3- Double Materiality.

Analysis of double materiality and relevant issues.

In 2025, Ismael Quesada has started a new planning cycle, both for the company's general strategy and in relation to sustainability. This process of reflection and proposal has been carried out based on the identification and management of the most critical issues for the company, which on this occasion has evolved to adopt a more rigorous and exhaustive approach, in line with the guidelines promoted by the European Commission. In this respect, dual materiality has emerged as the central principle not only of our new sustainability report, but also of our own internal planning and management. This advanced approach allows and requires us to assess which Environmental, Social and Governance (ESG) issues are truly relevant to Ismael Quesada, ensuring that they are addressed in a priority and transparent manner.

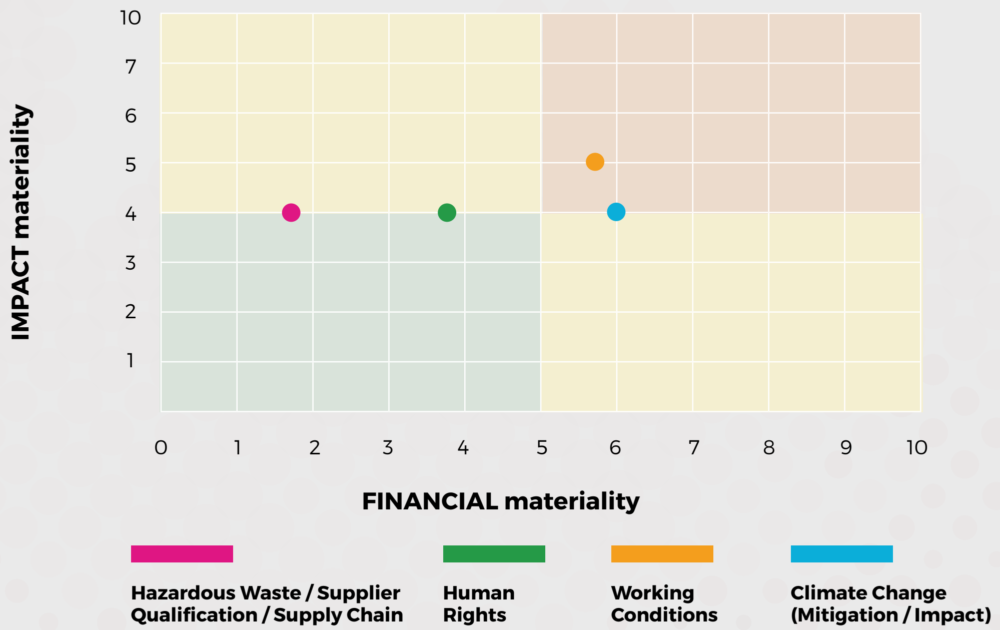
Under this framework, a matter acquires the status of "material" when it is significant from at least one of the following two perspectives:

- Financial materiality (outside-in perspective): assesses how external sustainability factors (such as the effects of climate change or the emergence of new regulations) create risks or opportunities that directly impact the financial value and economic viability of the company.

- Impact materiality (inside-out perspective): Looks at how our company's activities and operations significantly impact the environment and people (including local communities and workers) throughout our value chain.

This two-way approach ensures that our corporate reports and plans integrate, in a balanced way, both the protection of company value and our active responsibility in the transition to a sustainable economy.

To carry out the identification of our material issues, Ismael Quesada has carried out an exhaustive assessment of 50 environmental, social and corporate governance items. This analysis has covered areas as diverse as climate change, pollution, water and marine resources, biodiversity and ecosystems or the circular economy.



In the social and governance field, factors related to own personnel, workers in the value chain, affected groups, consumers and end users, as well as business conduct, among others, have been evaluated.

For the selection of this list of potential sustainability issues, we have taken as a reference the guidelines proposed by the European Commission's voluntary sustainability reporting standard for small and medium-sized enterprises (VSME). The adoption of this methodological basis, complementary to the standards we usually use, allows us to be at the forefront of the best reporting practices at European level.

As a result of this entire analytical process, a Double Materiality Matrix has been drawn up, in which impact assessments have been crossed with financial valuations. As a direct result of this exercise, we have identified five critical issues that reach the status of materials and will therefore guide our roadmap as a priority:

1. **Working conditions:** to guarantee a humane work environment, as well as to advance in the safety, health and well-being of our entire team.

2. **Climate change (mitigation and adaptation):** it is a cross-cutting challenge that includes what has been our horizon defined for years, the goal of achieving *Net Zero* by 2030. That means measuring our carbon footprint and executing robust climate action plans.

3. **Human Rights:** ensure absolute respect for the fundamental guarantees of people both in our value chain and in all our spheres of influence.

4. **Hazardous waste:** minimise its generation as much as possible and move towards circular economy models that allow the recovery of existing waste.

5. **Supplier and supply chain approval:** applying due diligence processes and incorporating responsible sourcing criteria (social, environmental and human rights) throughout our value chain.