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Message from the President of AMPO, Jon Gorrotxategi

The 2016-2018 period has been relatively complicated in our sector all over the world, with high instability in the oil and gas industry, and to which AMPO allocates approximately 80% of its sales. However, thanks to the ability to adapt, to the hard work and dedication of everyone who makes up the AMPO team, we have continued to move forward during this tough period and prepare ourselves for the challenges ahead. That is why, in 2017 we decided to invest 13 million euros in setting up a new valve manufacturing plant in India, and another 22 million euros in 2018 in expanding the new machining facilities in Idiazabal, which opened in October. This new investment will enable us to strengthen our activity in Idiazabal, increasing our productive capacity, providing 20% more jobs at the new machining plant, and offering our foundry clients products with greater added value and products with more complex geometries, as well as improving the quality of our solutions and service. The new plant has also been designed and built according to the LEED sustainable building certification system, achieving the LEED Gold certificate for this project. Consequently, through this project we have reinforced AMPO’s commitment to people, society and the environment.

In this 2018 social commitment report, you will find the main milestones of the year for AMPO, among which we should mention: the opening of the new machining plant in Idiazabal; the development of the KOSMOS digitisation project; the consolidation of our diversification strategies, both in the foundry and valves divisions, etc.

But above all, this report reiterates all our commitments to our people, our clients, society in general, the environment, and also to our collaborators. These are firm commitments to maintain our leadership in fair and sustainable human development, in line with our mission statement.

In 2019 we will continue to consolidate the AMPO project along sustainable lines, thanks in part to a positive growth and development forecast for the cooperative. Our aim is to continue adding years to our 54-year history, creating a sustainable future from an economic, social and environmental perspective.

On behalf of the Governing Council of which I am President, I would like to thank the entire AMPO team for your dedication and hard work, and encourage you all to continue contributing to the consolidation of this exciting socio-business project.

JON GORROTXATEGI
President
Message from the Managing Director of AMPO, Ibon Imaz

Despite market uncertainty, AMPO stood out in 2018 for its capacity to adapt to the new situation in the energy industry, and also for its solid commitment to the future. This commitment has led us to close the year with growth figures at approximately 30% up on 2017. In the 2016-2018 period, we have also implemented an investment plan valued at over 35 million euros, which has enabled us to consolidate both our international position and our industrial activity in Idiazabal, as well as setting the foundations for our cooperative with a view to the future.

As the industry has been changing, here at AMPO we have had to adapt to a new market reality, which has led us to strengthen our diversification strategy both in the foundry and valves divisions. Although we historically allocated around 90% of our sales to the natural gas industry in our valves division, in 2018 this percentage was reduced to 46%, boosting our position in the refinery, petrochemical and energy sectors, as well as developing a wide range of products for the upstream market. In the foundry division, on the other hand, we have also strengthened our diversification strategy, developing high added value components for pumps, the marine sector, decanters, etc. when historically we focused more on the manufacture of valve components. The opening of the new machining plant has also been key to the development of this strategy, as not only do we now have the smartest 4.0 machining centres on the market, but we can now also offer our clients integrated services such as cladding technologies, etc.

In 2018 we continued to advance in our Strategic Plan that we set out for the 2017-2020 period. All this to continue offering solutions that meet our clients’ needs in a global market. And to take on all the challenges of the future, it will be essential to count on all the people at AMPO, as well as on our suppliers and other collaborators, such as technology centres, start-ups, universities, associations, institutions, etc. in other words, a community that will help us to strengthen our project.

Our commitment to the future is firm: to continue to be committed to our clients, to our people, to society and the environment, and thus continue to be leaders on a local and international scale.

IBON IMAZ
Managing Director
2. THE YEAR 2018 AT AMPO, AT A GLANCE

- TURNOVER: €131,153,000
- INVESTMENT: €8,542,000
- SALES:
  - FOUNDRY: 4,883 Tonnes
  - AMPO SERVICE: 60 field engineering services

TEAM
- Idiazabal: 452 people
  - 11% women in the staff
  - Average age: 41
  - 87% are cooperative members
- India: 255 people
  - 5% women in the staff
  - Average age: 30

Number of SUPPLIERS:
- More than 500

€ purchased in a 100-km radius:
- €50,000,000

SOCIAL PROJECTS:
- €400,000 intended. Quantity: 113 projects

CONSUMPTIONS:
- Electricity: 20 MkWh
- Natural Gas: 62 MkWh
- Water: 29,647 m³

- Export: 92%
- Presence in 62 countries

Product development and research lines amount: 25
Innovation intensity: More than 2%

VALVES per sector:
- LNG: 3%
- Refinery, petrochemicals and power: 3%
- Mining: 43%
- Upstream: 46%
- Others
3. MISSION, VISION, VALUES AND COMMITMENTS

MISSION

AMPO is defined as a “Project based on People” which, underpinned by teamwork and communication, pursues the total satisfaction of their own People, Customers and external stakeholders, as well as profit which makes fair and sustainable human development possible within a framework of cooperative principles.

VISION

To offer castings, valves and other activities in the global marketplace which provide solutions to the needs of the Customers.

VALUES AND COMMITMENTS

- **Customer satisfaction**, which, by providing the guarantee for its future, is its top priority.
- **To maximise the professionalism of its People** by allowing and encouraging their creativity and making them players in a permanently innovative project.
- **Teamwork** is the basis on which freedom, responsibility and leadership become integrated and coexist to obtain an efficiency based on a commitment to both quality and quantity.
- **Communication, information and transparency** in order to share knowledge, experience and skills as well as to accept and exercise the responsibilities and assume the risks attached to them.
- **To share its project** with suppliers, Customers and society with an enriching and exciting vision of the future.
- **A commitment to quality, service, cost and health and safety** in the workplace, which are understood to be fundamental keys of the activity and, all of this, in order to achieve excellence.

These values are a binding part of all projects and activities in which AMPO takes part.
4. COMMITMENTS OF AMPO

4.1. COMMITMENT TO OUR EMPLOYEES

People are the central axis of our mission, our values, our strategy and our management, which is why we refer to ourselves as a people-based project. As a result, the well-being, satisfaction and professional development of people is one of our main priorities.
All of our teams work to a system of self-management; they know and participate in the objectives and strategy of AMPO, objectives which are always agreed to at the cooperative’s General Assembly.

The AMPO team currently consists of some **700 people** between our staff in Idiazabal and in India, as well as our broad commercial network. **Customer satisfaction**, the guarantee of our future, holds top priority for everyone. All our staff are, therefore, committed not only to quality, service and cost, but also to health and safety at work on the road to excellence. In turn, AMPO is fully committed not only to achieving the best possible professional competence of its people by enabling and promoting their creativity and making them the lead players of a constantly innovating project, but also to sharing the project by fostering communication, information and transparency.

By way of an example, below you will find different aspects related to our organisational model, our policies on employment and people management, our communications and training models, etc.

### EVOLUTION OF EMPLOYMENT

After some years of instability in the sector, during which we managed to keep all our jobs intact, in 2018 a few major projects were launched, providing the **opportunity to increase our number of employees both in Idiazabal and India**.

In 2018, the AMPO team had a total of **707 people**; 452 at the Idiazabal plant and the different commercial offices around the world, and 255 people at the AMPO INDIA plant.

As regards the profile of the AMPO team in Idiazabal, we would like to highlight the following:

Due to the high technological level of our products and processes, **38% of the people in the group work in services** such as engineering, innovation, processes, sales, supply chain management, etc.

- The staff distribution by age is as follows:
  - Under-30s make up 8% of the workforce.
  - The predominant age group covers people between the age of 30 and 50, which makes up 79%.
  - Over-50s make up 13% of the workforce.

In 2018, a total of **35 people** joined AMPO, representing a recruitment rate of 7.73%.
At the end of 2018, **87% of the workers at Idiazabal were cooperative members**, and the remaining 13% were people who were hired while waiting for the opportunity to become members. These figures demonstrate AMPO’s commitment to people. Here, instead of issuing short contracts for periods of high production, we only recruit people to occupy positions destined to become consolidated in the future.

As regards employee turnover, it is worth mentioning that the **turnover ratios are very low at AMPO**, below the average in Spain and India, which is just another example of our staff’s satisfaction.

As far as AMPO INDIA is concerned, it also has to be said that our workers in Coimbatore enjoy better working conditions than others in their area, meaning that the standard of employment is very high.

Since 2003, AMPO has been employing a horizontal people-based organisational and management style. Based on the objective of strengthening leadership and teamwork at AMPO, in 2017 we took the first steps in the process to create and design a new model of organisational culture and leadership among People at AMPO. This project, entitled “Working on change” (Aldaketa lantzen), aims to create a process of organisational development for guaranteed progress towards achievement of the cooperative objectives and towards a culture of excellence.

After an initial diagnosis of the situation, and after establishing the bases of the new culture model, in 2017 and 2018 the necessary skills were taught and implemented using collaboration processes aimed at achieving a more active attitude to **learning, teamwork, leadership, participation, communication and progress**.

The training took the shape of **workshops and group and individual coaching sessions**.

With the definition of this new cultural model of organisation and leadership, we aim to become an excellent organisation while increasing the feeling of belonging to AMPO and the satisfaction of our people.
At AMPO, we believe that training is of the utmost importance when it comes to consolidating the organisation’s continuous improvement processes and the quality of its products and services, and also for continually adapting to the new challenges that the company takes on every year, and to broaden people’s skills in order to make them more flexible. To do so, AMPO invests a lot of time and effort in training people.

Today we therefore have a biennial training plan which encompasses all aspects of developing knowledge, skills and attitudes in people.

As a result, in 2018 we defined a training plan for 2018-2019, adapting it to the challenges of the organisation while taking account of the increased complexity of our solutions and the rise in our customers’ expectations at both the commercial and the engineering levels.

In 2016 we invested €264,900 in its implementation and the number of hours of training received came to 8,050 hours over 92 training actions.

Below you can see the evolution of certain aspects of the Training Plan over the last 3 years, where we have taken on training projects that are highly relevant to AMPO’s future, such as: the new organisation and leadership model, the LEAN Manufacturing culture, control of machining processes, etc.

Compared with 2017, the hours of training received dropped in 2018 by 25% (without the number of training actions nor the number of people being trained going down). This was mainly due to closing the specific Training Plan on the LEAN Manufacturing culture that we implemented in several production lines in 2016 and 2017, as it was felt that this culture was completely consolidated by 2018 and so did not require any specific training plan.

It is also worth pointing out that the total number of people trained in these different actions came to 203 (with 414 participations), which is practically the same figure as in 2017. 203 refers to the number of people actually trained and the second total, 414, refers to the number of participations, as the same person can appear as a participant in several courses.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>€264,900</td>
<td>€292,800</td>
<td>€250,000</td>
</tr>
<tr>
<td>Hours of training</td>
<td>8,050</td>
<td>8,083</td>
<td>5,839</td>
</tr>
<tr>
<td>Training actions</td>
<td>92</td>
<td>74</td>
<td>75</td>
</tr>
<tr>
<td>People trained</td>
<td>226</td>
<td>202</td>
<td>203</td>
</tr>
</tbody>
</table>
Among others, the training sessions carried out were:

- Language courses: English, Portuguese, French, Italian, Basque and German
- Workshops and coaching sessions to develop the new organisational culture model
- Courses on new data protection laws and programmatic marketing
- Technical training sessions on pneumatics and hydraulics
- Courses on communications skills
- Courses on equipment maintenance and safety
- Course on what to do in the event of an environmental emergency
- Course on grade 2 leak testing
- Course on LinkedIn
- Course on stainless steels
- Course on extensometry
- Course on spectrometer
- Course on measurements and advanced measurements with HBM
- Course on corrosion control in the refinery sector
- Basic programme for new members of the Governing Council and the Supervisory Committee
- Course on Ansys DesignXplorer
- Basic training course in Ansys
- Course on excel to SW
- Hydraulic safety course
- Course on radioactivity gantries
- Course on handling loads and awkward postures
- Course on back injury risk prevention
- Introductory course on prevention integration
- First aid course
- Course on TIG welding
- Course on handling of the new machining centres

Also worthy of mention is the continuous flow of people between the Idiazabal and India plants in order to train colleagues in different subjects, such as: valve assembly, quality, painting, shipments, engineering, etc.

We should also point out that 9 people from the AMPO INDIA workforce lived in Idiazabal for 7 months in 2018 to train in different areas related to design, planning, assembly, testing, painting, etc.

COMMUNICATION AND PARTICIPATION IN MANAGEMENT:

Communication is a strategic factor for AMPO, given that it is an indispensable tool for defining and sharing all information related to the corporate strategy with the AMPO people and with other groups of interest, including customers, suppliers, society, collaborators, etc.

As a result, today we have two teams. On the one hand, an internal communications team and, on the other, an external communications team.
The core objective of the external communications team is to define an annual communications plan and strategy focused on increasing notoriety of the AMPO brand in both the market and society, maintaining our current position and transmitting values such as excellence and commitment.

However, the internal communications team has a different role, given that its target public consists of the AMPO people. This team is made up of the General Director, the President, the HR team and the cooperative head of communications.

Within the internal Communication Plan there are a range of forums, channels and initiatives:

COMMUNICATION FORUMS:

⇒ General assembly:

This is the highest governing body and is the place where the organisational objective is expressed; its representatives are the Cooperative member-workers, regulated by the AMPO’s Articles of Association. All members have the same rights and obligations (one person one vote), and make decisions on matters falling within their competence, such as: appointment of the Governing Council, the Supervisory Committee and the Social Council; approval of the accounts and balance sheets, distribution of surplus, social management, etc.; modifications to the Internal Regulations System, Articles of Association, etc.

In addition to the Ordinary General Assembly held in May, at which the Annual Accounts are presented and approved, in December another Extraordinary Assembly is held, at which the Ideas and Objectives for the following year are presented and approved. In other words, the Management Plan.

⇒ Monthly meetings:

To ensure that the monthly actions, decisions, etc. taken both by the Board of Directors and the Governing Council of the cooperative reach the whole collective, the bodies meet in the same week every month. At these meetings the monthly accounting statements are studied in detail, together with their evolution with respect to the “Ideas and Objectives” for the year (the Management Plan), considering the pertinent investments and launching new actions, among many other aspects.

The Governing Council meeting is usually followed by a Social Council meeting that same afternoon. This is where the General Manager and the President of the Governing Council explain, among others, the decisions, actions and accounts of the month. The Social Council acts as the link between the Governing Council, the Board of Directors and the staff with respect to employment matters affecting the member-workers by providing information, advice, consultation and making suggestions. The Social Council is made up of representatives of the different cooperative areas, meaning that the whole collective is represented.

The topics discussed by the Social Council are later conveyed to all people by means of the Small Councils, which meet within each area or team. Each work group elects their social representatives, who inform them on the topics discussed by the Social Council. The representatives in turn convey the concerns and suggestions of the Small Council to the Social Council for their analysis and debate. The Small Councils are enormously important forums for giving and receiving information on institutional and entrepreneurial matters.
— Weekly follow-up meetings “Jarraipen taldeak” by business division:
All of the team leaders meet weekly to plan production for the following week and commit to objectives. The information discussed at these meetings is later conveyed by the team leaders to their team colleagues. Once a month appraisal of the monthly activity is also made at these meetings.

— Team meetings:
The majority of the teams hold meetings daily, monthly etc., as required.

COMMUNICATION CHANNELS:

— Jakintzazu:
This is a weekly newsletter, written in three languages (Basque, Spanish and English) and generally consisting of around 8 pages. This newsletter was first published in 2010 and is usually sent weekly to all people in the cooperative, either by email or in paper format. The magazine contains articles and news on events at AMPO, with entries by the Managing Director, the Governing Council and all of the cooperative teams (sales, engineering, quality, India, AMPO Service, communication, innovation, production, purchases, IT, prevention and environment, personnel team, etc.). Also published is the weekly agenda of visits and birthdays.

— Notice boards and screens:
Notice boards are used to post different announcements, as are the screens installed in different areas of the company premises. Here we can find urgent announcements, different kinds of information, visits, documents issued by the personnel team, the calendar, the times of the different company services, etc.

— Email and phones:
Today almost all workers at AMPO have access to a personal or team email address at AMPO, and to a phone.

OTHER INITIATIVES:
In order to keep up with new trends and thus continue to develop the AMPO project, in 2018 we organised several conferences under the framework of the “Kanpoko Haizeak” programme. As a result, the following conferences were held, which were all open to all AMPO personnel:
• Porrotaren alde. (In favour of failure): Alberto Iñurrategi, mountaineer.
• Because we want the customer to come back: Fernando Soto, Director of Hotel Zenit; Sonia Santos, Commercial Director of Hotel Zenit; and Raquel Casado, Head of Reception at Hotel Zenit.
• From local to global: Ignacio Martín San Vicente, President and CEO of Gamesa from 2012 to 2017.
• Glocality. How has the film HANDIA, a local story in the Basque language, been so successful on the international stage? Aitor Arregi, Film Director and Iñaki Gomez, Film Producer.
• The role of university: education and training, in collaboration with companies. Vicente Atxa, Vice-chancellor of the Mondragon University.

**EQUALITY AND DIVERSITY**

Since 2015, AMPO has been recognised as a Collaborative Entity for the Equality of Women and Men by Emakunde, the Basque Institute for Women, due to the fact that it has both an Equality Committee and an Equality Plan. Today this Committee is made up of 13 People: 8 women and 5 men in total.

This plan has the objective to protect the principle of equality and to ensure that it is applied throughout the cooperative, to guarantee the principle of equal opportunities when hiring new employees, to guarantee the same economic and professional development opportunities to all people, to promote the egalitarian use of forms of expression, both spoken and written, to foster work-life balance, and to prevent and take steps in situations of sexual harassment and discrimination.

Among other advances in 2018, it is worth pointing out that the members of the Governing Council have been trained in this subject. Over a series of training sessions, aspects related to the equality plan and its management were discussed, and we talked about what it means to be a collaborative entity for the equality of women and men by Emakunde, etc.

Besides all of the above, in 2018 AMPO joined the Provincial Council of Gipuzkoa’s “Equality, Work-life Balance and Shared Responsibility” programme, the aim of which is to launch new formulas of work-life balance, to promote shared responsibility and to eradicate gender inequality in the workplace.

We also have the social duty to create and maintain employment for people with a disability who need to work, and for this reason, we currently have a work enclave with Katealegaia, as well as services provided by Gureak.

For AMPO, equal opportunities, non-discrimination and respect for diversity are imperative concepts.
At AMPO we are firmly committed to occupational risk prevention by means of a prevention management system. To keep Health and Safety at Work integrated in the organisation’s general management system, both in its activities as a whole and at every level, it adopts the integrated safety-based organisational system, the main characteristic of which is the fact that prevention is carried out through responsibility in all areas of the organisation.

As far as the structure of the prevention service is concerned, we adopt the Joint Prevention Service system.

In order to avoid accidents, operating procedures are developed that are based on risk assessment, and the necessary measures are established to be able to work in safe working conditions. The procedures in question are continually applied, and potential risks and any incidents that occur are constantly notified, as are any accidents, which makes it possible to take action aimed at achieving the objective.

As for the data regarding the accident rate, the downward trend has been maintained, and the following table shows a summary of the data for 2018:

<table>
<thead>
<tr>
<th>ACCIDENT RATE DATA 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incident Rate</td>
</tr>
<tr>
<td>Frequency Rate</td>
</tr>
<tr>
<td>Severity Rate</td>
</tr>
</tbody>
</table>

Besides this, in 2018 we continued to incorporate safety in all of the LEAN projects (application of the KAIZEN dynamics, introduction of the 5S method, etc.) developed both in foundry and in the valves division.

Prevention was also applied to the design and execution of a new machining factory and to the design of the new valves division layout, particularly including the installation of walkways and handrails, a reduction in the number of forklift trucks, etc. In addition, relevant safety analyses
were also carried out on critical installations, such as the dye penetrant booths, analyses of the investments envisaged for implementing pressure testing, etc.

**Industrial hygiene** is another of the aspects we are concerned about. Consequently, in 2018 we developed a new application to control chemical risk according to the UNE EN 689 standard, and we also developed a plan to reduce exposure to silica at the foundry.

Furthermore, we have given different training courses on prevention, such as:

- Basic prevention courses for technological services.
- Training in cranes and forklifts.
- Training for people exposed to formaldehyde.
- Training for people exposed to silica.
- Training in the manual handling of loads and awkward postures to prevent back injuries.
- Training in confined spaces.
- Training for preventive resources in test benches, AOD furnace and Technical Assistance.
- Training in how to use lifting platforms.
- Training sessions in safety measures in furnaces.
- Training on fire extinguishing for intervention and evacuation teams.
- Training in first aid.
- etc.

AMPO has **its own medical and physiotherapy service** which is available to all workers in the cooperative.

The Medical service **keeps watch over the Health** of its workers to study and analyse interaction between people and their working conditions and therefore detect potential diseases that can affect their health at the early stages. This means that we can determine potential limitations for developing the tasks involved in their work. All this is achieved by means of health check-ups when they start working with us and periodically according to previously established protocols and specific tests.

**Also worthy of note is that in 2018 different programmes for improving health were carried out, particularly including the:**

### 1. FRUIT CORNERS:

More and more companies care about their employees’ diet, and this is something AMPO has been aware of for a long time. A few years ago, every week we would distribute 10 baskets of organic vegetables among our employees, and in 2016 we installed fruit corners in different parts of the company so that our workers could help themselves free of charge. Today they are offered around 2 pieces of fruit every day.

According to the experts, the vitamins and water in fruit is the best way to activate the body and the mind.

### 2. ANTI-SMOKING CAMPAIGN:

The medical service organised a quit smoking seminar in 2018 that was aimed at anyone at AMPO who was a smoker. The purpose was to help people give up smoking quickly, more successfully, without medication or nicotine substitutes, and without the feeling of sacrifice.

### 3. FLU VACCINATION WINTER CAMPAIGN:

In October, the medical service organised a free, open campaign to promote flu vaccination.

### 4. DETERMINATION OF COLLECTIVE AND INDIVIDUAL HEALTH CONDITION:

The AMPO medical service determines and continuously monitors collective and individual health.
5. COLLECTIVE PARTICIPATION IN VOLUNTARY BLOOD DONATION:

In Gipuzkoa 140 blood donations are needed every day to meet the provincial haemotherapy requirements. All people have the right to receive a transfusion when they need one, but that individual right must be maintained with gestures of solidarity from the community. As a result, every year AMPO organises, at its work centre, two blood donation days in which people usually participate voluntarily. In 2018, these sessions were held in March and November.

6. COLLABORATION IN HEALTH TRAINING:

Eminently practical first aid courses were given on the following subjects: Initial assessment in the event of accidents and Basic Life Support (BLS), Basic Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillator (DEA), how to treat injuries associated with traumatism and the Emergency Plan. Finally, we must also particularly mention the Physiotherapy Service provided by AMPO. This service is available for 8 hours every day and can be used by the members of the collective at our installations. Thanks to this service, our members can receive therapy to relieve different kinds of pain through therapeutic exercise, heat, cold, light, manual techniques, etc.

COMMITMENT TO GOOD GOVERNANCE AND ETHICS

ANTI-CORRUPTION AND BRIBERY:

The fight against corruption and bribery forms part of our internal regulations and is one of AMPO’s primary objectives as regards good governance and Corporate Social Responsibility.

In its internal regulations, AMPO establishes the rules of conduct, the instruments and measures to prevent and combat the following risks, among others:

• Fraud, embezzlement, misappropriation, mismanagement and similar infringements or crimes; forgery, seizure or misappropriation of documents and data related to the service; scams, disloyalty or abuse of trust in the entrusted managements; theft or robbery, both from work colleagues and from the Cooperative or any other person, that has been carried out on company premises or while performing the service in any other place.

• Managing or accepting, either directly or indirectly, from the Cooperative’s clients or suppliers or any third party in general, payment, promises, perks or privileges of any kind, for performing or having performed the company’s services.

Everybody at AMPO has access to the internal regulations, which explain the aforementioned matters, among other conditions.
AMPO recognises the fundamental principles of the Declaration of Human Rights, according to the 1948 United Nations definition, and they form a framework of reference for our actions.

Article 1 of the organisation’s articles of association states that “AMPO, S. COOP.” is defined as a “People-based Project” which works on the basis of teamwork and communication to pursue the satisfaction of its own people, clients and external collaborators, and to obtain profits that enable it to grow and develop and generate new employment. All this unfolds within the framework of cooperative principles and cooperation, of solidarity, equality, justice and participation, while respecting the social context, the environment and sustainable human development.

All the elements contained in AMPO regulations have been established in keeping with a respect for the existing legislation and regulations in each given country, and a respect for the promotion and fulfilment of International Labour Organisation agreements (minimum working age, freedom of association, right to collective negotiation, non-discrimination, etc.).
4. COMMITMENTS OF AMPO

4.2. COMMITMENT TO CUSTOMERS

AMPO’s main objective is to build customer loyalty, continually adapting to meet the customers’ needs and providing them with products, services and solutions that bring them additional value. Value in terms of reliability, safety, service, quality, innovation and sustainability.
At AMPO, we take our commitment to the safety and reliability of our solutions very seriously. We thoroughly adhere to all environmental standards and public safety regulations on a global scale.

With a huge installed base of valves and casting components, operating in different oil & gas, chemical, petrochemical and mining plants (to name but a few) in 5 continents for decades, we can say that AMPO solutions are reliable at the very highest level. To do so, the company allocates significant investment to innovation and technological developments, constantly working on improvements to the safety and reliability of its solutions. New monitoring technologies, new engineering solutions to adapt our valves to the most stringent levels of
fugitive emissions, and the application of new overlays to help protect the plants’ pipes from corrosion... these are just some of the solutions available. For AMPO POYAM VALVES, product reliability is essential, and it is incorporated into the development processes of all new projects.

The valves we design and produce for high pressure and high temperature cycles also meet the Safety Integrity Level (SIL), a standard that specifies the safety integrity requirements that must be installed in all systems.

These valves also have a robust design, applying advanced technology both as regards engineering and materials.

- **Engineering:** Fluid-dynamic testing, seismic calculations, mechanical analysis, thermographic simulation, P&ID study, Finite Element Analysis, real torque testing, research into gaskets, etc.
- **Materials:** AMPO has its own foundry, which provides an excellent service and the highest quality components, both as regards the valve division and other valve manufacturers and other industries, working as an integral part of the manufacturing process. It is also worth pointing out that the innovation department is continually working on developing new coatings to avoid friction between contact surfaces, as well as on cutting-edge designs to prevent wear and tear. At AMPO, we are clear that the best product can prevent corrosion, abrasion, adhesion or erosion, and so increase the valves’ useful life.

Furthermore, AMPO’s reliable solutions must guarantee maximum safety at the plant. This is why the AMPO

SERVICE division guarantees technical assistance as quickly as possible anywhere around the world, and at any stage of the project. To do so, we have an extensive, highly experienced team of professionals at hand.

With this purpose in mind, we work in close collaboration with all the teams involved in the purchasing, installation, operation and maintenance of valves at the plant, in order to transfer our knowledge about valves and, consequently, to ensure maximum safety, performance and maintenance of our equipment at the plant.

AMPO SERVICE also offers an integral preventive and predictive maintenance service to guarantee the valves perform correctly and the equipment works properly. In terms of preventive maintenance, we offer periodic inspections; and for predictive maintenance, we have developed an innovative system to monitor the installed valves anywhere in the world. This system detects potential errors that may arise in the valves installed at the plant, and makes it possible to prevent unexpected stoppage. The first monitoring system was installed in 2018 in a Spanish plant.

This system entails the valves being continually connected, so that we can monitor and analyse their status.
At AMPO, our philosophy of service goes above and beyond the design, manufacture and maintenance of our solutions. We aim to provide a comprehensive coverage of all the client’s needs, offering our problem-solving capacity and firm commitment always.

We know that one of our clients’ most pressing needs is to reduce delivery times. This is why, in 2017 we launched our LEAN transformation project, the main objective of which is to reduce delivery times for our clients and thus offer them greater added value. This project continued in 2018 in collaboration with specialists in advanced management models. Among other things, the following projects were addressed: redesign of the valves division layout, continuous improvement dynamics in production lines, etc.

We also currently offer a “Fast Track” service to restock valves and components when an urgent situation so requires.

In addition to this, the AMPO service enables the client to have completely customised solutions, thanks to our technological capacity, even in the most extreme application conditions. This is why the AMPO specialists get involved in every project when it comes to defining the necessary requirements alongside the client. The attention we offer is also close and personalised, a value which sets us apart from the rest.

This attention begins even before the order has been placed, as we carefully study all the requirements involved and always suggest the optimum solution. During the valve production process, we remain in constant communication with our clients, offering a comprehensive service up until the valves are delivered.

— For this purpose, we have a team of Project Managers who ensure the production plans are fulfilled to the letter.

— We also have a QR coding system in production to guarantee the valves are completely traceable in real time. As a result, all the information related to each valve is saved on a system by means of these codes: the different tests that they have undergone; data related to the components and materials of each valve; the traceability of the production process, etc. In this way, we can give each product its own history, making this information available to everyone at the press of a button.

However, the service does not end with the delivery of the valves to the client, as once the valves have been delivered, we advise on their installation and set-up, etc. as well as providing ad-hoc services such as maintenance, training, restocking of components, etc.
Quality is paramount for AMPO, so a quality guarantee system is applied to all our production processes. These processes have been endorsed since 1991 with the ISO 9001, API spec Q1 and 6D, and SIL 3 standards, and they have been accredited by the most important external organisations around, such as Lloyd's Register, Bureau Veritas (BV), Det Norske Veritas (DNV) and American Bureau (ABS). AMPO also takes an active part in international conventions such as that organised by the API, where the API standards are developed at the hand of engineering firms, end users and oil & gas equipment manufacturers.

Intermediate and final inspections are carried out in all our areas of production. These inspections are documented with the corresponding reports and certificates; they are directly coordinated by an efficient, highly qualified team; and they are always carried out in line with internal and external quality guarantee procedures and standards. All phases, from the moment a purchase order is received up to the non-destructive testing (NDT), machining, assembly, testing, painting and packaging, are carried out in keeping with the regulations stipulated in the Quality Guarantee Manuals.

As far as facilities are concerned, we have the most modern facilities available to carry out tests such as: X-ray, dye penetrant examination, ultrasound, magnetic particle testing, PMI (Positive Material Identification), impact testing, visual checks, hydrostatic tests, pneumatic tests, cryogenic testing or tests at low temperatures, fugitive emission testing, vacuum tests, tests at high temperatures, high pressure testing, etc. All these tests are carried out by highly qualified internal quality control personnel.
Back ing innovation is indisputable, and it is the only way we can be prepared for the challenges of the future. 2018 was the year that valves for upstream were developed, as well as valves for ultra high pressures, cryogenic needle globe valves, etc. It was also the year valves were optimised to offer our customers more competitive solutions.

In the foundry, patternless processes were strengthened, such as reverse engineering and polystyrene machining.
technologies for the production of large-scale components produced by sand casting as well as ceramic moulding. This is a highly profitable way to produce single components or short series, and has the following benefits: reduction in delivery times, high level of integrity and excellent dimensional precision of the components, suitable surface finishes, etc. All this is achieved without the need to invest in models.

We have a great engineering team both at the foundry and the valve division working on developing new products, technologies and systems, also constantly collaborating with international research centres and prestigious universities.

In 2018 we had 25 product development and research lines operative, and the innovation intensity was 2%.
Our firm commitment to the environment has led us to integrate new technological solutions in our products, and to include sustainability criteria in the construction and maintenance of our facilities.

We are working very hard to improve the valves’ performance in order to achieve zero-emission valves. We are also developing our own products based on the Ecodesign process, thus ensuring our solutions have a low environmental impact.

All AMPO products are manufactured in compliance with the ISO 14001 standard.

In 2018 AMPO also opened the new machining plant, which has achieved LEED Gold certification (Leadership in Energy and Environmental Design), which accredits sustainable buildings. The building includes site improvement measures, water saving, energy saving, more sustainable materials and resources, and a better quality indoor environment.

Apart from this, we also constantly supervise all the processes that affect production, and use renewable energy sources in the development of new installations. The objective of these initiatives is to develop and apply management systems and ideas that control and minimise any possible environmental impact.
4. COMMITS OF AMPO

4.3. COMMITMENT TO SOCIETY

To enable fair and sustainable human development. That is AMPO’s core commitment to society in the local area where it goes about its activities.
We are part of a community, and it is vital for us to continue relating to the environment and to perform as an active agent within that community.

Consequently, and consistent with the evolution of society’s needs, the cooperative dedicates a significant amount of its economic resources and the dedication of its people to achieving socioeconomic improvement of the environment and the society to which it belongs.

In 2018 we promoted a total of 113 initiatives, to which we allocated approximately €400,000.

Among other projects, AMPO promotes and supports the social economy and the cooperative movement, as well as all kinds of cultural, educational, sports and charity initiatives and activities. All taking full consideration of equality.

AMPO backs and promotes cultural and traditional activities in its immediate environment.

Worthy of mention is its sponsorship yet again in 2018 of the “Gerriko Ikerlan Beka” competition, which has the objective to compile and publish research work on the Goierri region and its inhabitants. The research projects submitted to the competition look into any sphere or science related to the Goierri region: anthropology, toponymy, literature, health, industry, agriculture, biology, history, economy, medicine, engineering, law, pedagogy, psychology, philosophy, computer science, etc. In this edition the winning research project studies the construction of the Franco regime in the Goierri region.

With this initiative AMPO seeks to socialise the scientific research work carried out in the valley.

But it also backs more local initiatives, among which we can particularly name its collaborations with:

- Local and regional cultural centres
- Dance groups
- Schools and groups dedicated to the promotion of music and singing
- Associations of Bertolaris (improvisers of Basque verse)
- Associations that promote organic food
- Associations that promote Basque mythology
- Local magazines such as Goierrikaria and Aldaize
- Associations that promote Idiazabal cheese, as well as other regional foodstuffs
- Groups fostering different kinds of local initiatives,
- etc.

AMPO also works to increase use of the Basque language and achieve its normalisation, for which it supports initiatives and associations, including:

- The Goierri Cultural Association, which has the mission to promote cultural initiatives related to the Basque language.
- The Association for the promotion and improvement of vocational education, developing didactic material in Basque for use at different levels of education.
- Local associations fostering use of the Basque language by organising courses, discussion groups, radio programmes, competitions, etc. among the inhabitants of the region.
- Publications in local magazines and announcements on radio stations,
- etc.
At AMPO we believe that education is one of the factors that has the greatest influence on the furthering and progress of people and societies, which is why we collaborate with local schools and other educational organisations. As well as providing knowledge, education enriches culture, values and all of the factors which characterise us as people.

Consequently, in 2018 we made significant donations to schools in our region.

It is also important to mention that AMPO has always promoted the creation of schools, universities and technology centres, such as: Goierri Eskola, LORTEK Technology Centre, etc.

At AMPO we sponsor teams with a wide reach in the area, such as:

**AMPO ORDIZIA RUGBY:** AMPO has now been sponsoring the AMPO ORDIZIA rugby team for several years. The association was created in 1973, giving a large number of young people the opportunity to enjoy the rugby experience. Today it has a team in the top national category, although it also has line-ups in the lower divisions. We consider that the values of AMPO ORDIZIA faithfully reflect the cooperative essence: teamwork, effort, dedication, involvement, etc.

**GOIERRI CYCLING TEAM:** AMPO sponsors the Goierri region cycling team and backs cycling at different levels. Among others, it promotes school cycling, the junior and youth categories, the Elite Under-23s and the amateurs category. Thanks to this team, cyclists in the valley have the possibility to practice cycling and to obtain the training they need to enter the professional ranks.

We also support other local sports communities, among which are:

- Football, basketball, handball, swimming, athletics, rural sports, boxing, tennis clubs, etc.
- Mountaineering associations.
- Classic cycling races and trials, and cycle tourism events.
- Pelota and pala associations.
- Etc.
Finally, we also collaborate with a variety of non-profit associations, including:

- **NAGUSILAN**, an association focused on active aging. Besides Nagusilan, we also work directly with different associations of pensioners and seniors in our area.
- **AECC**, Spanish Association Against Cancer.
- **ASGICER**, Gipuzkoa Association Against Cancer.
- **The Gipuzkoa Food Bank**, participating as volunteers in the Big Food Collection.
- **The Association of parents of children with cancer in Gipuzkoa**, Aspanogi, whose mission is to improve the quality of life in children with cancer and their families and to meet their needs from the moment the disease is diagnosed.
- etc.

In addition, in 2018 we have been participating in activities in India to tackle the devastating floods in Kerala, as well as the consequences of Cyclone Gaja in Tamil Nadu.
At AMPO we are fully aware that it is impossible to have a productive model that does not respect the environment, which means it is essential that any development be sustainable.
In line with this principle, AMPO’s commitment to the environment is firm and aimed at minimising the environmental impact of its activities. As a tool to materialise that commitment, it has an environmental management system in place that is certified under the ISO 14001:2015 standard, which enables it to respect existing legislation and go a step further with objectives aimed at continuous improvement in environmental performance.

This system has its own environmental policy, which can be accessed via its web page, a management manual in which the principles of how the system works are established and the associated procedures that describe the activities to be performed.

Every year, and as part of AMPO’s global strategy reflection, an analysis is carried out of the environmental risks and opportunities using both external and internal factors, which, with different input elements, may identify improvement objectives. After identification, the objectives to be implemented are prioritised.

To monitor these objectives, AMPO has a committee in which the coordination department participates, and where the environmental performance in general is also monitored, coordinating and promoting the necessary action to be taken.

As a result of these reflections, AMPO has carried out a process of environmental transformation that began at the foundry plant, as this is the plant with the greatest environmental impact, and continued in the machining plant, taking advantage of the extension project at these premises. On this line, the environmental variant was incorporated from the design stage for the building itself. The highlight of this process was when they achieved the LEED GOLD certification in September 2018.

In 2019, this policy will be applied to the valves plant, incorporating the environmental aspect from the design stage of the new layout at the valves plant.

It is also worth pointing out that AMPO has an environmental responsibility policy.

One of the main environmental aspects of industrial activities are emissions into the atmosphere. At AMPO we have set the task of minimising these emissions as one of our environmental priorities, which has entailed major investments in filtering technologies, particularly as regards the foundry, which not only enable us to comply with emission limits, but also to stay substantially below said limits. This has meant an extraordinary boost to minimising AMPO’s atmospheric emissions.

In addition to this, the machining facility has been extended in the past year, with the installation of a new aspiration and filtering system for cutting fluid mists, with 8 built-in filtering units.

AMPO’s current equipment comprises 32 particle filters and 10 oil mist filtering units.
Correct water management is essential for AMPO’s activity. For this reason, and in order to minimise water consumption and dumping, we have been working on three main lines:

- **Strict control of dumping parameters**, under which all the parameters for dumping into the river are below accepted limits.

- **Minimisation of the total amount of consumption and dumping**. For this purpose, in recent years we have implemented a range of actions that have enabled us to considerably reduce the total amount of dumping into the river, by installing closed water circuits in different facilities (heat treatment, dye penetrants, ball cooling, etc.), which allow us to continuously reuse this resource. Furthermore, AMPO has evaporation systems that enable us to reduce dumping into the river even further, which also allow us to subsequently reuse that water in the process. That is why these actions have a twofold positive environmental impact: they reduce water consumption and dumping into the river.

- **Monitoring consumption**: AMPO has partial water meters installed to be able to monitor consumption and analyse any possible deviations that may arise.
CIRCULAR ECONOMY AND WASTE MANAGEMENT

CIRCULAR ECONOMY:
In line with the principles of circular economy, at its foundry plant AMPO has a moulding sand recovery line that uses a mechanical sand recovery machine with a capacity for 20 ton/h, a thermal sand recovery machine with a capacity for 3 ton/h and a chromite sand recovery machine for 5 ton/h. The aim with this equipment is to recover much of the sand used in the casting process, which enables it to be reused in the process with a three-fold objective: to reduce the consumption of materials; to generate less waste; and to reduce the associated transport.

In parallel, we are working with other foundries in a circular economy project led by Ihobe to find alternatives for the sands that cannot be recovered, so that the treated sand can be used in other sectors as a raw material, instead of being dumped.

Furthermore, the foundry production process enables much of the returns to be reused, such as sprues from the cutting process, and cakes, allowing them to be recast on our own premises, thus avoiding waste, consumption and the associated transport.

At its machining plant, AMPO has a shavings treatment line that enables the shavings generated as a by-product of our machining process to be shredded, washed and made into briquettes. This makes it possible to melt it again in our casting furnaces, thus reducing waste generation, consumption of raw materials, and the associated transport.

WASTE MANAGEMENT:
In the case of generated waste that cannot be internally reused, AMPO prioritises recovery alternatives through an authorised manager, as opposed to less sustainable alternatives, wherever possible.
AMPO has a **cogeneration plant**, which enables it to produce heat and energy in a highly efficient way, as the heat generated through natural gas combustion is used for those processes that require heating.

In line with this energy-saving philosophy, energy efficiency is a factor that is given special importance in all new projects, such as in the machining facility extension project, for example, where the most noteworthy elements include:

- The installation of translucent elements on the façade and roof, to maximise the amount of natural light entering the building, and to reduce electricity consumption due to artificial lighting.
- Installation of LED lighting.
- Green roof, which apart from minimising the visual impact of the factory, allows for greater heat insulation in the different buildings that make up the plant.
- Installation of photovoltaic panels.

The combination of these and other sustainability strategies has earned AMPO **the LEED GOLD sustainable building certification for this plant.**

AMPO also carries out regular **energy audits** that enable it to have an Energy Efficiency Action Plan to determine the main points of action and to prioritise the different steps to take. To assist in this task, it has partial meters to monitor consumption and analyse any possible deviations that may arise.

### ENERGY CONSUMPTION 2018

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<th></th>
<th>Electricity (kwh)</th>
<th>Natural gas (kwh)</th>
<th>Diesel (L)</th>
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<td>2018</td>
<td>19,756,984</td>
<td>61,821,618</td>
<td>36,978</td>
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AMPO is firmly committed to renewable energies, and it currently has the following installations:

Foundry-Machining division:
- 1 photovoltaic installation with 120 photovoltaic modules, offering a total power capacity of 36 kW and a generation capacity of around 37,743.21 kWh/year.

Valves division:
- 1 geothermal installation for the heating at the creativity house.
- 1 photovoltaic installation with 2 modules.
Noise is also an environmental priority for AMPO. In order to minimise noise, it has a plan of action with the following main lines of action:

- **Silencers** in the main aspiration chimneys (induction furnaces, Replicast, shot blasting, thermal sand recovery, demoulding machine, etc). We currently have 12 silencers.

- **Acoustic insulation** in the main aspiration engines (induction furnaces, Replicast, shot blasting, thermal sand recovery, demoulding machine, etc).

- **Modification in the direction of certain focal points.**

- **Inclusion of environmental noise criteria in the new investments purchase specifications.**

AMPO has facilities that are designed to be able to store chemical products, waste, scrap, etc. in safe conditions without affecting the environment. To do so, it has the relevant covered storage facilities, waterproofing, containers, etc.
4. COMMITMENTS OF AMPO

4.5. COMMITMENT TO OUR COLLABORATORS

AMPO is part of a community and, as a result, it is of vital importance for us to continually relate to the area around us and to be an active agent within the community. The aim is to grow, and to help society grow.
To do so, we rely on the help of our suppliers, who we consider to be an important part of our value chain. We actively collaborate with universities, technology centres and start-ups; we participate in consortiums; we are active members of different associations; and we also maintain close relationships with institutions.

At AMPO, we are aware that our sustainability as a project does not only depend on our efforts, but on the efforts of our entire value chain. That is why we consider the relationship with our suppliers and collaborators to be fundamental. Taking this as a starting point, we promote long-term relationships with those collaborators who offer products and services that help us improve our competitive standing, so that we can grow and develop together. We do so by promoting relationships based on trust and which can be sustained over time.

Another of the fundamental objectives of our supply chain management policy is to help maintain and protect the local business fabric and to generate value in our local environment. Based on this policy, in 2018 we made purchases of approximately 50 million euros within a 100-kilometre radius. It is also worth pointing out that, in the case of development and innovation projects, as well as in the case of solutions for after-sales services, we always work hand in hand with local suppliers who ensure optimum quality and excellent service.

As regards endorsements, AMPO currently has over 250 approved suppliers. The approval process for suppliers backs a working model that aims to promote ethical conduct in line with our strategy; reduce financial, operational and legal risks; ensure maximum levels of service; and optimise the cost of the services or materials in question.

In addition, we search for the maximum integration of our suppliers, as continual collaboration helps us to improve their processes and brings greater added value to our project.
The cooperative collaborates with different local universities, such as MONDRAGON UNIBERTSITATEA, TECNUN, DEUSTO and EHU, through the following policies and initiatives:

- **We offer work practice and dissertations for different university disciplines.** In the case of MONDRAGON UNIBERTSITATEA, we are assisted by the educational development cooperative, ALECOP. From an essentially social approach, they provide students with real contact with companies, whilst offering those companies the opportunity to work with people with suitable training.

- **We participate in Employment Forums,** collaborating in the training and job insertion of their students.

- **We organise visits and conferences at AMPO,** so that students can see the industry in real life, first-hand.

- **We jointly develop innovation and engineering projects in collaboration with universities’ engineering departments.** This is the case with the MONDRAGON UNIBERTSITATEA Goierri campus, with which we collaborate in projects on materials, characterisation and optimisation of designs and the development of innovative products, etc. Both students in their last year of study and teachers/researchers with experience in the subject matter take part directly in these projects. This type of experience has two advantages: on one hand, the students from the campus have the chance to directly participate in research projects that support the needs of local businesses; and on the other hand, the companies are provided with young engineers who are being trained in specific subjects, enriching the reserves for the local industrial fabric.
AMPO also regularly collaborates with prestigious local and international technology centres, such as Lortek, Ikerlan, CIET, Tekniker, Azterlan, CTI, etc. who complement our knowledge and skills. We should also highlight that, in 2016 we began to collaborate with specialised technology-based start-ups and with innovative business models, which offer us specific solutions to our needs.

We also participate in different consortia, collaborating with leading companies in the area, among which we may highlight the following:

- **HAZITEK FUNCIONA4**: This consortium aims to develop new surface finishes with a personalised function that will give the products greater resistance to corrosion, to mechanical surface degradation and to fouling, as well as providing them with high aesthetic value. We take part in this project alongside companies such as Orbea, Maier, ABB Niessen, Cikautxo, Mugape, Irurena, and R+D institutions, such as IK4-Cidetec, Maier Technology Center, IK4-Tekniker, Cikatek R&D and innovation centre and Mondragon Goi Eskola Politeknikoa.

- **CONAN CONSORTIUM**: This consortium is led by AMPO and its goal is to develop an intelligent inspection system to advance in “zero-defect” manufacturing. Also participating in this project are: the IK4 Ideko technology centre, Laulagun, Ulma Forja, Engine Power Components, Matz-Erreka, Danobat Group and Savvy Data Systems.

**ACTIVE MEMBERS OF DIFFERENT ASSOCIATIONS**

AMPO actively participates in the following associations, whose objectives are defined below:

- **GOIERRI VALLEY**: This alliance was initially formed by 33 companies in the Goierri region in June 2017. Its mission is to be the driving force behind the industrial transformation of the Goierri region, through the active collaboration of associated companies, sharing knowledge and innovating to ensure the area’s future sustainability and industrial competitiveness. The alliance brings together leading businesses in the region (CAF, Irizar, AMPO, Indar, Orkli, Jaso, GH,…) and SMEs that are mostly their suppliers.
- **GOILAN**: Goilan strives to promote the growth of cooperatives in its region, which is its main objective. In other words, the development of cooperativism in the region, promoting technological, human and social training and education, and the development of companies and activities that generate a progressive socio-economic transformation.

- **GOIERRI FOUNDATION**: Its business purpose is to promote training and the technical, economic and social development of the Goierri region.

- **FLUIDEX**: Fluidex is the Spanish Association for Fluid Handling Solutions & Process Technologies, a non-profit association that has had a strong international outlook since it began. The Association coordinates programmes and working groups that promote research, development and innovation strategies to achieve a greater position in the market. AMPO currently holds the Presidency of this Association.

- **FUNDIGEX**: Fundigex is the Spanish Association of Casting Exporters, a non-profit organisation whose main objective is to promote the export and internationalisation of companies in the foundry sector.

**RELATIONSHIP WITH INSTITUTIONS**

At AMPO we believe that for society and business organisations to advance, there has to be **continuous public-private collaboration**, and this is why we maintain solid institutional relationships with all public agents, including the Basque Government, the Gipuzkoa Provincial Council, Idiazabal Town Council, the Goierri Regional Development Agency, Goieki, etc.

An example of this is the participation of representatives from the Basque Government and the Provincial Council of Gipuzkoa in the opening ceremony of the new machining plant in Idiazabal in October. This event caught the attention of many who came to see the new facilities first-hand: the Lehendakari, Iñigo Urkullu, the President of the Provincial Council of Gipuzkoa, Markel Olano, the mayor of Idiazabal, Ioritz Imaz, the Minister for Economic Development and Infrastructure, Arantxa Tapia, the Minister for the Environment, Territorial Planning and
the “Gipuzkoa Talent” forum, the objective of which is to promote and encourage the region’s human capital, and to connect it with those companies who require that talent for their future challenges. This initiative aims to attract, bring back and keep in the area People who are highly qualified in different business fields. Apart from the “Gipuzkoa Talent” forum, AMPO also participated in “Bizkaia Talent”, whose objective is similar to the Gipuzkoa programme.

As far as the region is concerned, we also have a close relationship with GOIEKI, the Goierri Regional Development Agency, which is made up of the 18 Town Councils in the region, and with which we collaborate on a range of projects in the industrial and social areas.

And 2018 was an important year in terms of regional collaboration, with an ongoing alliance with GOIERRI VALLEY, which was formally created in 2017. This alliance is made up of 55 companies in the region, including AMPO, and its mission is to be the driving force behind the industrial transformation of the Goierri region, through the active collaboration of associated companies, sharing knowledge and innovating to ensure the area’s future sustainability and industrial competitiveness. For this purpose, the group had a budget of €350,000 in 2018.

GOIERRI VALLEY includes big companies such as CAF, Irizar, AMPO, Indar, Orkli, Jasos, Gh,….. and also SMEs, such as Arri, Ederfil Becker, Eredu, GetSubsea, Goieki, Gune, Hine, Labe-lan,….. Among other projects, they developed the WIN&WIN initiative, the objective of which is to guide SMEs to future competitiveness, the MUNDUAN project that aims to define the association’s strategy in the area of internationalisation (focusing on Germany, France, Chile and Mexico), the ANTENA technological surveillance project, and the ELKAR EZAGUTZEN project,
5. MAIN MILESTONES OF 2018

CUSTOMERS AND PROJECTS

VALVES:

HIRING AN UPSTREAM EXPERT:
AMPO POYAM VALVES has strengthened its Upstream division with the incorporation of an expert in offshore and subsea applications, and currently offers a wide range of ad-hoc valves for all kinds of subsea and offshore applications, where reliability and safety are our maximum priorities.

OVER 2000 VALVES FOR THE KINGISEPP AMMONIA PLANT IN RUSSIA:
AMPO POYAM VALVES has designed and produced over 2000 highly engineered gate, globe and check valves for EUROCHEM’s KINGISEPP ammonia plant. This plant has been built in Kingisepp, Russia, licensed by KBR, and it is very close to a phosphate fertiliser facility. The new plant has a design capacity for 2,700 tonnes per day.

Among other solutions, AMPO POYAM VALVES supplied duplex, stainless steel, low alloy steel and carbon steel valves. The valve sizes varied from 2” to 42” and the pressure range was between 150 and 2500 lbs.
FAST TRACK SERVICE FOR BOTAS LNG:

Hundreds of AMPO POYAM valves have been installed in the BOTAS LNG terminal in Turkey since 1999. Due to a planned plant shutdown, the client requested an immediate supply of a spare valve from AMPO POYAM VALVES.

The specific valve in question was a cryogenic Top Entry ball valve of 12” and 1500 lbs, and it was completely customised according to the client’s requirements. AMPO POYAM VALVES delivered this valve in just 3 days. BOTAS LNG and Renaissance Heavy Industries EPC once again entrusted AMPO POYAM VALVES with this project.

50 FAST TRACK VALVES FOR KJO:

The end user Al-Khafji, which is a joint venture between Kuwait Gulf Oil Company (KGOC) and Aramco Gulf Operations Company (AGOC) of Saudi Arabia, and the EPC JGC Gulf, commissioned AMPO POYAM VALVES to design and produce 50 manual and electrically and pneumatically actuated Split body ball valves. The size of the valves ranged between 2” and 36”, and the pressure range varied between 150 and 600 lbs. Some of them were casting floating and trunnion ball valves, and others were forged trunnion 3-piece valves.

AMPO POYAM VALVES is a world leader in ball valves, but also in highly engineered valves for high temperature services. For this project, the company delivered high temperature ball valves with special seats and gaskets, which were designed while considering the following issues: valve robustness, materials, operability, temperature transmission, etc.

Khafji, which is in the neutral zone between Kuwait and Saudi Arabia, is located in the far north-eastern tip of the Saudi Kingdom facing the Arabian Gulf, and it has an oil capacity of around 610,000 bpd, with a plan to increase this figure to 700,000-900,000 bpd by 2030.

The objective of Al Khafji Joint Operations is to conduct the onshore and offshore activities related to exploration, drilling and production of oil & gas in the divided zone.
CUSTOM-MADE VALVES FOR EXXON MOBIL NIGERIA IN 10-12 WEEKS:
AMPO POYAM VALVES supplied diverse customised forged ball and casted check valves for EXXON MOBIL’s OSO 57C Production Optimization Project in Nigeria. This site is located offshore Nigeria, in Akwa Ibom state, in the Bight of Bonny, and it is approximately 12 miles from the coast and 30 miles south-west of the onshore Qua Iboe Terminal (QIT).

For this project AMPO POYAM VALVES manufactured forged 3-piece ball valves with a trunnion design, and check valves up to 14”. The pressure range varied between 900 lbs and 2500 lbs. Check valve seats were also hardfaced by a Stellite weld overlay to improve valve performance.

All these solutions were delivered within a period of 10-12 weeks, due to AMPO POYAM VALVES’ Fast-Track services.

VALVES FOR THE THIRD TRAIN AT CORPUS CHRISTI
Currently tens of thousands of AMPO POYAM valves are installed in the most important liquefaction facilities in the USA, and Corpus Christi is no exception. Cheniere and Bechtel have once again commissioned AMPO POYAM VALVES to design and manufacture over 1750 valves for the Corpus Christi Liquefaction facility train 3. This project entails building a new train in addition to the two already existing trains and one additional tank, as well as a second berth. Train 3 would enable the liquefaction plant to increase its nominal LNG production capacity up to approximately 13.5 mtpa.

Train 3 is expected to be set up in 2020 and AMPO POYAM VALVES has supplied the following solutions: manual cryogenic ball valves, cryogenic globe and check valves, as well as actuated cryogenic and non-cryogenic ball valves and metal seated valves. The valve size was up to 42” and the pressure range was between 150 and 900 lbs. It is important to mention that, besides the outstanding isolation capability of our large-scale cryogenic top entry ball valves, these valves reduce the pressure drop in the line and consequently, smaller equipment may be used.

Since 2012, AMPO POYAM VALVES has supplied more than 4,000 highly engineered valves for the first two trains of Cheniere’s Corpus Christi LNG project, and a series of valves for trains 1 to 5 of the Sabine Pass LNG liquefaction project, whose customers were also Cheniere and Bechtel. Some of these were 36” and 42” HIPPS valves, which achieved perfect closure in under 2 seconds. This order also included cryogenic, non-cryogenic and metal seated ball valves.

We should also point out that, as part of this new project, we will also provide field engineering services, supporting the construction, commissioning and start-up of Train 3, with the help of AMPO SERVICE’s extensive team of technicians. At AMPO, we always work in collaboration with the customer’s engineering team in order to ensure a successful start-up and maintenance of the project.
4000 VALVES FOR AN OLEFIN RECONFIGURATION PROJECT FOR PTT IN THAILAND:

SAMSUNG ENGINEERING has trusted in AMPO POYAM VALVES for the design and manufacture of more than 4000 gate and globe valves for PTT Global Chemical’s olefin reconfiguration project in Thailand.

This plant, the implementation of which was awarded to Samsung Engineering at the end of 2017, will be located in Map Ta Phut in Thailand’s Rayong province. The total investment here will come to 820 million dollars and the facilities are expected to be in operation in early 2021. This plant is expected to produce 500,000 tonnes of ethylene every year by means of the major naphtha cracker unit, and produce 250,000 tonnes of propylene per year.

These 4000 gate & globe valves that will be supplied by AMPO POYAM VALVES will have sizes ranging from 2” to 42” and the pressure range will vary from 150 lbs to 2500 lbs. They will be used in general service, cryogenic service and some of them will have a pressure seal design.

Many of the valves require a high fugitive emission requisition, as class A and class B.

72”, 48”, 30” AND 24” GATE VALVES FOR LIWA PLASTIC INDUSTRIES

AMPO POYAM VALVES was allocated an order for a range of 72”, 48”, 30” and 24” gate valves for the Liwa Plastic Industries Complex (LPIC) in Oman, a project in which the engineering was carried out by CB&I and the end user was Oman Oil Refineries and Petroleum Industries Co (ORPIC). Thus, AMPO continued to consolidate its position in the petrochemical market, offering a wide range of solutions.

The Liwa Plastic Industries Complex (LPIC) is a transformation project that will improve ORPIC’s product mix and business model, and support the development of the downstream plastics industry in Oman.
SERVICES AGREEMENT WITH EMIRATES GLOBAL ALUMINIUM (EGA):

At the end of 2018, AMPO SERVICE signed a two-year agreement with EGA (Emirates Global Aluminium) to provide maintenance services at its Al Taweelah Alumina Refinery plant, for which AMPO POYAM VALVES previously supplied over 7000 angle valves.

PREVENTIVE MAINTENANCE ON GAS TANKERS:

Every year we perform maintenance work on gas tankers such as those owned by the Japanese company NYK (Nippon Yusen Kaisha). For example, in 2018 we went to the ships “Alto Acrux” and “Cignus Passage”, where our AMPO SERVICE team carried out the tasks defined in the annual preventive maintenance plan set out in collaboration with the customer.

VALVES WITH INCONEL OVERLAYS FOR ENPPI AND ITS KHUFF GAS PIPING PROJECT:

The Egyptian state oil company ENPPI (Engineering for Petroleum and Process Industries) entrusted AMPO POYAM VALVES to design and manufacture a range of highly engineered valves with Inconel overlays for the Khuff Gas Piping project in Al Khobar, Saudi Arabia.

The scope of the project entailed the design and manufacture of gate and globe valves with Inconel overlays. To take on this task, AMPO POYAM VALVES used its own foundry, which in turn has a new machining plant with intelligent machining centres, as well as weld overlay technologies. Consequently, cladding operations for this project will be made with a high degree of automation at AMPO, using different robots and cells.

All these valves will be delivered in 2019.

The Khuff gas pipelines are owned by Saudi Aramco, the national oil and natural gas company in Saudi Arabia, and they are located in the central-eastern part of the country.
In 2018 AMPO secured an order to design and manufacture 250 cryogenic and non-cryogenic valves for Hamina LNG regasification terminal in Kotka (Finland). This project is being carried out by Wärtsilä and the valve order for AMPO POYAM VALVES will consist of cryogenic and non-cryogenic ball valves, actuated and manual butterfly valves, cryogenic globe valves, etc. It is worth pointing out that 50 of these valves will also be cryogenic triple eccentric butterfly valves. Furthermore, AMPO POYAM VALVES will also supply after-sales services for the construction and commissioning of the new Hamina LNG storage tank.

This terminal forms part of a Finnish state plan to establish a network of medium-scale terminals to be able to supply LNG and increase the gas supply in the country.

**ACTUATED HIGH PRESSURE VALVES FOR 4 OFFSHORE PLATFORMS IN THE SAFANIYA OIL FIELD:**

In 2018, AMPO POYAM VALVES secured an order to design and manufacture several electric, hydraulic and pneumatic actuated ball and check valves up to 42” and 1500 lbs, with a high-quality surface coating of Inconel for NPCC (National Petroleum Construction Company).

The Safaniya oil field is operated and owned by the state oil company Saudi Aramco, and it is the largest oil field in the world, located just 200 km north of Dhahran, in the Persian Gulf of Saudi Arabia. The daily production capacity of this oil field is between 1 and 1.5 million barrels of heavy crude oil, and it is currently expanding and improving its facilities to be able to maintain this production capacity under the Master Plan for Safaniya designed by Saudi Aramco.

Our experience of over 54 years in the market, and in particular in offshore platforms, is what made NPCC (National Petroleum Construction Company) and the end user Saudi Aramco choose AMPO POYAM VALVES for this contract. AMPO POYAM VALVES supplies the most critical valves for the most severe services in offshore platforms.

**60 CUSTOMER ASSISTANCES WORLDWIDE**

In 2018, AMPO SERVICE provided assistance to clients on 60 occasions, to offer support to the plants’ technical staff during equipment installation and plant start-up, as well as for valve maintenance work.

AMPO SERVICE always guarantees technical assistance in under 72 hours anywhere around the world, and at any stage of the project. To do so, we have an extensive, highly experienced team of professionals at hand. Our team also works in close collaboration with all the teams involved in the valve purchase, installation, operation and maintenance. The purpose of this is to transfer our knowledge of valves and, consequently, to ensure optimum performance and maintenance of our equipment at the plant.
AFTER MARKET CENTRIFUGAL PUMP CASINGS FOR A DESALINATION PLANT IN ISRAEL:

AMPO FOUNDRY has developed an after market solution, together with a major client, of a machined centrifugal pump casing in super duplex material (A890 Gr5A) for the largest desalination plant in Israel.

In the case of pump casings for desalination plants, it is important to consider sea water corrosion and abrasion problems. AMPO’s knowledge and experience in special materials and its capacity in casting technology, together with our customers’ knowledge and experience in sea water pumping have led to the development of the best centrifugal pump casing solution for corrosive and abrasive services.

This product was delivered ready for assembly. The foundry used the most advanced sand casting facilities, as well as its brand-new machining facilities with the most intelligent machine tools, for the production of this casing. In addition, X-ray and hydrostatic tests were also performed, together with an exhaustive analysis of mechanical properties to guarantee the highest possible quality.

70% of all the drinking water in Israel is currently sourced by desalination reverse-osmosis technology and demand is expected to rise considerably. Sea water is pumped 24 hours per day and pumps are subject to severe conditions due to the especially high content of salt in the area of Israel. As a result, pump casings and impellers are being periodically replaced, causing a significant increase in operational costs.

FULLY MACHINED FORGED COMPONENTS:

A leading company in ball valves for severe services commissioned AMPO Foundry to supply 48 sets of fully machined forged components for a petrochemical plant in China. They were all for high pressure (2500lbs) and the sets include the most important valve components: bodies, connectors and 12” to 16” balls. All the parts were machined at our new facilities with the most innovative machining technologies around.

DEVELOPMENT OF COMPONENTS WITH COMPLEX GEOMETRY FOR A NEW PUMP:

AMPO collaborated with a leading screw pump manufacturer in the complex geometry castings development for a new sealed twin screw pump for the chemical and petrochemical sectors. This new and innovative pump was presented by the customer at the ACHHEMA trade fair. The parts for this project were manufactured at our ceramic moulding facilities.
ACTIVE COLLABORATION WITH A ROTARY VALVE MANUFACTURER:

The foundry collaborates with a rotary valve manufacturer from the UK that specialises in equipment and systems for processing powders and the production of rotary valves, diverter valves, detection systems and slide valves for processing solids. This year we have become one of their main suppliers for fully machined components and with top-class surface finishes.

VALVE CASINGS OF UP TO 30” FOR THE FADHILI PROJECT

In 2018, AMPO supplied several valve casings of up to 30” for the extension project at the Fadhili Gas Project in Saudi Arabia, whose end user was the state oil & gas company Saudi Aramco. All these components were manufactured using our sand casting technology and delivered in stainless steel. In addition, many of the components were delivered already machined. This project required highly detailed engineering work due to the customer’s strict requirements.

SEVERAL 20” COMPONENTS IN CU5MCUC:

AMPO specialises in the manufacture of special material castings, and that is why it developed several 20” ball, gate and check valve components in Cu5mcuc. This was a really important milestone for the cooperative, as it was the first time they manufactured such large components in this technically complex material. The results were very positive, thanks to the engineering work, quality and processes.
NEW COMPONENTS FOR THE MARINE PROPULSION SECTOR:
It has been a long time since the foundry first ventured into the marine sector, and it is gradually consolidating its processes and clients. An example of this is its ongoing development to broaden its range of components for this sector. Most of these components are delivered fully machined. Leading manufacturers in the sector continue to trust in our innovative casting technologies to develop critical components for waterjets, such as impellers, housings, diffusers, ... As a result, different vessels, including coast guards, passenger ferries and wind farm service boats can be propelled by AMPO components.

DECANTERS:
In line with its diversification strategy, AMPO has continued to produce components for the separation sector, supplying fully machined decanters and consolidating its position in this sector and with a series of regular clients. AMPO is a perfect supplier for this type of product in the separation sector, thanks to the fact that it has its own centrifugal spinning facilities and innovative machining technologies.

DEVELOPMENT OF THE PUMP MARKET IN THE UNITED KINGDOM:
AMPO Foundry continued its diversification in the UK pump sector in 2018, securing several orders for this industry, including the following:

- Machined diffusers for the Tian Ming power plant project in China.
- Impellers for Dingin Power Station in the Philippines.
- Complete sets of diffusers, suction pipes and impellers for the Yuxian Power Project in China.
- Thrust chambers and housings for Ekofisk Natural Gas Platform in the North Sea.
- Machined housings for Culzean Gas Field, also in the North Sea.
- After market pump components for a wide range of projects.
OPENING OF THE NEW MACHINING PLANT IN IDIAZABAL:

On 17th October, AMPO opened a new machining plant in Idiazabal, at an event that was presided by the Lehendakari, the President of the Basque Country.

The design, construction and start-up of these new facilities entailed an investment of 22 million euros and will enable AMPO to offer components with greater added value and more complex geometries for its clients, as well as to improve the quality of its solutions and service.

The factory officially opened its doors with an institutional visit led by the Lehendakari, who took part in the ceremony alongside the President of the Provincial Council of Gipuzkoa, Markel Olano, the mayor of Idiazabal, Ioritz Imaz, the Minister for Economic Development and Infrastructure, Arantxa Tapia, the Minister for the Environment, Territorial Planning and Housing, Iñaki Arriola, the Provincial Deputy for Economic Development, Ainhoa Aizpuru, and other members of the provincial institution, as well as representatives from Goierri Valley, Goiiki, Goierri Foundation, ADEGI, the Chamber of Commerce, Fluidex, etc.

The new factory is located in Idiazabal and occupies an area of approximately 12,500m² and has the most intelligent 4.0 machining centres on the market (vertical lathe with flexible manufacturing system, 5-axis machining centre,…) and other equipment that enables it to offer a wider range of services to its clients, such as: weld overlay technologies, non-destructive testing, etc.

AMPO also understands that it is impossible to have a productive model that does not respect the environment, so in recent years it has made a firm, economically-backed commitment aimed at minimising the environmental impact of its activity. Consequently, it is worth mentioning that this new plant has been designed and built according to the LEED sustainable building certification system, achieving the LEED Gold certificate for this project. There are only three buildings in Gipuzkoa at present with this sustainability certification, which is awarded by the U.S. Green Building Council. The new building has included site improvement measures, water saving, energy saving, more sustainable materials and resources, and a better quality indoor environment. Two of the most outstanding elements related to the building’s energy efficiency are the green roof, which helps to minimise the visual impact of the factory, as well as offering greater thermal insulation, and the use of natural light, by installing skylights and aerogel panels on the façades.
DIGITAL TRANSFORMATION PLAN AND THE KOSMOS PROJECT:

AMPO currently has a Digital Transformation Plan for the period 2018-2022. The aim of this plan is to digitise all the areas of AMPO’s value chain in a distinctive and competitive way that is clearly aligned with the business objectives.

To do so, they are working on implementing technologies for digital client access and order management, Sourcing 4.0 technologies, smart factory and integrated planning concepts, logistics based on data, and inventory management in real time, digital services and service management, etc.

As part of this Plan, one of the most important projects is KOSMOS, which entails the development and implementation of a new ERP as well as other systems and applications. This will help us to continuously transform our processes and to adopt decisions based on data, which will consequently help us to be more agile. Kosmos will also be a new space for sharing, where all AMPO’s applications will be included. Kosmos will be our new universe.

DESIGN AND INTRODUCTION OF A NEW CULTURAL MODEL OF ORGANISATION AND LEADERSHIP:

Since 2003, AMPO has been employing a horizontal people-based organisational and management style. Based on the objective of strengthening leadership and teamwork at AMPO, in 2017 we took the first steps in the process to create and design a new model of organisational culture and leadership among People at AMPO. This project, entitled “Working on change” (Aldaketa lantzen), aims to create a process of organisational development for guaranteed progress towards achievement of the cooperative objectives and towards a culture of excellence.

After an initial diagnosis of the situation, and after establishing the bases of the new culture model, in 2017 and 2018 the necessary skills were taught and implemented using collaboration processes aimed at achieving a more active attitude to learning, teamwork, leadership, participation, communication and progress.

The training took the shape of workshops and group and individual coaching sessions.

With the definition of this new cultural model of organisation and leadership, we aim to become an excellent organisation while increasing the feeling of belonging to AMPO and the satisfaction of our people.
DEVELOPMENT OF CRYOGENIC NEEDLE GLOBE VALVES FOR LNG:
For the first time, in 2018, AMPO POYAM VALVES designed and manufactured cryogenic needle globe valves for the LNG sector. These valves are mainly used in flow measurement applications to achieve a calibrated, constant and low flow. AMPO POYAM VALVES is a world leader in cryogenic valves, and with this new member of its product range, it is strengthening its position in this market niche.

DEVELOPMENT OF VALVES FOR UPSTREAM:
The AMPO POYAM VALVES innovation team is currently developing a wide range of valves for the upstream sector in collaboration with an expert in the industry. The company specialises in severe service valves, so the harsh requirements of the upstream sector are clearly in keeping with the standards offered by AMPO. Over the last few months, AMPO has developed a wide range of valves both for offshore and for subsea: jacket valves, calm buoy valves, fully welded STS ball valves, split body STS ball valves, top entry STS ball valves, Through Conduit double expanding gate valves, SPS ball valves, STS check valves, etc.

DEVELOPMENT OF NEW VALVES FOR ULTRA HIGH PRESSURES:
Another of the most important projects in the area of innovation in 2018 was the development of valves for ultra high pressures: top entry ball valves, compact ball valves, and swing check valves, to be specific. AMPO POYAM VALVES plans to launch these products in 2019.
OPTIMISATION OF THE TOP ENTRY BALL VALVE DESIGN:

AMPO POYAM VALVES has optimised the design of its Top Entry ball valves, which were first manufactured in 1986. The new design increases the product’s reliability, but it also brings significant improvements in the product’s competitiveness. Our clients can benefit from this competitive edge. AMPO POYAM VALVES is the leading brand in cryogenic ball valves, thanks to its experience, quality and level of client satisfaction. It is also worth pointing out that it has achieved a level of quality with zero leaks.

INSTALLATION OF THE FIRST ON-SITE MONITORED VALVE:

AMPO POYAM VALVES installed the first monitored valve at Petronor in 2018. This valve monitoring system enables any future errors in the plant equipment to be detected, and it also makes it possible to prevent unexpected stoppage. Consequently, this system entails the valves being continually connected to the facility, so that we can monitor and analyse their status.

FOUNDRY:

PATTERNLESS SERVICES FOR THE MANUFACTURE OF LARGE-SCALE COMPONENTS USING THE SAND CASTING METHOD:

AMPO FOUNDRY has developed a patternless service to manufacture large-scale parts using the sand casting method, and with a maximum casting box size of 3000mm x 3000mm, to meet its clients’ needs and to continually adapt to market requirements.

This technology has been developed by the AMPO Engineering Team in collaboration with an International Technology Centre, and also with the essential contribution of one of its main clients, obtaining an optimum patternless moulding method.

This technology means there is no need to produce wooden models. Consequently, this makes it a highly profitable way to produce single units or short series, with the following benefits: reduced delivery time, reduced manufacturing cost, high level of integrity and components with excellent dimensional precision, suitable surface finishes, etc.

In order to offer clients the widest possible range of components and the very best solutions, AMPO also currently has a fully integrated patternless service for producing medium and small sized components in its ceramic moulding production line.
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VALVE WORLD EXHIBITION:

From 27th to 29th November, AMPO POYAM VALVES participated in the VALVE WORLD exhibition in Düsseldorf (Germany) with a stand (E93) located in the Messe Düsseldorf exhibition centre. This is one of the most specific events in the industry, and that is why we decided to continue our participation in this trade fair.

Apart from our participation as exhibitors, our Innovation and Technology Development Manager, Leire Colomo, was once again a speaker at one of the conferences organised by VALVE WORLD. On the 27th November, in the afternoon, she gave an interesting speech about severe service applications, in which she discussed wear-and-tear testing and numerical modelling for the design of highly reliable severe service valves.
REFCOMM GALVESTON AND REFCOMM VALENCIA EXHIBITIONS:

In 2018, AMPO POYAM VALVES participated in the REFCOMM trade fairs for the first time. These fairs are recognised to be the main global conferences on delayed coking, fluid catalytic cracking (FCC) and sulphur recovery.

The first was Refcomm Galveston, which was held in Galveston, Texas (USA) from 7th to 11th May; and the second was Refcomm Valencia, which was held in Valencia (Spain) from 1st to 4th October. As well as presenting its range of solutions for the refinery industry, in Valencia one of our product development engineers, Lander Aranburu, and our Downstream business development manager, David Swensen, gave a conference about how to improve the behaviour and performance of plug and switch valves in delayed coking units.

AMPO POYAM VALVES currently offers one of the most extensive ranges on the market for the delayed coking process, including:

- Plug valves
- Switch valves with controls
- Gate valves
- High temperature ball valves
- Pressure Seal valves for high pressure steam lines
- Axial check valves
SUPPLIERS’ DAY ORGANISED BY CTCI IN TAIWAN:

AMPO POYAM VALVES attended the CTCI Suppliers’ Day in March, which was held at the client’s head office in Taiwan. The main objective of this forum organised by CTCI was to share their Supply Chain Strategy with their most important suppliers worldwide.

CTCI is currently the leading engineering company in the hydrocarbon processing industry in Taiwan, and AMPO POYAM VALVES has been working hand in hand with this client for more than 15 years. Our in-depth knowledge about customers’ requirements, along with the positive results obtained in diverse projects, are what have made this client continue to trust in AMPO POYAM VALVES.

It is worth mentioning, for example, AMPO POYAM VALVES’ performance in the DAHEJ LNG PHASE III project, where it supplied more than 1000 cryogenic ball, gate, globe and check valves in 2017 and 2018. The DAHEJ LNG regasification plant is located in the state of Gujarat (India) and with the third phase of the project, the plant will increase its production capacity from 10 mmtpa to 15 mmtpa. AMPO POYAM VALVES also supplied over 2400 cryogenic valves for the previous phases of the project between 2005 and 2014.

RETIREES’ DAY

As we do every year, on 4th October we celebrated Retirees’ Day at AMPO. On this occasion we went to the Basque coast. The main purpose of this special day is to maintain the relationship between the current members of the cooperative and the retirees.

One hundred retirees and a significant number of representatives from AMPO left for Hondarribia by bus early in the morning, and once arrived, the Governing Board President and the Managing Director informed them about the cooperative’s current status. Among other things, they discussed the current situation in the sector, the 2018 milestones as well as the challenges for the future.

After the presentation, the retirees had the opportunity to see the NER BREEN Project, which deals with the sustainable aquaponic production of fish and vegetables in Hondarribia. This is a highly innovative project in which AMPO has a significant participation.

And to conclude the day, they enjoyed a lovely meal together at Restaurante Atalaia in Irún.
THE “ENPRESAREAN” FORUM:

On 25th October, AMPO participated in the fourth edition of the “Enpresarean Forum”, which was sponsored by the Provincial Council of Gipuzkoa and organized by “Bai Euskarari”. In this context, our Innovation and Technology Development Manager, Leire Colomo, was one of the speakers in an interesting discussion group about people, digitisation and the future challenges of transformation. This discussion group was held entirely in Basque, and also included participation from representatives of Ikanos, Elay and Ibarria. They analysed and shared the current paradigms of digitisation, with a view to the future. In addition, it was led by a journalist from the BERRIA newspaper.

Apart from these discussion groups, the “Enpresarean” initiative also included other conferences and round tables about digitisation and transformation, but with people and well-being at the forefront.

The aim of these meetings is to foster professional relationships and collaboration between different companies and professionals that wish to work in Basque.

In addition to the Provincial Council of Gipuzkoa, this event was also sponsored by SPRI, the city council of Hernani, Laboral Kutxa, Orona Foundation, EITB, etc.

4TH MATERIAL SCIENCE AND TECHNOLOGY CONGRESS:

In July, we participated in the 4th Material Science and Technology Congress at the CEIT and Tecun University in San Sebastián. This congress is always held entirely in Basque and aims to be an exhibition of the Basque Country’s scientific production and new technologies. Around 120 experts participated in the event. On 3rd July, our Innovation and Technology Development Manager also took part in a round table on materials and product technology, alongside members of Petronor Innovation, the SPRI Group, Mondragon Componentes and Vicinay Marine Innovation.
DELEGATES CONVENTION:

AMPO currently has an extensive network of delegates and representatives, with presence in over 60 countries worldwide.

For the purposes of analysing the present year, and mainly to design the commercial strategy for the year 2019, the annual delegates convention was held in Idiazabal at the end of the year, and delegates from many different countries attended: China, India, USA, UK, Spain, Australia, Thailand, Russia, etc.

During this event, we shared the latest organisational and technical advances that have taken place at AMPO with them, as well as the most recent developments in products and technologies. We also organised a dinner to strengthen the team spirit in Donostia-San Sebastián, which also entailed a pintxos competition between teams.

PARTICIPATION IN THE API CONVENTIONS:

In 2018, AMPO took part in the API (American Petroleum Institute) conventions held in the USA. The objective of these meetings is usually to develop the API standards, as well as promoting networking and open debates on topics of interest in the oil & gas industry.

Representatives of the companies that make products or equipment related to the oil & gas sector attend these conventions, as well as engineering firms and end users.

They usually divide us equipment manufacturers into different working groups to discuss the API standards, and we actively participated in the “Valves and Piping” group.

Consequently, it is worth highlighting that AMPO plays a part in the preparation of API standards, and easily applies them in the development of its valves.

ANNUAL MEETINGS:

On 18th May, the cooperative’s Annual General Meeting was held in Idiazabal, at which the annual accounts were submitted and approved.

On 21st December, an Extraordinary General Meeting was also held. At this meeting, the Management Plan (known in the Cooperative as “Ideas and Objectives”) for 2019 was presented. Both meetings ended with a celebratory dinner for all AMPO personnel.