

## **POLICY ON THE RESPONSIBLE STORAGE OF RAW MATERIALS AND THE SUSTAINABILITY OF SUPPLIERS AND SUB-CONTRACTORS**

The FAED Group, which is formed of the following companies:

- FAED GRUPO EMPRESARIAL, S.L.
- FUNDICIONES DE ACEROS ESPECIALES D, S.L.U. (FAED)
- EUROFUCAN, S.L.U. (EUROFUCAN)
- FAED MECANIZADOS DE PRECISIÓN, S.L.U. (MECAPREC)
- METAL COMPANIES ASSOCIATED, S.L.U. (METCOEX)
- FAED ENGINEERED COMPONENTS S.L.U. (ENCOMP)

is responsible for formulating, updating, approving and sharing this Policy regarding the responsible storage of raw materials and the sustainability of suppliers and sub-contractors.

This FAED GROUP policy is based on the principles below with respect to relations with suppliers, both direct and indirect, and these companies must comply with the laws in force, as must the companies within the Group.

- Our partners and employees must respect human rights without jeopardising the State's obligation to protect them. These rights include the protection of child and youth workers and freedom from discrimination based on gender, ethnicity, race, age, etc. A specific anti-harassment policy must also be established.
- Nobody may be forced to perform work against their will and workers must receive a fair salary in accordance with the laws in force.
- Everybody must have total freedom of association and be free to belong to a union and to participate in negotiations with the company.
- Working hours must be regulated in line with the law to ensure that workers can maintain a work-life balance.
- The FAED Group's identity and reputation are based on integrity, and therefore our suppliers must act with integrity in everything they do to avoid corruption, extortion and bribery.

- All suppliers must avoid participating in activities that do or may come into conflict with the FAED Group's best interests.
- Suppliers shall take all possible precautions to safeguard personal information and data so as to guarantee their confidentiality and integrity, implementing all necessary technical and organisational measures with respect to data custody, storage and conservation and avoiding any unauthorised alteration, loss, processing or access to the same, all in accordance with the legislation on intellectual property, commercial secrets and the protection of personal information in force.
- All suppliers must comply with the applicable international, national and local regulations regarding financial and exportation controls, fair competition, anti-monopoly and counterfeit parts at all times.
- Promote quality in all activities and make it a key element within the organisation. Consider workers' health and safety a top priority in company activities.
- All suppliers must use energy efficiently and use renewable energy sources as much as possible.
- All suppliers must introduce a programme to reduce and monitor water consumption and quality.
- All suppliers must quantify and reduce their emissions of air pollutants and greenhouse gases.
- All our partners must introduce a programme to manage waste and encourage reuse, composting and recycling.
- No supplier may use or supply minerals to conflict areas.
- No supplier may use banned chemicals or pesticides or raw materials from questionable or restricted sources.
- Establish an internal and external ICT system that enables the incorporation of suggestions and best practices through consultation processes.

The CEO of the FAED Group approves this Policy on the responsible storage of raw materials and the sustainability of suppliers and sub-contractors found in this document. The internal and external staff of the companies with which the FAED Group maintains professional relations are familiar with this policy. By applying these principles to all our suppliers and sub-contractors, we aim to support the creation of working environments in which everybody is treated with impartiality, dignity and respect, the natural environment is protected and restored through commercial operations and everybody complies with all applicable legal and moral laws and regulations.

**CEO**



Tomás Dasgoas Rodríguez

January 2022