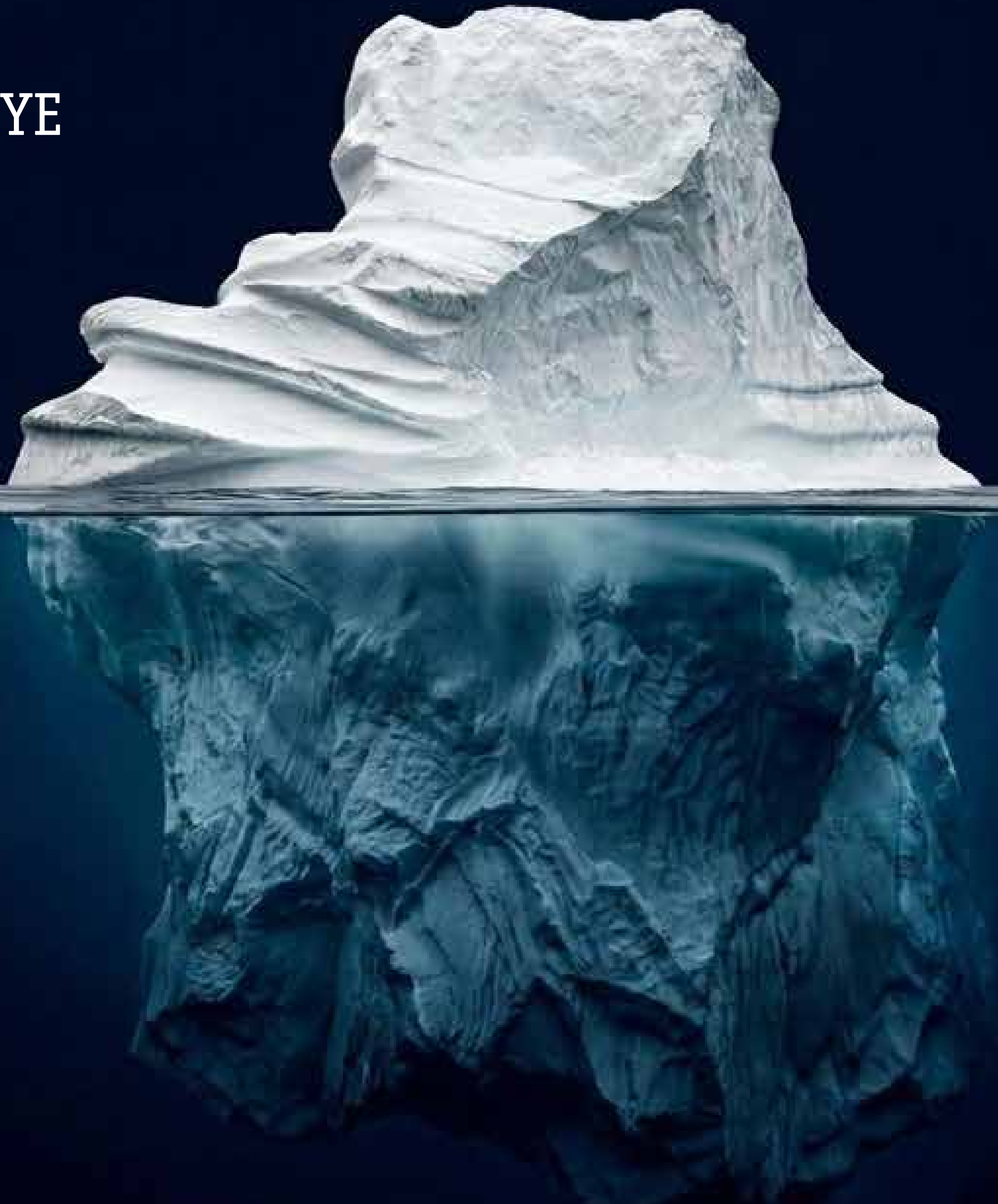
MONDRAGON

MONDRAGON HUMANITY AT WORK Finance Industry Retail Knowledge

MORE THAN MEETS THE EYE

Cooperation with real impact.



Annual Report 2025

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Beyond the surface

The results are only the visible part of who we are. Behind every figure lies a way of understanding business founded on cooperation, commitment and a shared purpose. It is the work that is not always visible, the work that connects people, projects and knowledge, that drives real and lasting impact over time. At MONDRAGON, what matters is not only what emerges, but everything that makes it possible.

Pello Rodríguez,
Chair of the General Council of MONDRAGON

Continuous adaptation

The capacity to adapt and the strength of the cooperative model enabled MONDRAGON to maintain its positive performance in 2025, despite a complex and volatile international environment. The Corporation exceeded 11.3 billion euros in sales, employed more than 71,400 people, and achieved profits of 618.8 million euros. Our four business areas – Industry, Finance, Distribution and Knowledge – all delivered strong performances, reaffirming the effectiveness of our cooperative model.

Without doubt, one of the most significant achievements of the financial year was the creation of more than 1,300 new jobs, as generating high-quality employment remains one of our highest priorities. These results also consolidate MONDRAGON's cooperatives as the largest employer in the Basque Country, the second-largest employer in Navarre and the fifth-largest private-sector employer in Spain.

Another notable achievement was the launch of three new companies – Amets Power Electronics, Orbik Cybersecurity and Innkia – together with the strong momentum behind the creation of new businesses in future-oriented sectors. We continue to explore opportunities capable of generating sustainable employment.

The year 2025 marked the first step in MONDRAGON's roadmap towards 2028, guided by the purpose of "being the world's leading cooperative, with people who transform society through the power of cooperation", placing particular emphasis on its human dimension, the competitiveness of its businesses and the social impact it generates.

In short, it has been another year with a positive outcome, both in quantitative terms and in our firm conviction that another way of doing business is possible.

"One of the most significant achievements of the financial year was the creation of more than 1,300 new jobs, as generating high-quality employment remains one of our highest priorities."

Leire Mugerza,
Chair of the Standing Committee and the MONDRAGON Congress

A model for real transformation

In 2025, we once again found ourselves operating in a demanding environment, shaped by profound economic and social change that reinforced the need for business models with a long-term vision. Against this backdrop, MONDRAGON reaffirmed its commitment to playing an active role in building a fairer, more humane and more sustainable economic and social model, one that gives meaning not only to what we do, but also to how and why we do it.

This is what our 2025 social and business results reflect: a true picture of the scale of our quantitative achievements and a further milestone in our long-standing contribution to society.

Today, the challenge goes beyond competing. It is about ensuring that our activities have a real impact by creating opportunities, strengthening social cohesion and helping to build fairer and more equal societies. Ultimately, it is about driving tangible transformation that translates into shared well-being and shared prosperity.

MONDRAGON has a solid foundation on which to move forward with determination. That foundation is built on a firm commitment to collaboration between people, cooperatives, divisions and other businesses, the indispensable competitiveness of our businesses, and a clear determination to enhance the legacy we have inherited. Together, these are the essential ingredients for achieving real transformation in our communities.

"Today, the challenge goes beyond competing. It is about driving tangible transformation that translates into shared well-being and shared prosperity."

Progress with purpose

A brief overview of MONDRAGON's key figures for 2025.

MONDRAGON IN FIGURES

PEOPLE	71,400
SALES	€ 11.322 Bn
INVESTMENTS	€ 406.3 Mn

MONDRAGON IN FIGURES

EMPLOYMENT

♀ 55.5% ♂ 44.5%

ENTREPRENEURSHIP

14 Investment in businesses in emerging sectors and *start-ups*

ENVIRONMENT

+ 75% Sales with certification **ISO 14001**

GENDER EQUALITY PLANS

70% Cooperatives

SOCIAL ACTION

€ 50 Mn In multiple projects

BASQUE LANGUAGE

55 Cooperatives with Basque language plans

35 Bikain and Harrobi certifications

PREVENTION

9,804

People trained in occupational health and safety

TRAINING

22,400

People trained at MONDRAGON educational centres

MONDRAGON IN FIGURES

FINANCE

LABORAL kutxa

€ 33.913 Bn
Managed resources

1,200,000
Customers

LagunAro

30,135
Active members

€ 7.818 Bn
Equity

DISTRIBUTION

€ 6,403 Bn
Sales

1,508
Commercial network

40,078
People

INDUSTRY

€ 4.919 Bn
Sales

26,975
Jobs

€ 220 Mn
Investments

KNOWLEDGE

€ 205 Mn
Investment in R&D

386
Active patent families

7
R&D units

5
Technology centres

2,133
Full-time researchers

Mondragon Unibertsitatea

19
Master's

23
Degrees

02

MONDRAGON DNA

A model with values

People, cooperation and purpose to transform society.

Mission

MONDRAGON is a business-based socio-economic organisation with deep cultural roots in the Basque Country, created by people and for people. It is committed to a sustainable society, improved competitiveness and customer satisfaction in order to generate wealth and transform society through business development and job creation. It is founded on commitments to solidarity and uses democratic methods in its organisation and governance. It promotes the participation and involvement of people in the management, results and ownership of its businesses.

Another way of doing business

Democratic
People make the decisions. A one-member, one-vote system is used to elect the cooperatives' governing and management bodies and to adopt the company's strategic decisions.

Participatory
Participation in three key areas: management, ownership and results, fostering a stronger sense of commitment and identity.

Transformative
Businesses that create shared value and are committed to transforming society.

An intercooperation ecosystem

MONDRAGON's collaborative approach, between cooperatives, divisions and other organisations, creates new opportunities and strengthens the resilience of its business projects. These are some of its intercooperation mechanisms.

Profit redistribution 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 offsetting of the cooperatives that have suffered losses.

Redeployment of employees, enabling employment to be maintained within the cooperative group.

Financial intercooperation instruments, which play a very important role in internationalisation, innovation and consolidation projects, as well as in projects aimed at strengthening financial positions and providing support in situations of difficulty.

In addition, thematic, sectoral, corporate and management forums are held to share knowledge. Inter-cooperation is also practised through support organisations such as Ategi, Osarten, the Promotion Centre, Otalora, MONDRAGON Foundation and LagunAro, among others.

A business with deep roots

Committed to the development of its local communities and keeping decision-making centres in their place of origin. MONDRAGON recognises the value of its legacy and seeks to leave future generations stronger cooperatives and a better development model for people and the planet.

Territorial cohesion. The cooperative model is firmly rooted in its local area, with cooperatives that naturally become key drivers and benchmarks for regional development and play an essential role in shaping 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 Navarre.

Promoting the Basque language. MONDRAGON works to encourage the use and normalisation of Euskara in the workplace.

Cultural commitment. MONDRAGON also contributes to the promotion of major cultural and strategic projects for the country, including Guggenheim, Kursaal, Baluarte, Artium, Arantzazu and Euskadiko Orkestra.

Discover all the cooperatives

ikerlan EROSKI DANOBATGROUP FAGOR AUTOMATION Bexen

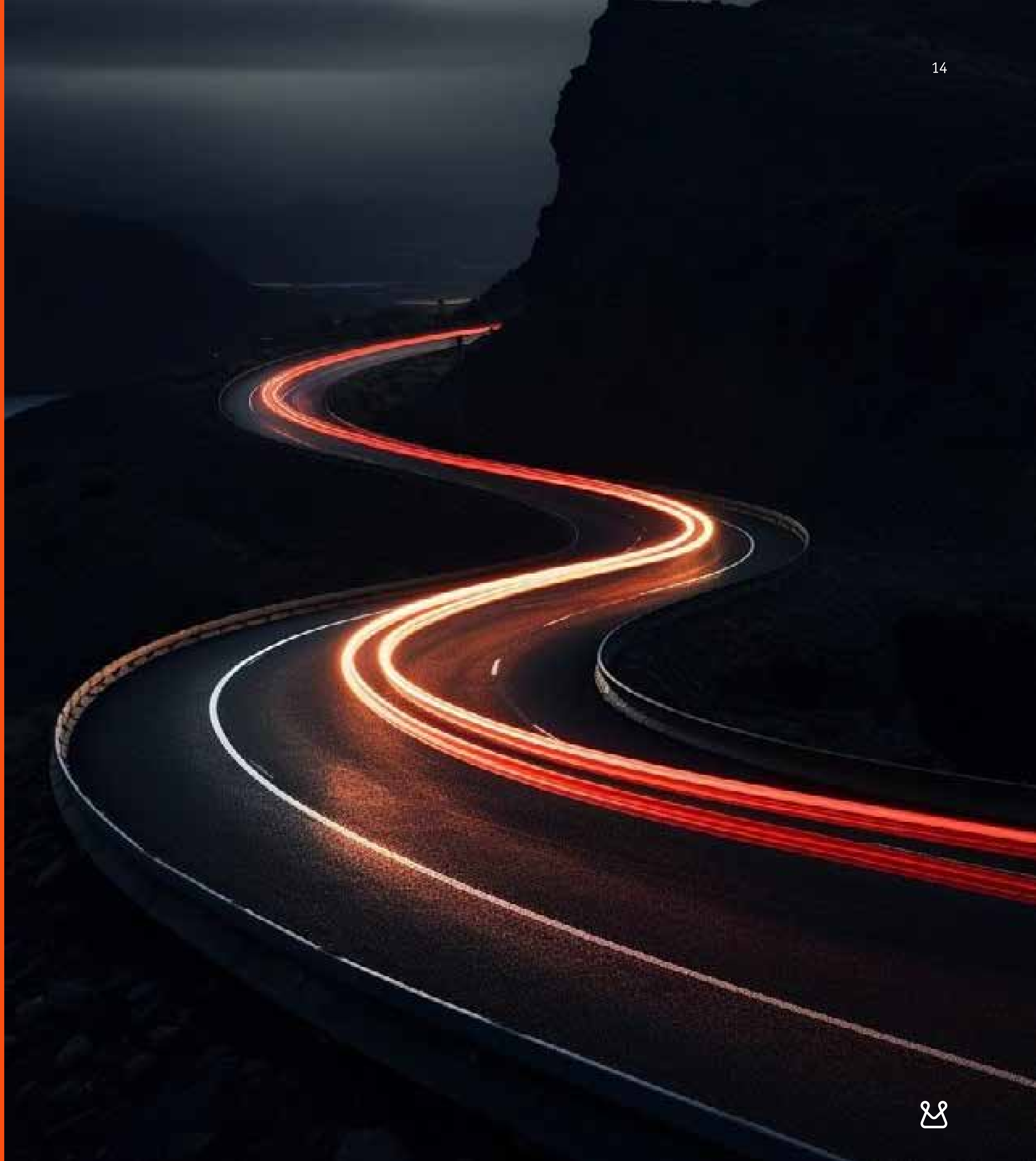
Moving forward together in a demanding environment

In a global context marked by uncertainty, MONDRAGON's different business areas adapted to changing conditions, maintaining their competitiveness and generating sustainable value.

Business areas

Finance, Industry, Distribution and Knowledge are the business areas of MONDRAGON's cooperatives. In 2025, aggregate sales amounted to €11,322 million, investment totalled €406.3 million, and aggregate net profit amounted to €618.8 million. The average workforce was 71,415, following the creation of 1,346 new jobs during the financial year.

Once again, MONDRAGON maintained a strong commitment to innovation, employing 2,100 full-time researchers in R&D. In addition, investment in R&D totalled 218 million euros in 2025, and the total number of active patent families stood at 386, a particularly significant figure across the Basque Country. MONDRAGON comprises 12 organisations, consisting of five technology centres and seven R&D units.



In another year marked by uncertainty arising from persistent geopolitical tensions, LABORAL Kutxa closed the financial year with an excellent performance, reporting net profit of 305 million euros. LagunAro EPSV also recorded a very positive performance in 2025, with a positive overall net return of 6.78% and a solvency margin of 6.03%, comfortably exceeding the statutory threshold.

LABORAL KUTXA

LABORAL Kutxa improved on its previous record results and closed the 2025 financial year with consolidated net profit of 305 million euros, increasing its return on equity (ROE) to 12.68%. The strong performance was underpinned by balanced growth across all areas of activity, enabling the institution to reach a new milestone by exceeding 50,000 million euros in total business volume.

The MONDRAGON credit cooperative also set a new sector benchmark in terms of solvency, with its industry-leading fully loaded CET1 capital ratio rising to 26.22%. Among its other financial indicators, LABORAL Kutxa strengthened its liquidity position, with an LTD ratio of 66.17%, and improved its asset quality, reducing its non-performing loan ratio to 1.98%.

Growth in savings

The volume of savings from households and businesses continued the upward trend seen in recent years. Intermediated funds reached a record 33,913 million euros at the end of 2025, representing an increase of 2,449 million euros during the financial year, 7.8% higher than in 2024.
Household and business deposits recorded on the balance sheet increased by 3.38%, reflecting a shift in savings from current accounts to term deposits, which grew by 7.85%, driven by the attractive remuneration policies applied by the institution to term deposits.

In off-balance-sheet funds under management, LABORAL Kutxa's customers demonstrated their confidence in the institution's investment services, particularly through investment funds, where assets under management increased by 1,570 million euros, representing growth of 25.35%, more than double the sector average.

This performance confirms the strong momentum of LABORAL Kutxa's investment services, with assets under management having increased by 50% over the last two financial years. As a result, LABORAL Kutxa's in-house fund manager, CL Gestión, now manages more than 7,100 million euros in assets, placing it among the 12 largest fund management companies in Spain.

Across all investment savings products, including EPSVs, pension plans and life savings insurance, the portfolio recorded strong overall growth of 19.79% during the year, exceeding 10,000 million euros for the first time.

Investment by households and businesses

LABORAL Kutxa is committed to supporting the development of its local communities, one way of doing so being by providing finance to households and businesses on the best possible terms.

Gross lending totalled 16,101 million euros at 31 December, an increase of 6.5% compared with the previous financial year, outperforming the overall growth in gross lending across the Spanish banking sector (3.74%).

Strong demand for lending also drove growth in the outstanding mortgage portfolio, which increased by 4.7% in 2025, compared with 3.67% for the sector as a whole. Households responded very positively to LABORAL Kutxa's mortgage offering, with the number of new mortgages signed in 2025 increasing by 27.9%.

Consumer lending also recorded a positive year, with net balances increasing by 3.8%, driven by a 5.7% increase in new lending.

In the business segment, LABORAL Kutxa continues to support businesses through a team of more than 100 business specialists, together with its entire branch network. The volume of new business loans and credit facilities extended to companies continued the strong momentum of previous years, increasing by 33% compared with 2024. Among the new products launched for businesses, of particular note was LKASH, a new payment finance service that enables businesses to finance payments relating to their day-to-day operations, including invoices, payroll and taxes, with complete flexibility and immediate access. For self-employed professionals and small businesses, LABORAL Kutxa launched the LOKALIA, LEGADO and TRANSFORMA programmes, aimed at supporting local commerce, business succession and the social economy, respectively.

Insurance business

During 2025, LABORAL Kutxa exceeded 300,000 customers in its insurance business. Total premiums amounted to 202.3 million euros, representing year-on-year growth of 1.9%. Motor insurance performed particularly well, reaching 76 million euros in premiums, while home insurance totalled 57.5 million euros.

Among the wide range of insurance products offered by LABORAL Kutxa, particular highlights included travel insurance for young people, with specific solutions for leisure and study trips, and insurance for personal light vehicles (electric scooters, bicycles, etc.), which reached 3,500 policies in 2025, an increase of 30% compared with 2024.

LAGUNARO EPSV

2025 was a clearly positive year for LagunAro, EPSV, both in economic and financial terms and from a management perspective, during which it was able to strengthen the system's solvency significantly, complete the recovery of outstanding pension entitlement upratings and consolidate the sustainability of its main pay-as-you-go benefits.

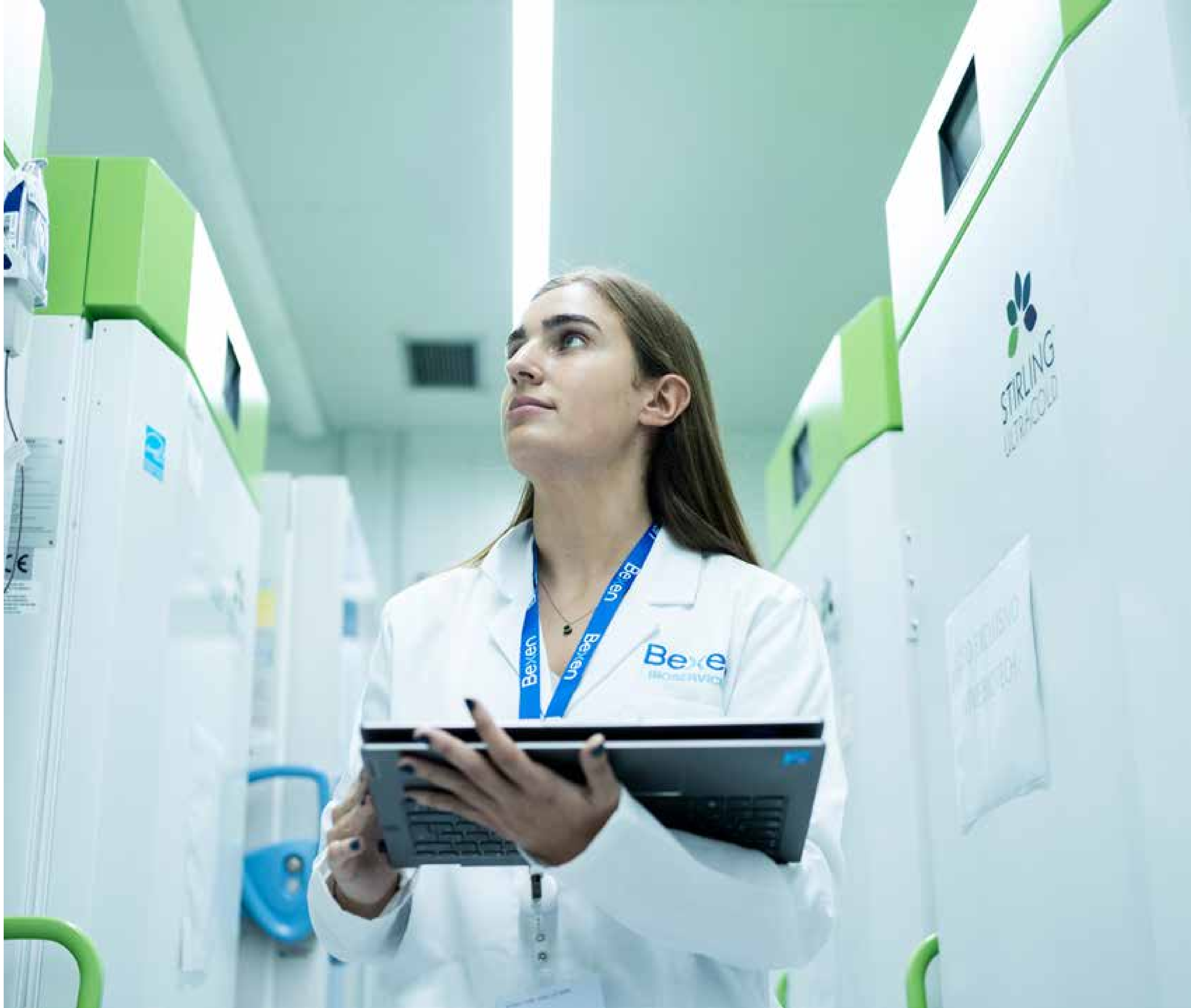
Against an economic backdrop of easing inflationary pressures and further normalisation of monetary policy by the major central banks, LagunAro, EPSV closed 2025 with a return of 6.78%. Together with inflation of 2.9%, this return significantly strengthened the Institution's solvency position. The solvency margin increased from 4.05% at the end of 2024 to 6.03% at the end of 2025, comfortably above the statutory minimum of 4%.

As regards membership, the number of active members at year end stood at 30,135, while the number of pensioners and beneficiaries increased by a net 371 during 2025, bringing the total number of benefit recipients to 16,334.
Expenditure on pay-as-you-go healthcare benefits amounted to 15.11 million euros, an increase of 2.2% compared with 2024. The average monthly cost per beneficiary was 21.20 euros. For Temporary Incapacity (TI), the absenteeism rate was 6.86%, representing a slight improvement on the previous year. Despite an increase in influenza cases and longer waiting lists in the public healthcare system, the trend confirms the positive impact of the more proactive and integrated management of the Temporary Incapacity benefit.

The Employment Assistance benefit recorded a particularly positive year, with the number of people in long-term unemployment falling from 563 to 410. Expenditure on the benefit amounted to 21.86 million euros, well below the level forecast in the Management Plan, while the Employment Assistance Fund increased by 19.96 million euros to 177.62 million euros, significantly strengthening its capacity to respond to any future employment-related difficulties.

The global economy grew 3.4% in 2025, in a challenging environment marked by considerable uncertainty arising from geopolitical tensions and the trade policy of the US administration. Despite this, economic activity proved remarkably resilient, supported by strong private consumption and robust labour markets in the major economies. The gradual easing of inflation and the progressive relaxation of monetary conditions also helped sustain demand. Growth nevertheless remained uneven across regions, while downside risks associated with geoeconomic fragmentation and market volatility persisted.

Against this backdrop of uncertainty, the Industry area closed 2025 with a positive performance, recording a slight decline in sales and results, while continuing to create industrial employment and maintain a strong focus on innovation and international competitiveness.



INDUSTRY

Sales

MONDRAGON's Industry area recorded total sales of 4,919 million euros, on a comparable basis slightly below those achieved in the previous year. Domestic sales accounted for 27% of total sales, amounting to 1,316 million euros, a figure similar to that recorded in 2024. International sales totalled 3,603 million euros, 2.4% lower than in 2024, but still represented 73% of total sales, confirming the international nature of the Corporation's industrial activities.

Profitability

Despite this highly uncertain environment, the industrial cooperatives once again demonstrated a remarkable capacity to adapt and remain resilient, reporting earnings of of 251.5 million euros in 2025. Although this figure was slightly below that recorded in the previous financial year, it demonstrates the strength of the cooperative model and its ability to maintain sustainable levels of profitability in a particularly challenging economic and geopolitical environment.

Employment

Industry continued to make a significant contribution to employment, with an average workforce of 26,975, of whom 9,708 worked at production facilities located outside Spain, reflecting the international expansion of the cooperatives' manufacturing network.

Investment

Industrial investment in 2025 totalled 220 million euros, 9.7% higher than in the previous year. Over the last five years, the cooperatives have invested a total of 984 million euros in their industrial businesses.

Innovation

Another notable feature of 2025 was the strategic commitment to innovation shown by MONDRAGON's industrial businesses. This was confirmed by some of its key data: 2,133 people were dedicated exclusively to R&D in all five centres specialising in various technologies, as well as Mondragon Unibertsitatea and in the R&D units of industrial cooperatives. R&D expenditure amounted to 205 million euros, underlining the commitment to technological development as a lever for the future.

MONDRAGON Automoción

The group closed the year with a 1% decline in sales compared with the previous year, attributable to the growing market share of Chinese manufacturers. Despite this, turnover reached 1,769.2 million euros, maintaining its position as Spain's fourth-largest automotive components group and among the world's Top 100. Its principal customers continued to be Volkswagen, Stellantis and Renault, with Renault recording particularly strong growth during 2025, which is expected to continue in 2026.

Aggregate profitability improved significantly, increasing by 50% to 64 million euros (3.6% of sales), driven by advances in product development, manufacturing and procurement. Against this backdrop, six of the ten cooperatives achieved EBITDA of more than 10% of sales, while seven recorded profit of more than 5% of sales, notable results in a highly competitive market.

Among the year's highlights, Fagor Ederlan improved its results despite lower sales and made strategic progress in the United States and China through three *joint ventures*. Mapsa returned to profitability and cash generation following the approval of anti-subsidy measures on imports from Morocco.

The group remained one of Spain's largest employers, with a workforce of 11,374, including 5,500 based in the Basque Country and Navarre.

DANOBATGROUP

In a challenging international environment, marked by geopolitical uncertainty and competitive pressure, particularly from China, DANOBATGROUP reinforced its position in advanced manufacturing, achieving record turnover of 366 million euros. Its growth was driven by internationalisation and sector diversification, with the industrial businesses Danobat and Soraluce generating more than 90% of sales from high-value projects in international markets, with the United States as their principal market. The aerospace sector consolidated its position as the main driver of activity, followed by capital goods, general engineering and the energy sector.

Other notable achievements included the launch of Danobat's dBOT range of precision robots, the development of Soraluce's intelligent automation system, and Goimek's precision machining projects for the aerospace sector.

MIA (MONDRAGON Industriarako Automatizazioa)

MIA closed the year with a positive performance, recording aggregate sales of 382 million euros, reflecting the ability of Fagor Arrasate, Fagor Automation and Mondragon Assembly to adapt to an increasingly demanding environment and growing complexity in international industrial markets.

Among the year's main milestones were Fagor Arrasate's investment of more than 20 million euros to expand its production capacity, including the construction of a new building of approximately 6,000 m²; Mondragon Assembly's development of four production lines for ElringKlinger, valued at more than 80 million euros, delivered through collaboration between its international plants; Fagor Automation's launch of the Smart Encoder System (SES) for new sectors such as semiconductors, metrology and scientific infrastructure; and the joint rotor-stator solution, combining Fagor Arrasate's expertise in pressing and laminating with Mondragon Assembly's automation expertise for the welding process.

MISE Division (MONDRAGON Ingeniería y Servicios)

In addition to achieving growth of more than 10% in both revenue and results, the Division made significant progress in its Silver Economy projects (services, infrastructure and technologies aimed at older people), which is emerging as one of the main drivers of economic growth over the next decade.

The Division also made significant progress in strengthening its value proposition in the field of sustainability, reinforcing its cross-cutting nature across companies' entire value chains and management systems. It also continued its strategic commitment to international talent, attracting talent through Universidad Mondragón México, based in Querétaro, to the Basque Country and MONDRAGON's cooperatives.

Equipment Division

Among the cooperatives serving end consumers, Orbea maintained its competitive position and continued to gain ground on its principal competitors, consolidating a strong position in international markets.

Dikar successfully reorganised in response to the significant impact on the US market and maintained positive profitability. It also completed a particularly significant corporate transaction by incorporating Ternua into the group, a well-established local brand with a strong presence in the market.

The Division's three B2B cooperatives, Ederfil Becker, Urola and Hertell, demonstrated their ability to adapt and respond in a challenging environment, closing the year with satisfactory results.

In furniture equipment, Gerodan delivered a strong performance, consolidating its ability to attract business from leading hotel and residential customers, while Eredu-Enea closed a cycle following the closure of its camping business.

In the medical sector, Bexen Medical was affected by adverse conditions in certain markets but nevertheless closed the year with a positive result. Bexen Cardio, meanwhile, registered a record year for sales.

The Division continues to develop its intercooperation and mutual support mechanisms.

MONDRAGON Componentes

MONDRAGON Componentes maintains a strong international presence, with more than 20 production plants worldwide, enabling it to absorb part of the impact of tariffs in 2025 and maintain sales of 730 million euros.

The Division's seven cooperatives (Copreci, Eika, Embega, Erreka, Fagor Electrónica, Orkli and Tajo) all closed the financial year with positive results, despite profitability declining, mainly for two reasons. The first was geopolitical factors, which had an adverse impact on exchange rates, particularly the weakness of the US dollar against the euro. The second was increased international competition, driven by the entry of Asian household appliances into the European market and growing pressure from Chinese component manufacturers. This reflects a structural change in the sector, with Asian OEMs gaining market share in both Europe and the Americas.

The Division employed 4,700 people, a workforce slightly smaller than that of the previous year, including 2,165 based in the Basque Country and Navarre.

From a qualitative perspective, progress was made in governance, innovation and operational improvement, with intercooperation continuing to serve as a key driver, in line with MONDRAGON's Socio-Business Policy.

MONDRAGON Construcción

Despite the prevailing uncertainty in the markets, MONDRAGON Construcción continued the positive trend of recent years, increasing sales by 8% compared with 2024 and closing the year with an aggregate turnover of 651 million euros. The strong performance across all its businesses also led to a further improvement in results, with an aggregate profit before tax reaching 63 million euros, representing 9.73% of sales.

Particularly noteworthy was the strong performance of Onnera Group, with turnover of 400 million euros, together with the commissioning of a new laundry equipment plant in Oñati (Gipuzkoa), which will strengthen its position in the sector and place it among the world's five largest manufacturers.

Lana also recorded a record year in terms of both volume and results. Special mention should be made of the extensive work being carried out by Lana and Etorki on the construction of the largest timber sawmill in southern Europe, together with the proposed merger of the two cooperatives, which will establish the resulting cooperative as a leading player in the sector.

It is also worth highlighting the work being carried out by Domusa and Kide to diversify their market offerings, both of which achieved record results in 2025. Domusa continues its strong commitment to becoming a leading manufacturer of aerothermal systems in Europe, while Kide, in cooperation with Erreka, has developed a new range of automatic doors and opened a new manufacturing plant for their production.

This area comprises the Eroski Group, whose principal activity is retailing, with Eroski, S. Coop. as its main company, together with Erkop, a second-tier cooperative made up of four cooperatives from the agri-food sector and their investee companies.

The Distribution area closed 2025 with net sales of 6,403 million euros and an average workforce of 40,078, including cooperative members, employees and franchise staff.

GRUPO EROSKI

The EROSKI Group closed 2025 with solid results of 47 million euros, in a year marked by the completion of the reorganisation of its financial structure. The Group also strengthened its operational performance, achieved its highest EBITDA of the last decade (340 million euros) and reinforced its commitment to savings, local products and sustainable growth. Group sales reached 6,081 million euros, an increase of 3.3% compared with 2024, consolidating the positive trend in its business and strengthening its financial and operational position.

Reorganisation of the Group's financial structure

The 2025 financial year was marked by the completion of the process to normalise EROSKI's financial structure, an operation that simplified its debt, improved its debt maturity profile and reduced the Group's financing costs. The refinancing was supported by national and international financial institutions, together with institutional backing, strengthening the cooperative's stability and capacity for future growth. The participating institutions included Kutxabank, Laboral Kutxa, BBVA, Santander, CaixaBank, Rabobank, Intesa Sanpaolo and Deutsche Bank, together with the Instituto Vasco de Finanzas, the ICO and the European Investment Bank (EIB).

Strengthening the commercial proposition and commitment to savings

Against a backdrop of cautious consumer spending and continued price sensitivity, EROSKI continued to strengthen its commercial proposition centred on savings, quality and local products. During the year, the Group maintained an active price containment policy, expanded its own-brand range and strengthened its offering of fresh and locally sourced products. It also continued to develop its omnichannel model, reaching more than 1,500 physical and online stores. In addition, it passed on more than 435 million euros in savings to its customers, reinforcing its position as a provider of value for households.

Social commitment and support for local communities

In keeping with its cooperative model, EROSKI continued to generate economic and social value through initiatives supporting households, local producers and sustainability.

Key indicators for the year included partnerships with more than 2,300 local producers, investment of more than 25 million euros in social initiatives, and more than 298,000 hours of training devoted to the professional development of its workforce. The Group's workforce exceeded 28,200, including 8,336 worker-members.

ERKOP

The group comprises the second-tier cooperative and its four member cooperatives (Ausolan, Miba, Barrenetxe and Behi Alde). The Group took another step forward in its strategic roadmap towards the "Erkop of the Future", particularly by strengthening relationships within the Division and launching diversification and innovation projects.
The cooperatives delivered a positive overall performance, achieving good results, meeting their objectives and making progress on strategic projects, investments and integration processes.

Total sales in 2024 amounted to 322 million euros, 4.5% higher than the previous year. Profit totalled 11 million euros, and the average workforce was 11,405.

The Knowledge area comprises the Knowledge Division (Educational Centres, the University and Technology Centres), together with the Innovation Department at MONDRAGON's corporate centre and MONDRAGON Ventures. In 2025, total R&D expenditure amounted to 205 million euros, representing 4.1% of total sales, with 2,133 full-time researchers.

Innovation and technology

Innovation and technology are also promoted through a range of initiatives led by the corporate centre. Among these, the Corporate Science and Technology Plan is particularly noteworthy. It is a key instrument for fostering collaboration between the different cooperatives within the MONDRAGON Corporation. Through this plan, projects are funded using an Open Innovation approach, focusing on the following areas:

- Artificial intelligence and chatbots
- Robotics
- Cybersecurity
- Materials development
- Advanced printing
- Intralogistics
- 5G networks and distributed computing
- Federated Data Spaces
- Environmental sustainability
- New food products

During the year, a map of the key technologies and challenges that the cooperatives will need to address during the 2026–2029 period was developed. With regard to key technologies, 136 were identified as priorities for one or more of the businesses. This illustrates the Corporation's technological diversity and creates opportunities for collaborative projects between the different businesses. These technologies are grouped into four main areas:

- Digitalisation
- Materials and Processes
- Energy and Sustainability
- Biotechnology

The activities of the two existing Communities of Practice also continued during the year, focusing respectively on Digitalisation and Robotics, and Sustainability and Energy. Each community has more than 150 members and focuses on sharing best practice, analysing the state of the art, and launching pilot projects to assess and implement relevant technologies.

Finally, it is worth highlighting the continued high level of activity in the development and implementation of projects funded through both Spanish and European public funding programmes, together with private initiatives carried out with other corporations and companies.

The principal European Commission activity indicators for 2025 were as follows:

212 projects submitted.
37 projects funded (17.45% success rate).

Supporting R&D

Both the Technology Centres and the corporate R&D units are specialised in areas aligned with MONDRAGON's corporate challenges, enabling them to develop the key technologies and innovation required to maintain the competitiveness of the cooperatives. The areas of activity of each of these organisations are as follows:

Technology Centres

IDEKO: Manufacturing technologies and processes, machining, Industry 4.0 and industrial production.

ikerlan: Digital technologies, artificial intelligence, embedded electronic systems, cybersecurity, energy and mechatronics.

Leartiker: Food and materials technologies, particularly polymers.

LORTEK: Materials and processes applied to joining technologies, additive manufacturing and process digitalisation.

mik: Innovation in business management, entrepreneurship, talent management and market development.

Corporate R&D units

- CIKATEK (Cikautxo): Development of new polymer materials and products (rubbers, thermoplastics and TPEs) for sealing, anti-vibration and fluid transfer applications.
- MC3 (Components Division): Design, simulation, manufacture and testing of a range of components and subsystems for the domestic sector and for efficient energy generation and use in the home.
- EDERTEK (Fagor Ederlan Taldea, Ecenarro and Mapsa): Metal casting and injection technologies and processes applied to the development of components for the automotive industry.
- FAGOR AOTEK (Fagor Automation): Machine tool automation and optics, primarily focused on numerical controls, drives, motors and position feedback systems.
- ISEA (Engineering and Business Services Division): Design and development of new advanced business services, together with methodologies to promote entrepreneurship.
- KONIKER (Fagor Arrasate and Mondragon Assembly): Development of machinery and new industrial production processes, principally focused on material forming and the automated assembly of components and subassemblies.
- MTC (Maier): Specialist in the development of thermoplastic parts and assemblies for the automotive industry, incorporating the aesthetic and functional requirements of each application.

R&D&I FIGURES

Total investment in R&D
205 million euros

R&D investment as a percentage of sales
4.1%

R&D investment as a percentage of added value
12.6%

Active patent families at year end
386

Full-time researchers
2,133

Technology centres
5

Corporate R&D units
7

Corporate Entrepreneurship

MONDRAGON has strengthened its commitment to corporate entrepreneurship as a strategic means of diversifying its activities, creating employment and anticipating future challenges. Driven by MONDRAGON Ventures, the cooperative ecosystem has succeeded in mobilising dozens of cooperatives around new businesses, investments in start-ups and technology partnerships.

In 2025, 14 corporate investment transactions were completed, combining the creation of new initiatives, M&A transactions and minority investments, with a total investment of 10 million euros. Notable projects included energy, artificial intelligence, computer vision, biopharmaceuticals and robotics, together with initiatives in industrialisation, agri-food and energy efficiency.

The portfolio is well balanced, with the largest share in advanced and intelligent industry (30%), followed by sustainability, healthcare and agri-food, confirming its focus on strategic sectors.

Overall, the portfolio comprises 54 companies, including 24 new businesses (20 created from scratch and 4 through acquisitions), generating 37 million euros in turnover and 350 jobs, together with 30 minority investments.

Knowledge Division

The Knowledge Division comprises the Arizmendi, Lea Artibai and Politeknika Txorierri Educational Centres, Mondragon Unibertsitatea with its three faculties (MGEP, Enpresagintza and Huhezi), and the Technology Centres Ikerlan, Lortek and Leartiker.

The Division has an aggregate budget of 180 million euros and employs around 2,000 people. It also provides education for approximately 3,000 children from pre-school through to upper secondary education, more than 1,000 students in intermediate and higher vocational education and training, and 7,500 undergraduate, master's and doctoral students.

In addition, the Division carries out research and knowledge transfer projects for the business sector worth 80 million euros, more than 50% of which relates to knowledge transfer projects, reinforcing its role as a key contributor to the competitiveness and transformation of the cooperative and business environment.

In 2025, the Division developed its first Strategic Plan, which prioritised six areas of work: developing the value proposition of the Division's cooperatives, strengthening governance, promoting entrepreneurship and the creation of new businesses, enhancing internal coordination to increase social impact, developing internal teams, and delivering projects that improve business competitiveness.

In the field of entrepreneurship and the creation of new activities, the technology centres promoted several new business initiatives: Ikerlan launched Innkia and Amets, while Lortek established Siaweld, reinforcing the commitment to creating new technology-based companies.

Finally, it is worth highlighting the approval of the Bilbao Bizkaia Digital Faktory project to attract digital talent. The project will be developed in Zorrotzaurre in collaboration with Bilbao City Council, the Provincial Council of Bizkaia and the Basque Government. The project will receive financial support from MONDRAGON's cooperatives and will be delivered jointly by Ikerlan and Mondragon Unibertsitatea. During the year, Lortek also opened a new site in Bilbao, further expanding the Division's regional presence.

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