

WE ARE INDUSTRY AND INNOVATION, WE ARE COPPER AND SUSTAINABILITY

Sustainability Report 2023

La Farga



Innovative
sustainable
copper



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01. WE ARE LA FARGA



OUR STORY

We're the root of our history and we're the commitment to the future. We're innovation in our approach and we're also passion for progress.

We're the people who make us possible and we're the trust we forge together every day.

We're metal, but we're also a heart that beats for society and the planet. We're each and every one of the thousand lives of copper, its sustainability and its versatility.

We're technology and also ecology. We're the positive impact we create together. We're the desire to improve, the glimmer in the gaze, audacity and determination, pride, family and commitment; we're efficacy and respect; we're the threads that guide us towards tomorrow.

We are La Farga. Since 1808.

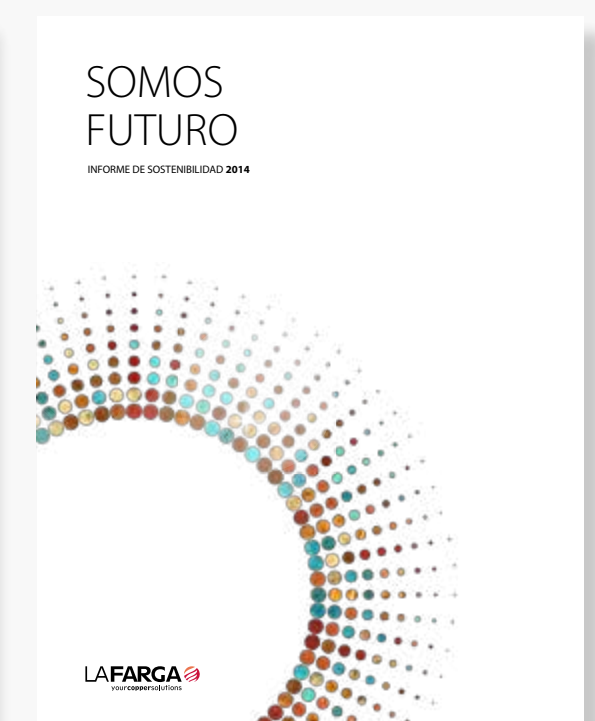
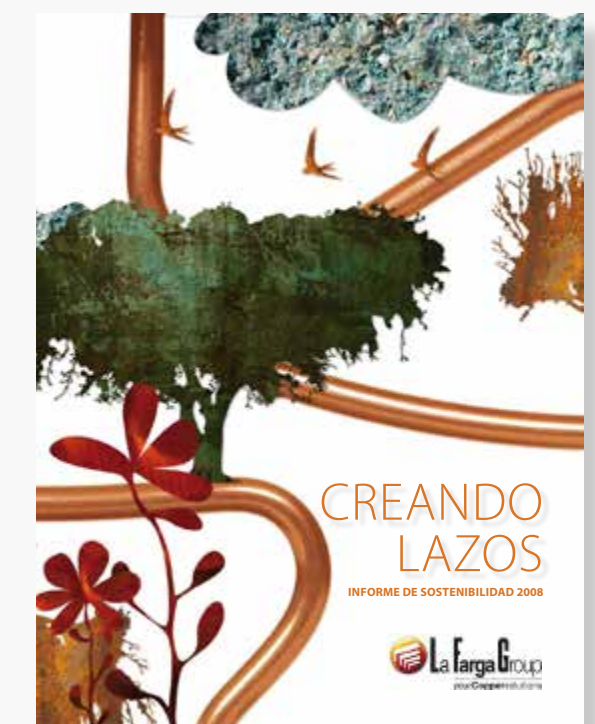
OUR COMMITMENT TO SOCIETY FROM THE BEGINNING

"Farga" is a Catalan term that can be translated as "forge". In the Middle Ages and through to the end of the 19th century, many European countries implemented the metallurgical method known as the Catalan forge. This method alludes to old industrial facilities where metal was heated and worked using forge techniques. These facilities were much more than a factory; they were production and specialised metallurgy knowledge centres that played a crucial role in the life and economy of the community where they were located. Not only did they bring employment and support numerous families, but they also drove the region's industrial and technological development.

These are the origins that gave our company, La Farga, its name. This family business has deep roots in the tradition of metallurgy and has been built around a commitment to enhancing knowledge about copper, innovation and the development of technologies used in its processing.

The forge was the starting point for our industry, marking the beginnings of a journey to excellence in the knowledge of copper, which is a strategic resource with limitless potential for the circular economy. We've modernised our industrial site, but we still preserve part of the former colonies buildings, therefore upholding both the physical and conceptual essence of our legacy.

For another year running, we're presenting our Sustainability Report, which (since 2007) is a transparent depiction of the company's sincere and dedicated desire to be a better organisation for the planet and its people, day after day. This report comprises the non-financial information statement (NFIS) for the 2023 financial year and covers 100% of the turnover generated by the activities of LA FARGA YOURCOPPERSOLUTIONS, S.A. in Les Masies de Voltregà.

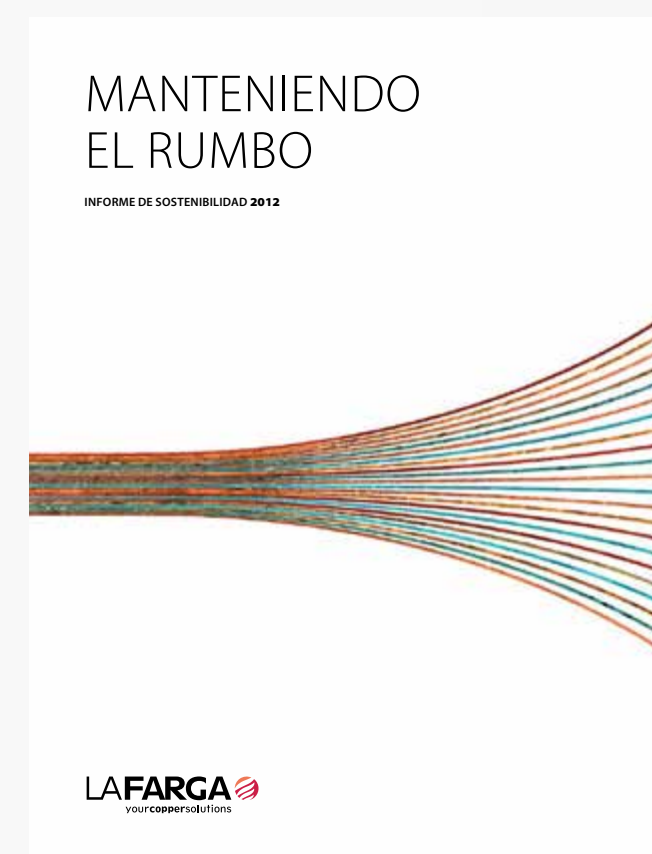


In this Sustainability Report, we will share the efforts, achievements and challenges we've faced on our journey towards sustainability in 2023. These range from optimisation of our production processes to the rollout of innovative recycling and storage practices, and initiatives to support our people and the community we are part of. Every step we take is guided by our commitment to sustainable development and respect for the environment.

As was the case in previous years, the key non-financial results indicators have been prepared in accordance with the content covered by the corporate regulations in force and the standards for the preparation of sustainability reports from the Global Reporting Initiative (the GRI standards). Said standards are the international reporting framework indicated in the new Article 49.6(e) of the Code of Commerce introduced by Act 11/2018. For further details consult the "GRI Table of Contents" section of this report.

Furthermore, the information included in the non-financial reporting statement, which forms part of the management report and will accompany the consolidated annual accounts corresponding to the 2023 financial year, is verified by Century in its capacity as independent verification service provider, in accordance with the new text given to Article 49 of the Code of Commerce by Act 11/2018.

La Farga's annual sustainability reports dated from 2007 and independent review reports are available on the [website](#).



LETTER FROM THE CHAIRMAN

Oriol Guixà Arderiu

Chairman of the Board of Directors

We're closing the year at La Farga with publication of our Sustainability Report. This period gives us the opportunity to reflect and take stock; to put into perspective everything 2023 brought in terms of achievements and challenges, and it helps us map out the future La Farga.

In the last year, we celebrated 215 years of La Farga, a milestone which had a huge impact on us, gives us strength, and fills us with pride when we see how we remain committed to our goal, our raison d'être we've had from the outset: maximising the use of recycled copper and the technologies that make this possible, with the aim of continuing to build a better, more sustainable society.

Last year, we faced significant challenges in a changing economic and social context with major obstacles we had to overcome: the post-pandemic recovery, an environment of digital transformation, inflation and international monetary policies, accelerated climate change, the need for sustainable development, global social and financial inequality, different wars, and social movements in favour of equality and inclusion, among others.

I'm immensely proud of how we've tackled these challenges and achieved our goals thanks to the commitment of our staff and teamwork.





Copper is past, present and, above all, future. It was the first metal used by human beings, and in prehistory it was so important that historians named an entire period after it: the Copper Age. Today, the challenges we face in the copper industry include fluctuations in the metal's market price, the forms of management involved with being energy-intensive companies, the constant supply of raw materials from our suppliers, and satisfying our clients' needs via our solutions, among other challenges.

We continue to make efforts to ensure innovation and technological progress lead sustainable development. At La Farga, we're aware of this, which is why we continue to support internal technological development through innovation as part of our DNA. This has led to a significant increase in the use of recycled copper. This year at La Farga, 58% of the tons of cast copper were scrap, while overall, the use of recycled copper amounted to only 30%.

Our commitment has shifted to continuing to consolidate our business model, increasing this percentage of recycled copper to ensure the circularity in our value chain continues to be a cornerstone of our business.

At the same time, to minimise our environmental impact further, it's critical that we encourage efficiency not just in our processes, but also in our solutions. On the one hand, we minimise this impact through efficient management of natural resources, optimisation in energy consumption, and a reduction in our carbon footprint.

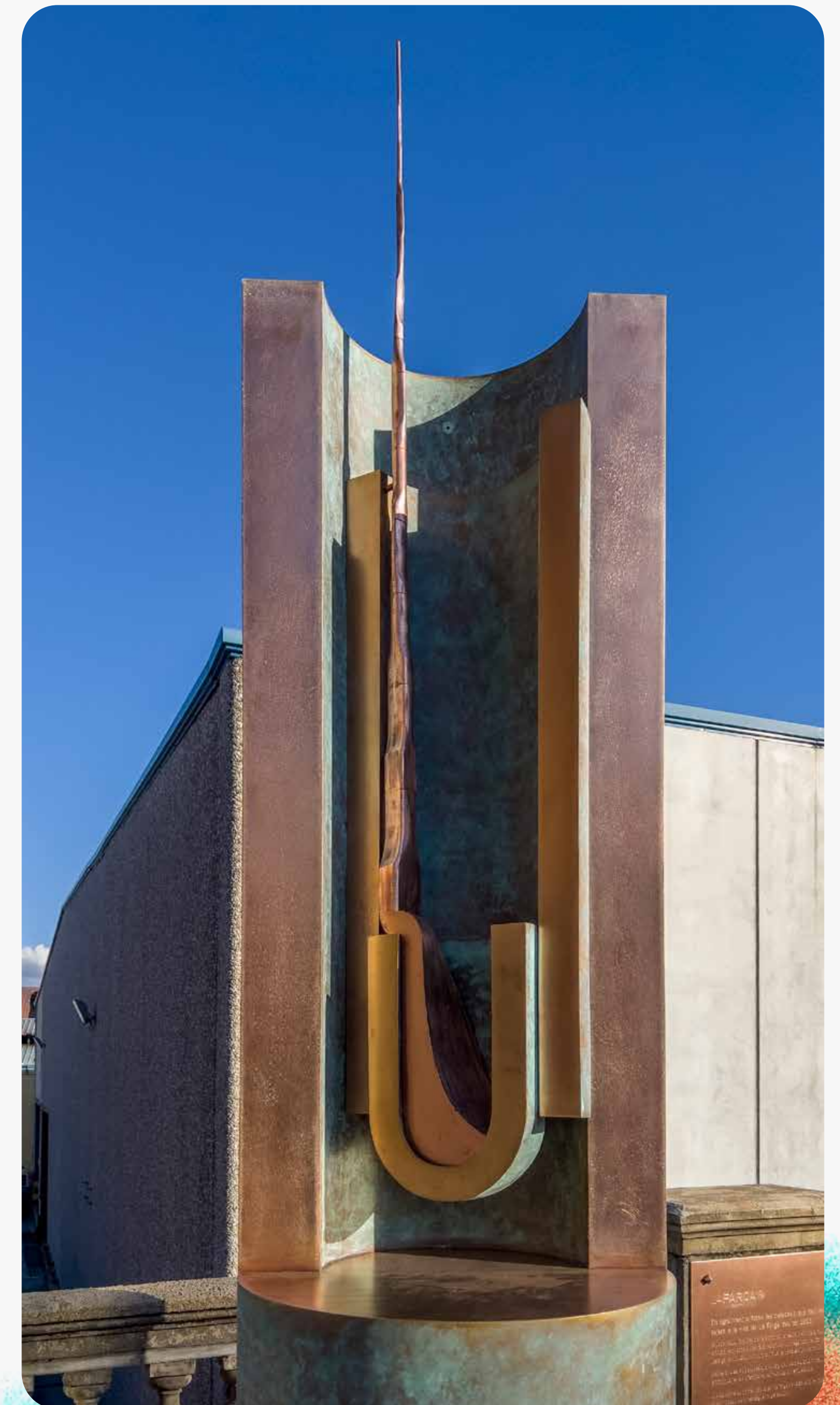
On the other hand, we do so through solutions under the Genius brand (100% recycled copper with the lowest carbon footprint on the market) that have positioned La Farga as the copper industry's leading company, certified with an Environmental Product Declaration (EPD). This EPD certifies manufacture of our copper wire rod as the most sustainable product in this category on the market, since it reduces CO2 emissions by more than 92%.

We're strengthening our identity as a family business founded on deep-rooted guiding principles, sound values and a firm responsibility. To this end, we're governed by a transparent governance structure that allows us to adapt and grow in an environment facing constant evolution, thereby upholding our legacy while we maintain a forward-thinking vision.

Over the course of 2023, we began the carefully planned process for the consolidation of shares, which finished in February 2024, reinforcing La Farga's long-term commitment and the goal of upholding our legacy and generating lasting value. This strategic manoeuvre aims to strengthen the company's share structure by consolidating our position as a stable and sustainable family business.

At La Farga, we combine human talent, innovation and sustainability to continue forging a fairer, more sustainable society, while reducing our environmental impact and ensuring ongoing business success year after year.

I'd like to take the chance to express my thanks to the team and all of La Farga's partners for their commitment and dedication. I'd also like to state my immense gratitude for all other stakeholders and collaborators for their trust and daily support. Together we can join forces and help to generate shared value for sustainable development based on knowledge, innovation and the development of technologies for future generations.





LETTER FROM THE CEO



Inka Guixà Fisas

CEO

Dear La Farga collaborators,

I'm delighted and proud to present the 2023 Sustainability Report for La Farga.

The year 2023 was one filled with challenges, and our industry was no exception. We had to tackle a series of obstacles, from volatility in copper prices to uncertainty in international markets. However, as a company with deep roots in robust values and a long-term vision, we were able to circumvent these obstacles with determination and perseverance.

The macroeconomic situation in 2023 made for a complex backdrop, defined by fluctuations in global demand for copper and global economic activity, including factors like economic growth, inflation, interest rates and geopolitical stability. Despite these challenges, we remained faithful to our aim of maximising the use of recycled copper and developing the technologies that make this possible, adapting agilely to market conditions and thereby strengthening our competitive position.

La Farga is an impactful company. We're active agents who work to generate shared value for all our stakeholders and, consequently, for society as a whole because for us it's important WHAT we do, but above all, it's about HOW we do it.

La Farga's main strength lies in its people; in the human group that make up the company, and the innovative spirit that drives us towards ongoing technological progress and the development of copper knowledge. In doing so, we continually transform the market and society with our firm desire to leave a lasting legacy, always with a vision focused on the future.



Looking back, I realise how much we've achieved and the foundations we've laid as we look towards 2024:

PEOPLE

These are the employees at La Farga who drive us forward and, for this reason, we've gone to great lengths to establish a diverse, inclusive, committed and motivated team by promoting equality. We always prioritise the safety, health and well-being of our team, since we firmly believe in the importance of cultivating a healthy and respectful work environment. Proof of this is our 275.000 € investment in occupational hazard prevention and the more than 300 activities and initiatives carried out in 2023, which have shifted our frequency rate to 10.6, well below the sector average.

INNOVATION AND TECHNOLOGY

215 years of knowledge about copper and its recycling process position us as a world leader in the technology and processing of this noble metal. This makes us a fantastic partner in the development of all manner of efficient, sustainable and high-quality solutions involving both copper and its alloys. In the 80s we internally developed an in-house technology that we've continued to update and evolve over the years, ensuring our manufacturing process is unique. Our GENIUS brand offers the most sustainable solutions: 100% recycled copper with the lowest carbon footprint on the market.

CIRCULARITY

We include the principles of the circular economy as a strategic part in all our activities, thereby contributing to the efficient use of natural resources, lengthening our solutions' useful life, and maximising the reuse of copper when it has reached the end of its useful life. 58% of the raw material used in 2023 was recycled copper.

COLLABORATION

We haven't undertaken this journey alone: we've collaborated and cooperated with our clients, our suppliers and all stakeholders in the La Farga ecosystem, with trust and proximity the main pillars of our relationships. We listen to our clients and we understand their needs with the sole goal of offering responses tailored to each sector and end use.

OPERATIONAL EFFICIENCY

Our goal is to indefinitely improve our operational efficiency, which is an essential element to guaranteeing our solutions' competitiveness. This is why we've introduced ongoing improvement measures in our operations, thus optimising processes and reducing costs.

COMMITMENT

Sustainability is the backbone of our corporate strategy. We strive for maximum business efficiency in order to offer society and the environment the greatest positive impact possible. Our mission and values act as our guide in strategic decision-making processes and they allow us to operate, day after day, based on our corporate culture and our firm commitment to innovation and sustainable development, maximising our positive impact. With a turnover of 1,54 € billion and a consolidated EBITDA of 38,9 € million, this achievement is the result of the work put in by the entire La Farga team.

SOLIDITY

We're a stable and sustainable family business. Our sound governance and financial robustness are based on responsibility, transparency and efficiency. Our goal is to continue to prosper in a constantly changing environment and uphold our legacy with a long-term vision, while we also want to safeguard the company's interests.

PROGRESS AND LEGACY

While we always have a forward-looking approach, here at La Farga we've gone a step further by evolving our visual corporate identity through a comprehensive rebranding project. Through progress, innovation and impact, this renovation manages to convey our values while maintaining our legacy and essence.

I'd like to state how grateful I am to each and every person who currently forms (or has previously formed) a part of La Farga, for the work put in this year and day after day in line with the corporate values that bind us: enthusiasm, an open mind, commitment and innovation. You're the motor that drives the company, and your talent and commitment see La Farga continue to make successful strides towards a more sustainable, more prosperous future.

I'd also like to take this opportunity to thank our clients, suppliers and all our stakeholders for their collaboration and trust, and for helping us make progress towards an impact economy.

Looking towards 2024 – a new year with new opportunities and challenges on the horizon – I'm sure that with our team spirit and passion for excellence we'll continue to enthusiastically overcome any challenge that comes our way. We'll ensure progress and satisfy present and future needs through the responsible use of natural resources.

Thank you for being part of this incredible journey!

we are COPPER

we are INNOVATION

we are SUSTAINABILITY



LA FARGA, A COMPANY WITH IMPACT



LA FARGA PRESENTATION

La Farga is a family business with 215 years of history and a world leader in copper technology and recycling processes

We manufacture semi-finished products made of copper and its alloys for different markets.

The company's history dates back to the beginning of the 19th century when Francisco Lacambra founded a small smelters in the La Barceloneta neighbourhood, where they made copper and bronze for the Catalan sailing marina. In 1852, he decided to build a copper forge next to the Ter River to make the most of hydraulic energy, thus the company's head office was transferred to Les Masies de Voltregà. Over the years, management of the company has been passed down from generation to generation as it tackles new challenges and historic moments. In 1981, the Fisas and Guixà families took ownership of La Farga, promoting innovation and technological development as avenues of progress for the company. Such is the case, that in 1986, La Farga launched the world's first continuous casting process using recycled metals, and it developed thermal wire rod for continuous casting, securing a patent for the process. In the nineties, a new plant was opened to develop the copper pipe business, and from 2000 onwards new product ranges were introduced to the market for rail applications. The business was expanded with the production of electrolytic wire rod, and the international expansion of our technology was promoted, among many other milestones, positioning La Farga as world leaders in technology and the technological development of copper.

Today, La Farga is an important industrial facility with more than 400 employees and a significant presence in the area where it is located, the region of Osona.

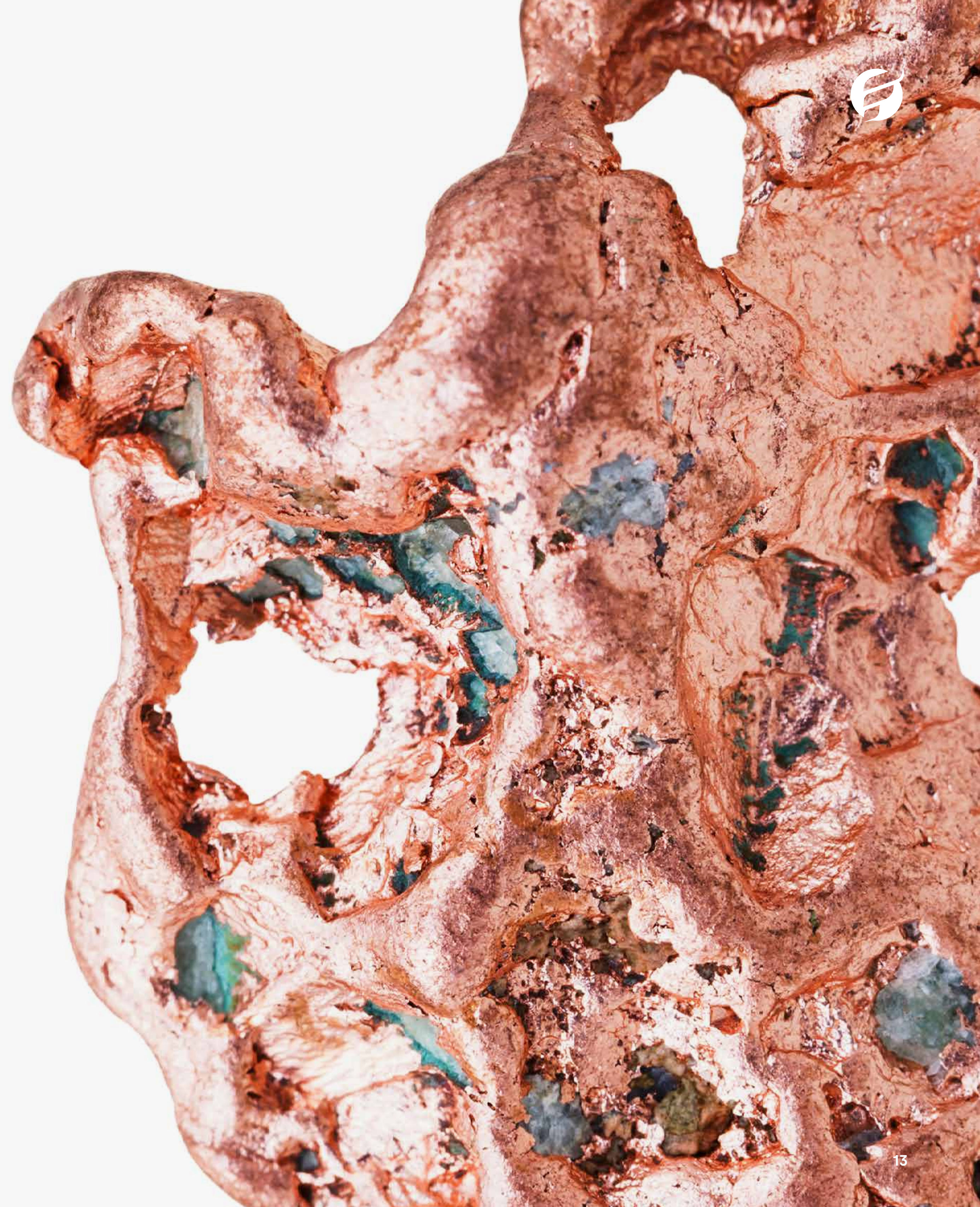


THE ESSENCE OF LA FARGA

At La Farga, four main distinctive aspects define us: copper, innovation, family business and our commitment to people and the planet.

What is copper?

Copper is a metal with multiple attributes that make it unique, essential and strategic for the energy transition, and thanks to its properties, it's present in numerous industrial and technological uses. It was the first metal used by mankind and today it continues to be present in our lives. Furthermore, it was declared a strategic raw material in the transition towards climate neutrality. Here at La Farga, we strive day after day to produce the highest-quality copper for the benefit of our community and to minimise its environmental impact, thus contributing to the energy transition.





Innovation

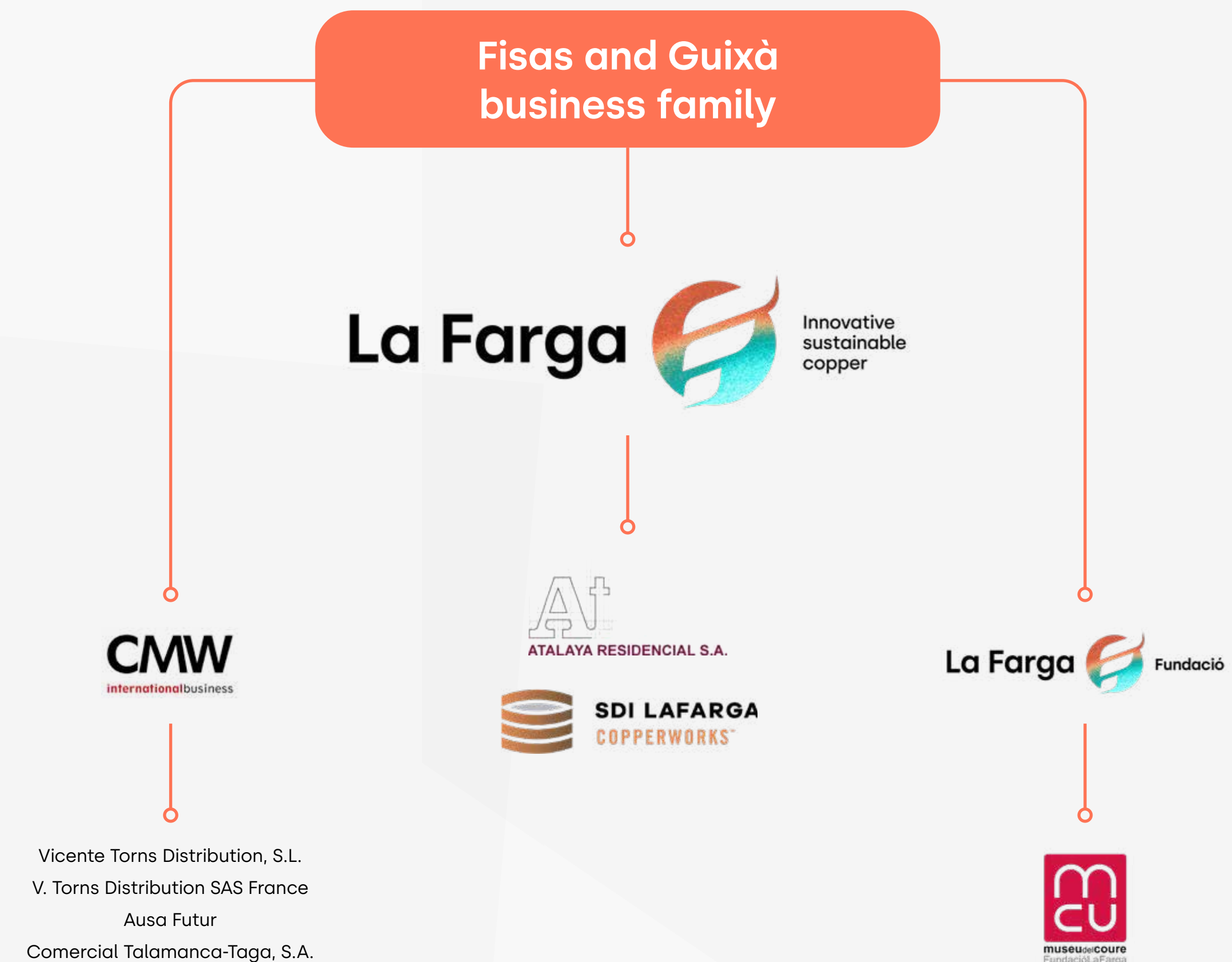
Innovation is one of our values. It's in our DNA and it's in everything we do throughout the company. We generate knowledge about copper and we develop technologies to process and transform it. We actively promote continuous improvement and evolution, we believe this is the best way to generate continual value, thanks to an improvement in the efficiency of our industrial and management processes.

Family business

Today, the company is run by two family units, with a generational handover that commenced in 2017 and was consolidated this year to assure this family business model's continuity.

On 1 January 2023, Inka Guixà took on the executive functions as CEO. This handover was carefully planned and carried out step by step to guarantee La Farga business model's continuity, its legacy's perpetuity and the company's robustness, justifying the correct operation of the set family protocols.

We're aware that many families depend on this family business, which is why we always aim to guarantee the company's sustainability, leveraging our commitment and ethical, transparent and effective management.





This all helps us to foster a climate of trust,
a sense of belonging and a goal shared by
all who form a part of La Farga



Our commitment

Our commitment to the planet and society is evident in every aspect of our corporate strategy in a cross-sectional and holistic manner, and it is reflected in all our actions and projects. We go to great lengths to have a **positive impact** on our surrounding area, both in **environmental terms**, by reducing the impact of our products and processes and, therefore, throughout our entire value chain, as well as in **social terms**, by caring for and improving our community's well-being.

We're **active agents** who work to **generate shared value** for all our stakeholders and society as a whole because we believe what we do is important, but above all, it's about how we do it. La Farga's main strength lies in continuous technological innovation and the development of knowledge, transforming the market and society with the goal of excelling, while always maintaining a forward-thinking outlook.

To do this, last year we carried out a deep reflection process to review our essence and identity as a company committed to having a positive impact. The tangible result of this reflection process was the consolidation of our goal and corporate story, which are intrinsically linked to the mission, vision and values that have always defined us. These identifying components are the foundations of our corporate strategy and, as such, they act as the guide for all our actions and decisions, and allow us to operate every day based on our corporate culture and our sincere commitment to innovation and sustainable development.





MISSION

We are pioneers
in offering society
sustainable copper
solutions



VISION

Transform the market
through leadership in
copper recycling, providing
innovative solutions to aid the
development of an economy
with a positive impact



PURPOSE

Maximise the use of recycled
copper and the development
of technologies that
make this possible



THE ESSENCE OF LA FARGA

VALUES



COMMITMENT

Emotional and intellectual involvement to create value in an environmentally sustainable way over time, through ethical and responsible behaviour, always taking into account how our decisions affect the environment, the economy and society.



INNOVATION

Transform new products, applications, processes and services into value by effectively adapting and connecting the company to the market and promoting collaborative development.



OPEN MIND

Act and promote an open, receptive, inclusive and collaborative work ecosystem to take full advantage of the potential of our staff and of any opportunities as a tool that allows us to grow together.



ENTHUSIASM

Enthusiasm for hard work and efficiency to attain an individual or team goal with impact.



Looking out for the interests of all stakeholders

At La Farga we're committed to **creating shared value**, which we do by recognising the importance of considering our social environment and the planet when pursuing business goals. To this end, a **materiality analysis was carried out in 2022*** to identify and prioritise the most relevant matters for our stakeholders, suppliers, clients, employees, local communities and civil organisations. By including these priorities in our strategic reflection, we can focus our efforts on areas that benefit both the company and society as a whole to generate a positive impact.

*Matrix available in section
04 - We Are Commitment, on page 81.





Commitment to global standards and certifications

In our ongoing quest for corporate excellence and commitment to sustainability, we're proud to highlight our certifications as testament to our dedication to responsible, environmentally friendly practices. Not only are these certifications a reflection of our commitment, but they're also a guarantee of quality and sustainability in every step of our operation.



ISO 50001
Energy management



ISO 45001
Occupational health and safety



ISO 9001
Quality management



ISO 14001
Environmental management



Genius Wire Rod





2023 was a period of significant achievements and notable moments on our sustainability journey. Over the course of these twelve months, we were more committed than ever to addressing the environmental, social and economic challenges we faced while seeking new ways to maximise our positive impact

2023 AT LA FARGA



OUR ROADMAP

This year we continued to work on our strategic plan in which we set ourselves some specific, measurable goals that allowed us to align our future actions with the defined identifying elements, in response to La Farga's purpose

Our strategic plan is comprised of seven strategic areas, which are related to the Sustainable Development Goals (SDGs) we prioritise, thus aligning our strategy with the United Nations Global Compact, which we subscribed to in 2007.





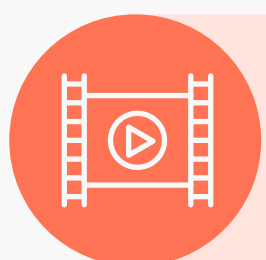
NEW BRANDING

An evolution that accepts the past and maps out the future

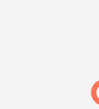
In 2023 we successfully completed our rebranding project, which has resulted in a new visual identity for La Farga. This **renewal** includes an **evolution** of our corporate image, the goal of which is to convey our values and commitment **without forgetting about our legacy and essence**. Thus, it maps out our future commitment and symbolises the company's constant evolution towards the transformation we're promoting for an impactful economy.

The elements that comprise the new logo have evolved with a more modern font and a new logo that highlights the distinctive letter "F" in LA FARGA.

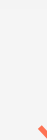
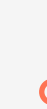
The new colours reflect copper's tones and they also include copper's other colours in its different possible states. This range of colours represent copper's limitless recyclability, since this is a property that makes it unique and, at the same time, makes it a key agent in our world's sustainable development.



Watch corporate video



La Farga Lacambra sa

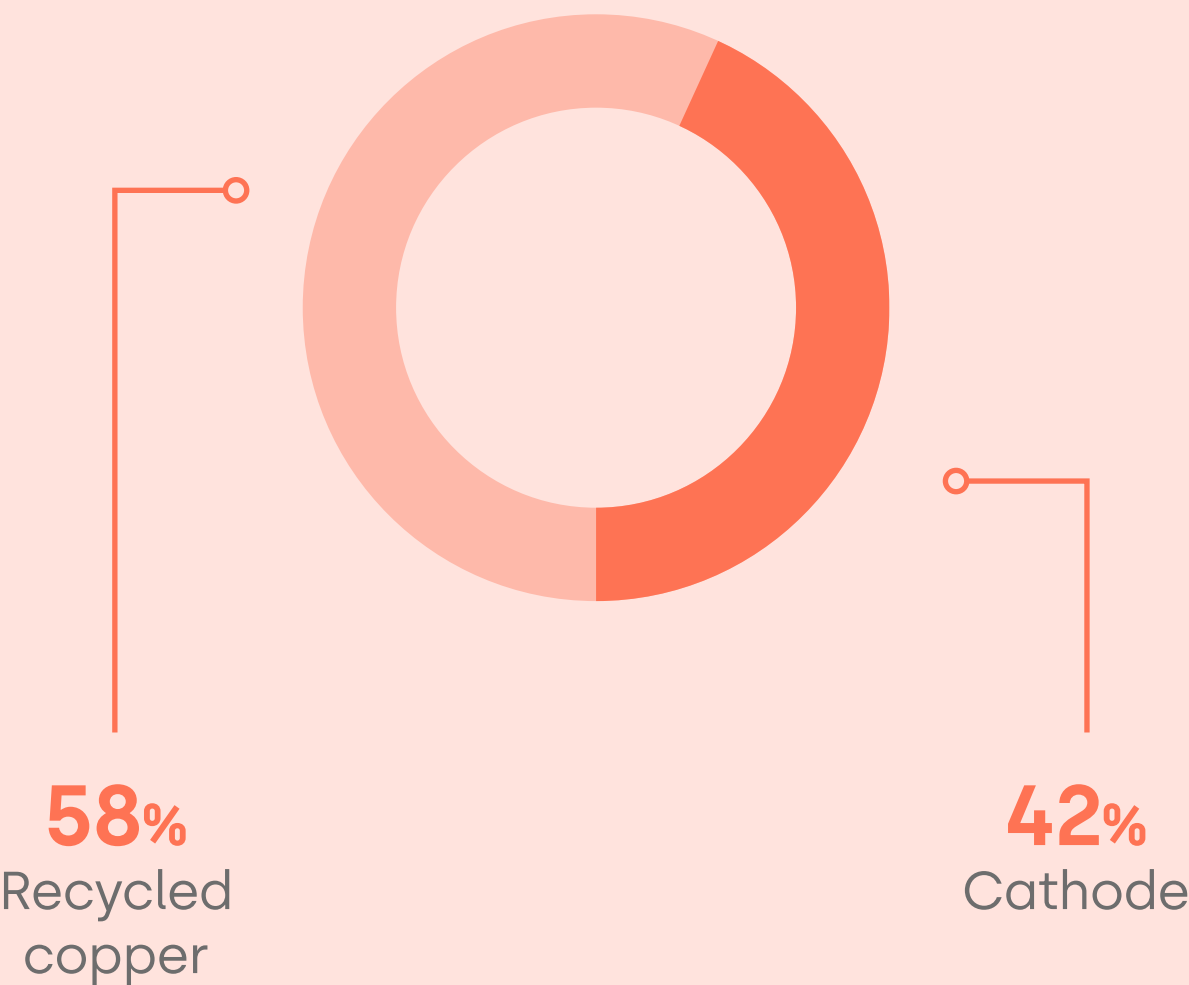




LA FARGA AT A GLANCE

WE ARE COPPER

247.018
tons cast in 2023



WE ARE INDUSTRY KNOWLEDGE



1.163.239 €

Invested in innovation and development in 2023, representing 8% of our cash flow



2.849.515 €

Invested in production improvements



35

New client companies in 2023



More than 340

Client companies



200.585

Tons sold in 2023

WE ARE EFFICIENT SUSTAINABILITY



99.454,50 €

Invested in environmental management to minimise our impact



137,5 gHG

Emitted per ton processed



952 kWh/t

Energy consumed per ton processed



100%

of the electrical energy used is from renewable sources



0,72 m³/t

Water consumed per ton processed



1,26 kg


Waste generated per ton produced




WE ARE COMMITMENT


 **26.994.224 €**
EBITDA


 **75.552.066 €**
Own resources

 **14.894.386 €**
Net cash flow

 **7,07%**
Investment financed through green financing channels

 **298**
School allowances for the children of La Farga employees, providing a total of **40.495 €**


 **1.396**
People visited the museum this year

 **23**
Grants awarded, allocating a total of **24.704,41 €**


 **38.369 €**
Allocated to loans for institutions

WE ARE TALENT

 **409**
employees

 **97%**
Of staff work full-time

 **99%**
Of our workers have a permanent contract

 **88%**
Of the workforce is from the Osona region


 **25%**
Of the management committee

 **10,5%**
Of the workers at La Farga are women

 **228.632 €**
Investment in training

 **62h**
Of training per person

 **275.109 €**
Invested in occupational hazard prevention

 **6 accidents**
at work involving sick leave



02. WE ARE COPPER



WE ARE COPPER

Copper was one of the first metals used by mankind and today **it has been declared a strategic raw material in the transition towards climate neutrality**. It's notable for its capacity to be endlessly recycled without losing its properties, as well as its electrical and thermal conductivity and its durability, among other aspects. This all makes it an essential element in the future of society and human progress.



COPPER

Endlessly recyclable without losing its properties

In this context, recycled copper has emerged as a key component for meeting this growing demand for sustainable products. Consumers and the market no longer require merely functional products, but rather products that are environmentally friendly and respect society.

As part of the metal industry, we accept the responsibility and opportunity to be decisive agents in the energy transition and the sustainable development of society by tackling current and future challenges. Our privileged position in the value chain enables us to act efficiently and sustainably in the process to obtain semi-finished products. We are committed to making the most of this chance to drive innovation in copper recycling and processing, and thus contribute to a more sustainable future.



OUR COPPER KNOWLEDGE

We understand copper as a material, with its diverse properties and applications, as well as its recycling process. For this reason, we're a key agent in the energy transition and the circular economy.



WE PROMOTE A SUSTAINABLE AND CIRCULAR VALUE CHAIN

We hold a privileged position in the copper value chain, which allows us to offer high-quality, sustainable solutions with a low environmental impact based on the development of our own technologies.



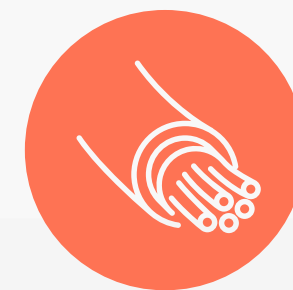
OUR COPPER KNOWLEDGE



OUR COPPER KNOWLEDGE

Copper is a metal with properties that make it a unique and momentous material in sustainable development

It's present in many applications in our lives and in many objects that we use every day.



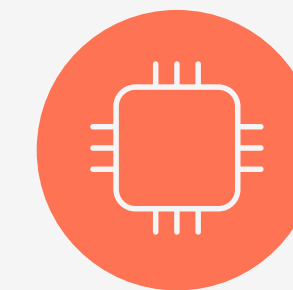
Electrification



**Renewable
Energy**



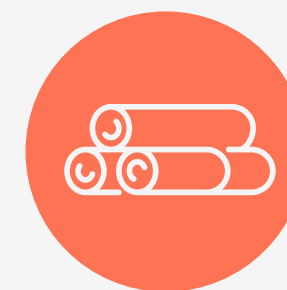
**Automotive
and E-mobility**



Digitalization



**Metal
Containers**



**Building and
Installations**



**Rail
Infrastructure**



**Magnet
Wire**



Main characteristics of copper

It leads the group of noble materials, together with gold and silver. Given its high strategic value, the European Union has included it in its list of Critical Raw Materials, which is an inventory that identifies the minerals considered essential to the EU's economy, human development, the energy transition and climate neutrality.

At La Farga, we've developed advanced technologies for copper recycling and processing, ensuring high quality standards and minimising the environmental impact associated with resource extraction and processing. Copper can be recycled endlessly without losing its properties and **the use of recycled copper equips us with the metal while minimising the use of natural resources.**

Some facts about copper



A home can contain around 200 kg of copper.



More than 10 t of copper are used per km in the electrification of high-speed catenaries.



Battery electric vehicles will require more than double the kilograms of copper found in a modern combustion vehicle.



Copper is widely used in solar and wind energy. Solar panels require 5.5 t of copper per MW and more than 4.7 t are required for every 3 MW in wind turbines.



The Statue of Liberty is formed of 300 copper pieces and took 25 years to take on its present-day colour.

1

Copper can be reused again and again.

Its ability to be recycled endlessly without losing its properties is one of its most valuable natural characteristics.

3

Copper is the metal with the highest level of conductivity after silver.

Thus, it offers the best solutions for electrical and thermal conduction.

Copper is antimicrobial, the only metal to be certified by the EPA as a bactericide.

Its ability to withstand rapid increases in temperature make it a safe and healthy choice.

4

Copper is a durable material.
Ductile and versatile and highly resistant to corrosion.

5

There are copper alloys that can improve its qualities.

Allowing it to fulfil the demands of some applications required by the market.



LA FARGA IS COPPER, COPPER IS LA FARGA

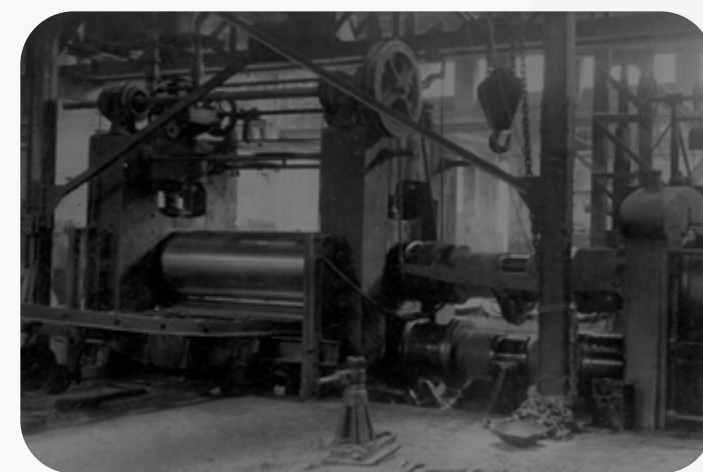
La Farga and Copper have always been connected, and over the years we've driven the world's and the industry's transformation in order to have a positive impact on people and the planet.

La Farga has always maintained its **innovative spirit and determination to continuously improve**. The milestones that have marked the company's progress throughout its history are clear examples of its singular nature.





La Farga Lacambra: Francesc Lacambra builds a forge on the banks of the Ter River in an old mill in Les Masies de Voltregà, with the goal of harnessing water power to produce copper plates. La Farga starts producing plates at the end of summer in 1853.

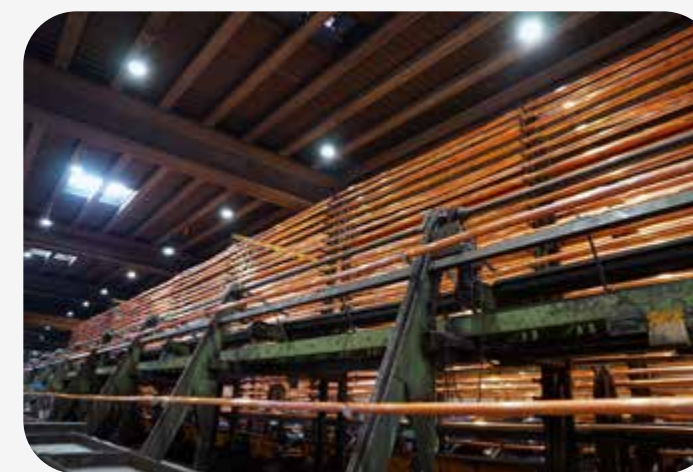


1852

Specialisation in the electrical cable market: The electrical and rail industries become La Farga's main markets in the following decades.

1960

A new copper pipe factory is opened: The industrial complex is expanded to extend our product portfolio to copper piping as well.



1992

Invention and installation of the Cosmelt casting process: First continuous casting of recycled copper. Making circular copper and production efficiency a reality.



2001

The company subscribes to the United Nations Global Compact: We underline our commitment by subscribing to the principles of the United Nations Global Compact and the Sustainable Development Goals (SDGs).

2006

1808

LA FARGA is founded: Francesc Lacambra Pont creates a small, family-run smelters in the port district of La Barceloneta, dedicated to producing copper and bronze items for the Catalan sailing marina.

1910



The copper wire rod is introduced: Machinery is renewed, which will allow wire rod to be produced for electrical cables in 1913.

1986

La Farga starts up the world's first continuous casting process with recycled copper: Development of thermal wire rod for continuous casting and the company secures the patent for the process, whose technology is sold to countries on different continents.

2000



Development of specialised alloys with up-cast: To manufacture materials commonly used in the electrification of the rail industry (copper, copper tin, copper silver, and copper magnesium).

2004

Consolidation in the international rail market: New range of products for the rail electrification sector.

2007

First LF and sector Sustainability Report: La Farga positions itself as a leading company that adds value to the industry and the product.



The Copper Museum is opened: To celebrate La Farga's bicentenary, a museum designed to spread knowledge of copper is opened at La Farga's facilities.



2008

Investment in EvoTub: Development of in-house technology, successful development and innovation.

2012

A new continuous casting facility is opened: Expansion of capacity, and an improvement in efficiency and sustainable product quality.



2018

EPD certification for the GENIUS wire rod: The GENIUS wire rod becomes the first product in the sector to be certified with an Environmental Product Declaration (EPD - complies with the ISO 14025 and EN 15804 standards). This EPD verifies its environmental impact is much less than that of copper mining production.



2020

ISO 50001 Energy Efficiency certification: This certification validates our commitment to the planet and society, and our goal to reduce our products' and processes' environmental impact in order to have a positive impact that enables our society to develop in a sustainable manner.



2023

2008



Development of the electrolytic wire rod: Expansion of the business with a significant investment and launch of electrolytic wire rod production.

2011



SDI La Farga is opened in the USA: Consolidation of the international expansion process, creating a joint venture in the USA: SDI La Farga.

2014

Innovation in improvements to the production plant and in the development of Evtotub: Renewal of the refining furnace with our own technology, with the resulting energy savings, increased productivity and maximum efficiency. Development of Evtotub, in-house technology that turns out to be a success in terms of development and innovation.

2019



Launch of GENIUS: Launch of the most sustainable wire rod available on the market, made with 100% recycled material, with the smallest carbon footprint possible.

2022

La Farga launch of the first 100% recycled copper contact wire: Offering a contact wire with the smallest carbon footprint for rail infrastructure.

THE COPPER MUSEUM

One of the initiatives we're most proud of is the Copper Museum: a chance to present the history of this noble metal and La Farga to society. **Two stories explained in a cultural and educational space that allows people to gain an insight into the industry and an innovation model that has transformed society over the years.** A tour of this museum aims to use different resources to share knowledge on the use and applications we've implemented at La Farga throughout our history in industrial, financial and environmental areas. The Copper Museum was created in 2008 in collaboration with the University of Vic.

The Museum offers a unique interactive experience with a walkway that allows visitors to watch the production process for copper casting and semi-finished products in real time. It's located at the La Farga facilities in an old modernist building dating back to the beginning of the 20th century. It's divided into four main areas: history of La Farga; origins of metallurgy; copper as a chemical element; and technology together with copper's diverse applications.

With the aim of **making copper knowledge as accessible as possible**, we have educational plans and we offer guided tours adapted to different academic levels, from primary to Baccalaureate, including vocational training courses and universities.





WE PROMOTE A
SUSTAINABLE AND
CIRCULAR VALUE CHAIN



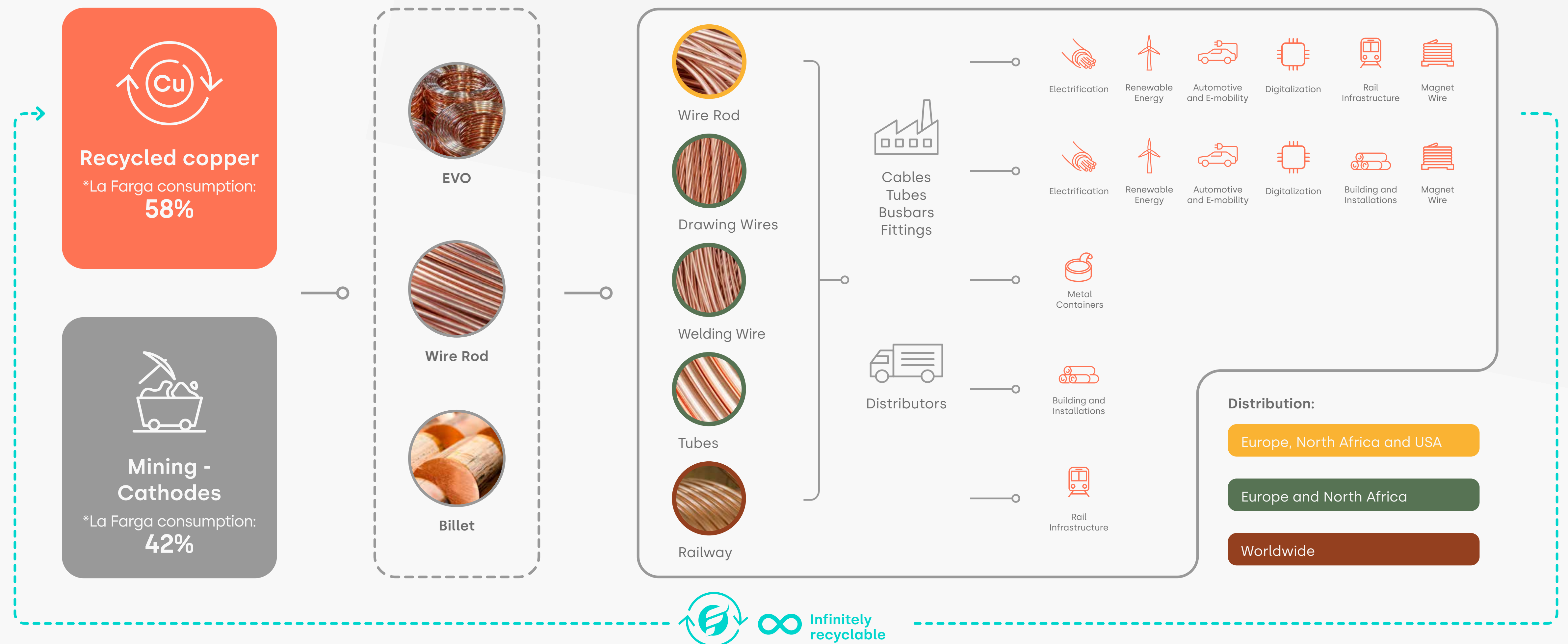
WE PROMOTE A SUSTAINABLE AND CIRCULAR VALUE CHAIN

The processes used to reach the final application of copper, depending on its stage, can be intensive in terms of energy and natural resources. As a manufacturer of semi-finished copper products, we occupy a central position in the value chain. We supply our products to other companies that transform them for their final application, although we also manufacture some ready-to-use end products, including contact wire and cables for rail infrastructure overhead lines, welding wires and copper pipes. **This position in the chain is privileged in terms of sustainability, since we can generate great value and impact.**





CENTRAL POSITION IN THE VALUE CHAIN





In 2023 we cast a total of 247.018 tons of copper, of which 58% of the raw material used was recycled copper and 42% was cathode, which underlines our commitment to the environment and to the circular economy

We foster robust, lasting relationships with our copper suppliers based on collaboration, trust and transparency. This allows us to guarantee traceability of the copper we use from its source to our end products, as well as its constant supply.

58%

Recycled copper

42%

Cathode

CATHODE AS A RAW MATERIAL

This is **mainly obtained from mines** via the extraction of minerals containing low levels of copper (between 0,3% and 10%) and it undergoes several stages before becoming 99,99% pure copper cathode.

These stages include extraction of the mineral, application of metallurgy processes to enhance the copper concentration and purity, casting and refining, and lastly, application of an electrolytic process to obtain the cathode. All these processes are very energy-intensive and have a significant environmental and social impact on the communities and surrounding area of the main producer countries.





To guarantee traceability in the cathode supply chain we carry out various actions



Conflict Minerals Policy. Via this policy, we have asserted that here at La Farga we must adopt the necessary measures to ensure that the metals used in our industrial processes do not come from conflict zones and we must ensure that human rights are respected throughout the supply chain without contributing to situations of conflict. Furthermore, this policy supports the purposes and goals of the Dodd-Frank Act with regard to the supply of conflict minerals.



One of the challenges our business is facing is constant raw material supply. In recent years, routes have been interrupted by conflicts between countries and within countries, due to the pandemic, drought and other conditions that hinder the task of guaranteeing service. Given the tensions in global supply channels, and in order to respond to constant supply needs, **La Farga has reached service agreements with suppliers that equip us with an uninterrupted supply of material**, thereby eliminating the uncertainty involved with shipping lines and supply channels.



"2023 was a year with no major interruptions in the supply chain. Global production was able to meet the planet's needs and, therefore, no shortage was experienced. Copper consumption is expected to double by 2050 since it is a strategic material in the energy transition. La Farga has implemented a strategy to establish reliable relationships with suppliers. The mining industry is fully committed to respecting human rights and new certifying bodies for the market include this aspect in their assessment and certification criteria for mines and responsible sourcing. This is a sine qua non condition for La Farga when it comes to working with suppliers: they must guarantee compliance with human rights."

Georgeta Postas
Copper Purchasing Manager

SCRAP AS A RAW MATERIAL

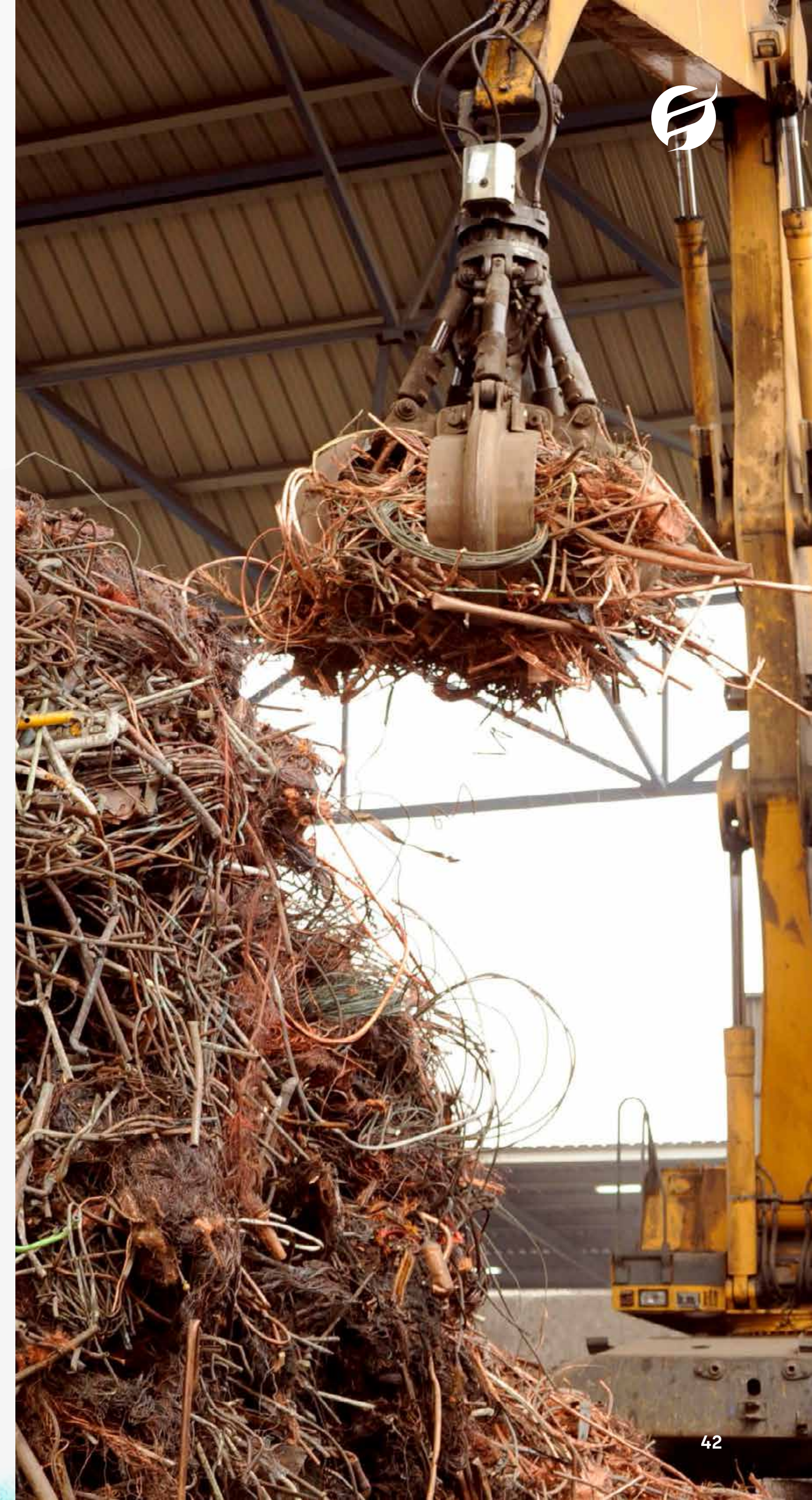
Our scrap metal comes from copper products or by-products that have reached the end of their useful life, for example, worn cables from electronic devices, pipes, cables in buildings, power lines and losses from production processes.

At La Farga we are famed for our unique scrap metal transformation process. It's a refining process that allows us to produce semi-finished copper products directly from scrap metal, with a form of processing that eliminates impurities, thus guaranteeing maximum purity of the material and ensuring top quality. Thanks to our process, the use of copper scrap metal as a raw material helps us skip the intermediate steps or processes required to produce it directly. Furthermore, we can do away with transporting copper long distances, which also reduces the emissions associated with transport.

Circular copper is the definition of the value we offer society through copper recycling and its conversion into innovative solutions to have a

positive impact on society. Copper's recyclability allows us to close the life cycle, guaranteeing its durability in an endless flow through multiple applications over time.

Raw material quality control is essential, which is why we've strengthened our quality control processes. Each scrap metal lorry that arrives at our premises undergoes a rigorous examination and samples are analysed in the laboratory to guarantee quality. By including reception and quality control data in a unified system, we've optimised the way suppliers are assessed and established a more collaborative relationship through which we devise action plans together in order to continuously improve in terms of quality and the state of the raw material arriving at La Farga.





We have a **traceability policy that guarantees the origins of our raw materials**. Furthermore, we work together with our suppliers to continuously improve the systems and mechanisms employed to trace raw materials. If this traceability is placed in doubt at any time, we have a protocol that we follow to notify and collaborate with the authorities.

We go to great lengths to support industry initiatives that promote transparency, good practices and raw material traceability, thus contributing to a fairer, more sustainable planet. In this vein, we're working to apply ESG criteria in the selection and prioritisation of suppliers through an action plan.

For every ton of recycled copper we process, the emission of 3,9 tons of CO2 is saved directly



Which is equivalent to **two combustion cars** each year



Or what **130 trees** can absorb in a year

The transition towards a sustainable and electrified world model requires copper, and the key lies in the optimisation of material usage.

Mined copper continues to be necessary to make this possible, as is including scrap metal in stages of the chain where it is most efficient, thereby maximising its impact.

"The use of primary copper, extracted from mines, involves high consumption levels of energy and natural resources, while it also has a major environmental impact during its transformation process, thus contributing significantly to climate change, acidification and eutrophication, among other issues. In contrast, our GENIUS solutions are comprised of 100% recycled copper, whose transformation process minimises the environmental impact, making it a more eco-friendly option.

Copper has properties that make it fully recyclable and applicable in key sectors for the energy transition, including mobility, energy generation and distribution, and construction.

The use of sustainable copper is key and critical in the fight against climate change."

Mohamed Lakdimi
Sustainability Engineer



03.

WE ARE INDUSTRY
AND TECHNOLOGY



WE ARE INDUSTRY AND TECHNOLOGY

At La Farga we've spent 215 years generating knowledge about copper and developing technologies to process and transform it

Innovation and copper knowledge are a part of our essence and history, and we include them across every aspect of our activities. We invest in growth and evolution, and we accept the risks associated with research and experimentation (*learning by doing*). We fully believe we can generate continuous value by improving the efficiency of our industrial and management processes by focusing on three key areas.



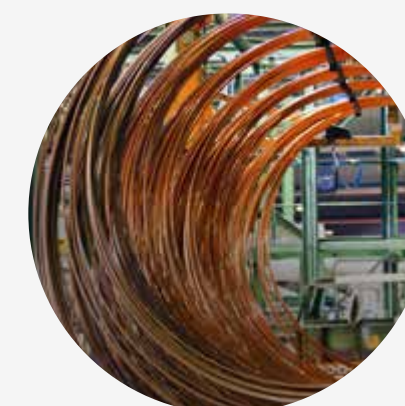
WE INFLUENCE THE INDUSTRY WITH KNOWLEDGE AND OUTREACH INITIATIVES

With the goal of having a positive impact on the entire industry by sharing our knowledge, our best practices and encouraging the implementation of more sustainable approaches.



WE INNOVATE TO GROW AND EVOLVE

Recognising the importance of research and development in order to remain at the forefront of trends with our own industrial technology.



OUR SOLUTIONS

Are the most efficient and sustainable available, and we offer the most sustainable range around that complies with the strictest quality standards while minimising CO2 emissions.



WE INFLUENCE THE INDUSTRY
WITH KNOWLEDGE
AND OUTREACH INITIATIVES



Over the course of our business journey, we've remained fully focused on researching and developing copper knowledge and we've been pioneers in the creation of advanced technologies used to process, transform and recycle copper. Not only is this industrial knowledge an invaluable asset, but it also drives La Farga's growth and legacy

As an industry, we accept the responsibility and opportunity to be decisive agents in society's sustainable development, with the goal of tackling current and future challenges. We recognise our privileged position in the value chain, which enables us to act efficiently and sustainably in the process to obtain semi-finished products. We collaborate closely with universities and research centres to fully harness technological development and copper knowledge, thus driving significant advances in this key area.

This year, one highlight was development of the RainFloods Project through which La Farga offered knowledge, experience and technology in the design, construction and rollout of a smelters to produce copper wire rod in Erbil (Iraq), with this a success story of cooperation, technology and digitalisation.



"One significant example of our commitment to the development of new technologies is our collaboration with the technology centre LEITAT on a research project involving 3D copper printing. In this project, we developed tests using diverse technologies and we helped to measure copper's electrical conductivity with the goal of maintaining and improving its properties and characteristics in this innovative process."

Núria Ferrer
R&D&I Manager



We want to encourage other industries to get involved in developing the circular economy, in the decarbonisation of their activity, and in reducing their environmental impact

For this reason, as an industry-leading company, we participate in different industry and product organisations in order to remain at the forefront of the latest developments and contribute to debates on market trends, demand forecasts and copper's importance as a key element in sustainable development. We're actively involved in influential groups that address all matters related to copper.



Highlighted organisations La Farga is involved with



- **International Wrought Copper Council (IWCC)**, which brings together companies from the industry and aims to protect copper and its good position. It also serves as an information source for new trends. We form a part of the Board and different people from La Farga are also involved in the following committees:
 - Statistical Wire Rod Committee and Tube Committee, which work on statistical market data and invite actors to gain a global view of the industry.
 - Regulatory Affairs & Advocacy Committee, which oversees the protection of copper in line with industry interests.
 - Recycled Content Working Group, which works to define and relate validation and recognition processes for the methodologies used to calculate recycled content, establish requirements for the disclosure of coherent reports, and promote knowledge of material traceability throughout the industry.



- **Asociación de la Industria Ferroviaria Española (Spanish Rail Industry Association - MAFEX)**, where we promote the Spanish rail industry and our recycled copper rail cables. In addition, we participate in the Internationalisation Committee which, via industry meetings, attempts to determine which countries have the most interest in the rail industry.



- **Railsponsible, strengthening the rail industry's position as the most sustainable form of transport.** Creation of a transparent, fair and robust international supply chain. Inclusion of sustainability attributes in international legislative requirements.



- **London Metal Exchange (LME)**, which is the world's epicentre of industrial metals trading. We participate in annual meetings to debate trends and demand projections.
- **Asociación Española de Normalización (Spanish Association for Standardisation) and other standardisation committees**, from which we vouch for and encourage the assessment of products containing recycled copper.

These organisations also represent an opportunity to establish collaboration networks with other industry actors and significantly contribute to our influence on the industry, promoting innovation and strengthening our position as market leaders.



In 2023 we were involved in a range of events that offered us visibility and positioned us as a company with impact, thus strengthening our environmental, social and good governance commitments

January

- ✓ Debate of "*Implicacions de la crisi de l'energia per a les empreses espanyoles*" within the framework of an event organised by the Círculo de Economía and at which Inka Guixà (CEO) discussed the impact of the energy crisis.

April

- ✓ Training session for the master's degree in Corporate Social Responsibility at ESCI-UPF in which Maria Riera, Director of Corporate Development, shared La Farga's experience in including sustainability in our corporate strategy.

May

- ✓ Presentation of the Círculo de Impacto B organised by B Corp Spain, where Inka Guixà (CEO) represented La Farga as a member and business leader with purpose.

June

- ✓ Sustainability Forum organised by Mafex. The company's Circularity Director, Carles Camprubí, took part in the round table focused on supporting the rail industry for the circular economy.
- ✓ FASTMARKETS Copper Seminar. Inka Guixà (CEO) took part in this seminar, hosted in New York, alongside industry leaders and experts to debate the current challenges and opportunities in the copper market.
- ✓ Visit to the Mondelez International production plant in Montornès del Vallès by a group of La Farga representatives to exchange experiences, good practices and knowledge to improve occupational health and safety.
- ✓ Lecture on "El caso de La Farga" by Inka Guixà (CEO) within the framework of the Agenda 2030 SDG programme at ESADE.



September

- ✓ Audiovisual interview on the programme "Referents" with Inka Guixà (CEO), organised by the Business Council of Osona.

October

- ✓ Wire & Cable Milan: Carles Camprubí, as Circularity Director, took part in a lecture promoting the sustainable product solutions and the circular model developed at La Farga.
- ✓ International ADR Week by Barcelona's Consulate of the Sea: Inka Guixà (CEO) was involved as a speaker at an event alongside international experts, professionals and academics to explore the most recent and innovative trends in the scope of alternative dispute resolution (ADR).
- ✓ Lab 3040: Maria Riera, as Director of Corporate Development, participated in this event, which brought together leaders and experts in the Cambra de Barcelona together with the Economic Development Agency for the Metropolitan Area of Barcelona, to promote innovation in the Catalan ecosystem. The event was filled with exciting debates and round tables where ideas and inspiring experiences were shared with a view to tackling challenges in sustainability.

November

- ✓ Annual Carbueros Metálicos convention: Carles Camprubí (Circularity Director) took part in a round table that discussed industry challenges and positioning in relation to circularity and sustainable products.
- ✓ Rail Live 2023 Zaragoza: Carles Camprubí (Circularity Director) represented La Farga at the round table "Circular Economy in the Railway Sector" at the trade fair.
- ✓ TECNIO conference, which brings together research centres and groups bearing the TECNIO seal, with the support of ACCIÓ and the collaboration of the UVic-UCC.
 - Oriol Guixà (Chairman of the Board of Directors) offered an inspirational lecture named "De la recerca al mercat amb la col·laboració públicoprivada"
 - Núria Ferrer (R&D Manager) participated in the round table named "Experiències i instruments de transferència de coneixement entre empreses i agents TECNIO"
- ✓ Auditing day workshop at the Colegio de Censores Jurados de Cuentas de Cataluña, during which Inka Guixà (CEO) took part in a debate on how companies are tackling the main challenges faced today.
- ✓ Teaching innovation workshop on compatibility and management organised by ACCID and UVic-UCC. Maria Riera (Director of Corporate Development) explained La Farga's experience in sustainability reporting. For La Farga, the Sustainability Report is an inherent part of our DNA and strategy, with this process consolidating our position as pioneers in this subject. It is another initiative that strengthens our position as benchmarks and leaders in the transition towards an impactful economy.



WE INNOVATE
TO GROW AND EVOLVE

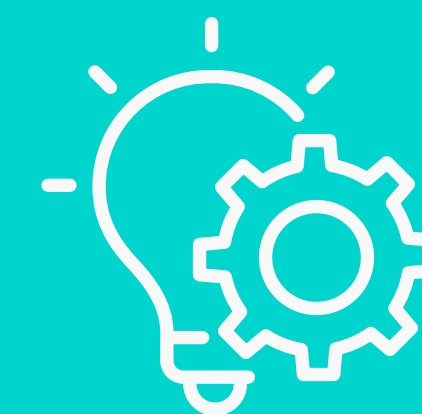
Innovation is key to continuous development and long-term business success

In an increasingly competitive and dynamic business environment, the ability to innovate allows us **to stay ahead of market trends, help our clients by maintaining a sustainable competitive advantage in our industry, and maximise our positive impact on the planet and on society.** Beyond the creation of new solutions, services and more efficient processes, innovation acts as a distinguishing element over the competition and its impact extends to improving productivity, reducing costs, increasing long-term profitability and the impact generated throughout our value chain.

We export our technologies worldwide with more than 34 projects in different countries. In this international expansion process, we created the joint venture SDI LA FARGA, in Indiana (USA), exporting our copper scrap metal refining process knowledge and technology. We hold a 45% share in this joint venture, while 55% is held by the company Steel Dynamics Inc. This plant has enabled us to export our refining technology and process to the United States, thus promoting copper manufacturing with a lower environmental impact.



INVESTMENTS IN INNOVATION AND DEVELOPMENT



1.163.239 €

Investment in innovation
and development in 2023



Representing
8% of cash flow



Development of more efficient, better-quality products

In the framework of the development and innovation of solutions, we have our Research, Development and Innovation Committee (CIDI, using its Spanish acronym). This committee plays a key role in innovation strategy, ensuring our company remains at the forefront of sector and industry trends.

The main goal is to ensure the innovation process and the evolution of our products are constantly evolving, offering a response and solving problems faced by our client companies. We strive to improve operational efficiency by staying up to date with market trends and swiftly adapting to a constantly changing business environment. In addition, this also helps the company to identify opportunities and knowledge areas to continually increase our products' quality. The main functions of the CIDI are as follows:



1.

Identification of market opportunities and search for new ideas, bearing in mind market trends and emerging needs. The committee seeks opportunities to develop innovative solutions that can generate competitive advantages.



2.

Prioritisation of projects and supervision of their development, ensuring that set time frames and goals are fulfilled.



3.

Promotion of innovation culture, fostering a creative, open-minded mentality throughout our organisation and encouraging the workforce to become actively involved in the generation of ideas and experimentation.



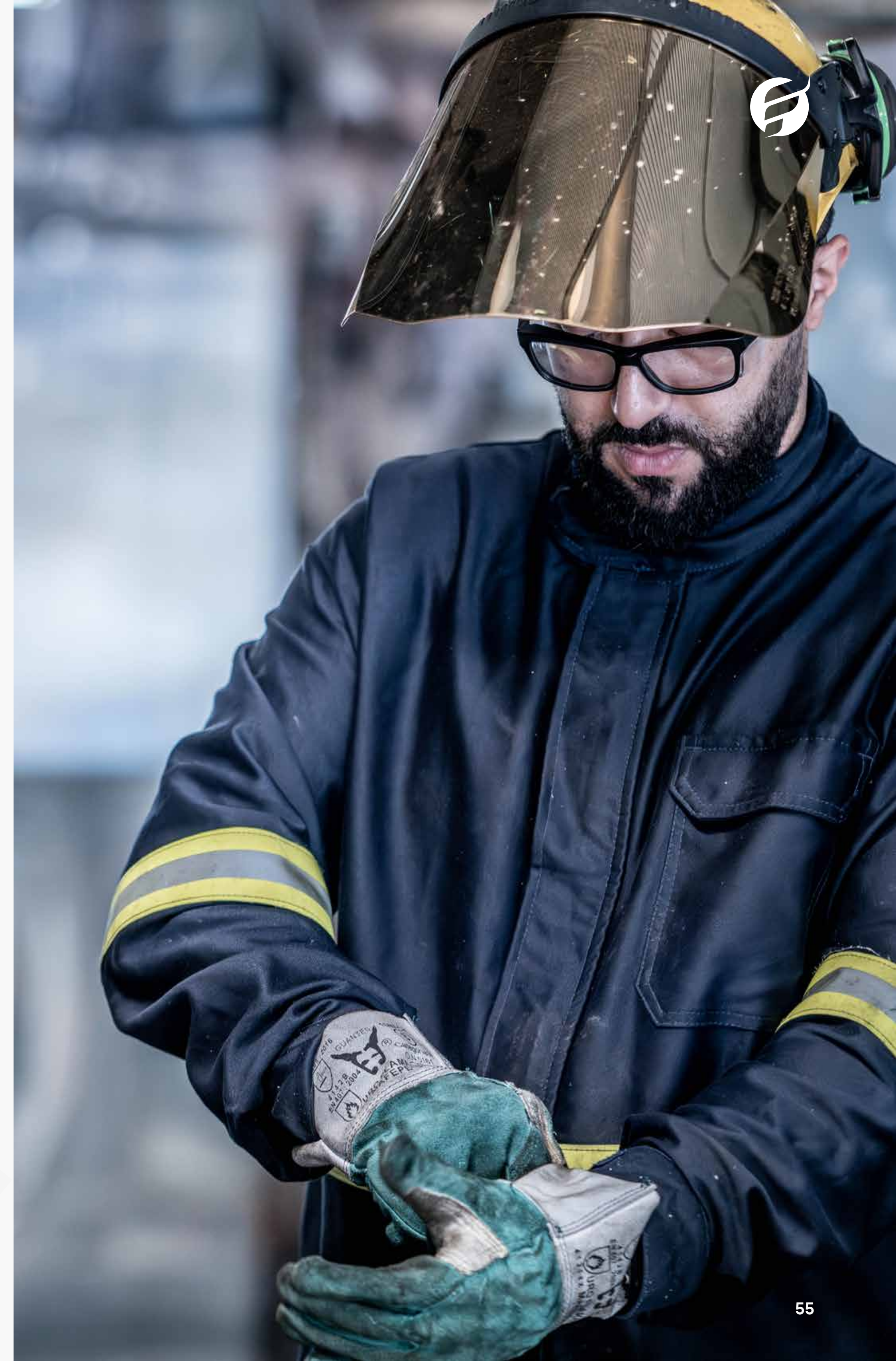
4.

Collaboration with external institutions, establishing partnerships with technological research centres, universities and governmental administrations that facilitate the transfer of knowledge and collaboration on collective projects.

IMPROVEMENTS IN FACILITIES AND SAFETY

We strive to have modern facilities with the most efficient, safest technology around in order to respond to market needs, which we do by including and maintaining machinery that enables us to guarantee more efficient production.

For this reason, this year we invested 2.849.515 € in production improvements, with the main actions falling within the scope of energy efficiency, machine re-design, and consumption control systems and equipment modernisation





MOST NOTABLE IMPROVEMENTS IN 2023

IN PRODUCTION

- New **Level Wound Coil** facility, allowing us to produce a more extensive range of copper tubes.
- Installation of tubes drawing oil filtering to filter and reuse process oil, reducing both consumption and the waste generated.
- Compressed air monitoring: a system that measures and controls compressed air consumption, allowing us to reduce consumption and optimise its use.
- New grill design for high-temperature materials in an improvement that will help us gain in efficiency.
- Design of Shaft burner blocks to facilitate repairs from outside the furnace, reducing the number of long stoppages and improving operational efficiency.
- New design of refining furnace burners to improve the furnace's energy efficiency, leading to improved productivity with a lower specific consumption.

IN SAFETY

- New alcohol store to improve our storage space in accordance with safety regulations in force.
- Improved safety in the Evtub winder thanks to the installation of barriers and a scanner to improve safety in the outlet area where pipes are coiled and to reduce the risk of entrapment with the turning of the basket when the roll is coiled.





DIGITALISATION AND NEW WORK AND MANAGEMENT METHODOLOGIES

We believe in innovation's potential in digitalisation and industry 4.0 as a way of leveraging progress and competitiveness. We deliver knowledge and innovation in the form of quality technologies and solutions in order to maximise efficiency and impact.

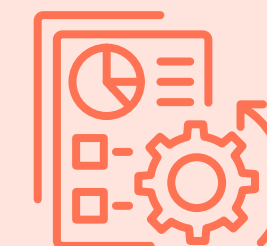
In 2023, the rollout of the new GMAO tool in our production plants was completed. The project helped to consolidate and improve our maintenance operation model by proposing the digitalisation of corrective and preventive maintenance flows, with special emphasis on user mobility and the elimination of paper use. This initiative allowed us to automate numerous actions that were previously carried out manually, which translates to a significant increase in productivity.

Benefits of the GMAO project



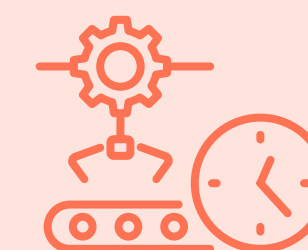
DIGITALISATION

Corrective and preventive maintenance flows



MOBILITY

In factory processes



REDUCTION

Process time



INCREASE

In data quality



BENEFITS of the GMAO PROJECT

OPTIMISATION OF PROCESSES AND IMPROVEMENT IN RESOURCE MANAGEMENT

It aims to optimise work and coordination between areas by automating manual tasks and integrating processes in a single system, which facilitates resource allocation and preventive maintenance planning.

INFORMATION IN REAL TIME, IMPROVED COORDINATION AND EFFICIENCY

Information can be generated in real time by the maintenance team, including a report on material consumption. In addition, it improves communication between departments and offers a reliable report.

PLANNING, PROGRAMMING AND ANALYSIS

Facilitates material needs and maintenance order planning, enabling the monitoring of technical and economic indicators to facilitate subsequent analyses.

DIGITALISATION AND MOBILITY

Digitalises factory processes and enables information to be accessed from mobile devices.





OUR SOLUTIONS

WE ARE A PARTNER IN THE DEVELOPMENT OF SUSTAINABLE COPPER SOLUTIONS

Our innovative spirit and knowledge position us as a world leader in the technology and processing of copper directly from recycling and cathodes. This makes us a **fantastic partner in the development of all manner of efficient, sustainable and high-quality solutions involving both copper and its alloys.**

Trust and a close relationship are the key pillars of our relationships with our clients, which is why we always look for long-term commercial relationships and, **together, we strive to have the greatest positive impact on the environment and on society.** We listen to our clients and we understand their needs with the sole goal of offering responses tailored to each sector and end use.



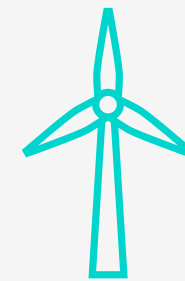


With our solutions, we're present in the following sectors



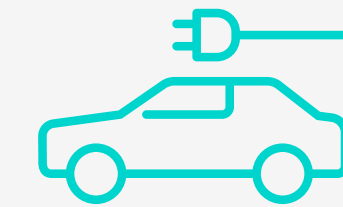
Electrification

Manufacture and supply of electrical cables for high, medium and low voltage energy transmission and distribution networks.



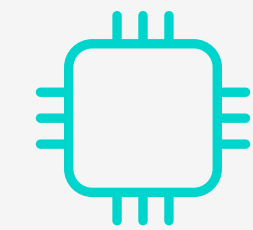
Renewable Energy

Manufacture and supply of electrical cables for wind, solar, hydroelectric and hydraulic energy, among others.



Automotive and E-mobility

Supply of cables for electronics, for the electrification of vehicles and engines, and for services associated with charging points.



Digitalization

Electrical cables for data-based energy.



Metal Containers

Copper wires for welding in the metal packaging sector.



Building and Installations

Supply of cables and pipes for domestic and industrial facilities.



Rail Infrastructure

Supply of cables for the electrification of the rail industry.



Magnet Wire

Insulated electrical conductors, usually in copper, used in engines, transformers and other electromagnetic equipment.



Our goal is to supply **the best solution possible in terms of quality with one of the smallest environmental impacts on the market across all our products**, which is achieved thanks to innovative production processes that optimise resource usage and apply circular economy concepts

OUR SUSTAINABLE SOLUTIONS



35

New client companies in 2023



More than 340

Client companies



74

Countries in which La Farga has a market



200.585 €

Tons of copper of sold in 2023



TWO BRANDS AND A NEW SOLUTIONS PORTFOLIO ARCHITECTURE

As part of our efforts in relation to continuous improvement, we've also reorganised our brands and we're presenting our solutions portfolio. This new structure is clearer and more cohesive, allowing us to adapt to the market's needs



LA FARGA, OUR LEGACY



We've grouped all our business lines and solutions under the umbrella of the LA FARGA brand. A historic and current identity on almost every continent, whether via the direct sale of our copper products (wire rod, drawn products, pipes, welding wire, rail and special cables, among others) or our knowledge and our copper processing technology.



GENIUS, 100% RECYCLED COPPER WITH THE SMALLEST PERCENTAGE OF CO₂ EMISSIONS

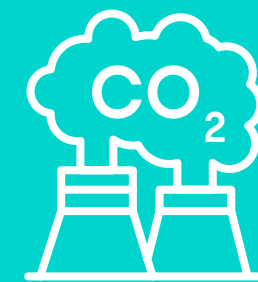


We offer the most sustainable and eco-friendly solutions around, producing 100% recycled and recyclable copper solutions with the smallest carbon footprint on the market, thus contributing to a more efficient use of natural resources. We ensure product traceability.

This evolution underscores our goal of offering a proposal with unique value, thanks to the company's innovation and excellence.

We're proud to be the first company in the copper sector to have its wire rod product certified with an Environmental Product Declaration (EPD), marking the GENIUS product as the most sustainable on the market.

We continue working to certify the traceability of all our solutions and offer our clients the lowest environmental impact possible.



+92%

Reduction in CO₂ emissions



99%

Less water consumption



89%

Less depletion of fossil fuels



99%

Reduction in SO₂ emissions

*Data corresponding to the EPD for the GENIUS wire rod vs the average from official data published by ICA.

LIFE-CYCLE ANALYSIS

Via a life-cycle analysis (LCA) for the Genius wire rod, we've compared the **differences between the environmental impact of two identical copper wire rods, one made completely from copper cathodes from mining and another manufactured wholly from scrap metal**. Using scrap metal as a raw material, despite requiring a slightly more energy-intensive manufacturing process (scopes 1 and 2 due to the use of fossil fuels), involves a considerable reduction in the product's overall environmental impact, particularly due to the raw material obtainment and transport processes involved (scope 3). The analysis was updated in 2023, showing an improvement on the results recorded in 2020.



MAIN RESULTS OF THE LCA

↓89%

Abiotic resource consumption (AD-FF)

↓98%

Eutrophication potential (EP)

↓99%

Acidification potential (AP)

↓92%

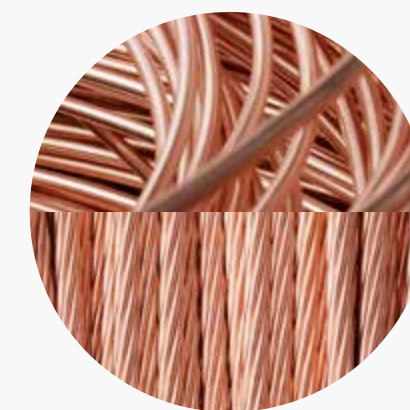
Global warming potential (GWP)

↓98%

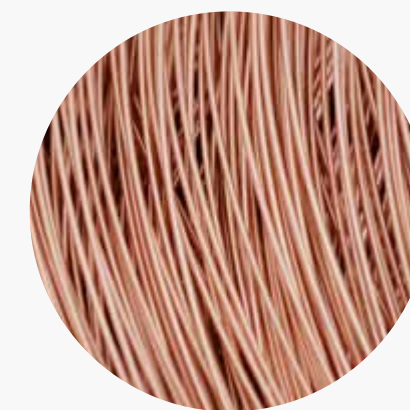
Photochemical ozone creation potential (POCP)



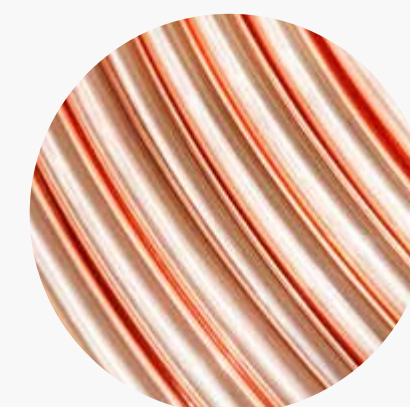
At La Farga we offer a wide range of copper and copper alloy solutions, our catalogue is designed to meet the demands of diverse sectors. At present, the solutions we offer are



**SUSTAINABLE AND EFFICIENT
CONNECTIVITY SOLUTIONS**
Wire Rod and Drawn Wires



**INNOVATION AND CIRCULARITY FOR
THE METAL CONTAINER SECTOR**
Welding Wire



**SUSTAINABLE COPPER TUB SOLUTIONS
FOR FUTURE GENERATIONS**
Tubes



**INNOVATION AND EFFICIENCY TO
CONTRIBUTE TO MORE SUSTAINABLE
TRANSPORT**
Railway

SUSTAINABLE AND EFFICIENT CONNECTIVITY SOLUTIONS

We offer copper and copper alloy conductors with high conductivity and resistance for multiple applications. We have a wide range of solutions that meet our clients' needs while guaranteeing top performance and quality.

- Copper **Wire Rod** is a semi-finished product used in electrical and mechanical applications that require efficient connectivity in diverse sectors, including the energy, automotive, e-mobility, renewable energy and telecommunications industries, among others. Our LA FARGA range offers exceptional electrical properties. The GENIUS range is made with 100% recycled copper and, as its EPD indicates, is the copper wire rod with the lowest environmental impact, thus aiding decarbonisation throughout the value chain.
- **Drawn Wires** are a semi-finished copper product used in the industrial process of electric cable manufacturers. Our drawn wires comply with manufacturing requirements for class 1, 2, 5 and 6 electric cables. We offer our clients an extremely personalised solution, with a wide variety of drawn wires, including the tinned range which is mainly demanded by the renewable energy sector, as well as a range of copper alloys that includes copper silver (CuAg), copper magnesium (CuMg) and copper tin (CuSn). We also produce oxygen-free drawn wires (CuOF) to serve other specialist sectors. We offer the LA FARGA brand solutions line in addition to GENIUS solutions, which are made with 100% recycled copper, guaranteeing a smaller environmental impact and favouring decarbonisation throughout the value chain.

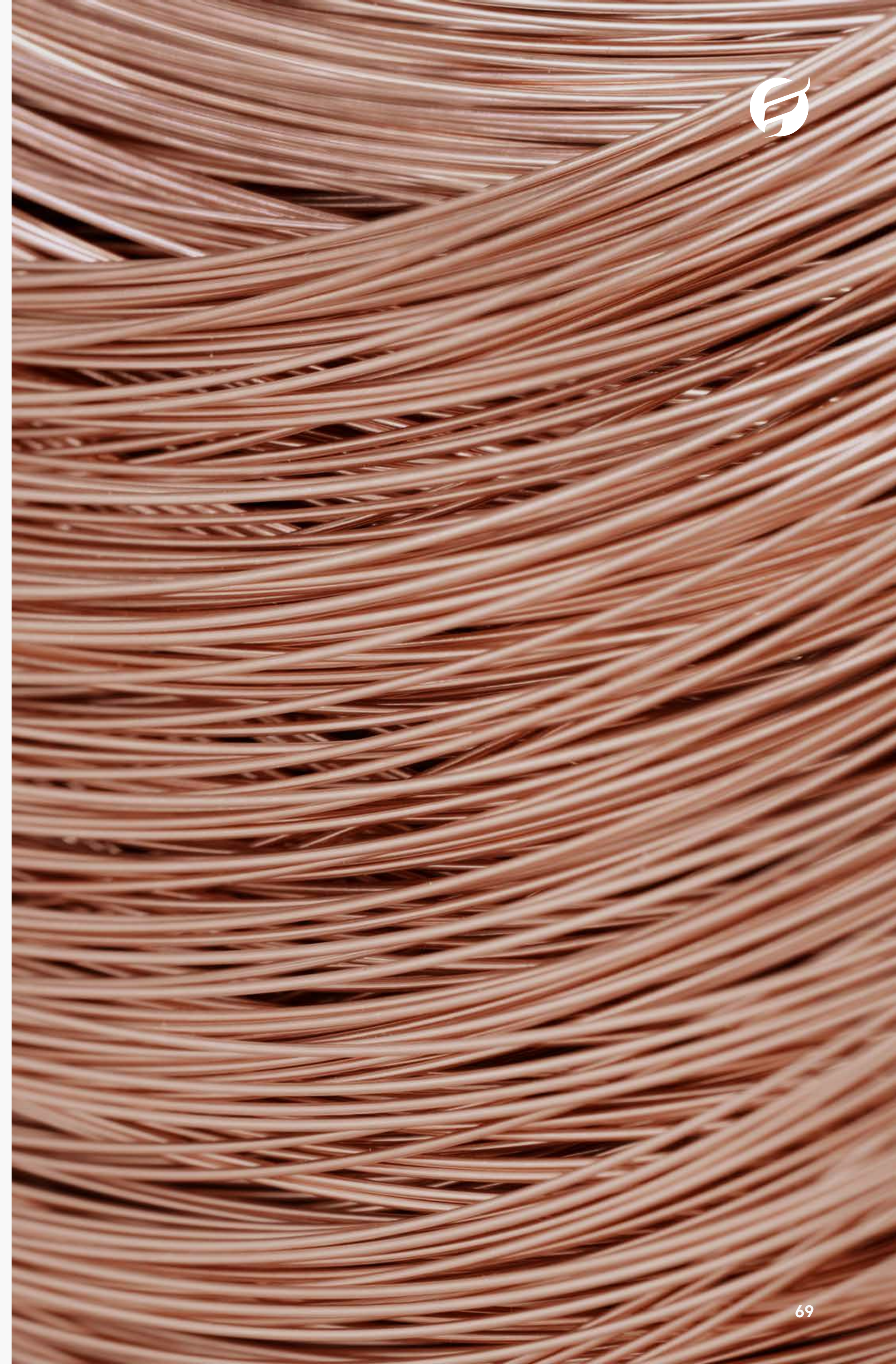




INNOVATION AND CIRCULARITY FOR THE METAL CONTAINER SECTOR

Innovation holds a special place in the solution we've developed for the metal packaging industry.

- The **Welding Wire** we've developed is a poly-microalloyed copper wire designed specifically for welding metal packaging used in multiple sectors. This product has better mechanical properties, resistance to high temperatures and tension than conventional copper, which grants it better dimensional stability during the welding process. It's mainly used in the food, aerosols, industrial products (paint, varnish, oil, etc.) and veterinary sectors.



SUSTAINABLE COPPER TUBE SOLUTIONS FOR FUTURE GENERATIONS

At La Farga we produce and distribute a wide range of certified copper tubes designed to offer maximum quality and efficiency.

- **The Copper Tube** is the material par excellence, since it ensures maximum thermal conductivity and exponentially reduces greenhouse gas emissions, aiding the decarbonisation of buildings and setting it apart from other materials. Its use is extremely widespread, for which reason it's found in different applications, such as domestic water transport, gas, heating, thermal solar energy, air conditioning, heating, refrigeration, medicinal gases and other industrial uses. In the EU, heating, refrigeration and domestic hot water represent 80% of energy consumption in homes. Copper's excellent thermal conductivity saves approximately 40% energy use and CO2 emissions in the production of domestic hot water. We also offer GENIUS solutions, which are manufactured with 100% copper and guarantee a minimal environmental impact.



INNOVATION AND EFFICIENCY TO CONTRIBUTE TO MORE SUSTAINABLE TRANSPORT

Our solutions for the electrification of the rail industry are the result of innovation and technology developed by La Farga, achieving a superior performance and resistance to wear than those of a conventional catenary.

- We have a full range of **Rail Cable** products: contact wires, connection cables, suspension cables, feeder cables and droppers. Thanks to our full catalogue of products made from high-purity copper and its tin, silver and magnesium alloys, rail cables are perfect for conventional, metro, tram and high-speed lines. We offer GENIUS solutions manufactured with 100% recycled copper and with the smallest carbon footprint possible, guaranteeing the highest quality and efficiency standards.





We offer our clients top quality and service



Guaranteeing quality products is a priority for La Farga. Thanks to our facilities and knowledge, not only can we deliver a product with exceptional physical and chemical properties, and that complies with technical specifications and requirements (conductivity, length, composition, etc.), but we also have the ability to officially certify these properties for third parties.

To strengthen our approach to continuous improvement, we are in possession of the ISO 9001 certification, which we renewed in 2023. This certification focuses on achieving organisational quality via the implementation of a Quality Management System (QMS).

The ISO 9001 standard is an international standard that sets out the requirements for a Quality Management System (QMS). It aims to improve trust and satisfaction in customers, and also stakeholders; establish a proactive culture of prevention, improvement and environmental protection; and ensure consistent product and service quality.

In addition, we also certify the quality of our products by standardising our products in different countries, for example, the 28x1 semi-hard domestic pipe certification for the French market in 2023.

"In 2023 the automotive sector was recommending our GENIUS products to companies looking to minimise their carbon footprint. These products, made 100% from recycled copper, have an EPD that recognises them as the most sustainable available on the market."

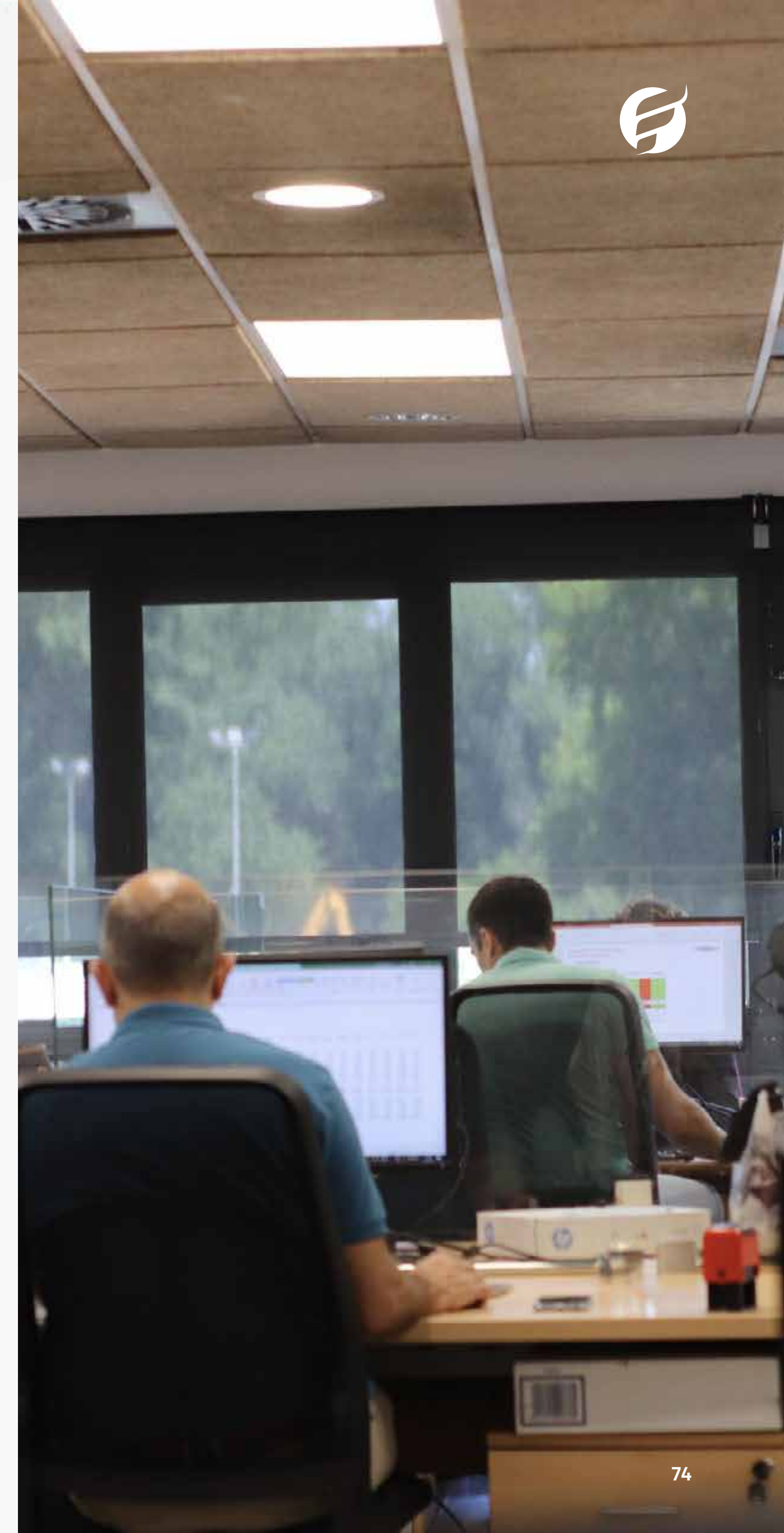
Meri Rovira
Market Partnership Manager

THE BEST SERVICE

Trust and a close relationship are the key pillars of our relationships with our clients, which is why we always look for long-term commercial relationships that encourage the greatest positive impact on the environment and on society. **We're committed to listening carefully to our clients and understanding their needs in order to provide customised solutions adapted to each sector and specific application.**

We have a highly committed team of staff who have built trust with our clients by anticipating their needs and proactively providing responses and solutions. Every company we collaborate with has an account manager who works closely with our Customer Service and Quality teams to suitably and extensively address any inquiries, questions or non-conformities that arise. This year we increased the volume of claims accepted by 15%. We also measure the **service rate** weekly, which calculates the difference between the delivery date of a product in the order acceptance confirmation and the actual delivery date. This allows us to analyse deviations and introduce improvement actions. **In 2023, the rate was 96%**, above the values recorded for 2022 (88%).

In 2023 we carried out a **customer survey to determine the customer satisfaction index (CSI)**. To this end, we interviewed a representative sample covering 32% of our total portfolio focused on the Pipe, Wire Rod, Drawn Products and Joinfill business lines. 85% of the companies that took part have been working with La Farga for more than 10 years. In general terms, the results showed general satisfaction and a positive perception, with an average rating of 8 out of 10. Quality in our relationships and people stood out as one of the best-rated aspects: a close, attentive and decisive relationship was noted as a differential value at the company. In addition, 82% of the companies surveyed declared their intention to recommend La Farga.





04. WE ARE COMMITMENT

WE ARE COMMITMENT

We're **active agents** who work to **generate shared value** for all our stakeholders and society as a whole, because for us it's important what we do, but above all, it's about how we do it.

La Farga's strength lies mainly in ongoing technological innovation and knowledge development. We transform the market and society with the desire to transcend, always with one eye on the future.

We strive for **maximum business efficiency** in order to offer society the **greatest positive impact** possible. Our mission and values act as our guide in strategic decision-making processes and they allow us to operate, day after day, based on our corporate culture and our firm commitment to innovation and sustainable development.



We're **committed to preserving natural resources** and minimising our environmental impact in order to reduce our carbon footprint and that of our solutions. Throughout our history we've been pioneers in the processing of recycled copper and in offering society the most sustainable and efficient solutions responsibly and ethically.



Caring for people is one of our most important pillars and we prioritise the health, safety and well-being of all our staff by encouraging their professional development, equal opportunities and a healthy work-life balance.



In addition, **corporate governance** is based on **robust values** and a desire to **guarantee the legacy** and sustainability of the family business in the long term. We prioritise transparency, integrity and ethics in everything we do, thus fostering an environment of trust and collaboration, both within and beyond the organisation.



We believe companies can be agents for positive change. For this reason, **we include sustainability in our strategy** as we seek to create a better future for people and the planet



THE CULTURE THAT REPRESENTS US

We work and reflect on an organisational culture based on shared principles and values that define our identity and guide our actions.



COMMITTED TO THE COMMUNITY

We develop different initiatives in the region by collaborating with local organisations, promoting La Farga Foundation's activity and boosting regional and sectoral networks with the goal of having a positive impact on the place that allows us to develop our activity.



WE HAVE RESPONSIBLE GOVERNANCE MECHANISMS

Through governance structures and mechanisms, we aim to guarantee efficient, ethical and responsible business management.



WE UPHOLD ROBUST, HEALTHY AND TRANSPARENT FINANCIAL MANAGEMENT

Given the financial nature of our business, we require robust and healthy financial management, which enables us to be a profitable business, thus boosting our ability to have an impact.



THE CULTURE THAT
REPRESENTS US



THE CULTURE THAT REPRESENTS US

At La Farga we work and continuously reflect on the organisational culture that defines us and the consequences it brings. We understand that this culture, comprised of shared principles and values, defines our identity and guides our actions.



Commitment

Emotional and intellectual involvement to create value in an environmentally sustainable way over time, through ethical and responsible behaviour, always taking into account financial, social and environmental aspects



Innovation

Transforming new products, applications, processes and/or services into value by effectively adapting and connecting the company to the market and promoting collaborative development



Open Mind

Acting and promoting an open, receptive, inclusive and collaborative work ecosystem to take full advantage of the potential of our staff and of any opportunities as a tool that allows us to grow together.



Enthusiasm

Enthusiasm for hard work and efficiency to attain an individual or team goal.

We go to great lengths to **strengthen our internal culture and guarantee it is aligned with our core values while we also seek to have a positive impact on the community and the area in which we operate**, considering our actions as well as the way in which we develop them. We're committed to **creating shared value, which is why we carefully consider our stakeholders** in all our actions and initiatives. To this end, a **materiality analysis** was carried out in 2023 to identify and prioritise the most relevant matters for our stakeholders: our suppliers, clients, employees, local communities, banking or financial institutions, and civil organisations.

By including these priorities in our strategic reflection process, we can focus our efforts on areas that have a positive impact on both the company and society in general.

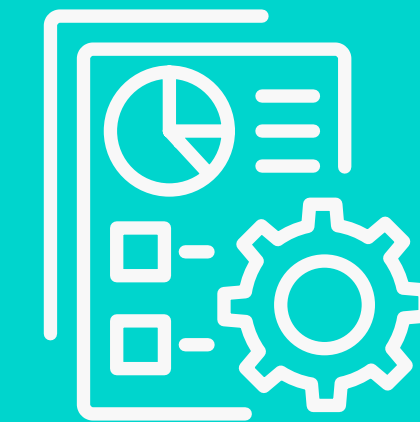
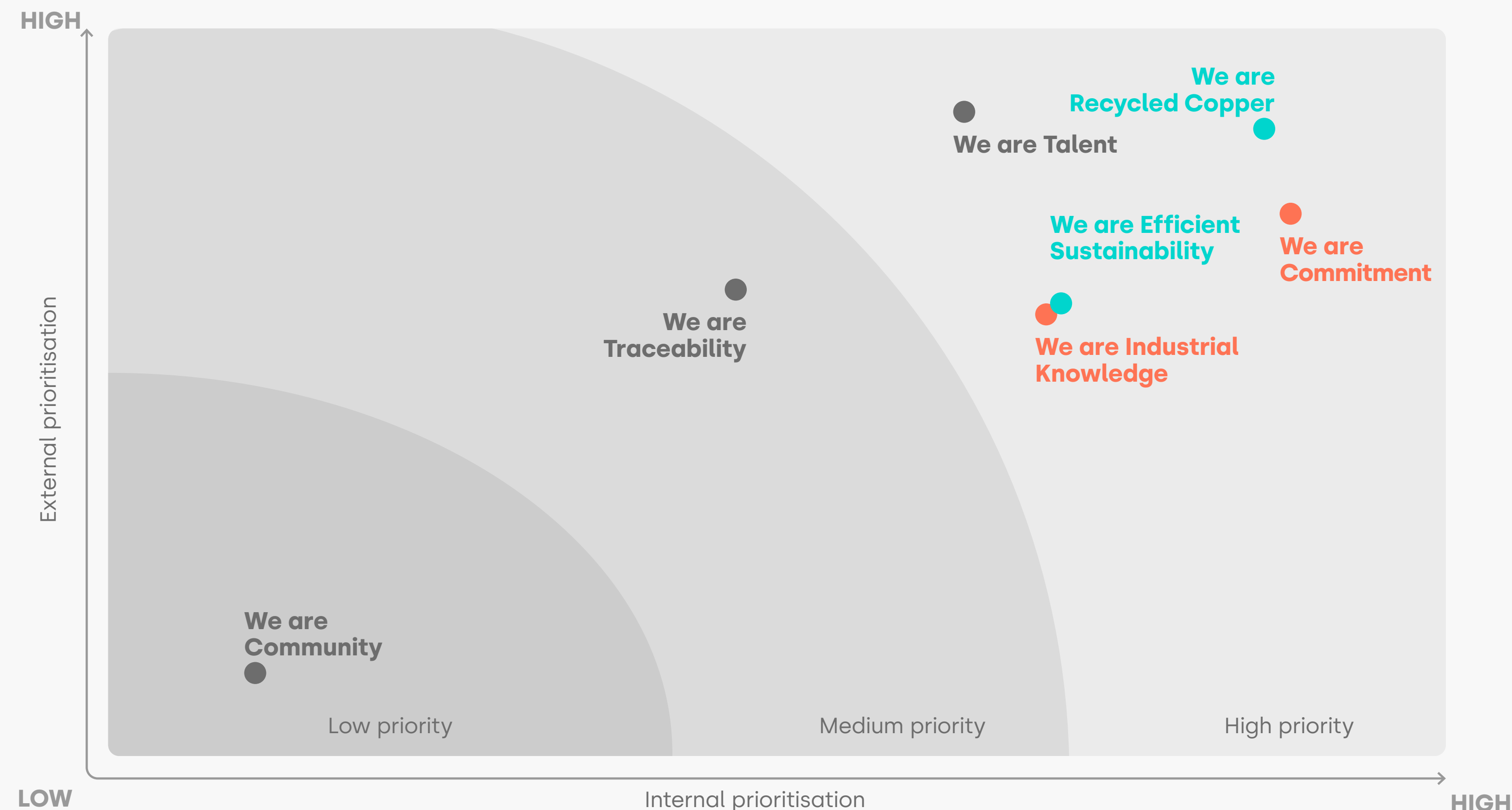
This holistic, proactive approach to decision making helps us strengthen our relationships with stakeholders and improve our competitiveness, while we also help to improve the economic and social conditions of the community where we operate.



Shared value

Shared value is a business concept that involves the **simultaneous creation of economic value for both the company and society in general**. We achieve this through recognising the chance to generate business opportunities by addressing social and environmental challenges, and therefore generating a **positive impact via the company's own activity**. This concept is different to corporate social responsibility, since it's not about isolated philanthropic actions removed from the company's main activity, but rather a real alignment between the company's financial interests and social and environmental interests.

Our business culture is based on sustainability criteria and we understand they must be fully considered when acting and interacting with all our employees, shareholders, suppliers and clients. We strive for maximum business efficiency in order to offer society the greatest positive impact possible. Our mission and values guide us in strategic decision-making processes and they allow us to operate, day after day, based on our corporate culture and our firm commitment to innovation and sustainable development.



Results of the 2023 materiality analysis

According to the Global Reporting Initiative (GRI) standards, a materiality analysis is a **process used to identify, assess and prioritise potential material topics with an economic, social or environmental impact that could affect the La Farga business and/or its stakeholders**. On the one hand, this exercise helps to draw up non-financial reports and, on the other, to define strategic priorities.

Within the framework of the materiality analysis, **41 material topics** were identified, based on general and industry standards, as well as a market analysis. They have been **grouped into the different areas** to obtain a more strategic assessment. The analysis was performed based on the responses obtained, leading to a **prioritisation of the material topics and a matrix devised according to area**. This shows which areas are priorities, both in terms of strategy and in terms of stakeholder expectations.



WE'RE COMMITTED TO
THE COMMUNITY

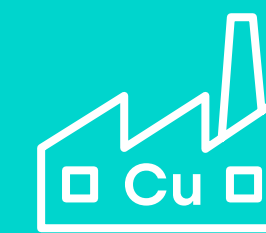
WE'RE COMMITTED TO THE COMMUNITY

Since La Farga consolidated its position as a Catalan industrial company in the copper sector, we intensified **our responsibility for generating value for society**. Today, we maintain our desire to **make a contribution and join forces to improve our environment and people's quality of life**, as we understand that **our success is inherently linked to the well-being of our community**.

Thus, we develop a wide range of development, collaboration and outreach activities in the region as we aim to **have a positive impact on the place that allows us to develop our activity**.



For this reason, we promote the generation of impact via three areas:



**The company's
own activity**



Fundació La Farga



**The integrated,
committed endeavours
of management in
different regional and
sectoral bodies.**



COLLABORATION WITH INITIATIVES THAT ENCOURAGE PROFESSIONAL TRAINING AND EMPLOYABILITY

“

“La Farga's involvement in the Impulsa Foundation's mentoring programme reinforces and magnifies the value the company places on social commitment. In personal terms, being a mentor on this programme equipped me with the tools and support necessary to effectively guide others; it helped me help others. I believe that not only does this mentorship support young participants as they make progress with their personal and professional goals, but it also demonstrates the success of our structure and justifies our continued investment in the future. We're all winners in this project.”

Martí Palomera
Projects in Development Engineer

”



1. Collaboration with the Impulsa Foundation

The **Impulsa Foundation promotes equal opportunities among young peoples in situations of socio-economic vulnerability** by offering support in training, employability and personal growth. The entity runs a **mentorship programme for young people that we are actively involved in**. This programme aims to create relationships based on trust that enhance the personal, social and professional growth of the young people involved, as well as the mentors. Here at La Farga, **we provide two professionals who participate as mentors supporting the programme's young participants**.

We supply ideas to develop the region's talent, reducing the gap between academic and professional profiles through initiatives that include companies and young people in the same workshop to overcome misconceptions and prejudices together. In this vein, in October we took part in a **speed dating session** organised by the Impulsa Foundation at the Manlleu Economic Promotion Office (OPE – Manlleu) together with other companies from the region to carry out short interviews with vocational training students with the goal of **bringing young talent and companies together**, thus creating a space where they could get to know one another. This allowed students to identify potential professional futures, while it also opened up work possibilities for them.

2. Participation in the Osona Tic Talent project

Osona Tic Talent is a project that aims to **attract local technological talent and highlight technological professional training** as an academic and future option in the region. We at La Farga actively participate in the project **by offering dual-training internships** to students; specifically, we started the process of hiring three people.

In addition, during the month of November we took part in **workshops with technological vocational training students** in Osona, organised by Osona Tic Talent, with the goal of **improving how the dual-training internships are managed** as an academic and future option for the region, **adapting the profiles and expectations** of all parties involved and providing an improved internship experience.

3. Participation in Talento Joven INS Vic workshops

We took part in an **open-doors day** for the Institut de Vic at which **several of the region's companies met and explained to students and staff the professional opportunities** we offer. Specifically, La Farga presented work opportunities in the areas of administration and finance, electrical installations, industrial mechatronics and electromechanical maintenance.

4. Collaboration with Creacció

Creacció is the agency for entrepreneurship, innovation and knowledge for the socio-economic development of Osona, and **it works to increase companies' competitiveness, improve people's employability, and position the territory to create quality employment**.



We actively took part in the programmes they run by supplying **teaching staff** for their training sessions. We also offered **training and employment opportunities**, and **six programme participants were hired** from the 2022 edition.

5. Education allowances

At La Farga, we view education as a key value and we firmly believe in equal opportunities to ensure nobody is excluded from studying due to socio-economical reasons. That's why we offer a grant programme to support employees who have school-age children, with the aim of helping to fund their studies from pre-school age right through to higher education.



A total of 298 school allowances for the children of La Farga employees have been awarded, amounting to a total investment of 40.495 €.



WE GENERATE IMPACT THROUGH LA FARGA FOUNDATION

One of the main ways in which we contribute to the surrounding area is with La Farga Foundation, which reports to the business family and was created in 2004 with **the mission of creating value and wealth in the nearby surroundings**. Since then, **it has supported educational, social and cultural initiatives**. Its main activity is focused on **improving people's lives, specifically the locals living near the company and La Farga's employees and their close families**. The scope of its actions include the region of Osona and the surrounding area (Ripollès, Lluçanès, Moianès) and, more specifically, the municipalities of Les Masies de Voltregà and Sant Joan de les Abadesses.

The Foundation **is funded by company donations** and is **managed by a trust** which runs it **independently to the company**. The trust is La Farga Foundation's main governing body and is responsible for managing it and representing it before different bodies and at institutional events. Its functions include organising activities and allocating financial resources. Today, the **trust** is comprised of members of the business family, employees and agents external to the organisation, and in total **it has seven members: Oriol Guixà (chairman), Francisco Javier Cabeza (secretary) and Xenia Andrade, Tristán Fisas, Marta Otero, Carmiña Pérez, and Meri Rovira (all spokespersons)**.



Socio-economic data for the Osona region and Lluçanès



167.506
Population



17.300 €
(data from 2019)
Per capita income

*Statistical Institute of Catalonia



The Foundation has three main action areas

1. In the social sphere, it actively participates, through donations, sponsorships, awards and collaborations, in activities held in Les Masies de Voltregà and the region of Osona



10th edition of the Vicenç Fisas Comella Award

One action of note was the **partnership with the University of Vic** to award the annual **Vicenç Fisas Comella Award**, along with 2.000 € for the best work completed by UVic students. All students of the University of Vic who have obtained the highest grade in their degree course's final project can participate, regardless of their degree subject. The award-winning project must address one of the values promoted by La Farga Foundation: (i) knowledge applied to local development; (ii) creativity as a basis for innovation and progress; or (iii) awareness with respect to environmental care and sustainability.

The **tenth edition** was won by Anna Pabón who studied biotechnology for her work "Valorización de subproductos de la industria de bebidas vegetales como medio de cultivo para la producción de proteínas unicelulares" (Assessment of by-products from the vegetable drink industry as a cultivation means for producing single-cell proteins). Awards also went to Guillem Lloret who studied automotive engineering, and Júlia Guri who studied biotechnology.



"This award was a huge boost to me both personally and professionally. It gave me the skills to study a master's degree in something I'm passionate about and took me to this point. That seven-year-old girl who dreamed about working in science would be proud to receive this award. At the same time, it's given me the confidence, dedication and commitment to pursue my goals as I realised that a job well done and effort are essential to achieving any goal."

Anna Pabón

Winner of the Vicenç Fisas Comella Award
awarded by Fundació La Farga



The Foundation has three main action areas

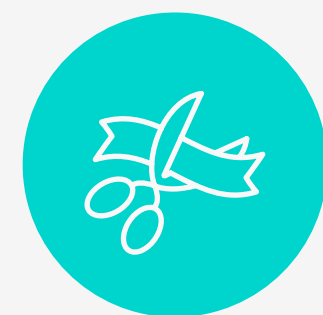
2. In the cultural sphere, the Copper Museum was opened in 2008

This is a unique European platform that connects with La Farga's family and business legacy and exhibits the **properties, historical importance and applications of copper** in the past, present and future in a technical, educational and experiential way. It's located in the same building the founding family enjoyed during summers, and whose walls today contain many memories and have witnessed a great deal of effort.

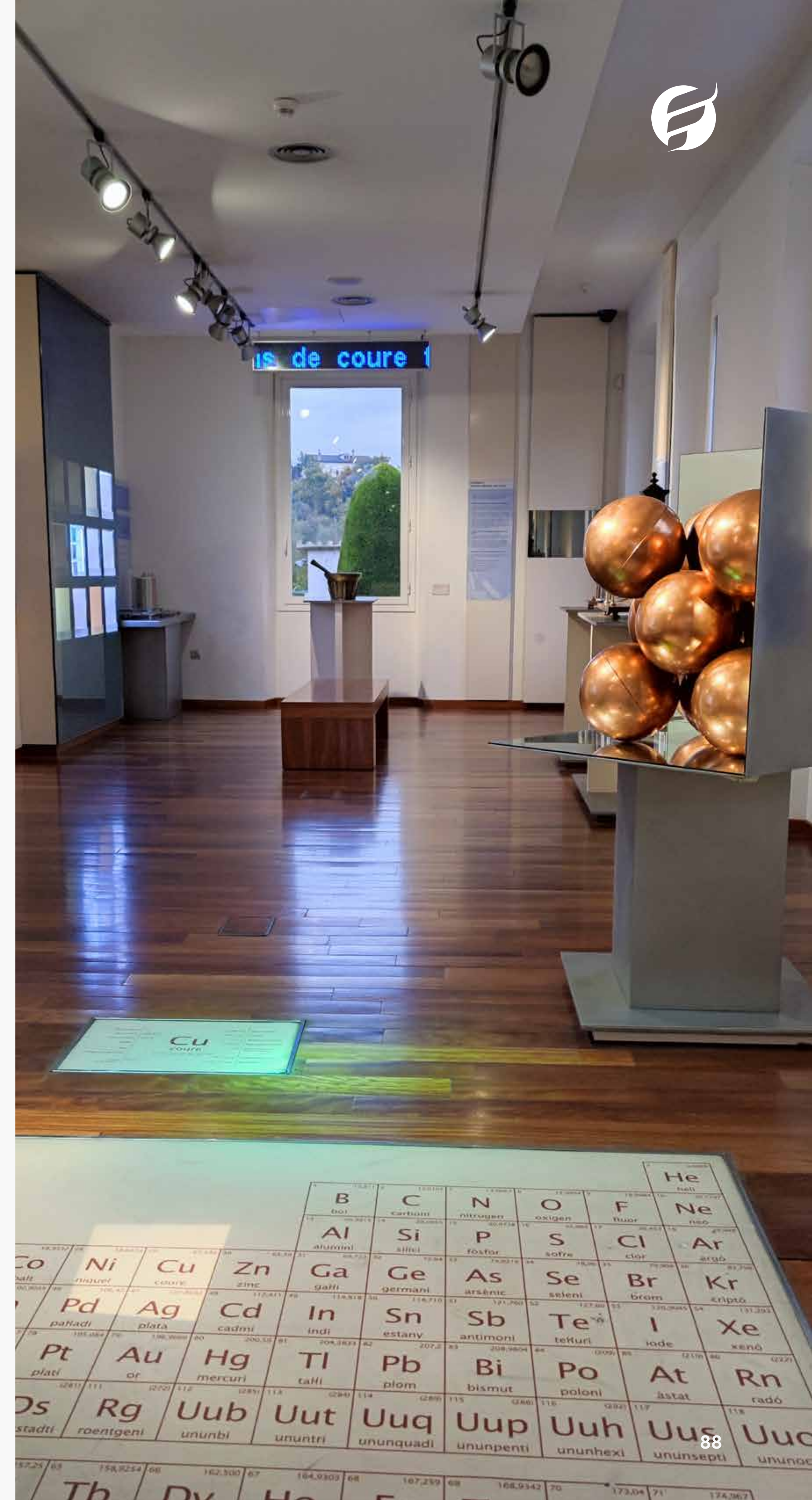
This museum **aims to use different resources to share knowledge on the use and applications of copper throughout history in industrial, financial and environmental areas**. A tour of the museum takes visitors through the company's history, the origins of copper, the metal's characteristics and its related technology. It also includes a visit to La Farga's production plant, allowing the public to learn about the company's industrial activity first-hand.



In 2023,
1.396 people
visited the museum



Since it opened,
46.733 people
have visited
the museum.



The Foundation has three main action areas

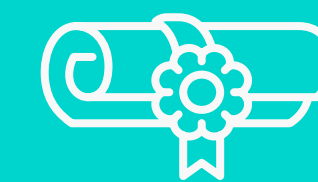
3. In the educational sphere, it allocates part of its funds through three study grant categories

Firstly, grants to train the workforce and their family members, grants for the people who live in Les Masies de Voltregà, and grants for the inhabitants of Sant Joan de les Abadesses. Each of these categories has an invitation, terms and conditions, and its own budget, all of which are published on our website every year.

This year, we've created **a new grant initiative** with a budget of 5,000 €, specifically **aimed at supporting the families of La Farga staff members, as well as the partners of the business family who are responsible for minors with special needs**. The goal is to make a significant contribution to their educational development, underlining our commitment to the well-being and educational advancement of our community.



Fundació La Farga grant programme



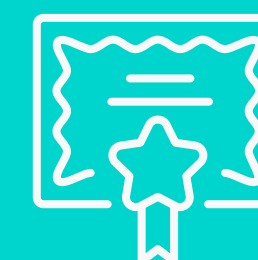
23 grants

In 2023 we awarded 23 grants, joining the 818 awarded since 2006.



24.704,41 €

In 2023 a total of 24.704,41 € was allocated for the grants. We have now invested more than 1 € million since 2006.



38.369 €

38.369 € was allocated to aid for institutions

WE ENCOURAGE THE CREATION AND STRENGTHENING OF REGIONAL AND SECTORIAL NETWORKS

As a **family business committed to our region and its inhabitants**, we actively participate in initiatives that support and promote **development**, enhance **teamwork** and help weave **local and sectoral networks**. For this reason, we take part in initiatives that promote industrial, family-run and local businesses.





Business and industry initiatives

We are a member of different business organisations and we aim to be present in every area, from local to state level. In these organisations our goal is to **vouch for the industry's interests**, with the industry an economic driver for the country, since we understand the sector's importance in the generation of jobs and economic value in the region.

- Inka Guixà (CEO) is a member of the **Círculo de Impacto B**, an initiative devised by the B Corp movement in Spain that brings together business leaders with the commitment of driving a new, more sustainable, more responsible business model.
- In terms of central demarcation, we take part in the Taula del Consell Territorial de la Catalunya Central – **Servei d'Ocupació Català**.
- In Catalonia, we are involved in Foment del Treball, the **Unió Patronal Metalúrgica (UPM)** and Oriol Guixà represents the company as a member of the plenary session of the **Cambra de Comerç de Barcelona**.
- Inka Guixà (CEO) is a member of the **Change2Grow Management Board of Directors**. Change2Grow is a non-profit association present in Spain and Latin America that helps companies to drive their digital transformation processes via technology, science and innovation.
- At state level, we're a member of the **Spanish Confederation of Business Organisations (CEOE)** and the **Spanish Association for Standardisation**, as well as the Spanish certification committees AEN-CTN 131, which is the **Spanish Standardisation Committee**, and AEN-CTC-004, which is focused on technical management of copper pipe certification. At European level, we also form a part of the CEN/TC 133 standardisation committee, which is focused on European regulations for copper and its alloys, connecting us to different working groups: CEN/TC 133/WG1, CEN/TC 133/WG3, CEN/TC 133/WG4 and CEN/TC 133/WG7.

Family business initiatives

As a family business, we're a member of the **Catalan Association for Family Businesses and the Family Business Institute**.

Local initiatives

On a regional level, we play a key role in the **Consell Empresarial d'Osona**, leading the human resources team, as well as participating in dialogue spaces to promote an improvement in occupational hazard prevention practices.

Locally, we are a member of the Board of Trustees for the **Santa Creu Hospital Foundation** and the Board of Trustees for **FADO**, the Osona Care Foundation, which is dedicated to home-based care for the elderly.





OUR ROBUST,
RESPONSIBLE BUSINESS
MANAGEMENT

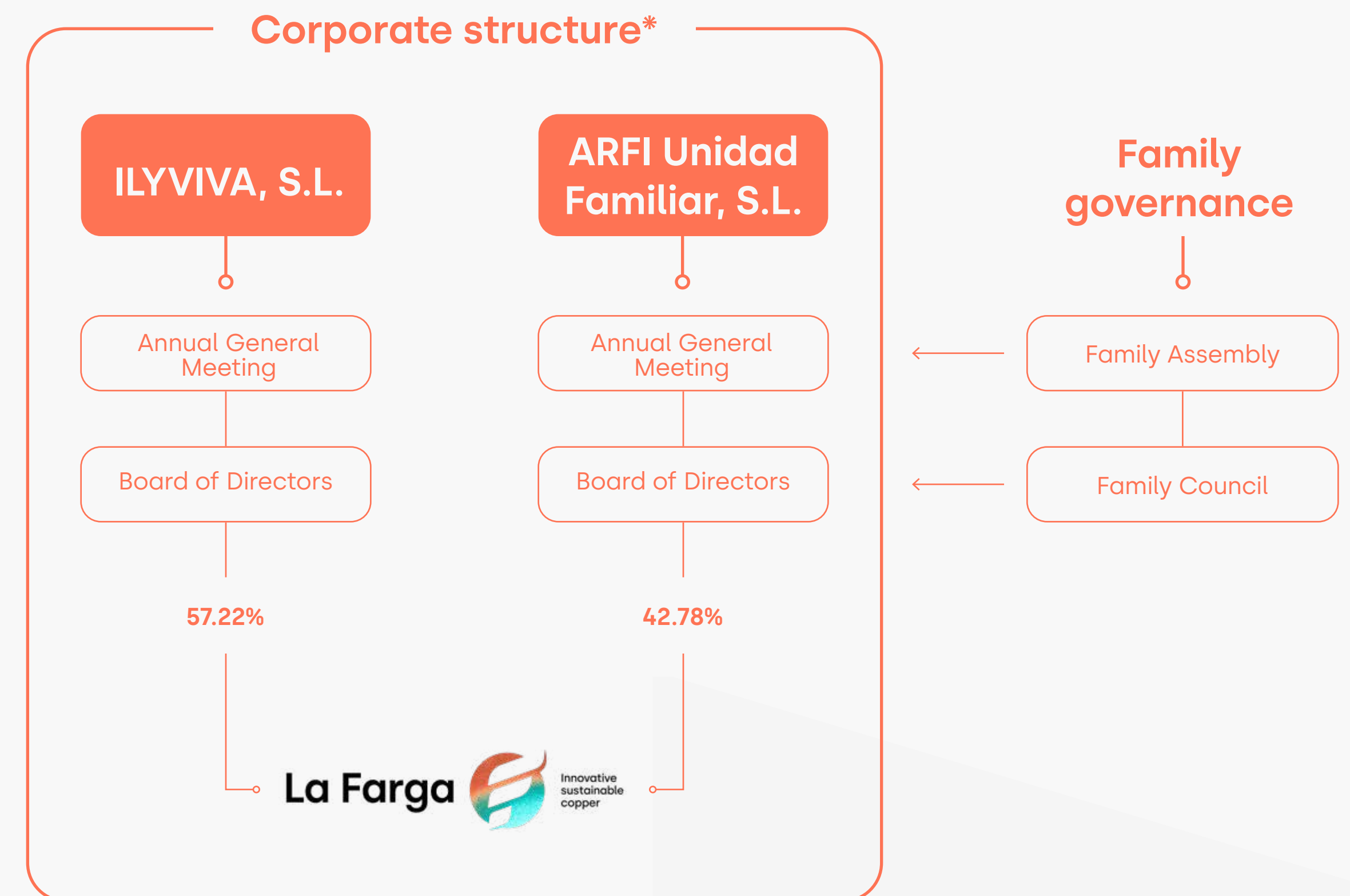


CORPORATE GOVERNANCE

The preservation of the business/family relationship and the search for long-term growth require sound corporate governance

La Farga Yourcoppersolutions, S.A. is a family-owned company subject to a protocol in which **ethics, transparency and responsibility, as pillars of good governance**, guarantee both professional management and succession in the company. As a family-owned company, **we have implemented a formal corporate and family governance structure that ensures a balance of power and, at the same time, divides the functions between the business family and the management bodies.**

Ownership of the company is divided between **two family holdings**: ILYVIVA, S.L. and ARFI Unidad Familiar, S.L. The company's **corporate structure and family governing bodies are as follows.**



*Corporate structure on 31/12/2023



Governing bodies of the business family, functions and members

- **Family Assembly.** Formed by all shareholders of the family holdings. This body's functions include communicating the business project, promoting and communicating the family's business vision, listening to the opinions of all members, and assessing the work of the Family Council.
Oriol Guixà, Ana Fisas, Eva Guixà, Inka Guixà, Anna Guixà, Carles Guixà, Edgar Guixà, Ma Rosa Fisas, Isa Fisas, Ade Fisas, Ferran Fisas, Imma Fisas, Amadeu Fisas, Eva Fisas, Pol Pérez, Xènia Pérez, Elisabeth Pérez, Cristina Fisas, Papik Fisas, Jessica Pujol, Laura Fisas, Clàudia Fisas and Tristán Fisas.
- **Family Council.** Permanent, executive body of the Family Assembly, formed by seven people from the business family appointed by vote, recently renewed owing to the latest corporate changes. Its goal is to oversee correct implementation of the business family's values, uphold the company's legacy, culture and entrepreneurial culture, drive leadership in future generations and apply the protocol, among other functions.

Ana Fisas, Eva Guixà, Papik Fisas, Cristina Fisas, Imma Fisas, Anna Guixà and Oriol Guixà.

One of the company's goals, as a family business, is to **preserve its legacy and generate lasting value**, a goal that means we must face up to the challenge of generational change and manage the complexity involved in shareholding evolution. With this vision, we have developed a **carefully planned process**, with a shareholding change formalised on 29 January 2024 resulting in **the Guixà family's holding company** (Ilyviva, S.L.) acquiring the shares of some branches of the Fisas family (ARFI Unidad Familiar, S.L.), thus pooling **a greater percentage (more than 80%) of the La Farga shares** available on 31/12/2023.

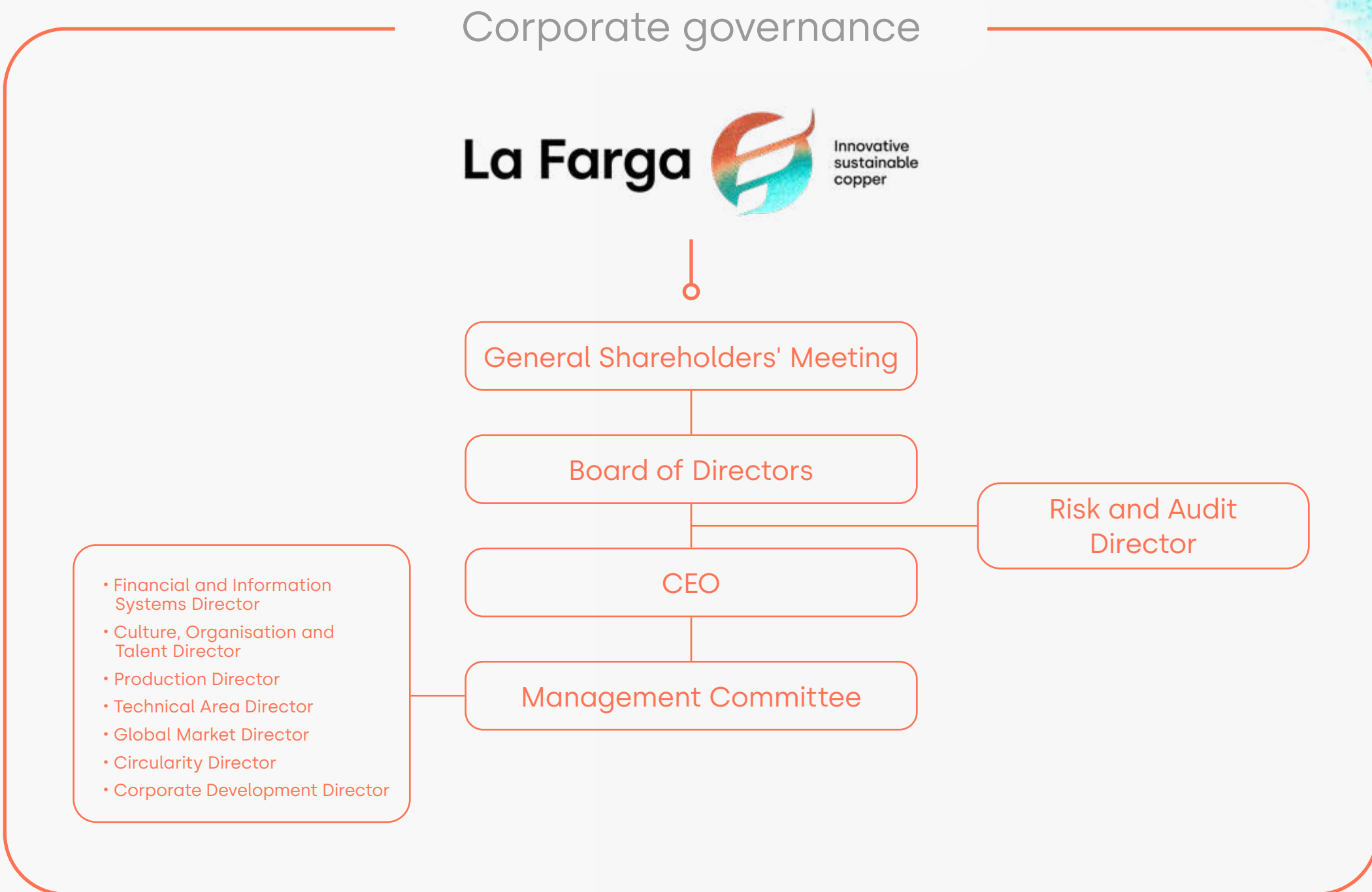
This strategic manoeuvre aims to strengthen the company's share structure by consolidating our position as a stable and sustainable family business. This action will significantly help to guarantee a smooth, effective transition to future generations, ensuring the continuity of the La Farga legacy.

On 1 January 2023, Inka Guixà took on the executive functions as CEO. This handover was carefully planned and carried out step by step to guarantee the La Farga business model's continuity, its legacy's perpetuity and the company's robustness, justifying the correct operation of the set family protocols.



Corporate governance, functions and members of the governing bodies and roles

- **General Shareholders' Meeting** Body that gathers company ownership. Makes key decisions on the company's operation.
Oriol Guixà, Ana Fisas, Eva Guixà, Inka Guixà, Anna Guixà, Carles Guixà, Edgar Guixà, Ma Rosas Fisas, Ana Fisas, Isa Fisas, Ade Fisas, Ferran Fisas, Imma Fisas, Amadeu Fisas, Eva Fisas, Pol Pérez, Xènia Pérez, Elisabeth Pérez, Cristina Fisas, Papik Fisas, Jessica Pujol, Laura Fisas, Claudia Fisas and Tristán Fisas.
- **Board of Directors.** Goal is to ensure the company's long-term viability, protecting society's general interests and the organisation's values and culture.
Oriol Guixà (Chairman), Inka Guixà (Vice-President), Edgar Guixà, Carles Guixà, Papik Fisas, Carles Sumarroca and Gonzalo Cuadra (Members of the Board of Directors), Jordi Casas (non-director secretary).
- **CEO.** Responsible for establishing the company's strategic vision, making key decisions, coordinating operations, managing work teams and ensuring compliance with organisational objectives to drive long-term growth and success.
Inka Guixà
- **Risk and Audit Director.** The main goal is to develop the organisation's risk analyses and audits.
Carmiña Pérez
- **Management Committee.** Responsible for the organisation's executive and operational director, and ensuring it operates correctly.
Marco Bandettini (Financial and Information Systems Director), Dani Pérez (Culture, Organisation and Talent Director), Jordi Clarà (Production Director), Xavier Rovira (Technical Area Director), Manel Antequera (Global Market Director), Carles Camprubí (Circularity Director), Maria Riera (Corporate Development Director).



In order to improve management and governance, we have a **family protocol in place that sets out a clear legal framework, outlining the action principles of the governing bodies (family and company)**, as well as their respective functions. This protocol also details the rights and duties of shareholders and board members, together with their personal responsibility when exercising their roles, and it explains any conflicts of interest that could arise. To appoint and select members of upper governance bodies and their committees, aspects such as experience, professional specialisms, skills and knowledge for ensuring suitable performance, and skills when working in an international environment are considered.



MECHANISMS FOR ETHICAL, TRANSPARENT, COMPREHENSIVE MANAGEMENT

Whistleblowing, traceability and reporting mechanisms

To ensure all **governing bodies and employees are aware of our principles and values, and that they understand their importance and act in accordance with them**, we've developed a series of internal mechanisms, including the following



CODE OF ETHICS

This sets out behavioural guidelines for staff and the companies and organisations we interact with. The code defines the behavioural standards expected in all actions, relationships and processes within our company. It serves as a framework for delimiting the ethical lines that must not be crossed, guaranteeing integrity and responsibility in all our endeavours and business relationships.



INTERNAL REGULATIONS

These are based on the Code of Ethics and set out specific behavioural guidelines for all people associated with the company. Their goal is to ensure we comply with the highest ethical integrity standards, both personally and occupationally. In addition, they set out procedures to guarantee said integrity and ethical conduct within the organisation.



ETHICS COMMITTEE

The goal of this body is to raise awareness of the Code of Ethics and the Internal Regulations, as well as design control procedures to ensure their compliance, and supervise and record all breaches and measures implemented. It is comprised of area managers who are appointed by the Board of Directors.



RISK PREVENTION MODEL

Ensures the effectiveness of the rules and certifies that due control is being exercised. We carry out internal audits to ensure the proper functioning of the system and the application of the Code of Ethics and Internal Regulations, especially regarding the fight against corruption, bribery and money laundering. In our production areas, the application of protocols reduces the possibility of risk.



INTERNAL WHISTLEBLOWING CHANNEL

This is managed by the Ethics Committee and **this year we implemented an Internal Information System that allows people to communicate with the company to report certain breaches**. It's a confidential and safe tool through which staff, suppliers, clients and any other person who has a relationship with La Farga can report any incidents or concerns they deem necessary, either anonymously or identified by name.



RISK MANAGEMENT AND MITIGATION

To ensure responsible governance, it's **essential that we assess and address the risks inherent to the business**. As a result, we have a **risk map that assesses the possible risks we may face, considering both their impact and their likelihood**. This map allows us to identify areas of vulnerability and design specific mitigation strategies for each risk we identify.

In addition to assessing operational risks, we also assess criminal risks we could face, considering the situations in which the company may be involved and which could be classed as infractions outlined in the Criminal Code in all processes.

Lastly, we have a set of **policies and procedures** that help us **mitigate the risks** identified. Thus, we remain a company with a high degree of reliability and the ability to guarantee the supply of copper in the event of any possible circumstances.



WE MAINTAIN ROBUST,
HEALTHY AND
TRANSPARENT
MANAGEMENT



Our financial management model is based on responsibility, transparency and efficiency with the goal of ensuring our company's economic sustainability and minimising our risks

At La Farga, we have the policy of ensuring sales to our clients with insurance companies. Furthermore, we hedge 100% of the value of transactions for the metals we use in our processes to guarantee our margins. We require a high level of bank financing to meet our working capital needs, particularly short-term financing. To achieve this, we must ensure **correct and responsible management of our accounts** in order to maintain correct debt-to-EBITDA ratios, enabling us to continue with our activity as normal and continue investing in order to have more impact.

Regarding the price risk, the purchase of raw materials and sale of the finished copper products we make are indexed at a certain price of copper on the **London Metal Exchange (LME)**. Therefore, at La Farga we have the policy of ensuring the copper market price does not affect the income statement. Part of our purchases and sales are hedged naturally in the same period. For transactions that are not hedged naturally, we contract futures that are equivalent and opposite to the transaction that is not naturally hedged, such that the possible effect that may arise from a variation in the price of copper is neutralised.

Consequently, **transparency is a compulsory pillar in our financial management model**. We share our financial statements periodically with the financial institutions we work with. Furthermore, we publish detailed information on our financial performance in our Sustainability Report.



7,07% of our business activity was financed through green financing channels in 2023

These financing channels are designed for projects, companies or activities that help to preserve or improve the environment and mitigate climate change. Thanks to our efforts to have a smaller impact on the planet, we've been able to access them. This investment has enabled us to secure the resources required to continue generating a positive impact on both the environment and society.



"The growing interest in green financing is related to the company's sustainability goals. We're financially committed to projects that promote improvements in environmental, social and corporate governance (ESG) matters. In our case, green financing integrates perfectly with our corporate vision and strategy. We don't consider the reduction in cost to be the main factor, but rather we view these financing channels as directly related to the implementation of our projects, ensuring they align with our values and sustainability goals."

Marco Bandettini

Financial and Information Systems Director





In 2023 La Farga **continued to create economic value for different stakeholders** and, therefore, we continue to back the **generation of shared value**. This is evident in the following financial data achieved

- Our **turnover was 1.540.618.076 €** with an operating result of **20.347.245 €**. These are successful data; a result of the improvement in our management model, which has enabled us to face geopolitical instability and the different macroeconomic factors that played out in 2023. This improvement in our financial management and robustness has also enabled us to optimise costs. For example, the significant reduction in energy consumption.
- The amount used for **wages and salaries was 17.756.746 €**, an increase of 9,15% on 2022. This is owed to the generation of new jobs, internal promotions and improvements in the salary conditions of our **staff and the application of the collective agreement**.
- The **amount paid to the government** through various taxes, fees and social security contributions was **34.333.122 €**, which increased considerably on the figure recorded for 2022.
- Lastly, we received a total of **741.641 € in subsidies** to encourage new innovation and growth projects and to improve our environmental and social impact.

We'd also like to highlight that **we're a healthy company in financial terms**. As the financial data show, we can tackle our short-term obligations and debts: we closed the year with current assets of 156.165.664 € and current liabilities of 87.842.304 €, which equates to a **liquidity ratio of 1,7, an optimal value** for addressing short-term obligations.

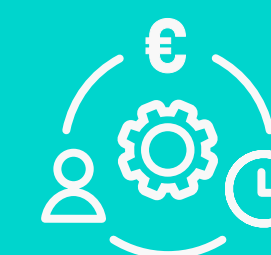
Financial results



1.540.618.076 €
Turnover 2023



26.994.224 €
EBITDA



75.552.066 €
Own resources



14.894.386 €
Net cash flow



Profit and loss account for the 2023 financial year

	2023 FINANCIAL YEAR	2022 FINANCIAL YEAR
CONTINUING OPERATIONS		
Net turnover	1.540.618.076	1.565.943.237
Sales	1.540.618.076	1.565.934.237
Variation in stock of finished products and work-in-progress	7.137.450	3.930.176
Work carried out by the company for its assets	1.163.239	1.847.192
Supplies	(1.450.183.428)	(1.486.968.248)
Raw materials and other consumables	(1.446.780.860)	(1.483.815.970)
Work performed by other companies	(3.402.568)	(3.152.278)
Other operating income	1.955.251	1.032.945
Miscellaneous income and others from current management	313.610	267.774
Operating subsidies added to end-of-year profit/loss	741.641	765.171
Workforce expenses	(23.468.937)	(21.034.406)
Wages, salaries and similar expenses	(17.756.746)	(16.268.260)
Social security contributions	(5.712.191)	(4.766.146)
Other operating expenses	(49.016.016)	(51.049.825)
Outsourcing	(47.628.159)	(50.343.158)
Taxes	(568.225)	(339.189)
Losses on, impairment of and change in allowances for trade receivables	(467.717)	-
Other current operating expenses	(354.915)	(367.478)
Fixed asset depreciation	(6.646.979)	(6.845.888)
Allocation of subsidies for non-financial fixed assets and others	29.722	37.873
Impairment and profit (loss) on disposal of non-current assets	(225.658)	12.040
Gains or losses on disposals and other	(225.658)	12.040
Other profits (losses)	(115.475)	88.938
OPERATING PROFIT/LOSS	20.347.245	6.985.034
Financial income	3.702.068	1.422.052
From transferable securities and other financial instruments	3.702.068	1.422.052
- In Group and affiliated companies	-	86
- In third parties	3.702.068	1.421.966
Financial expenses	(13.070.556)	(5.489.459)
Debts to Group companies and associates	-	(4.673.375)
Debts with third parties	(13.070.556)	(816.084)
Exchange differences	7.810	(18.398)
FINANCIAL RESULTS	(9.360.678)	(4.085.805)
PROFIT BEFORE TAX	10.986.567	2.899.229
Tax on profits	(2.739.160)	(270.570)
FINANCIAL YEAR PROFIT FROM ONGOING OPERATIONS	8.247.407	2.628.659
YEAR-END PROFIT/LOSS	8.247.407	2.628.659



Balance sheet for the 2023 financial year

ASSETS	31/12/2023	31/12/2022
Intangible fixed assets	4.224.703	4.453.532
Research and development	3.753.803	4.057.535
Concessions	196.523	196.523
Computer applications	274.377	199.474
Other intangible assets	-	-
Tangible fixed assets	61.953.501	64.409.630
Land and buildings	20.519.399	20.250.688
Technical facilities and other tangible fixed assets	39.664.283	41.319.149
Fixed assets in progress and prepayments	1.749.819	2.839.793
Long-term financial investments in Group and associated companies	26.657.924	26.657.924
Long-term asset instruments of Group and associated companies	26.657.924	26.657.924
Long-term financial investments	2.182.004	1.052.024
Equity instruments	26.047	26.047
Other financial assets	2.155.957	1.025.977
Deferred tax assets	500.240	2.057.155
	95.518.372	98.630.265
Stock	107.991.885	96.226.140
Raw materials and other supplies	45.370.847	39.564.527
Products finished and in progress	62.621.038	56.661.613
Trade debtors and other receivables	42.119.512	34.318.903
Customer receivables for sales and services	39.562.930	32.963.370
Clients, Group companies, associates and related companies	1.271.777	993.802
Sundry debtors	743.585	336.166
Workforce	-	-
Other credits with public authorities	541.220	25.565
Short-term investments in Group and associated companies	-	-
Short-term financial investments	4.393.015	1.145.177
Derivatives	297.954	129.396
Other financial assets	4.095.061	1.015.781
Short-term accruals	633.761	761.762
Cash and cash equivalents	1.027.491	33.208
Total current assets	156.165.664	132.485.190
TOTAL ASSETS	251.684.036	231.115.455

NET EQUITY AND LIABILITIES	31/12/2023	31/12/2022
Capital	27.562.500	27.562.500
Issued capital	27.562.500	27.562.500
Reserves	39.742.159	37.127.970
Legal and statutory	5.512.500	5.512.500
Other reserves	34.229.659	31.615.470
Profit (loss) from previous financial years	-	-
Profit (loss) from previous financial years	-	-
Year-end profit/loss	8.247.407	2.628.659
Subsidies, donations and legacies received	1.332.113	1.036.358
NET EQUITY	76.884.179	68.355.487
Long-term debts	86.584.245	53.334.373
Debts with credit institutions	79.651.793	46.319.504
Finance lease creditors	129.907	197.177
Other financial liabilities	6.802.545	6.817.692
Deferred tax liabilities	373.308	282.037
TOTAL NON-CURRENT LIABILITIES	86.957.553	53.616.410
Short-term payables	11.596.248	60.814.974
Debts with credit institutions	10.672.508	59.437.234
Finance lease creditors	228.894	385.526
Other financial liabilities	694.846	992.214
Other financial liabilities	492.147	863.340
Trade creditors and other payables	75.753.909	47.465.244
Suppliers	65.137.917	36.104.732
Suppliers, Group and associated companies	-	-
Workforce	1.918.863	2.107.596
Other debts with public administrations	1.024.823	876.874
Client advances	7.672.306	8.230.547
Current tax liabilities	-	145.495
Total current liabilities	87.842.304	109.143.558
Total net equity and liabilities	251.684.036	231.115.455



05. WE ARE EFFICIENT SUSTAINABILITY



WE ARE EFFICIENT SUSTAINABILITY

The current financial model largely depends on fossil fuels which release carbon dioxide and other greenhouse gases when consumed. Since the Industrial Revolution, the amount of these gases in the atmosphere has increased considerably, causing global warming that has already surpassed the 1°C threshold compared with the pre-industrial era. **Climate change is one of the greatest challenges humanity faces**, and we firmly believe effectively and fairly tackling it requires the collaboration of all economic sectors and governments.

This involves not just a reduction in greenhouse gas emissions, but also in the preservation of essential natural resources. For this reason, we are **committed to continually improving our environmental performance**, and we enact this by seeking to reduce our energy and water consumption, optimising our use of raw materials, preventing and recovering waste and emissions, and introducing cleaner, more sustainable technologies and practices in our processes.

At La Farga we fully recognise the environmental impact of our industrial activity, which comes through the intensive use of energy and natural resources. However, we also believe in our crucial role in the progress of mankind and the transition towards **more sustainable energy sources**, in which **copper is a key material**. In this section, we present our environmental management approach, focusing on the most relevant indicators of natural resource consumption, waste and emission generation, and environmental certifications. We also discuss some of the projects and good practices we've implemented to improve our environmental footprint and contribute to sustainable development.



OUR COPPER CONTRIBUTES TO DECARBONISATION OF THE ECONOMY

With our products and processes, we directly and indirectly contribute to the energy transition.



WE MINIMISE OUR ENVIRONMENTAL IMPACT THROUGH RESOURCE MANAGEMENT

Via actions that allow us to operate sustainably and efficiently. Year after year, we reduce our environmental and water footprint and we optimise our processes by collaborating with strategic agents and implementing responsible environmental practices.



OUR COPPER
CONTRIBUTES TO
DECARBONISATION
OF THE ECONOMY



COPPER IS A KEY ELEMENT FOR THE PLANET'S DECARBONISATION

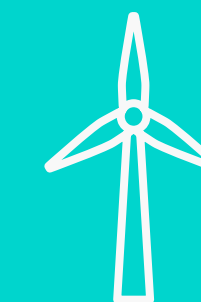
Beyond the different policies and social changes required globally, **it's imperative that we transform the current energy and transport model.** The main challenge to decarbonising the economy lies in us no longer depending on fossil fuels to generate electricity, transport us, feed us, communicate and other activities. To achieve these goals, there must be a swift expansion of initiatives involving renewable energy, the electrification of modes of transport, and the construction of new low-emission public transport lines, not only to mitigate climate change, but also to encourage more responsible use of natural resources, thereby guaranteeing a more sustainable future for the coming generations. In 2040, estimates say the demand for electricity will grow by 63%, of which 40% will come from renewable sources.

Our copper solutions contribute to the development of the technologies required for the ecological transition, which also directly and indirectly impacts economic decarbonisation.



↑**63%**

Demand for electricity



40%

From renewable sources

*Data published by Wood Mackenzie



The International Energy Agency has carried out a study on the demand for minerals required for the transition to an energy model free from direct emissions, from the current model based on fossil fuels.

The study projects a significant increase in the demand for copper by 2040, and it considers two scenarios: the first, with an increase of 70% against an insufficient climate action backdrop; and the second, with a 170% increase against an ambitious climate action backdrop. Furthermore, an increase in the demand for copper for applications in solar energy and electric vehicles is expected, driven by investments in new electrical infrastructure and improvements in the distribution network.

At La Farga we're striving, day after day, to ensure our processes, practices and initiatives are coherent with our desire to promote a circular economy. Throughout our history we've been pioneers in the processing of recycled copper and in offering society the most sustainable and efficient solutions responsibly and ethically. **We manufacture while ensuring circularity by applying technology developed by La Farga, which makes our manufacturing process unique.**

On the one hand, **with our products necessary for the energy transition we aid decarbonisation of the economy indirectly** and, on the other, **by improving our processes and using more recycled copper we directly aid decarbonisation of our value chain.**



"Here at La Farga we aid decarbonisation of the planet through producing sustainable copper made as efficiently as possible, using energy from renewable sources, which minimises our environmental impact. We've committed to an annual goal of improving our energy efficiency by 3% and, since 2019, we've made an accumulated improvement of 14%."

Agustí Arnau
Sustainability Engineering Manager




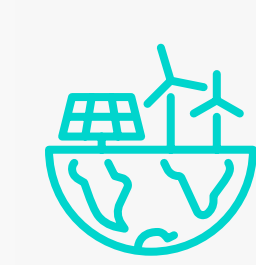



Driven by our commitment and responsibility regarding the mitigation of climate change, we have a **decarbonisation plan whose main goal is to reduce GHG emissions by 28% (compared with 2019) by 2025 and 55% (compared with 2019) by 2030.**


Our secondary objectives include, at minimum, having 32% of the energy consumed at La Farga be from renewable sources and the energy intensity in our processes be reduced by 32,5% by 2030, compared with the figures recorded for 2019.

The four main areas of the decarbonisation plan are:

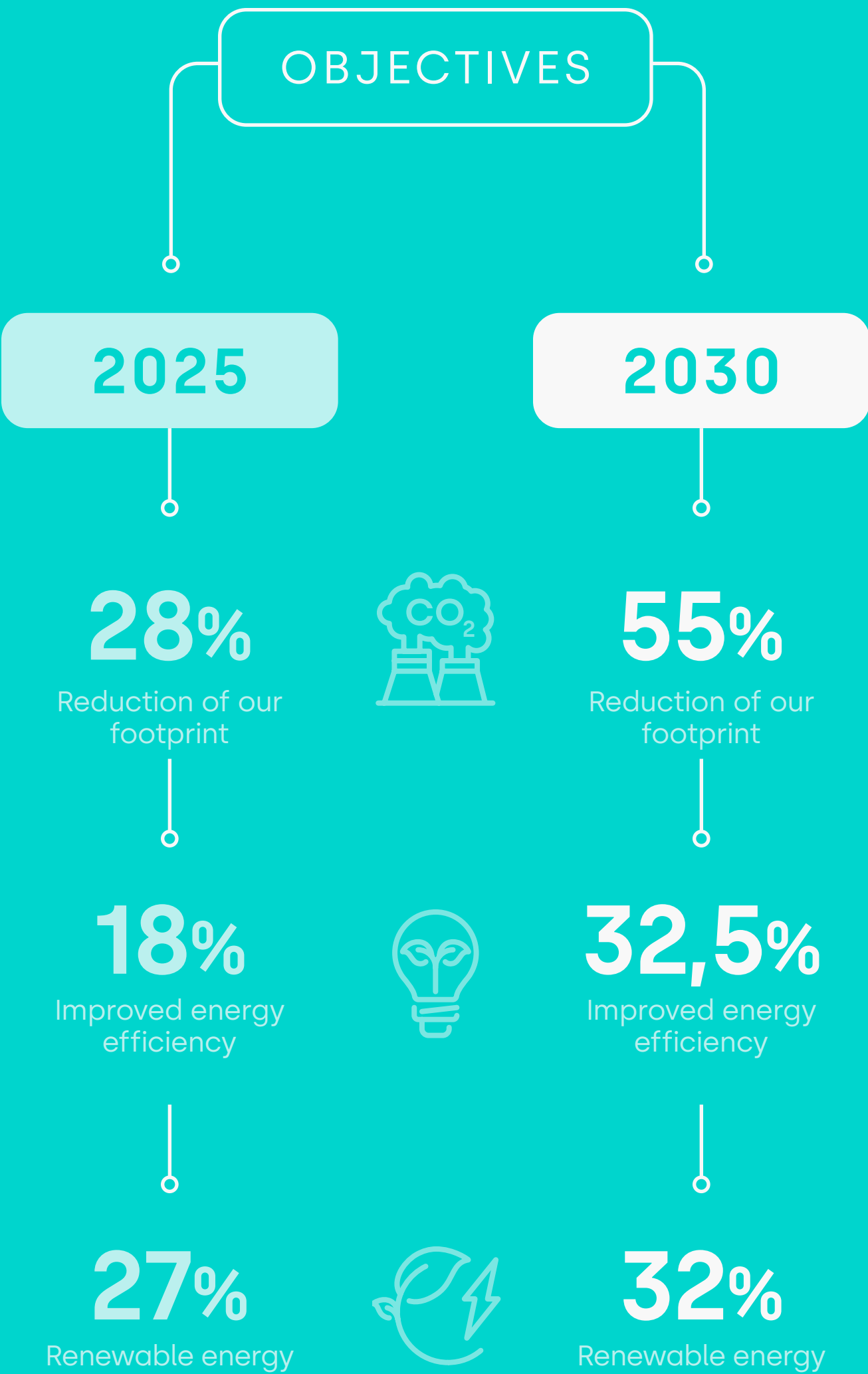
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1. **Improved efficiency** by reducing the energy consumed per ton processed, obtaining ISO 50001 and recovering residual heat and smoke.
- 

2. **Use of alternative fuels** seeking options to replace natural gas with alternative fuels from renewable sources.
- 

3. **Electrification and renewable energy** via the installation of solar panels and improvements to our hydroelectric plant.
- 

4. Introducing **GENIUS solutions** in all copper applications, with these the most sustainable option available on the market, made with 100% recycled copper and with the smallest carbon footprint.





MINIMISING OUR ENVIRONMENTAL IMPACT THROUGH RESOURCE MANAGEMENT



We are aware of the environmental impact inherent to our industrial activity, given its high energy and natural resource consumption. However, we also recognise the essential nature of our activity for human progress and the energy transition, given that a significant part of this involves electrification and the development of renewable energy sources, for which copper is a key material. To this end, **we accept the responsibility of guiding our efforts and resources towards supplying copper with the lowest environmental impact possible, and we commit to sustainability and protecting the environment.**

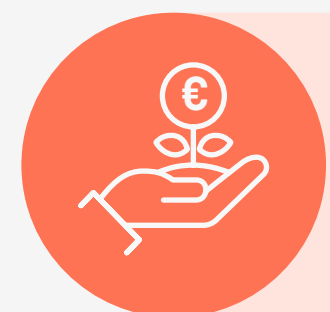
Our goal is to preserve natural resources and minimise our environmental impact in order to reduce our carbon footprint and that of our solutions





ENVIRONMENTAL MANAGEMENT

Environmental management involves a set of actions and processes designed to manage and minimise the environmental impact arising from our activity, which entails **identifying, assessing and controlling the environmental aspects related to our operations**, as well as compliance with applicable environmental regulations and implementing responsible and sustainable practices. This all translates to an investment of 99.454,50 € in environmental management to minimise our impact.



Investment of **99.454,50 €**
in environmental management

Year after year we pass the environmental inspections carried out at La Farga facilities





Thus, **we implemented our Environmental Management System (EMS), ISO 14001, some years ago.** This allows us to accept our environmental and economic responsibility, improve our performance by outlining improvement goals, and communicate our results to society and stakeholders.

In addition, in 2023 we **renewed our environmental authorisation, awarded by the Generalitat de Catalunya**, guaranteeing that our industrial activity complies with environmental regulations and standards set out to protect the natural environment and human health.



ISO 14001
Environmental
management

Standardises the environmental aspects generated in each activity developed at the organisation. Based on the principle of continuous improvement, and its main goals are:

- Protect the environment and improve environmental performance
- Mitigate the potentially adverse effects of environmental conditions on the organisation
- Support the organisation in its compliance with legal requirements
- Control an organisation's processes and consumption.
- Achieve financial and operational benefits as a result of implementing environmentally friendly alternatives that strengthen the organisation's position on the market.
- Communicate environmental information to the pertinent stakeholders.



ENERGY, EMISSIONS REDUCTION AND DECARBONISATION

(SCOPES 1, 2 AND 3)

We are an energy-intensive company owing to the high temperatures needed to melt copper. This makes for a technological challenge when it comes to finding alternative gas solutions for our production, which is a global challenge affecting multiple industries. However, we're aware of this situation and we're working to reduce our energy dependency in the copper production process and our medium- and long-term goal is to move away from fossil fuels. **In 2023 we secured the ISO 50001 energy management certification**, which is helping us set systematic reductions for our energy consumption.

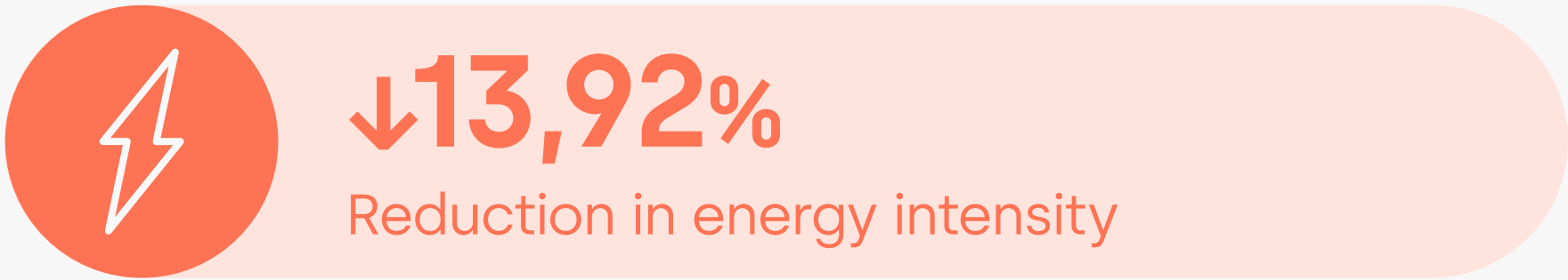


ISO 50001
Environmental
management

This certification helps to outline the systems and processes necessary for organisations to systematically improve their energy performance, including their energy efficiency, use and consumption. Implementation of this standard is designed to reduce greenhouse gas emissions and other related environmental impacts, in addition to energy costs, through systematic management of their use and consumption. Its successful implementation depends on commitment at all levels and in all roles at an organisation, especially senior management.



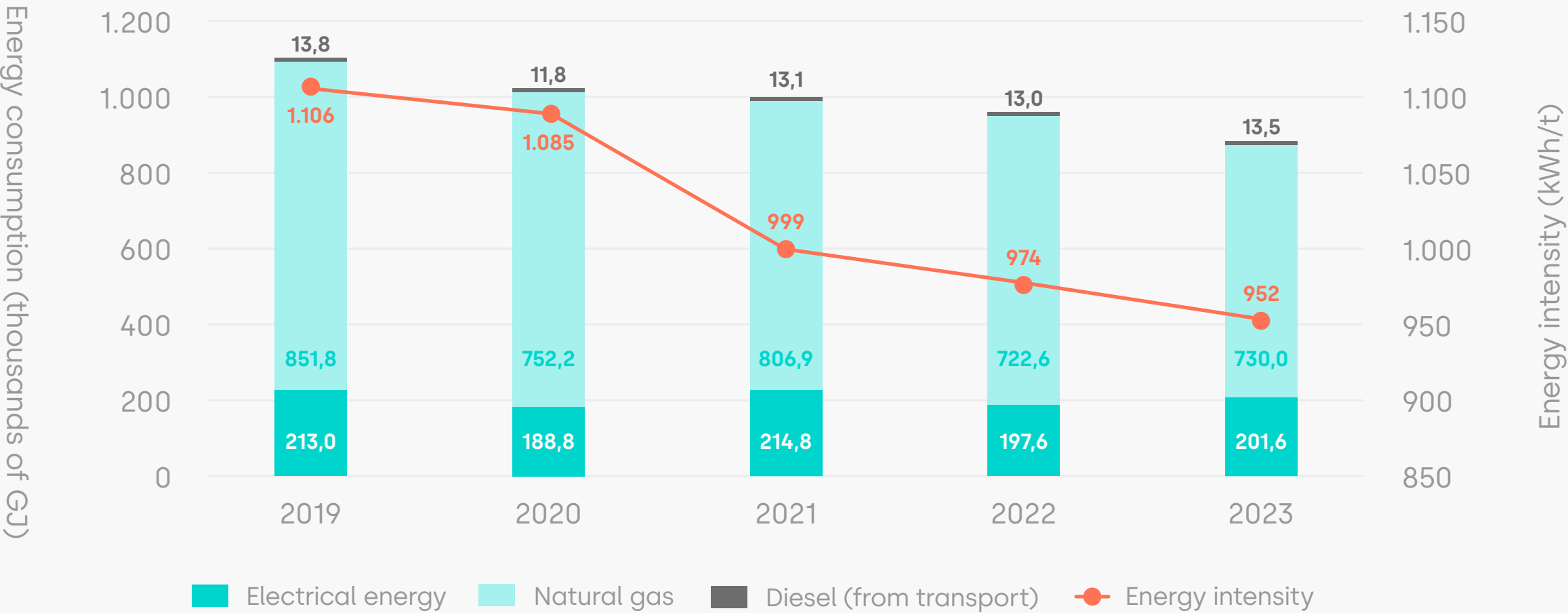
At present, our **main form of energy consumption is natural gas**, followed by electricity and lastly diesel (scopes 1 and 2). All this fossil fuel consumption means that La Farga's GHG emissions (scope 1 in particular) are **lower than those in competitor companies that exclusively use cathodes** (considering scopes 1, 2 and 3).



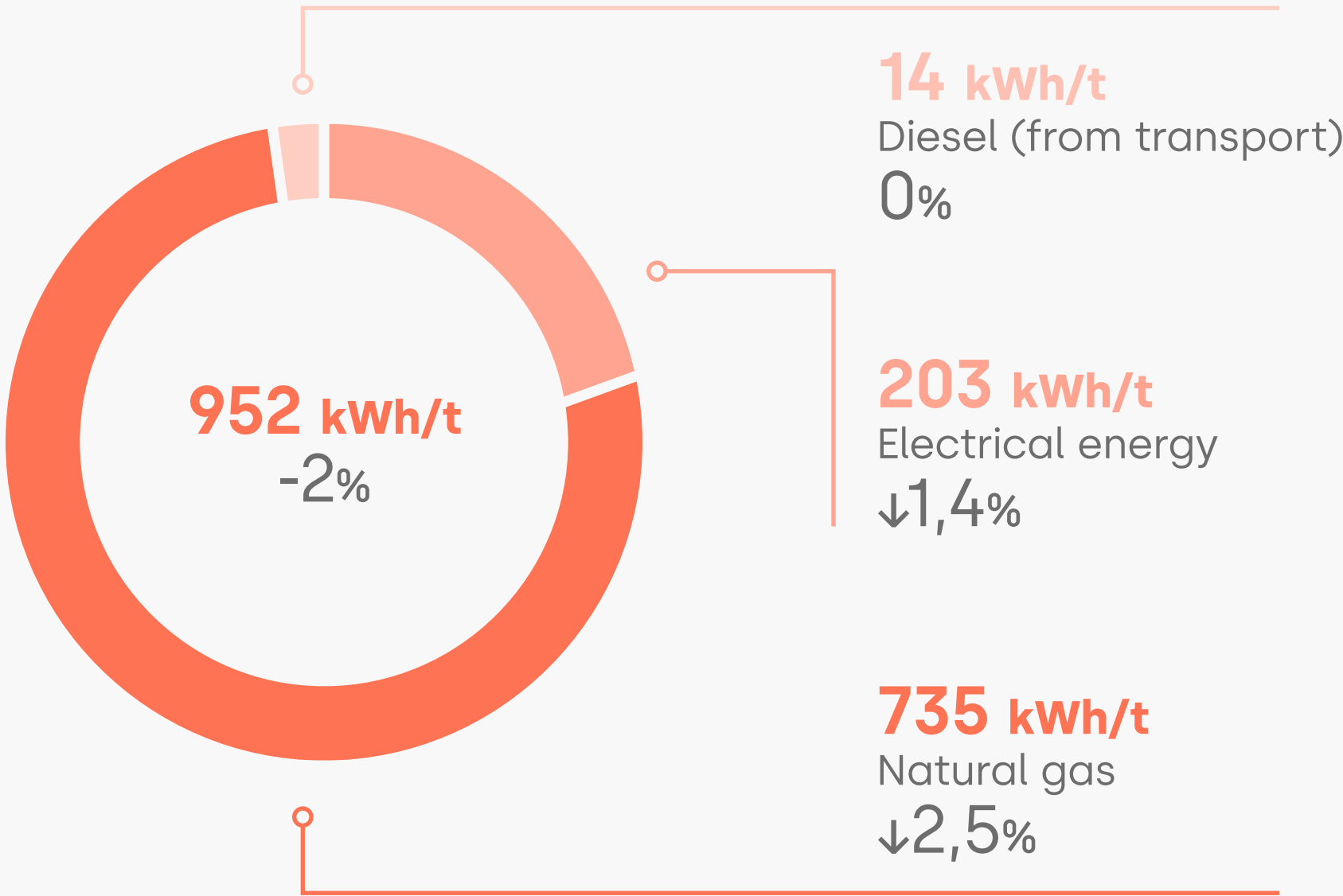
Between 2019 and 2023, we managed to reduce our energy intensity by **13,92%**, driving this improvement through the transition from fossil fuels to renewable energy sources and improving the efficiency of and optimising our production processes.

Today, 20,63% of our energy consumed comes from renewable sources

Energy consumption and intensity (2019-2023)



Energy intensity indicators for 2023

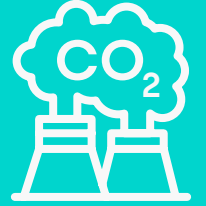


↕ Variation in energy intensity in 2023 compared to 2022



At La Farga we extensively measure scope 1 and 2 emissions, but we also view scope 3 emissions (which are associated with the value chain, business travel, waste management and product usage) as important. Until now, our scope 3 measurements have focused specifically on the acquisition of water and management of the waste produced. Recently, we began working to expand our measurement spectrum, since we consider it crucial not only in terms of identifying areas of improvement, but also as we seek to consolidate our position as copper producers with one of the smallest contributions to global warming.

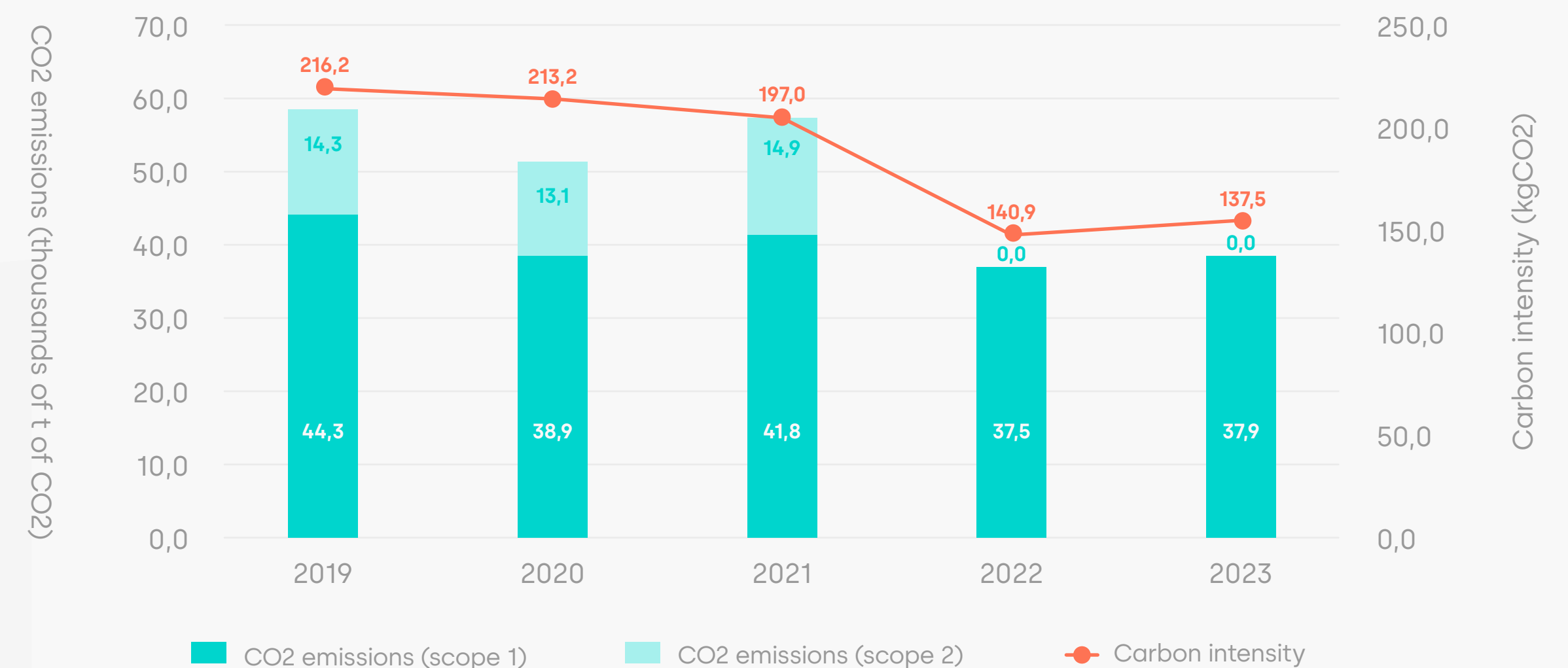
Since 2019, the carbon intensity of our products and processes **has been reduced by 36%** and we're proceeding with our work to continue reducing our carbon footprint in order to achieve the targets set in our Decarbonisation Plan for 2025 and 2030.



↓36%

Our products' carbon intensity



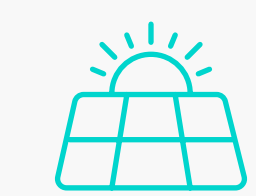



CO2 emissions and carbon intensity scopes 1 and 2 (2019-2023)



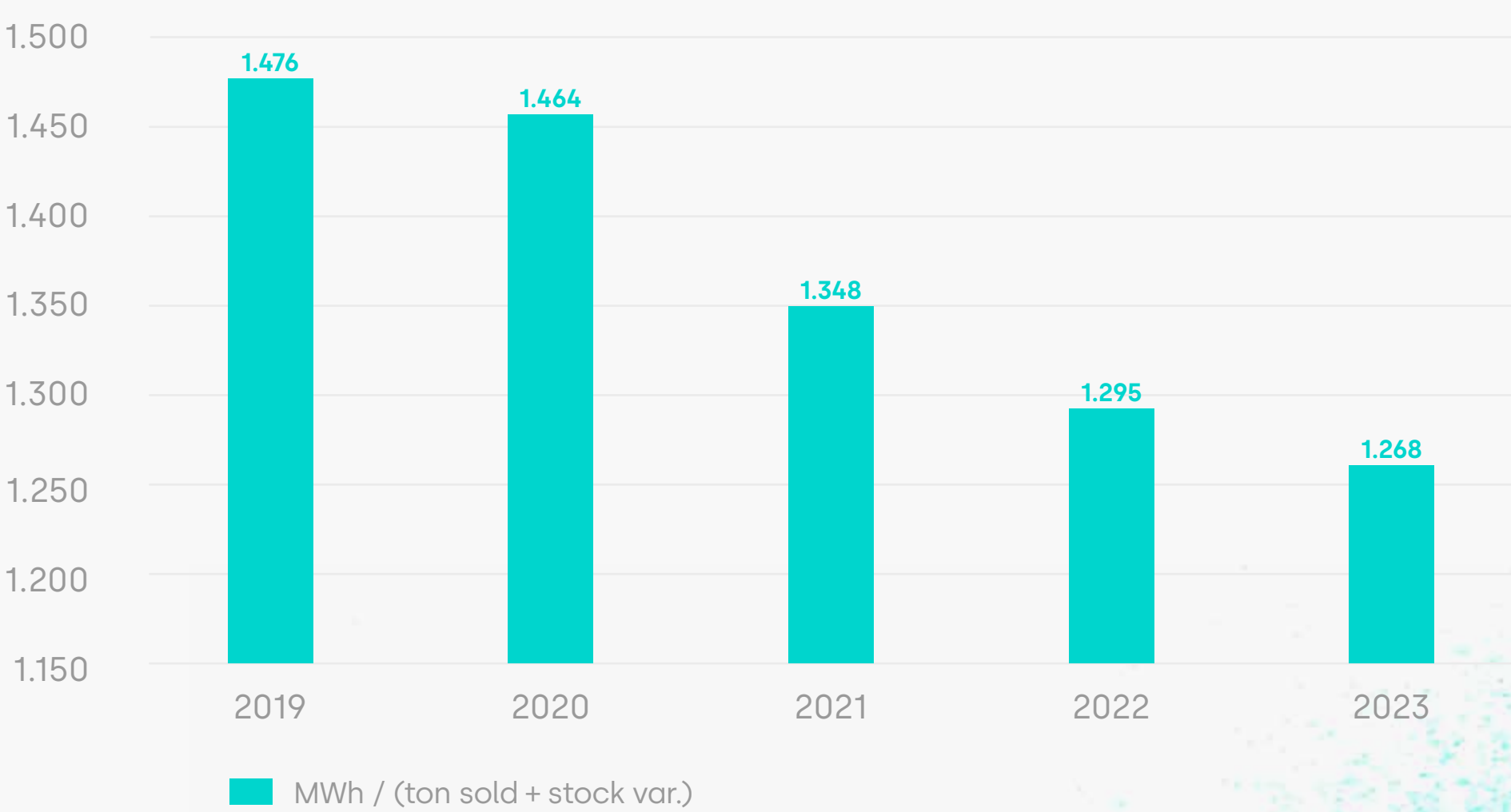


We've spent years working and investing in resources to improve our energy efficiency and carbon intensity. This has enabled us to **optimise our energy consumption and our total emissions, achieving less consumption for greater production**. To ensure ongoing improvements, we're continuing to implement our Decarbonisation Plan, which will allow us to go further in the fight against climate change.

To achieve our decarbonisation goals, year after year we introduce a series of **new features and improvements in energy efficiency**. The most notable milestones achieved in 2023 are detailed next:

- 
 Consolidation of the **Energy Committees** created in 2022 and comprised of staff from the Engineering, Production and Maintenance departments to set the main emissions reduction indicators for each plant and monitor the improvement actions proposed.
- 
100% of the electrical energy used is from renewable sources, which represents 20,5% of total energy consumption at La Farga.
- 
 Installation of **photovoltaic panels** on our plants' roofs with a planned investment of 1.082.851,22 €.
- 
 Definition of the draft project for the **high-voltage electrical installation** to electrify processes and other actions in the coming years.
- 
 Obtainment of the **ISO 50001 energy management certification**.
- 
Improvement in the ratio of gas consumed per ton produced, notably improving the company's energy efficiency, which we've reduced by 14% since 2019, as can be discerned in the graph.

Evolution of ratio of gas consumed per ton produced

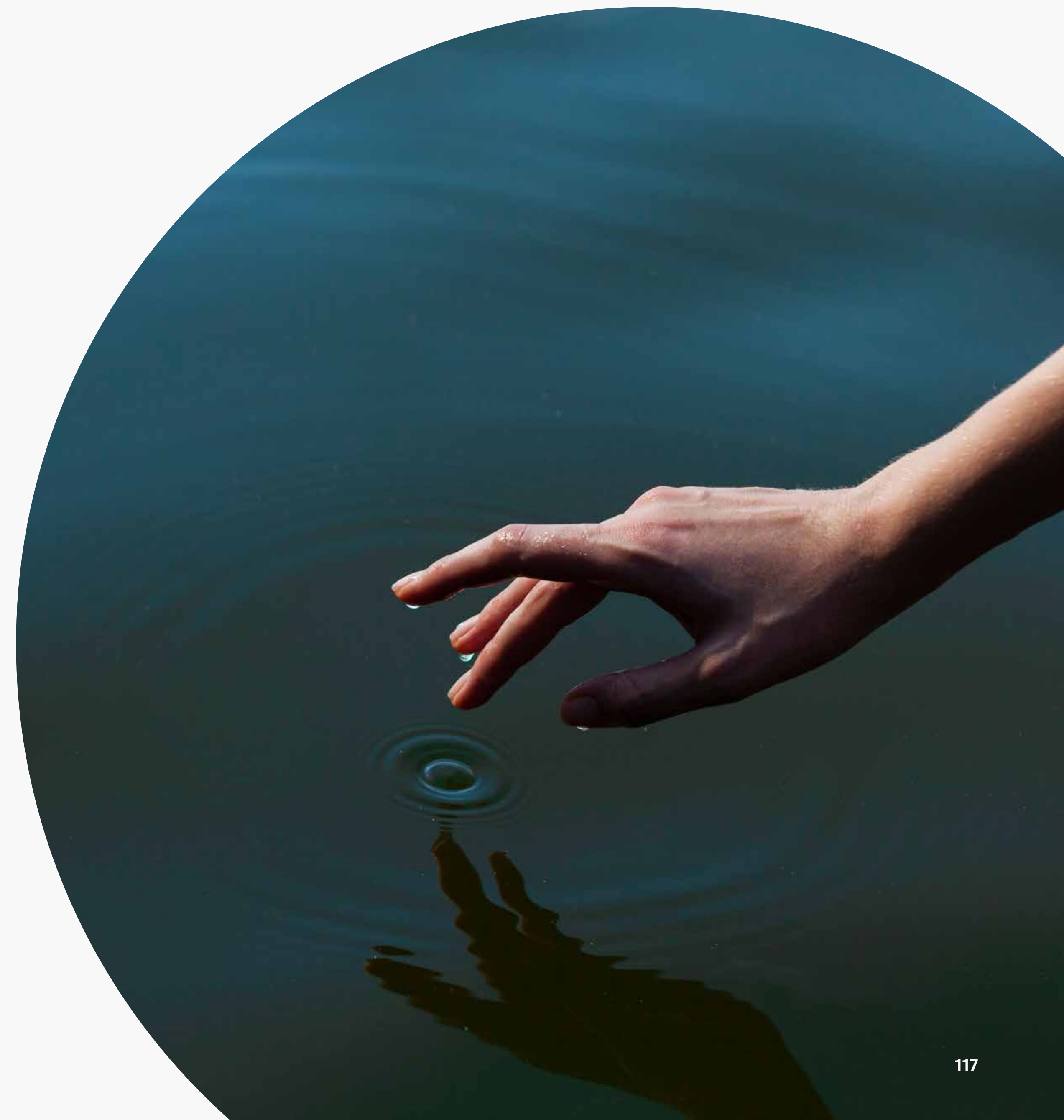




RESPONSIBLE WATER CONSUMPTION

The **reduction in our water footprint has been a priority in our actions throughout 2023**. On the one hand, because La Farga has been closely connected to the Ter River from the outset, obtaining water as a refrigerant and driving machinery via the turbine, but, above all, due to the concerning current drought.

Thus, one of the main actions developed this year was the **Water Savings Plan**, which was presented to the Catalan Water Agency and the Department for Climate Action, Food and Rural Affairs of the Generalitat de Catalunya, which considers the severity of the current drought situation in Catalonia and the restrictions set by the same Generalitat department. As a result, we've set out and developed some actions through which we've worked to reduce water use at La Farga.





In relation to industrial water consumption



We use state-of-the-art technology in the copper manufacturing process, which allows us to **reduce water consumption by 99%** compared with conventional production methods.



We've carried out **improvements to our facilities** to optimise water treatment performance and reduce water consumption, as well as to systems that reuse treated water to assign it to other industrial processes and improvements in the separation of water flows depending on their quality to prevent excessive treatment of wastewater.



The aforementioned improvements were supplemented by focusing our efforts on **reducing cooling process water**, which is where we consume 88% of the volume of water consumed, as we strive to maintain the closed water circuit to prevent losses by installing flow reducers.



We are also studying, or planning, to rollout other measures to replace cooling circuits that use water with other systems, such as installing meters and consumption control systems, among others.

In relation to auxiliary water consumption

Timers have been installed in bathrooms and changing rooms, and dry bathrooms have been added to reduce auxiliary water consumption, which accounts for 7,5% of the total water consumed.



11,8%
Improvement in the water use ratio.

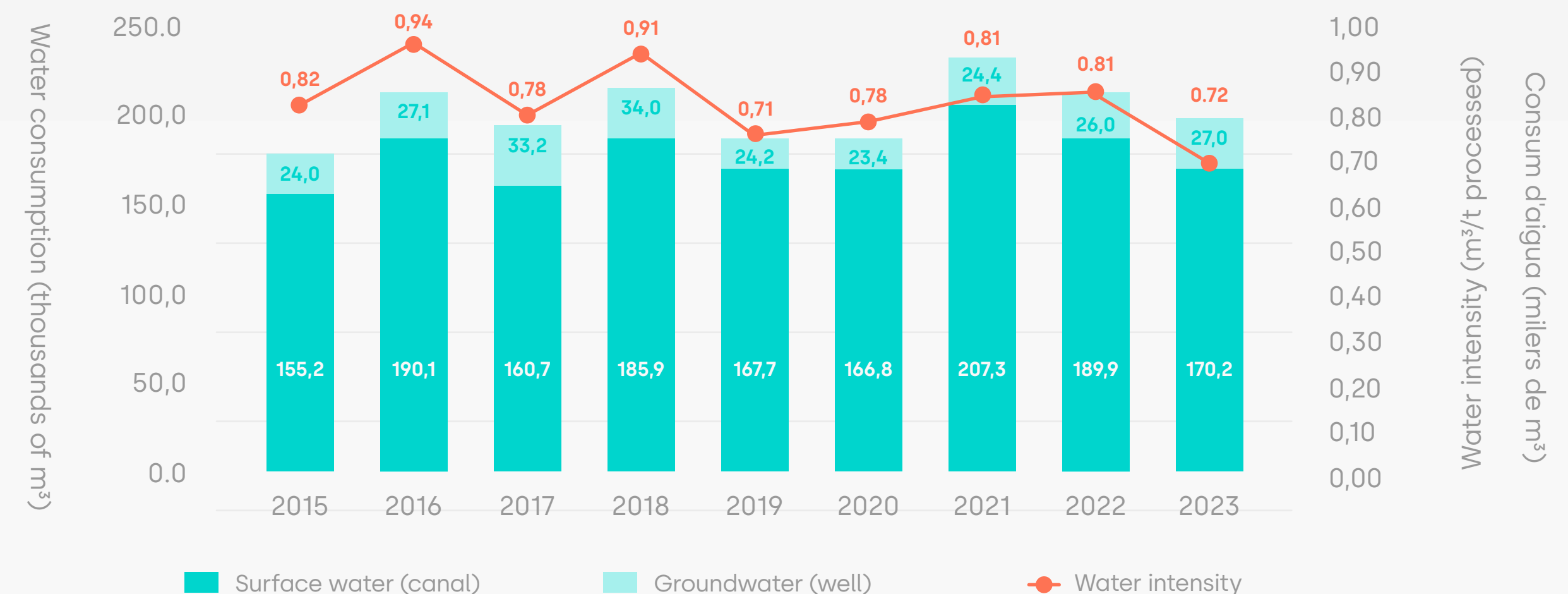
Falling from **0,81 m³/t** to **0,72 m³/t**



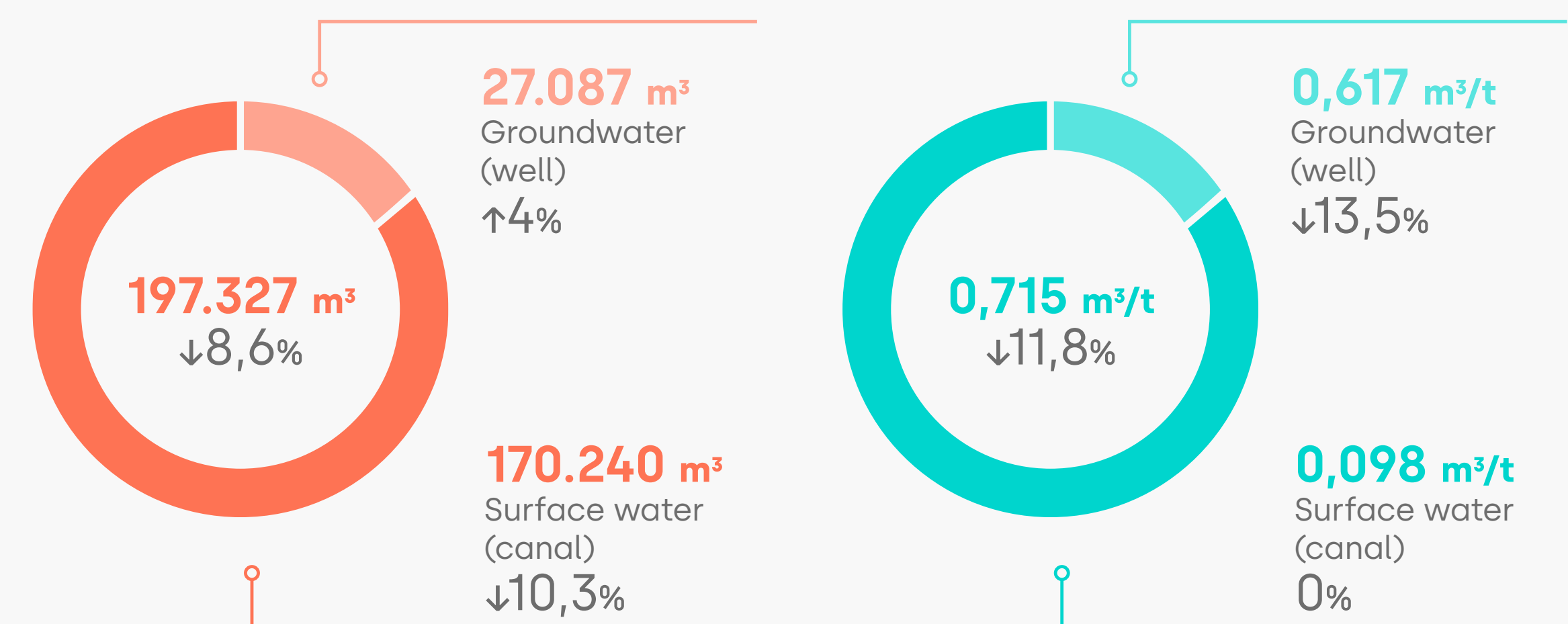
8,6%
Reduction in total water consumption.

*Annual consumption compared to 2022 (m³)

Water consumption according to source and water intensity



Water consumed per ton processed according to source



↓↑ Variation in water consumption compared to 2022.

↓↑ Variation in water consumption per ton processed compared to 2022.

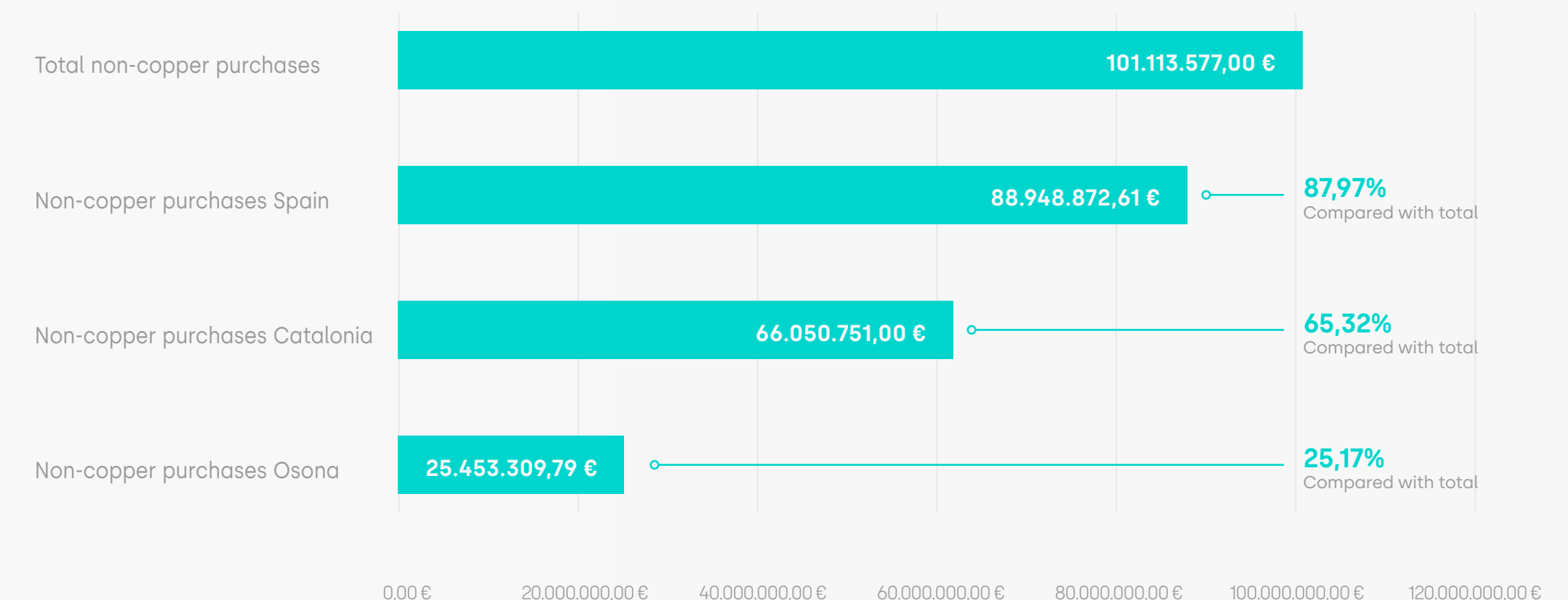


LOCAL PURCHASING

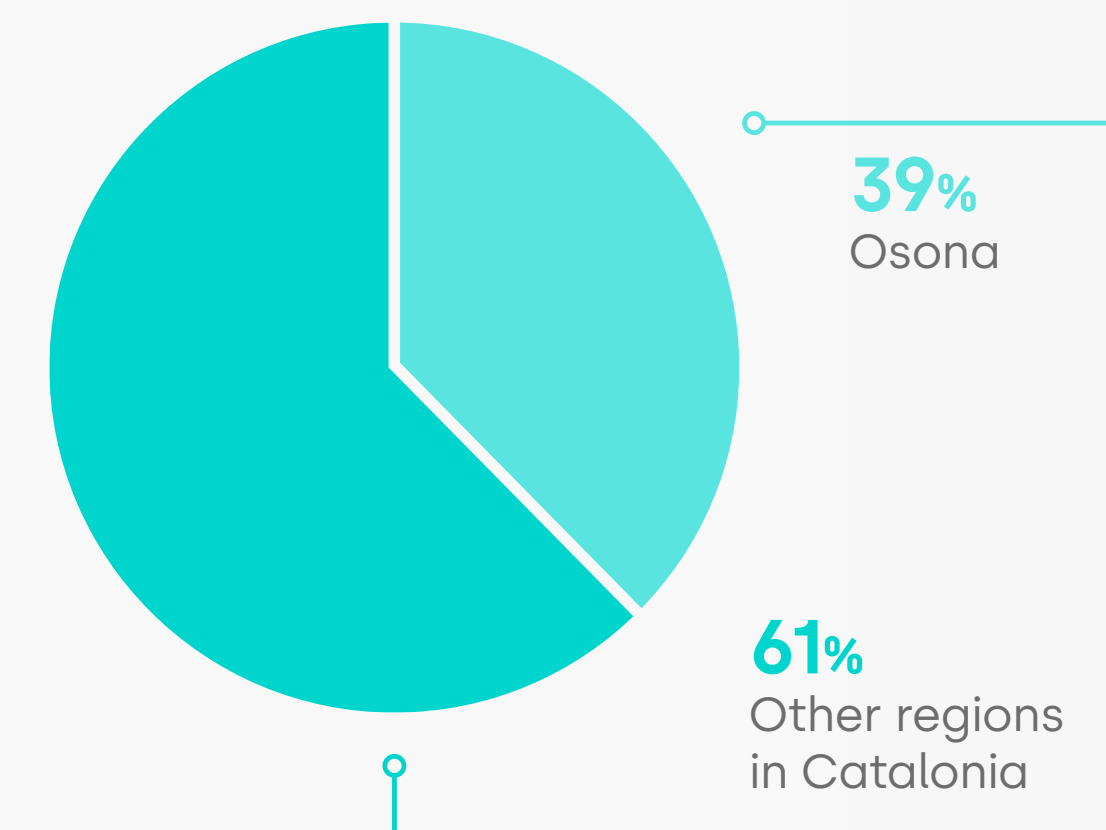
Prioritising local purchasing is key to La Farga as it reflects our long-term holistic commitment to the region and encouraging the generation of employment, development and economic progress. To this end, we've worked on a policy to prioritise local (non-copper) purchases of products for our production processes, including fuels, oils and machinery, services for our facilities, and others for our staff, including cleaning, meals, training and maintenance. By favouring local purchases, we reduce the distance travelled and, therefore, our impact as well, but in doing so we also support the local economy and encourage closer, more sustainable commercial relationships with our suppliers.

Efficiency in transport is also a key element in our commitment to sustainability. Reducing the distances travelled not only reduces greenhouse gas emissions and the carbon footprint of our supply chain, thus reducing our environmental impact, but it also reduces operating costs. These practices allow us to make progress towards a more responsible, resilient business model aligned with our commitment to have a positive impact on our surrounding area.

Distribution of non-copper purchases 2023



Non-copper purchases made in Osona compared with the total purchases in Catalonia





25,27% of the total purchases not related to the purchase of copper were completed in local areas, in the region of Osona. Moreover, **65,32%** of the total purchases were completed in Catalonia and **87,97%** in Spain

Success story in the prioritisation of local purchases

Acetylene gas is an essential product in our production process and we receive it almost daily. Up until last year, our producer was from Zaragoza, but we've approved a new supplier in Castellbisbal, which equates to a reduction of around 450 km daily in transport to our facilities.

"In 2023 we developed several notable practices to encourage local purchasing and hiring. Firstly, we sought and incorporated purchasing solutions for MRO with electrical, pneumatic and lamp spare parts from suppliers located in the Province of Barcelona, which has enabled us to reduce our environmental impact by minimising transport distances, and it has also led to semi-automated supply processes. Secondly, we've included local suppliers for the purchase of cryogenic gas (also based in the Province of Barcelona), which has made a significant contribution to the reduction of our carbon footprint. Lastly, we've incentivised the hire of workshops and external services within the Osona region, generating a positive economic impact on our area while we also avoid generating emissions caused by recurrent displacements of external staff."

Josep Soriano
Non-Copper Purchasing Manager



RESIDUES AND PACKAGING MANAGEMENT

We set out **measures to reduce the volume of waste generated** by our activity, both in our plants and in offices, and we work to give **new life to the waste** we inevitably produce.

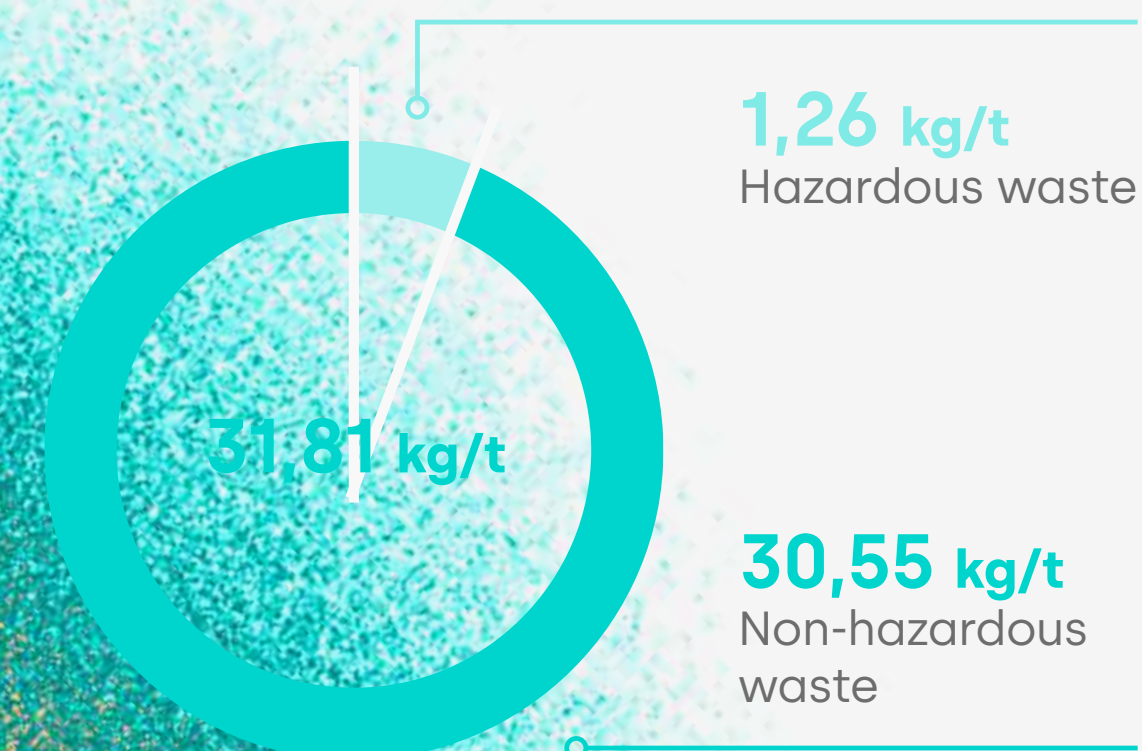
Non-hazardous waste generation has increased a lot this year, mainly due to the generation of debris from a one-off work project that has been ongoing at our facilities since 2022. However, if this waste is not considered, non-hazardous waste generation has increased 200.677 kg.

The main news in relation to waste management in 2023 that has contributed to the reduction of non-hazardous waste was the establishment of **sustainable purchasing criteria** and implementation of the use of **recycled plastic, replacing virgin plastic**. In addition, work continued on the project to **recover pallets, which has allowed us to recover 16.658 units, or 17%, drastically reducing our waste**.

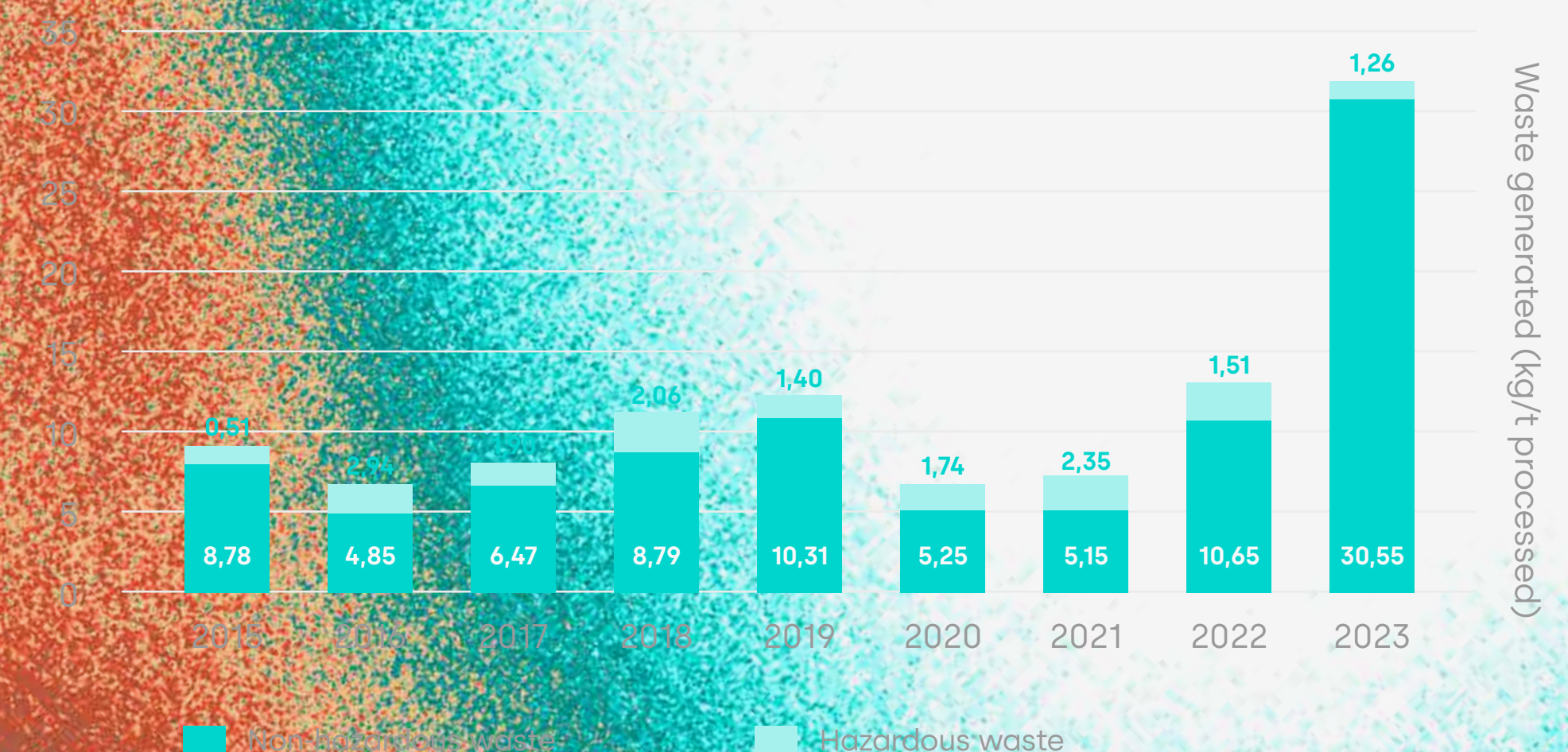


Furthermore, the generation of **hazardous waste** was reduced, achieving the **lowest level in the last four years** thanks to the rollout of new measures and improved monitoring.

Waste generated per ton processed 2023



Waste generated per ton processed (2015-2023)





MITIGATING OUR ACOUSTIC IMPACT

The well-being of the local community, our employees and the region's biodiversity is a priority for La Farga, which is why we take noise control very seriously. Every two years we complete a noise control report with the aim of assessing our acoustic impact and establishing mitigation measures. According to the 2023 report, **the acoustic impact generated by La Farga is 49,03 dB, which has fallen 2,67 dB from the results recorded in the 2021 report.**

The **measures implemented** during the year to continue **reducing our acoustic impact** were as follows:

- Implementation of a **centrifugal compressor that reduces noise** in burners, furnaces and channels owing to the lower speed at which air enters them. This compressor replaces two of our old compressors, meaning we've also reduced the machinery involved.
- **Replacement of an old compressor** with a new one with better performance.
- **Adjustments to burners in the refining furnace** to **reduce gas and air flow** and improve efficiency and reduce noise.
- **Adjustment** to the operation of **smoke treatment systems**.
- Improved **insulation** at the facilities.
- **Requirement** for all **new machinery** purchased to have a noise level <80 dB(A).



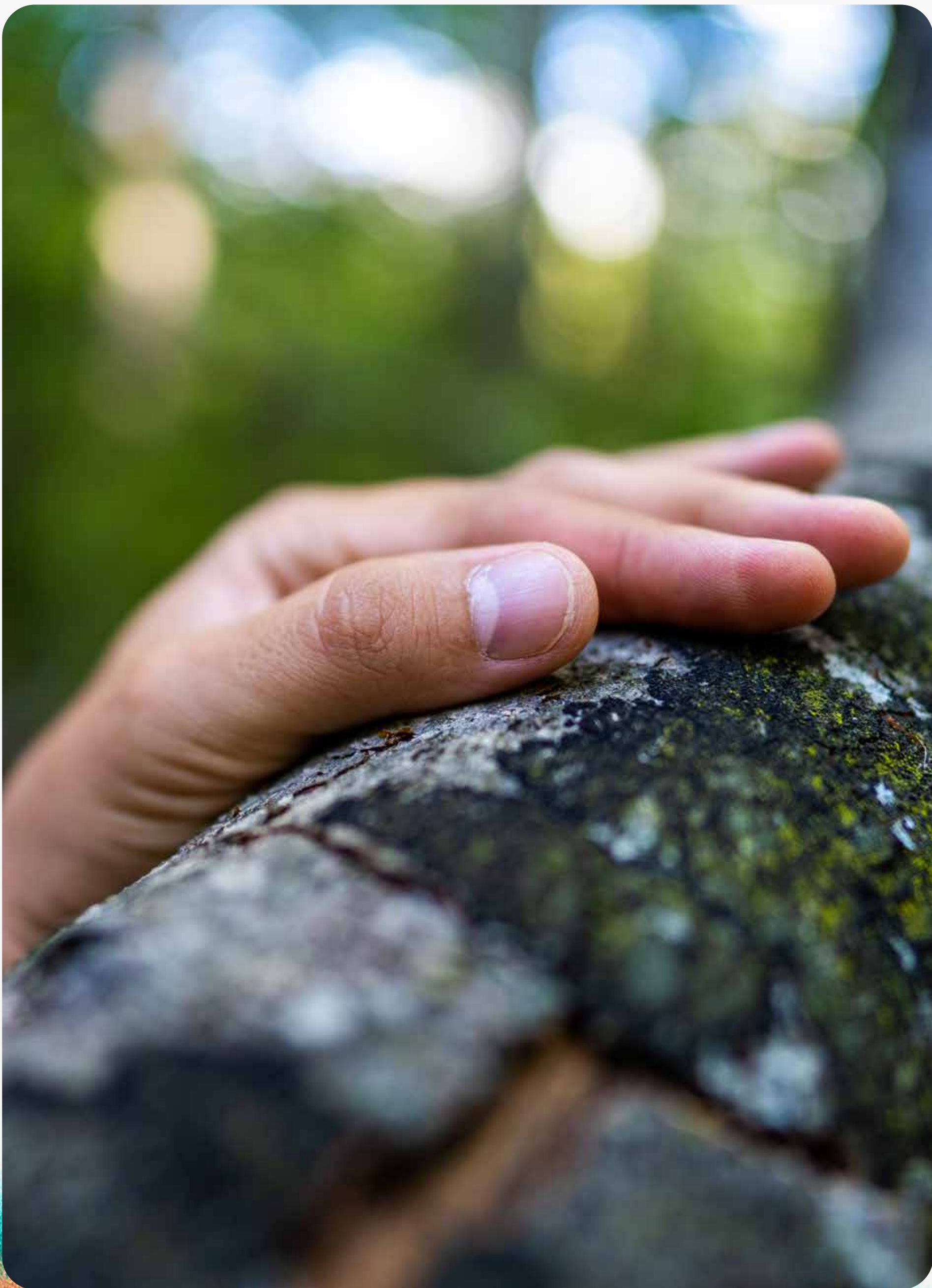
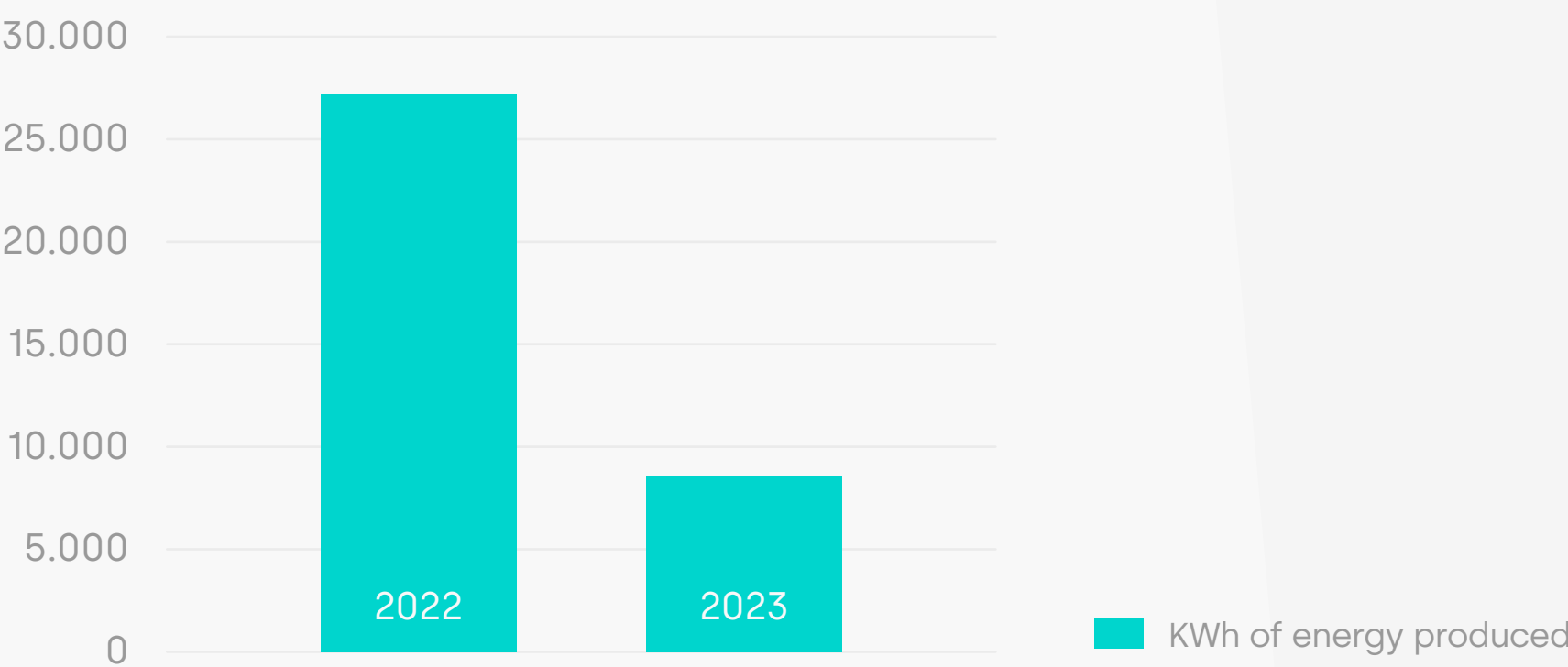


PROTECTING BIODIVERSITY

We're committed to **preserving the ecosystems of the Ter River**, for which reason **we collaborate with the Catalan Water Agency (ACA)** and measure the river's biological quality. The results of our sampling indicate a quality level classed as "Good" according to the BMWP (Biological Monitoring Working Party).

However, this year adverse climate conditions caused by the drought have negatively affected the Ter River, resulting in quality that does not achieve the "Very Good" classification, as was achieved in previous years. In response to this situation, at La Farga **we reduced the use of our hydroelectric power station by 68% to avoid aggravating the river's conditions**, limiting its operation to only three months in 2023, when the circulating flow in the Ter River permitted it.

Reduction in the use of the hydroelectric power station 2022-2023





06. WE ARE TALENT



WE ARE TALENT

At La Farga, we know our staff form the cornerstone of our success. It's the people who work at La Farga who drive us forward, make our goal possible, contribute to the company's mission, and enable us to fulfil our commitments to the environment and the community.

We're proud to have a diverse, committed and motivated team aligned with our vision and values.

Collaboration and teamwork have been key to tackling the opportunities and challenges we've faced over the years.

For this reason, we're committed to offering **quality employment and opportunities for professional development**. In addition, we prioritise the **safety, health and well-being** of our team, since we firmly believe in the importance of cultivating a healthy and respectful work environment.



WE CREATE QUALITY JOB OPPORTUNITIES IN THE REGION

We offer employment with fair, dignified working conditions to more than 400 people, mainly in the area near La Farga.



WE GUARANTEE PEOPLE'S HEALTH AND SAFETY

Our unswerving value. We focus our efforts on offering employees a safe and healthy work environment.



WE CARE ABOUT OUR PEOPLE

We provide supplementary benefits to boost our team's well-being, while we also promote talent development through training programmes and career plans. We value our staff members' opinions and we're committed to continuous improvement.



WE ENCOURAGE DIVERSITY, EQUALITY AND INCLUSION

Our goal is to strengthen diversity within our organisation by driving equality and creating a safe environment free from all forms of discrimination.



WE CREATE QUALITY JOB
OPPORTUNITIES
IN THE REGION

WE CREATE QUALITY JOB OPPORTUNITIES IN THE REGION

La Farga provides **job opportunities that guarantee fair, dignified conditions to 439 people**, of which 409 are internal staff, 1 is an intern, and 29 are external staff. Furthermore, 23,5% of people hired via temporary work agencies (TWA) later join the company as internal staff.

In addition, 88% of the team is from the Osona region, demonstrating our significant impact on the local job market, acting as an **economic activator of job opportunities in the area**.



97%

Of our staff work full-time



99%

Of our staff have a permanent contract



23,5%

Of staff hired via TWA are offered an internal contract



88%

Of the workforce is from the Osona region, and **50%** occupy management roles.



LA FARGA AND ITS EMPLOYEES

Type of professional category by sex

	Women	Men	Total
Directors and managers	7	22	29 (27%)
Staff	20	64	84 (21%)
Specialists	16	280	296 (72%)
Total	43 (10,5%)	366 (89,5%)	409

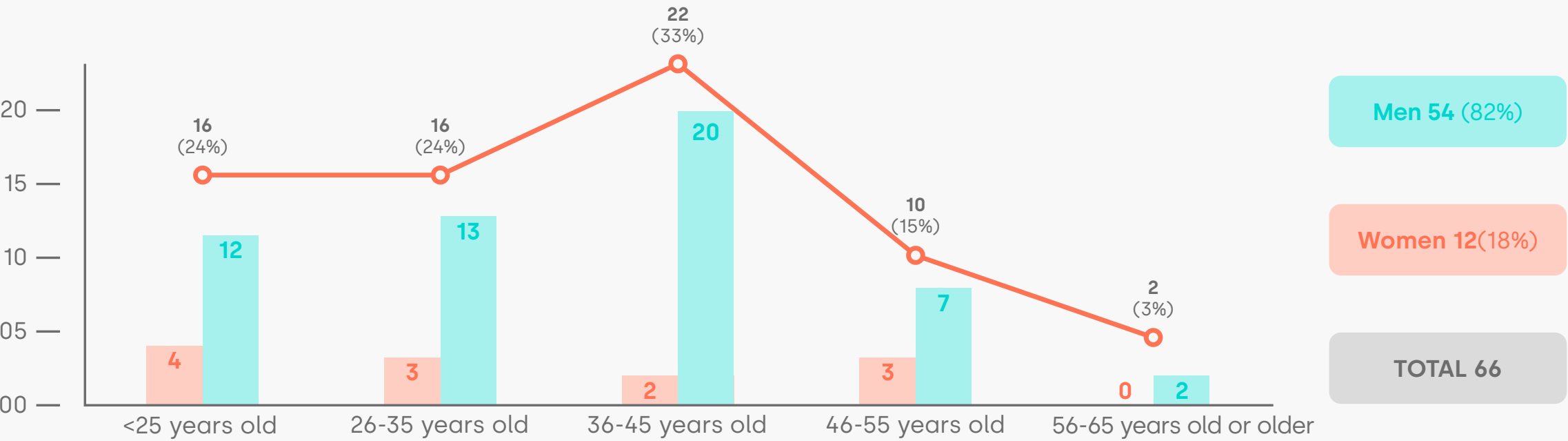
Workforce by age

	Women	Men	Total
<25 years old	4	9	13 (3%)
26-35 years old	7	63	70 (17%)
36-45 years old	21	120	141 (34%)
46-55 years old	11	118	129 (32%)
56-65 years old or older	0	56	56 (14%)
Total	43 (10,5%)	366 (89,5%)	409

We prioritise the creation of quality employment, not only as a business goal, but also due to our commitment to ensuring society's well-being. In 2023, **66 new people** joined the team. Of them, around 50% are young people (under 35 years old) and 18% are women. **Five new job posts** were created.

However, creating quality employment would be futile if we didn't highlight the importance of **retaining talent**, which is why we go to great lengths to provide a **work environment that encourages professional and personal growth, as well as the ongoing development of skills**. Proof of this are the 11 internal promotions granted this year in different groups, underlining our commitment to the people we employ and their personal and professional development. In addition, the fact that the average staff member has been at the company for 10 years is further proof of this, and this figure continues to grow year after year. Similarly, it's worth noting the turnover percentage, which sits at 11%, well below the Spanish average. Not only do these indicators **demonstrate our team's stability**, but they also show our people's satisfaction, commitment and development.

En 2023 there were 66 new hires (includes internal and TWA staff)





La Farga 

WE GUARANTEE PEOPLE'S
HEALTH AND SAFETY: OUR
UNSWERVING VALUE



WE GUARANTEE PEOPLE'S HEALTH AND SAFETY: OUR UNSWERVING VALUE

We view health and safety as an essential condition and fundamental basis of all our activities





TEAM SAFETY

Not only is safety a priority; it's also a tangible commitment.

For this reason, we have secured the **ISO 45001 certification**, the international occupational health and safety management standard, demonstrating our firm intention to implement a robust reference framework for occupational hazard prevention. Safety is a key tool in building a safer, healthier work environment.

In 2023 we **invested 275.109 € in occupational hazard prevention**, including the purchase of personal protection equipment, the update of fire extinguishing equipment, and the hire of an external prevention service. This investment was accompanied by more than **300 actions carried out**, backing our commitment to **continuous improvement in occupational safety**.

Furthermore, with this same desire to ensure continuous improvement, we continue **to participate periodically in meetings with regional companies** to exchange good practices in this area.

We have various initiatives and different working groups in operation, all of which are focused on reducing accident frequency and severity rates:



Working group "0 accidents and beyond", which is exclusively dedicated to driving and coordinating initiatives to promote a culture of safety and improve equipment and facility conditions.



Health and Safety Committee formed by three employees and three company members, representing the entire workforce. It meets every three months to outline improvement plans.



Furthermore, this year's main focus was to strengthen our approach to **staff awareness** which, thanks to the efforts of the **Health and Safety Committee**, and the working group **"0 accidents and beyond"**, helped achieve notable milestones:

TRAINING The key to prevention



Training in safety matters, enabling an improvement in prevention thanks to increased knowledge of the risks and preventive behaviour. In total 4,150 hours of OHP training were given, amounting to an investment of 32,564 €, which equates to more than 10 hours per La Farga employee per year.

IDENTIFICATION To enhance attentiveness



Continuity (and we've started to see the results) of the campaign, which we started in 2022, to **identify recent hires with a yellow hard hat** and people with more experience with a red hard hat. This practice has enabled us to **raise awareness** of safety aspects and facilitated the **identification** of people who may require more support and assistance.



Hosting of the **official handover of red hard hats** to people who have completed their initial training plan. This event is **extremely important and a source of great pride for La Farga**, with the event involving both those who received their hard hats and the management team to collectively celebrate this milestone in the professional development of our more recent hires. **This year, 22 red hard hats were awarded.**

"Identifying new hires with yellow hard hats, making them stand out from other staff members, helps us to know when to pay special attention in situations where a risk or emergency could arise at the plant. This boosts a culture of care and safety among the entire team, avoiding or preventing possible accidents or hazardous situations."

Joan Raurell

AGA Supervisor at the Drawn Products Plant



PREVENTIVE MEASURES FOR A CULTURE OF SAFETY

- **Expansion of the safety awareness team** beyond the people responsible for occupational hazard prevention.
- Via a **weekly question and answer session** on safety, at La Farga we foster people's knowledge.
- **Constant communication**, via a weekly information report on safety and accident rates to all staff members.
- Definition of **red zones** with special signage to minimise risks.
- Establishment of a **direct channel for reporting incidents** on the condition of floors.
- Application of **air conditioning improvements** to protect employees from high temperatures.



"In 2023 we continued to work consistently, in line with previous years, focusing on all preventive tasks but with a greater focus on awareness. We managed to involve practically all of the organisation, from section and Autonomous Management Area (AGA) managers to coordination groups and specialists. Specifically, we improved the participation of AGA management staff in preventive activities and we helped specialist staff through the different training sessions organised."

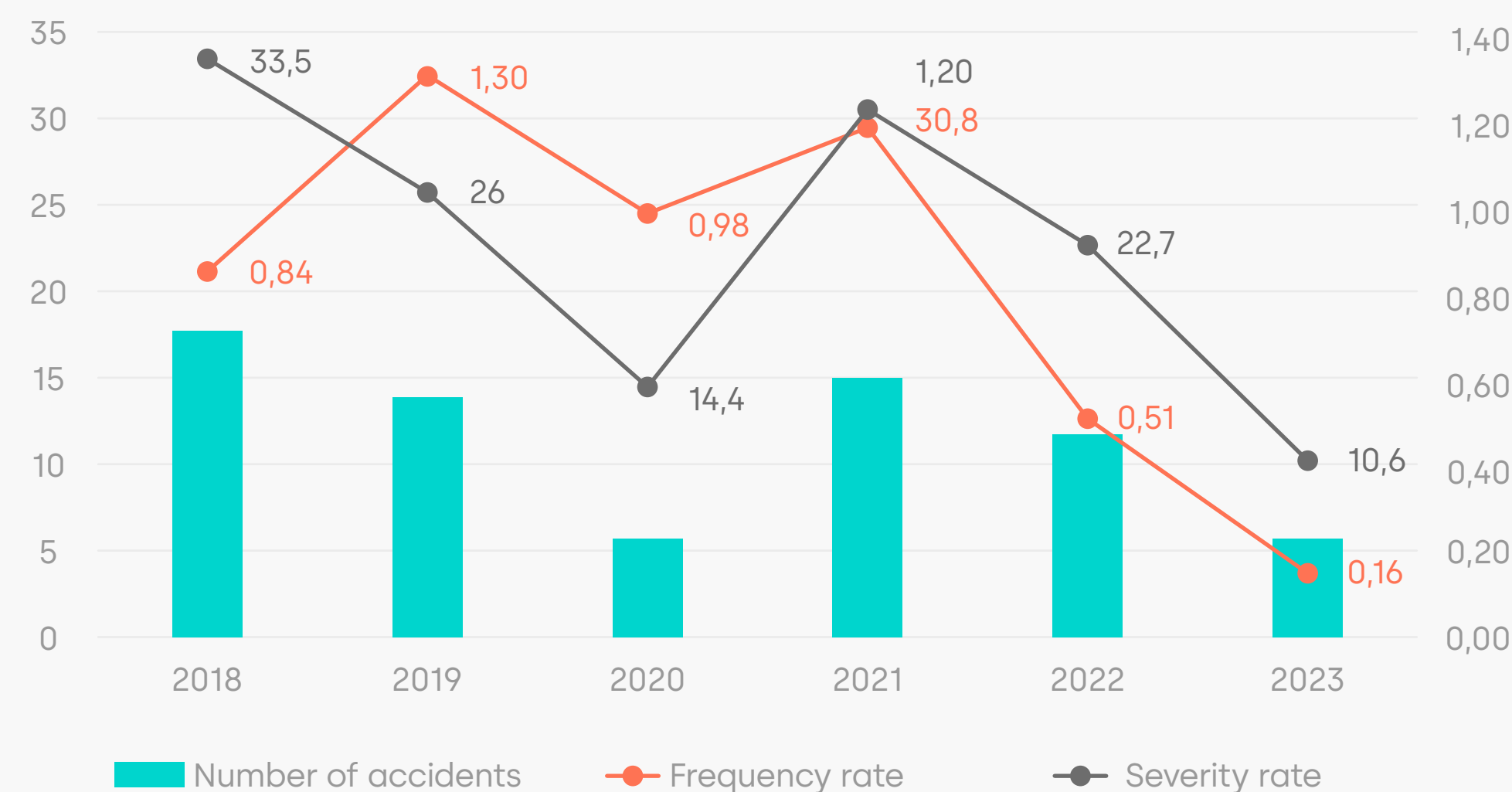
Xavier Fàbrega
Environment and Safety
Manager





The milestones detailed have enabled us to **increase safety at La Farga for another year running. Proof of this lies in the reduction in the frequency rate** (number of accidents / number of hours worked) among internal staff by more than half, well below the sector average, achieving a minimum historical value for La Farga. This is in addition to the severity rate (number of days lost or not worked / number of hours worked) among internal staff dropping from 1,2 in 2021 to 0,16 two years later in 2023.

Frequency rate, severity rate and number of accidents from 2018 to 2023



One initiative we've been developing since last year to reduce the number of accidents and continue working to raise awareness of safety is to identify new hires with a yellow hard hat. This hard hat allows Autonomous Management Area (AMA) managers, coordinating operators and other operators with more experience to oversee their safety, offering additional attention to the people wearing yellow hard hats. Once the new hire completes their Individual Training Plan, they get to wear the usual red hard hat. To reinforce the importance of safety at the company, the red hard hat is handed over at a company event recognising the end of the training plan, with this event involving members of the company's management team.

Despite these good results in the accident rate among our internal staff, we've detected a higher accident rate among external staff and TWA staff, for which reason we've proposed actions to influence a reduction in the accident rate in this group.



HEALTH IS A PRIORITY

For more than twenty years, in accordance with our commitment to our team's full well-being, we've been hosting **Health and Safety Week**. This annual initiative, which takes place in June, is an in-depth space dedicated to promoting the physical, mental and social well-being of our team. It's based on three key pillars, in line with which we develop a range of initiatives:



Hazard prevention and safety

- We offer talks, workshops and drills to strengthen **our staff's skills** in occupational accident **prevention**, tool handling, machine handling and first aid.
- We promote an **active culture of safety** by identifying and controlling risks in the work environment, with an emphasis on individual and collective responsibility, aimed at all groups at La Farga.



Physical and mental health

- We run workshops and personalised assessments to encourage correct posture and **prevent injuries at work**.
- We organise **educational and sports activities**, such as cycling outings and therapeutic exercises to encourage a **healthy and active lifestyle**.
- We offer workshops on **diet and healthy habits**.
- We organise therapeutic exercise classes and other practices that help to **reduce stress and anxiety** and a space where we listen to staff.



Integration and teamwork

- Educational activities that encourage **integration and teamwork**.
- **A meeting space** where people can share experiences, strengthen relationships between teams and generate a positive work environment.



In addition to guaranteeing the safety and well-being of our team, at La Farga we go to great lengths to **encourage a healthy, balanced lifestyle**. These are some of the actions we've implemented and improved:



We take care of our team

- We offer our team the chance to **access private medical insurance** through flexible remuneration, and it can be extended to family members.
- We offer **a medical examination** once a year, at minimum, adapted to the specific risks of the work post, and this takes place at our facilities and is available to all staff members.
- We offer the option of a **seasonal flu vaccine**.



Healthy habits

- Together with "La cuina de Sant Tomás", a social organisation in the area that employs people at risk of exclusion, we offer a lunch service to our team with quality, nourishing, local food.
- Improvements in green spaces to ensure the team can relax through contact with nature, and recharge their batteries during breaks.
- As a challenge for 2024, we've proposed building a wellness space within our facilities with the goal of offering moments of relaxation, exercise and self-care.

“

"I took part in a virtual reality activity organised during Health and Safety Week and I found it really interesting. This experienced made me aware of how to react and act to a potential emergency situation: keeping calm and seeking the best solution without losing control at any point."

Eric Tortadés

General Services Maintenance and Preventive Maintenance Coordinator

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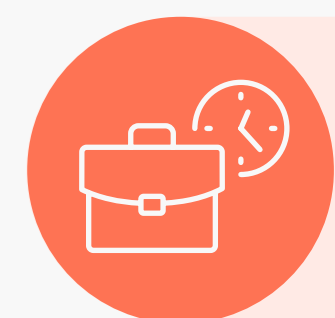
WE TAKE CARE
OF OUR PEOPLE



WE TAKE CARE OF OUR PEOPLE

At La Farga we understand our team's satisfaction and development are key to achieving our purpose. Thus, year after year we strive to offer a benefits package that helps to meet our people's needs, a training plan that promotes talent development, and an assessment mechanism that fosters leadership and excellence.

We offer a **benefits package** that goes beyond a simple salary, instead providing the tools necessary to forge a successful and hugely satisfactory professional career.



35% of the workforce

Uses work flexibility benefits

Absenteeism rate

6,29 in 2023

8,4 in 2022



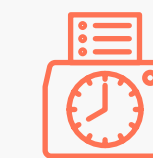
Private medical insurance



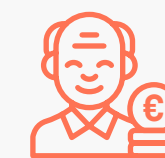
Working hour flexibility and option of remote working for staff



Supplementary pay for sick leave and accidents



Attendance bonus



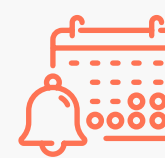
Retirement bonus



Annual working time inferior to that set in the collective agreement



Fridays and intensive work days on the eves of public holidays for staff



Holiday/work balance and three days off (for employee to choose)



Competitive salaries



We make the effort to offer competitive salaries that value the work of all staff members in a fair and dignified manner, free from discrimination

We are aware that certain work categories, such as specialists, may be dominated by men owing to factors of perception associated with physically demanding tasks traditionally performed by men. It's important to note that the category of specialists is one that receives the most bonuses, which may influence the difference in salary shown by the data. However, our remuneration policy is based on the objective assessment of the responsibilities and skills associated with each job post, ruling out any gender bias.



The minimum salary is 51% higher than the local minimum salary

Breakdown of the average salary according to gender and professional category:
 (*includes gross salary plus benefits)

	Women	Men	Average salary according to professional category
Directors and managers	79.694,82 €	99.182,70 €	95.410 €
Staff	42.699,92 €	48.120,88 €	46.461 €
Specialists	30.119,40 €	39.310,33 €	38.680 €
Average salary according to gender	41.755 €	44.657 €	

Difference in salary between men and women 6,5%



In 2023 we launched the climate survey that we perform every two years in order to give our staff a chance to have their say and for us to address their opinions, their emotional well-being and their experience with the goal of continuing to improve. The results of this year's survey show a general level of satisfaction over 74%, after assessing various matters including job post, professional outlook at the company, team environment and leadership



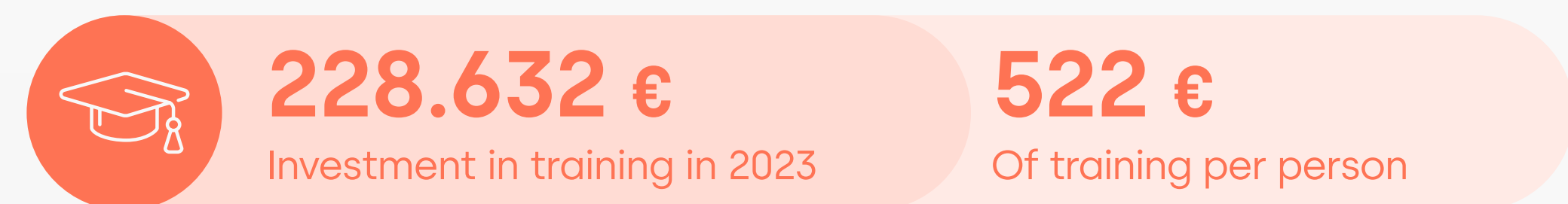
DEVELOPING THE THE TALENT OF OUR PEOPLE AND TEAMS

We view **workforce training and education** as a key learning and development tool that allows staff to acquire new knowledge, skills and competencies to efficiently perform their duties.

At La Farga, we believe continuous training is a **strategic component in growth and development, both personally and for the business**, across all levels of the company. Consequently, we implement a specific training plan that adapts to the needs and goals of each area, encompassing **diverse training needs**, such as technical and specialised training, hazard prevention and safety, cross-sectoral skills, languages, equality and sustainability.

We opt for **quality training**, which is why we carefully select training suppliers at all levels, considering proximity criteria to generate an economic impact on the region, university-level training adapted individually, or companies with quality demands in relation to technical and safety specialisations.

The **budget invested in training in 2023 was 228.632 €**, which equates to an investment of **522 € of training per person** (including internal and



TWA staff), numbers that are almost double those recorded for 2022. This investment materialised through 69 training actions of the 72 planned in the 2023 Training Plan, meaning we fulfilled 96% of the plan. The Training Plan considers offering training to the **entire workforce**, which received 62 hours of training during the year on average.

The increase in the average number of training hours this year compared with previous years can be attributed mainly to the new training sessions given on gender equality to which the entire workforce was invited, considering the cross-sectoral importance of this subject.

The coordinator operator course is a form of upskilling for our group of plant operators to help them grow in their job post and access promotions. This is an initiative we've been running for more than six years with one or two annual editions. Operators who show potential, skill and commitment in their current job posts are recognised with the chance to attend a 300-hour course with a hybrid technical/skills approach. Its subjects include mechanics, equipment calibration, hydraulics, electricity, and other soft skills like teamwork, decision-making and empathetic communication. More than 100 employees have completed the different editions and their assessment of the course once completed is excellent.

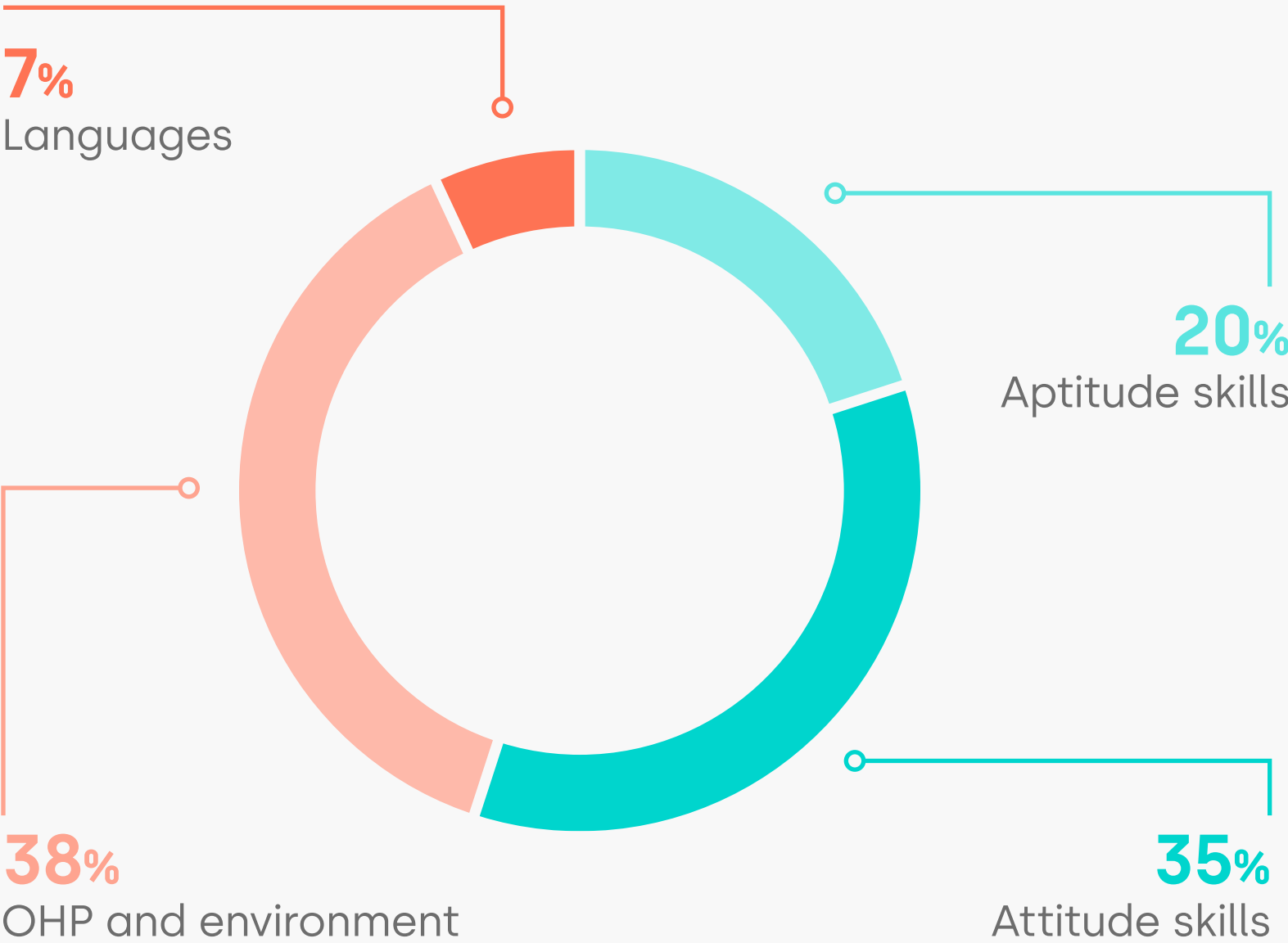


In addition, training sessions and skills programmes on different subjects involving staff from the different departments and professionals levels at La Farga have also been developed. They were run by external consultancies and organisations, universities and specialised schools and academies



TRAINING GIVEN IN 2023

69 training actions



Training given in 2023
according to professional group

	Training hours	Average training hours per person
Management, managers and staff	20.930 h	180 h / pp
Specialists	6.021 h	19 h / pp
TOTAL	26.951 h	62 h / pp



ENHANCING OUR TEAM'S LEADERSHIP AND EXCELLENCE

We believe in our staff members and we want to encourage them and retain them via committed leaders who help their teams in their development. This is why we offer career plans for all especially committed staff members with high potential to strengthen talent attraction, retention and development.

Of note is the **ZEUS II programme**, which is aimed at **people who have proven they have exceptional leadership and commitment skills**. In 2023 in the framework of this programme, 17 people were supported in their personal and professional growth within the company. In addition to providing guidance and resources, the programme also including training sessions designed to reinforce the work performed. Through dynamic sessions and interviews, we analysed the skills profiles of participants in order to identify the individual improvement areas needed to ensure the success of the programme. An individual action plan was prepared to address these skills, and it was reviewed and continually supported by a leading individual as an external tutor, a direct manager and mentor, who forms a part of the Management Committee. This programme ensures the continuity of competent leadership committed to La Farga.



"At La Farga we believe in talent and people's development. In this regard, in 2023 we launched the ZEUS II programme to enhance the internal talent and future leadership in the company, offering our staff the support they need in their professional development and growth. In addition, in some cases we collaborated with the Impulsa Foundation to offer young people in the region support, both to promote their employability and to develop their personal leadership."

Anna Mayenco

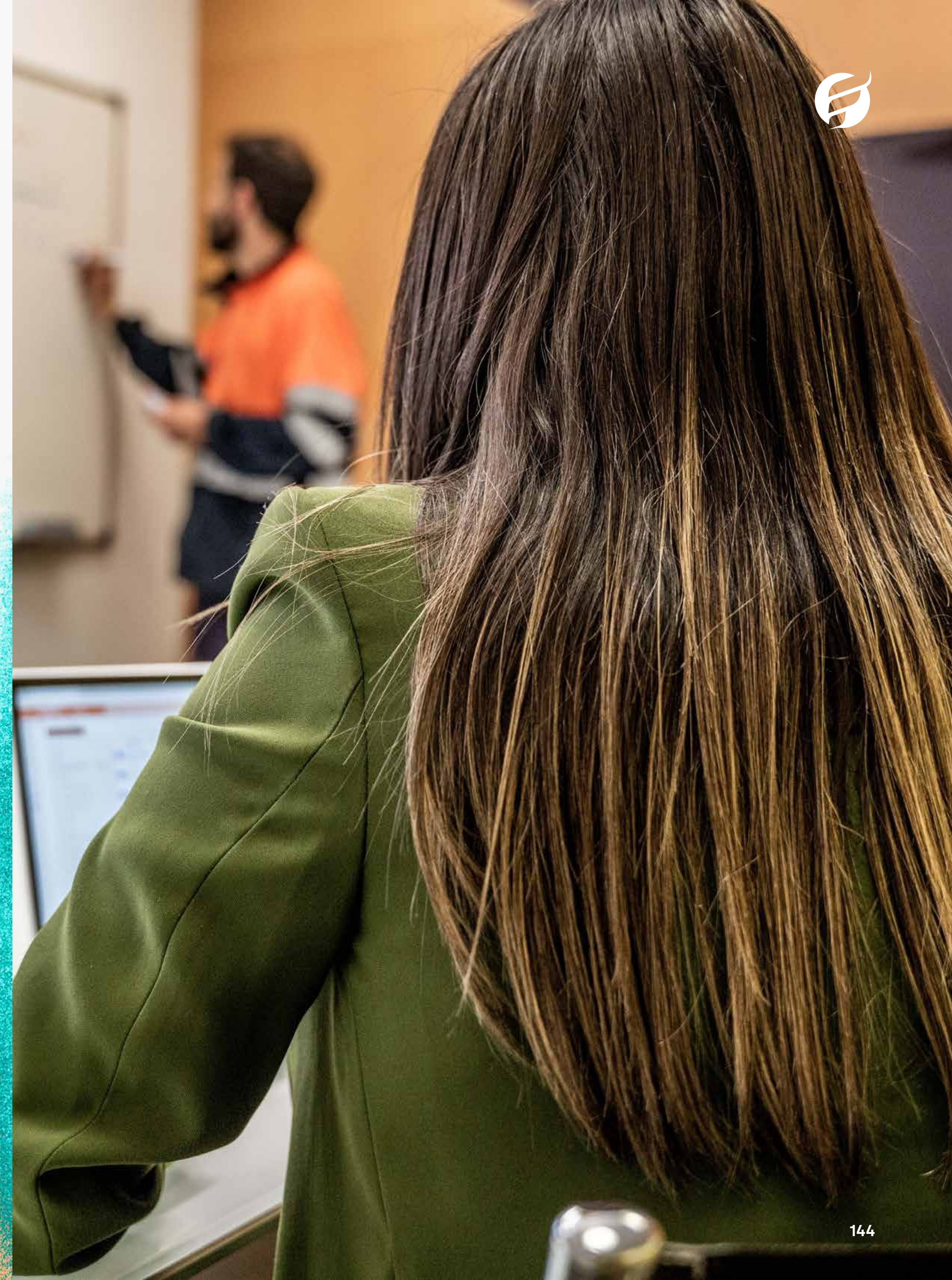
Human Resources Business Partner



In a changing market and environment, **empowered, autonomous work teams** with the ability to make agile, adaptive decisions are required. This has been possible thanks to a consolidation of the **LFWay** management system, which we implemented three years ago. This is an innovative model based on the **agile methodology**, aimed at results to achieve common company goals **using OKRs** (Objectives and Key Results).

Similarly, to help empower teams, in 2016 we introduced an **integrated management model** that we call **LFCIS**, the **goal of which is to obtain maximum efficiency and efficacy in La Farga employees**. These teams are organised by AGAs (Autonomous Management Areas), which have the same goals, processes and operations. We started implementing this management model in the industrial environment of the Group's plants, and in 2019 we extended it to staff departments. We've implemented the methodology and specific routines that encourage active involvement and it's worked from five areas:

- Proactive control of results
- Standardised and improved processes
- Clearly defined, measurable goals aligned with the business strategy
- Motivated, proactive people with clear, fluid communication
- Efficient, effective and agile organisation





In addition, we carry out **performance reviews for all employees**. These are key for people to know how they are assessed and so they can assess their own performance. Thus, we adapt reviews to staff and specialist needs, recognising the differences in their responsibilities and their tasks

SER review Performance Evaluation System

This review is carried out twice a year at minimum on 100% of the workforce. This allows us to design customised development plans, which include strategic training driven by the company and by employee requests.

MAP review Personal Assessment and Improvement

Performance reviews are carried out twice a year. The skills assessed cover the ability to adapt, flexibility, self-learning, focus on quality and results, among others. These reviews include an assessment by the staff member's manager and a self-assessment where specialists assess their own performance.

We recently updated the questions used to assess these competencies more objectively and we've also included an assessment by specialist personnel of the person responsible for the level of satisfaction and feedback received.

The goal is to gradually drive people to take on new responsibilities, increase their autonomy and develop skills to detect and resolve incidents. This process leads to an improved position until coordination level is achieved.

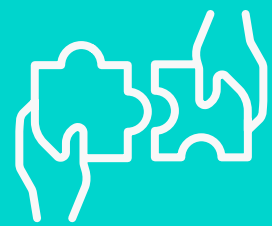
Performance reviews are a key part of the team's development process and they help people to grow within the company. Proof of this are the 11 internal promotions that took place this year, seven of which were administrative staff while four were specialists.



WE ENCOURAGE
DIVERSITY, EQUALITY
AND INCLUSION



DIVERSITY, EQUALITY AND INCLUSION



5

People with functional diversity hired directly



14

Equivalent people per billing in special employment centres

Diverse organisations benefit from a wealth of ideas, experiences and ways of working. The company's culture improves when it accepts and celebrates all origins, conditions and cultures. Thus, **diversity is a key aspect in terms of resilience, adaptability and growth**. At La Farga, we firmly believe that by promoting a **diverse environment**, not only are we strengthening our organisation, but we're also **opening the doors to innovation and creativity**.

We are committed to diversity through a **rigorous policy against all forms of discrimination and our development of social inclusion initiatives**. In this way, we continue to comply with accessibility regulations and encourage the hire of people with functional diversity or at risk of social exclusion due to economic reasons or discrimination.

At present, we have **19 employees with some form of functional diversity**. Five of them are hired directly at La Farga, and 14 work indirectly through special employment centres (Sant Tomàs, TAC Osona and the Eurofirms Foundation), which provide services like gardening, cleaning and our healthy meal service.



Furthermore, in 2022 we actively took part in the training programme run by **Creacció** – Osona's entrepreneurial agency – aimed at people at risk of social exclusion. As part of our social commitment, we supply the programme with teachers with the goal of offering **training and employment opportunities**. This programme culminated with the **permanent inclusion in the workforce of five of the** programme's six participants, two of whom were able to regularise their legal situation during the course of 2023 thanks to their employment.

"After completing the programme's course, designed together with Creacció for metal industry operators, I had the chance to join La Farga with an employment contract. I'm grateful for the opportunity to have been selected to complete the course and for the support received from a company as wonderful as La Farga. Since then, this opportunity has given me job stability, which is fantastic. In addition, I appreciate the flexibility and support system for staff that the company offers, as well as the training opportunities I've been given, which have allowed me to learn and continue to grow professionally."

Ali El Yachouti El Morabiti
Tube Plant Production Specialist

GENDER EQUALITY

At La Farga gender equality is a key pillar, since it recognises and values human potential as a whole. By embracing gender diversity, we promote an inclusive environment that encourages innovation and creativity. In addition, gender equality – through challenging stereotypes and eliminating discriminatory barriers – aids equality in access to educational, economic and leadership opportunities, which drives sustainable, resilient development.

Furthermore, we're aware of the inequality suffered by women, particularly in the metallurgical industry, which is why we view helping to transform the industry as a company challenge. An example of this is our desire to include women in the team, representing **18% of new hires** this year, as well as the constant growth of female leaders at the company, today representing **25% of the Management Committee**. In addition, we're proud to be a metallurgy company led by a woman.





In this vein, 2023 was a crucial year in our path to gender equality in industry

After approving the **Equality Plan for 2022-2026** last year, this year we focused on its **implementation** and we began to **observe tangible results**.



Update to the harassment protocol and whistleblowing channel

In drawing up the Equality Plan 2022-2026 last year, we set ourselves the challenge of **updating the harassment protocol**, which aims to **prevent and eradicate situations that constitute harassment** in any of its forms. It's based on three key aspects and action areas.

The update to the harassment protocol was made to the old La Farga protocol in force since 2013 and it was adapted to current regulations. In addition, it was **communicated and given to the entire workforce** so staff are aware of its contents and have easy access to this document.

- Implement measures aimed at **preventing and avoiding** situations of harassment or that may constitute harassment.
- Implement an **internal action protocol for cases** which, despite attempting to prevent these situations, result in an internal harassment complaint, or a claim made through internal whistleblowing channels facilitated by the company.
- Establish internal information systems to be able to report a potential situation of harassment. We recognise the **importance of having in place mechanisms or tools that are accessible and efficient when it comes to reporting situations of harassment due to gender**, and that guarantee a **fairer, safer, more respectful work environment**



Equality training

The goal after approving the Equality Plan was for **all La Farga employees to be trained in terms of equality.**

Thus, during the months of October and November, we organised obligatory training sessions for all La Farga employees, including management, staff and specialists, adapting these to each group with the aim of explaining and raising awareness about different concepts related to equality and gender equality, stereotypes, roles, inclusive language, segregation and gender-based harassment.

This was a notable form of general training at La Farga given its broad scope: 85% of the workforce took part in these training sessions and completed a questionnaire to assess the integration of said concepts, with average results over 6,7.



25%
Of the management committee are women



10,5%
Of the employees at La Farga are women



18%
Of new hires in 2023 were women



ANNEXES



Table of contents for the information required by Law 11/2018,
aligned with the Global Reporting Initiative and with the
correlation in the Global Compact

Information required by Law 11/2018 on non-financial information and diversity (EINF)		GRI index	Correlation with the Global Compact	Page
0. GENERAL CONTENTS				
Useful information on the creation of this document	Introduction to the report			We Are La Farga: p. 5-6
	Company scope			We Are La Farga: p. 5-6 We Are Commitment: p. 93
Business model	Brief description of the business model (business environment, organisation and structure)	GRI 2-1: Organisational details GRI 2-2: Entities included in the organisation's sustainability reporting GRI 2-3: Reporting period, frequency and contact point GRI 2-4: Restatements of information GRI 2-5: External assurance GRI 2-6: Activities, value chain and other business relationships GRI 2-7: Employees: GRI 2-8: Workers who are not employees		We Are La Farga: p. 6-7 We Are Commitment: p. 93-96We Are Talent: p. 125-128
	Markets in which it operates	GRI 2-6: Activities, value chain and other business relationships		We Are Copper: p. 29-30 We Are Industry and Technology: p. 60-71
	Objectives and strategies	GRI 2-22: Statement on sustainable development strategy GRI 2-23: Policy commitments		We Are La Farga: p. 22
	Main factors and trends that may affect future development	GRI 201-1: Direct economic value generated and distributed GRI 201-2: Financial implications and other risks		We Are Copper: p. 29-30 We Are Commitment: p. 99-100



Corporate governance	Risk management and control mechanisms and tools	GRI 207-2: Tax governance, control and risk management		We Are Commitment: p. 97
	Corporate governance structure	GRI 2-9: Governance structure and composition GRI 2-10: Nomination and selection of the highest governance body GRI 2-11: Chair of the highest governance body		We Are Commitment: p. 93-95
Materiality	Materiality analysis	GRI 3-1: Process to determine material topics GRI 3-2: List of material topics GRI 3-3: Management of material topics		We Are Commitment: p. 81
Policies	Description of the company's policies	GRI 2-22: Statement on sustainable development strategy GRI 2-23: Policy commitments		We Are Commitment: p. 95-96
Identification of hazards	The main risks related to matters associated with the company's activities	GRI 207-2: Tax governance, control and risk management		We Are Commitment: p. 97
1. INFORMATION ABOUT ENVIRONMENTAL ISSUES:				
Environmental management	Current and anticipated effects of the company's business on the environment	GRI 3-3: Management of material topics GRI 2-27: Compliance with laws and regulations	Principle 7	We Are Efficient Sustainability: p. 111-112
	Environmental assessment or certification procedures			
	Resources dedicated to environmental risk prevention			
	Application of the precautionary principle, provisions and environmental guarantees	GRI 2-23: Policy commitments		



Pollution	Measures to prevent, reduce or redress carbon emissions that seriously affect the environment	GRI 302-5: Reductions in energy requirements of products and services GRI 305-5: Reduction of GHG emissions	Principle 9	We Are Efficient Sustainability: p. 106-108
	Atmospheric pollution	GRI 302-3: Energy intensity GRI 302-4: Reduction of energy consumption GRI 305-2: Energy indirect (Scope 2) GHG emissions GRI 305-3: Other indirect (Scope 3) GHG emissions GRI 305-4: GHG emissions intensity	Principle 9	We Are Efficient Sustainability: p. 113-116
	Acoustic impact	-	Principle 9	We Are Efficient Sustainability: p. 122
Circular economy and waste prevention and management	Measures for prevention, recycling, reuse and other forms of waste recovery and disposal.	GRI 301-2: Recycled input materials used GRI 301-3: Reclaimed products and their packaging materials GRI 306-1: Waste generation and significant waste-related impacts GRI 306-3: Waste generated		We Are Copper: p. 389-43 We Are Industry and Technology: p. 64-72 We Are Efficient Sustainability: p. 121
Sustainable use of resources	Water consumption and supply according to local constraints	GRI 303-5: Water consumption GRI 303-1: Interactions with water as a shared resource		We Are Efficient Sustainability: p. 117-118
	Raw materials consumption	GRI 301-1: Materials used by weight or volume GRI 301-3: Reclaimed products and their packaging materials		We Are Copper: p. 39-43 We Are Industry and Technology: p. 64-71
	Energy consumption	GRI 302-3: Energy intensity GRI 302-4: Reduction of energy consumption GRI 302-5: Reductions in energy requirements of products and services GRI 302-1: Energy consumption within the organisation		We Are Efficient Sustainability: p. 113-116
	Use of renewable energy	GRI 302-1: Energy consumption within the organisation		We Are Efficient Sustainability: p. 113-116



Climate change	Greenhouse gas emissions generated by the company's activities, including the use of the goods and services it produces	GRI 305-1: Direct (Scope 1) GHG emissions GRI 305-2: Energy indirect (Scope 2) GHG emissions GRI 305-4: GHG emissions intensity	Principle 8	We Are Efficient Sustainability: p. 107-108
	Measures taken to adapt to the consequences of climate change and reduction targets	GRI 305-5: Reduction of GHG emissions GRI 201-2: Financial implications and other risks and opportunities due to climate change	Principle 8	We Are Efficient Sustainability: p. 108
Protection of biodiversity	Measures taken to preserve or restore biodiversity	GRI 304-2: Significant impacts of activities, products and services on biodiversity		We Are Efficient Sustainability: p. 123
	Impacts caused by activities or operations in protected areas			
2. SOCIAL AND STAFF-RELATED MATTERS				
Employment	Workforce (by gender, age, country and professional category)	GRI 2-7: Employees / GRI 401-1: New employee hires and employee turnover		We Are Talent: p. 127-128
	Distribution and type of work contracts	GRI 2-7: Employees		We Are Talent: p. 127-128
	Remuneration (by gender, age and professional category)	GRI 405-2: Ratio of basic salary and remuneration of women to men	Principle 6	We Are Talent: p. 139
	Average remuneration of senior management	GRI 405-2: Ratio of basic salary and remuneration of women to men		We Are Talent: p. 139
	Salary gap, remuneration of the same jobs or the company average	GRI 405-2: Ratio of basic salary and remuneration of women to men		We Are Talent: p. 139
	Work-life balance	GRI 2-7: Employees		We Are Talent: p. 138
	Employees with disabilities	GRI 405-1: Diversity of governance bodies and employees	Principle 6	We Are Talent: p. 147



Organisation of work	Number of absenteeism hours	GRI 403-9: Work-related injuries		We Are Talent: p. 138
	Measures to facilitate work-life balance	GRI 401-3: Parental leave		We Are Talent: p. 138
Health and safety	Occupational health and safety conditions	GRI 403-1: Occupational health and safety management system GRI 403-2: Hazard identification, risk assessment and incident investigation GRI 403-3: Occupational health services GRI 403-5: Worker training on occupational health and safety GRI 403-6: Promotion of worker health GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		We Are Talent: p. 131-136
	Occupational accidents, frequency rate and severity rate	GRI 403-1: Occupational health and safety management system GRI 403-9: Work-related injuries GRI 403-10: Work-related ill health		We Are Talent: p. 134
Social relations	Organisation of social dialogue, including procedures for informing and consulting with staff and negotiating with them	GRI 2-29: Approach to stakeholder engagement GRI 2-30: Collective bargaining agreements	Principle 3	We Are Talent: p. 139
Training	Policies implemented in the field of training	GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes GRI 404-3: Percentage of employees receiving regular performance and career development reviews		We Are Talent: p. 140-148
	Total number of hours of training by professional category	GRI 404-1: Average hours of training per year per employee		We Are Talent: p. 142



Equality	Measures taken to promote equal treatment and opportunities between men and women	GRI 405-1: Diversity of governance bodies and employees	Principle 6	We Are Talent: p. 149-152
	Equality plans			We Are Talent: p. 151
	Protocols against sexual and gender-based harassment			We Are Talent: p. 151
	Universal accessibility for disabled people			We Are Talent: p. 147-148
3. HUMAN RIGHTS				
Due diligence and risks of violations	Application of due diligence procedures in matters concerning human rights and prevention of risks of human rights violations and, where appropriate, measures to reduce, manage and readdress any abuse committed	GRI 3-3: Management of material topics	Principle 4	We Are Commitment: p. 96 We Are Talent: p. 149-151
Complaints concerning human rights violations	Complaints concerning cases of human rights violations	GRI 3-3: Management of material topics GRI 406-1: Incidents of discrimination and corrective actions taken	Principle 4	We Are Commitment: p. 96 We Are Talent: p. 149-151
4. CORRUPTION AND BRIBERY				
Corruption and bribery	Measures taken to prevent corruption and bribery	GRI 2-23: Policy commitments GRI 2-26: Mechanisms for seeking advice and raising concerns GRI 205-1: Operations assessed for risks related to corruption	Principle 10	We Are Commitment: p. 96 100% of La Farga's operations are assessed in relation to corruption risks.
Money laundering	Measures taken to prevent money laundering	GRI 205-2: Communication and training about anti-corruption policies and procedures	Principle 10	We Are Commitment: p. 96
Contributions	Contributions to foundations and non-profit organisations	GRI 201-1: Direct economic value generated and distributed		We Are Commitment: p. 86-89



5. SOCIETY

Sustainable development	The company's commitments to sustainable development	GRI 203-2: Significant indirect economic impacts		We Are Industry and Technology: p. 49 We Are Commitment: p. 81-85 We Are Talent: p. 125
	Impact of the company's business activity on local employment and development, and on local populations and the region	GRI 413-1: Operations with local community engagement, impact assessments and development programmes		
	Relations with actors in local communities and the corresponding forms of dialogue	GRI 3-3: Management of material topics		
	Association or sponsorship actions	GRI 413-1: Operations with local community engagement, impact assessments and development programmes		We Are Commitment: p. 83-85
Subcontracting and suppliers	In relationships with suppliers and subcontractors, consideration of their social and environmental responsibility	GRI 308-1: New suppliers that were screened using environmental criteria GRI 414-1: New suppliers that were screened using social criteria GRI 204-1: Proportion of spending on local suppliers	Principle 2	We Are Copper: p. 36-43 We Are Efficient Sustainability: p. 119-120
Consumers	Measures for consumer health and safety	GRI 416-1: Assessment of the health and safety impacts of product and service categories		We Are Industry and Technology: p. 74
	Complaint systems, complaints received and their resolution.	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services		We Are Industry and Technology: p. 74
Tax information	Income taxes paid	GRI 207-4: Country-by-country reporting		We Are Commitment: p. 100-102



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