

Sustainability Report 2025

Designing together a more comfortable
and sustainable world.

Non-Financial Information Statement (EINF)

Prepared in reference to GRI Standards · UN Global Compact signatory since 2021

Scope: Zahonero Group consolidated activities · Fiscal Year 2025

zahonero.com

SUSTAINABILITY AT A GLANCE

2025 Key Highlights

Zahonero Group operates 11 companies across Spain, Portugal, Brazil, Mexico, Canada, India, Indonesia, China, Vietnam and Hong Kong, manufacturing and commercialising technical foams for footwear, sporting goods and acoustic insulation. This report summarises our progress on environmental, social and governance commitments during fiscal year 2025.

60% Solutions free of virgin petroleum-based components (40% own recycled + 20% bio)	52% Raw-material volume sourced within 500 km of our plants	-12% Reduction of hazardous waste vs. 2024
100% Hazardous waste processed through authorised managers	18,707 t CO₂eq total footprint (Scope 1+2+3, 2025)	2021 UN Global Compact signatory

Message from the CEO

It is an honour, once again, to lead a company driving the transition to a fully sustainable supply chain across every sector we serve. This progress is only possible thanks to the people who make up our project, inside and outside the organisation, and to partners who share our commitment to designing better products with lower impact.

Our sustainability strategy is cross-functional, embedded in operations, and led by the Group Sustainability Committee — created in 2019 and formed by Corporate Industrial, Financial and HR Directorates together with Group General Management. We report annually with reference to the GRI Standards, and since 2021 we are a signatory of the United Nations Global Compact.

01 · INTRODUCTION

About this Report

Scope & Coverage

This Sustainability Report covers all activities and companies of Zahonero Group. It is the sixth non-financial statement issued by the Group and the fifth prepared in reference to the GRI Standards. It presents our commitments, strategy, results and objectives across the economic, social, environmental and governance dimensions for fiscal year 2025.

The following companies are within the consolidation perimeter:

- Zahonero SLU — Spain: latex foams, insole commercialisation, acoustic products.
- Zahonero Virgili — Spain: consulting services to Group companies.
- Zahonero Brasil — Brazil: finished insoles, latex and PU foams, laminated textile-PU.
- Aquitex SA — Mexico: finished insoles, latex and PU foams.
- Foam Solutions Inc. — Canada: latex foam and finished insoles.
- Zahonero India — India: latex foam, PU foam and finished insoles.
- Zahonero Indonesia — Indonesia: latex foam, PU foam and finished insoles.
- Zahonero Hi-Tech — China: latex foam, PU foam and finished insoles.
- Zahonero Vietnam — Vietnam: latex foam, PU foam and finished insoles.
- Zahonero Donming — Hong Kong commercial office.
- Zahonero Portugal — Commercial office.

Reporting Framework

This EINF has been prepared in line with Law 11/2018 of 28 December on non-financial and diversity information, and with reference to the Global Reporting Initiative (GRI) Standards. The statement has been submitted to an independent external assurance process.

Materiality

Materiality was defined through a weighted matrix. The Sustainability Committee identified stakeholder groups, selected relevant topics and weighted their business impact. The matrix was then scored by representative stakeholders and validated by the Group management team.

02 · GOVERNANCE & TRANSPARENCY

Governance and Risk Management

Sustainability Committee

Founded in 2019, the Committee is composed of the Corporate Industrial, Financial and HR Directorates and the Group General Management. It steers strategy, defines KPIs, reviews results and aligns Group priorities with the UN Sustainable Development Goals.

Priority action lines for 2025:

- Reduce scrap and waste generation.
- Minimise the use of natural resources.
- Advance circular-economy initiatives.

ESG Risk Map

The Group applies a structured risk model based on Probability, Severity and Time Horizon. Key ESG risks include:

Category	Risk	Severity	Probability	Horizon
Environmental	Production carbon footprint	Minor	Very likely	Short
Environmental	Water footprint	Minor	Very likely	Short
Environmental	Sustainable raw-material sourcing	Minor	Likely	Long
Social	Suppliers with misaligned HR policies	Major	Likely	Short
Social	Workplace accidents on risk machinery	Major	Very likely	Short
Economic	Raw-material price fluctuation	Major	Likely	Short
Governance	Board diversity	Moderate	Very likely	Short

03 · SOCIAL COMMITMENT

People, Teams and Community

Ethics and Human Rights

Zahonero Group maintains a zero-tolerance policy against corruption, bribery, violence and workplace harassment. The Code of Ethics applies to all employees and value-chain partners, ensuring respect for internationally recognised human rights.

Work Organisation

Working schedules across all subsidiaries respect the legal framework of each country. During 2025 we consolidated flexible entry/exit hours in Spain, Mexico, Brazil and Canada, extended the intensive summer schedule for administration teams in Spain, and maintained one day of remote work for corporate roles.

Employee Value Proposition

- Variable pay linked to competencies and objectives.
- Annual training plan for every employee (Zahonero Academy).
- Career-development plans based on performance.
- Private medical insurance.
- Flexible entry / exit and remote-work policy.
- Flexible-benefits scheme.

Performance Evaluation

Nearly 100% of Group directors receive an annual evaluation based on competencies and objectives. Through the Evals 2.0 platform, performance evaluation has been extended to production supervisors and technicians in Spain, Brazil, India, China, Vietnam and Canada.

Diversity, Equity and the Pay Gap

The Group applies the same equity-based pay policy across every subsidiary. The reported salary gap reflects horizontal and vertical segmentation rather than unequal pay for the same role; internal programmes are in place to reduce this segmentation over time.

Country	Female (avg.)	Male (avg.)	Gap 2025
Brazil	6,316	8,655	27%
Canada	41,472	44,580	7%
China	12,493	21,285	41%
India	4,593	4,000	-15%
Indonesia	11,469	7,021	-63%
Mexico	6,684	11,750	43%
Spain	40,496	40,264	-1%
Vietnam	9,547	8,031	-19%
Group total	14,513	19,020	24%

04 · ENVIRONMENTAL COMMITMENT

Commitment to the Planet

Circular Model

Our long-term product strategy pursues solutions free of virgin petroleum-based components: 60% of the material composition of our roadmap solutions (40% recycled from our own production waste + 20% bio-based) with a negative carbon footprint target through chemical recycling and biobased raw materials.

Supplier Evaluation

Suppliers must comply with the Group Code of Ethics, guaranteeing no child or forced labour, decent working hours, guaranteed salaries and benefits, freedom of association, collective bargaining, anti-discrimination policies and strict regulatory compliance. 52% of our main raw-material volume is sourced within 500 km of our plants, reducing transport-related emissions.

Carbon Footprint — GHG Emissions

In 2025 Scope 1 and 2 calculations follow DEFRA emission factors for all international subsidiaries and MITECO for Spain, aligning with regulatory rigour. Scope 3 covers supply chain, raw materials, waste, water and internal fuel consumption. In compliance with Royal Decree 214/2025, the Group has published its Corporate Decarbonisation Plan 2025–2030.

t CO ₂ eq	Spain	Brazil	Mexico	China	India	Canada	Indonesia	Vietnam	Total
Scope 1 (2025)	1,605	699	144	323	486	452	-	157	3,865
Scope 2 (2025)	0	0	111	562	1,216	122	32	72	2,115
Scope 3 (2025)	4,049	2,226	581	2,674	2,170	161	225	640	12,727
Total (2025)	5,653	2,925	835	3,559	3,872	735	258	869	18,707
Total (2024)	5,800	2,839	600	3,633	3,771	786	217	861	18,508

Waste, Water and Materials

Hazardous-waste generation dropped 12% versus 2024, and 100% of the hazardous waste generated is processed through authorised, qualified operators. Actions continue to increase valorisation and recycling of the remaining waste streams. Water intake, energy mix and material consumption are monitored across every plant to inform the Decarbonisation Plan 2025–2030.

Certifications & Programmes

- UN Global Compact — signatory since 2021.
- GRI-aligned reporting since 2019.
- Roadmap prepared for GRS, RCS, USDA, FSC, Ecochain LCA where applicable.
- Corporate Decarbonisation Plan 2025–2030 (published as annex to the EINF).

05 · LOOKING AHEAD

Future Challenges

The technical-foam market is growing globally. Zahonero Group is positioned to combine high-quality products with sustainability and cost competitiveness — required by our OEM partners — through continuous improvement, industrialisation of processes and expansion into new geographies. The maturity of the Group, its client portfolio and its presence in key manufacturing hubs place us in a strong position to seize the opportunities of the sector.

Contact & Feedback

The Group welcomes suggestions and questions about this report at info@zahonero.com. We are committed to transparent, periodic and clear publication of the Group's non-financial information.