



| ISTOBAL, SA and subsidiaries |

Consolidated management report for the year ended
December 31, 2023

www.istobal.com

Consolidated statement of non-financial information

1. Introduction

Law 11/2018 (28 December) entered into force at the end of 2018 and amends the Commercial Code, the Spanish Companies Act approved by Legislative Royal Decree 1/2010 (2 July) and Law 22/2015 (20 July) on Audits, non-financial information and diversity (Law 11/2018), which replaces Royal Decree Law 18/2017 (24 November), which transposed into Spanish law Directive 2014/95/EU of the European Parliament and of the Council, with respect to the disclosure of non-financial information and information regarding diversity.

In accordance with the provisions of Law 11/2018, certain companies, including Istobal, S.A. and subsidiaries (“Istobal” or the “Group”), must prepare a non-financial information statement to be included in the consolidated directors’ report or be presented as a separate report for the same year containing the same content and meeting the established requirements. These requirements include, among other things, the information necessary to understand the development, results and the situation of the Group, the impact of its business in environmental and social terms, respect of human rights and the fight against corruption and bribery, as well as personnel matters. In this respect, it must describe any measures that have been taken to support the principle of equal treatment and opportunities between women and men, non-discrimination and the inclusion of universal accessibility measures and the disabled.

In this context, Istobal presents the state of information non-financial as a document that forms part of the consolidated management report included in the Group’s consolidated annual accounts for the year 2023.

To calculate the key indicators of non-financial results included in this consolidated non-financial information statement, we have used the GRI (Global Reporting Initiative) guidelines, among other things, as a reference, which is the international reporting standard and included in the new Article 49.6.e) of the Commercial Code enacted by Law 11/2018.

2. Business model

The activity of Istobal consists mostly in the manufacturing, distribution and maintenance of facilities for the washing of vehicles so much to level national as international, so as to the buy and sell and lease operational of machines washing of automobiles in the market national and international.

Istobal maintains its essence as a family business, and today it is the third generation that runs the Group.

We are the leading Spanish company in the design, manufacture and sale of car wash solutions. We currently have a wide network of distributors throughout the world, ten subsidiaries and an assembly plant in Spain, as well as three other subsidiaries – included in the ten above – which in turn are assembly plants in the US, Brazil and China.

Currently, 67% of its turnover, which in the last consolidated financial year reached 156.3 million euros, corresponds to international sales.

Our firm internationalization strategy has allowed us to position ourselves as one of the leaders in the sector at a European level. The bet by the innovation and the commitment by offer solutions global efficient us convert in a international benchmark with presence in more than 75 countries around the world.



Istobal has a staff of more than 850 professionals, as well as a wide network of distributors throughout the world that consolidates its foreign presence. Service orientation allows Istobal to provide comprehensive solutions that include design, from an R&D department constantly generating ideas, prototypes and patents; manufacturing and engineering of processes of great flexibility operational and with the last achievements technological; until the commercialization and technical assistance of the equipment, thank you to a grid consolidated of commercial and technical prepared and in constant update.

We understand washing facilities as global spaces for the comprehensive care of all types of vehicles. our range of products it covers all the needs for he washed abroad and inside of vehicles of the sectors of the automotive, transportation and mobility.



ISTOBAL evolves together with these sectors, anticipating their future demands and responding to their needs with innovative washing solutions that adapt to changes and look to the future. We develop global and comprehensive solutions that range from design and manufacturing to marketing and technical assistance. We also have our own line of chemical products and we are even providers of flexible leasing solutions and maintenance, technological, marketing and after-sales services for our clients.



ISTOBAL 's mission is "to offer global and complete solutions that bring great profitability to the vehicle washing and care business, using the latest technologies and providing the best customer service".

To carry out this mission, ISTOBAL integrates the following values into the organization:

- **Curiosity and creativity** . Being curious is knowing how to always look outside the company and the sector, being restless and open to the outside world. Being creative is getting out of the predictable and thinking differently.
- **Customer orientation** . The company focuses on the client, to understand their needs and to be able to deliver, value and measure the service it provides in its entirety.
- **Integration and diversity** . ISTOBAL is a multicultural and diverse team, capable of understanding the positions and needs of others.
- **Cooperation** . We work together, reaching agreements and providing consensual solutions.
- **security** . People are the most important value in any organization, and as such, guaranteeing their safety is key at all times. We are committed to the safety of our workers in the production, assembly and installation phases, to that of our clients in maintenance operations and in compliance with regulations, and we also extend this commitment to the users of the facilities with numerous measures to make the washing experience completely safe.

The application of all these values contributes to reach the vision of ISTOBAL as company. The company seeks "transform the experience of use of the washed and careful of the vehicle for that be easy, fast, effective and fun and contribute he maximum worth to the customers".

EMBRACE OUR VALUES



3. Group organisation

Istobal is a corporate group led by the holding company Istobal, S.A., headquartered in l'Alcúdia and into which the rest of the companies consolidate. It is also responsible for offering centralized services to support the rest of the subsidiaries and group companies under a policy of flexibility and adaptation to the characteristics of each market.

Serrallo Real State, S.L.U. is the company that carries out the real estate management of group properties, both owned and leased.

Istobal Manufacturing Spain, S.L.U. is the manufacturing company and receives orders from all subsidiaries and distributors, it obtains supplies and receives materials and products, produces the equipment and distributes the orders.

Istobal Servicios Integrados, S.L.U., engages in the purchase of vehicle washing machines for subsequent lease to customers in Spain, which is the same activity carried out by Joywash Betriebsges m.b.H. in Austria and Istobal Rental Service, Ltd. in the United Kingdom.

Additionally, Istobal has 10 subsidiaries that carry out commercial and maintenance work in its different geographical areas of operation: Istobal Spain, SLU, Istobal Portugal Unipessoal, Lda., Istobal UK Limited, Istobal Handelsges mbH, Istobal Sverige AB, Istobal Danmark A /S, Istobal Italia, SRL, Istobal USA Corporation, Istobal do Brasil Indústria e Comércio Ltda and Istobal Vehicle Wash & Care (Zhejiang) Co., Ltd. These last three subsidiaries also have assembly and assembly plants. Furthermore, during 2023, subsidiaries in Poland and France were established, as well as the purchase of 60% of the distributor in Hungary. Finally, Istobal purchased the Lopez Valero Factory whose purpose is the manufacture of chemical products for vehicle care.

Istobal offers its customers a wide personalized offering and adapts to the characteristics, needs and circumstances of each customer.



In order to offer this type of comprehensive services, we have needed to set up a business model with an operational structure that secure the capabilities clue necessary for guarantee he better service to the customer. Some of those keys are the closeness with the customer, the immediacy in the answer and the simplicity in the operations.

Tradition leads us to preserve the historical legacy of the Group and meet not only the goals we set for ourselves, but to do so with excellence, highlighting us in quality and innovation and being co-responsible in he development of the society in general in which we exercise our activity.

The certification ISO 9001:2015, linked with he design, development, manufacturing, commercialization and service after sales of vehicle washing equipment, water treatment and consumables, seeks to contribute to Istobal 's sustainable growth model in the field of culture of excellence and procedures related to quality management, being the same and the satisfaction of our clients the goal priority.

Additionally, our system of management environmental, certificate according to ISO 14001:2015 aid to Istobal to identify, prioritize and manage the risks environmental, as part of their practices of business usual.

At the end of the 2023 financial year, the companies Istobal, S.A., Istobal Spain, S.L.U. and Istobal Manufacturing Spain, S.L. are both ISO 9001 and ISO 14001 certified.



4. Material aspects and stakeholders

Istobal consolidates his bet by a dialogue open and continuous with their stakeholders with the aim of contributing to them through an attitude open and participatory pioneer in the sector. Empowering this dialogue in our strategy business, we produce improvements in the competitiveness and in the quality of our products and services.

The stakeholders are formed by the individuals either entities to which the services of Istobal they can affect significantly, and whose actions may affect the Group's ability to successfully develop its strategy and achieve its objectives.

At Istobal we have differentiated our stakeholders in two groups: the internal (employees and shareholders) and external (customers, suppliers, social agents and communities).

In relation to external stakeholders, our practices are aimed at respecting human rights, not colluding with corruption or bribery, allocating resources for the communities where we operate, and reducing the impact of our activity on the environment.

Within Istobal, our socially responsible behavior is manifested in respect for the rights of workers, to the free negotiation collective, to the equality of opportunities between men and women, to the No discrimination for reason of age, origin racial, religion either disability, and to the prevention of the health of our employees.

In this model, the management ethics, responsible and sustainable is frame of reference for our equipment. This, together with the corporate values mentioned above, will allow us to adapt our organization to the changes that continuously occur in society current.

The Board of Directors of Istobal, SA recognizes and assumes the importance of having a Corporate Governance system that guides the structure and operation of its corporate bodies, in the interest of the company and its shareholders. He Advice is the maximum organ of government of the company in subject of responsibility corporate, being compound at the closure of the exercise 2023 by five members of which four are men and one is a woman.

The Group's corporate facilities have been conceived and designed prioritizing the wide spaces and the presence of natural light in all their areas, with special incidence in the factory and in the Offices. In the aforementioned context HE has come working on implementing advanced solutions that allow greater energy efficiency to be achieved, as well as constant evolution in risk prevention labor.

Istobal contributes to the economic, technological and social development of its surroundings. The creation of wealth, employment and knowledge are the main benefits generated.

Risk management

Istobal has a risk assessment process carried out by each department head, where management annually evaluates to determine the main risks in the medium and long term and determine the actions necessary to mitigate them. The risks determined for 2023 have been.

- Dependence on strategic components supplier
- Global economic crisis
- Service not necessary
- Lack of presence in some places Germany
- Lack of digitalization in complex processes
- Speed of change in new technologies

5. Environmental matters

The environmental impact of our products and services and of all the processes of our organization is one of the great concerns of Istobal.

Is by it hence, in he development of our activities, we show a special sensitivity with he around, promoting a continuous improvement in our environmental practices and involving workers in the development of our environmental policy.

The choice of the top techniques available for optimize the processes and with it the preservation of the resources natural, through a minor consumption of subjects cousins and energies, contributes of manner significant to the minimization of the effects of our activity, guaranteeing development sustainable.

In the aforementioned context, we establish processes in order to minimize contamination and, in general, any environmental impact of our organization in a coordinated manner.

Continuous improvement drives us to implement more ambitious environmental initiatives than those imposed by the administrations because environmental protection is a standard of our organization.

Additionally, we collaborate with our clients, and those who work with us, in the protection of the environment, putting mechanisms in place to ensure that our organization finds solutions to minimize the environmental impact of the activities linked to it.

The starting point of our system has been obtaining the ISO 14001 environmental management certificate, as well as carrying out audits by external consultants with the aim of evaluating the environmental impacts of Istobal .

we disclose our policy of protection environmental to how many people, organisms and companies collaborate with us, to promote the extension and progress of these principles of awareness for correct environmental management, both internally and externally.

In the exercise of these responsibilities and in order to develop what is established in the Istobal ideology , in the 2021 financial year the Group's environmental policy was updated with the best practices in the matter, establishing an appropriate evaluation of risks linked with the aspects environmental in all the processes and stages of the cycle of life of the products and services, So as the measures preventive for reduce the impacts of the quoted risks.

The quoted policy environmental has the purpose of to project to all the stakeholders that HE relate with Istobal your commitment by he half atmosphere and is applicable for all the societies that integrate he Cluster.

In the aforementioned context, the basic principles of environmental action followed by Istobal are the following:

- **Promote and encourage** an internal culture of continuous improvement at all levels of the organization, training, involving and holding staff accountable, through information, consultation and participation of all members of the organization in planning and carrying out preventive activities , establishing specific objectives and reviewing them, as well as ensuring the availability of the necessary resources for the fulfillment of these goals.
- **Offer** its customers comprehensive solutions for the treatment and reuse of the water used in their washing equipment.
- **Maintain** a system of revision of the processes with he end of minimize their impacts environmental and prevent the pollution. In particular, it undertakes to:
 - **Minimize** the production of waste in origin and his repercussion through his correct segregation and Management, as well as study alternatives that reduce the danger of waste generated
 - **Optimize** water consumption and maintain control over your discharges
 - **Monitor** the efficiency of energy consumption
 - **Maintain** control over emissions into the atmosphere



- **Comply** with applicable laws and regulations, as well as with other requirements that are concluded with stakeholders.
- **Monitor** the evolution of the Quality Management Systems, the Environmental repercussion and Occupational Health and Safety so that we can ensure maintenance and continuous improvement.
- **Promote** the preventive culture through the awareness and permanent recruitment of its employees, informing, consulting and involving all the members of the organization in the preventive activity.
- **Evaluate** the risks associated with the organization itself, its processes, products and services, as well as the needs and expectations of its interested parties, and determine the appropriate actions on them.
- **Analyze and reduce** the environmental impacts of its products during their life cycle

Within the scope of our environmental management system according to ISO 14001, Istobal periodically identifies and evaluates its most significant environmental aspects. In the evaluation corresponding to 2023, the main environmental risks derived from these aspects have been:

- Atmospheric pollution due to emissions from treatment baths and painting of parts.
- Cyclone extraction of the single-color paint booth

Note: In terms of emissions, only those associated with production facilities in Spain are relevant since it is the only production plant that generates emissions due to its treatment sources.

In the aforementioned context, Istobal's main environmental objectives during the 2023 financial year have focused on reducing packaging waste from consumable products, the consumption of wood for the packaging of our products, and the consumption of Electricity in our production process. , and the diesel consumption in our technical service vehicles in Spain

At an operational level, in 2023, actions are being expanded to reduce packaging waste from our consumable products, reductions in packaging cardboard consumption, reductions in packaging plastic consumption, electricity consumption in our main and manufacturing facilities. reduction of CO2 emissions in technical service vehicles in Spain, the latter including actions with an impact on other European distribution subsidiaries.

Energy

Our main primary sources of energy are natural gas and electricity. We do not produce primary energy. The direct and indirect energy consumption broken down by primary sources during the 2023 financial year was as follows:

- **Gas natural:** 4.151,743 Mwh (2023) /4.997,637 Mwh (2022)
- **Electricity:** 2.306.925 Mwh (2023) /2.928.507 Mwh (2022)

The breakdown of electricity consumption 2023 is made up of:

- **Electrical Network:** 1.898.415 Mwh
- **Solar self production:** 408.510 Mwh

It should be noted that the electricity supplied in 2023 at the Istobal facilities in Spain comes more than 43.65% from renewable energy sources (42% in 2022), and since March 2023 the Istobal production plant has self-consumption that represents 14.1% of Istobal's total energy consumption. The environmental impact of our energy consumption is 1,210 tons of CO2 equivalent (1,439 in 2022), with scope 1 corresponding to a total of 692 to natural gas (832 in 2022) and scope 2 to a total of 482 to electricity consumption (606 in 2022).

During fiscal year 2020, the energy efficiency audit was carried out by external entities required by regulation, with its recommendations aimed at optimizing the lighting and air conditioning of facilities, as well as consumption by IT equipment. These recommendations have been reviewed with the corresponding areas. 20 of the 30 specific proposals were implemented in 2020 and 2021. In addition, during the period of 2023, several measures to reduce energy consumption have continued to be implemented, such as:

- Replacement of skylights for the entry of natural light
- Replacement of halogens with LEDs
- Temperature controls in air conditioners according to RD 14/2022

In the energy field, an objective was set to reduce electricity consumption with its execution and monitoring actions, even so, it could not be achieved. For the consumption of natural gas, several actions have been carried out such as optimization of racks, cleaning processes and new TPMs to reduce breakdowns, which has caused a decrease in natural gas consumption throughout Istobal Manufacturing Spain which will continue during the year. 2023.

Likewise, actions have been carried out focused on reducing fuel consumption in vehicles used by the technical service of Spain, such as the automatic replenishment system for SAT vans, optimization of attack notices by Support (remote) or hiring technicians to cover a larger area without large trips. However, after updating the vehicle fleet, an increase in emissions of 714.77 Kg CO2/technician (Km) has been obtained.

Emissions

During fiscal year 2023, as in previous fiscal years, the periodic inspections established by regulation for sources of emissions into the atmosphere have been carried out, evaluating the emission levels with respect to the limit values established in the corresponding administrative authorizations.

Due to the nature of Istobal's activities, the associated environmental aspects, their associated risks and the results of their evaluation, Istobal does not have specific carbon emissions reduction objectives.

Water

Our water consumption is divided between consumption of well water and mains water, our current intake being much lower than the authorized annual volume. Currently, we do not recycle or reuse water except for prototype testing.

During fiscal year 2023, 9,872 m3 of well water (9,926 m3 in 2022) and 3,548 m3 of network water (2,990 m3 in 2022) have been extracted, respectively.

Consumption of raw materials and packaging

Istobal 's main consumption of raw materials in 2022 and 2021, by type , they have been:

	Kilograms 2023	Kilograms 2022
Steel	1.406.533	1.462.350
Aluminum	191.938	265.006
Stainless	171.756	205.261
Solvent paints	7.630	12.621
Treatment baths	7.720	10.540

The difference in the kilograms of consumption of raw materials is due to the lower purchase of stock during the year 2023.

Istobal periodically submits to the Administration the prevention measures to reduce the environmental impact of the containers and packaging used in its products, with the Business plan for the prevention of packaging and packaging waste 2023-2024.

In relation to the aforementioned Plan and the objectives of our environmental management system, there is a multidisciplinary work team made up of marketing, purchasing, quality and production that works continuously to optimize packaging by reducing materials, as well as substituting of materials for recycling or with greater ease of recycling and the logistics optimization of our supply chain.

The result of these actions in 2023 are the reductions in both the consumption of cardboard and the consumption of packaging plastic, both in the Spanish production plant.

Waste

Istobal treats its waste through managers authorized by the administration and has the registrations and permits corresponding to the amounts and types of waste generated by its activity.

The waste with elderly production are the junk, wood, inert, paper and cardboard, expired detergents, toilets sold out of the treatment superficial of metals and laundry water from the decanters of the machines. The total amount of waste generated during the 2023 and 2022 financial years, by type and polluting potential, was as follows:

Non- hazardous

	2023 (Tn)	2022 (Tn)
Mixed scrap	136,29	201,08
Wood	64,6	59,80
Inert waste	121,16	121,00
Paper and paperboard	39,2	62,24
RNP Paint Powder	18,39	18,93
Zinc ash	4,98	14,69
Electric cables	8,43	6,96

Aluminum scrap	3,58	3,07
Zinc mattes	4,02	7,16
Stainless steel scrap	0,44	3,79
Others	0,163	1,36
Total	401,734	500,07

Hazardous

	2023 (Tn)	2022 (Tn)
Expired detergents	20,06	12,44
Exhausted degreasing baths	13,65	29,07
Contaminated absorbents and rags	0,041	0,79
Exhausted pickling baths	32,17	-
Laundry water	18,63	37,83
Flux baths	4,93	7,33
Pasty paints and varnishes	6,23	6,78
Water treatment sludge	2,41	2,53
Plastic containers cont.	2,00	1,66
Contaminated cardboard	1,62	1,53
Metal Containers cont.	0,25	0,46
Waste oil	0,9	0,89
Others	102,883	101,57

Food Waste

In it that to the food waste refers to No proceeds that Istobal board this principle, already that the activities that are held No generate impacts on actions to combat food waste.

Precautionary principle

In it that to the principle of caution HE refers, No proceeds that Istobal board this principle, already that the activities that we lead to cape No generate impacts that they can carry associates damage serious either irreversible to the half atmosphere.

Even so, Istobal has an insurance policy with specific coverage of €4,000,000 for possible Accidental Contamination.

Biodiversity

The land property of Istobal No HE find adjacent either inside of spaces natural, in neither of the two years (2023 and 2021) , protected either of high biodiversity, so there are no significant impacts on the biodiversity.

6. Social and Personnel Issues

Istobal account with employees completely dedicated and passionate by his job, and his retention in the organization and their performance are key to the same.

The main risks to the that HE faces Istobal in the ambit labor HE find linked with the drain of talent, the lack of adequate training, the dissatisfaction of the employees and potentials breaches normative, having designed and implemented measures to level corporate for to mitigate properly the themselves.

Istobal respects non-discrimination based on age, disability, gender, marital status, pregnancy, maternity, race, nationality, ethnic origin, religion or belief, and no incident has occurred during 2023 and 2022.

Since 2010, Istobal has had an equality plan in which the protocol for prevention, detection and action against workplace harassment is established, with zero tolerance for this type of behavior. The aforementioned protocol offers coverage for the following areas: access to employment, hiring, occupational segregation, promotion, training, remuneration, reconciliation of work, personal and family life, as well as prevention of harassment.



Employment

The total number and distribution of employees by country as of December 31, 2023 and 2022 is as follows

	Number of employees 2023	Number of employees 2022
Spain	605	625
United Kingdom	62	59
USA	57	53
Denmark	53	48
Austria	28	30
Brazil	25	22
Sweden	17	18
China	19	10
Portugal	12	11
Italy	9	7
Total	888	883

The total number and distribution of employees as of December 31, 2023 and 2022 by gender, age, and professional classification is as follows:

	Number of employees 2023					
	Men	Woman	Total	18-30	31-45	>45
High direction	2	-	2	-	-	2,00
Directive	10	3	13	-	3,00	10,00

Middle managers	91	16,77	107,77	4,00	47,77	56,00
Technicians, Officials and Sales	195,24	119	313,87	66,44	127,83	119,60
Technical service	211,93	-	211,93	21,00	95,00	95,93
Production operators	229	10,77	239,77	25	114	100
Total	739,17	149,16	888,33	116,95	387,82	383,33

	Number of employees 2022					
	Men	Woman	Total	18-30	31-45	>45
High direction	2	0	2	--	--	2
Directive	8	3	11	--	3	8
Middle managers	95	15	110	2	50	58
Technicians, Officials and Sales	199	111	310	70	135	105
Technical service	202	--	202	20	83	99
Production operators	238	10	248	26	118	104
Total	744	139	883	118	389	376

The annual average during the 2023 and 2022 financial years of permanent and temporary contracts by gender, age and professional classification is as follows:

	Number of employees 2023					
	Men	Woman	Total	18-30	31-45	>45
Undefined	729,37	146,66	876,03	108,95	386,82	380,26
Temporal	9,8	2,5	12,3	8,00	1,00	3,30
Total	739,17	149,16	888,33	116,95	387,82	383,56

	Number employees 2022					
	Men	Woman	Total	18-30	31-45	>45
Indefinido	732	134	866	102	388	375
Temporal	13	1	15	5	5	4
Total	745	135	880	108	393	380

	Number employees 2023						
	Undefined		Undefined Total	Temporal		Temporal Total	Total
	Complete	Partial		Complete	Partial		
High direction	2	-	2	-	-	-	2
Directive	13	-	13	-	-	-	13
Middle managers	109	1	110	-	-	-	110
Technicians, officials and sales	302	10	312	2	1	3	315
Technical service	203	3	206	1	1	2	208
Production operators	233	6	239	3	2	5	244
Total	862	20	882	6	4	10	892

	Number employees 2022						
	Undefined		Total	Temporal		Total	Total
	Complete	Partial		Complete	Partial		
High direction	2	-	2	-	-	-	2
Directive	12	-	12	-	-	-	12
Middle managers	110	1	111	-	1	1	111
Technicians, officials and sales	290	5	296	4	1	5	301
Technical service	197	2	199	-	0	0	199

Production operators	239	8	247	7	2	9	255
Total	850	16	866	11	4	15	880

Annual number of dismissals by sex, age and professional classification during the financial year 2023:

	Layoffs 2023	Layoffs2022
Men	43	33
Woman	6	10
Total	49	43
18-30	11	8
31-45	14	22
>45	24	13

	Layoffs 2023	Layoffs 2022
High direction	-	2
Directive	-	1
Middle managers	6	3
Technicians, officials and sales	14	19
Technical service	10	8
Production operators	19	10
Total	49	43

The staff turnover rate during the 2023 and 2022 financial years has been as follows, by gender, age and professional classification:

		Percentage 2023 (%)					
		Men	Woman	Total	18-30	31-45	>45
Group		6,9%	8,8%	7,2%	20,5%	6,8%	3,8%
Spain		4,1%	6,5%	4,5%	19,3%	4,2%	1,8%

		Percentage 2022 (%)					
		Men	Woman	Total	18-30	31-45	>45
Group		8,6%	16,3%	9,8%	15,7%	4,6%	3,8%
Spain		4,0%	13,1%	5,4%	28,8%	7,4%	6,8%

		Percentage 2023 (%)	
		Group	Spain
High direction		-	-
Directive		7,9%	-
Middle managers		6,4%	3,8%
Technicians, officials and sales		10,2%	7,5%
Technical service		8,7%	6,6%

Production operators	2,5%	0,5%
Total	7,2%	4,5%

	Percentage 2022 (%)	
	Group	Spain
High direction	-	-
Directive	-	-
Middle managers	7,2%	3,6%
Technicians, officials and sales	13,3%	11,2%
Technical service	10,1%	2,2%
Production operators	7,1%	1,4%
Total	9,8%	5,4%

The remuneration model generally applicable to the Istobal workforce is materialized through two differentiated elements:

- **Fixed remuneration**, based on what is established in the applicable collective agreement, which takes into account the level of responsibility, the functions performed and the professional career of each employee, the principles of internal equity and the value of their function constitutes a part relevant to the total compensation. The award and amount of the fixed remuneration is based on predetermined and non-discretionary objective criteria.
- **Variable remuneration** made up of those payments or benefits additional to the fixed remuneration, which revolves around variable parameters. This remuneration is linked, in general, to the achievement of previously established objectives.

The policy of remuneration of Istobal promotes a deal egalitarian between men and women, that No set neither encourage the differentiation wage. He model retributive reward he level of responsibility and the trajectory professional, watching by internal equity and competitiveness external.

The average remuneration by professional category is as follows in 2023 and 2022:

	Euros 2023	Euros 2022
High direction	213.745,03	334.434
Directive	111.586,03	117.973
Middle managers	52.760,42	58.206
Technicians, officials and sales	34.349,42	32.545
Technical service	39.801	40.635
Production operators	22.895,27	24.568

The average remuneration during 2023 by gender and age is as follows:

	Euros (*)					
	18-30		31-45		>45	
	Men	Woman	Men	Woman	Men	Woman
High direction	-	-	-	-	21.745,03	-
Directive	-	-	96.845,15	-	116.287,15	113.790,61
Middle managers	38.371,21	13.884,83	47.594,04	46.996,00	59.030,23	54.465,65
Technicians, officials and sales	25.475,80	21.233,55	36.946,61	28.354,40	48.486,55	29.467,10
Technical service	30.811,89	-	36.904,02	-	44.851,73	-
Production operators	15.692,79	3.607,26	23.473,95	24.410,52	25.396,66	22.598,86

(*) "The current composition of the Board of Directors and/or Executives/Senior Management of the company does not allow information on the average remuneration received broken down by sex and/or age group, since this presentation would allow deducing, in an unequivocally, the specific and individual remuneration of one of its managers, there being no legal obligation to make it public, so that the company must preserve its strictly private and confidential nature."

The average remuneration during 2022 by gender and age is as follows:

	Euros (*)					
	18-30		31-45		>45	
	Men	Woman	Men	Woman	Men	Woman
Middle managers	19.842,86	-	57.916,68	49.357,76	63.260,19	58.206,15
Technicians, officials and sales	24.079,39	19.534,04	33.331,65	29.453,56	47.557,36	32.544,90
Technical service	29.875,41	-	39.958,10	-	43.142,05	40.634,51
Production operators	15.080,69	4.582,84	25.986,82	23.217,81	27.601,82	24.567,89

Istobal's salary gap by homogeneous professional categories has been calculated considering the difference in average remuneration between Woman and Men, expressed as a Percentage of the average remuneration of Men.

Given the heterogeneous distribution of employees of each sex among the different professional categories, their seniority in the organization, as well as the application of the calculation formula described above, the salary gap for Istobal as a whole amounts to 16% (3 % in 2022) This increase compared to the previous year is due to the departure of Woman in the previous period within the company's Senior Management. Al cierre del ejercicio 2023 el consejo de administración de la Sociedad dominante está formado por dos Men habiendo registrado un gasto de 54 miles de euros por retribuciones devengadas por los miembros del consejo de administración en concepto de dietas, siendo la citada retribución equivalente a nivel medio, en un importe de 18 miles de euros entre los consejeros.

The remuneration to managers and Senior Management during 2023 has amounted to 1,989 thousand euros in salary remuneration, of which a significant percentage corresponds to fixed remuneration, as well as 52,384.29 thousand euros in remuneration in kind and 16,175 euros in expenses, to the High Management. The average remuneration of managers and Senior Management amounts to 126.7 thousand euros for Men and 113.7 thousand euros for Women.

The remuneration for equal or average jobs at Istobal in Spain amounts to 16,316 euros of initial salary, with the ratio between the aforementioned salary and the local minimum being 1.02.

Work Organization

Istobal 's working hours and days are determined by the Collective Agreement applicable in each situation. The office staff works a split shift from Monday to Thursday and continues on Friday, making both entry and exit more flexible in a hour. He staff of service technical (SAT) makes working day departure of Monday to Friday and he staff of factory Works a continuous shift. Most of the staff only work the morning shift and night shift work is almost non-existent.

Regarding the organization of working time, and with the aim of being more productive and efficient, initiatives have been implemented such as making better use of meetings, reducing the number of these, adjusting the duration and number of people called and using more synthetic, clear and simple documentation in them.

Any decision to substantially modify working conditions is notified to the affected worker and their legal representatives at least fifteen days in advance of the date of its effectiveness. The total number of hours of absenteeism during fiscal year 2023 amounted to 57,845 (44,517 in 2022), assuming an absenteeism rate of 3.83% (3.08% in 2022). The absenteeism rate is calculated with the following formula:

$$Absenteeism = \left(\frac{\text{Total number of absenteeism}}{\text{Number of working days}} \right)$$

The variation in hours of absenteeism is mainly due to the effect of RD 5/2023 of June 28, which expands the rights and new permits for parents and caregivers.

During the 2023 financial year, all of the Group's employees who have been able to take parental leave, 25 Men (47 in 2022) and 7 Women (8 in 2022), have returned to their jobs once it ended.

Occupational health and safety

The Istobal Directive, aware that any activity can affect the safety and health of workers or third parties, updated its occupational health and safety policy in 2021 in accordance with the following principles:

- **Encourage and promote** an internal culture of continuous improvement at all levels of the organization, training, involving and holding staff accountable, through information, consultation and participation of all members of the organization in planning and carrying out preventive activities , establishing specific objectives and their review and ensuring the availability of the necessary resources for the fulfillment of these goals

- **Plan and carry out** the appropriate preventive activities to prevent accidents at work and occupational diseases from occurring



- **Comply** with the applicable legislation and regulations, as well as with other requirements that Istobal subscribes with its interested parties
- **Evaluate** the evolution of the Quality Management Systems, the Environmental repercussion and Occupational Health and Safety so that we can ensure maintenance and continuous improvement.

The committee of security and health of Istobal Manufacturing Spain, SLU, is composed in 2023 by 5 people with the right to vote (3 delegates, person in charge of People, person in charge of production) 2 ORP technicians, person in charge of ORP, the doctor on behalf of health medicine and the representative of the external prevention service, all of them as advisers without the right to vote. HE meets quarterly with the unions for treat, between others, the aspects linked with policies of prevention of risks labor

The number of accidents and their frequency and severity rates, by men and women in 2023 and 2022 have been:

	Men 2023	Woman 2023	Total 2023	Men 2022	Woman 2022	Total 2022
Number of accidents	18	1	19	22	--	22
Frequency Index*	14,52	4,00	12,76	14,67	--	14,67
Severity Rate**	0,01	-	0,01	0,37	--	0,37

(*) Number of accidents with sick leave / Number of hours worked * 1,000,000

(**) Number of recordable accidents / Number of hours worked * 1,000,000

During the 2023 and 2022 financial years, no occupational disease has been declared at Istobal.

Social relationships

In accordance with current regulations, the working conditions and rights of Istobal employees, such as freedom of association and union representation, are included in regulations, and in conventions and agreements signed, where appropriate, with the corresponding representations from the workers. Dialogue and negotiation are part of the way to approach any difference or conflict in Istobal, for which there are specific consultation procedures with the representatives unions.

The collective agreement for the industry, technology and services of the metal industry for the province of Valencia is the agreement of reference for all the companies of the cluster in Spain, with the exception of the operators of the laundry that The company Istobal Servicios Integrados has in Alzira, to which the collective agreement for garages, car parks, washing and greasing services and car stations in the province of Valencia applies. Currently, Istobal complies with applicable labor legislation in all the countries in which it is present.

The representatives of the workers, whenever the corresponding elections are called, are elected every four years by personal, free, direct and secret suffrage, and are informed of the relevant changes that may occur in the organization of work in the Group, in the terms provided in the legislation in force.

The collective agreement only applies to companies in Spain and 100% of the employees are included in this collective agreement. As regards subsidiaries abroad, they are governed by the applicable labor laws in each country.

Training

The training of the employees in Istobal it was a element clue in our strategy of people until December 2022, already that the preparation and performance of our professionals give us a differential value as an organization. For this reason, we have actions and programs adapted to each job position and their different levels of experience, to which we must add numerous actions punctual and flexible oriented to inform and update about the news that HE produce.

The elderly part of the courses face-to-face HE direct to the training keep going of specialization and improvement of the personal, with he aim of know the news commercial and of product, learn the new processes administrative and of implanted management and, in general, improve the skills for he performance of the different tasks and responsibilities.

We carry out subsidized courses and other non-subsidized courses, linked to the guidelines established by the People area. All the courses given are due to training needs detected in the workforce and have involved a total of 14,160 hours during the 2023 financial year (8,132 in 2022), of which 84 (2 in 2022) were carried out by Senior Management and managers. , 1,658 by Middle managers (1,696 in 2022), 8,113 by Technicians, officials and sales (4,666 in 2022), 2,831 by the Technical service (1,323 in 2022) and 1,466 were taught to production operators (445 in 2022).

Each year, it elaborates from the People area a plan of training that HE fit so much to the concerns manifested by the different departments of the template, So as the guidelines of the Address. HE seek that he scope of the courses I arrived to all the employees. From the organization HE makes a special emphasis in courses directed to the integration of our employees with the organization, languages, product updates, information systems and those that have to do with the risk prevention and actions against emergencies



Accessibility

To the 31 of December 2023, Istobal had 13 people with capabilities different, 9 during the 2022 financial year. In the aforementioned context Istobal supports the integration labor and the incorporation of the people with disability to the world labor. The distribution by gender and category of the average number of people employed by Istobal as of December 31, 2023, with a disability greater than or equal to 33%, is the following:

	Men 2023	Woman 2023	Men 2022	Woman 2022
Technicians, officials and sales	2	3	2	1
Production operators	8	-	6	-
Total	10	3	8	1

Istobal also integrates its social commitment into its business activity. Thus, it has been collaborating since 2014 with Ilunion , an ONCE Group company and its Foundation, in its commitment to equal opportunities and job placement for people with disabilities. different areas and stages of the process of manufacturing are subcontracted to illusion , contributing to the labor and social integration of more than a hundred workers in this company.

Additionally, HE go on going forward in the accessibility of the facilities corporate and productive, through elevators and double winches, respectively.

Equality

Istobal declares his commitment in he establishment and development of policies that integrate the equality of deal and opportunities between women and men, without discriminate direct either indirectly by reason of sex, So as in he impulse and promotion of measurements for keep the equality real in he breast of our organization, setting the equality of opportunities between women and men as a principle strategic, of agreement with the definition of saying principle that establishes the Law Organic 3/2007, of 22 of March, for the equality effective between women and men.

In each and every one of the areas in which Istobal 's activity is carried out, from selection to promotion, going through salary policy, training, working and employment conditions, occupational health, organization of work time work and conciliation, we assume the principle of equal opportunities between men and women, paying special attention to indirect discrimination.

Regarding communication, both internal and external, all decisions adopted in this regard will be reported and an image of the company will be projected in accordance with this principle of equal opportunities between women and men.

The enunciated principles will be put into practice through the promotion of equality measures established for those companies of the Group that have a legal obligation or through the future implementation of a plan that implies improvements with respect to the present situation, arbitrating the corresponding systems of follow-up, with the aim of advancing in the achievement of real equality between women and men and, by extension, in society as a whole.

For carry to cape this purpose HE will count with the representation legal of workers, No only in he process collective bargaining, as established by Organic Law 3/2007, of March 22, for effective equality between women and men, but in any process of development and evaluation of the aforementioned equality measures or employment plan. equality.

The plan of equality current in Istobal foresees the meetings quarterly to petition of any of the parts with he aim of carry out a appropriate follow-up of the compliance and development of this.

7. Human rights

We believe that full compliance with human resources regulations does not require any external certification, since the commitments further relevant associates to the same they have gone assuming by Istobal in function of the development normative in the cited ambit:

- I.* Istobal does not use or support the use of child labor.
- II.* Istobal establishes a safe and healthy work environment, takes the appropriate measures to prevent accidents and injuries. All risks that could not be avoided are evaluated. Actions are planned to eliminate or reduce the identified risks. The facilities are correct regard to the prevention of risks labor.
- III.* Istobal respects the right of its employees to form unions, and they can choose a union of their choice. Istobal guarantees that the staff representatives are not discriminated against and can have access to the rest of the workers in the workplace.
- IV.* Istobal does not carry out or promote any type of discrimination based on race, origin, nationality, religion, disability, sex, sexual orientation, trade union participation, political orientation, ideology, employment category or age. Istobal does not permit any behavior, gestures and language that threaten the dignity or integrity of individuals.
- V.* Istobal does not use, nor does it support corporal punishment, mental or physical coercion, or verbal abuse.
- VI.* Istobal workers have at least one day off during each seven-day period of work. Overtime is paid according to agreement and is always voluntary for workers, unless it is agreed in an agreement or similar instrument.
- VII.* The salary paid meets the legal minimum wage requirements for jobs. Istobal complies with all labor and social security obligations established in Spanish legislation.
- VIII.* Istobal controls compliance with social and labor regulations and occupational risk prevention by suppliers and subcontracts.

In line with this commitment, we have approved also our Code Ethical, a tool of the that us we have gifted to maintain the beginning that they have guided to Istobal from their beginning and that develops their values. In 2023 and 2022 they have not identified risks in the ambit of the rights humans neither has received none complaint related to this topic

8. Fight against corruption and bribery

Istobal's criminal risk prevention model constitutes one of the bases on which the organization strengthens its institutional commitment to carry out all its activities and businesses in strict compliance with current legislation at all times and in accordance with strict canons of ethical behavior. To achieve this, the following are basic pillars of the organization's compliance system: (i) the Code of Ethics, (ii) the internal control model and (iii) the compliance function, instrumentalized in the control body of the risk prevention model (Compliance Committee) that is responsible for supervising the operation and compliance with the aforementioned prevention model.

The Code of Ethics establishes the guidelines of behavior that, of agreement with the beginning of Istobal, adjust the conduct to the values internal organizational. For it, establishes for all their members the duty of respect to the laws and rules applicable, in an integral and transparent manner, with the prudence and professionalism that corresponds to the social impact of the activity and the trust that shareholders and customers have placed in Istobal.

In addition, to the application to all personnel (employees, associates, collaborators and managers) of the companies that make up Istobal, the aforementioned Code of Ethics will be disseminated to suppliers, auditors, advisors, clients, associated companies and institutions with which Istobal collaborates.

Istobal's internal control model, built, in accordance with best practices, on the existence of three differentiated levels of control, which is commonly known as the three lines of defense model, is aimed at identifying, preventing and correcting the situations of risk inherent to the development of his activity in the scopes and places in the that unfolds his business.

The compliance function of the criminal risk prevention model is managed by the model's Compliance Committee, and is integrated in the second line of defending, that has entrusted by the Advice of Administration the function of promote and supervise, with independence and objectivity, that Istobal act with integrity, particularly in scopes as the prevention of Whitening of capitals, the conduct with customers, the prevention of the corruption and others aspects that they can represent a reputational risk to Istobal.

The criminal prevention function has as objectives:

- **promote** a culture of compliance within Istobal, as well as the knowledge of its members of the rules and regulations applicable to the previous subjects, to through of Actions of advice, diffusion, training and awareness.
- **define and promote** the implantation and total secondment of the organization to the frames and measures of management of the risk related to issues of compliance.

Istobal criminal risk prevention model and compliance policy, as well as the creation of the body of supervision and control and/or the Compliance Committee of the criminal risk prevention model, which reports directly to the Council of Administration.

Between the functions operational main of the Committee of Compliance of Istobal we find the following:

- **the review and** periodic analysis of the rules and regulations applicable.
- **the issuance, promotion or updating** of policies and procedures on the matter.
- **he advice** to the organization in the interpretation of the code of ethical either of the policies of compliance.
- **the supervision keep going** of the activities with risk of compliance.
- **management** of the ethical complaints channel.
- **the stake in the committees** where we try aspects related with the issues of compliance.
- **the stake in the processes** of revision independent in the subject.
- **the periodic report** to management (CEOs) and to the corporate bodies (board of directors).

A mechanism fundamental for the management of the risk of conduct of Istobal is his Ethical Channel of complaints. Such and as points out the model of prevention of criminal risks, the members of Istobal have as obligation No tolerate behaviors that HE separate from aforementioned Code either any conduct in the performance of their functions professionals that they can harm the reputation or the good name of the organization.

The Ethical Complaints Channel is a means to help employees or third parties to communicate the breaches they observe either them communicate their collaborators, customers, providers either companions. The complaints received are processed diligently and readiness. Promotes his verification and drive the measures for his resolution. The information is analyzed objectively, impartially and confidential.

Istobal's criminal risk prevention model is periodically subject to review processes and is configured as a process dynamic and in keep going evolution, of manner that the experience in his application, the modifications in the activity and in the structure of Istobal and, particularly in its control model, as well as the legal, economic, social and technological developments that occur will allow its adaptation and improvement.

Among the possible crimes included in the criminal risk prevention model are those related to corruption and bribery, in so much that exist a series of risks that in a entity of the characteristics of Istobal could manifest. Between sayings risks appear, between others, the related with activities as he offering, delivery and acceptance of gifts or personal benefits, promotional events, facilitation payments, donations and sponsorships, expenses, hiring of staff, the relations with providers, agents, intermediaries and partners commercial, the processes of mergers, acquisitions and joint ventures or the accounting and registration of operations.

The crime of money laundering, despite not being an organization subject to the aforementioned regulations, has also been evaluated in the context of the criminal risk prevention model, not identifying any relevant aspect in relation to it.

To regulate the identification and management of these risks, Istobal has an internal regulatory body made up of principles, policies and others developments internal, between the that stand out his Code Ethical in he that HE include aspects linked, among other aspects, to conflicts of interest, fraudulent practices and deceptive promises, commercial relations and with the competition, gifts, payment of commissions, donations or others benefits.

On the other hand, as a continuation of the policies already drawn up in 2019 related to billing and collection or gifts, the Compliance Committee has drawn up throughout the year 2023, the Data Protection Policy that will be ratified by the Council of Administration on March 31, 2024.

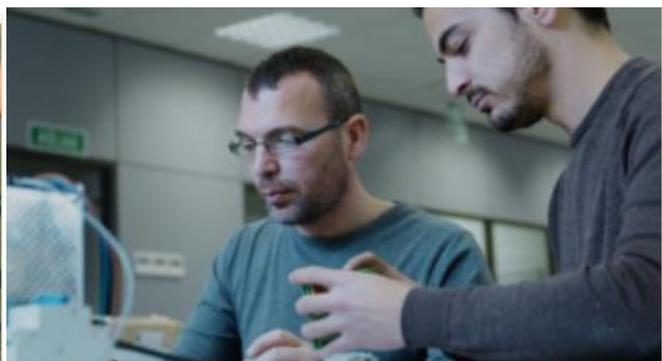
During the financial years 2023 and 2022, no disciplinary procedure directly related to the commission of any crime by Istobal or its employees has been initiated, nor has there been any sanction related to its crime prevention model .

9. Contribution to society

Sponsorships and collaborations

Istobal has developed a policy of sponsorships and collaborations oriented to support and boost those Projects and aligned initiatives with the values corporate of the organization: curiosity and creativity, orientation to the customer, integration and diversity, cooperation and security. The quoted policy maintains the following premises basic:

- **Linked** to the development and local promotion of L'Alcúdia , the town where the company's headquarters have been located since its origins
- **Engaged** with he impulse of the talent young, the innovation technological, he spirit entrepreneur and of overcoming to through of education, research and sport
- **Collaboration** in business growth programs and international projection to contribute to the promotion of leading Spanish companies abroad



Istobal is part of different university, training, cultural and sports initiatives, and participates in highly recognized institutional programs.

In collaboration with the University polytechnic of Valencia (UPV), Istobal has the Chair Istobal of Open Innovation with the purpose of favoring the transmission of knowledge between university and company. Focused on vehicle washing and care services and technologies, the Chair supports research actions and contributes to developing the talent of young students through a series of activities that make up a learning ecosystem.

Istobal contributes to professional and university training through its participation in educational programs of various entities, such as: the Valencia Chamber of Commerce, the Official College of Industrial Engineers of the Valencian Community, the EDEM Business School, the International University of Valencia and the Polytechnic University From Valencia.

COTIF international soccer tournament Promises is another of the collaborations that Istobal has launched to bet on the talent young. The COTIF is a championship that from its inception of 30 years has place in the Alcúdia and that it has become a national and international benchmark for the young promises of the soccer.

In its commitment to the development and promotion of L'Alcúdia, in 2023 ISTOBAL signed a collaboration agreement with the City Council of this town for the creation of a new 8-a-side soccer field in the Els sports city Arcs, at the initiative of COTIF, with an investment of more than 15,000 euros by ISTOBAL.

At the local level, Istobal also supports the official football teams of L'Alcúdia as part of its social commitment to the town and its collaboration with the values of improvement and teamwork that sport transmits.

Additionally, during 2023 Istobal has supported the AECC.

Istobal's main contributions in 2023 and 2022 have been:

	2023 Contributions/Sponsorships
Semana Santa L'Alcúdia	350 €
Championship COTIF	17.000 €
Istobal Chair	31.500 €
Total	48.850 €

	2022 Contributions / Sponsorships
AECC	€2,000
UNIÓ ESPORTIVA L'ALCUDIA	€3,000
COTIF Championship	€15,000
L'Alcúdia basketball club	€1,000
Istobal Chair	€30,000
Total	€51,000

The amount of contributions made in 2022 and 2023 are maintained with a minimum variation and redistribution of these, centralizing the economic contribution to the promotion of sports activities in the COTIF championship.

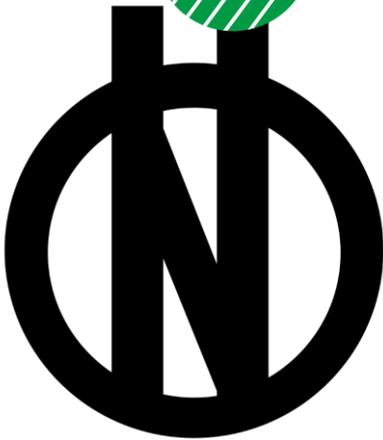
Associations

Istobal is member and collaborate with the Forum of brands renowned Spanish (FRME), a alliance public-private made of administrations public and by further of a hundred of brands leaders in their respective sectors and with featured international presence and projection. This collaboration contributes to promoting the internationalization of the company, strengthening its brand and the image of its products and services in the abroad.

Istobal is associated or collaborates with a large number of technological institutes, associations and entities linked to its business activity, including: E.United vehicle Cleaning (European Association of vehicle Cleaning Equipment Manufacturers), IFSF (International Forecourt standards Forum), FEMEVAL (Valencian Metallurgical Business Federation), ai2 Institute (University Institute of Industrial Automation and Informatics of the Polytechnic University of Valencia), IDF (Institute of Design and Manufacturing), CMT (University Institute of Thermal Engines of the Polytechnic University of Valencia), CPONET (Center for Technological Innovation Support), AERCE (Spanish Association of Purchasing, Contracting and Procurement Professionals), IEEE (Institute of electrical and electronic engineers)

Awards and honours

In recent years, Istobal has obtained various innovation awards and other recognitions for its internationalization, contribution to the industrial sector and respect for the environment, among which the following stand out: FEMEVAL award, Innovation award (2023), MIA Award for best digital marketing strategy (2023), the Levante-EMV and Banc Sabadell Business and Sustainability Award (2021), Valencia Chamber Award 2018 for Excellence in the Business Management Model, Repsol Security Award (2018), Economía 3 Award in the business leadership category for his contribution to the economic and social growth of the Valencian Community (2017), Motortec Automechanika Innovation Gallery Award for the Virtual Assistant for the selection of automotive washing programs (2017), Nordic Swan Ecolabel for the sustainability and effectiveness of its chemical products ISTOBAL essens® (2016) and FEMEVAL award for foreign projection for its internationalization (2016), Onorm and VDA certifications for chemical products.



Customer service

Istobal has an operating procedure that establishes the system for the reception, attention, focus and solution of complaints and claims that customers may present, both for a product and for a service provided.

At the time the claim is received and evaluated, if it is considered applicable, it is entered into our Microsoft dynamics (AX) operating system where the incidents of all customers are recorded. The department involved analyzes the information received, checks that the classification is correct and carries out the inquiries opportune to the departments either functions necessary until provide of the enough data for determine the causes and the appropriate solution to the incidence.

With he closing of the incidence, the application emits a release to the department transmitter that, in case of consider it appropriate or necessary, will transfer the resolution of the complaint or claim to the corresponding interested party. Even in the case of not being registered in the application, any claim received in writing (mail, mail, etc.) from a client, will be answered in the same way and the department receiving or responsible for the incident will keep a record of the answer.

The complaints either claims are considered as No conformities detected by he customer. Of the study of are by the departments involved, and depending on their importance or reiteration, corrective actions can be originated. Monthly, inside of the process HE will perform he study of the incidents received, accepted and rejected by typology in order to determine trends in them and possible actions of improvement.

The volume of complaints received during the 2023 financial year from customers and accepted for processing by Istobal has suffered a decrease compared to the previous year of 16%, with a total volume during 2023 of 1,023 complaints (8.27 complaints / € million), 1,013 complaints in 2022. I must add that, of these 1,023 incidents, only 56.3% (accepted) have been accepted with responsibility by Istobal, assuming an incidence ratio of 4.66 per million euros invoiced. It should be added that, during the period of 2023, a new type of incidents known as PT-AM (machine start-up) has been incorporated, of which for the correct monitoring of the project, approximately 52 incidents were attributed referring to problems of 2022 due to to comparison and tests, all of them in a rejected state. This system facilitates the imputation of customer complaints at the moment of implementation, thus speeding up its immediate resolution. In the aforementioned context, the satisfaction ratings received from customers in relation to the claims service during fiscal year 2023 have been reasonably satisfactory (2.94/4.00), while in fiscal year 2022 (3.21/4.00), thus consolidating the positive trend of the last 5 years.

Istobal has no recorded fines or sanctions for non-compliance with regulations related to consumer health and safety aspects that could be significant.



Suppliers

Each of the elements that come into play in our company is sought to achieve excellence in our final product, which is, after all, our letter of introduction to customers. We look for these components in the best providers, those that, to his time, us provide it better of Yes themselves for contribute to our growth sustainable and responsible.

Without the relationship of trust and loyalty that we forge with the daily effort and work of our suppliers, we would not be able to achieve the quality standards of which we are so proud. During fiscal year 2023, 86% (91% in 2022) of suppliers are national, 96% of European origin, only 4% of suppliers are from outside the EU.

Within our model, the approval of new suppliers and the continuous review of their quality is part of the control processes and the same.

In the aforementioned context, at Istobal we demand from our suppliers the same standards that characterize us as an organization.

Tax Information

Istobal's consolidated profit for fiscal year 2023, after taxes, amounts to 7.16 million euros and the taxes on profits paid have amounted to 2.8 million euros.

The consolidated results and profit taxes paid by zones as of December 31, 2023 and 2022 have been as follows

	Thousands of euros 2023		Thousands of euros 2022	
	Results after taxes	Profit taxes	Results after taxes	Profit taxes
Spain	7.703	(2.738)	7.780	(1.844)
United Kingdom	753	-	241	-
USA	955	(343)	1.074	(386)
Denmark	(830)	-	(264)	-
Austria	(587)	(4)	(551)	7
Brazil	925	(296)	844	(195)
Sweden	(682)	-	(694)	-
China	(1.046)	-	(1.277)	-
Portugal	67	(17)	22	-
Italy	(95)	-	243	-
Total	7.703	(3.398)	7.418	-2.418

In the 2023 financial year, Istobal has not received public aid that is intended to promote the development of its activity and that is significant

10. Table of contents required by Law 11/2018, of December 28, on non-financial information and diversity

Areas	Contents	Material issue (Yes/No)	Scope / Perimeter	Related GRI Standards	Pulled apart
Business model	Brief description of the group's business model, which will include: 1.) its business environment, 2.) its organization and structure, 3.) the markets in which it operates, 4.) your objectives and strategies, 5.) the main factors and trends that may affect its future evolution.	-	ISTOBAL , SA and subsidiaries	2-1 / 2-6 / 2-22	Paragraph 2
Policies	A description of the group's policies on such matters, including: 1.) the due diligence procedures applied for the identification, evaluation, prevention and mitigation of risks and significant impacts. 2.) verification and control procedures, including what measures have been adopted.	-	ISTOBAL , SA and subsidiaries	3-3	Paragraph 3
Short, medium and long term risks	The main risks related to those issues linked to the activities of the group, including, where relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with the national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of these, particularly on the main risks in the short, medium and long term.	-	ISTOBAL , SA and subsidiaries	3-3 / 205-1 / 413-1 / 409-1 / 407-1 / 408-1	Paragraph 4
KPI's	Key non-financial performance indicators that are relevant to the specific business activity, and that meet the criteria of comparability, materiality, relevance and reliability. - In order to facilitate the comparison of information, both over time and between entities, standards of key non-financial indicators will be used, which can be generally applied and which comply with the European Commission guidelines on this matter and the standards of Global Reporting Initiative , having to mention in the report the national, European or international framework used for each matter. - The key indicators of non-financial results must be applied to each of the sections of the statement of non-financial information. - These indicators must be useful, taking into account the specific circumstances and consistent with the parameters used in its internal risk assessment and management procedures. - In any case, the information submitted must be accurate, comparable and verifiable.	-	ISTOBAL , SA and subsidiaries	102-54	Paragraph 4

Areas	Contents	Material issue (Yes/No)	Scope / Perimeter	Related GRI Standards	Pulled apart
Environmental issues	Global environment				
	1.) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety, environmental evaluation or certification procedures; 2.) The resources dedicated to the prevention of environmental risks; 3.) The application of the precautionary principle, the amount of provisions and guarantees for environmental risks. (Eg derived from the environmental responsibility law).	Yes	ISTOBAL , SA and subsidiaries	3-3 / 2-23 / 201-2 / 308-1 / 308-2	Paragraph 5
	Pollution				
	Measures to prevent, reduce or repair carbon emissions that seriously affect the environment; taking into account any form of air pollution specific to an activity, including noise and light pollution.	Yes	ISTOBAL , SA and subsidiaries	3-3 / 305-5 / 305-6 / 305-7	Paragraph 5
	Circular economy and waste prevention and management				
	circular economy.	Yes	ISTOBAL , SA and subsidiaries	3-3 / 301-2 / 301-3 / 306-2	Paragraph 5
	Waste: Prevention measures, recycling, reuse, other forms of recovery and disposal of waste;	Yes			
	Actions to combat food waste.	No			
	Sustainable use of resources				
	Water consumption and water supply in accordance with local limitations;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 303-2 / 303-3	Paragraph 5
	Consumption of raw materials and the measures taken to improve the efficiency of their use;	Yes		3-3 / 301-1 / 301-2	
	Direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energy.	Yes		3-3 / 302-1 / 302-2 / 302-3 / 302-4 / 302-5	
	Climate change				
	Significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 302-1 / 302-2 / 302-3 / 302-4 / 302-5 / 305-1 / 305-2 / 305-3 / 305-4 / 305-5	Paragraph 5
	The measures taken to adapt to the consequences of climate change;	Yes		3-3 / 201-2	
	The reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose.	Yes		3-3 / 305-5	
Biodiversity protection					
Measures taken to preserve or restore biodiversity; Impacts caused by activities or operations in protected areas.	No	ISTOBAL, S.A. y sociedades dependientes	3-3 / 304-3 / 304-1 / 306-5 / 304-2	Paragraph 5	

Areas	Contents	Material issue (Yes/No)	Scope / Perimeter	Related GRI Standards	Pulled apart
Social and personnel issues	Employment				
	Total number and distribution of employees by sex, age, country and professional classification;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 2-7 / 405 -1	Paragraph 6
	Total number and distribution of employment contract modalities,	Yes		2-7	
	Annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification,	Yes		2-7/405-1	
	Number of dismissals by sex, age and professional classification;	Yes		401-1	
	The average remunerations and their evolution broken down by sex, age and professional classification or equal value; salary gap, the remuneration of equal or average jobs in society,	Yes		3-3/405-2	
	The average remuneration of directors and managers, including variable remuneration, per diems, indemnities, payment to long-term savings pension systems and any other perception disaggregated by sex,	Yes		3-3 / 2-19 / 2-20 / 2-21	
	Implementation of labor disconnection policies,	Yes		3-3	
	Employees with disabilities.	Yes		405-1	
	Work organization				
	Organization of working time.	Yes	ISTOBAL , SA and subsidiaries	3-3	Paragraph 6
	Number of hours of absenteeism.	Yes			
	Measures designed to facilitate the enjoyment of reconciliation and promote the jointly responsible exercise of these by both parents.	Yes			
	Health and security				
	Health and safety conditions at work;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 403-9 / 403-10	Paragraph 6
	Work accidents, in particular their frequency and severity, occupational diseases, disaggregated by sex.	Yes			
	Social relationships				
	Organization of social dialogue, including procedures for informing, consulting and negotiating with staff;	Yes	ISTOBAL , SA and subsidiaries	3-3/407-1	Paragraph 6
	Percentage of employees covered by collective agreement by country;	Yes		2-30	
	The balance of collective agreements, particularly in the field of health and safety at work.	Yes		403-4	
Mechanisms and procedures that the company has to promote the involvement of workers in terms of integration, consultation and participation.	Yes	3-3			

Areas	Contents	Material issue (Yes/No)	Scope / Perimeter	Related GRI Standards	Pulled apart	
Social and personnel issues	Training					
	The policies implemented in the field of training;	Yes	ISTOBAL , SA and subsidiaries	3-3	Paragraph 6	
	The total number of training hours by professional category.	Yes		404-1		
	Universal accessibility for people with disabilities	Yes	ISTOBAL , SA and subsidiaries	3-3	Paragraph 6	
	Equality					
	Measures adopted to promote equal treatment and opportunities between women and men	Yes	ISTOBAL , SA and subsidiaries	3-3	Paragraph 6	
	Equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities;	Yes				
The policy against all types of discrimination and, where appropriate, diversity management.	Yes					
Issues relating to respect for human rights	Application of due diligence procedures in the field of human rights. Prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 2-3 / 2-26 / 412-3 / 412-2 / 412-1 / 410-1	Paragraph 7	
	Complaints for cases of violation of human rights;	Yes		406-1		
	Promotion and compliance with the provisions of the fundamental conventions of the International Labor Organization related to respect for freedom of association and the right to collective bargaining;	Yes		407-1		
	The elimination of discrimination in employment and occupation;	Yes		3-3/406-1		
	The elimination of forced or compulsory labor;	Yes		409-1		
	The effective abolition of child labor.	Yes		408-1		
Issues relating to the fight against corruption and bribery	Measures taken to prevent corruption and bribery;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 2-3 / 2-26 / 205-1 / 205-2 / 205-3	Paragraph 8	
	Measures to combat money laundering,	Yes				
	Contributions to foundations and non-profit entities.	Yes		413-1		

Areas	Contents	Material issue (Yes/No)	Scope / Perimeter	Related GRI Standards	Pulled apart
Issues relating to society	Company commitments to sustainable development				
	The impact of the company's activity on employment and local development;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 203-1 / 203-2 / 413-1	Paragraph 9
	The impact of the company's activity on local populations and on the territory;	Yes		/ 413-3 / 411-2	
	The relations maintained with the actors of the local communities and the modalities of the dialogue with them;	Yes		413-2 / 2-29	
	The actions of association or sponsorship.	Yes		2-28	
	Subcontracting and suppliers				
	- The inclusion in the purchasing policy of social, gender equality and environmental issues; - Consideration in relations with suppliers and subcontractors of their social and environmental responsibility;	Yes	ISTOBAL , SA and subsidiaries	2-6 / 3-3 / 308-1 / 414-1	Paragraph 9
	Supervision systems and audits and their results .	Yes			
	Consumers				
	Measures for the health and safety of consumers;	Yes	ISTOBAL , SA and subsidiaries	3-3 / 416-1 / 416-2	Paragraph 9
	Complaint systems, complaints received and their resolution.	Yes			
	Tax information				
	- Benefits obtained country by country. - Taxes on profits paid.	Yes	ISTOBAL , SA and subsidiaries	207-4	Paragraph 9
	Public subsidies received	Yes			



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