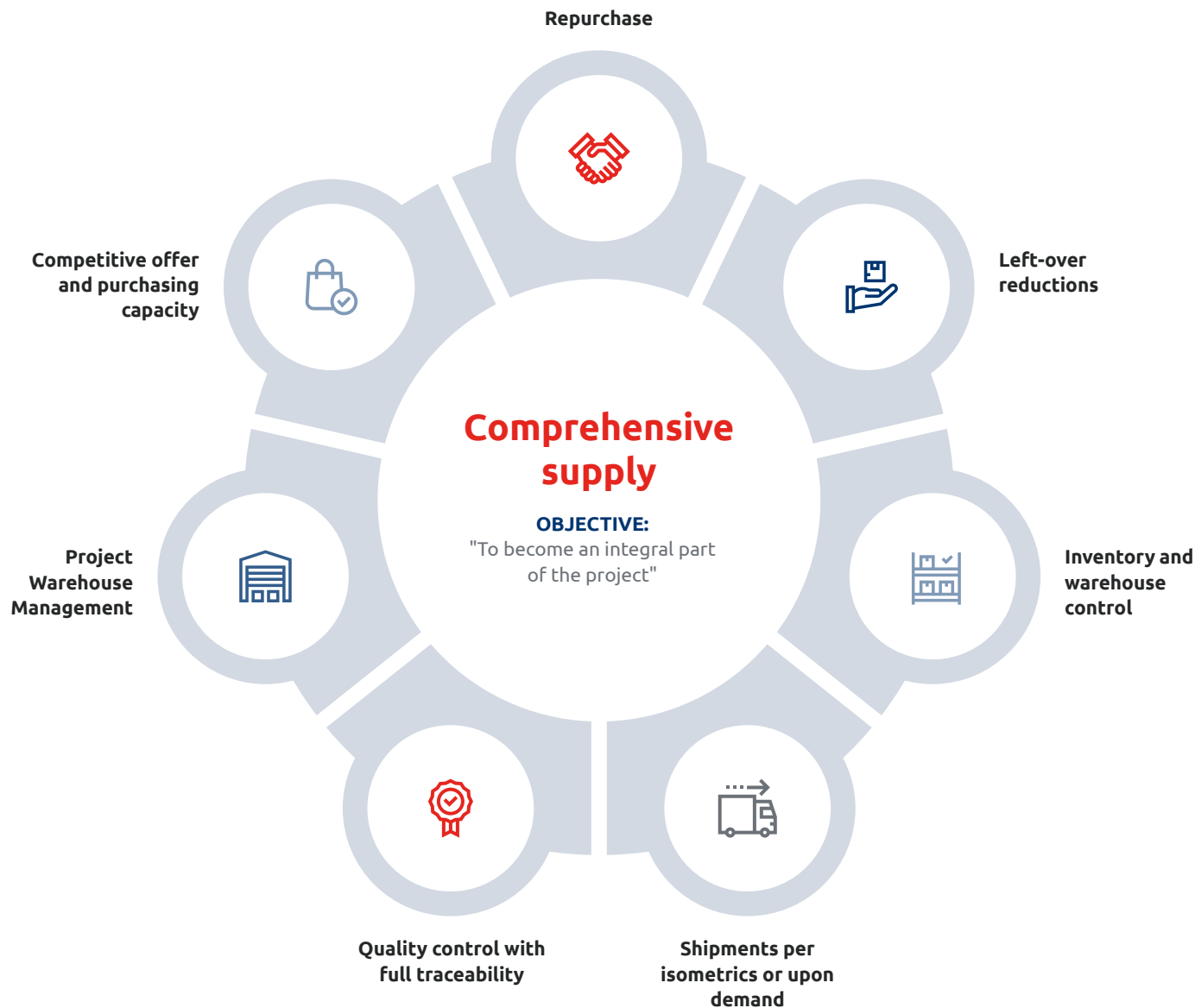
### The strength of our model

**Over 60 years**  
of experience

**Over 40 years**  
of experience in comprehensive  
supply

**Dozens**  
of industrial sectors served

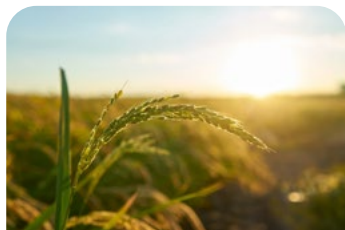
**Wide catalogue**  
with hundreds of essential products



Through **comprehensive supply**, we participate in complex projects where it is crucial to coordinate the demand of multiple actors. We take care of delivery planning, construction inventory management, prioritisation of critical materials and document consolidation, helping to ensure that the flow of materials goes hand in hand with the real progress of the project.

Throughout our history, we have built up a global network of approved manufacturers, whom we audit both technically and financially. This network, built on relationships of trust and mutual insistence on the highest standards, gives us the necessary flexibility to adapt to the particularities of each customer and industry, while guaranteeing the quality of the supply and the solidity of the process.

We serve a wide variety of industrial sectors:



Agriculture



Food and beverage



Biomass



Pulp and paper



Cement



Thermal plants



Combined cycle



Construction



Cosmetics



Data centers



Water treatment



Hydroelectric power



Nuclear energy



Wind energy



Equipment manufacturing





Pharmaceuticals



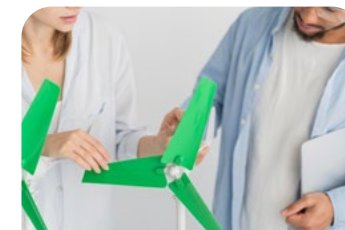
Fertilisers and pesticides



Photovoltaic



Geothermal



Green hydrogen



Tidal power



Mining



Marine



Oil & gas



Chemicals and petrochemicals



Sewage



Iron and steel industry



Solvents



Solar thermal



Waste management



Our supply chain is made up of different types of specialist providers, each covering key areas that ensure the proper functioning of our operations and product quality.



#### Metallurgy and metal transformation

We collaborate with steel material manufacturers, who produce and supply pipes, fittings, valves and other products we sell. We also work with machinists who add value through cutting, assembly, coating and galvanisation services.



#### Logistics and transport

We outsource part of our land shipment management to specialist road transport carriers. We also work with maritime transport agents and shipping companies as well as air shipment couriers. Additionally, we contract parcel services to ensure our logistics are efficient and timely.



#### Basic supplies and vehicles

We include suppliers of essential services such as water, electricity and gas for the operation of our facilities. We also work with vehicle rental companies for our commercial fleet, guaranteeing availability and adequate maintenance.



#### Office furniture and supplies

We work with suppliers of furniture and office supplies, such as stationery and toners, as well as packaging suppliers (for pallets, cardboard boxes and other materials) that facilitate the safe handling and shipping of our products.



#### Technology and communication

We collaborate with providers of software, office tools and technology licences, along with telecommunications companies for mobile and landline telephone services. This guarantees efficient digital management and fluid communication both internally and out in the field.



#### Advertising and marketing

We have suppliers of promotional and corporate material, as well as graphic designers and audiovisual producers for our campaigns. We outsource the design and assembly of stands for trade fairs, ensuring our presence at events is attractive and professional.



### Legal and financial advice

We outsource legal and advisory services for contracts and corporate matters and a tax consultancy to optimise international operations. We also have auditing services for reviewing and verifying our annual accounts.



### Maintenance and security

We contract maintenance services (gardening, exterior window cleaning) and 24-hour external security. We also outsource fire system maintenance and waste management; and we even work with local beekeepers to safely remove beehives.



### Hiring, training and development

We outsource training services to support the continuous development of our team, adapting the content to the specific needs of each department. We also work closely with companies specialising in staff recruitment and selection to fill both permanent positions and meet specific operational needs, through Temporary Employment Agencies (ETTs, initials in Spanish) or direct recruitment of specialised talent.



### Travel agency

We outsource the management of business trips to a travel agency; ensuring efficient travel planning and solutions tailored to our needs.

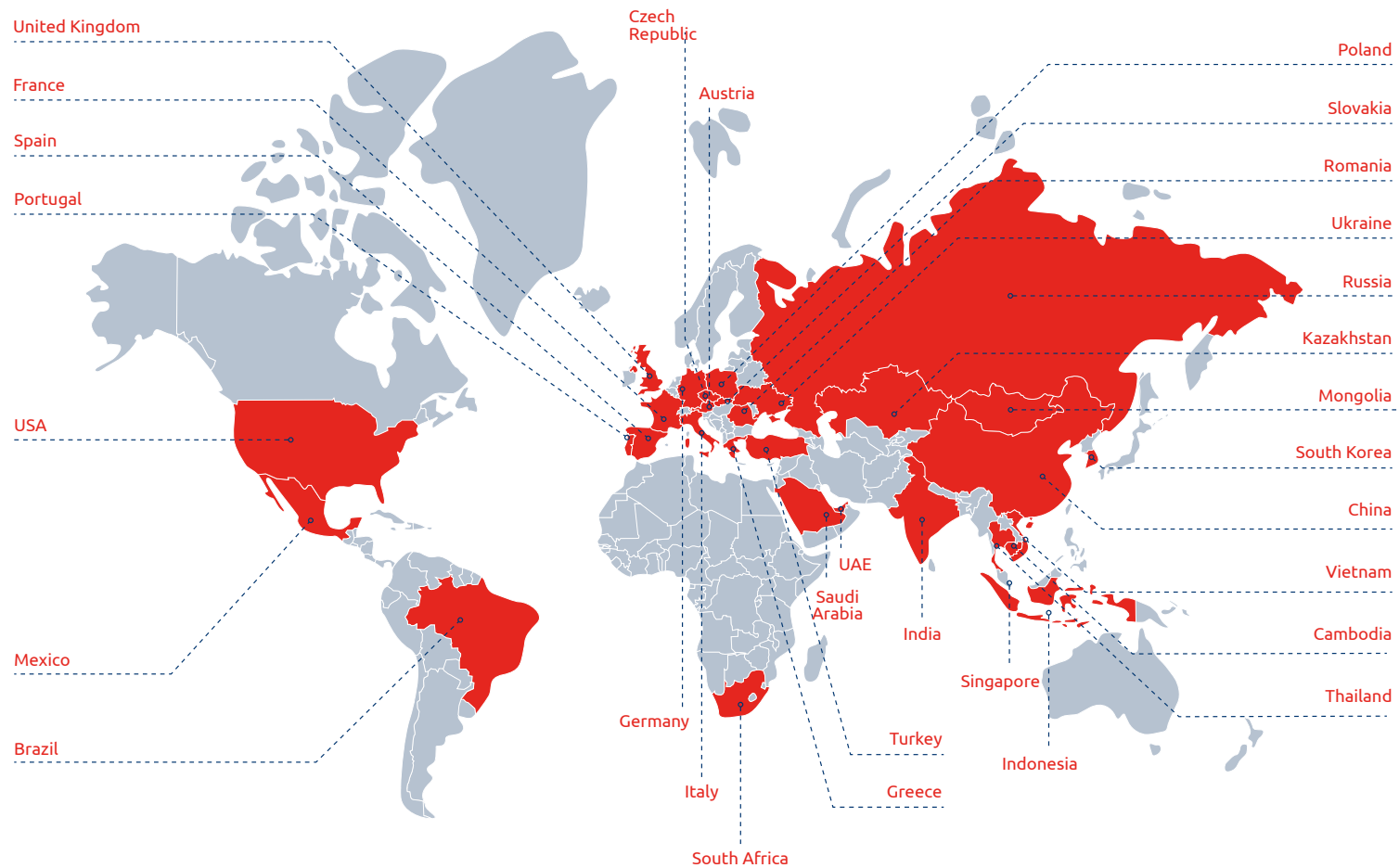


### Catering services

We offer catering services to our employees and visitors via external suppliers, ensuring a comfortable and quality dining experience at our facilities.

Our supplier network is strategically organised locally and globally to optimise logistics planning and respond to the specific needs of each project. Local suppliers provide us with basic support services, such as energy, a vehicle fleet, office supplies and telecommunications, essential for the daily operation of our facilities. We also have a network of specialist steel material suppliers located in various regions of the world, selected according to their manufacturing specialisation and logistical production capacity. This segmentation ensures we maintain an unbroken supply chain, adapted to the specifications of each customer and optimised in terms of time and cost.

### Large network of suppliers worldwide, according to manufacturing speciality, reach and geography



As part of our environmental commitment, we apply sustainability criteria in supplier selection. By 2024, **56% of our approved suppliers were ISO 14001 certified**, which guarantees that they meet recognised standards in environmental management and reinforces our commitment to a responsible supply chain.

## 1.3

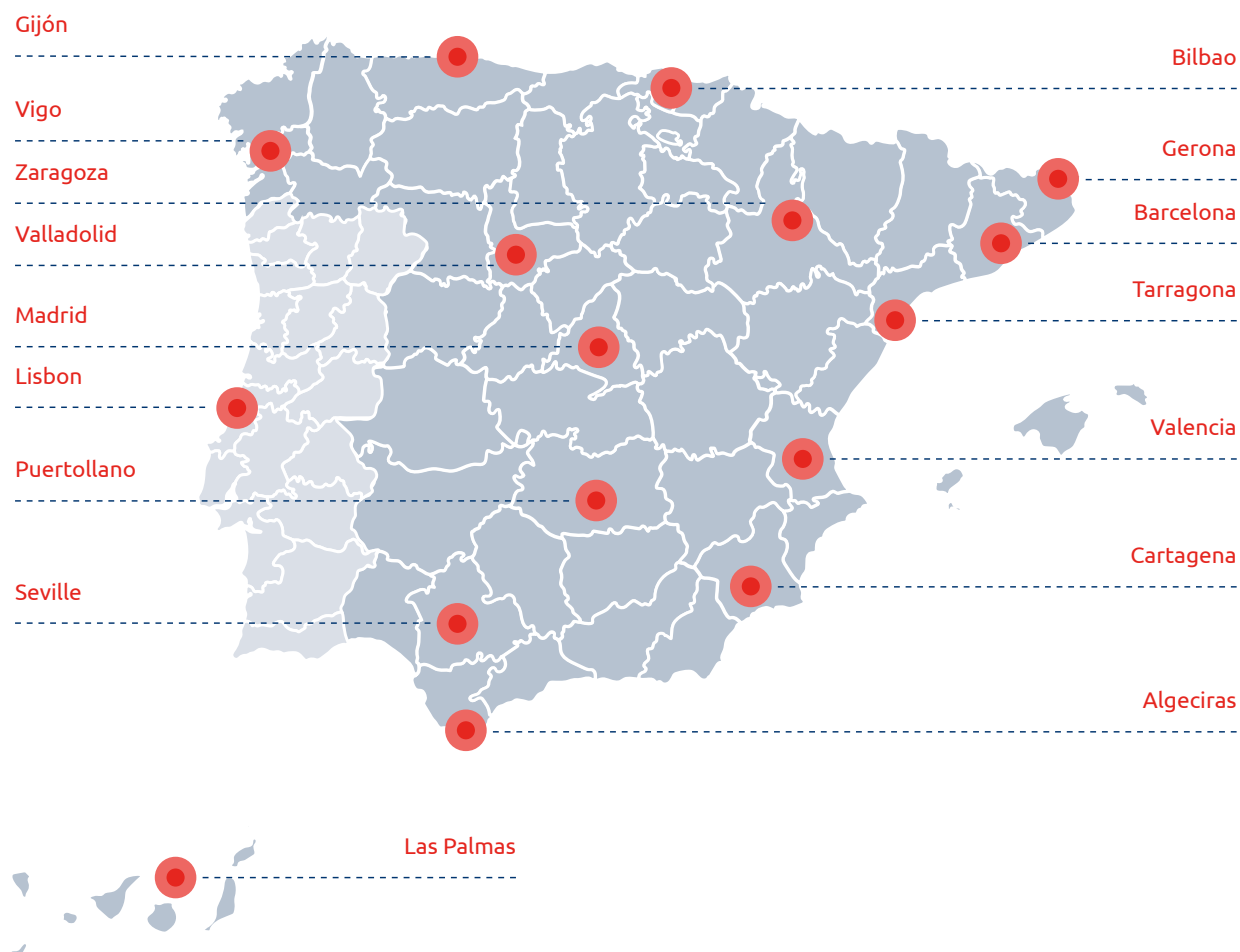
### Presence in the market

[2-1][2-2]

Our extensive experience and business model at Grupo Cuñado have ensured our establishment as a benchmark in the supply of industrial solutions. This growth and success are reflected in our solid market presence, which extends beyond national borders. With a robust infrastructure and network of operations spanning a host of countries, we are well positioned to serve the needs of our customers.

Our central headquarters is located in Alcalá de Henares (Madrid) and we have offices and warehouses in 15 locations distributed throughout the national territory, with a total warehouse surface area of 265,000 m<sup>2</sup>. In addition, our branch in Lisbon in neighbouring Portugal strengthens our ability to serve nearby markets.

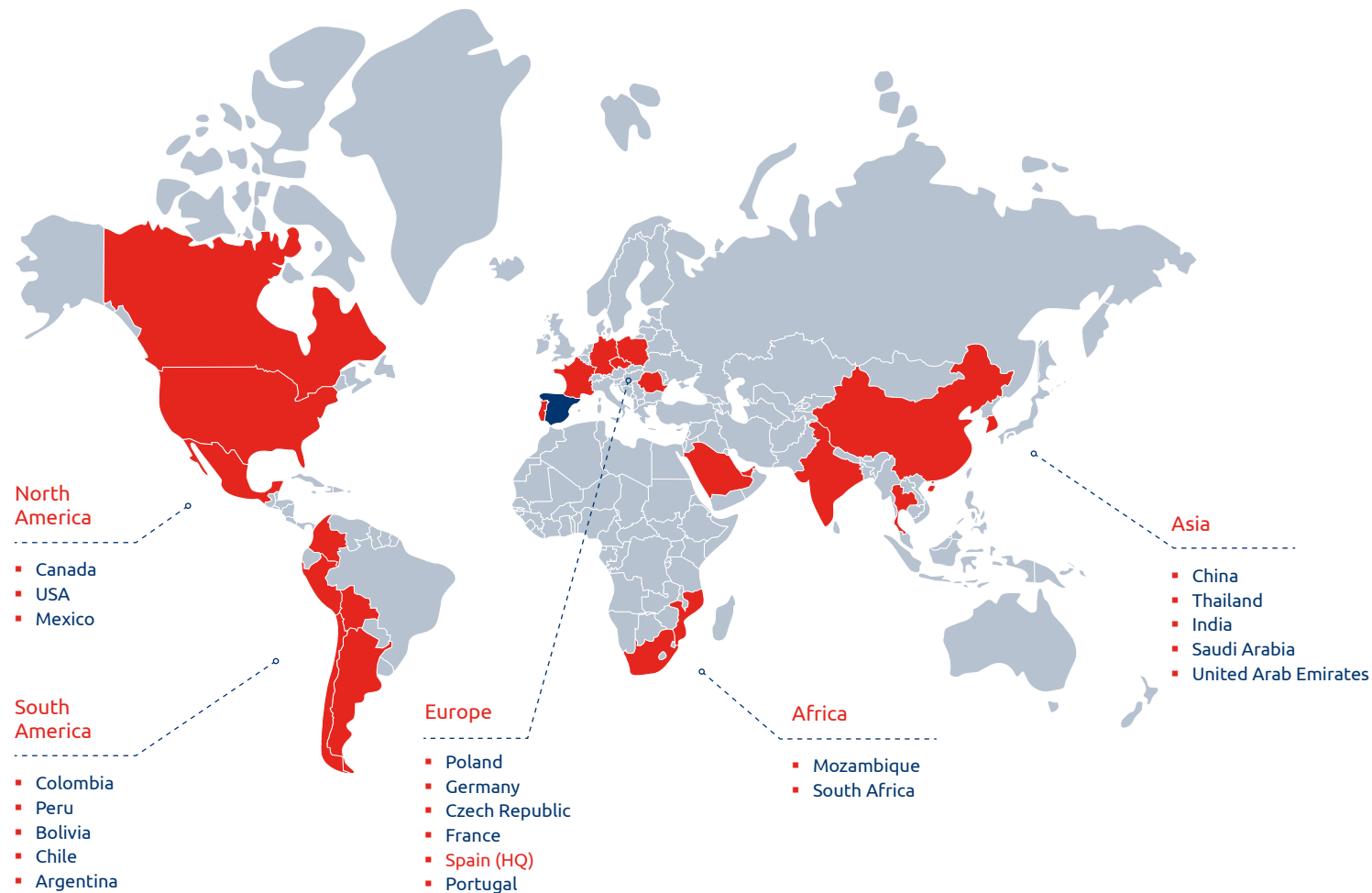
#### Spain and Portugal





We are proud to be the Spanish company with the widest commercial network in the Americas, allowing us to offer supply solutions to a wide spectrum of customers and projects.

[2-2] We have a solid corporate structure of 26 entities located in 15 countries, specialising in different areas of industrial supply, to cover this extensive market. Each of these entities and their respective functions are detailed in Annex II of this document.



**18**  
Warehouses

**42**  
Business offices

**21**  
Countries

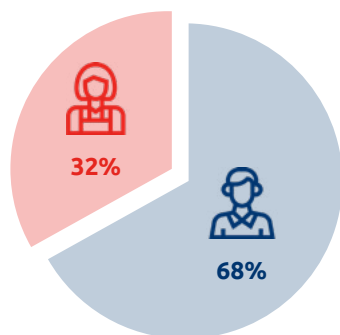
# 1.4

## 2024 in figures

[201-1][201-4]

At Grupo Cuñado we do not receive any public economic aid. All our financial assets are derived from commercial transactions, thus reaffirming our commitment to the independence and sustainability of our operations.

**596**  
Staff  
members



**86%** Materials consumed  
from renewable sources

**6%** Reduction in  
electricity consumption

**100%** Waste for recovery

**5,230** Training  
hours

**52%** ISO 14001-certified  
suppliers

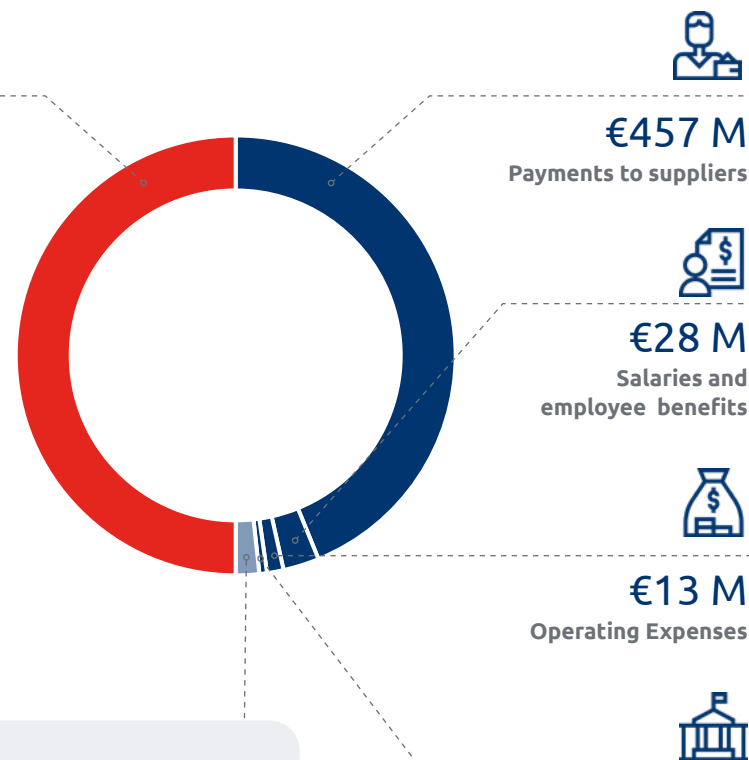
**132** New starters

Financial turnover  
**€521 million**

Expenses  
**€504 million**



**€521 M**  
Income



Increase in cash in hand  
**€18 million**

**€6 M**  
Taxes and public  
administration payments



02

Responsible  
leadership



## 02

# Responsible leadership

At Grupo Cuñado, we firmly believe that responsible leadership is essential to ensure sustainable growth and ethical management. Our approach to governance prioritises transparency, accountability and the creation of long-term value for our stakeholders. The governance structure aims to provide clear and effective leadership, aligned with principles such as integrity, innovation, continuous improvement and teamwork.

Senior management integrates economic, social and environmental criteria into its decisions and promotes ethics and transparency to strengthen trust with employees and stakeholders.





## 2.1

# Governance structure

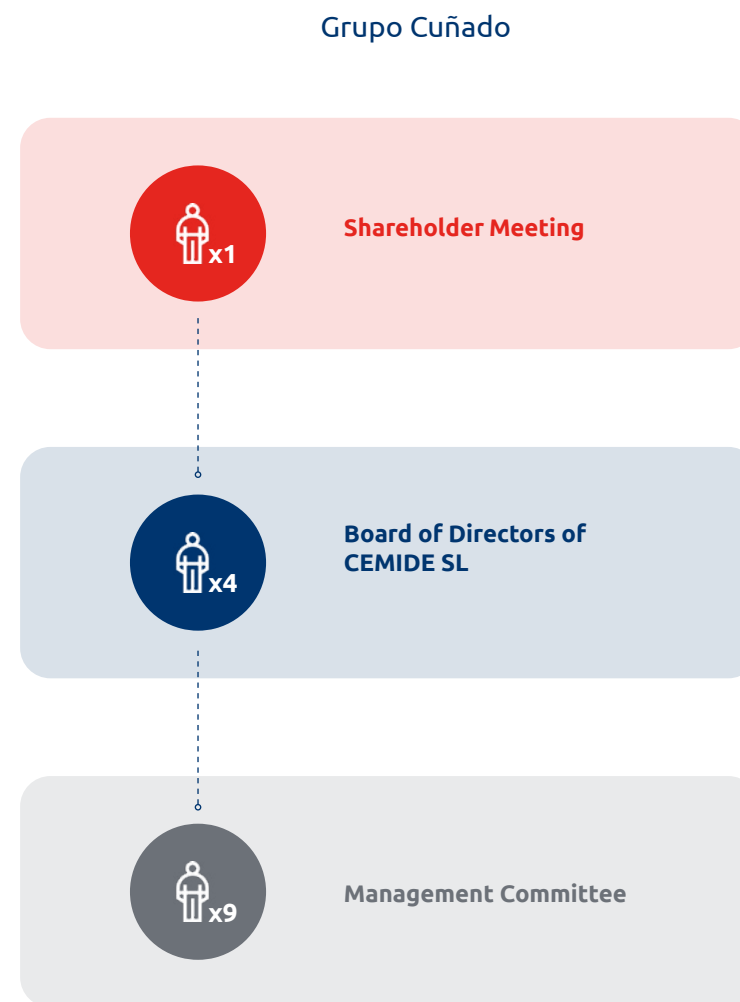
[2-9][2-12][2-11] [2-13]

The Grupo Cuñado governance structure is designed to ensure effective, transparent management aligned with the principles of sustainable development. The governance model consists of three levels: the Shareholder Meeting, the Board of Directors and the Management Committee, each with clearly defined responsibilities in strategic and operational decision-making.

The **Shareholder Meeting** is a single-member body with the highest authority in the organisation. Its main function is to approve the Annual Accounts and elect the members of the Board of Directors, ensuring that key decisions are aligned with the company's long-term objectives, including those related to sustainability and respect for the environment. The person that presides the Shareholder Meeting does not perform direct executive functions within the organisation, but ensures an independent focus on high-level decision-making.

The **Board of Directors** consists of four members who meet every quarter to establish and oversee corporate strategy, including the integration of sustainability principles in all business areas. The Board draws up the Annual Accounts, establishes strategic objectives and assesses their compliance, ensuring that sustainability is an essential component in the decision-making process. The Board oversees compliance with social and environmental responsibility policies, promoting initiatives that contribute to minimising environmental impact and creating social value.

The **Management Committee** consists of nine members and is responsible for the daily company operations. It reports directly to the Board of Directors, ensuring that strategic decisions related to sustainable development are implemented at all operational levels.

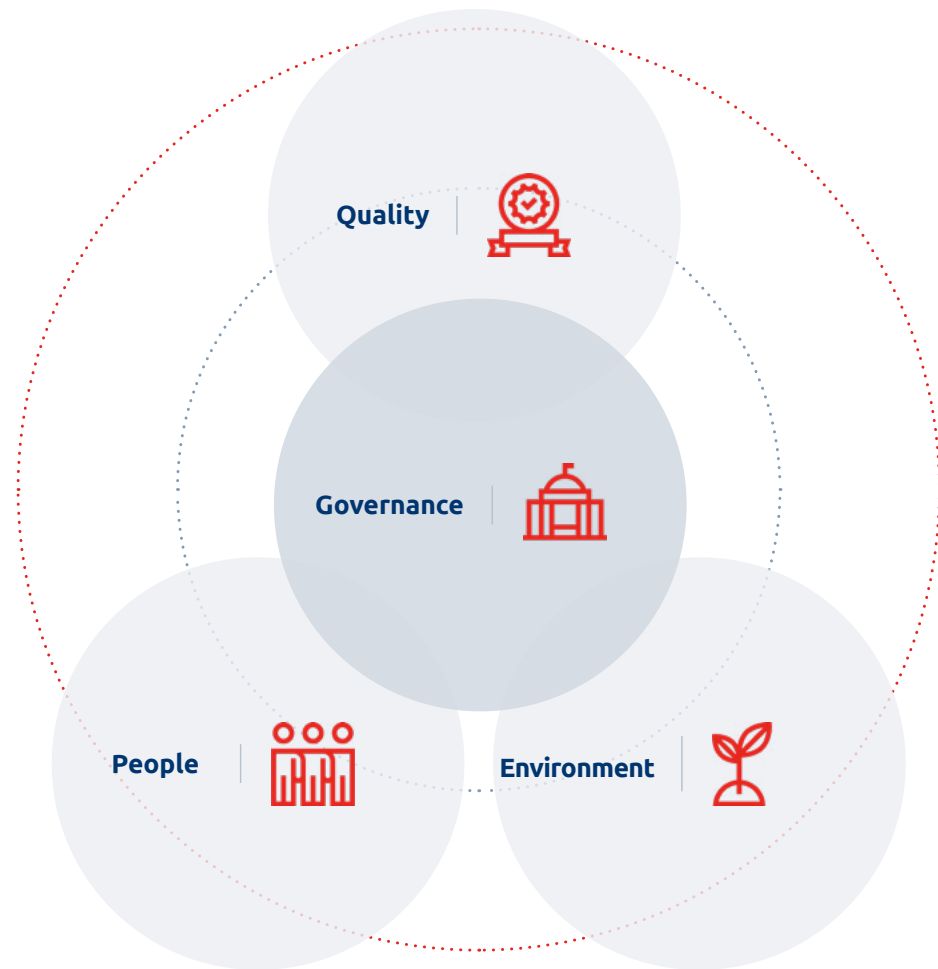


## 2.2

### Commitment to sustainability

Through **strong governance**, we promote quality, the welfare of people and environmental protection, while working together to create long-term value and contribute positively to society.

At Grupo Cuñado, we recognize that sustainability is not only a responsibility, but an opportunity to transform our operations and contribute positively to society and the environment. Our approach is based on integrating sustainable principles into every aspect of our business, from resource management to the relationship with our employees and other stakeholders. Our recognized certifications demonstrate we are committed to identifying and managing our financial, environmental and social impacts proactively, while always seeking to improve and adapt to global challenges.





### Commitment to quality

For us, quality is not limited to the technical specifications of our products; it is a comprehensive commitment to our customers, society and the environment. Maintaining high quality standards helps us to build trust and create value beyond financial considerations. We have been certified to the **ISO 9001** standard since 1994, ensuring excellence in all our processes through internal and external audits. We work closely with suppliers, customers and external inspection agencies to ensure compliance with market requirements.



### Commitment to people

People are the true driving force of our company, and our success depends on their dedication and talent. Therefore, we create an environment where each employee feels valued and satisfied, promoting their wellbeing and personal development. To guarantee the safety of our workforce, we adopted the **ISO 45001** standard, which ensures a safe working environment aligned with the best practices. We also implement policies that promote an inclusive and motivating environment, where everyone can grow and contribute positively.

[2-30] All suppliers contracted by **Grupo Cuñado** must first pass an approval process to ensure compliance with human rights. In addition, all our employees are covered by a collective agreement that guarantees their rights.



### Commitment to the environment

We recognize our industrial activities impact the environment, so we work to reduce our footprint by adopting more responsible practices. We are certified to **ISO 14001**, which helps us to manage our processes efficiently, minimise negative impacts and continuously improve. We implement initiatives to reduce resource consumption, optimise energy use and minimise waste, thus contributing to a more sustainable future.



### A shared commitment

At Grupo Cuñado, we extend our commitment to sustainability to our entire value chain. We evaluate our suppliers not only in terms of compliance with environmental, industrial and safety regulations, but also in social and ethical aspects.

Through this sustainability report, we call on suppliers, customers, employees and partners to join this effort, adopting responsible practices that contribute to a more sustainable and ethical future.

Together, we can have a positive impact beyond our operations, promoting transparency and commitment at all levels.

## 2.3

# Ethics and transparency

[205-2]

We firmly believe that acting with integrity, honesty and responsibility is not only an obligation, but an opportunity to strengthen our reputation and build trust with all our stakeholders. Ethics is not an option for us; it is a principle that guides all our decisions and actions, from internal relations with our employees to our commercial interactions with suppliers and customers.

To ensure this commitment is maintained over time, we have developed our **Code of Ethics**, which includes the principles and guidelines of conduct governing the actions of everyone linked to Grupo Cuñado; this includes employees, managers, interns, trainees and all external collaborators such as suppliers and advisors. The main objective of this code is to promote a culture of responsibility and ethical behaviour, beyond legal requirements, leading to transparency and respect in everything we do.

The **Code of Ethics** not only establishes how we should act within the company, but also seeks to transmit these values to our customers and suppliers, fostering relationships based on honesty, regulatory compliance and mutual trust.



### Key ethical principles

Our Code of Ethics is based on a series of fundamental principles that govern the day-to-day actions of everyone linked to the company:

#### Rejection of corruption:

At Grupo Cuñado, we reject any form of corruption, ensuring our operations are carried out with integrity and transparency. We are committed to ensuring that honesty and regulatory compliance prevail in all our relationships, both internal and external. [205-3] To date, there is no record or knowledge of incidents of corruption or *lobbying* activities at Grupo Cuñado.

#### Regulatory compliance and transparency:

We strive to ensure that relationships with our customers and suppliers are based on clarity and compliance with established requirements, ensuring that all information shared is truthful and transparent. [2-27] We have also not received any significant fines or non-monetary sanctions arising from non-compliance with applicable laws or regulations.

#### Equal opportunities and non-discrimination

We promote an inclusive work environment, where there is no room for discrimination based on sex, sexual orientation, race, disability, religion, origin or any other circumstance. We believe in equal opportunities in all aspects of working life.

#### Environmental protection:

We promote efficient use of resources and pollution prevention. Each employee is actively committed to preserving the environment, in line with the company's quality and sustainability policies.



[2-26]

All company personnel have been given the Code of Conduct and are obligated to be aware of the principles established, as well as to comply with and promote them. Acting with professionalism, integrity and diligence is an individual responsibility that we must all assume to guarantee an ethical and respectful environment. In addition, the company ensures that the Code of Ethics, as well as all other rules and policies, are clearly explained in the onboarding process for each employee.

To facilitate communication and the resolution of doubts, employees have a suggestion box on the intranet, as well as additional communication channels, such as emails and internal contact platforms. In addition, there are forms available for training requests or personal issues. We also have a **Reporting Channel** for confidential notification of any breach of the code or illicit conduct; thus guaranteeing the protection of any employees or collaborators reporting such situations.

The **Compliance Body** is responsible for proper application, interpretation and updating of the Code of Ethics and for supervising compliance with it. This body is responsible for properly communicating these ethical principles to everyone associated with the company and for making decisions on their implementation. It is also responsible for continuously reviewing and improving internal processes in accordance with regulatory changes and best business practice.

At **Grupo Cuñado**, we are committed to continuing to build a future based on ethics and transparency. We know that our success depends on maintaining our ability to act with integrity, guided by solid ethical principles that reflect our values, in complying with regulations. Our Code of Ethics will change as we adapt to new environmental demands, thus ensuring our actions continue to be aligned with the highest standards of integrity and responsibility.



## 2.4

# Relations with stakeholders

[2-29]

At Grupo Cuñado, we understand that the active and continuous participation of our stakeholders is essential to maintain coherence between our business activities and the social, economic and environmental expectations of our environment. We are committed to establishing strong and constructive relationships to both better understand their needs and respond effectively, in line with our vision of sustainability.

Our priority in the relationship with these groups is to maintain an open and constructive dialogue that allows us to understand their concerns and expectations. This ongoing process helps us improve our decision-making, detect potential risks and create opportunities for growth and improvement. This approach strengthens our long-term relationships which benefit not only the company, but also our stakeholders.

Our stakeholders are identified based on the relevance and influence they exert on our operations:



To ensure that this participation is effective and valuable, we have implemented several interaction mechanisms according to the features and needs of each Group.

Some of the main actions are below:

- **Customers:** We conduct periodic satisfaction surveys to evaluate the quality of our services and products, so we can adapt to their needs and continuously improve.
- **Suppliers:** We hold regular meetings to discuss key aspects, improve the supply chain and explore new opportunities for collaboration.
- **Employees:** We provide several communication channels, such as a suggestion box and specific email addresses, so our employees can express their concerns or proposals for improvement. In addition, issues related to their welfare and development can be discussed openly during performance appraisals. Moreover, there are forms available for training requests or personal issues.
- **Banks and financial institutions:** We work closely together to ensure our financial decisions are aligned with our sustainability and responsible growth goals.
- **Industry associations:** We participate actively in forums, workshops and meetings to promote best practice in the sector, to discuss the challenges and opportunities of the steel industry and to ensure regulatory compliance.



**03**

The value of  
people



## 03

## The value of people

The people who make up Grupo Cuñado form the cornerstone on which all of our activities are built. Since our foundation, the motivation of our employees has been a priority that has allowed us not only to achieve their loyalty, but also to provide excellent service to our customers and establish solid, lasting relationships with them.

Over the years, we have built a group of highly qualified professionals with a high moral value and excellent technical skills. This combination has established us as leaders in our sector in Spain and given us a solid international reputation. Our more than 590 employees share core values such as professionalism, commitment and excellence.

Our **Human Resources Policy** is based on a comprehensive approach that places the employee at the centre, promoting a work environment in which each person can develop professionally and personally. This approach is aligned with the Group's strategic objectives of sustainability, international growth and organisational transformation, and is continuously adapted to the new realities of the work environment.

In recent years, we have evolved towards a more participatory and personalised management model, in which the role of middle managers as key agents in the assessment, support and development of talent is strengthened. This evolution is also reflected in a more individualised remuneration policy, which recognises each person's performance, involvement and potential.

Human Resources management is centralised, which allows criteria and procedures to be established for all our subsidiaries; thus maintaining consistency and alignment in all the countries in which we operate. In some subsidiaries, this management is supported by specific staff who collaborate in tasks such as hiring, recruiting and data collection, adapting to local particularities.

Among the main challenges we are currently facing are talent retention, especially in certain profiles with higher turnover, and progress in the representation of women in a traditionally male-dominated sector. To face these challenges, we are committed to an organisational culture that promotes well-being, closeness and cohesion among teams. This culture is manifested in initiatives that strengthen human bonds and a sense of belonging, and that contribute to consolidating a more humane, inclusive and motivating work environment.

The human and professional quality of our employees has led us to build a solid, committed and motivated team, prepared to face challenges and contributing to the sustainable development of the company and society in general. This commitment also extends to the new generations, through an active employability and training strategy that allows us to attract young talent, collaborate with educational establishments and offer real opportunities for professional development.

People  
at the centre



Motivation:  
our guiding  
principle

Highly qualified  
professionals





## 3.1

# Structure of our staff

[2-7] [401-1]

In 2024, Grupo Cuñado's workforce experienced sustained growth, reaching a total of 596 people at the end of the year, which represents an increase of 4.7% compared with the previous year. This increase was driven mainly by the Group's international expansion, especially in India, where it went from not having its own staff to consolidating a team of 24 people in its first year of activity.

### STAFF NUMBERS

Gender	2022	2023	2024
Men	349	380	407
Women	159	189	189
<b>Total</b>	<b>508</b>	<b>569</b>	<b>596</b>

During this period **132 people joined the Group**, highly diverse in age and nationality, sharing as a common denominator high technical qualifications and greater stability in the type of contract.

### NEW STARTERS 2024

Gender	<30	30-50	>50	Total
Men	26	26	38	<b>90</b>
Women	13	23	6	<b>42</b>
<b>Total</b>	<b>39</b>	<b>49</b>	<b>44</b>	<b>132</b>

Grupo Cuñado is a school of excellence in training and qualification in all processes of the industrial materials supply chain, through continuous training and the daily management of industrial supply operations worldwide.

Grupo Cuñado's professionals are highly valued in the market, mainly among the stakeholders of our industry, with the development and retention of talent in our organisation placing an essential role.

**The number of staff leaving in 2024 was reduced by 15.4%**, reflecting a favourable trend in the attraction and consolidation of stable work teams, key to sustained growth and a distinctive work environment.

### LEAVERS 2024

Gender	<30	30-50	>50	Total
Men	9	48	10	<b>67</b>
Women	7	28	2	<b>37</b>
<b>Total</b>	<b>16</b>	<b>76</b>	<b>12</b>	<b>104</b>

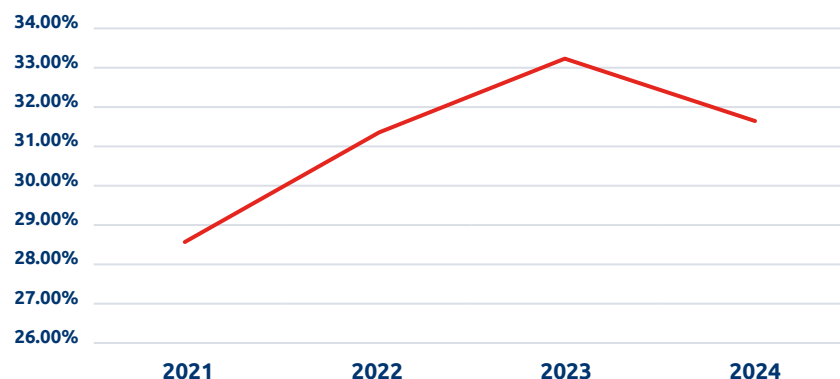
## 3.2

# Equality and diversity

At **Grupo Cuñado**, we maintain a firm commitment to equal opportunities, diversity and inclusion as essential principles of our organisational culture. This commitment translates into active policies aimed at guaranteeing a fair, equitable and respectful work environment for individual differences, in terms of gender and age, skills and career paths.

We continue to work to promote a greater female presence in all areas, especially in those in which they have been historically less represented. Although the proportion of women in the workforce has fluctuated slightly in recent years, the overall trend reflects a steady shift towards greater equity. This effort is part of a long-term strategy that combines awareness-raising actions, process review and promotion of female talent.

% of women in the workforce



### GENDER DIVERSITY IN THE WORKFORCE 2024

Category	Men	Women	Total
Managers	24	5	29
Managers/Engineers	56	16	72
Warehouse manager/supervisor	19	1	20
Technicians	157	67	224
Administrative	80	99	179
Operational staff	59	-	59
Cleaning	1	1	2
Drivers/others	11	-	11
Total	407	189	596



In 2024 we approved and registered our **first Equality Plan**, after conducting the wages and salary audit and remuneration register in 2023. During this year, measures were implemented mainly focused on selection and training processes, with the aim of moving towards greater equity. We believe that diversity enriches our work environment and allows us to be more competitive and innovative.

To ensure continuous evaluation of our equality and equity policies, we regularly monitor **average salary** by job category, broken down by sex:

BREAKDOWN OF AVERAGE SALARY BY SEX AND JOB CATEGORY 2024				
Category	Women	Men	Average	Difference
Managers	€83,808.82	€111,699.54	<b>€88,617.57</b>	<b>25%</b>
Managers/Engineers	€64,508.03	€64,456.33	<b>€64,496.54</b>	<b>0%</b>
Warehouse manager/supervisor	€22,333.50	€26,953.60	<b>€22,564.54</b>	<b>17%</b>
Technicians	€23,628.90	€27,286.56	<b>€24,722.93</b>	<b>13%</b>
Administrative	€24,852.19	€29,752.85	<b>€27,562.61</b>	<b>16%</b>
Operational staff	€0.00	€17,125.85	<b>€0.00</b>	<b>100%</b>
Cleaning	€21,418.93	€11,169.68	<b>€16,294.30</b>	<b>-92%</b>
Drivers/others	€0.00	€16,386.78	<b>€0.00</b>	<b>100%</b>
<b>Average</b>	<b>€28,913</b>	<b>€33,871</b>	<b>€30,485</b>	<b>15%<sup>1</sup></b>

<sup>1</sup> The salary difference is calculated as the percentage difference between the average salary of men and women, and the average salary of men. To ensure the accuracy of the calculation, we have excluded the category "Driver/Other" as it is not represented by both sexes.

At the same time, we have consolidated a balanced generational structure, which encourages the exchange of knowledge, innovation and intergenerational cohesion within teams.

GENDER DIVERSITY IN THE WORKFORCE 2024				
Category	<30	30-50	>50	Total
Managers	-	10	19	<b>29</b>
Managers/Engineers	2	42	28	<b>72</b>
Warehouse manager/supervisor	1	12	7	<b>20</b>
Technicians	34	132	58	<b>224</b>
Administrative	57	92	30	<b>179</b>
Operational staff	10	31	18	<b>59</b>
Cleaning	1	-	1	<b>2</b>
Drivers/others	-	5	6	<b>11</b>
<b>Total</b>	<b>105</b>	<b>324</b>	<b>167</b>	<b>596</b>

[401-3] We promote **work/life balance** with a **co-responsibility approach**, encouraging both men and women to exercise this right on equal terms.. We are committed to a work environment that facilitates this balance and to accessible policies that adapt to different personal circumstances, always in compliance with current regulations.

#### PARENTAL LEAVE 2024 (PEOPLE)

Gender	2022	2023	2024
Men	11	11	16
Women	7	7	5
<b>Total</b>	<b>18</b>	<b>18</b>	<b>21</b>

The inclusion of people with disabilities is also part of Grupo Cuñado's diversity strategy. In 2024, the presence of people with disabilities in the workforce will continue, and work continues to identify new opportunities for hiring, as well as to guarantee accessible and adapted working conditions.

#### FUNCTIONAL DIVERSITY IN THE WORKFORCE (EMPLOYEES WITH DISABILITIES)

Gender	2022	2023	2024
Men	2	2	2
Women	3	2	2
<b>Total</b>	<b>5</b>	<b>4</b>	<b>4</b>





## 3.3

# Professional development

[404-2]

Developing our employees is essential for the sustainable growth of the company. Via training programmes, career plans and clear appraisal and promotion mechanisms, we ensure that each person in the organisation has the opportunity to advance and develop professional skills in his/her career.

For us, professional development begins with ensuring quality employment. This involves offering job stability and adequate conditions so our employees can grow within the company. Most of our contracts are permanent and full-time, which demonstrates our commitment to creating long-term, mutually satisfying employment relationships.

Our workforce data for the last three years is below, broken down by the type of work contracts:

PERMANENT/TEMPORARY				
Contract	Gender	2022	2023	2024
Permanent	Men	314	342	374
	Women	145	170	178
	Total	459	512	552
Temporary	Men	32	32	33
	Women	12	14	11
	Total	44	46	44

FULL/PART TIME				
Working day	Gender	2022	2023	2024
Full time	Men	335	366	391
	Women	140	166	165
	Total	475	532	546
Part time	Men	11	8	16
	Women	17	18	21
	Total	28	26	37

[404-1] Continuous training and performance appraisal are essential tools to ensure our employees develop the skills necessary to perform their duties effectively.

In 2024, we increased the hours of internal training by 42%, and we estimate that this trend will continue in the coming years. This growth has been possible thanks to the creation of work teams that allow specific courses to be deployed internally, both for new hires and for employees who require reinforcement in certain areas. This year, the training focused on reinforcing the team's key competences, with special attention to the following areas:

- **Languages:** English, French and Spanish courses have been taught for foreigners. Expanding the provision to other languages is being considered according to the needs identified.
- **Leadership:** training aimed at team leaders, focused on aspects such as task coordination and team management.
- **Office automation:** specific courses to improve the use of digital tools in positions where this need has been identified.
- **Other departments:** additional training actions were conducted tailored to each department.

[404-3] Performance appraisal is conducted annually and jointly between each employee and his or her direct manager. This process allows us to review the degree of fulfilment of objectives, detect training needs and assess each person's professional development.

As part of the commitment to continuous improvement, a new digital tool has been implemented this year that will allow progress in the assessment and management of talent. From the next year, it will facilitate a more detailed analysis of the team's competencies, identifying strengths and areas for improvement, and allowing development actions to be planned that are more finely tuned to each profile.

During 2024, we strengthened our commitment to attracting and developing young talent. We actively participate in events such as the Madrid Chamber of Commerce, Nebrija University, UCJC and the Torrejón de Ardoz Professions Fair, with the aim of attracting intermediate, higher and university students. We offer these young people the possibility of curricular and extracurricular internships, with the option of being hired depending on their performance.

Thanks to this strategy, in 2024 we had 14 scholarship holders, of whom 11 are still with us with the possibility of joining the staff, if their evaluation is favourable.

#### TRAINING HOURS BY SEX

Gender	2022	2023	2024
Men	1,923	2,409	2,248
Women	893	1,245	2,982
<b>Total</b>	<b>2,816</b>	<b>3,654</b>	<b>5,230</b>

#### TRAINING HOURS BY JOB CATEGORY

Professional	2022	2023	2024
Managers	52	142	83
Managers/Engineers	251	330	1,996
Warehouse manager/supervisor	103	532	21
Technicians	795	712	1,582
Administrative	629	421	1,409
Operational staff	239	300	129
Cleaning	10	10	0
Drivers/others	36	10	10
<b>Total</b>	<b>2,114</b>	<b>2,457</b>	<b>5,230</b>

## 3.4

# Health, safety and wellbeing

At Grupo Cuñado, we approach Occupational Health and Safety from a proactive prevention approach, continuous improvement and commitment to the well-being of the people who are part of our team. We promote the identification, assessment and control of risks to avoid incidents, and we work to encourage the active participation of the workforce in safety and prevention initiatives, aligning our actions with industry standards.

[403-1] [403-8] We have an Occupational Health and Safety Management System (OHSAS) based on the ISO 45001, which helps us to structure and continuously improve our performance in this area. Although the certification applies only to the Alcalá de Henares workplace, the procedures and criteria of the system are also applied in the rest of the workplaces and subsidiaries, so its practical scope covers the entire workforce.

[403-4] We believe that the best way to continue improving prevention is to be close to those who know the day-to-day reality best. For this reason, the OH&S Management System provides mechanisms for the consultation and participation of the workforce in risk prevention issues. These include a specific form available in both physical and digital formats, which allows workers to submit proposals or concerns to the OHS Department. In addition, we are strengthening direct communication with the teams to encourage more active and closer participation.

[403-5] Training is an important part of guaranteeing the safety of our employees. All Grupo Cuñado staff receive initial training on the specific risks of their job when joining the company, as well as ongoing and refresher training throughout their career. This training includes essential aspects of health and safety at work, such as the proper use of equipment, knowledge of emergency plans and identification of occupational risks. Employees designated for emergency teams receive specific training in first aid, firefighting and evacuation.

In 2024, a total of 1199 hours of risk prevention training were given.

Health and safety management is based on:



The Health and safety at Work policy



The ISO 45001-certified management system



Active participation of the workforce



Continuous training

[403-9] [403-10]

During 2024, occupational health and safety data showed a significant improvement compared with previous years as a reflection of the measures implemented.

We remain committed to the continuous analysis of any incidents that have occurred, paying special attention to the root causes and the conditions that have facilitated them, in order to continue moving towards a more robust risk prevention culture.

#### WORKPLACE ACCIDENTS

	Gender	2022	2023	2024
Without leave	Men	11	13	10
	Women	1	0	1
	Total	12	13	11
With leave	Men	10	17	7
	Women	1	0	1
	Total	11	17	8

#### OCCUPATIONAL DISEASES

	Gender	2022	2023	2024
Without leave	Men	0	0	0
	Women	0	0	0
	Total	0	0	0
With leave	Men	2	2	0
	Women	0	0	0
	Total	2	2	0



Absenteeism associated with occupational diseases and accidents is indicated below:

ABSENTEEISM (HOURS)			
Gender	2022	2023	2024
Men	1793	3060	1939.2
Women	120	0	248
Total	1,913	3,060	2,187

[403-6] We carry out periodic health monitoring, covering not only occupational hazards but also general health aspects. We are currently considering implementing new measures, such as early detection tests for several types of cancer. In addition, workers can benefit from preferential conditions in health insurance, which include regular medical check-ups, primary care and health monitoring programmes.

We continue to promote a healthy lifestyle as part of our commitment to the physical, mental and emotional well-being of the people who are part of the team. We firmly believe that sport, a balanced diet and meeting spaces contribute to building healthier, more cohesive and positive work environments.

In addition, we continue to benefit from a reduced rate with the San Gabriel Sports Centre, located near our facilities, which allows anyone employed by Grupo Cuñado to avail of its services at a reduced price.

In 2024, we backed up these actions with **new shared wellness spaces**. Among them we would highlight the **seasonal breakfasts**, which are held once every quarter,

coinciding with the change of season. These themed meet-ups, simple and cosy, allow for moments of connection and conversation beyond the daily routine. In September, we also organise a **barbecue to usher in Autumn**, designed to share impressions after returning from the holidays and strengthening ties between teams in a chilled-out atmosphere.

In addition, we participate in events in the human resources sphere, such as the **Human Factor Meet-Up**, where we share experiences with other organisations and we learn about new trends related with organisational well-being, occupational health and emotional management in professional environments.

With all these actions, we reaffirm our commitment to a comprehensive approach to well-being, which combines the promotion of healthy habits with the creation of spaces for meeting and mutual care within the work environment.





04

Environmental  
commitment



# 04

## Environmental commitment

At Grupo Cuñado, protecting the environment is a strategic pillar aligned with our vision of sustainable growth. We focus on respecting and conserving natural resources, reducing our environmental impact and continuous improvement in all our processes; thus ensuring our activities contribute positively to the environment.

We have established a clear **Environmental Policy**, based on compliance with current environmental legislation, optimisation of resource consumption and pollution prevention.

Our Environmental Policy is integrated into all areas of the company and is made known to all employees and stakeholders. We use different means of communication to disseminate it, such as the intranet, internal notifications and warehouse notice boards. It is also available in Spanish and English on our website for all stakeholders outside the organisation.

We have an **Environmental Management System (EMS)**, based on the ISO 14001 standard, which constitutes the methodological basis on which our environmental strategy hinges. This system allows us to apply the principles set out in our Environmental Policy in a structured way, ensuring that they do not remain a mere declaration of intent, but are translated into concrete, measurable and results-driven actions. Through it, we identify the most significant environmental aspects of our activity, assess risks and opportunities, and set annual objectives that guide our actions. By 2024, this approach resulted in an ambitious action plan, with 12 environmental targets that have been fully met.

**In 2024, we reached 100% fulfilment of the 12 environmental goals established.**

This year's efforts have focused on key areas such as reducing hazardous and non-hazardous waste, improving energy efficiency, decreasing the carbon footprint, transitioning to more sustainable packaging and actively involving our suppliers in improving the environment. Intense work has also been done on the digitalisation of processes to reduce paper consumption, on improving waste management through new weighing and packaging practices, and on the renovation of equipment and infrastructures to minimise emissions and leaks.



## Extension of our Environmental Commitment to the Value Chain

Our environmental commitment is not limited to our own operations. At Grupo Cuñado we actively work to improve the sustainability of our entire value chain, ensuring that our suppliers share the same principles of environmental responsibility.

[308-1] One of the main tools for this is ISO 14001 certification. By the end of 2024, **56% of approved suppliers** had this certification, compared with 52% in 2023. This progress reflects the continued effort to integrate environmental criteria into the approval and procurement processes.

In 2024, the percentage of suppliers without ISO 14001 certification, located in countries considered critical at an environmental level and with a high or medium purchase frequency, compared with the total number of suppliers on the List of Approved Suppliers, was only 0.6%, which represents a significant advance in reducing the environmental risk associated with our supply chain.

This work is complemented by awareness-raising actions, visits to suppliers and the integration of environmental criteria in the processes of approval, contracting and performance evaluation.

*The environmental data presented in this chapter refer mainly to the Alcalá de Henares plant, although in 2024 we took a step forward in expanding the scope, incorporating for the first time information from other branches of the Group, such as in the case of material consumption. This progress marks a milestone in our commitment to improving the traceability and quality of environmental data.*

*We continue to work on the development of tools and processes that allow us to collect information in a systematic and homogeneous way throughout our facilities. Our goal is to achieve a global and accurate view of the Group's environmental impact, and to move towards full coverage in future sustainability reports.*

## Environmental Commitments Required from Suppliers

All our suppliers must comply with a series of minimum environmental commitments, which are integrated into approval questionnaires, purchasing processes and, where applicable, in specific contractual clauses:



### Legal compliance

Suppliers must comply with all applicable environmental, industrial and health and safety at work legislation.



### Good Environmental Practice

Proper waste management and minimisation, water and energy use optimisation and the use of environmentally friendly materials are required.



### Specific Transport Requirements

Transport service providers must comply with emissions regulations and carry out proper vehicle maintenance.



### Key Results of Our Environmental Commitment

- **Zero** environmental complaints or claims in the last 10 years.
- **Zero** non-conformities in external audits in the last 11 years.
- **Zero** non-compliances with current environmental regulations recorded.

## 4.1

# Responsible use of materials

[301-1] [301-2]

At Grupo Cuñado, we are aware that responsible use of materials is an essential aspect of our commitment to sustainability and minimising environmental impact. Since our main business is the distribution of industrial products, the material we mainly use is for product packaging.

Our strategy in this area seeks to **optimise resource use, reduce the consumption of virgin materials** and ensure that materials come from **sustainable sources** and are managed efficiently throughout their life cycle. To this end, we have a management model that prioritises the use of renewable and recycled materials, and incorporates environmental criteria in the selection of products and suppliers.

Among the main measures implemented we would highlight:

- **Exclusive use of EU Ecolabel certified organic paper.**
- **Use of 100% reused or recovered pallets**, thus avoiding the consumption of new wood.
- **Priority given to renewable materials**, which already account for **86% of the total materials consumed**.
- **Use of recycled materials**, which account for **31% of the total**, with an increasing trend.



During 2024 we reached significant milestones in terms of material sustainability, consolidating a more efficient, traceable and environmentally friendly management:

- **Extension of the system for tracking the** consumption of materials to other delegations, improving environmental traceability at the national level.
- At our **Alcalá de Henares plant**, we have achieved the target that **100% of the cardboard and plastic used** comes from **recycled raw materials**.
- We have replaced the conventional system of securing loads (*cordstrap*) with a version with **65% recycled content**, which retains the same resistance and functionality, but significantly reduces the environmental impact.

We remain committed to continuous improvement in the use of recycled and sustainable materials. Our goal is **to continue to increase the percentage of recycled materials**, identify new opportunities for improvement and always maintain **the functionality and technical quality required** in our packaging processes.

In 2024, a total consumption of 105,385.19 kg of materials was recorded, in respect of all the branches of Grupo Cuñado in this country. This is the first time that the materials tracking system incorporates data from plants other than the one in Alcalá de Henares, so a year-on-year comparison is not included, as the scope was not comparable in previous years.

However, at the Alcalá plant (where full traceability has been maintained in the last three years) total consumption has been reduced by 11% compared with 2023, reflecting progress in efficiency and responsible use of materials.

### WEIGHT OF MATERIALS USED (KG)

Material	2024
Paper	8,856.53
Cardboard	19,883.04
Plastic.	12,029.62
Wood	62,004.00
Metal	1,380.00
Cordstrap	1,232.00
Total	105,385.19



## 4.2

# Efficiency and energy

When it comes to the energy we consume, our approach is based on progressively reducing energy consumption, improving the performance of equipment and facilities, and transitioning to cleaner and more sustainable energy sources. We believe that efficient energy management not only minimises our environmental impact, but also contributes to optimising our operating costs. We have closely monitored our energy consumption and adopted various measures to improve our efficiency throughout the year.

During 2024, significant progress was made in terms of energy efficiency:

- **100% renewable energy was procured.**
- **Total energy consumption** was reduced by **10.8%** compared with the previous year.
- **Diesel consumption was cut by 15.7%**, thanks to better route planning and more efficient use of the fleet.
- **Electric vehicle chargers were installed**, as part of the transition strategy to a more sustainable mobility.

### [302-1] Evolution of our energy consumptions (GJ)<sup>2</sup>

**Electricity**  
2023 | 1,606.25  
2024 | 1,509.66



**Diesel**  
2023 | 1,033.52  
2024 | 871.25



**Petrol**  
2023 | 28.46  
2024 | 0



### Total

2023	2024
2,668	2,381



**100%** of the electricity used in our operations came from renewable sources.

[302-4] Electricity was our greatest energy expense; therefore, our efforts are focused on reducing it. This year, **we managed to reduce our electricity consumption by 6%**, despite the increase in the workforce. This progress is the result of implementing good environmental practices; these include adjusting the usage schedules for lighting and air conditioning, reducing the time it is switched on outside of working hours and using energy more efficiently.

<sup>2</sup> To calculate the organisation's energy consumption, the following values provided by the Ministry for Ecological Transition and Demographic Challenge (MITERD) calculator were taken into account:

- Diesel: density 0.8325 kg/l and calorific value 43 GJ/ton.

- Petrol: density 0.7475 kg/l and calorific value 44.3 GJ/ton.

## 4.3

# Emissions control

[305-1] [305-2]

Our **carbon footprint** in Alcalá de Henares centre, is calculated annually, so we can identify and reduce greenhouse gases (GHG) emitted from our operations. We are committed to continuous improvement in emissions management and to minimising our environmental impact.

CARBON FOOTPRINT (tm CO <sub>2</sub> eq) <sup>3</sup>			
Scope	2022	2023	2024
Scope 1	74.45	76.13	171.4
Scope 2	0	42.38	0
Total	74.45	118.51	171.4

During 2024, the supply of electricity from 100% **renewable sources** fell again, which made it possible to reduce **indirect emissions (scope 2)** associated with electricity consumption to zero.

In January 2024, there was a one-off leak of refrigerant gas (R-407C) in the air conditioning system at the Alcalá de Henares plant. This leak generated 108.76 tonnes of CO<sub>2</sub> equivalent, accounting for more than 63% of the total carbon footprint for the year.

The incident was managed immediately, with the intervention of the maintenance service and the implementation of the established action protocols. In addition, preventive controls were reinforced and equipment was checked to prevent future leaks.

If this one-off leak is excluded, the carbon footprint in 2024 would have been 62.64 t CO<sub>2</sub>eq, which would be a reduction of 47% compared with 2023 (118.5 t CO<sub>2</sub>eq).

Our main source of emissions is fossil fuels, to produce electricity used in the operation of cranes, forklifts, transport trucks and machinery in general. Therefore, **we are taking measures to reduce these emissions**, such as using lorries with AdBlue technology, to help reduce pollutants emitted to the atmosphere.

We do not currently calculate Scope 3 emissions, although we have begun to control indirect emissions related to materials imported from outside the European Union; this is in line with the regulations associated with the Carbon Border Adjustment Mechanism (CBAM).

This action will allow us in the future to better measure and manage indirect emissions derived from our supply chain. **Looking ahead to 2025, it is planned to expand the calculation of the carbon footprint to include all Grupo Cuñado branches in Spain**, as well as those that consolidate accounts with CEMIDE. The incorporation of vehicles with mixed commercial and private use, with less environmental impact, and the reinforcement of preventive controls on air conditioning systems, with the aim of minimising the risk of fugitive emissions, are also envisaged.

<sup>3</sup> Calculations made with the Carbon Footprint Calculator for Organisations of the Ministry for the Ecological Transition and the Demographic Challenge. Considers CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and other gases such as HFC from refrigerant gas emissions, if any.

## 4.4

### Waste management

[306-1] [306-2] [306-4] [306-5]

We are aware our activities produce various types of waste, both hazardous and non-hazardous, and we are committed to minimising and managing them properly. We apply the best available practices and rigorously comply with current regulations to minimise their impact on the environment.

Our **Waste Management Procedure** establishes the steps to follow to identify, segregate and manage waste; prioritising recovery over disposal and promoting reuse and recycling whenever possible.



#### Type of waste

##### Non-hazardous waste

We mainly produce them in offices, warehouses and packaging areas, as well as in maintenance and gardening work. These include paper and cardboard, mixed plastics, uncontaminated metal shavings, wood, pruning waste and other construction waste.

Proper segregation at source is essential to recovering this waste. There is a container control system for this and to plan removals efficiently; avoiding overloading and ensuring compliance with storage deadlines.

##### Hazardous waste

Hazardous waste comes mainly from industrial and maintenance processes, such as handling chemicals and using machinery. This waste includes absorbents contaminated by oils and solvents, plastic and metal containers with chemical residues, empty aerosols, electrical and electronic equipment (WEEE), fluorescent tubes and non-industrial batteries.

In all cases, this waste is segregated at source, packaged and labelled correctly. We work with authorised managers to ensure its proper disposal outside our facilities within the timeframes authorised by each Autonomous Community. Since 2019, 100% of the generated hazardous waste has been sent directly to recovery, by means of recycling, or by means of energy recovery.

[306-3]

The waste produced in the last three years is shown below:

WASTE PRODUCED (KG)				
Material	Destination	2022	2023	2024
<b>Non-hazardous waste</b>		<b>45,918</b>	<b>54,925</b>	<b>46,371</b>
Wood	Recycling	17,960	17,580	16,180
Paper and Cardboard	Recycling	8,700	12,730	9,420
Plastic.	Recycling	3,660	3,490	3,470
Metal	Recycling	4,440	4,400	5,170
Rubbish	Recycling/disposal of non-recyclable fraction	7,720	6,520	5,380
Reusable toners	Reuse / recycling	18	35	31
Mixed packaging	Recycling	0	490	540
Pruning waste	Recycling	3,420	9,680	6,180
<b>Hazardous waste</b>		<b>152</b>	<b>184</b>	<b>545</b>
Non-reusable toners	Recycling	0	0	0
Hazardous WEEEs	Recycling	9	25	53
Cutting oil	Recycling	0	0	0
Contaminated paper and rags	Energy recover	66	65	70
Contaminated containers				
(metal and plastic)	Recycling	46	73	44
Empty aerosols	Recycling	31	21	18
Used batteries <sup>4</sup>	Recycling	0	0	360
<b>Total</b>		<b>46,222</b>	<b>55,109</b>	<b>46,556</b>

<sup>4</sup> New waste generated in 2024 by the dismantling of an SAU..

Rigorous monitoring of waste is essential to improve our management and reduce our environmental impact. All waste produced is traceable via logbooks, official identification documents (weight and signature/stamp of acceptance by the manager), invoices and collection receipts. A database is also used to record the amount produced.

Virtually all waste we produce is destined to be recovered; either through recycling or energy recovery (in the case of contaminated absorbents). The remaining waste fraction is sent to treatment plants for recovery as recyclable or compostable materials; although some unavoidably ends up in landfill.

At Grupo Cuñado we are aware of the responsibility involved in putting products on the market accompanied by packaging, and that is why we try to pass on this same commitment to appropriate waste management to our customers. We encourage the reuse of materials whenever possible, we promote the recycling of waste and we try to convey the economic value that the recovery of metal products can have. In addition, we provide user and maintenance manuals with the aim of extending the useful life of our products and reducing waste.

In line with current legislation, and especially with Royal Decree 1055/2022 and Law 7/2022, in 2025 we will assume the commitment to adhere to a collective extended producer responsibility (SCRAP) system to guarantee the correct management of the packaging we put on the market, also facilitating its collection and treatment through authorised managers.

### Waste recovery at Grupo Cuñado

The waste produced by Grupo Cuñado is destined to be recovered; either through recycling or energy recovery, complying with the highest sustainability standards.







**05**

Relationship with  
the environment



## 5.1

### Participation in society



Since 2018, Grupo Cuñado has been a member of the **Association of Family Companies (Instituto de la Empresa Familiar, IEF)**, which brings together the main family businesses in Spain. The organisation helps to preserve family values, learn from the experience of other companies and promote good governance practices.



As a prominent member of the **Association of Henares Businesses (AEDHE)**, Grupo Cuñado holds a key position on its Executive Committee and co-chairs the Industry, Energy and Environment Committee. Through AEDHE, we contribute to the socioeconomic development of the "Henares Corridor", by adapting to the challenges of globalisation and technological change.

[2-28]

At Grupo Cuñado, we believe our participation in society is essential to promote development and strengthen the values of the business environment. Through strategic alliances, training professionals and collaborating in specialist forums, we work to actively contribute to the growth of our sector and to share the best practices in sustainability and business management.



Since 2016, Grupo Cuñado has been a member of **ADEFAM (Madrid Family Business Association)**, which brings together the leading family firms in the region. This participation allows us to share experiences, access training spaces and contribute to the strengthening of Madrid's business fabric from the perspective of the family firm.

## Multi-sector technical training

### Driving industrial excellence through specialised training

At Grupo Cuñado, we have developed a useful training programme that contributes to the advancement of each sector and the professional growth of those participating. Our courses combine theory and practice and are taught both at our own facilities and at customer companies, allowing participants to work directly with materials and to observe live tests.



### Industrial valves course

We organised specialised training on industrial valves, aimed at customers and technical personnel. During the session, key aspects such as the operation, selection and maintenance of valves in demanding industrial environments were addressed.



### Pneumatic actuators and instrumentation course

We carried out technical training on pneumatic actuators and associated instrumentation, aimed at professionals in the sector. Aspects such as valve automation, integration with control systems and preventive maintenance were discussed.



### Technical one-day seminar in Zaragoza

In collaboration with Grundfos, Victaulic and AUMA Group, we organised a technical seminar in our Zaragoza branch focused on piping solutions for data centres. The event addressed topics such as energy efficiency, automation and sustainability in air conditioning and fire protection, with live demonstrations and technical presentations.



### Technical training in Grupo Cuñado Bolivia

Our branch in Bolivia gave a training session focused on technical solutions tailored to the local market. The seminar was an opportunity to share knowledge on products, applications and best practices in industrial facilities.



### Water management seminar

We organised a training day focused on efficient water management in industrial environments. The event brought together experts and customers to discuss sustainable solutions, applied technologies and water optimization case studies.



## Presence in international congresses and fairs

During 2024, Grupo Cuñado strengthened its international positioning by actively participating in leading congresses and sector-specific fairs. These spaces allowed us to share technical solutions, establish strategic alliances and consolidate our presence in key markets.



### OSEA – Offshore & Maritime Exhibition (Singapore)

We were present for the first time at this international fair, where we presented technologies for the offshore and maritime sector, driving our expansion in Asia.



### MMH – Mining & Materials Hall (Seville)

We exhibited at this fair devoted to the mining sector, presenting technical solutions adapted to mining and drilling environments and strengthening our sales network in Spain and Latin America.



### 9<sup>th</sup> Tailings Congress - Lima (Peru)

We actively participate in this forum specialised in the sustainable management of mine tailings, presenting innovative solutions and sharing implementation experiences in Chile and Peru.



### ADIPEC – Abu Dhabi and Dubai (UAE)

We participated in the world's largest exhibition in the Oil & Gas sector, where we received a visit from the Minister of Energy of the United Arab Emirates. We strengthened synergies with our team at Emirates and consolidated opportunities for regional collaboration.



### VI International Expansion Forum – Alcalá de Henares (Spain)

We participated in this business forum focused on sustainability, innovation and competitiveness, participating in discussions on artificial intelligence and energy transition together with institutional and academic representatives.

## 5.2

### Collaboration with the community

At Grupo Cuñado, we believe that our responsibility goes beyond business activity. For this reason, we maintain an active commitment to the communities in which we operate, promoting social, cultural and solidarity initiatives that strengthen our link with the environment and promote values such as inclusion, health and sustainability.

Our involvement has manifested in various actions throughout the year:

- **Solidarity campaign after the flash flood in Valencia:** we organized a solidarity race, a collection of food and basic necessities, which were sent to the affected areas, showing the mobilization capacity of our team in emergencies.
- **Partnership with the Spanish Red Cross:** we continue with our in-house blood donation campaigns, organising two annual days at our facilities in Alcalá de Henares..
- **Colegio San Gabriel Cross-training event:** we sponsor a new edition of this iconic race in Alcalá de Henares, reinforcing our commitment to grassroots sport and the local educational community.
- **Partnership with the El Olivar Residents Association:** we maintain our support for this association close to our central facilities, participating in District III festivities and other community activities.
- **Cervantes Week in Alcalá de Henares:** we sponsor cultural activities organized by the City Council, contributing to the promotion of local heritage.
- **John XXIII Foundation:**we strengthen our collaboration with this entity dedicated to the socio-occupational inclusion of people in situations of psychosocial vulnerability, through institutional visits and joint actions.
- **OECD Foundation:** we maintain our ties with this organisation, participating in initiatives with a social and business impact.
- **Charity golf tournaments:** we sponsor charity events in the U.S. and Chile, such as the WBR Foundation tournament and the Copa Grupo México, reinforcing our commitment to sport and international social action.
- **4<sup>th</sup> Year Compulsory Secondary Education + Business Programme:** we receive students from this educational programme of the Community of Madrid, bringing them closer to the world of work and giving them vocational orientation.
- **School and family activities:** we organise the traditional Christmas greeting contest for children of employees and collaborate with a local school by donating pineapples for creative activities.





# 06

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## About this report



# 06

## About this report

[2-1] This sustainability report was prepared to document and communicate the sustainability performance of Grupo Cuñado, whose legal name is **Cemide, S.L.**; a privately owned and legally constituted company. As the Group's parent company, Cemide, S.L. consists of 25 companies, as detailed in Annex II of this document.

This document was the first sustainability report prepared using the most recent version (2021) of the *Global Reporting Initiative* (GRI) Standards as a reference. Preparing this report involved a considerable effort in collecting data from all the Group's entities. However, Grupo Cuñado is committed to continuous improvement in the systematisation and structuring of data for future reports. In those cases where it was not possible to include complete data from all the entities, such as in chapter 4, the Group is committed to improving the information coverage in future reports.

[2-3] [2-4] The report covers the Group's financial year from January 1 to December 31, 2024. As this is the first report based on GRI standards, no corrections to information from previous years are included.

[2-5] [2-14] This sustainability report was prepared as a voluntary initiative of the group and was not subject to external verification. The responsibility for its preparation fell to Vivian Cuñado Esteban, Chief Strategy Officer (CSO), with the support of an external consultancy. In addition, the highest governing body of the Group participated in the process by reviewing and approving the final draft of the document. The publication date of the report is XX xxxx 2024.

[3-1][3-2]

The information presented in this document was selected after an exercise of reflection in which the main impacts of Grupo Cuñado on the environment and its stakeholders were taken into account. The material issues identified as priorities for the Group are the following:



### Governance

- Economic Performance
- Anti-corruption



### Environment

- Raw and auxiliary materials
- Energy
- Emissions
- Waste
- Supplier Environmental Assessment



### Company

- Employment
- Occupational health and safety
- Training and Education
- Non-discrimination

Looking ahead to 2025, Grupo Cuñado is committed to carrying out a more detailed double materiality analysis, with the participation of the main stakeholders to reinforce its commitment to transparency and corporate responsibility.

For any questions related to the report contents, please phone **+34.91.887.87.00**.

# Annex I

## Table of GRI indicators

### GRI 2: GENERAL CONTENTS (2021)

Code	Theme	Section	Page
2-1	Organizational details	6. About this report	16 - 53
2-2	Entities included in the organization's sustainability reporting	6. About this report	16 – 17
2-3	Reporting period, frequency and contact point	6. About this report	53
2-4	Restatements of information	6. About this report	53
2-5	External assurance	6. About this report	53
2-6	Activities, value chain and other business relationships	1.2. Our business model	9
2-7	Employees	3.1. Structure of our staff	29
2-9	Governance structure and composition	2.1. Governance structure	21
2-11	Chair of the highest governance body	2.1. Governance structure	21
2-12	Role of the highest governance body in overseeing the management of impacts	2.1. Governance structure	21
2-13	Delegation of responsibility for managing impacts	2.1. Governance structure	21

2-14	Role of the highest governance body in sustainability reporting	6. About this report	53
2-22	Statement on sustainable development strategy	Commitment from the presidency	2
2-23	Policy commitments	Throughout the whole report	
2-24	Embedding policy commitments	Throughout the whole report	
2-26	Mechanisms for seeking advice and raising concerns	2.3. Ethics and transparency	25
2-27	Compliance with laws and regulations	2.3. Ethics and transparency	24
2-28	Membership associations	5.1. Participation in society	48
2-29	Approach to stakeholder engagement	2.4. Relations with stakeholders	26
2-30	Collective bargaining agreements	2.2. Commitment to sustainability	23
<b>GRI 3: MATERIAL TOPICS (2021)</b>			
3-1	Process to determine material topics	6. About this report	53
3-2	List of material topics	6. About this report	53
3-3	Management of material topics	Throughout the whole report	

## ECONOMIC PERFORMANCE

Code	Theme	Section	Page
GRI 201: ECONOMIC PERFORMANCE (2016)			
201-1	Direct economic value generated and distributed	1.4. 2024 in figures	18
201-4	Financial assistance received from government	1.4. 2024 in figures	18
GRI 205: ANTI-CORRUPTION (2016)			
205-2	Communication and training about anti-corruption policies and procedures	2.3. Ethics and transparency	24
205-3	Confirmed incidents of corruption and actions taken	2.3. Ethics and transparency	24

## ENVIRONMENTAL PERFORMANCE

Code	Theme	Section	Page
GRI 301: MATERIALS (2016)			
301-1	Materials used by weight or volume	4.1. Responsible use of materials	41
301-2	Recycled input materials used	4.1. Responsible use of materials	41
GRI 302: ENERGY (2016)			
302-1	Energy consumption within the organization	4.2. Efficiency and energy	42
302-4	Reduction of energy consumption	4.2. Efficiency and energy	42



**GRI 305: EMISSIONS (2016)**

<b>305-1</b>	Direct (Scope 1) GHG emissions	4.3. Emissions control	43
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	4.3. Emissions control	43

**GRI 306: WASTE (2020)**

<b>306-1</b>	Management of significant waste-related impacts	4.4. Waste management	44
<b>306-2</b>	Waste generated	4.4. Waste management	44
<b>306-3</b>	Waste diverted from disposal	4.4. Waste management	45
<b>306-4</b>	Waste directed to disposal	4.4. Waste management	44
<b>306-5</b>	Waste directed to disposal	4.4. Waste management	44

**GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT (2016)**

<b>308-1</b>	New suppliers that have passed evaluation and selection filters according to environmental criteria	4. Environmental commitment	40
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**SOCIAL PERFORMANCE**

<b>Code</b>	<b>Theme</b>	<b>Section</b>	<b>Page</b>
<b>GRI 401: EMPLOYMENT (2016)</b>			
<b>401-1</b>	New employee hires and employee turnover	3.1. Structure of our staff	29
<b>401-3</b>	Parental leave	3.2. Diversity and equality	32

**GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)**

<b>403-1</b>	Occupational health and safety management system	3.4. Health, safety and wellbeing	35
<b>403-4</b>	Worker participation, consultation, and communication on occupational health and safety	3.4. Health, safety and wellbeing	35
<b>403-5</b>	Worker training on occupational health and safety	3.4. Health, safety and wellbeing	35
<b>403-6</b>	Promotion of worker health	3.4. Health, safety and wellbeing	37
<b>403-8</b>	Workers covered by an occupational health and safety management system	3.4. Health, safety and wellbeing	35
<b>403-9</b>	Work-related injuries	3.4. Health, safety and wellbeing	36
<b>403-10</b>	Work-related ill health	3.4. Health, safety and wellbeing	36

**GRI 404: TRAINING AND EDUCATION (2016)**

<b>404-1</b>	Average hours of training per year per employee	3.3. Professional development	34
<b>404-2</b>	Programs for upgrading employee skills and transition assistance programs	3.3. Professional development	33
<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	3.3. Professional development	34

**GRI 406: NON-DISCRIMINATION (2016)**

<b>406-1</b>	Incidents of discrimination and corrective actions taken	None reported	
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# Annex II

## Companies that make up the group

	NAME OF THE ENTITY	LOCATION	FUNCTIONS
1	Cuñado, S.A.U.	Alcalá de Henares (Madrid)	Distribution of pipes, valves and accessories
2	Comercial de Tubos, S.A.	Alcalá de Henares (Madrid)	Distribution of steel pipes
3	Cuñado Internacional, S.A.U.	Alcalá de Henares (Madrid)	Distribution of steel pipes
4	Ibérica de Válvulas, S.A.U.	Alcalá de Henares (Madrid)	Distribution of valves
5	Edificios y Naves de Alcalá, S.L.U.	Alcalá de Henares (Madrid)	Real estate
6	Flaboform GmbH and subsidiary companies	Waghäusel (Germany)	Distribution of piping accessories
7	Servicio Logístico Cuñado, S.A.	Alcalá de Henares (Madrid)	Logistics services
8	Cunado North America Corporation and subsidiary companies	Houston, Texas (USA)	Distribution of steel pipes
9	Comercial de Tubos e Acessorios, Lda	Lisbon (Portugal)	Distribution of steel pipes
10	Cuñado Intercontinental, S.A.	Santiago (Chile)	Distribution of steel pipes
11	Cuñado México, S.A. de C.V.	Mexico D.F. (Mexico)	Distribution of steel pipes
12	Cuñado Colombia, S.A.S.	Bogotá D.C. (Colombia)	Distribution of steel pipes

13	Cuñado Perú, S.A.	Lima (Peru)	Distribution of steel pipes
14	I.T.F. de México, S.A. de C.V.	Mexico D.F. (Mexico)	Distribution of steel pipes
15	Shanghai CAC. Commercial Co Ltd	Shanghai (People's Republic of China (PRC))	Distribution of steel pipes
16	Cunado South África, Ltd	Grahanstown (South Africa)	Distribution of steel pipes
17	Cunado Canada, Ltd	Calgary (Canada)	Distribution of steel pipes
18	Cunado Piping and Valves, FZE	Dubai-United Arab Emirates	Distribution of steel pipes
19	Cunado France SAS	Aix en Provence (France)	Distribution of steel pipes
20	Cunado Mozambique Limitada	Maputo (Mozambique)	Distribution of steel pipes
21	Empresa Comercializadora Cunado Bolivia, S.A.	Santa Cruz de la Sierra (Bolivia)	Distribution of steel pipes
22	Cunado Middle East for Piping and Valves, LLC.	Abu Dhabi Emirate	Distribution of steel pipes
23	Cunado Piping and Materials, FZE	Dubai-United Arab Emirates	Distribution of steel pipes
24	Vector & Wellheads Engineering, S.L.	Utebo (Zaragoza)	Distribution of equipment machinery
25	Cunado India Project Services Private Limited	India	Distribution of gaseous fuels via pipelines
26	Cuñado Oil & Gas S.A.	Argentina	Distribution of gaseous fuels via pipelines



**GRUPO CUÑADO S.A.U.**

C/ Camino del Olivar, 2  
(esq. Calle México)  
28806 Alcalá de Henares  
(Madrid) Spain