

MONDRAGON



HUMANITY AT WORK

ANNUAL REPORT 2023

CONTENTS

-
- 01** LETTER FROM THE PRESIDENT →

 - 02** MONDRAGON, A DIFFERENT EXPERIENCE →

 - 03** CONSTANT COMPETITIVENESS AND INNOVATION →

 - 04** PEOPLE, HUMANITY AT WORK →

 - 05** OUR PLANET, A COLLECTIVE CHALLENGE →

 - 06** GOVERNANCE, BUSINESS DEMOCRACY →

 - 07** MONDRAGON AND THE SDGS →

01

**LETTER FROM
THE PRESIDENT**



LETTER FROM THE PRESIDENT

AURRERA!

Iñigo Ucín

President of MONDRAGON's General Council

“Against a backdrop of worldwide business uncertainty, the MONDRAGON group of cooperatives managed to exceed its targets in 2023, demonstrating its capacity for innovation and competitive strength”.

In round numbers, the Corporation achieved over €11bn in sales, with a workforce of over 70,000 people and a record profit of €593m. MONDRAGON's four areas of business (Industry, Finance, Retail and Knowledge) all performed well. Therefore, it can be concluded that overall, our cooperatives have successfully come through a difficult year, conditioned once again by geopolitics and its impact on the economic and market trends.

Apart from the quantitative progress made, another aspect of 2023 we can highlight is the official creation of the Knowledge Division, comprising education centres, a university and technology centres. With almost 2,000 people, an aggregate budget of 150 million and 22 headquarters spread across the Basque Country.



A project born with the idea of strengthening the knowledge ecosystem of MONDRAGON, aware that the challenges of the future, companies and society, will be closely related to this area.

Ultimately, a very positive assessment of the 2023 closure, and the conviction that the projects currently underway will bear fruit in the coming years. Aurrera! (Onward!)

CARTA PRESIDENCIA

ELKARREKIN - TOGETHER

Leire Mugerza

Chairwoman of the Standing Committee
and the MONDRAGON Congress

“The distinctive feature of the MONDRAGON cooperatives is that they join forces to effectively build a fairer, more equal, inclusive and sustainable society”.

MONDRAGON’s development in 2023 reaffirms the strength of its social and business model. An ecosystem of different cooperative-based projects able to compete in the markets and spotlight a different way of doing business –more necessary than ever in today’s economy and society– based on genuinely giving people the leading role, committing to our local environment and seeking common progress.

MONDRAGON, like other companies, is facing enormous challenges, and it does so with the shared challenge of “achieving leadership positions, being more competitive, more cooperative and agile in the face of change, to be a key actor in social transformation”. Our roadmap contains measures for strengthening our cooperative identity, boosting business, opening up to the outside world and advancing through



inter-cooperation in different areas. Because we aim to be “the cooperative global benchmark, where people transform society through cooperative strength, with a human dimension, competitiveness and a social impact”.

This is the distinctive feature of the MONDRAGON cooperatives, which join forces to effectively build a fairer, more equal, inclusive and sustainable society. And all this is possible in the past, present and future because we do it together: elkarrekin.

O2

MONDRAGON, A DIFFERENT EXPERIENCE

Recognised for its human dimension, its social impact and its competitiveness.



MISSION

MONDRAGON is a socio-economic business reality, deeply rooted in the Basque Country, created by people for people. It is committed to a sustainable society, competitive improvement and customer satisfaction to generate wealth and transform society through business development and job creation. It is backed by solidarity commitments and uses democratic methods for its organisation and management. It encourages people's participation and integration in their companies' management, profits and ownership.

MONDRAGON, A UNIQUE PROJECT

MONDRAGON is a global benchmark for cooperation work with a responsible, democratic, competitive and sustainable business approach. What sets its model apart from the rest is basically its genuinely people-centred form of doing business, its level of innovation and competitive capacity, and its commitment to developing the local community and environment.

A DIFFERENT WAY OF DOING BUSINESS

DEMOCRATIC

The people decide. A one person, one vote system is used to elect the cooperatives' governing and management bodies and to adopt the company's strategic decisions.

PARTICIPATIVE

In three key areas: management, ownership and results, generating a greater degree of commitment and identity.

TRANSFORMATIONAL

Its companies create shared value and are committed to changing society.

A BENCHMARK FOR COOPERATION

The ICA (International Cooperative Alliance) has rated MONDRAGON "the world's leading industrial cooperative", for both the aggregate volume of business of its cooperatives and for its ratio of turnover to GDP per capita. (World Cooperative Monitor 2023 | ICA Monitor)

PEOPLE

70,500

COOPERATIVES

92

TECHNOLOGY CENTRES

5

R&D UNITS

7

SUSTAINABLE QUALITY EMPLOYMENT

MONDRAGON's mission and vocation is to generate employment, preferably cooperative employment, in line with society's desire for transformation and extension of the Experience.

- Employment in fair conditions, with balanced wages and opportunities for ongoing training and promotion.
- Quality employment (*), meaning health and safety at work, participation and diversity and inclusion.

(*) Quality employment according to the dimensions defined by the EU such as intrinsic job quality, lifelong learning, health and safety, diversity and inclusion, conciliation, participation and overall job satisfaction.

THE BASQUE AUTONOMOUS COMMUNITY'S LARGEST EMPLOYER

MONDRAGON is the largest employer in the Basque Autonomous Community and one of the most important in Spain, with around 60.500 workers.

ACCIDENT RATE

For the industrial cooperatives belonging to Osarten (the Joint Prevention Service), the accident rate is much lower (45%) than for other companies in the Basque Autonomous Community. 28.68 compared to 63.04 for the number of accidents causing more than one day's absence from work per one thousand workers.

TRAINING

More than 650,000 hours of training in 2023, equivalent to a cooperative with 380 people studying full time for a year.

DIVERSITY AND EQUALITY

taking our cooperatives' sales as a reference point, over 70% of them have equality plans or are at the diagnostics stage.

WAGE EQUALITY AND PROFIT DISTRIBUTION

MONDRAGON is a sound business reality that generates value and wealth. Social capital, and not only financial capital, is used to measure this wealth, constantly striving for creation of wealth to lead to a greater cohesion of society (less inequality), through mechanisms of solidarity and redistribution.

WAGE SCALE

The MONDRAGON cooperatives have established a salary range which tends to standardise the highest and lowest incomes and a wage scale ranging from 1-6 between the minimum and maximum salaries.

SHARED REFERENCE.

Another example of solidarity is that the cooperatives agree on a salary range that cannot be less than 80% or more than 110% of a reference value established annually by LagunAro for all the cooperatives.

FAIR DISTRIBUTION OF PROFIT

Common use funds (for fostering new cooperatives, research, etc.), required reserves, contribution to social and cultural projects, and "dividends" or returns to the workers.

COMMITMENT TO THE LOCAL ENVIRONMENT

Since its creation, MONDRAGON Inversiones has made investment transactions for an amount exceeding 1.008 billion euros. In 2023, the volume of transactions was 29.2 million euros. Funds earmarked by Fundación MONDRAGON reached 27.8 million euros, of which a significant part was spent on promoting cooperatives through various actions.

INTER-COOPERATION ECOSYSTEM

Inter-cooperation is another hallmark of the Experience. MONDRAGON's collaborative logic, with cooperatives, divisions and other entities, helps to create new opportunities and increase the resilience of the business projects. These are some of the inter-cooperation mechanisms.

- **Profit conversion.** A solidarity mechanism whereby each cooperative earmarks a percentage of its profit (a minimum of 13%) to a divisional fund to achieve a more equitable sharing of the wealth generated or for partial compensation of the cooperatives that have suffered losses.
- **Worker relocation** to provide a solution within the cooperative group to maintain employment.
- **Financial instruments for inter-cooperation**, which play a very important role in projects for internationalisation, innovation and consolidation and also those for financial reinforcement and support in difficult situations.

- **Forums:** thematic, sectoral, corporate or managerial forums on specific topics as areas of practical exchange, contributing to knowledge sharing.
- **Bodies.** Inter-cooperation takes place between cooperatives and divisions, and common structures that foster balanced development of the cooperatives. These superstructural bodies play an essential part in building everything that the Cooperative Experience represents today (Ategi, Osarten, the Promotion Centre, Otalora, Fundación MONDRAGON, LagunAro, etc.).

INTER-COOPERATION IN PRACTICE

Relocations :managed by LagunAro, with 518 people having found an employment solution in 2023 via relocation to other cooperatives.

In 2023, 13.0 million euros was converted to solidarity compensation for possible losses incurred by the cooperatives, to reduce their impact on the income statement. Fundación MONDRAGON also offset losses for the 2023 financial year for a total amount of 7.05 million euros.

Permanent forums for exchanging experiences and learning: Financial, Social Management, Gender, Promotion and Innovation, the Environment and Communication.

Cooperative platforms launched:

- **Ategi:** company specialised in the purchase process of our clients. Focused on energy purchasing services, transport, ICTs, supplies and international purchases. It brings together 250 client companies and allows savings of 20% on average each year, for a mediated amount of €420m in 2023.
- **Osarten:** occupational risk prevention, with medical check-ups, workplace health and safety audits, psycho-social risk assessment, etc. In 2023, Osarten trained over 7,009 people in occupational health and safety.
- **Centro de Promoción:** This entrepreneurship and diversification platform is aimed at promoting new business activities. In 2023, it participated in 10 external business projects and in as many intra-entrepreneurial projects promoted by cooperatives and industrial divisions.
- **Otalora:** the Cooperative Training Centre has delivered a total of 80 Cooperative Education programmes, in which 1,294 cooperativist members took part, with a total of 15,008 hours.
- **LagunAro.** In 2023, it had 29,911 members from 117 cooperatives, 15,662 pension beneficiaries and 58,412 healthcare beneficiaries.

ROOTED COMPANY

Committed to developing the local environment, with the decision-making centres based in their place of origin. MONDRAGON is aware of the value of its legacy and wants to leave the future generations sounder cooperatives and a development model that is better for people and the planet.

TERRITORIAL STRUCTURING

The cooperative model is strongly anchored in the local environment, cooperatives which naturally become the backbone and benchmarks in the development of the region and are essential when it comes to designing local socio-economic revitalisation strategies.

LOCAL DECISIONS WITH A GLOBAL PERSPECTIVE

The cooperatives compete globally and the decision-making centres are located at their parent companies, mainly based in the Basque Autonomous Community and Navarra.

PROMOTING THE BASQUE LANGUAGE

MONDRAGON works to achieve the use and standardisation of the Basque language at its work centres.

CULTURAL COMMITMENT

MONDRAGON also contributes to fostering major cultural projects strategic for the country, such as the Guggenheim, the Kursaal, the Baluarte, Artium, Arantzazu, Euskadiko Orkestra, etc.

LOCALLY-ROOTED COMPANY

- Net Investment 2023: 369.3 million euros.
- MONDRAGON accounts for 7.1% of the industrial investment in the Basque Autonomous Community.
- Mondragon Unibertsitatea is distributed throughout the territory and is the only Basque university with campuses (10 in total) in several other municipalities.
- 44 cooperatives have Basque language promotion schemes underway and 30 hold Bikain certificates accrediting a particular level of use, presence and management of the Basque language by the cooperatives.
- The MONDRAGON cooperatives operate in over 150 countries. Their international sales exceeded 3.755 billion, representing 75% of total sales.

MONDRAGON 2023 IN FIGURES**COOPERATIVES****92****PEOPLE EMPLOYED****70.500****TURNOVER****11.056 M€****EBITDA****1.486 M€****INVESTMENT****369,3 M€****PEOPLE WORKING IN R&D****2.008****R&D EXPENDITURE****186 M€****OVERSEAS ESTABLISHMENTS WORLDWIDE****104****COOPERATIVES BELONGING TO MONDRAGON** →

01

02

03

04

05

06

07



03

COMPETITIVENESS AND INNOVATION AT ALL TIMES

Finance, Industry, Retail and Knowledge are the
MONDRAGON Cooperatives' areas of business.



Finance, Industry, Retail and Knowledge are the MONDRAGON Cooperatives' areas of business. In 2023, aggregate sales totalled 11.056 billion euros, investments amounted to 369.3 million euros and EBITDA was 1.486 billion euros. The average workforce was around 70,500 people.

MONDRAGON's commitment to innovation continued to be very significant, employing 2,008 full-time R&D staff. Furthermore, the resources earmarked for R&D in 2023 totalled 186 million euros and the total number of patent families in force was 387, a very high proportion of those in the Basque Country as a whole. Between technology centres and R&D units, MONDRAGON comprises 12 organisations.



FINANCE

In a year marked by the uncertainty of the world geostrategic situation, Laboral Kutxa saw a positive end to the year with net profit of 222.7 million euros. In turn, LagunAro EPSV obtained an overall positive net gain of 7.94%, against a backdrop of the financial markets' recovery towards the year-end of much of the loss incurred during the previous year.

LABORAL KUTXA



Geopolitical developments have been on the global agenda for some years.

In 2023, in addition to the ongoing war between Ukraine and Russia, in the Middle East, another conflict erupted in an area which is already complex and of great economic importance, which raises uncertainty and requires caution when analysing the economy and its foreseeable future.

In the economic field, without a doubt, inflation took centre stage in the 2022-23 biennium.

The increases have, of course, affected the strength of the euro area economy which, with the third quarter in negative, saved the recession due to the zero growth of the last quarter of the year.

Another surprise of the year was the strength of the labour market, with the unemployment rate in the eurozone at a low level.

In the immediate environment, behaviour was clearly more dynamic, both in the State and in the Basque Autonomous Community and the Autonomous Community of Navarre.

In this economic context, and also due to the commercial momentum of the year, Laboral Kutxa closed 2023 with a consolidated after-tax profit of 222.7 million euros, which implies a growth of 48% and raises the return on equity (ROE) to 10.78%.

These good results confirm Laboral Kutxa's strong position, which also remains the most solvent entity with a suitable risk policy, a high capitalisation level and a strong liquidity position.

Year after year, Laboral Kutxa ranks first in terms of solvency within its reference market, a considerable distance from the rest of the entities with which it competes.

The CET1 (Common Equity Tier 1) ratio of highest quality capital has continued to increase and now stands at 23.85%, which is in line with the ratio that measures the entity's overall solvency.

Likewise, Laboral Kutxa maintains its comfortable liquidity status.

The entity's default rate stabilised at 2.70%, with no negative evidence in its annual performance and below the 3.45% registered in the banking sector in November.

Equally, the quality of the balance sheet was also enhanced by the percentage of funds allocated by the entity to cover possible future deterioration; the coverage rate rose to 88.12%.

EVOLUTION OF SAVINGS

The resources of clients managed by Laboral Kutxa amounted to 29.205 billion euros at the end of the year and increased by 769 million euros during the 2023 financial year, which implies a growth of 2.71%.

By items, the resources of the household and corporate balance sheet, such as demand accounts, savings accounts or time deposits, decreased by 3.11%, while the off-balance sheet figures saw a strong momentum, with growth of 25.06 %.

As regards deposits, the trend in interest rates made it possible to meet customer expectations.

Since the beginning of the year, remuneration for fixed-term deposits and other savings was gradually restored for the entire customer base of the entity, substantially increasing interest rates and activating additional savings products.

Subsequently, fixed-term deposits increased by 130% over the year.

CREDIT INVESTMENT

The credit investment recorded on 31 December amounted to 14.989 billion euros, a decrease of 1.39% compared with the previous year, a percentage that improves the general development of the gross credit of the state financial sector which, at the end of November, recorded a decrease of 3.78% in the annual evolution of its balances, because, collectively, new credit concessions have not been able to compensate for the pace of debt reduction.

Thus, in a shrinking market and with a high-rate environment, families were very receptive to the mortgage proposal of Laboral Kutxa.

In 2023, new mortgage loan formalisations saw a noticeable uptick, with an increase of 37.4% in the volume of amounts granted and a 30% increase in the number of new mortgages contracted this year.

The consumer finance business, in turn, closed a positive year, with an increase of 2.6% in net balances.

In the commercial sector, the amount formalised in new loans and credits in 2023 for the whole business fabric showed an increase of 6.8% compared to the previous year.

INSURANCE BUSINESS

The insurance business generated an overall ordinary profit of 39.4 million euros in 2023, which represents an increase of 11% compared to 2022. For the first time, this calculation reflects the application of the new accounting standard International Financial Reporting Standard 17 (IFRS17).

Total premiums in the “non-life” segment amounted to 134.8 million euros, with a year-on-year growth of 8.9%, where motor insurance reached a volume of 71.9 million euros, an increase of 11.9%, and the total volume of home insurance contracts was 48.7 million euros, 7.1% higher than the figure recorded last year.

On the other hand, total premiums in the “life” section amounted to 59.2 million euros, with an increase of 3%, while individual risk life insurance stands out, which grew by 10.5% to 38.8 million euros.

LAGUNARO EPSV

2023 was a year of high volatility, again linked to the central bank policy.

In the end, the promised slowdown in growth expected at the beginning of 2023 didn't arrive until almost the end of the year, something which allowed central banks to advocate for beginning to reverse their monetary policy of continued rises in interest rates.

This meant that both fixed-income and equity assets recorded significant gains in the year.

Subsequently, financial markets recovered much of the losses recorded in 2022.

The increase in value of all items in LagunAro EPSV's investment portfolio was motivated by the expectation of the desired interest rate cut recorded at the end of 2023.

Since the central banks proved to be supportive of starting to reverse their monetary policy of continuing interest rate hikes in late October, there were significant gains in both fixed income and equity.

In this context, the portfolio achieved global profitability of 7.94%, above the figures forecast in the Management Plan (+5.74%). In addition, the inflation recorded (3.1% vs. 3.5% estimated in the Management Plan) widened the spread of the real profitability obtained.

Per items, Fixed Income recorded a profitability of 7.33%, clearly conditioned by the strong decline of IRRs during the months of November and December due to the change in discourse on the part of central banks regarding the possible shift in their monetary policy of raising rates in 2024, which resulted in an increase in the value of these assets.

In turn, Liquidity positions experienced a positive return (2.41%), as short-term interest rates remained high. Equally, Equity and Equity Stakes achieved a return of 14.55% in 2023, in line with the general increases in the various stock market indices.

Finally, Alternative Investments, ended the year with a positive return of 1.55%, partly favoured by the excellent performance of the Infrastructure Funds section.

With regard to actuarial needs, the provision made in 2023 to cover the generation of new pension rights, that is, the so-called technical interest, amounted to 196.76 million euros.

The Safety or Solvency Margin, which measures the level of unencumbered Assets available to absorb deviations from Technical Provisions, which assume biometric or profitability risks, at the end of 2023, stood at 4% on the above-mentioned risk-bearing Technical Provisions (1% at the end of 2022).

With regard to the evolution of the collective of active individual policyholders, it increased slightly in 2023, to 29,911, close to the threshold of 30,000 policyholders, levels not recorded for more than a decade.

The group of Pensioners and Beneficiaries experienced a net increase of 253 people, with a total of 15,662 people now receiving a monthly pension from LagunAro.

In the case of the main distribution of benefits and, starting with Healthcare, although expenditure per beneficiary and month was high during the first months of the year, it settled somewhat during the course of the year, reaching lower levels than expected at the end of the year.

As for Temporary Incapacity, the rate of absenteeism reached 6.86% and although this exceeded the 6.00% envisaged in the Management Plan, it was a decrease compared to the rate recorded at the end of the previous year (7.02%).

And in terms of the Employment Aid benefit, in 2023 there was a further increase (+10 million) of the Fund maintaining this benefit

causing it to exceed 128 million, given that, although expenditure amounted to 35.86 million euros (subject to the implementation of an extraordinary endowment of 16.83 million), revenue (45.88 million) was also high (conditioned by the 9.17 million financial returns obtained).



INDUSTRY

The overall growth of the world economy was 3.2% in 2023, a slowdown from previous years due to multiple factors such as persistent inflation and the consequent measures taken by central banks to control it, geopolitical tensions due to the conflict in Ukraine, Gaza and Israel and US-China trade tensions.

In this uncertain context, strongly conditioned by international conflicts, the MONDRAGON Industry Area achieved total sales of 5.036 billion euros, 3.9% higher than in the previous year.

With regard to the distribution of these sales, it should be noted that national sales accounted for 25% of the total, reaching a figure of 1.281 billion euros, 6.6% higher than those obtained in 2022.

International sales amounted to 3.755 billion euros, with an increase of 3.0% compared to those in 2022, and which also account for 75% of total sales, confirming the international nature of the Corporation's industrial activities.

In relation to other types of business variables, the evaluation of the year 2023 is positive, especially taking into account that, despite the adverse circumstances of the international situation, industrial employment has been created.

PROFITABILITY

Despite this incredibly turbulent context, the industrial cooperatives managed to significantly exceed the net result obtained in 2022. The net result for 2023 amounted to 256 million euros.

JOBS

The average workforce of the industrial divisions in 2023 was 27,487 jobs, 171 more than the previous year, of which 429 were jobs created in Spain. Of the total number of jobs, 9,854 related to productive establishments of cooperatives abroad.

INVESTMENTS

Industrial investments in 2023 amounted to 202.0 million euros, 2.4% higher than in the previous year. They have mainly focused on improving the means of production, the efficiency of processes and even the upgrading of new production plants in order to improve competitiveness.

INNOVATION

Another noteworthy feature of 2023 involved the strategic commitment to innovation of MONDRAGON's industrial companies. This was confirmed by some of its key data: 2,008 people dedicated exclusively to R&D in all 12 centres specialising in various technologies, as well as Mondragon University and in the R&D units of industrial cooperatives. R&D expenditure amounted to 186 million euros.

As regards the performance of the industrial divisions, there are a few notes. On the one hand, for the Componentes division, in 2023, the White Line activity did not recover the levels of the first half of 2022.

This situation led to major changes in both supply and demand.

In this turbulent context, the division managed to improve its market positioning, reaching world leadership positions in the field of cooking.

In line with the expected market evolution, 2023 was a year in which sales suffered some decline in the Construction division, especially in areas dedicated to packaging and home comfort. Even so, there were still productivity improvements and remarkable results were achieved that made it possible to continue investing and boosting its future projects.

For their part, the companies involved in the Capital Goods project made significant progress, with a significant increase in orders, especially in projects related to renewable energy, stamping press lines, as well as battery assembly, and with the emergence of the new space industry. These results were particularly significant given the uncertain context caused by international conflicts, which bodes well for the coming years.

In the Engineering and Services project, with a growth of over 12%, it's worth noting the progress made in projects relating to sustainability, where it enhanced its cross-cutting nature, affecting the entire value chain of the companies and their management systems. The strategic commitment to international talent was also highlighted, working on attracting it from the Mondragon Mexico University, which operates in Querétaro, to the Basque Country and our cooperatives.

In the Equipment division, 2023 was a year for consolidating the positive evolution of previous years. In addition, from the point of view of diversification, its portfolio included several future projects that will support the growth of the division.

And that year, a new inter-cooperation effort was carried out, trying to find synergies between their cooperatives, always seeking competitiveness and sustained profitability for their businesses.

Finally, all the cooperatives involved in the Automotive project ended the year with a sales growth of 14% compared to the previous year, surpassing, after four difficult years, pre-pandemic volumes. Equally, the acquisition of new business was also high, both in combustion vehicle and electric vehicle technologies, although distribution according to product/business and region was uneven, Europe, North America and India were the most successful countries, with more difficulties in the Chinese market.



DISTRIBUTION

This Area consists of the Eroski Group, the core business of which is retail, with the main company being Eroski, S. Coop. and with Erkop, a second degree cooperative made up of four cooperatives in the food industry, together with its investee companies.

The distribution division ended the 2023 financial year with net sales of 6.020 billion euros and an average total workforce of 38,916 employees, including cooperative members, workers and franchisees.

GRUPO EROSKI

A year marked by complex socio-economic and geopolitical circumstances that generated certain distortions throughout the value chain, as well as unprecedented inflation in the food sector, which led to significant increases in purchasing prices.

Eroski continued to invest in reducing the pressure on households by limiting price increases for customers by adjusting margins.

The improvement in price competitiveness resulting from this containment of increases, together with the boost for personalised promotions and the progress of the own brand, have led to an increase in the volume of activity, with a positive impact on results; furthermore, it is worth noting the success of the measures to control and streamline operating costs, which have made it possible to limit the impact of inflation on growth.

- **The volume of business** in the 2023 financial year increased by 7.4% compared to the previous year, net revenue for the year reached the figure of 5.186 billion euros, 357 million more than in the previous year.

The ordinary business generated a current operating profit of 259 million euros, an increase of 27% compared to the previous year. Operating profit on sales was 4.99%, improving the previous year's ratio by 0.77 points.

- **Profit** before tax reflected a profit of 104 million euros, 19 million euros more than the 2022 result. It should be noted that on 30 November 2023, the Eroski Group carried out the early repayment of the syndicated debt arising from the agreement signed in 2019 with certain financial institutions.

This early repayment makes it possible to restore new long-term debt maturities and has been carried out, partly through capital raised in the market by issuing a nominal bond of 500 million euros with maturity in April 2029, subscribed by institutional investors.

- **The strategic plan** of the Eroski Group, formulated during the year 2023, identifies certain strategic initiatives to be



implemented in different areas of action. The Eroski Group has worked on the development of said initiatives, which include actions that highlight the effect of high inflation recorded in food through savings campaigns such as “La cesta que enamora” (The basket that makes you fall in love), actions to supply a range of products that are more in line with consumer needs, and with a differential focus on local and fresh produce.

- **Commercial network.** In 2023, Eroski maintained a firm commitment to the renewal of the commercial network in 62 supermarkets, 9 opticians, 8 hypermarkets and 6 franchises, clearly improving the commercial proposal and their activity. The Eroski Group has also continued to open new shops: 8 supermarkets, 1 petrol station and 65 franchised shops.
- In the area of logistics, Eroski continues to work on a global fresh product platform map redesign project that aims to modernise and improve the efficiency of the value chain. Subsequently, in January 2024 the activity of the platform of fresh products of San Agustín de Guadalix (Madrid) was discontinued, to offer fresher products to the clientele in the most efficient way possible. The physical renovation of the facilities was continued in order to provide them with state-of-the-art technology that allows for the optimal and efficient treatment of each product in terms of temperature, handling and storage, and to have the capacity for growth and transformation in response to potential customer demands.

- **Innovation.** In terms of innovation, 2023 was undoubtedly the year which saw the explosion of artificial intelligence, especially what we call generative artificial intelligence, especially highlighting its use in the automation of tasks, which represents an important opportunity in the area of efficiency and its applications for creating more enriching and convenient digital customer experiences for consumers. Eroski backs open innovation as one of the organisation’s main driving forces for change, and collaboration with startups, technology centres, universities, suppliers and customers as a cornerstone of its business approach. In 2023, it allocated more than 15.1 million euros to innovation and development projects, and participated in 31 collaborative innovation initiatives, 10 of them in European collaborative projects with technology centres, universities and startups from the whole continent based on digitalisation, new products, the circularity of packaging, conversion of waste into resources and preference for fresh and local products.
- **Commitment.** For yet another year, the Eroski Group and the Eroski Foundation continued their social action, either on their own initiative or through third-party collaboration agreements for social and cultural development of its local environment.

In 2023, 23 million euros were allocated to social objectives together with their stakeholders. 43% of this amount was contributed by Eroski and the Eroski Foundation, 20% came from customers (with solidarity actions organised in the shops) and the remaining 37% was provided by institutions and

administrations (with purchases of food products to ensure the nutritional requirements of vulnerable people).

Another outstanding element from 2023 was the permanent donation programme Céntimos Solidarios launched in November 2020, which facilitates the solidarity of customers every day in its shops. This campaign allows customers to make a small donation to the current charity cause when they pay for their purchase with a card or mobile phone. Their contribution is always voluntary and confidential and consists of a small symbolic amount of 10 euro cents for purchases between €5 and €30 or 20 cents for purchases over €30, which Eroski complements with a further contribution of its own. In 2023, Eroski and its customers donated almost 1.3 million euros thanks to almost 9 million raised in donations through Céntimos Solidarios. These contributions have helped 66,868 people through 85 social entities.

The money donated has financed projects to help children in the area and in developing countries, environmental conservation and animal protection, the fight against cancer, the elderly, people at risk of social exclusion, people with disabilities, degenerative diseases, mental illnesses or rare diseases, and victims of gender violence.

ERKOP



The grouping consists of the second degree cooperative and four partner cooperatives. In 2023, the strategic vision "Erkop del Futuro" continued to advance, highlights of which were the promotion of new activities led by a joint committee with MONDRAGON and Eroski, as well as the relationship of the four cooperatives with Eroski, which generated several synergies and joint business opportunities.

In 2023, its total sales reached 290 million euros, with a result of 6.4 million euros and it employed over 11,000 people.

AUSOLAN

A very positive year, with satisfactory sales and results, which far exceed the budgetary expectations and confirm the solidity of the business model. Very notable progress in attracting new business and consolidating the management team, and moderate progress in various diversification paths.

Launch of a highly transformative brand project, which will be crystallised in early 2024.

MIBA

Positive results in a year which mainly focused on rearranging activities in the different production plants, as a culmination of the integration process of the companies incorporated into the Group in the last two years.

BARRENETXE

It was a very complicated year, with business difficulties due to the weather over several months, as well as the difficulty of translating the high cost increases into prices, especially due to the increase in the minimum interprofessional wage that has had an influence in recent years. A thorough analysis of the situation has been carried out and a Plan for the Future 2024-2026 has been defined.

BEHI ALDE

A very satisfactory year, with high results for the second consecutive year. Behi Alde has taken advantage of the market situation by carrying out a consolidation of its accounts and an investment plan which had been necessary for years. It has also developed an interesting partnership project to enhance a part of its production.



KNOWLEDGE

Once again, several initiatives have been implemented with the aim of strengthening MONDRAGON's scientific and technological leadership and innovation capabilities, acting as driving forces to strengthen their competitiveness in the global market.

SCIENCE AND TECHNOLOGY PLAN

Focused on collaborative research and the development of new products and services, in 2023, a total of 17 projects were co-financed that covered topics such as additive manufacturing, intralogistics, digital twins, data platforms, digital customer, advanced robotics, quantum computing, energy management and efficiency, and the reduction of environmental impact.

DIGITISATION

Technological advances are accelerating, and the ICT Committee, represented by all MONDRAGON divisions, continues to share relevant trends and projects, both external and from the cooperatives themselves.

In 2023, multiple open learning days were held for cooperatives on additive manufacturing, data platforms, intralogistics, digital twin and digital customer.

Also, in the area of cybersecurity, implementation of the recommendation decalogue has continued, highlighting the implementation of the SOC (event monitoring and alert centre) in cooperatives.

ARTIFICIAL INTELLIGENCE AND DATA SPACES

During 2023, the MONDRAGON Community in Artificial Intelligence deployed a battery of actions with the objective of supporting cooperatives with the integration of AI and data spaces into their business processes and strategies.

Among other activities, highlights were technological and legislative monitoring, the monitoring of funding opportunities and the implementation of initiatives to attract specialised talent.

In addition, it focused on strengthening its strategic positioning in committees and associations, both national and international, as well as configuring and developing innovative use cases and projects.

THE ENVIRONMENT AND THE CIRCULAR ECONOMY

MONDRAGON's commitment to sustainability is reflected in the activities of the Environmental Forum, which is aimed at improving the environmental performance of its cooperatives.

In the last year, actions such as product life cycle analysis, environmental footprint calculation or emission offsetting were carried out.

Also, in the area of circular economy, ecodesign and digital passport development were addressed.

To this end, various initiatives were implemented, including technological and legal monitoring, training sessions, the identification of challenges and the configuration of innovative projects, such as the annual monitoring of indicators.

OPEN INNOVATION

During 2023, discussions and work groups were held with 15 relevant business entities with the aim of collaborating on new businesses and generating opportunities for our cooperatives. These collaborations covered areas such as hydrogen generation, the serial manufacture of satellites, production of special enzymes for the pharmaceutical, biological and food sectors, as well as improvements in manufacturing and robotics processes.

INTERNATIONALISATION OF R&D

MONDRAGON has continued to foster the internationalisation of R&D+i via its Corporate Office in Brussels and its involvement in various strategic international forums. It has also actively promoted the participation of cooperatives in collaborative European projects, having submitted over 90 proposals to programmes such as Horizon Europe, Interreg, Erasmus+, EIT Manufacturing, EIT Food, Eureka, EMPR and RFCS, with a success rate of over 25%.

One of the key factors of this success is its strategic positioning in the main European public-private initiatives and associations such as AIOTI, A.SPIRE, BDVA, BEDA, Catena-X, CCAM, EARTO, ECSO, ECTP, EFFRA, EIT Manufacturing, EIT Food, EPoSS, euRobotics, Gaia-X, Inside, IEC, SMART Eureka Cluster and 2ZERO.

NETWORK OF TECHNOLOGY CENTRES AND CORPORATE R&D UNITS

Among other agents, the corporate innovation ecosystem has its own multidisciplinary network of technology centres and corporate R&D units, which includes over 950 professionals dedicated to research and development, and manages an annual budget of 80 million euros. The network is composed of:

TECHNOLOGY CENTRES

- **IDEKO** Expert in manufacturing technologies and processes, machining, Industry 4.0 and industrial production.
- **IKERLAN** With extensive expertise in digitisation technologies, artificial intelligence, embedded electronics, cybersecurity, energy and mechatronics.
- **LEARTIKER** Specialised in food and material technologies, especially polymers.
- **LORTEK** Focused on materials and processes applied to joining technologies, additive manufacturing and process digitalisation.
- **MIK:** Expert in innovation in business management, entrepreneurship, talent management and market development.

CORPORATE R&D UNITS

- **CIKATEK** Specialised in the development of new materials and polymeric products (rubbers, thermoplastics and TPEs) for functions including water-tightness, anti-vibration and the conduction of fluids.
- **CS CENTRO STIRLING** Dedicated to the design, simulation, manufacture and testing of various components and subsystems for the domestic sector and the efficient generation and use of energy in the home.
- **EDERTEK** (Fagor Ederlan), Focused on metal casting and injection

technologies and processes applied to the development of components for the automotive industry.

- **FAGOR AOTEK** (Fagor Automation), Specialised in machine tool automation and optics, mainly focused on numerical controls, regulators, motors and position-sensing systems.
- **ISEA** (Engineering and Business Services Division): Expert in the configuration and development of new advanced business services, as well as methodologies for fostering entrepreneurship.
- **KONIKER** (Fagor Arrasate and Mondragon Assembly): Specialised in the development of machinery and new industrial production processes, mainly focused on material forming and the automated assembly of components and subassemblies.
- **MTC** (Maier): Expert in the development of thermoplastic parts and assemblies for the automotive industry, incorporating the aesthetic and functional aspects required in each case.

R+D FIGURES

Total R&D
expenditure

186 M€

Total R&D
expenditure as a %
of total sales

3,71%

Total R&D
expenditure as a %
of added value

11,93%

Full-time
researchers

2.008

Sales in new
products/services

468 M€

Total families of
patents in force at
year-end

387

O2 / EDUCATION / TRAINING

MONDRAGON UNIVERSITY



During the 2022-23 course, Mondragon University has continued to increase its activity with the development of new initiatives in its various fields and has evolved incredibly positively in most of its indicators, both in quantitative and qualitative terms.

In the formal education sector, Mondragon University has offered a new degree in applied physical engineering for industry, bringing its educational offer to 18 degrees, spread across its 4 faculties:

The Higher Polytechnic School, the Faculty of Business, the Faculty of Humanities and Education and the Faculty of Gastronomic Sciences-Basque Culinary Centre.

In addition, 11 of them have the dual format.

The catalogue of official degrees has been completed with 20 university master's degrees –5 more than last year– and 4 doctoral programmes.

As with the undergraduate degrees, 11 of the master's degrees are offered in dual format.

In total, 6,712 students enrolled in the above-mentioned official studies, –6% more than in the last academic year–. This total becomes 7,458 students if the university's own degrees are added to this figure.

1,515 students completed their final year projects and 3,699 undertook work placements at companies and centres, representing an increase over the previous year of 18.4% and 18%, respectively.

Internationally, 1,970 students have completed a stay abroad –17% more than in the 2021-22 year– and vice versa, 635 students from abroad were welcomed here.

Also, within the framework of the internationalisation strategy, it's worth highlighting the work carried out to consolidate the Mondragon Mexico University project that MEI-Mondragon Education International is carrying out in Querétaro and the acquisition of 35 new students from Latin America in the master's degrees offered by Mondragon University.

Equally, the development of the multi-annual European EU4DUAL project, led by Mondragon University, has begun and aims to create a "European Dual Studies University".

Finally, it's worth mentioning that Mondragon University has also trained over 8,695 professionals with its postgraduate offer, own degrees and numerous continuous training courses, which has meant an increase of 4%.

RESEARCH

With regard to research and knowledge transfer, the university also carried out major work in the 2022-23 period.

In the Higher Polytechnic School, among the competitive projects, it's especially worth mentioning the Elkartek calls for proposals of the Basque Government and those of the Provincial Council of Gipuzkoa, where the results have been remarkable, with 22 projects approved in the last Elkartek call for proposals.

In these calls for proposals, work is carried out with other agents from the Basque Science, Technology and Innovation Network (RVCTI) and companies in the Basque Country, with the consequent impact for the industrial sector.

These are mostly projects in areas such as transport, Advanced Manufacturing and Industry 4.0, key areas in the Smart Specialisation Strategy of the Basque Country.

In terms of European calls for proposals, 15 new projects were launched during the 22-23 course.

Also, the new medium voltage laboratory, which is a European benchmark for the transformation and improvement of the wind

energy sector, was inaugurated last March; equally, in January, the foundation stone for the new HIREKIN industrial innovation and entrepreneurship centre was laid.

The Faculty of Humanities and Education Science also continued its commitment to interdisciplinary collaborative research and knowledge transfer projects.

On the one hand, projects in the field of innovation in education have been developed, for which the Faculty is a reference centre in the Basque Country.

This is illustrated by the fact that over 80 transfer projects have been developed with centres throughout the educational network, in which over 139 school professionals have participated.

However, it has also developed projects on digitisation and STEM, Basque and multilingualism, cultural transmission, social challenges and social cohesion, or projects related to innovative educational processes and methodologies, contributing significantly to the strategic challenges involved in education.

In addition, the Faculty works in the field of cooperativism and social innovation, developing cooperation projects, cooperative social entrepreneurship, citizenship or new models of governance.

The Business Faculty highlights the important impetus for the development of doctoral theses and impact publications. In terms of transfer, the evolution of talent development and people management projects continues, as has work on projects linked to

business models in circular economy, as well as new digital services and the monetisation of data in business processes.

The areas related to partnerships, sustainability and financial process analytics were also strengthened as part of a new financial culture.

In BCC Innovation, and as one of the most notable projects, we should mention participation in the European project “Delicious”, where work is carried out in collaboration with four countries on developing new recipes for the Mediterranean diet that are healthier and more sustainable.

Interaction takes place in schools and the primary target audience is the pupils themselves.

Equally, concepts such as personalised gastronomy or sustainable gastronomy are being further developed through various research projects.

Also, in March, the first thesis of the Faculty of Gastronomic Sciences-Basque Culinary Centre was defended, making it the first PhD in Gastronomic Sciences internationally.

In quantitative terms, 575 research projects and transfer activities were carried out, 216 scientific publications were published in specialised journals, 97 papers were presented at national and international conferences and 114 seminars were organised. All these indicators experienced significant increases compared to the previous year.

ENTREPRENEURSHIP

Within the framework of the LEINN degree, the faculty already has 10 entrepreneurship laboratories, three in the Basque Country, four in other areas of Spain and three more abroad. In its field of activity, as well as the companies set up by the student community as a learning tool, 14 other startups have been created.

Also, from the MONDRAGON Promotion Centre’s own investment fund, the second investment in one of the startups has materialised, which contributes to strengthening Mondragon University’s commitment to entrepreneurship.

Equally, in addition to the degree entrepreneurship offer, the institution has also developed a number of programmes aimed at professionals and participated in numerous activities and programmes of various entities -Gaztenek Berri, B Global Talent, Gazte Ekintzailletza, etc.-.

Equally, the sixth edition of the “Enpresa sortuz” competition was held in collaboration with the Saiolan Business and Innovation Centre and MONDRAGON, which meant that 150,000 euros could be allocated to new startup and spin-off projects; the seventh edition of the Kooperatiba Fabrika programme, aimed at promoting cooperative social entrepreneurship and the social economy; and the tenth

edition of the Culinary Action accelerator, an incubation programme for gastronomic restaurants, development of the GOe-Gastronomy Open Ecosystem project, among others.

SOCIAL RESPONSIBILITY

In the field of equality, equality plans have been renewed and developed across all Faculties.

This academic year also saw the organisation of a number of training and awareness-raising sessions for staff and students, initiatives to increase the recruitment of women in STEM areas, integration of sex and gender variables into research, etc.

Mondragon University has carried out numerous actions aimed at promoting the use of Basque both among students and the working community.

Also, and with the aim of continuing to encourage the standardisation of Basque in the workplace, it organised, together with MONDRAGON, the twelfth edition of the “Ikasketa amaierako proiektuak euskaraz” (Final study projects in Basque) award.

In the field of sustainability, the development of the circular and sustainable campus project –MUCS– for the sustainable management of the Mondragon University campuses has continued.

Meanwhile, the third edition of the “Ekitatea Bultzatzen” (“Promoting Equity”) project was run, aimed at favouring and facilitating access to Mondragon University for students in vulnerable situations.

ARIZMENDI IKASTOLA



The 2023-24 academic year began with the celebration of the 20th anniversary of the creation of Arizmendi Ikastola, with various activities such as talks about Basque and cooperativism, commemorative events and an update of the website.

The third course of the 2021-25 Strategic Plan was carried out. One of the educational objectives of 2023-24 was for the professional community at all levels of education to reflect on the “why and what for” of the student exit profile defined and shared with the Ikastolas Federation.

This reflective work helped to better understand the role they have as teachers at Arizmendi Ikastola.

In the second half of the year, they participated in the seventh congress of the Ikastolas Federation.

Over 100 people from the Arizmendi Ikastola community (parents, teachers and representatives of collaborating entities) made dozens of contributions to the strategic lines of the ikastolas movement. The process concluded on 22 June 2024 in Iruñea.

In terms of the implementation of the educational model, improvements continued to be made to the BATU phase (from 5th grade in primary school to 2nd-grade ESO): assessment, curricular materials and methodological options. The educational model was partially transferred to the other stages of education, leaving the

specific objectives of 3rd and 4th-grade ESO, Baccalaureate and Training Cycles undefined.

In communication, the new website was launched and a new communication plan was completed, highlighting the importance of new forms of communication adapted to the reality and needs of society.

In addition, a reflection on trends in child school enrolment was carried out and an accompanying service for the 2024-25 year was designed for families without schooling.

On the other hand, an analysis on how to make the offer of Arizmendi Ikastola reach all of those families who do not consider it an educational option for them was carried out.

In the context of the new education law and taking into account the proposal for free public services, the fees have been adjusted for the next academic year.

In short, an innovative educational project that continues trying to adapt its educational offer to the needs of the citizens in the Valle de Leniz.

OTALORA



The year 2023 was significant for Otalora, marked by the renovation of the MONDRAGON Cooperative Experience Dissemination Centre and the completion of the works to adapt Otalora II.

The Dissemination Centre, with its visual and technological focus and a narrative focused on both commitment to our roots and to our present and future, reinforces the story of a reality that deserves to be told, while Otalora II has improved its functionality and capability.

These technological and structural improvements have enhanced managerial and cooperative development activities and dissemination.

MANAGEMENT LEARNING

This activity continues to be focussed on the paradigm shift from training to learning.

The person has an essential, leading role in their own learning process. With the support of the people who provide each programme, they are the ones who are responsible for designing learning actions that are appropriate to their context and need.

This should combine practical experience, relational learning and formal learning.

The “ruta de aprendizaje para el desarrollo CET” (CET learning path for development) programme involved 2 cooperatives with a total of 29

people and a group with managers from 7 cooperatives. The activity is ongoing, with programmes aimed at developing relational capacity, people management and team dynamics.

A new Community of Practice was held on the state-of-the-art of learning and dissemination of good practice in this area, attended by over 40 people.

COOPERATIVE EDUCATION

Cooperative education is still essential for integrating new incorporations and strengthening social bodies. Eighty programmes were implemented for members of bodies (Boards of Directors and Social Council) as well as reception plans for new members. 1,294 people took part in these initiatives and 928 hours of training were provided. Special emphasis has been placed on combining legal and regulatory theory with practical dynamics, focused on the effective performance of different roles.

DISSEMINATION OF THE MONDRAGON COOPERATIVE EXPERIENCE

The Cooperative Dissemination area, which focused on the MONDRAGON Cooperative Experience, received more than 1,900 people, 16% of whom stayed between 2 and 5 days. Requests from cooperatives to make the MONDRAGON model known to their customers and network of contacts has doubled, reaching 83 visits during the year.

Fifteen conferences were attended at different state and international events (Italy, France, Belgium, United States, Ecuador, India...).

As a new sign of the interest the world has for the MONDRAGON Cooperative Experience, it participated in the recording of different broadcast podcasts in the USA and in a TED talk in Montova (Italy).

POLITEKNIKA TXORIERRI



During this year, dedication to innovation, internationalisation, entrepreneurship and dual training, as well as the commitment to digitisation and sustainability, have been the main axes that marked the course.

Various activities were carried out, both inside and outside the centre, including visits to companies and natural environments which complement academic training with practical experiences. A special highlight was the collaboration with the Derio City Council on 25 November in commemoration of the International Day for the Elimination of Violence against Women, reaffirming the commitment to gender equality.

Also, sustainable initiatives have been an integral part of the year, such as adherence to the 2030 Agenda and the “txoko berdea” corner, aimed at creating responsible and conscious citizens.

Another important challenge that marked the expansion of the training offer was the inclusion of new specialisation courses in Collaborative Robotics and Intelligent Manufacturing, in addition to a higher degree cycle in computer science.

A more practical and applied methodology was applied, with STEAM projects in the baccalaureate and the consolidation of the ETHAZI methodology in training cycles, better preparing students for future challenges.

Digital transformation was boosted through a grant from the Basque Government as “Smart Centres 5.0”, which made it possible to create immersive and interactive classrooms and improve connectivity. These advances have resolved past challenges and significantly improved the digital infrastructure.

Finally, in the key of inter-cooperation, the working groups of the knowledge division continued to work on areas such as innovation, informal training and, for the first time, communication issues; in this regard, as a first action, an article was published in the corporate magazine TU Lankide, highlighting the FP of the five centres from the division.

LEA ARTIBAI



In Lea Artibai, the necessary steps were taken for its integration into the MONDRAGON Knowledge Division.

Equally, this involved participation in the reflection sessions on the proposal for the new Education Law.

In the academic field, the Basque Government granted permission for the teaching of two intermediate cycles:

“Electrical and automatic installations and food processing technician”; and a specialisation course: “Cybersecurity in information technology environments”.

26 Unilever employees were assessed and advised by Lea Artibai’s teachers through the recognition device.

And thanks to Hetel and the ERASMUS+ programme, two partners from Lea Artibai spent some time abroad addressing energy efficiency and cybersecurity issues.

The investments made amounted to 1,037,670 euros for the installation of a content generation classroom, two interactive classrooms, two collaborative robots, a penetration electroerosion machine and two welding simulators.

Also, together with Leartibai Fundazioa (formerly Azaro Fundazioa) it participated in the Regional Strategic Plan 2030 and, of the 5 objectives to be developed, will lead the one related to attracting and retaining talent.

Other activities

Also, the ninth edition of the Ilusio ponpak 2023 event was organised, entirely financed by Orbea and with the participation of actress Aitziber Garmendia, the best Paralympic swimmer in history, Enhamed Enhamed and the speaker Victor Küppers. There was also the participation in the solidarity rally Uniraid 2022, sending school supplies, toys and staff clothing from Lea Artibai ikastetxea to Morocco. And three secondary school students were finalists in the cooperative entrepreneurship tournament Mondragon City Challenge with their entrepreneurship project Mugaba.

Finally, LAI koloreak azoka was one of the innovative initiatives of the 2022/23 academic year, a project that highlights the interculturality in Markina-Xemein.

03 / PROMOTION OF NEW ACTIVITIES

SAIOLAN

It is a centre that specialises in the “promotion and development of business activities”, a member of the Basque Network of Science, Technology and Innovation (RVCTI), the headquarters of which are located in Arrasate (Gipuzkoa) in Garaia Parke Teknologikoa. It is one of the headquarters of BIC Gipuzkoa and it acts as a facilitator in the process of creating new innovative companies, also being an active player in the support and promotion of the entrepreneurship culture in Gipuzkoa.

One of the aspects of its work in 2023 that can be highlighted is its awareness-raising and training of entrepreneurs, with 6 courses given to 230 participants. During 2023, a total of 74 individual entrepreneurs and intra-entrepreneurship projects were supported. 5 technology development projects and 27 feasibility studies were undertaken (including 15 new projects funded with aid from the Ekintzaile-Txekintek programmes).

As for new activities, 6 new businesses were created, 5 diversification projects launched and 8 start-ups joined the incubator.

In 2023, Saiolan continued as the industrial branch of the Debagoiena Development Agency, promoting the creation of spaces for collaboration between the industrial companies, encouraging their diversification with a view to transforming the region, and

improving their competitive positioning. Since 2018, it has been driving the Debagoiena BAILARA business community.

Saiolan participates in the Debagoiena 2030 collaborative project and is a member of its governing body and technical management. This is an open innovation ecosystem initiative, promoting innovative projects and initiatives with a significant impact in the local area.

Within the “Social Economy Business Entrepreneurship programme: Planned Territorial Promotion of Social Economy Enterprises” of the Basque Government’s Social Economy Directorate, it contributed to the creation of a new cooperative and supported the start-up of new activities in 5 existing cooperatives. It also participated as a professional panel in the second edition of the international championship of Cooperative Entrepreneurship, MONDRAGON CITY CHALLENGE.

As Intermediate Agent of Innovation of the RVCTI, within the framework of the programmes of the Economic Promotion department of the Provincial Government of Gipuzkoa, the “Eko-antena” project was developed with the aim of identifying Innovative solutions in two special areas of interest (“biomaterials” and “recycling of photovoltaic panels and batteries”), the Lanhezi project with the aim of strengthening the relationship between enterprises and Vocational Training Centres and to improve and develop personalised learning processes adapted to the needs of enterprises, and the Nanobubble technology for the machining industry project. Also, the

Bioplastic Gipuzkoa project, aimed at promoting the opportunity to generate a new industrial activity of bioplastics in Gipuzkoa, was finalised

Another notable aspect of its firm commitment to promoting new business is the use of its “international antenna” tool which aims to transfer consolidated businesses from distant countries to the local business environment.

MONDRAGON PROMOTION CENTRE

This is the platform for entrepreneurship and corporate diversification aimed at promoting new business activities, in line with the MONDRAGON cooperative’s diversification and growth strategies.

It has a team of promoters who foster the launch of new business projects from intra-entrepreneurship initiatives, in addition to nurturing partnerships with market players and encouraging shareholdings in technology start-ups that will provide the cooperatives with value.

Its dynamics enable close involvement in the strategic plans of

the different businesses, constant interaction with the cooperatives' business development divisions and the divisional platforms in order to lead areas of cross-cutting interest.

Its preferred vision is aimed at areas of industrial interest in general, although several areas of vertical/sectoral interest have also been prioritised, such as:

- High industrial impact technologies
- Green Economy (energy, circularity, new materials)
- Health and welfare (medical equipment, food, home care)
- Agri-food.
- Finance and Insurance.
- Transfer of technological assets to market

A LA CARTE SERVICES

It deploys an offer of services at different stages of the process:

- Support for the cooperatives in diversification and open innovation strategies, and in structuring their areas of strategic interest to enable the long-term growth, renewal and transformation of their businesses.
- Support during the incubation process for new businesses by comparing technologies and the market, defining the minimum viable product, the value proposition, the business model and funding to build their feasibility plan.

- Presenting business opportunities that have been identified by the corporate antenna, enabling the creation of long-lasting partnerships and alliances, preferably shareholding-based.
- An interdivisional corporate node to channel incoming business projects.
- Promoting awareness-raising dynamics and/or workshops so that challenges and problems requiring speedier resolution can be identified.
- Structuring the financial, legal and corporate support for creation of the new business, at the opportunity implementation stage.

ACTIONS 2023

- Active presence and monitoring of 120 ecosystems, mostly in start-up areas, and opportunities in established companies (Bind 4.0, Impulso Emprendedor, B Venture, Crecer+, Keirechu, South Summit, Startup Olé, EIT Digital, BAT, EIT Manufacturing, SpainCap, 4YFN...).
- Acquisition of shareholding in 10 external business projects (Gureik, Woptix, Cocoon, Robopedics, Ribinierf, Orbik, Battbelt, Darwin Medical, Bihar, Circular Replay), involving 12 cooperatives/divisions in topics surrounding complex proteins, semiconductor metrology, exoskeletons, process automation solutions, cybersecurity, batteries, technology for the elderly, home care, technology-based circularity solutions. What's more,

this year, negotiations are also in an advanced stage for 4 other external business projects. In the last five years, investments have already been made in 27 technology-based start-ups.

- Launch of 10 intra-entrepreneurship projects promoted by the cooperatives and industrial divisions in different areas of interest, such as fixing solutions for the aeronautical sector, recovery components sector household appliances, electrolysers, efficient heat pump devices, vacuum pumps for the urban sector, pet food, development of animal feed ingredients, photovoltaic solutions for urban architecture, battery management systems, waste management for photovoltaic panels. In the last five years, 19 business projects have been launched onto the market, with another 16 still to be analysed.
- 1 commercial alliance accomplished and 4 pilots underway for technological contrast with technology-based startups.
- MONDRAGON HEALTH continues working on areas of synergies for the cooperatives, alliances have been made with other cooperatives (Viscofan, Serveo), investments already carried out are monitored (Corify, Oroi, Naru) as well as the launch of three new investments (Cocoon, Robopedics, Darwin) and three feasibility analyses that are coming onto the market (Bihar, cardio telemedicine and sterilisation). The 2023-2025 Strategic Plan has also been activated with a brand communication plan, presence at sectoral events and investigation of innovation projects in inter-cooperation.

- MONDRAGON AGRIFOOD has established a Commission for New AgriFood Activities with cooperatives from the sector, eventually involving the interested industrial cooperatives. Several market studies have been carried out in the fields of dairy products, machinery for vertical farms, protein production, agricultural robots and food packaging. In addition, two investments were monitored (Insekt Label, Gureik) and three feasibility studies were launched (pet food, animal feed ingredients, last mile meal subscription).
- Collaboration with other corporate enterprises. Multilateral roundtables were activated to promote areas of collaboration between 10 Corporations and a large number of cooperatives.
- Monitoring of Divisional and Corporate Promotion Committees for sharing and contrasting the interest of the most noteworthy projects.
- In the area of communication, work was done to promote the MONDRAGON VENTURES brand on social media, adapting the website and updating the monthly newsletter with news from the sector.

GARAIA TECHNOLOGY PARK

Garaia TP is a vital link and catalyst for companies, agents, institutions and training and research centres.

Its management of infrastructure and innovation support services creates an ideal meeting point and a stage for the dissemination of knowledge.

In addition, it channels entrepreneurship projects towards companies potentially interested in establishing themselves in Debagoiena, subsequently strengthening the business ecosystem of the region.

Community and Infrastructure

At the end of 2023, Garaia TP was home to a community of 70 companies, consolidating itself as a benchmark in entrepreneurship and innovation.

It acts as a meeting and interaction point between companies, technology centres, universities and other agents, all interconnected in a network that drives the generation of opportunities.

Its objective is to tackle the challenges brought by technological and digital transformation, as well as the challenges surrounding talent in companies and society, seeking to bring wealth and qualified employment into the region.

Projects and Collaborations

In 2023, Garaia Technology Park has continued and consolidated

projects and collaborations with local agents such as Town Councils, the Municipal Council, Mondragon University, the Gipuzkoa Regional Government, the Basque Government's Red Parke scheme and motivating enterprises in the region. New projects were launched focused on entrepreneurship, innovation, talent and science and technology, seeking to develop knowledge, the economic and social sustainability of the region and constant adaptation to the new reality.

Events and Activities

During the year, Garaia TP's main building hosted 360 events, including face-to-face, telematic and hybrid meetings.

These events, which include initiatives such as Garaia Enpresa Digitala, training pills, business meetings, open days, assemblies and round tables, have brought together 12,600 people, both in person and remotely.

These activities were carried out in the various spaces and infrastructures offered by GARAIA, and that are continually adapting to meet new needs with advanced technological solutions.

Impact and visibility

With its dissemination spaces, Garaia TP is an important showcase of entrepreneurial activity and innovation in the region.

It's a dynamic meeting and collaboration point, open to the whole society, which creates opportunities for all projects and professionals in the area.

Garaia TP makes it easier to bring science and technology, business

and innovation closer to society in general, fostering an environment of continuous growth and learning.

Areas of Knowledge and Development

Garaia TP works systematically in areas of knowledge that are prevalent in its area, such as mechatronics, power electronics, manufacturing processes and embedded systems.

In turn, it is evolving towards new applications, covering areas such as energy efficiency, electrical storage, health, environment and mobility.

This approach allows Garaia TP to stay at the forefront of innovation and technological development.

Because of all this, Garaia TP has proved itself as a key player in the economic and social development of Debagoiena, creating a vibrant ecosystem of innovation and entrepreneurship.

With a growing community and a wide network of collaborations, Garaia TP continues to adapt and respond to the challenges in the area, ensuring a promising future for both the district and its inhabitants.

This report reflects Garaia TP's commitment to progress and innovation, highlighting its fundamental role in boosting the local economy and creating opportunities for all stakeholders involved.

04

PEOPLE, HUMANITY AT WORK

MONDRAGON's business revolves around people in a real, democratic and efficient way, focusing on financial stability and sustainable wellbeing. Aspects such as ongoing education and training, equal opportunities, gender equality, stable and adaptive employment, worker involvement and protection and social inclusion all form part of the cooperative model.



MONDRAGON's business revolves around people in a real, democratic and efficient way, with participation, training and sustainable well-being. Aspects such as ongoing education and training, equal opportunities, gender equality, stable and adaptive employment, worker involvement and protection and social inclusion all form part of the cooperative model.

PEOPLE AS OWNERS AND WORKERS

The people form part of a democratically governed business model that protects and implements their effective, integrated share in the capital, management and profit. Quality employment is generated in innovative sectors, leading to the creation of highly qualified jobs.

- 570 people on the governing bodies (Governing Councils), democratically elected.
- Job distribution: 43.3% in the Basque Autonomous Community; 43.2% Spain, 13.5% Overseas.
- Of total posts: 56.9% women; 43.1% men.

PEOPLE AND EMPLOYABILITY

The MONDRAGON cooperatives promote talent development. They do this through strategic people planning and ongoing, action-based accelerated learning processes.

- MONDRAGON is a pioneer in providing work-study courses or dual training and its model is acknowledged as an example of good coexistence between the university and business, where working and learning go hand in hand. Under the dual training umbrella different formulas have been created –work placements, end-of-course projects, dual programmes and doctorate programmes– so that studying can be combined with putting those studies into practice in real projects and challenges at the cooperatives.
- During 2023, 253 final degree and master's degree projects from 37 universities were presented at the second edition of the TFG TFM MONDRAGON Sariak awards, divided into five categories: Digital Transformation, People-based Transformation, Energy Climate Transformation, Healthy and Sustainable Mobility and Finance Transformation.
- In order to foster continuous, active retraining for its people, it develops innovative learning platforms and solutions between the cooperatives, Mondragon Unibertsitatea and other entities.
- Talent management, via the definition and launch of strategies, talent branding and developing the MONDRAGON People employment portal to manage the talent attraction and selection processes.



- MONDRAGON People had 127,786 unique visitors, 6,042 people subscribed to the alert system and 708 job offers were posted. For the second year in a row, MONDRAGON People is the main channel for attracting talent to MONDRAGON's cooperatives with 25% of the candidates.
- And for the sixth consecutive year, the Corporation, together with Innobasque and MU, organised FLL Euskadi MONDRAGON, an educational programme that seeks to awaken young people's interest in science and technology, develop skills in the scientific and digital world and promote values such as discovery, innovation, inclusion and teamwork. The final of the 2023-2024 edition of FLL Euskadi MONDRAGON was held on 2 March 2024 with the participation of 131 volunteers, over 300 participants aged between 6 and 16 grouped into 37 teams from 11 schools. This year, two teams sponsored by MONDRAGON went to the final in Spain.

PEOPLE AND HEALTH

A fundamental element of management that is developed in each company through its own prevention service, and jointly through the support of Osarten, which promotes the safety, health and well-being of people, and the preventive culture of organisations.

- 21 cooperatives employing 11,709 people had an ISO 45001 certified Occupational Health and Safety System.

- In 2023, a total of 7,009 people were trained in occupational health and safety. The incidence rate for occupational illnesses in this sector was 1.12, compared with 4.68 in the Basque Autonomous Community.
- Accident rate: the number of accidents causing more than one day's absence from work per thousand workers was 28.68 for the industrial cooperatives, compared to 63.04 in the Basque Autonomous Community as a whole.

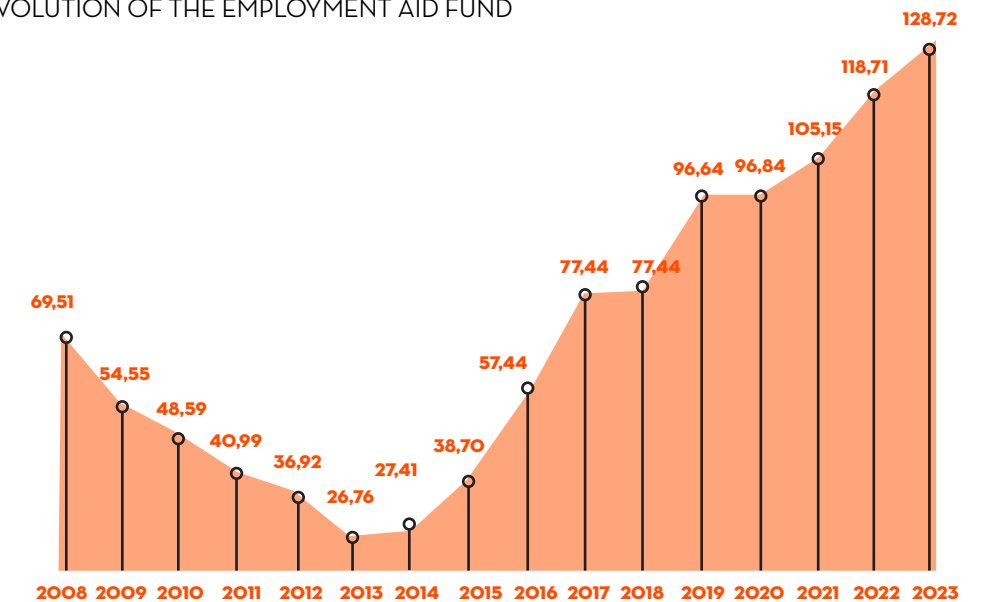
PEOPLE AND SOCIAL WELFARE COVER

The people are protected by a system created to provide social assistance and welfare to its members and beneficiaries (LagunAro), including vital aspects such as retirement, widowhood and permanent disability, employment support, temporary disability, health assistance and family allowances (maternity and paternity leave, risks in pregnancy, lactation, etc.).

- The number of active people (contributors) of LagunAro is 30,500 (43% women), of which 29,911 are active members of the 117 cooperatives that are members of LagunAro. The group of people benefiting from Health Care (active members and their sons and daughters under 23 years of age or over 23 years of age who are unable to work) totals 58.412.
- Exemplary response from all the cooperatives, keeping the level of relocations at a record high, reaching a monthly average of 637 people. Employment Aid, in its various forms, amounted to 35.8 million euros for the year, with an accumulated fund of 128.72

million euros, with an increase over the last year of 10 million. The purpose of this Fund is to sufficiently guarantee coverage in future crises affecting jobs.

EVOLUTION OF THE EMPLOYMENT AID FUND



- LagunAro Assets Fund 2023: 7.056 billion euros, earmarked for funding pensions. A total of 15,662 people receive an average monthly pension of 1,736 euros per month from LagunAro.

PEOPLE, DIVERSITY AND INCLUSION

Diversity and inclusion (with regard to gender, culture, etc.) are ethical and responsibility-related aspects, but they are also elements that can offer a competitive advantage and a positive impact in areas such as talent capture, customer focus, worker satisfaction or innovation and creativity.

- The MONDRAGON Gender Equality Forum, created in 2022, fostered reflection on people management from a gender perspective, and also knowledge exchange and success cases in the cooperatives' development of gender plans.
- As for the actual figures, 32.3% of the members of the governing bodies and 31.1% of the members of the Boards of Directors are women
- Some 70% of cooperative sales have Gender Plans.

PEOPLE AND THE BASQUE LANGUAGE

The necessary steps continue to be taken for the use and standardisation of the Basque language in the cooperatives, an aspect that has always been fostered at many of the MONDRAGON cooperatives. Our main lines of action are including linguistic criteria in the systems, building an inter-cooperative communication network and structuring a dynamic organisation led by the divisions and the Corporate Centre.

- 55 cooperatives are developing Basque language plans or systems, and a total of 34 have obtained the BIKAIN language management quality certificate awarded by the Basque Government.
- 1 out of every 4 companies participating in the Basque Government's LANHITZ programme for promoting the use of the Basque language in the workplace is a MONDRAGON company.
- 67% of the companies in MONDRAGON have plans or dynamics in Basque. As for companies in the socio-economic area of the Basque Autonomous Community, this percentage is 1%.
- Most of the industrial companies with plans in Basque in Navarre belong to MONDRAGON.

05

OUR PLANET, A COLLECTIVE CHALLENGE

A critical time to successfully tackle the greatest challenge of our time: climate change. MONDRAGON aims to inspire and involve all cooperatives and other types of organisations in this process.



We are at a turning point in successfully tackling the greatest challenge of our time: climate change. Every day, in different parts of the world, the planet sends us messages about the enormous transformations it is undergoing: from changing weather patterns that threaten the production of our resources, to rising sea levels that increase the risk of catastrophic flooding creating supply problems and human loss.

The effects of climate change affect us all and at MONDRAGON we are no strangers to this challenge. For this reason, MONDRAGON wishes to inspire all the cooperatives and their value chain, together with other types of organisations. To this end, we are working on the following issues:

ENVIRONMENTAL MANAGEMENT

MONDRAGON's climate commitment involves fostering a social and cooperative model that will promote climate awareness throughout its entire value chain. As an active player in climate transition to a decarbonised society, it integrates analysis of the environmental impacts of the cooperatives' activity and collaborates with all their stakeholders wishing to leave a better legacy for future generations.

- More than 75% of sales have ISO 14001 environmental management system certification. 4 cooperatives have the

Ecodesign certificate (ISO 14006) and 10 have the ISO 50001 energy management certificate.

- As for the impacts of the MONDRAGON organisations:
 - In 2023, the ATEGI plant managed the purchase of 600 gigawatts for the cooperatives, 70% of which came from renewable sources.
 - A full Organisational Carbon Footprint calculation was carried out (scopes 1, 2 and 3 in the global perimeter of the organisations) in 76% of the sales of the cooperatives as a whole.
 - Significant progress was made in the Life Cycle Analysis of products, carrying out analysis in over twenty cooperatives.

ENERGY DECARBONISATION

The cooperatives continue to evolve and innovate their production model to minimise the impact of their production centres, encouraging the use of energy management platforms to optimise consumption and promoting the use and local self-supply of renewable energies to speed up the energy transition in the regions where the cooperatives work.

- Energy efficiency projects with various measures for energy savings and for preventing greenhouse gas emissions.

- Renewable energy generation projects
 - Ekiola, energy communities for generation and consumption of 100% green local energy. 12 cooperatives have already been established in different areas of the Basque Autonomous Community.
 - Purchase of a solar park carried out by 14 cooperatives with the capacity to generate 14,879 Mwh/year
 - Some 35% of municipalities in Basque Autonomous Community have an energy community compared to 4% of municipalities in the Spanish state.
- Knowledge generation: through the implementation of degrees and master's degrees at Mondragon University.

CIRCULAR ECONOMY

MONDRAGON and the cooperatives are evolving towards activities that will reduce residual flows and favour a balanced use and availability of resources. Circularity and eco-innovation solutions are also implemented to optimise use of resources and landfill waste disposal in their activities.

- Together with the cooperatives Cikautxo and Maier, the Corporation collaborates on the European project Primus for creation of added-value technology products from recycled polymers.

- Through the European project CircThread, MONDRAGON, together with Sareteknika, Mondragon Assembly and Domusa Teknik is promoting a digital identity platform for household applications, making them genuinely sustainable.
- Circular Replay, a company created by several MONDRAGON Divisions together with the technology company Éxxita Be Circular to promote circular economy models in the industry.
- This initiative is in its first year and already has clients in white goods, electric batteries, mobility, solar panels and service companies, among others.

SUSTAINABLE MOBILITY

The cooperatives optimise distribution of their products in coordination with the customers. Consequently, they implement new low-carbon forms of logistics distribution, encouraging sustainable transport solutions and minimising the possible impact on the movement of people and products.

- Eroski had over 2,300 products with the sustainability seal in 2023; 401 eco-designed own-brand containers; and 99% of the waste destined for recycling or recovery.
- In the context of the cooperative mobility plans, an agreement has been signed with the Ciclogreen platform for managing the sustainable mobility of workers.

+75%

Sales with environmental management certificates

+50

Over 50 cooperatives with mobility plans

80%

Energy purchased from renewable sources

12

Cooperatives created to generate and consume 100% green energy

06

GOVERNANCE, BUSINESS DEMOCRACY

MONDRAGON's governance model guarantees transparent decision-making, management and accountability to all members. It is a democratic, inclusive business approach, with owner-workers participating in the management to create competitive, sustainable projects.



MONDRAGON's governance model guarantees transparent decision-making, management and accountability to all members. It is a democratic, inclusive business approach, with owner-workers participating in the management to create competitive, sustainable projects.



DEMOCRATIC ELECTION OF GOVERNING BODIES

All the people who participate in the governing bodies and the management of the cooperatives are elected democratically. The elections are held in accordance with a one person, one vote system, regardless of the voter's position at the company. Diversity is an ally in this regard, as it brings different perspectives and areas of expertise to the Governing Council, facilitating a global vision better aligned with the organisation's long-term value generation.

- 570 people currently participate in the cooperatives' governing bodies, 32,3% of whom are women.



COOPERATIVE TRAINING

this is a very important area, focused on reinforcing the identity-based aspects of the model and nurturing the all-round development of the people involved in the project.

- In 2023, 15,008 hours in 80 programmes of cooperative training were given to new members and governing bodies, 12% more than in the previous year.



ETHICS AND TRANSPARENCY

Another essential aspect of the model. This governance is based on trust and a management ethic backed by cooperative vision and leadership, the use of internal staff promotion criteria and approval of the management and results by all the members of each cooperative. All of this against the backdrop of a cooperative culture of shared responsibility ensuring ethical and legal conduct within the organisation.

- Meetings are held each month by the governing bodies (Governing Council, Company Council, Deputies Committees, etc.) to monitor management issues and institutional aspects.



COMMUNICATION

The cooperatives have defined their own communication channels and supports to provide all the necessary information for their stakeholders: worker-members, supplier companies, customers and institutions. Internal communication at the cooperatives is very important.

- There are a variety of communication channels –collaborators' meetings, meetings of the governing bodies, informative talks, etc.– and numerous communication supports such as in-house magazines, newsletters, minutes, notifications and reports.
- A digital ecosystem provides visibility of the cooperatives in channels such as Twitter, LinkedIn, Instagram, Facebook, YouTube, Vimeo or Flickr.

- 28 cooperatives (accounting for 92% of sales) issue annual reports that provide backing by documenting all the information, action and relevant landmarks in a single channel.
- Cooperative dissemination: MONDRAGON opens its doors to people from all over the world who want to visit and get to know the Cooperative Experience.
- In 2023, 206 groups visited MONDRAGON with 2,528 people, of which 50% were from Spain and 50% were from abroad (Brazil, USA, Mexico, Japan, Netherlands,...)
- In addition, 18 conferences were held, 3 of them online with an audience of 3,562 people.
- The Explore MONDRAGON audiovisual platform (www.exploremondragon.com) was created in order to disseminate the cooperative experience, the model and the values of MONDRAGON with a transformative and competitive vocation. It offers the opportunity to get to know the MONDRAGON Cooperative Experience through a series of 24 chapters in Basque, English and Spanish. It is their own people who present the cooperatives and the keys to what cooperatives and the Corporation are all about.



THE MONDRAGON CONGRESS

650 representatives (43% women) from all the cooperatives meet annually at the Congress. This body decides the general guidelines and criteria that govern MONDRAGON. The concept of "self-governance", implemented through shared responsibility and the association of people within a working organisation, reflects the basic aspiration of cooperative governance.

ORGANS OF MONDRAGON PERMANENT COMMISSION

Name	Distribution	Charge
Mugerza, Leire	Distribution	President
Kortabitarte, Koldo	CM Automotive	Vice President
Ugalde, Amets		Secretary
Alustiza, José Antonio	Financial	Vocal
Amezaga, Javier	Distribution	Vocal
Arrieta, Iñigo	Components	Vocal
Arroyo, Oscar	Components	Vocal
Azpiazu, Patxi	Construction	Vocal
Bastida, Asun	Distribution	Vocal
Egibar, Xabier	Financial	Vocal
Gabilondo, Ruben	Equipment	Vocal
Larrañaga, Andoni	Industrial Automation	Vocal
Larrea, Mikel	Distribution	Vocal
Luquita, Klaudia	Engineering and Services	Vocal
Martinez, Juan José	CHP Automotive	Vocal
Mazquiaran, Andrés	Machine Tool-Danobat Group	Vocal
Sarrionandia, M ^a Asun	Knowledge	Vocal
Ozerinjauregi, Xaber	Tooling and Systems	Vocal
Unibeetxeberria, Mikel	Chasis and Powertrain	Vocal

GENERAL COUNCIL

Name	Distribution	Charge
Ucín, Iñigo		President
Ugalde, Amets		Secretary
Rodríguez, Pello	Vice President/General Management Danobat Group Division	Vocal
Carabel, Rosa	Vice President/General Manager Distribution Division	Vocal
Ezpeleta, Zigor	Director of Social Management Corporate Center	Vocal
Imaz, Olatz	Director of Financial Management Corporate Center	Vocal
Palencia, Juan M ^a	Vice President/General Management CHP Automotive Division	Vocal
Plaza, Adolfo	Vice President/General Manager Finance Division	Vocal

INDUSTRIAL COUNCIL

Name	Distribution	Charge
Ucín, Iñigo		President
Juaristi, Juan Andrés		Secretary
Alberdi, Iker	Vice President/Construction General Manager	Vocal
Rodriguez, Pello	Vice President/General Management Danobat Group Division	Vocal
Garcia, Juan Angel	Vice President/General Manager Equipment Division	Vocal
Goitia, Oskar	Vice President/General Manager of MUS and CM	Vocal
Herce, Eduardo	Vice President/Components General Manager	Vocal
Pagaldai, M ^a José	Vice President/General Manager, Engineering and Services	Vocal
Palencia, Juan M ^a	Vice President/General Manager of CHP Automotive	Vocal

07

MONDRAGON AND THE SDGS

The cooperatives encourage a responsible, democratic, sustainable business model. They aspire to leave the future generations a better development model for people and the planet.

The cooperatives work to develop technologies that are the best in the world and the best for the world: decarbonised industries, zero waste, with high value-added products and services and quality employment.

They also cooperate with social stakeholders and local authorities, promoting innovative infrastructures and social initiatives that will enable a balance to be achieved between economic growth, environmental protection and social wellbeing.



The cooperatives encourage a responsible, democratic, sustainable business model. People and teams cooperate to create competitive businesses, improve people's lives and respond to the new challenges of society such as the Sustainable Development Goals. The idea is to leave the future generations a better development model for people and the planet.

The cooperatives work to develop technologies that are the best in the world and the best for the world: decarbonised industries, zero waste, with high value-added products and services and quality employment.

They also cooperate with social stakeholders and local authorities, promoting innovative infrastructures and social initiatives that will enable a balance to be achieved between economic growth, environmental protection and social wellbeing.

The following are some of the Corporation's most significant achievements in relation to the SDGs.

DECENT WORK

In order to promote sustained, inclusive and sustainable economic growth, full and productive employment. MONDRAGON is the largest employer in the Basque Country and one of the most important in Spain.

QUALITY WORK AND EDUCATION

To ensure inclusive, equitable education and promote lifelong learning opportunities for everyone. More than 23,000 people trained at MONDRAGON educational centres in 2023.

WORK AND INNOVATION

The idea is to develop sustainable industry and infrastructure by means of innovative investment. MONDRAGON has an innovation ecosystem which includes its own university, educational centers, five research centres and seven R&D units.

SUSTAINABLE WORK AND COMMUNITIES

Making cities and human spaces inclusive, safe, resilient and sustainable. MONDRAGON takes part in programmes for the protection of natural and cultural heritage and in programmes for access to sustainable construction.

WORK AND HEALTH

The objective is to ensure healthy living and promote well-being for all people of all ages. LagunAro already has almost 59,000 beneficiaries and in 2023 Osarten trained more than 7,000 people in occupational health and safety.

WORK AND EQUALITY

To achieve effective gender equality. MONDRAGON is making progress in this field and 70% of its sales are made by cooperatives that already have equality plans.

WORK AND RESPONSIBLE CONSUMPTION

To ensure sustainable consumption and production patterns. MONDRAGON participates in projects and partnerships in order to reduce industrial waste, and in training programmes on eating habits.

WORK AND CLIMATE CHANGE

The aim is to take urgent action to combat climate change and its effects. MONDRAGON is a major participant in the promotion of energy communities.

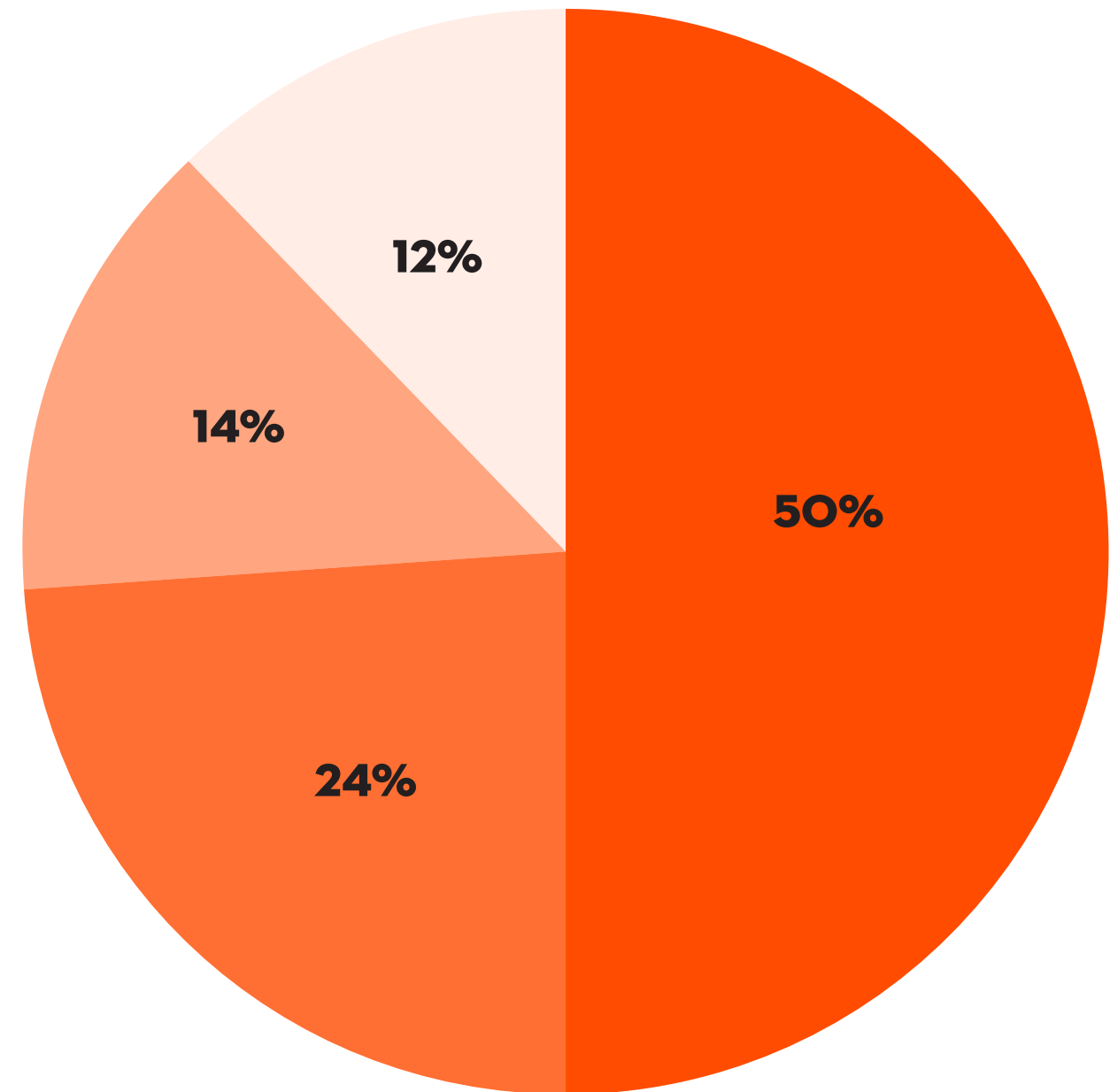
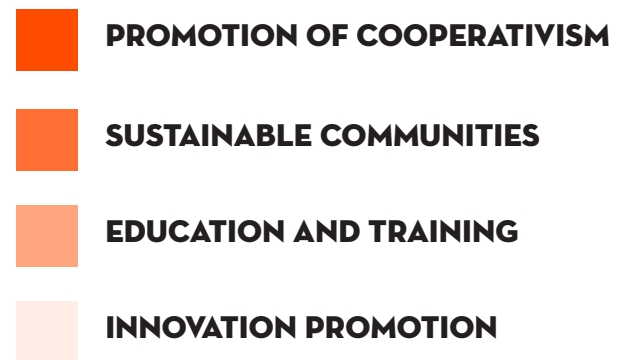
WORK AND ENDING POVERTY

With the ambitious goal of ending poverty in all its forms worldwide. The Corporation works closely with the Mundukide Foundation, which carries out inter-cooperation programmes with several countries (Mozambique, Brazil, Colombia).

MONDRAGON'S SOCIAL ACTION

In quantitative terms, the social action carried out by MONDRAGON and its cooperatives accounted for 41.8 million euros in 2023. It's worth noting the impact of the MONDRAGON Foundation, which channels contributions made by cooperatives –27.8 million– which are mainly allocated to the Promotion of Cooperativism, Innovation and Promotion, Education and Training, and empowering Sustainable Communities.

Over its more than 25 years of history, the MONDRAGON Foundation has managed contributions worth more than 500 million euros.



MONDRAGON'S SOCIAL ACTION

AUSOLAN FOUNDATION

This Foundation was created to ensure that vulnerable groups have access to healthy, sufficient and sustainable food, helping educate families about healthy lifestyle habits and environments, and also to foster women's technical and professional training to help them access decent employment.

[+ INFO](#)

GAZTEMPRESA FOUNDATION

A leading foundation for business creation and for fostering entrepreneurship in the Basque Country, its aim is to support initiatives and carry out work that will help create and safeguard jobs. In 2023 it created 320 companies and generated 634 jobs. A total of over 6,500 companies have been aided by this Foundation to date.

[+ INFO](#)

GIZABIDEA FOUNDATION

A not-for-profit organisation created to promote cooperative education, it supports the development of educational infrastructures in Debagoiena (Gipuzkoa) in order to provide an innovative cooperative response to society's future challenges.

[+ INFO](#)

GSR FOUNDATION

This entity's main goal is to set the standards for friendly, welcoming, respectful and innovative people management for dependent people with special needs.

[+ INFO](#)

EROSKI FOUNDATION

The Eroski Foundation carries out numerous social action initiatives, mainly connected with promoting healthy lifestyle habits, consumer education, environmental protection and solidarity.

[+ INFO](#)

LEARTIBAI FOUNDATION

Committed to economic development, this is a local development entity that aims to boost the business fabric of the Lea-Artibai area in Bizkaia province, in collaboration with public and private actors.

[+ INFO](#)

MONDRAGON FOUNDATION

Within the scope of the MONDRAGON cooperatives, it promotes the social economy, fostering social, cooperative and professional training and also research and development geared to helping the cooperatives advance in technology.

[+ INFO](#)

MUNDUKIDE FOUNDATION

A Foundation created for cooperation with the countries of the South, sharing experiences, resources and cooperative know-how to promote their self-managed comprehensive development.

[+ INFO](#)



HUMANITY AT WORK

www.mondragon-corporation.com