

MONDRAGON

HUMANITY AT WORK

2022 ANNUAL REPORT

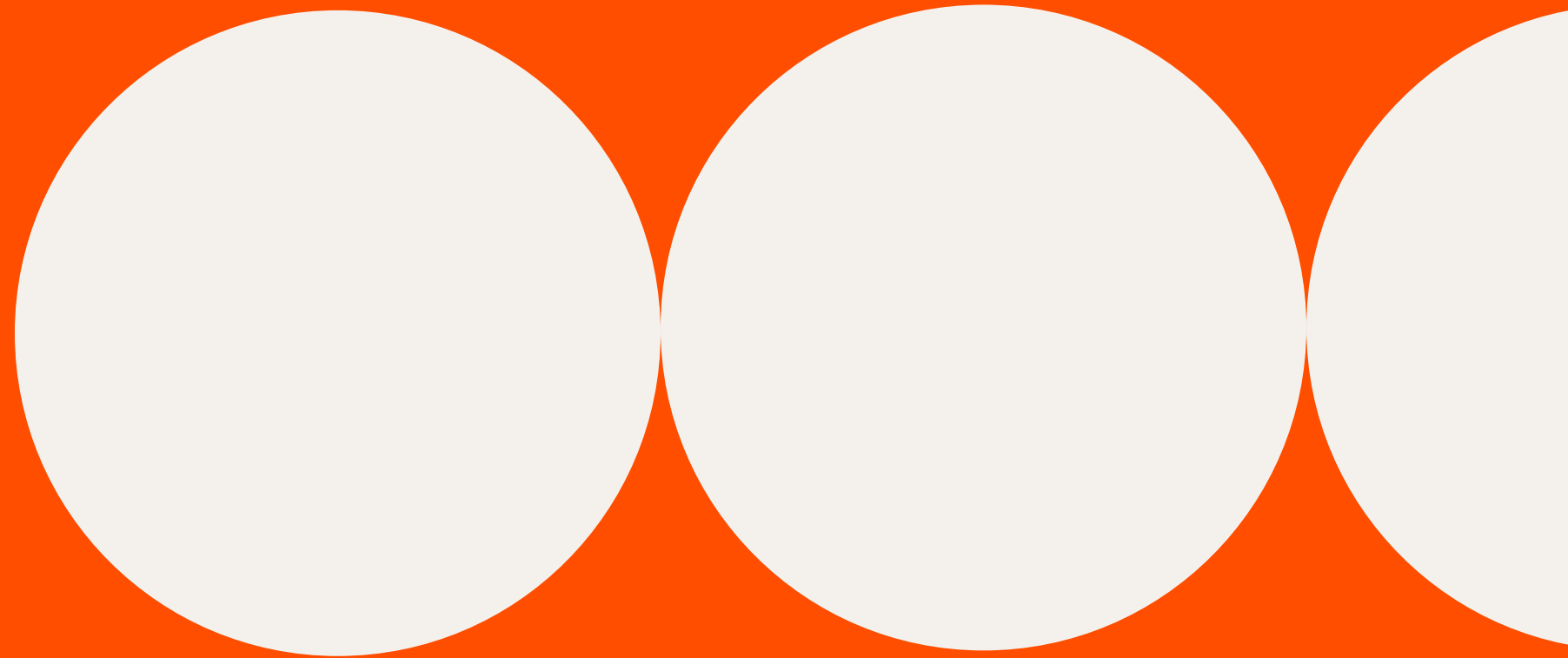


CONTENTS

01	LETTER FROM PRESIDENT	→
02	MONDRAGON, A DIFFERENT EXPERIENCE	→
03	CONSTANT COMPETITIVENESS AND INNOVATION	→
04	PEOPLE, HUMANITY AT WORK	→
05	PLANET, A COLLECTIVE CHALLENGE	→
06	GOVERNANCE, BUSINESS DEMOCRACY	→
07	MONDRAGON AND THE SDGS	→

01

LETTER FROM
THE PRESIDENT



LETTER FROM THE PRESIDENT

**2022
IN POSITIVE****Iñigo Ucín**

President of MONDRAGON's General Council

"In a very complex scenario, the 2022 financial year followed the same line of growth as in 2021. This speaks volumes about the adaptability of our businesses to the current uncertain times and the commitment of the people in our co-operatives".

Despite these circumstances, the assessment of the 2022 financial year is positive. Both the Industry and Distribution divisions had a good year, despite the complexity that prevailed, especially due to the war in Ukraine and its consequences in terms of increased energy and raw material costs, as well as problems in the logistics chains. This speaks volumes about the adaptability of our businesses to the current uncertain times and the commitment of the people in our co-operatives.

In the Finance area, Laboral Kutxa ended the year with a very positive improvement and the Knowledge area, with our university at the forefront, also performed favourably.

It can therefore be said that, in a very complex scenario, the 2022 financial year followed the same line of growth as in 2021.



LETTER FROM THE PRESIDENT

2022 IN COOPERATION

Leire Mugerza

Chairwoman of the Standing Committee
and the MONDRAGON Congress

“Inter-cooperation has been a defining feature that has shaped the character of the MONDRAGON Co-operative Experience and we believe that it will continue to occupy a preferential place in the design of its future”.

2022 was a year in which we strongly emphasised the value of inter-cooperation. We understand that this collaborative attitude is essential to build a fairer, more inclusive and sustainable society, where collective well-being is promoted and common challenges are effectively addressed.

Inter-cooperation is also a contemporary, modern term that has achieved a broad consensus as being a critical factor in addressing the challenges of the future and the transformations required in our society. Without collaboration (of every kind: between companies, between people and between institutions) a lot of energy and a lot



of development opportunities are lost. Inter-cooperation also fosters a spirit of solidarity and mutual support, strengthening community ties and weaving a network of shared interests. But its differentiating approach is the important factor that it has, and will continue to have, when it comes to creating projects that will bring us value in the future.

We are fully convinced that this factor has been a defining feature that has shaped the character of the MONDRAGON Co-operative Experience and we believe that it will continue to occupy a preferential place in the design of its future.

02

MONDRAGON, THE 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. ad.

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 2022 | ICA Monitor)
[\(World Cooperative Monitor 2022 | ICA Monitor\)](#)

70,000
PEOPLE

81
COOPERATIVES

12
R&D CENTRES

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 60.000 workers.

ACCIDENT RATE

For the industrial cooperatives belonging to Osarten (the Joint Prevention Service), the accident rate is much lower (50%) than for other companies in the Basque Autonomous Community. 27.35 as compared to 62.03 for the number of accidents causing more than one day's absence from work per one thousand workers.

TRAINING

More than 757,219 hours of training in 2022, equivalent to a cooperative with 442 people studying full time for a year.

DIVERSITY AND EQUALITY

Taking our cooperatives' sales as a reference point, over 95% 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, as its constant aim is for creation of wealth to lead to a greater cohesion of society (less inequality), particularly 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 979 million euros. In 2022, the volume of transactions was 10.5 million euros. Funds earmarked by Fundación MONDRAGON for cooperative promotion, training, social, cultural projects, etc., totalled 15.8 million euros. Total funds earmarked in the last 5 years amounted to 78.4 millions.s.

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 650 people having found an employment solution in 2022 via relocation to other cooperatives.

In 2022, 12.5 million euros was converted to jointly and severally offset the losses incurred by the cooperatives and reduce the impact on their operating accounts. Fundación MONDRAGON also offset losses for the 2022 financial year for a total amount of 6.9 million euros.

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

Cooperative platforms launched:

- **Ategi,** procurement services company: energy, transport, ICTs, international supplies and procurement. It brings together 250 client companies and allows savings of 18% on average each year, for an intermediate volume of 460 million euros in 2022.

- **Osarten:** occupational risk prevention, with medical check-ups, workplace health and safety audits, psycho-social risk assessment, etc. In 2022, Osarten trained more than 5,400 people in occupational health and safety.
- **Promotion Centre:** 37 cooperatives active in business promotion, which led to the acquisition of shareholdings in 5 external business projects (Insekt Label, Eevam, Avir, Izpitek, Stone Cooker). Also, 6 intra-entrepreneurship projects were launched, promoted by the cooperatives and industrial divisions, in various areas of interest. In the last 4 years 31 projects were worked on, from which 10 new businesses reached the market.
- **Otalora:** the Cooperative Training Centre taught a total of 91 Cooperative Education programmes, attended by 1,447 members of cooperative bodies, and various groups on self-care and emotional management programmes in which 152 people participated.
- **LagunAro.** In 2022 it had 29,881 members from 118 cooperatives, 15,409 pension beneficiaries and 58,956 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 2022: 347.2 million euros.
- MONDRAGON accounts for 8% 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 3,648 million, representing 75% of total sales.

MONDRAGON 2022 IN NUMBERS



COOPERATIVES BELONGING TO MONDRAGON



03

CONSTANT COMPETITIVENESS AND INNOVATION

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 2022, aggregate sales totalled 10,607 million euros, investments amounted to 347.2 million euros and EBITDA was 1,103 million euros. Average staff was around 70.000 people.

MONDRAGON's commitment to innovation continued to be very significant, employing 2,132 full-time R&D staff. Furthermore, the resources earmarked for R&D in 2022 totalled 174 million euros and the total number of patent families in force was 393, a very high proportion of those in the Basque Country as a whole. Between technology centres and R&D units, MONDRAGON comprises 12 organisations.

In its Social and Business Policy for 2021-2024, MONDRAGON has defined its main challenge: to "improve its positioning through competitiveness, its cooperative nature and its flexibility to disruptive changes". Commitment and cooperative identity, sustainability, future business, adaptability and flexibility, digital transformation, inter-cooperation and attracting and developing talent are its strategic pillars.



FINANCE

In a year dominated by the war between Russia and Ukraine, with the consequent increase in uncertainty for European economies, Laboral Kutxa has performed well, achieving a net result of €150.5M. Meanwhile, LagunAro EPSV suffered the consequences of the downturn in the financial markets with a sharp decline in its profitability and solvency margin.

LABORAL KUTXA



The outbreak of war between Russia and Ukraine in February 2022 marked the beginning of a period in which uncertainty would play a major role in the economic future of European countries, which are the main countries affected by the conflict due to the fact that both Russia and Ukraine are producers of essential raw materials. But it is energy commodities (gas and oil) that are causing the biggest headaches due to the European dependence. This has been reflected in inflation, which has become persistent and has reached levels unseen for decades. Specifically, the average rate of price increase in Spain during 2022 was 8.3% and 8% in the Autonomous Community of the Basque Country (CAPV).

All in all, 2022 was a year of growth, with rates of 5.5% for Spain as a whole and 4.3% in the Basque Community, rates which, although lower than the expectations at the beginning of the year, are nevertheless remarkable. However, despite this, the pre-pandemic income level was still not reached by the end of 2022. The GDP of Spain as a whole was 0.9% below the figure for the 4th quarter of 2019 and, for the Basque region, 0.2% down.

Furthermore, there was a major change in economic policy. High inflation rates forced major central banks to respond with aggressive interest rate hikes in an attempt to curb the initial escalation and to bring inflation back to desired levels thereafter.

With regard to the 2022 results, LABORAL Kutxa showed a good performance, with a balanced contribution from the main areas of the business. Consolidated net income recovered its pre-pandemic profit performance and reached 150.5 million euros, as a result of revenues generated by growing commercial activity and the gradual normalisation of margins in the typical banking business during the second half of the year.

For several years now, LABORAL Kutxa has been certifying the validity of its cooperative model by means of an outstanding financial position, which consolidates the foundation on which to build the results for the upcoming years. This is reflected in the main ratios and indicators.

ABSOLUTE LEADER IN SOLVENCY

LABORAL Kutxa has continued to generate capital organically from its results. At the end of the year, the entity raised its CET1 capital ratio to 22.24%, coinciding with its Total Solvency level, which implies an increase of 43 basic points during 2022.

This ratio between the cooperative's own funds, all of which are of the highest category, and risk-weighted assets (RWA), positions LABORAL Kutxa as the absolute leader in solvency and well above regulatory requirements.

VERY STRONG LIQUIDITY

The entity's LTD (Loans to Deposits) ratio stands at 64.72%. As regards short-term liquidity, the LCR (Liquidity Coverage Ratio) rose to 414.63%.

DOUBTFUL DEBT IN DECLINE

LABORAL Kutxa was able to improve the quality of its loan portfolio without the need to sell impaired portfolios. The NPL ratio has declined by 10 basis points since December 2021 to stand at 2.70%, a ratio that compares very favourably with the NPL ratio of the banking sector as a whole (3.45% according to the latest data for December).

SAVINGS AND INVESTMENT SERVICES PERFORMANCE

The resources managed by LABORAL Kutxa amounted to 28,436 million euros at the end of the year and increased by 132 million euros in 2022, representing a growth of 0.47%.

On the balance sheet, where demand accounts, savings accounts and time deposits are included, the amounts remained fairly stable and increased by 0.23%.

Off-balance sheet funds grew the most, by 1.27%, despite the negative performance of the financial markets during the year.

HOUSEHOLD AND CORPORATE LENDING

The total volume of LABORAL Kutxa's credit investment remained stable in 2022, standing at 15,200 million euros, which implies a small positive variation of 0.28%.

The area of companies and individuals behaved differently. Household credit balances declined by 1.5%, in line with the trend in mortgage credit balances, which declined by 1.8%. However, in the area of household consumer finance, the net balance increased by 4.4%, driven by higher volumes of new personal loans, which grew by 11.3% compared to 2021.

LABORAL Kutxa continues its involvement with the industrial fabric, as evidenced by an accumulated growth of 39% over the three-year period, which comfortably meets the bank's strategic objectives in all its geographical markets. At the end of 2022, the volume of credits and loans arranged by the corporate segment increased by 28% year-on-year and, as a result, the net balance of commercial loans and receivables was 5% higher than in 2021.

INSURANCE BUSINESS

The insurance business contributed earnings of 43.1 million euros in 2022.

Within the strategic products, it is worth highlighting: motor insurance, with accumulated premiums of 64.3 million euros and a year-on-year growth of 4.1%; home insurance, with accumulated premiums of 45.4 million euros and a year-on-year growth of 3.8%; and individual life insurance, which ended the year with a premium volume of 35.1 million euros, which implies a decrease of 1.5% compared to the 2021 financial year.

DIGITAL TRANSFORMATION

LABORAL Kutxa's digital customers, 58%, now represent a majority and 34% of these digital customers regularly interact with their branch office or manager through the various MEET digital tools: the Wall, the document manager, or video-conferencing.

With regard to the performance of digital contracting, the digital channel now accounts for 22% of the sales recorded during the year, either with remote support from managers or in a completely autonomous manner.

In the digital payment area, the launch of Google Pay and Garmin Pay are noteworthy, adding to the previous mobile payment options (LK-Pay and Apple Pay) and completing the range of solutions.

LAGUNARO EPSV



2022 was an extremely difficult year for LagunAro, EPSV de Empleo Preferente (hereinafter LagunAro, EPSV or LagunAro). A year affected by the war provoked by the Russian invasion of Ukraine, the high inflation rates recorded, the unequivocal and one-direction reaction of the various central banks to this inflation situation, which radically changed their previously ultra-expansionary monetary policies for more restrictive policies, by means of accelerated interest rate hikes. All this had a major impact on the financial markets, causing significant falls in the equity markets and historic falls in the bond markets, with the peculiarity that, in this case, both movements occurred at the same time.

Nevertheless, a system such as that of LagunAro, EPSV, which provides its members and beneficiaries with comprehensive social welfare coverage, should be analysed and interpreted taking into account its performance on a multi-year time horizon, in line with the commitments it assumes.

The Entity's dual facet should not be overlooked in this regard, as it is impossible to separate the two. Firstly, the role it plays as a structuring and protective element for the cooperative members' social welfare needs (illness, unemployment, retirement etc.) is vital. Secondly, the effective, responsible and professional economic-financial management of its funds is necessary at all times, so that it

will be able to continue providing welfare cover to the group it attends under suitable conditions.

In terms of investment management, the return achieved in 2022 was -7.44%, strongly influenced by the fact that all financial assets showed losses, both fixed income assets (bonds) and equities (stock markets), which is unprecedented, as fixed income usually acts as a counterbalance to equities.

With regard to actuarial needs, the provision made in 2022 to cover the generation of new pension rights, i.e. that known as technical interest, amounted to 159.91 million euros.

Also, with a view to updating the pension rights of all groups of members and pensioners, the reduction of the Solvency Margin to below 4% has involved applying the clause that limits the updating of pension rights contained in the Benefit Regulations to the groups in Tariffs 2 and 3.

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, was 1% of the above-mentioned Technical Provisions with risk at the end of 2022 (compared to a position of 13.3% at the beginning of the year). The application of this clause allowed the year to be ended with a

positive solvency of 1%, but below the legally required minimum. With regard to the performance of the collective, there has been a significant increase in the number of active members, rising from 28,228 to 29,881, an increase of 1,653 members, entirely due to the increase in the number of fixed-term members (+1,742).

The group of Pensioners and Beneficiaries experienced a net increase of 197 people in 2022, with a total of 15,409 people now receiving a monthly pension from LagunAro.

In the case of the main distribution of benefits and, starting with Healthcare, expenditure contracted slightly in 2022, with consumption per beneficiary per month reaching 18.80 euros, compared to 19.21 euros in 2021 and 20.31 euros estimated in the 2022 Management Plan.

As for Temporary Incapacity, expenditure turned out to be higher than expected, insofar as the absenteeism rate did not perform as estimated in the Management Plan (reduction from 6.4% to 5.8%). In fact, the absenteeism rate recorded in 2022 (7.0%) even exceeds that of the pandemic years (6.7% in 2020 and 6.4% in 2021).

With respect to the provision for Employment Support, we started from a situation of high uncertainty, which led us to estimate higher expenditure than in 2021. This uncertainty became even more apparent after the outbreak of the war in Ukraine. However, the reality turned out better than expected, as mobile calendar consumption was significantly lower than planned.

Similarly, maintaining high levels of temporary relocations helped keep the incidence of actual unemployment to a minimum. As a result, expenditure stood at 19.7 million, compared to 26.8 million in 2021 and 37.8 million in the Management Plan, which contributed to a positive balance of 13.5 million for the year.



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INDUSTRY

In 2022, the world economy slowed down significantly, with a growth of 3.4%, compared to the strong recovery and growth experienced in the previous year (2021: 6.1%). The 2022 financial year was shaped by a number of circumstances that affected almost all European countries: the Russian invasion of Ukraine, which began in February, high inflation with significant increases in energy and commodity prices, and the reaction of central banks in response to this with interest rate hikes that left behind the ultra-expansionary monetary policies of recent years.

In this highly turbulent global environment, MONDRAGON's Industry Area managed to achieve total sales of 4,848 million euros, 15.6% more than in the previous year, thereby surpassing the pre-pandemic figures. With regard to the distribution of these sales, it should be noted that national sales accounted for 24.7% of the total, reaching a figure of 1,198 million euros, 20.5% higher than those obtained in 2021.

International sales amounted to 3,648 million euros, with an increase of 14.1% compared to those in 2021, and which also account for 75.3% 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 is positive, especially taking into account that, despite the adverse circumstances of the international situation, industrial employment has been created.

PROFITABILITY

Despite the increase in energy and raw material prices, the industrial cooperatives managed to slightly exceed the net result obtained in 2021. The ability to pass on price increases to customers and the strong efforts made to contain the structure were the keys to this improvement. The net result for 2022 amounted to 222 million euros.

JOBS

The average workforce of the industrial divisions in 2022 was 27,316 jobs, 395 more than the previous year, of which 255 were jobs created in Spain. Of the total number of jobs, 10,112 relate to productive establishments of cooperatives abroad.

INVESTMENTS

industrial investments in 2022 amounted to 197 million euros, 22.5% 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 2022 involved the strategic commitment to innovation of MONDRAGON's industrial companies. This is confirmed by some of its key data: 2,132 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 174 million euros.

As regards the performance of the industrial divisions, there are a few notes. Firstly, the Components division deserves special attention, the White Goods sector, which after a significant and timely growth as a result of the confinement in households during the pandemic, has suffered a contraction in the market in the second half of 2022. This circumstance has led to structural adjustments in the division itself, although it has comfortably outperformed the pre-pandemic turnover figure.

Secondly, the good performance of the Equipment and Construction project is noteworthy (all its co-operatives had a positive performance in the year), with growth in double digits, both in relation to its management plan forecasts and to its figures for the previous year.

Meanwhile, the companies in the Capital Goods sector continued to make positive progress, with a notable increase in their order book, especially in projects related to renewable energies and the emerging space industry, new space, focused on space tourism. These results are all the more remarkable in a climate of uncertainty due to international conflicts and supply chain challenges, boding well for the coming years.

In the Engineering and Services business, it is worth highlighting the progress made in its energy-related projects, with the start of works in several energy communities (Ekiola) and the obtaining of the necessary licence to promote a new wind farm (Ekienea) adjacent to Ekian but which multiplies its installed capacity by a factor of 5. Also of note is its strategic commitment to the field of care for people in the home, as well as the merger of the Alecop and Mondragon Lingua co-operatives in order to achieve a new dimension and be able to compete in more ambitious projects.

Finally, the cooperatives belonging to the Motor Industry business unit as a whole ended the year with a 14% increase in sales compared to the previous year in a difficult environment, caused by the increase in the prices of raw materials and energy, which had a very severe impact on margins. The efforts of the people, tough negotiations with customers and internal fine-tuning allowed the aggregate results to be brought closer to the target threshold. The high take-up of both products for current vehicles as well as new electric vehicles, points to an optimistic future in a demanding and changing industry.



RETAIL

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.

As a whole, the distribution division ended the 2021 financial year with net sales of 5,759 million euros and an average total workforce of 37,580 employees, including cooperative members, workers and franchisees.

EROSKI GROUP

A year marred by the start of the war in Ukraine in February 2022 with problems of raw material shortages, as well as high inflation rates, which had a significant impact on the cost of purchasing goods and led to an adjustment in margins, as well as an increase in the cost of some expenditure headings. In the climate of inflationary pressure in 2022, EROSKI recorded a significant increase in costs related to its management, with a cost overrun of more than 38 million euros due to the increase in items such as leases, transport and labour. Efficiency measures implemented throughout the organisation's value chain accounted for 0.83 percentage points and made it possible to address cost overruns without having to fully incorporate them into sales prices and thus mitigate the effect on consumers.

- **The volume of activity** in the 2022 financial year increased by 7.0% compared to the previous year, bringing total sales to 5,476 million euros. The ordinary business generated a current

operating profit of 204.0 million euros, an increase of 10% compared to the previous year. Operating profit on sales was 4.23%, improving the previous year's ratio by 0.14 points.

- **The net result** reflects a profit of 64 million euros, 41 million euros less than the 2021 result.

In the 2022 financial year, Eroski reduced its financial debt by 44 million euros, to 909 million euros, bringing the total reduction in debt since 2009 to 2,514 million euros.

- **Efficiency.** In 2022, Eroski made very significant and solid progress in the projects related to expenditure items. The projects have made it possible to limit the tremendous impact of the economic and price instability suffered and have allowed Eroski to implement new specific savings initiatives and consolidate the existing ones, in the following areas: efficient point-of-sale



transactions with significant productivity improvements, platform efficiencies, efficient supply and logistics efficiencies, and overheads with significant negotiations. The progress and results were very positive in all these areas.

- Network.** In 2022, Eroski continued its commitment to business expansion, opening 11 of its own shops and 67 franchised establishments, 32 of which were Caprabo shops. Two new petrol stations were also opened. All in all, based on the efficiency and productivity improvements implemented, Eroski has consolidated its positive results, increased its market share in key areas such as Galicia and the Balearic Islands, reversed the trend in Catalonia and maintained its leadership in Navarre and the Basque Country. With the opening of the 67 new franchises, Eroski has increased its franchise network to over 600 shops. It also undertook the renovation of 91 shops in its retail network.
- In the logistics field,** after an investment of 18.5 million euros, the construction of the fresh produce platform in Sigüeiro (A Coruña), the largest logistics infrastructure in the sector in Galicia, was completed. A milestone which, together with the inauguration of the Jundiz logistics platform (Vitoria-Gasteiz) in 2021 and the start-up of the Caprabo fresh produce platform in the ZAL Port of El Prat de Llobregat (Barcelona) at the end of 2020, culminates the redesign of its map of fresh produce platforms in the northern area, which is key to Eroski's strategy for fresh and local produce and for the environmental and economic sustainability of the value chain.
- Trends.** It is also worth noting that convenience, i.e. the quick and easy shopping experience, has been one of the trends to which most attention has been paid in the field of innovation. Trends have also been observed with respect to the digitalisation of services, innovation in new products, the circularity of packaging, the conversion of waste into resources, the greater relevance of accessibility and adaptation for the senior citizen group, the strengthening of supply chains, the commitment to promotions and price strategy, the increase in home consumption, the preference for fresh and local products and consumption of proximity.
- Innovation.** To channel these trends and demands, Eroski relies on the EKINN model, a set of methodologies, tools and dynamics as a key to innovation embedded in the organisation to drive the development of its differentiated positioning. Along the same lines, open innovation was promoted as one of the main drivers of change in the organisation and collaboration with start-ups, technology centres, universities, suppliers and customers. Thus, in 2022, more than 11.7 million euros were allocated to innovation and development projects, participating in 20 collaborative innovation initiatives, 9 of them in European collaboration projects with technology centres, universities and start-ups from all over the continent.
- Social action.** 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 our local environment. 23 million euros were allocated in 2022 for social objectives together with their stakeholders. 48% of this amount came from contributions from Eroski and the Eroski Foundation, 21% from customer contributions (through solidarity actions organised in the shops), and the remaining 31% from institutions and public administrations (through product purchases to guarantee the food needs of people in vulnerable situations).
- The increase over the previous year is due particularly to a progressive increase in the use of the tools that Eroski makes available to social organisations and public administrations to facilitate a decent and inclusive diet for groups at risk of social exclusion, to the additional initiatives carried out to help those affected by the war in Ukraine and to the improvement in food collection campaigns compared to 2021.
- In 2022, the permanent donation programme Solidarity Cents, launched in November 2020, was a success once again. In 2022, Eroski and its customers have donated almost 1.7 million euros thanks to more than 10.5 million donations of Solidarity Cents. These contributions have been allocated to 83,000 people via 67 social organisations. The money donated has financed projects to help children, 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 2022 its total sales reached 283 million euros, with a result of 6.1 million euros and it employed 9,610 people.

AUSOLAN

After a challenging year and despite the loss of some tenders, Ausolan ended the year with positive results. Significant progress was also made in the development and consolidation of the organisation. Also noteworthy were the opening of several channels to diversify its business as well as the termination of its activity in Chile.

MIBA

Positive results in a very intense year in the consolidation of two new companies in the Miba Group, reinforcing its leadership in the sector.

BARRENETXE

The year was complicated by the extreme weather conditions during the summer months, affecting the results, which ended up being marginally positive.

BEHI ALDE

A brilliant year despite the increase in costs (consumption, energy, other), with very favourable results, thanks to record production levels and an upward trend in sales prices throughout the second half of the year.


KNOWLEDGE

Once again this year, various initiatives were launched to further MONDRAGON's scientific and technological leadership and its innovation capacities as levers for improving competitiveness and transformation of the business fabric.

01 / TECHNOLOGY AND R&D
2022 SCIENCE AND TECHNOLOGY PLAN

In 2022, a total of 13 collaborative projects were co-financed with the aid of different support instruments for solving technological challenges and developing new products and services. The topics addressed included: additive manufacturing, intralogistics, digital twins, data platforms, digital customer, energy management and efficiency and green hydrogen.

DIGITISATION AND ARTIFICIAL INTELLIGENCE

As part of its digitisation drive, the MONDRAGON Community for Artificial Intelligence (AI) has continued work on knowledge generation and transfer to the cooperatives, through technology

watching, good practice sharing and resolving real challenges proposed by the corporate entities themselves.

There has also been active involvement in Spanish and international committees and associations to strengthen MONDRAGON's AI positioning.

THE ENVIRONMENT AND THE CIRCULAR ECONOMY

The MONDRAGON Corporation, with the collaboration of Ondoan, has continued to support the cooperatives in their analysis and improvement of their environmental performance. In 2022, important areas such as product life cycle analysis, environmental footprint calculation, decarbonisation, emission offsetting and the product digital passport have been addressed.

The different actions carried out for this purpose included legislative oversight and technology watching, projects, training sessions, personalised interviews with the cooperatives to identify challenges, and monitoring of annual indicators.

R&D&I INTERNATIONALISATION

MONDRAGON has continued to foster the internationalisation of Research, Development and Innovation via the Corporate Office in Brussels and its involvement in various strategic international forums.

It has also promoted the participation of cooperatives in European collaborative projects, having submitted more than 100 proposals to the various European programmes (Horizon Europe, EIT Manufacturing, EIT Food, Erasmus, Digital Europe, Eureka, EMPR, RFCS, PRIMA) with a success rate of over 32%.

12 R&D ORGANISATIONS

The corporate R&D offer, mainly consisting of its 4 technology centres and 8 R&D units, has a budget of over 77 million and employs approximately 942 professionals.

TECHNOLOGY CENTRES

- **IDEKO** experts in production technologies and industrial manufacturing.
- **IKERLAN** with extensive knowledge of technologies for electronics, information and communication, energy and power electronics and advanced manufacturing.
- **LEARTIKER** specialising in polymer and food technologies.
- **LORTEK** which focuses on materials and processes applied to joining technologies, additive manufacturing and Industry 4.0.

CORPORATE R&D UNITS

- **CIKATEK** (Cikautxo) research, development and innovation of polymer materials, technologies and products (rubbers, thermoplastics and TPEs) for anti-vibration, sealing and fluid conduction functions.
- **CS CENTRO STIRLING** (Components Division), specialising in the design, simulation, manufacturing and testing of different components and systems for efficient energy generation and use in the home environment.
- **EDERTEK** (Fagor Ederlan Taldea, Ecenarro and Mapsa) whose aim is to share resources and solutions with its end customers for automotive sector products, processes and materials, seeking opportunities for continuous improvement of its products.
- **FAGOR AOTEK** (Fagor Automation), working in the Automation

and Optics areas and seeking to achieve a level of excellence in the technologies used in the products developed and manufactured by the cooperative: numerical controls, drives, motors and digital readout and position control systems.

- **ISEA** (Engineering and Business Services Division), a centre specialising in the business services sector.
- **KONIKER** (Fagor Arrasate), a specialist agent for research and development of new technologies relating to machinery and industrial manufacturing processes.
- **MTC** (Maier), research and development of thermoplastic parts and units and development of new products associated with their functions, for the automotive sector.
- **MIK** (Mondragon Innovation & Knowledge): MIK's aim is to generate knowledge applied to the management innovation field and, in particular, knowledge transfer in areas such as talent management, entrepreneurship or market development.

REGIONAL TECHNOLOGY COLLABORATION PLATFORMS

in which MONDRAGON takes part

- BRTA, Basque Research and Technology Alliance
- BAIC, Basque Artificial Intelligence Centre
- BDIH, Basque Digital Innovation Hub
- BCC, Basque Cybersecurity Centre

- BCH, Basque Circular Hub
- BEC, Basque Ecodesign Centre
- Net-Zero Basque Industrial Super Cluster
- ReActivate+

MONDRAGON AND EUROPEAN R&D

One of the key factors of MONDRAGON's 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 Manufacturng, EIT Food, EPoSS, euRobotics, Gaia-X, Inside, IEC, SMART Eureka Cluster and 2ZERO, among others.

R&D&I FIGURES

Total R&D
expenditure

174 M€

Total R&D
expenditure as a %
of total sales

3,61%

Total R&D
expenditure as a %
of added value

12,68%

Full-time
researchers

2,132

Sales in new
products/services

429 M€

Total families of
patents in force
at year-end

393

O2 / EDUCATION / TRAINING

MONDRAGON UNIVERSITY



Before reviewing the main activities and numbers that have defined the 2021-22 academic year, it is important to underline one aspect that has influenced it: the 25th anniversary of the creation of Mondragon Unibertsitatea. It has therefore been a course of celebration and appreciation for all those people and organisations that have supported and continue to support the development of this project.

In the official training area, Mondragon Unibertsitatea offered 17 degrees, one of them a new one - physical engineering applied to industry, implemented in the As Fabrik inter-faculty campus (Bilbao), thus adding to the growing offer of this new campus located in Zorrozaurre, which opened its doors in January 2020, with degrees offered by 3 faculties. A total of 643 students enrolled at the Bilbo/Bilbao Berrikuntza Faktoria and As Fabrik campuses.

As to postgraduate courses, 15 University Master's Degrees and 4 doctoral programmes were offered. In total, 6,326 students were enrolled in the above-mentioned official studies, 6% more than in the previous academic year. This total is around 7,160 students if the university's own degree students are added to this figure. 1.283 students completed their final year projects and 3.123 undertook work placements at companies and centres, representing an increase over the previous year of 9% and 18.7%, respectively. In the international arena, 1,685 students undertook a stay abroad (45% more than in the 2019-20 academic year, prior to the pandemic) and the group of foreign students hosted by Mondragon Unibertsitatea was 709, 25% more than in 2019-20.

As part of the internationalisation strategy, the Mondragon Mexico University project that MEI (Mondragon International Education) operates in Querétaro has continued to work and grow, with 35 new students from Latin America taking part in the Mondragon Unibertsitatea master's degree courses.

Mondragon Unibertsitatea also trained some 8,338 professionals via its offer of post-graduate courses, its own courses and other ongoing training courses, representing a 16% increase.

RESEARCH

With regard to research and knowledge transfer, the university also carried out major work in the 2021-22 period.

At the Higher Polytechnic School, there was a new Research Fellow, resulting in a total of 5 RFs and one Research Professor from Ikerbasque.

Also, the leading international organisation in applied research in advanced manufacturing, CIRP, awarded the Mondragon Unibertsitatea researcher, Gorka Ortiz de Zarate Bengoa, with one of the most prestigious accolades in advanced manufacturing in the world: the Taylor Medal Award. He is the first researcher in the country to receive this distinction.

Among the competitive projects, special mention should be made of the Elkartek tenders from the Basque Government and those of the provincial councils. In this type of project, work is carried out with other agents from the RVCTI and companies in the Basque Country, so that the impact on industry is maximised, and most of these projects are also framed within the RIS3 framework.

Work also continued on the creation of the medium-voltage laboratory, and work began on the new HIREKIN innovation and entrepreneurship centre.

The Faculty of Humanities and Education Science also continued its commitment to interdisciplinary collaborative research and knowledge transfer projects. Several projects have also been launched to promote learning and teaching process transformation and the culture of innovation within the scope of educational innovation. Similarly, with regard to social innovation, numerous initiatives have been developed in collaboration with different actors.

In the Business Faculty, the European positioning and the implementation of a new scientific plan to promote the field of doctoral theses and impact publications were significantly strengthened.

With regard to transfer, the positive performance of the talent development and people management teams continued, and progress was consolidated in projects linked to the circular economy business models team, 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.

For BCC Innovation, it is worth mentioning the participation in the CITA GO-ON project led by the CITA Alzheimer's Foundation, the project "Building a green gastronomic city", the work on the development of alternative proteins, as well as other projects in the digital or sensory area.

In quantitative terms, 594 research projects and transfer activities were carried out, 185 scientific publications were published in specialised journals, 91 papers were presented at national and international conferences and 148 seminars were organised. All these indicators experienced significant increases compared to the previous year.

ENTREPRENEURSHIP

To continue fostering entrepreneurship and interdisciplinarity, the fourth Changemaker Lab programme was run, attended by students from different faculties and degree courses, who developed projects in response to real problems.

Within the framework of the LEINN degree programme, in addition to the companies created by the students, 10 other start-ups were created.

Meanwhile, 5 agreements were signed with organisations for the promotion of entrepreneurship, the BBF Finteck incubator was set up, the "Platform Coops Now! (incubator for digital platform cooperatives), and the entrepreneurship pathway was implemented in all the engineering degrees.

The sixth edition of the "Enpresa sortu" competition was also held in collaboration with the Saiolan and Mondragon Business and Innovation Centre, the 6th edition of the Kooperatiba Fabrika programme, aimed at promoting cooperative social entrepreneurship and the social economy, the 9th edition of the Culinary Action accelerator, an incubation programme for gastronomic restaurants, the creation of the GOe-Gastronomy Open Ecosystem project...

SOCIAL RESPONSIBILITY

Finally, the following are some of the notable projects and work carried out in the social responsibility field: With regard to equality, there has been renewal and development of the equality plans at all the university faculties and the goals and initiatives established in these plans have been worked on during the academic year, such as training and awareness-raising sessions for both staff and students, initiatives to encourage women to participate in the STEM areas, inclusion of sex and gender variables in research, etc. Additionally, the university has carried out numerous actions to promote the use of the Basque language by both the students and the workers; and

with the aim of continuing to insist on standardising the use of Basque in the workplace the 11th “Ikasketa amaierako proiektuak euskaraz” (“Final degree projects in Basque”) awards were organised together with MONDRAGON.

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 second 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 2022-23 academic year began with the début of the new general management at the ikastola, with a shared management formula (between two people) previously approved by its Governing Board. As in previous years, and taking the 2021-25 Strategic Plan as a reference, the specific objectives for the 22-23 academic year were defined.

After the full implementation of the innovative pedagogical project, BATU, in two grades (Primary 5 and Compulsory Secondary 2), the subsequent evaluation was carried out, as well as the design for the

transfer to the rest of the educational programmes. The objectives for the following 3 school years were drawn up taking as a reference the improvements detected in the “BATU Process Evaluation” dossier. At the same time, given the changes in enrolment patterns in the first years of Pre-school Education, as a result of the drop in birth rates and the increase in maternity and paternity leave, a study is being carried out on the redesign of the pre-school stage.

The process of the new Education Law for the Basque Autonomous Community also became important this year. After creating different media to report the conclusions, sessions were held to debate with the community (professionals, families and collaborators) the ikastola’s own thoughts on the subject.

In short, this academic year brought new faces, new forms of organisation and new challenges that Arizmendi Ikastola faces with enthusiasm and teamwork.

OTALORA



2022 can be described as a period of gradual recovery of activity after the pandemic. A year in which restrictions were overcome and a “normalised” return to physical spaces took place. This is what happened at Otalora, a meeting and development point for the people who make up the social bodies, the executive line and, in general, for all the people in our co-operatives.

MANAGEMENT LEARNING

The design of new programmes based on the paradigm shift from training to learning continues. A format in which the people taking part in the programme take a very active role in combining practical experience, relational learning and formal learning. Three cooperatives and a total of 52 people took part in the “learning path for ETC development” programme. In addition, 5 new groups, with a total of 60 people, participated in developing programmes aimed at building relational skills, people management and team dynamics. The Work Practice Community developed around this theme, the 70-20-10 methodology, combined with the development of Enriched Work Contexts, and was attended by more than 40 people.

COOPERATIVE EDUCATION

Once again this year, the importance of cooperative education for new members and, in particular, for members of social bodies, was emphasised. A total of 91 programmes were delivered to members of the Governing and Social Councils, as well as induction programmes for new members. A total of 1,447 people participated in these programmes, involving a total of 13,092 hours of training. In this exercise, emphasis was placed on the objectives centred on performing the role, combining theoretical content on legal and regulatory aspects and specific dynamics on their application in practice.

DISSEMINATION OF THE MONDRAGON COOPERATIVE EXPERIENCE

The Co-operative Dissemination area, which focused on the MONDRAGON Co-operative Experience, received more than 1,570 people, 25% of whom stayed between 2 and 5 days. 41 requests from co-operatives to present the MONDRAGON model to their customers and network of contacts were answered. Throughout the year, 24 online conferences were held at various national and international events in places as diverse as Japan, Albania and South Korea. It is worth mentioning the visit made by Nick Romeo, a journalist from the influential New Yorker magazine, who, after many meetings and interviews with people from the MONDRAGON environment, published the article How MONDRAGON became the world's largest co-op.

POLITEKNIKA TXORIERRI



In a scenario of great uncertainty due to the pandemic, Politeknika Txorierri began the 21-22 academic year with a new 4-year Strategic Plan. A plan that had been prepared in a very participative way and with a lot of enthusiasm during the previous year. It established the strategic lines to be developed in the following Management Plans.

As usual, the commitment to vocational guidance and tutoring was maintained. Thus, in the area of Workplace Training and Dual Training Programmes in alternation, all the needs for work placements for students were covered. Also, Politeknika Txorierri continued with its Business Services activity (Tkgune).

Also, the comprehensive nature of its training offer aims to respond to the training needs of local companies, facilitating access to the labour market for the unemployed, for whom a total of 1,894 hours of training were provided.

Furthermore, it participated in 30 international innovation and transfer projects and, under the tutelage of Tknika, it was involved in research and development projects in various fields, such as forging (Near Solidus Forging) and the stamping of special materials (Estanpazio prozesuaren sentzorizazioa 4.0).

Finally, in the field of entrepreneurship, it is worth mentioning that the students of Politeknika Ikastegia Txorierri participated in the first edition of the WORKLAN-Social Lab entrepreneurship laboratory.

LEA ARTIBAI



In 2022, several projects of the 2021/22 academic year were carried out: the digital strategic plan and the 4-year equality plan; the Steam and Sare Hezkuntza Gelan seal was obtained; work was done on SDG 12 (Ensuring sustainable consumption and production practices) in both Baccaureate and vocational training courses. Lea Artibai also took part in several inter-cooperation projects. One of them, Certicloud, consisted of designing a cloud platform to store the certificates of "non-regulated" courses, together with the Provincial Council of Bizkaia, Alecop, LKS, Indaba Consultores, Arizmendi and Txorierri. And a second one, in collaboration with the Arizmendi, Txorierri and Huhezi cooperatives, was aimed at Baccaureate students from the different schools. Within the framework of collaboration with the Vice-Ministry of Vocational Training, Lea Artibai took part in two educational innovation projects (Internet of things: Smart refrigerators and Probiotic drink for the health of the elderly) and in a project from the Ministry of Science and Innovation (Injection X.0. Additive manufacturing in the construction of thermoplastic injection moulds).

For the third year in a row, Lea Artibai's Baccaureate students obtained a better mark in the entrance exams than the average for the schools in the Basque Autonomous Community. The increase in the number of students interested in studying the Baccaureate in Lea Artibai increased by 23%, making Lea Artibai a benchmark centre in the area.

The first year students of Industrial Mechatronics participated in the Dual Berria method. The students of the quality training cycle in food industries were awarded the Koof KOMBUCHA project in DEMASARIAK, a programme of the Provincial Council of Bizkaia that rewards entrepreneurship. As far as internationalisation is concerned, 4 vocational training students have done their work experience in Italy, Poland and Lisbon.

In the area of Employment Training, 12,562 hours of training were provided, of which only 313 consisted of on-demand courses. A total of 12,250 hours of training for the unemployed and active workers were provided, involving more than 2,000 participants.

The Biotechnology and Coaching for Life course was a new addition to the training programme. A programme has also been designed in collaboration with the town councils of Markina-Xemein and Etxebarria aimed at senior citizens. Topics covered include mental health, healthy eating, sports and the importance of sleep. Authorisation has been obtained to teach the professional certificate in the professional cleaning family and a financial allocation to finance a course in digital skills aimed at unemployed women in the Lea Artibai region.

Lastly, Lea Artibai continued to participate in a project to carry out activities related to lifelong learning that began last year. All of this is in line with one of its main goals: labour market integration. In

this academic year at Lea Artibai Ikastetxea, 233 work placements were managed, 114 people were helped to find work and 327 people were given career guidance. It also participated in the Lanberri programme run by the Provincial Council of Bizkaia, in which some graduates were able to apply for job.

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 2022 that can be highlighted is its awareness-raising and training of entrepreneurs, with 7 courses given to 262 participants. During 2022, a total of 68 individual entrepreneurs and intra-entrepreneurship projects were supported. 4 technology development projects and 31 feasibility studies were undertaken (including 12 new projects funded with aid from the Ekintzaile-Txekintek programmes).

As to new activities, 9 new businesses were created, 9 diversification projects launched and 8 start-ups joined the incubator.

In 2022 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, made up of 27 industrial companies.

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, contributed to the creation of new cooperatives and supported the start-up of new activities in 14 existing cooperatives. It has also participated as a professional panel in the second edition of the international championship of Cooperative Entrepreneurship, MONDRAGON CITY CHALLENGE

As an Intermediate Innovation Agent of the RVCTI, within the framework of the Provincial Council of Gipuzkoa’s Department of Economic Promotion programmes, it developed the “Oñati zirkularra” project, in order to analyse and implement Circular Economy solutions in companies in the Oñati municipality; the

Lanhezi project aimed at strengthening the relationship between companies and Vocational Training Centres and improving and developing personalised learning processes adapted to the needs of the companies; and it started the Bioplastic Gipuzkoa project aimed at promoting the opportunity to generate new industrial activity in bioplastics in Gipuzkoa.

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

MONDRAGON PROMOTION CENTRE

It is the corporate platform with the mission to promote and dynamise an open and inter-cooperative entrepreneurial ecosystem. It focuses on renewing and updating existing businesses and promoting new business activities, with a strategy of growth and achieving higher added value.

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 and it constantly interacts with the cooperatives' business development divisions and the divisional platforms in order to lead areas of cross-cutting interest.

Its preferred vision is focused generally on areas of industrial interest, as well as on three cross-cutting strategic priorities (digitalisation, sustainability and business with a future), which were approved by all the co-operatives within the framework of the socio-enterprise policy. These three focal points, in turn, have been broken down into various areas of vertical / sectoral interest including:

- High industrial impact technologies
- Green Economy (energy, circularity, new materials)
- Health and welfare (medical equipment, food, home care)
- Agri-food.

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 2022

- Active presence and monitoring of 58 agents / events / collaborators, including private equity funds, investment forums, acceleration programmes, events, juries, etc... (Bind 4.0, Impulso Emprendedor, B Venture, Crecer+, Keiretsu, South Summit, Startup Olé, EIT Digital, B Accelerator Tower, EIT Manufacturing, SpainCap, Mobile World Congress-4YFN...).

- Shareholding in 5 external business projects (Insekt Label Biotech, Eevam Technologies, Avir, Izpitek, Stone Cooker), involving 4 cooperatives in the fields of alternative proteins, power electronics, recreational cooking, poultry technologies and photovoltaic panels. In addition, 5 other external business projects are at an advanced stage of negotiation this year. In the last four years, investments have already been made in 18 technology-based start-ups.
- Launch of 6 intra-entrepreneurship projects promoted by the cooperatives and industrial divisions in different areas of interest, such as a sterilisation plant for hospital products, a business model for the regeneration of water for irrigation, a manager of circular innovation solutions for industry, cardio telemedicine solutions, a development of hybrid components for the mobility sector and a proposal for sustainable energy manufacturing for high added value applications. In the last four years, 31 projects have already been worked on, of which 10 new businesses have reached the market and 10 others are still in the analysis phase.
- Closed commercial alliance between 1 technology-based company and a cooperative, as well as several ongoing pilots in order to validate different technological approaches.
- MONDRAGON HEALTH activated areas of synergies for the cooperatives in the sector with an agreement signed with the Osakidetza Health Department, another with the corporate firm,

Grifols, and there are several more in the pipeline. Progress has also been made on the next 2023-2025 strategic plan.

- MONDRAGON AGRO FOOD opened a collaboration framework with the Vice-Ministry of Agriculture, Fisheries and Agri-food Policy in order to structure new business opportunities. In addition, visits to events and specialised agents were arranged, making it possible to compare the interest of 35 start-ups identified with 13 cooperatives. Finally, 2 workshops were activated with these same cooperatives with the aim of prioritising the areas of interest to be developed within the branch.
- Collaboration with other Corporations. 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 addition, comparison and in-depth sessions on entrepreneurship and open innovation were held in 6 cooperatives.
- In the area of communication, work was done to promote the MONDRAGON EMPRENDE brand, with the launch of the Mondragon Promotion Centre website as an entry channel for network positioning. We also maintained the Monthly Business Promotion

Newsletter, which was also expanded to cover a non-corporate audience. We broadcast relevant news from the sector in external media on a monthly basis, we activated interviews with startups in which we participated, and we actively participated in events in the form of round tables, panels, sponsorships, presentations, etc.

GARAIA TECHNOLOGY PARK

It is a point of reference for entrepreneurship and innovation made up of 68 companies and 2,505 professionals. 29% of the people and 10% of the budget of the companies in the Garaia Technology Park (PTGaraia) are dedicated to R&D. An optimal scenario for meeting and interaction between companies, technology centres, universities, agents and people interconnected in a network, with the aim of generating opportunities, new products and/or businesses, providing wealth and qualified employment for Debagoiena (Gipuzkoa).

PTGaraia works systematically focuses on the areas of knowledge currently mastered in the surrounding environment (mechatronics, power electronics, processes, manufacturing and embedded systems), evolving towards new applications (energy efficiency, electric storage, health, the environment, mobility, etc.).

It acts as a hub and a driving force for project design, identification and development and for seeking collaborators and allies, and it manages infrastructures, provides a meeting point and a scenario for knowledge sharing and services supporting innovation, and channels entrepreneurship projects to companies potentially interested in opening their businesses in Debagoiena.

In 2022, PTGaraia continued and consolidated projects and collaborations with different local agents such as Town Councils, Mondragon Unibertsitatea (MU), Municipal Council, Saiolan, the Gipuzkoa Provincial Council, the Basque Government's Parke network and driving companies in the local area.

New projects were launched, always focused on entrepreneurship, innovation, science and technology, seeking to develop knowledge, the existing production base, the economic and social sustainability of the region and constant adaptation to the new reality.

As to conferences and events in the main building, 406 events were held in 2022, consisting of on-site, online and hybrid events of various types (Garaia Enpresa Digitala, Knowledge Pills, Business Encounters, Open Day, General Meetings, Round Table Meetings, etc.). These events were attended by a total of 14,571 people, in person and online, making use of PTGaraia's different spaces and infrastructures which have been adapted in the last two years to respond to the new needs with technological solutions.

PTGaraia, with its spaces for information sharing, is therefore an important showcase for the region's business activity and innovation. It is a meeting point and a place for highly dynamic collaboration, open to society as a whole, to create opportunities for all the projects and professionals in the area. Its aim is to bring science and technology, business and innovation closer to everyone.



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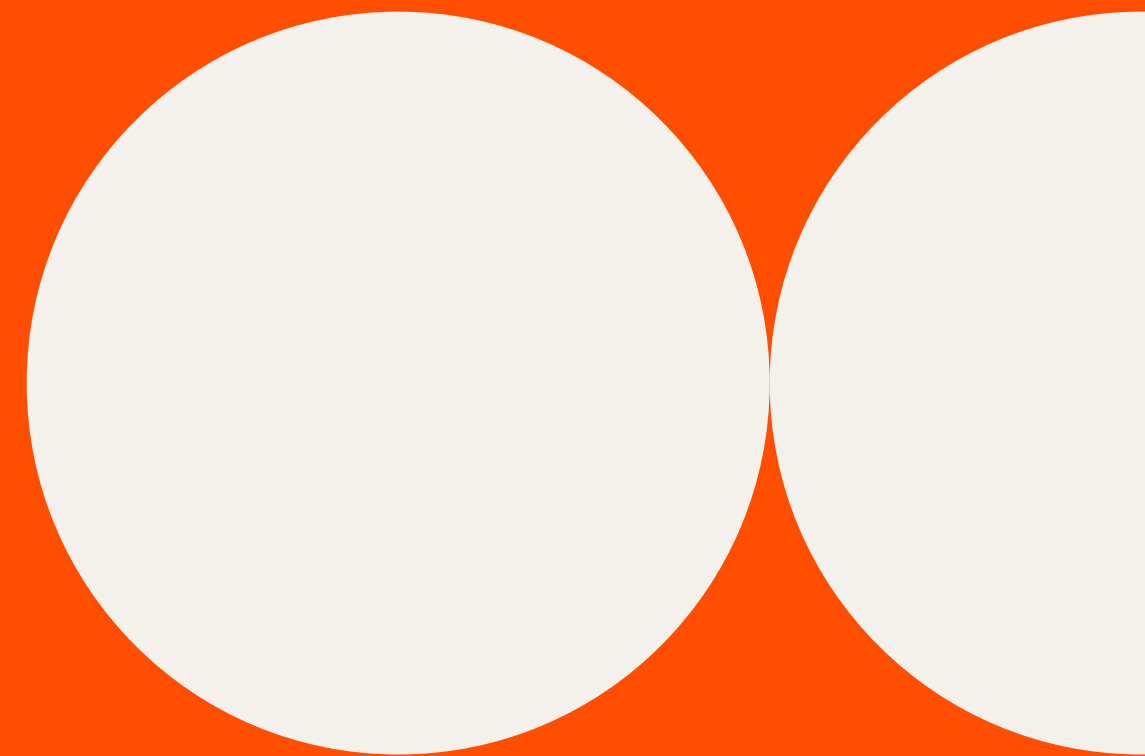
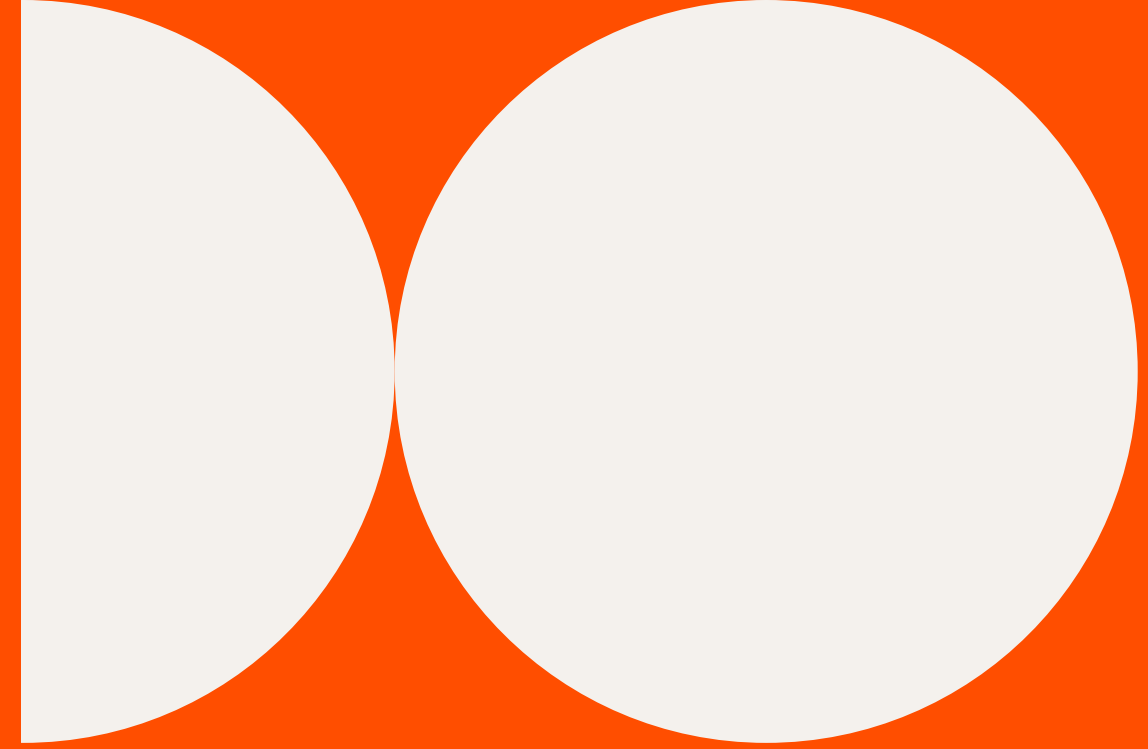
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04

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.

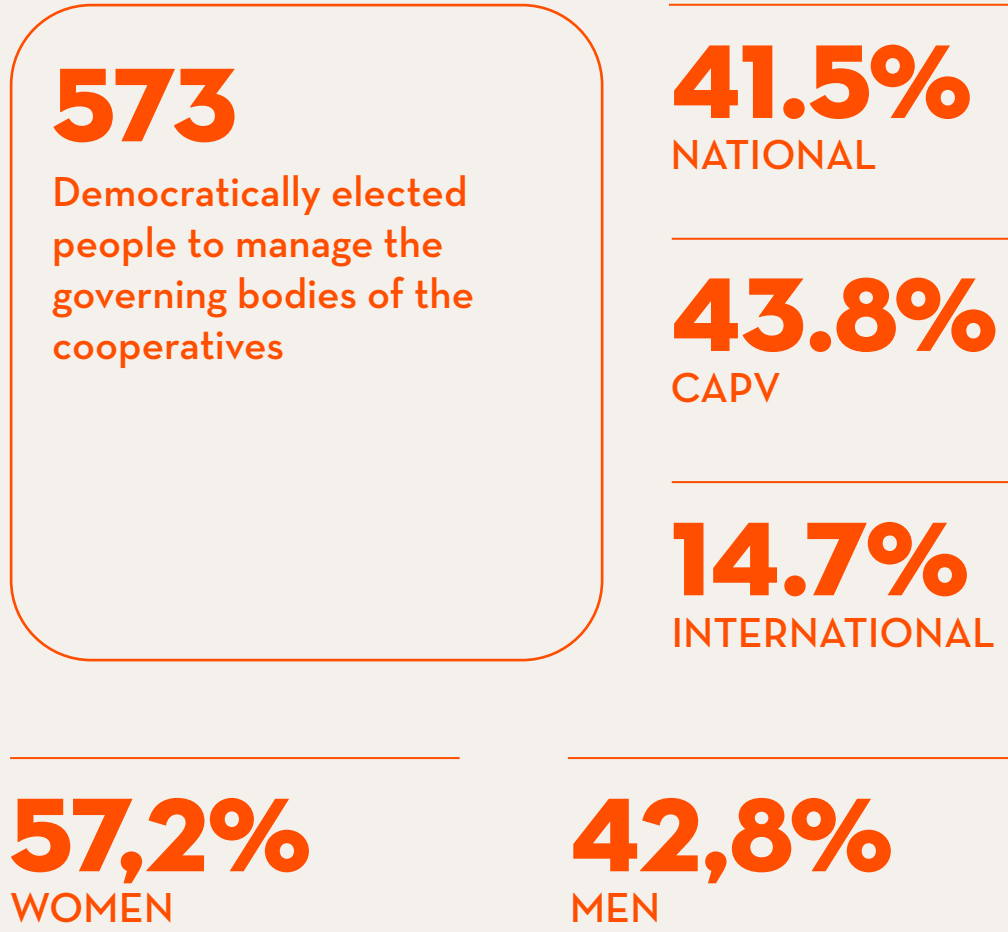


MONDRAGON's business revolves around people in a real, democratic and efficient way, with participation, training and sustainable well-being. Aspects such as ongoing education and training, equal opportunities, gender equality, stable and adaptive employment, worker involvement and protection and social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

- 573 people on the governing bodies (Governing Councils), democratically elected.
- Job distribution: 43.8% in the Basque Autonomous Community; 41.5% National, 14.7% International.
- Total employment: 57.2% women; 42.8% men.



PEOPLE AND EMPLOYABILITY

- 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 2022, 260 final degree and master's degree projects from 29 universities were presented at the first edition of the TFG TFM MONDRAGON Sariak awards. Three categories: Digital Transformation, People-based Transformation, Energy Climate 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. During 2022, the Digital Assembly Operator programme was developed and various editions of other learning solutions on Cybersecurity and Occupational Risk Prevention continued to be implemented. In total, more than 2,000 people attended one or other of the programmes included in the Mugi Digitalera platform.

- 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, the MONDRAGON employment portal, had 178,881 unique visitors, 7,357 people subscribed to the alert system, 502 job offers posted. Top 5 most in-demand professions:

ICT - Digital transformation	19,4%
R&D	19,0%
ENG - MANUFACTURING - QUALITY	12,2%
FINANCE, PEOPLE, LEGAL, ADMIN	10,2%
FP Assembly, commissioning, maintenance and operation of automatic equipment.	10,0%

- For the fifth 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 2022-2023 edition of FLL Euskadi MONDRAGON was held on 4 March 2023 with the participation of 81 volunteers, 324 participants aged between 6 and 16 grouped into 44 teams from 16 schools.

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.

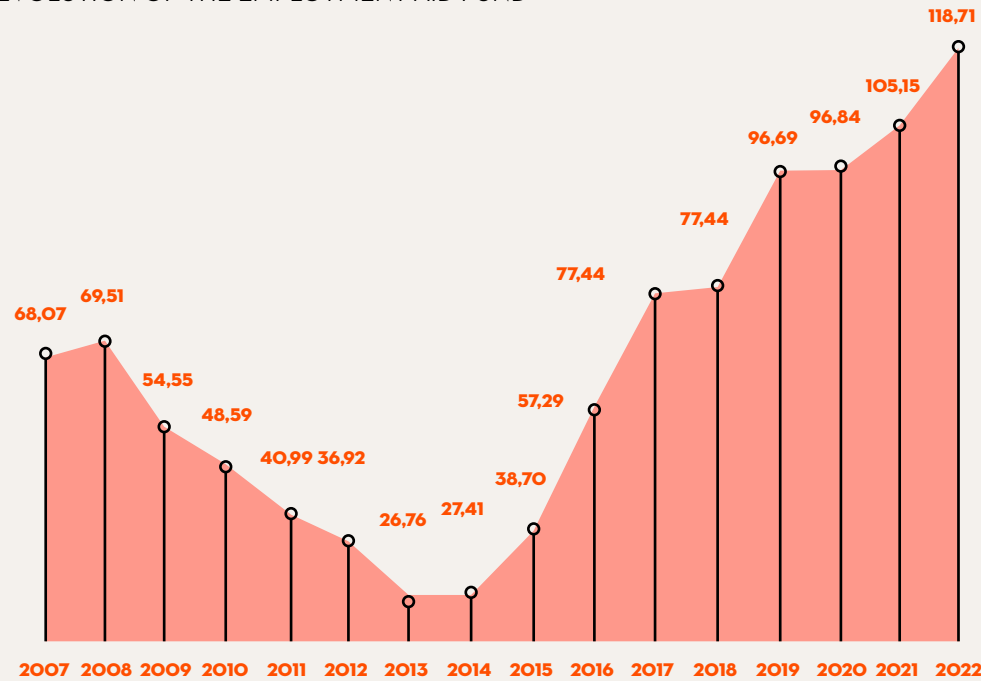
- 22 cooperatives employing 11,352 people had an ISO 45001 certified Occupational Health and Safety System.
- In 2022 a total of 5,443 people were trained in occupational health and safety.
- Accident rate: the number of accidents causing more than one day’s absence from work per thousand workers was 27.35 for the industrial cooperatives, compared to 62,03 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 30,417 (43.5% women), of which 29,881 are active members of the 118 cooperatives that are members of LagunAro. There was an increase of 1,657 people, mainly due to the increase in the number of people in the Fixed Term Mutualists (MDD) group.
- 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 58,956.
- Exemplary response from all the cooperatives, keeping the level of relocations at a record high, reaching a monthly average of 689 people. Employment Aid, in its various forms, amounted to 19.73 million euros for the year, with an accumulated fund of 118.71 million euros. The purpose of this Fund is to sufficiently guarantee coverage in future crises affecting jobs.

EVOLUTION OF THE EMPLOYMENT AID FUND



- LagunAro Assets Fund 2022: 6,662 million euros, earmarked for funding pensions. A total of 15,409 people receive an average monthly pension of €1,665/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 to the actual figures, 32.5% of the members of the governing bodies and 31.7% of the members of the Boards of Directors are women
- 60% of the cooperatives have Gender Plans at their organisations, with this percentage accounting for more than 95% of total sales.

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.

- 2022 saw the start of the roll-out of the new strategy approved by the Basque Language Forum. Its mission is for "Basque to be the main working language used at the cooperatives and, within social responsibility, for MONDRAGON to be a benchmark for standardisation of the Basque language in the workplace".
- 44 cooperatives are developing Basque language plans or systems, and a total of 30 have obtained the BIKAIN language management quality certificate awarded by the Basque Government.

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. And works on the following issues.



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 certified in Ecodesign (ISO14006) and 3 ISO50001 certifications in energy management.

- As to the impacts of the MONDRAGON organisations:
 - In 2022, the ATEGI plant managed the purchase of 610 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.

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.
- Installation of photovoltaic panels on roofs of industrial buildings (photo Ikerlan or M Assembly DanobatGroup, MU-MGEP)

- Knowledge generation: through Degree and Master's courses at Mondragon University, such as the Inter-University Master's Degree in Hydrogen Technologies.

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 is

promoting a digital identity platform for household applications, making them genuinely sustainable.

- Circular Replay: MONDRAGON and Éxxita Be Circular seal an alliance to launch 'Circular Replay', an initiative that will provide technological solutions to incorporate circularity in industry as a differentiating factor in the design, manufacturing and consumption processes of products, thus saving raw materials and energy and having an impact on the reduction of waste generation.

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 achieved its second Lean&Green star, awarded by the Association of Manufacturers and Distributors (AECOC), for having achieved a 32.4% reduction in greenhouse gas emissions in the logistics and transport processes in 2021 compared to 2015.
- Development of mobility plans for commuting to work, in more than 50 cooperatives, by cycling, walking, public transport and shared car... and thereby avoiding GHG emissions into the atmosphere.

+75%

Sales with
environmental
management
certificates

+50

Cooperatives with
mobility plans

80%

Energy purchased
from renewable
sources

12

Cooperatives created
for generation and
consumption of totally
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.

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DEMOCRATIC ELECTION OF GOVERNING BODIES

All the people who participate on the governing bodies and in 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.

573 people currently participate in the cooperatives' governing bodies, 32.5% of them 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 2022, 13,092 hours 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. and it occurs 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.

- 26 cooperatives (accounting for 85% 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 2022 the number of groups that visited us was close to the pre-pandemic number. In total there were 112 groups with 1,571 people (577 nationals, 994 internationals); in addition, 25 online conferences were attended with an audience of 1,603 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 Co-operative Experience through a series of 24 chapters in Basque, English and Spanish. It is their own people who present the co-operatives and the keys to what co-operatives and the Corporation are all about.

THE MONDRAGON CONGRESS

650 representatives (41% 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.

MONDRAGON BODIES PERMANENT COMMISSION

Nombre	División	Cargo
Mugerza, Leire	Distribución	Presidenta
Kortabitarte, Koldo	Automoción CM	Vicepresidente
Ugalde, Amets		Secretaria
Alustiza, José Antonio	Financiera	Vocal
Amezaga, Javier	Distribución	Vocal
Arrieta, Iñigo	Componentes	Vocal
Arroyo, Oscar	Componentes	Vocal
Aspe, Aitor	Automoción CHP	Vocal
Azpiazu, Patxi	Construcción	Vocal
Bastida, Asun	Distribución	Vocal
Egibar, Xabier	Financiera	Vocal
Gabilondo, Ruben	Equipamiento	Vocal
Larrañaga, Andoni	Automatización Industrial	Vocal
Larrea, Mikel	Distribución	Vocal
Luquita, Klaudia	Ingeniería y Servicios	Vocal
Martinez, Juan José	Automoción CHP	Vocal
Mazquiaran, Andrés	Máquina Herramienta-Danobat Group	Vocal
Sarrionandia, M ^a Asun	Conocimiento	Vocal
Ozerinjauregi, Xaber	Utillajes y Sistemas	Vocal

GENERAL COUNCIL

Nombre	División	Cargo
Ucín, Iñigo		Presidente
Ugalde, Amets		Secretaría
Carabel, Rosa	Vicepresidenta/Dirección Gral. División Distribución	Vocal
Ezpeleta, Zigor	Director Gestión Social Centro Corporativo	Vocal
García, Txomin	Vicepresidente/dirección Gral. División Financiera	Vocal
Imaz, Olatz	Directora Gestión Financiera Centro Corporativo	Vocal
Oleaga, Javier	Vicepresidente/Dirección Gral. División Componentes	Vocal
Palencia, Juan M ^a	Vicepresidente/Dirección Gral. División Automoción CHP	Vocal
Rodríguez, Pello	Vicepresidente/Dirección Gral. División Grupo Danobat	Vocal

07

MONDRAGON AND THE SDGS

The cooperatives encourage a responsible, democratic, sustainable business model. The ambition 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 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.

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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 22,000 people trained at MONDRAGON educational centres in 2022.

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 centres and 12 R&D centres.

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 2022 Osarten trained more than 5,400 people in occupational health and safety.

WORK AND EQUALITY

To achieve effective gender equality. MONDRAGON is making progress in this field and 95% 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).

SOCIAL ACTION BY MONDRAGON'S FOUNDATIONS

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](#)

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](#)

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 2022 it created 314 companies and generated 637 jobs. A total of over 6,000 companies have been helped by this Foundation to date.

[+ 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](#)

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](#)

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](#)

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