







Environmental, Social and Governance

ESG Manifesto

Date: 26/03/2024	Document Id.: EMX-ESG-2024		Dept.: I+D
Project: Environmental, Social and Governance	Authors: Javier García de Quirós	Signatures: 	N. Pages: 12
Contract: -	Checked Jorge Carrasco Authorized by: Fco. J. García de Quirós José A. Carrasco	  	Version: ISS01

Prepared By: I+D.
Embedded Instruments and Systems S.L.
Ed. Quorum IV · Parque Científico UMH
Avda. Universidad S/N
03202 Elche (Spain)
© 2024 All Rights Reserved

DOCUMENT CONTROL

Contract: -

Project: Environmental, Social and Governance

Acronym: ESG

Title: ESG Manifesto

Document Type: Report

Internal Reference: EMX-ESG-2024

Issue: ISS01

Date: 26/03/2024

Security Classification: Confidential

Internal Department: I+D

DISTRIBUTION LIST

Other Companies: -

EMXYS: All personnel

CHANGE RECORD SHEET

Iss. / Rev	Date	Reason for change
01	26/03/2024	First version of the document

Table of Contents

1.	Introduction	5
2.	EMXYS, S.L. Role in ESG	5
	Mission	5
2.1	Values	5
3.	Environmental Responsibility.....	6
3.1	Low Carbon Footprint.....	6
3.2	Recycling and Waste Reduction.....	7
3.3	Pollution prevention.....	7
3.4	Circularity.....	8
4.	Social Responsibility	8
4.1	Customer segment.....	8
	4.1.1 Responsibility	8
	4.1.2 Transparency	8
	4.1.3 Ethical conduct.....	9
	4.1.4 Legality principle	9
	4.1.5 Human rights	9
4.2	Diversity and Inclusion	9
4.3	Workplace with dignity	10
4.4	Fair wage	10
4.5	Wellness	10
5.	Governance.....	11
5.1	Culture of Ownership	11
5.2	Code of conduct	11
5.3	Safety protocols.....	11
5.4	Commitment to Privacy.....	12
5.5	Supply Chain Due Diligence.....	12

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 5 of 12
---	--	--------------

1. INTRODUCTION

At Embedded Instruments and Systems S.L. – **EMXYS, S.L.**, we are revolutionizing the aerospace and satellite communications industries. But our vision goes beyond innovation – we are committed to **building a more sustainable future based on a continuous innovation and improvement of our relationship with the environment.**

This document outlines our Environmental, Social, and Governance - (ESG) Manifesto, a cornerstone of our commitment to operate with responsibility and integrity. Developed collaboratively by our entire team and approved by the company’s directors. This manifesto serves as a guiding document for our ESG journey. **EMXYS S.L.** is committed to reviewing this document annually in January, coinciding with the Management Review, to ensure that our practices consistently reflect best standards and adapt to the evolving landscape.

EMXYS, S.L. is currently certified according to the AS9100:2016 standard, which guarantees that its products and services meet the highest quality standards.

2. EMXYS, S.L. ROLE IN ESG

Mission

EMXYS, S.L. mission is summarized in the motto:

“Excelling in space science and technology to tame complexity”

Today’s societal social challenges are characterized by being multifaceted and complex. Society is facing global threats such as the climate crisis, social inequality, or the scarcity of resources.

EMXYS, S.L. mission is to take the lead in activities, initiatives, and projects that, through the excellence in science and technology, have a relevant social impact and contribute to building a better world. From our point of view, **excellence in the space science and technology to overcome complexity** is the way we can contribute to solving the current problems of society.

2.1 Values

According to our trajectory and corporate culture, the values of **EMXYS, S.L.** are the following:

- **Constant Evolution through the pursuit for technical excellence**, engaged to respond new challenges but underpinned on our history and achievements. **EMXYS, S.L.** track record backs to 2005 and, since then, the spirit of the search for technical excellence in the most demanding fields of science and technology remains unwavering, inspiring our staff to reach the highest technical levels and the required quality standards to face the most complex challenges: economic crisis, social inequality, and scarcity of resources. **EMXYS, S.L.** is committed to develop activities, initiatives, and projects that, through the excellence in science and technology, really have societal impact to contribute to building a better world.
- **Passion for Science and Technology.** The complexity of the sector environment requires highly qualified professionals to face the many difficulties that may arise. In order to achieve desired high level of expertise, passion is a key requirement. We believe that a high level of

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 6 of 12
---	--	--------------

commitment and passion, combined with excellence in science and technology, are essential to achieving **EMXYS, S.L.** social objectives.

- **Focus on creating distinctive products always in coherence with EMXYS fundamental principles: Excellence, Innovation and Quality.** At **EMXYS, S.L.**, every project develop is impregnated with the attention to detail and level of innovation required to meet the needs and expectations of our target audience. Innovation and continuous improvement of our procedures throughout the projects are essential in order to meet the requirements of our stakeholders.

3. ENVIRONMENTAL RESPONSIBILITY

3.1 Low Carbon Footprint

Greenhouse gases (GHG) emitted by human activities, such as carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), are recognized as one of the causes of global climate change, with significant impacts on the natural and human environment. Some of the observed consequences that can be expected include rising temperatures, changes in precipitation patterns, more frequent extreme weather events, worsening water scarcity, and changes in ecosystems, agriculture, and fisheries.

At **EMXYS, S.L.** we are committed to minimizing our own emissions and we are fully aware of the implications of climate change in terms of health, prosperity, and human rights. In order to adapt to climate change urgency, **EMXYS, S.L.** is committed to considering global and local climate projections for the future, identifying risks, and integrating climate change adaptation into its decision making. In addition, **EMXYS, S.L.** will identify opportunities to avoid or minimize damage associated with climate change and benefit from opportunities, when possible, to adapt to changing conditions.

EMXYS, S.L. is committed to implementing measures to respond to existing or anticipated impacts and, within its sphere of influence, to contribute to strength the capacity of stakeholders to adapt.

To reduce the impact of climate change resulting from its activities, **EMXYS, S.L.** is committed to identifying the direct and indirect sources of GHG emissions and defining the boundaries of its responsibilities. Additionally, the company will measure, record, and report its significant GHG emissions. **EMXYS, S.L.** will implement optimized measures to progressively reduce and minimize direct and indirect GHG emissions that are within its control. These measures will also encourage similar actions within its sphere of influence.

Furthermore, **EMXYS, S.L.** is committed to prevent or reduce the release of GHG emissions and to realize energy savings wherever possible in the organization, considering carbon footprint neutrality as a further objective of **EMXYS, S.L.** In line with these commitments, **EMXYS, S.L.** has already taken several measures to reduce its carbon footprint, including the following:

- Through its **propulsion system based on sustainable In-Orbit propulsion technologies, such as water electrolysis**, **EMXYS, S.L.** promotes the use of clean propellants for propulsion activity.

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 7 of 12
---	--	--------------

- By using environmentally friendly materials for propulsion systems, **EMXYS, S.L.** saves energy in storage and transportation costs that come from fossil fuels, contributing to **the reduction of the carbon footprint.**
- Considering specific materials for spacecraft construction, criteria of least polluting materials is followed according to **Do Not Significant Harm (DNSH)** recommendations, such as **low-lead materials.**
- **Lithium-ion batteries** are used to avoid contamination with those based on nickel or chromium.

3.2 Recycling and Waste Reduction

EMXYS, S.L. is committed to **complying with the legal regulations established for waste disposal and recycling.** In turn, **EMXYS, S.L.** is committed to design its internal quality procedures and operations to generate the least waste possible, just as to recycle and reuse all waste possible and to separate waste for its recycling, ensuring a correct storage for the type of waste produced.

All **EMXYS, S.L.** personnel will be trained to correctly manage the waste produced. In addition, we are currently researching the possibility of obtaining ISO 14001 certification to further demonstrate our commitment to environmental well-being. Following the last point, at **EMXYS, S.L.** we are currently developing a waste management policy.

One of the main ways to reduce the waste generated is based on the **optimization and correct use of the resources available to EMXYS, S.L.** At the same time, **EMXYS, S.L.** aims to reuse and to recycle all its resources as much as possible, as well as to promote sustainable procurement and consumption.

The saturation of small satellites in low Earth orbit (LEO) has led to a search for orbital deorbiting and attitude control systems that **do not generate pollution upon re-entry.** This is due to materials such as chromium or lead and highly polluting propellants such as hydrazine. These systems aim to solve the growing problem of space debris. **EMXYS, S.L.** is developing **a propulsion system based on green hydrogen** obtained from the electrolysis of water through renewable sources. This system will serve to deorbit satellites in a sustainable way and **combat the problem of space debris.**

With this measure **EMXYS, S.L.** is committed to comply with the new rule approved on Sept. 29, 2023, which indicates that **the time required for satellite operators to de-orbit low earth orbit satellites, promulgated by the Federal Communications Commission, will be reduced from 25 to 5 years.**

3.3 Pollution prevention

To prevent pollution caused by its activities and with the objective to achieve the ISO 14001 certification **EMXYS, S.L. will identify the impact of its activities and decisions on the environment,** including sources of pollution and waste.

When these sources are detected, **EMXYS, S.L.** will measure, record, and report its significant pollution sources and reduce pollution, water consumption, waste generation and energy consumption. **EMXYS, S.L. will implement measures aimed at pollution and waste prevention,** using the waste management hierarchy, and ensuring proper management of unavoidable pollution

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 8 of 12
---	--	--------------

and waste. These measures also will involve the development and promotion of the rapid introduction of more environmentally friendly products and services.

EMXYS, S.L. is committed to avoid the use of banned chemicals, as defined by national law, or chemicals considered as undesirable in international conventions. Whenever possible, **EMXYS, S.L.** will not use chemicals identified by scientific bodies or any other interested party as being of concern, with reasonable and verifiable grounds. **EMXYS, S.L.** also endeavors to ensure that such products are not used within its sphere of influence. Chemicals to be avoided include, but are not limited to, the following: ozone-depleting substances, persistent organic pollutants (POPs), and chemicals covered by the Rotterdam Convention, hazardous chemicals and pesticides (as defined by the World Health Organization), chemicals defined as carcinogenic or mutagenic, and chemicals that affect reproduction, are endocrine disruptors, or persistent, bio-accumulative and toxic or very persistent and very bio-cumulative.

3.4 Circularity

EMXYS, S.L. is committed to applying the principles of the circular economy throughout the company. This involves assessing the waste produced and its causes, as well as preventing its occurrence. Additionally, we are developing new strategies to reduce, reuse and recycle waste, such as reducing paper usage and encouraging staff to use reusable products instead of disposable ones.

4. SOCIAL RESPONSIBILITY

4.1 Customer segment

EMXYS, S.L. believes that the organizations should base their conduct on technical standards, guidelines or rules of conduct that are in accordance with accepted principles of correct **or good practice in the context of specific situations**, even when those situations are complex.

4.1.1 Responsibility

EMXYS, S.L. believes that, as an organization, it should be **responsible for its impacts on society, the economy, and the environment** if its actions affect them.

Accountability implies an obligation for the management to be responsible to the stakeholders of the organization and for the company to be accountable to the competent authorities in relation to laws and regulations.

4.1.2 Transparency

EMXYS, S.L. believes in maintaining transparency in its decisions and activities that affect the environment. It presents them to stakeholders in a clear and objective manner, enabling them to accurately assess the impact on their respective interests. **EMXYS, S.L. will ensure transparency in decision-making, implementation, and review processes.** This includes defining roles, responsibilities, accountabilities, and authorities within the organization's functions, as well as standards and criteria for evaluating performance related to social responsibility and significant issues. This practice is a requirement in our AS9100:2018 quality standard.

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 9 of 12
---	--	--------------

4.1.3 Ethical conduct

EMXYS, S.L. is committed to the idea that every organization should have an **ethical conduct based on honesty, fairness, and integrity**. These values imply concern for people, animals and the environment, and a commitment to address the impact of its activities and decisions on the interests of stakeholders. **EMXYS S.L.** actively promotes ethical behavior in the following ways:

- Identification and declaration of its **fundamental values and principles**.
- The development and use of **governance structures that help promote ethical behavior** within the organization, in its decision making and in its interactions with others.
- **Preventing or resolving conflicts** of interest throughout the organization that could otherwise lead to unethical behavior.
- The focus of its operations and projects on the **solution of social problems** in its environment.

Following these last points, **EMXYS, S.L.** considers **essential to focus its scientific and technological activity on the solution of social problems**. Under this premise, **EMXYS, S.L.** has developed several medical and health projects. These include the project **HYBRIMS**, of which we are very proud to be a part. It is based on the development of a patented medical technology that combines gamma and ultrasound imaging with **real-time cancer biopsy guidance** capabilities. This novel device adds the metabolic information provided by gamma images, in which the most active or aggressive areas of the tumor are visualized, to the morphological information obtained with ultrasound, allowing the specialist to obtain more precise information about the tumor. This project has been highlighted for its great excellence and impact on society.

4.1.4 Legality principle

EMXYS S.L. is committed to the idea that **no individual or organization is above the law and that governments are also subject to the law**. The legality principle is opposed to the arbitrary exercise of power. In the context of social responsibility, respect for the principle of legality implies that an organization complies with all applicable laws and regulations.

4.1.5 Human rights

EMXYS, S.L. is committed to **respect human rights and to recognize both their importance and their universality**. **EMXYS, S.L.** will promote the rights set forth in the Universal Charter of Human Rights, which are indivisibly applicable in all countries, cultures, and situations.

4.2 Diversity and Inclusion

EMXYS, S.L. considers **diversity and inclusion as two key factors** in its corporate culture. At **EMXYS, S.L.**, we believe it is essential to promote a culture of diversity and inclusion to ensure that all the stakeholders of the company can be represented within the company, promoting at the same time a big level of engagement between our employees by the construction of a comfortable work atmosphere where **EMXYS, S.L.** can help to achieve the best version of everyone. For us, it is especially important to make feel welcome to every new employee hired or new customer, providing to the new employees a great onboarding with a welcome meeting to introduce them to the company

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 10 of 12
---	--	---------------

and to transmit the corporate culture based on our mission, vision, and values. Following this point of view, the principal DEI factors for **EMXYS, S.L.** culture are:

- Diversity and Inclusion.
- Equity and Justice.
- Freedom of speech.
- Support for vulnerable and minor collectives.
- Stakeholders feedback.

4.3 Workplace with dignity

EMXYS, S.L. is committed to provide to its employees a **space where to work with dignity, freedom, and comfort**. The workplace should be a place where the employees feel comfortable performing their role and where they are able to reach their full potential.

To provide a good workspace is critical to increase employee engagement and commitment. In turn, **EMXYS, S.L.** seeks to follow certain lines of the so-called Lean Management, **eliminating all wastes that do not add value to the company, while improving the efficiency of our operations**, making the most of the resources and capabilities at our disposal.

4.4 Fair wage

EMXYS, S.L. attaches a lot of importance to provide **fair wages and other forms of remuneration** in accordance with national laws, regulations, or collective bargaining agreements. **EMXYS, S.L.** is committed to pay wages that are at least adequate to the needs of workers and their families. In doing so, it considers the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups. Economic factors are also considered, including economic development requirements, productivity levels, and the desirability of to achieve and to maintain an elevated level of employment.

EMXYS, S.L. is committed to provide **fair pay for work of fair value and to pay wages directly to the workers involved**, with the only restrictions or deductions permitted by law, regulation, or collective bargaining agreements, as well as complying with any obligations concerning the social protection of workers in the country where it operates.

EMXYS S.L. respects the right of workers to comply with normal or agreed working hours, according to laws, regulations or collective agreements and their family responsibilities. **EMXYS, S.L.** will incentive workers for overtime in accordance with laws, regulations, or collective agreements, always when these have been solicited by the company to the employee through the corresponding official channels.

4.5 Wellness

EMXYS, S.L. is committed to **maintain the social welfare of its stakeholders and its general environment**, as well as to provide a healthy working environment within the company for all its members. In turn, **EMXYS, S.L.** is committed to keep the welfare of the environment and the surrounding society.

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 11 of 12
---	--	---------------

5. GOVERNANCE

5.1 Culture of Ownership

Organizational governance is the most crucial factor in enabling an organization to take responsibility for the impacts of its decisions and activities and to integrate social responsibility throughout the organization and its relationships.

In the context of social responsibility, organizational governance has the characteristic of being both a fundamental matter on which organizations should act and a means of enhancing the ability of organizations to behave in a socially responsible manner with respect to other fundamental matters.

At **EMXYS, S.L.** we believe that effective governance should be based on the **incorporation of the principles of social responsibility in decision making and implementation.**

EMXYS, S.L. is committed to develop strategies, objectives and goals that **reflect its commitment to social responsibility** and to promote an environment and culture in which the principles of social responsibility are practiced. In addition, it will **balance the needs of the organization and its stakeholders**, including immediate needs and those of future generations, and will establish two-way communication processes with its stakeholders, identifying areas of agreement and disagreement and negotiating to resolve potential conflicts.

EMXYS, S.L. believes in the **promotion of the effective participation of employees at all levels in the organization's activities related to social responsibility** and to balance the level of authority, responsibility and capacity of the people who make decisions on behalf of the organization. Records must be kept of the implementation of decisions **to ensure that such decisions are carried out in a socially responsible manner and to determine accountability for the results of the organization's decisions and activities**, whether positive or negative, and to periodically review and evaluate the organization's governance processes; adapt processes based on the outcome of reviews and communicate changes throughout the organization.

5.2 Code of conduct

EMXYS, S.L. complies with **international standards of behaviour**. In situations where the law or its implementation does not provide adequate environmental or social safeguards, **EMXYS, S.L.** will strive to comply with international performance standards. In countries where the law or its implementation conflicts with international performance standards, **EMXYS, S.L. will endeavour to respect such standards to the greatest extent possible.** **EMXYS, S.L.** will avoid being complicit in the activities of another organization that are inconsistent with international standards of behaviour. consistent with international standards of behaviour.

5.3 Safety protocols

EMXYS, S.L. will take the necessary measures to **ensure its cybersecurity and physical security in its facilities**, as well as evaluate risks and develop procedures to ensure the safety and integrity of its employees in the work environment.

	EMBEDDED INSTRUMENTS AND SYSTEMS S.L. ENVIRONMENTAL, SOCIAL & GOVERNANCE (“ESG”) POLICY AND STATEMENT	Page 12 of 12
---	--	---------------

EMXYS, S.L. will ensure that all personnel outside the company does not have access to its facilities unless they have the authorization of any of the members of the company with sufficient authority to do it.

5.4 Commitment to Privacy

EMXYS, S.L. is committed to **complying with all applicable legal regulations to ensure the privacy of the company and that of its employees.** **EMXYS, S.L.** will do everything in its power to protect the personal data of its employees and ensure their fundamental right to privacy. All sensitive data in the **EMXYS, S.L.** database will be protected by specific measures. **EMXYS, S.L. will identify the legal basis for the processing of each personal data it collects** and will document and inform users under their right to be informed. The company will be able to show internally to users and to regulatory bodies what legal basis they use to process the data.

EMXYS, S.L. will **collect only the fields that it really needs for the processing** of its activities and that are relevant to the purpose of its business, eliminating all those that are not necessary for the company. All data collected by **EMXYS, S.L.** will be stored in the EU or subject to European privacy legislation. The company believes that the data collected should be offered to the user to provide them with the ability to download or transfer it to another location.

5.5 Supply Chain Due Diligence

At **EMXYS, S.L.** we are concerned that our suppliers, with whom we work closely every day, **have values in line with our corporate culture and our corporate social responsibility.** To do business in an ethical manner regarding anti-corruption, conflicts of interest, hiring practices, human rights and honesty in business and corporate registration is fundamental to us.