

The logo for Espa Group, consisting of the words "Espa Group" in a white, sans-serif font, positioned in the upper right corner of the green background.

Espa Group

A vertical panel on the left side of the cover featuring a close-up, artistic shot of water ripples in shades of blue and teal.

INDUSTRIAS AUXILIARES  
GTE GROUP, SL and  
subsidiaries (GTE Group)

A vertical panel on the right side of the cover featuring a close-up, artistic shot of several water droplets on a green grass blade. The droplets are in sharp focus, reflecting the surrounding greenery.

**MEMORANDUM OF  
SUSTAINABILITY 2023**

[www.espa.com](http://www.espa.com)

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**Josep Perich**  
CEO of GTE Group

**Dear GTE Group family,**

In 2023, we embarked on a new path of evolution and growth. The integration of ESPA Group into GTE Group is a very relevant qualitative and quantitative leap in our founding spirit.

I would therefore first like to express my sincere thanks to all those who have accompanied us throughout our history and who continue to do so on a daily basis. To our customers, for their constant trust and collaboration in our continuous progress; to our suppliers, fundamental allies in each project; and, of course, to the GTE Group team; the true heart, mind and engine of our organisation, for their dedication, commitment and tireless effort.

The merger of the two groups presents us with challenges that require maximum effort and talent from our teams. We are engaged in an evolutionary process towards new management methods in order to be more efficient in our operations. Investment in R&D&I is a fundamental strategic pillar for us and we want to continue to promote the development, not only of innovative products, but also of initiatives that will make a positive contribution to society.

Overall, 2023 has not been an easy year for the sector. Shrinking demand in Europe, geopolitical conflicts, rising inflation and rising interest rates have negatively affected sectoral sales.

However, despite these circumstances and within such a complex environment, GTE Group has not only managed to maintain our sales level, but has also increased our gross margin, reduced our costs and increased our profitability in terms of EBITDA by more than 44%. And this is just the beginning. We still have a lot to do.



Since our inception, we have maintained a strong commitment to our planet. The year 2023 presented us with numerous challenges and opportunities that have impacted our industry and society as a whole. The consequences of climate change, such as the depletion of natural and energy resources, is a reality we simply cannot ignore. This year, we have witnessed major droughts and become more aware of the need to preserve such an essential resource as water.

We therefore want to contribute to the search for solutions that will not only be viable in the short term, but will also ensure that our environment is cared for in the long term. Our strategy focuses on offering top quality products with a firm commitment to sustainability. The life cycle of ESPA products is meticulously designed to guarantee their durability and capacity for repair, thus contributing to the reduction of environmental impact. Our R&D&I team works under the principles of ecodesign and of water and energy efficiency, while we educate and raise awareness among all our collaborators about the importance of social and environmental responsibility. Our goal is to establish a sustainable management model, from supply and production to distribution and final consumption.

With our customers at the centre of all our actions, we now face the new financial year 2024 with unprecedented enthusiasm. Your experience and satisfaction are the cornerstone of our business. This is why we work every day to continuously improve our quality and service, with the double objective of increasing our sales and improving our profitability.

With a stronger position and a broader vision, we will continue to increase our contribution to society through our innovative solutions for managing and saving water and energy.

Once again, my thanks to all the team, customers and suppliers for the trust they have shown and for the excellent year's result.



**Josep Perich**  
CEO GTE Group

01

# ABOUT GTE GROUP

# GTE Group in figures

## 2023 INDICATORS



€83.4m  
**SALES**



€7.21m  
**EBITDA**



2.83x  
**DFN / EBITDA**



9 **PRODUCTION CENTRES**



15 **DISTRIBUTION CENTRES**



+100  
**COUNTRIES**

## THE TEAM

**+400**  
**EMPLOYEES**

**41%**  
**WOMEN**

**+3%**  
**INCREASE OF THE TEAM vs 2022**

**96%**  
**INDEFINITE CONTRACT**

## ENVIRONMENT

**85%** **EUROPEAN SUPPLIERS**

## Our history

**INDUSTRIAS AUXILIARES GTE GROUP, SL (hereinafter "GTE Group") constituted in 2019, is the result of the merger of a group of companies located mainly in the province of Girona (Spain) whose founding objective is to be an industrial group of reference in its sectors of activity.**

During the 2022 financial year, a corporate transaction was carried out that represented a turning point in the Group's development. Thus, in May 2022, GTE Group carried out a capital increase in one of its main customers, ESPA Group, and now holds 80% ownership through the dilution of the previous shareholders, who were left with 20% of the capital.

This operation represented a very significant leap in the order of magnitude of GTE Group, being a differential step in the achievement of its founding objective of being a reference group in its sectors of activity.

The ESPA Group, founded in 1962 in Banyoles (Girona, Spain), is made up of a group of companies with an international presence, specialised in the design, production, distribution and innovation of high efficiency and high performance water management pumps, systems and equipment, mainly for the domestic and housing sector.

The main company of the ESPA Group and its production plant are located in Banyoles (Girona) and is one of the main companies in the region, generating direct and indirect employment that is highly relevant for the area.

For us, this operation is a very significant step forward in our growth proposal, through the vertical integration of production, management and sales processes, as well as integration into a group with a history of quality in its differential products and services within the sector and which is clearly associated with the Group's various brands, among which the ESPA® brand stands out. The Group's other brands are ESPA LEADER®, POMPES GUINARD LOISIRS® and POMPES GUINARD BÂTIMENT®.

Continuous development of improved pumping solutions is a core value. That is why we have a value chain based on our human capital, customer satisfaction and corporate social responsibility.

# GTE Group culture

Our purpose defines us as a company, marks out our path and aligns us as a team that is committed to offering hydraulic comfort to all our stakeholders.

In the process of integrating all of the Group's units, it is of utmost importance to us that the mission, vision and values are part of the culture and work of the more than 400 people who are part of the team.

## Mission

To develop innovative technologies in all stages of the integral water cycle for the efficient management of this fundamental resource, offering value-added solutions to our customers.

## Vision

To be a benchmark in the development of solutions that combine the best customer experience with the efficient use of water and energy resources in order to contribute to social welfare and environmental protection.

## Values

### EXCELLENCE

Our priority is to offer a top-quality product through continuous improvement. We are constantly working to stay one step ahead in the development of solutions adapted to the needs of today's society.

### PASSION

We are a team fully involved in every step we take. We believe in what we do and we work together to achieve success.

### SERVICE

We are committed to proximity to our customers. Getting to know them, listening to them and offering them solutions that meet their needs.

### AMBITION

We don't like to set limits for ourselves. We want to continue growing, innovating and overcoming any challenge we set for ourselves.

### SUSTAINABILITY

We consider hydro-energy saving as fundamental to the sustainability of our planet. We therefore focus our innovative efforts on developing pumping solutions that contribute to sustainability through their use.



## Management Model

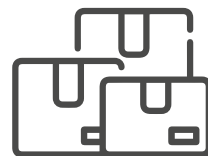
Our vertically integrated production chain ensures efficient control of the production process, from sourcing to final distribution.



**WE DESIGN**



**WE PRODUCE**



**WE DISTRIBUTE**

Management Model

## We design

Our priority is to improve our customer experience and save water and energy through the use of our products.

## From raw material to finished product

1

### Continuous product improvement

Pursuing the objective of achieving an efficient and sustainable product in terms of water and energy consumption, our R&D&I team works to constantly improve the design, materials and performance of our products.

We complete our designs with the high durability of our products in mind, as well as on their repair capability when, due to the effects of wear and tear over time, some of the components must be replaced.

2

### New product development

Investment in R&D&I is part of our DNA. That is why we work to add value to the market by launching products with features that promote greater water and energy efficiency. Our variable speed pumps, or swimming pool pumps filled with seawater, are examples of this.

3

### Design and commissioning of industrial equipment to make the production process more efficient

Our engineering team has the capacity to design specific machinery according to our production needs. This affords us greater flexibility and efficiency in the production process.

Management Model

From raw material to finished product

## We produce

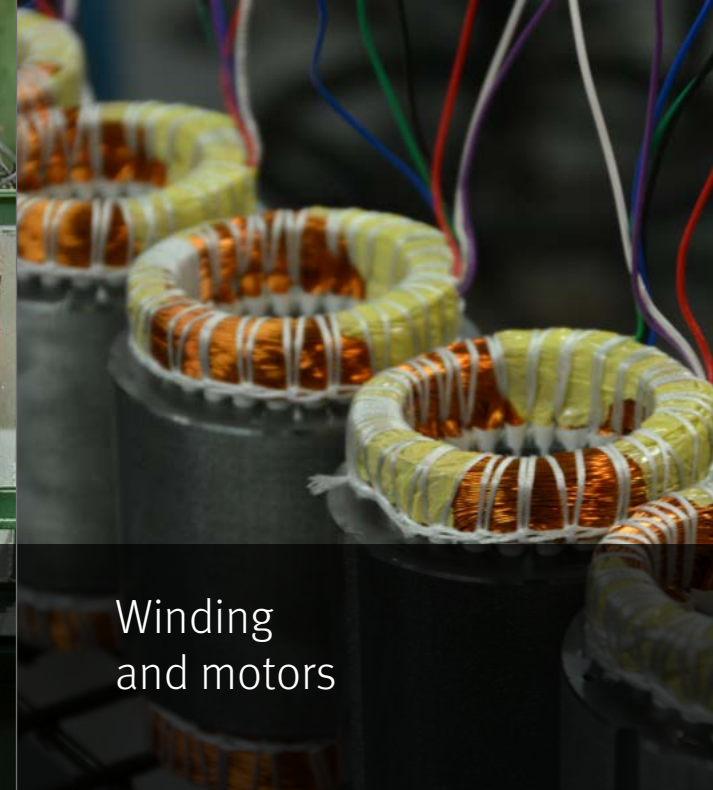
At GTE Group we have a vertically integrated manufacturing process that allows us to have exhaustive control of the entire production chain, from the aluminium casting to the assembly of the final product.

In this way, we achieve:

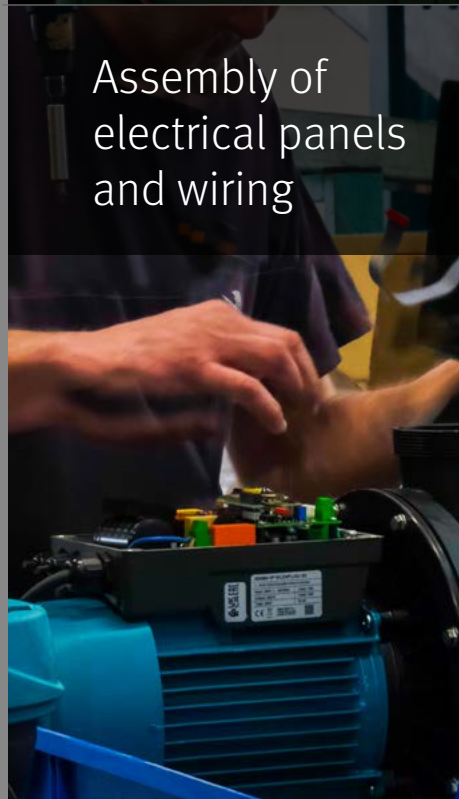
- ⊕ Productive efficiency
- ⊕ Quality
- ⊕ Flexibility
- ⊕ Adaptation of components to our products
- ⊖ Dependence on third parties



Aluminium casting



Winding and motors



Assembly of electrical panels and wiring



Assembly of hydraulic parts



Pumps, systems and equipment assembly

Management Model

From raw material to finished product

**We produce**

95% of our portfolio is produced in Europe and we comply with the highest standards and guidelines in quality, safety and reliability required by European regulations, as well as those of each of the countries in which we distribute our products.

We have **9 production centres** located in Spain, France, China and Chile.

We are committed to strengthening the local economy and reducing the carbon footprint by reducing the transport of components. For this reason, we have a cluster of local suppliers with a high level of specificity, which allows us to generate synergies and optimise processes.

**Production centres**

**6**

**IN SPAIN**

- › Aluminium casting.
- › Manufacture of motors and windings.
- › Assembly of electrical panels and cables.
- › Assembly of hydraulic parts.
- › Manufacture of pumps and equipment.

**1**

**IN FRANCE**

- › Manufacture of pumps and equipment for the French market.
- › Customisation of pumps and equipment for third parties.

**1**

**IN CHINA**

- › Assembly of pressure kits.

**1**

**IN CHILE**

- › Manufacture of pumps for the Chilean market.

Management Model

From raw material  
to finished product

## We distribute

Our business model is based on offering a comprehensive service to our customers adapted to the sales channel, the product application and the local needs of the consumer.

### Our brands

We enhance the value of our brands through partners in more than 100 countries. Our aim goes beyond producing and distributing pumps, systems and water management equipment. Our purpose is to generate well-being and water comfort for all users at the various moments of their daily lives and in each of the applications of our products distributed under the following brands:



#### ESPA

ESPA is the Group's brand par excellence, with a wide range of products for the domestic and professional residential pumping sector.



#### ESPA LEADER

ESPA LEADER has a product portfolio tailored to the needs and demands of the DIY channel.



#### POMPES GUINARD LOISIRS

Brand aimed at the DIY channel for the French market.



#### POMPES GUINARD BÂTIMENT

Products and equipment for residential pressurisation, building, irrigation, agricultural and industrial use on the French market.

Management Model

From raw material to finished product

## We distribute

We work closely with our partners in defining the strategy by market and channel.

## Distribution channels

We are present in traditional distribution through ESPA®, our most recognised brand. Our aim is to be at the service of professionals, installers and stockists.

Alongside the expansion and development of the GSB / DIY superstores and Marketplace platforms, we have developed our solutions under the ESPA LEADER® and POMPES GUINARD LOISIRS® brands.

In 2023 we launched the *You Choose, We produce* campaign with the aim of promoting the sale of products

designed and produced exclusively for manufacturers and distributors interested in marketing and promoting their own brand.

We have a team of engineers who offer personalised advice for each project. Our presence in the project channel, specifically in the residential and commercial pressurisation segment, is particularly significant in Spain and in the Middle East market, and is in full development in the rest of the strategic markets.



Management Model

# Geographical presence

We create a strategy for each market with the aim of performing and defining actions designed according to current trends without forgetting that we are in a global environment.

We have our own extensive distribution network with offices in Spain, Portugal, France, the United Kingdom, Italy, Germany, the United Arab Emirates, India, Chile, Argentina and China, allowing us to get closer to professionals and accompany them in creating and adding value to the entire distribution chain.

Through our network of subsidiaries and partners, we are present in more than 100 countries, which reinforces our international character and external projection in a borderless economy.

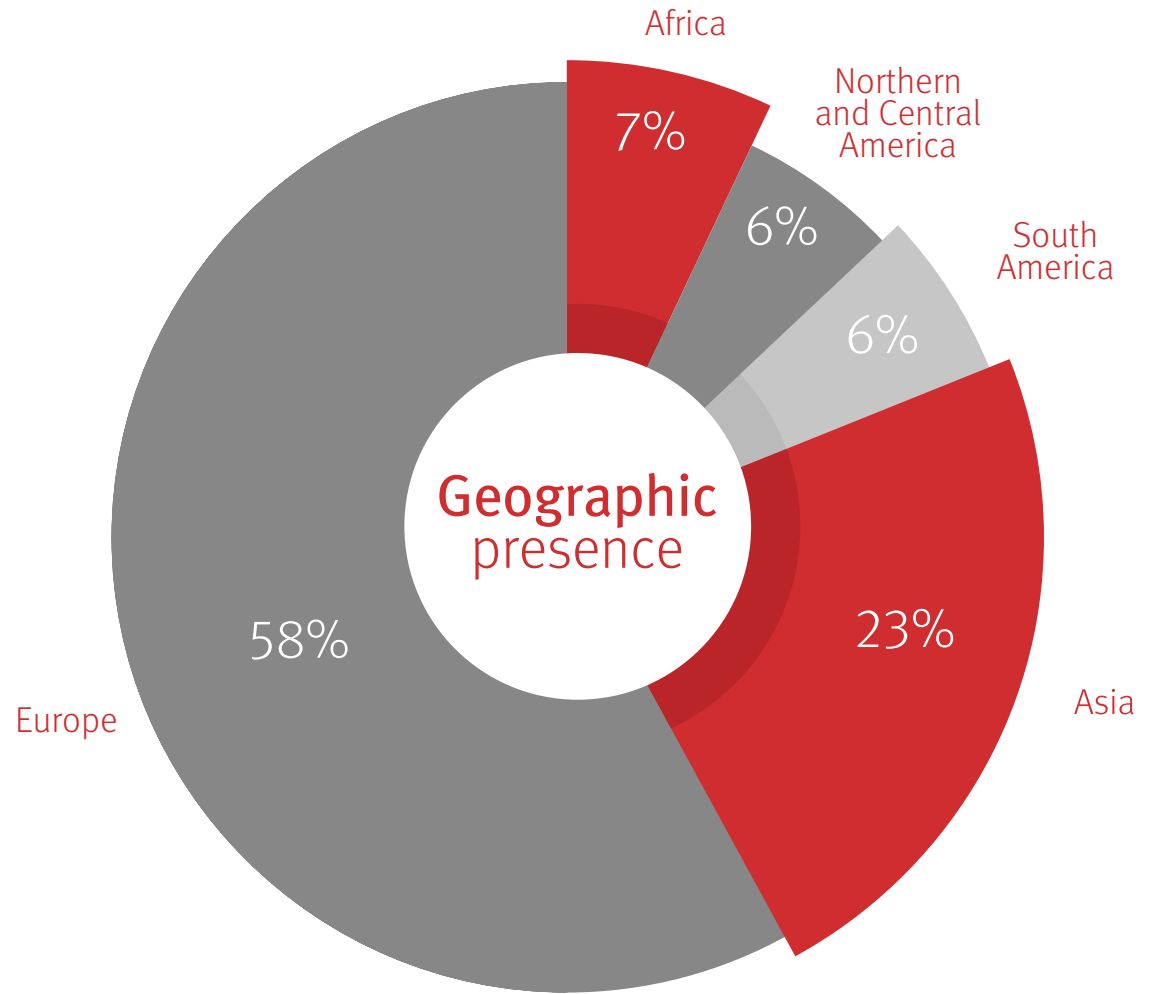


Distribution centres

Management Model  
Geographical presence

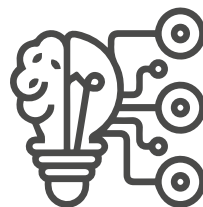
Our business volume is mainly concentrated in Europe, the Middle East and the Americas. Our main objective for the coming years is to consolidate our portfolio in existing markets, win new customers and open up new geographic areas with growth potential.

## Distribution by zones





# Our products and solutions



**BUSINESS  
LINES**



**INNOVATION**

Management Model

Our products and solutions

Our portfolio is carefully designed to meet the demand and needs of the domestic and residential sector with specific applications for the commercial, agricultural and industrial sectors.

# Business lines

Our Strategic Objectives are based on the development of new products that provide added value to our customers, as well as expanding our presence in the agricultural, pool-wellness, pressurisation systems and mass market sectors.

## Sectors



Residential



Sales



Agriculture



Industrial

## Applications



Capture



Supply



Recirculation and filtration



Evacuation

Management Model

Our products and solutions

## Innovation

All our products are designed with the contribution of differential value and water and energy savings in mind.

Our priority is to continuously improve the performance, energy and water efficiency of our products. That is why the R&D&I team works every day to offer innovative solutions to the market under the following criteria:

- › Water and energy efficiency
- › Usability
- › Connectivity
- › Durability
- › Repair capability
- › Ecodesign
- › Sustainability

We have also launched the new NOXPLUS, a variable speed pump that maintains the pressure and flow rate that the home, building or installation requires at all times, with energy savings of up to 70%, meeting the criteria for the ecological design of the product defined by the Group.

The modernisation of our productive apparatus is a priority. In 2023, the R&D&I team developed a new packaging island at our Banyoles plant, which allows us to increase flexibility and capacity in the output of end products, manage special packaging and work in parallel with our current system. In addition, we have implemented a new machining island and rotor shaft insertion which has allowed us to improve efficiency and reduce costs.

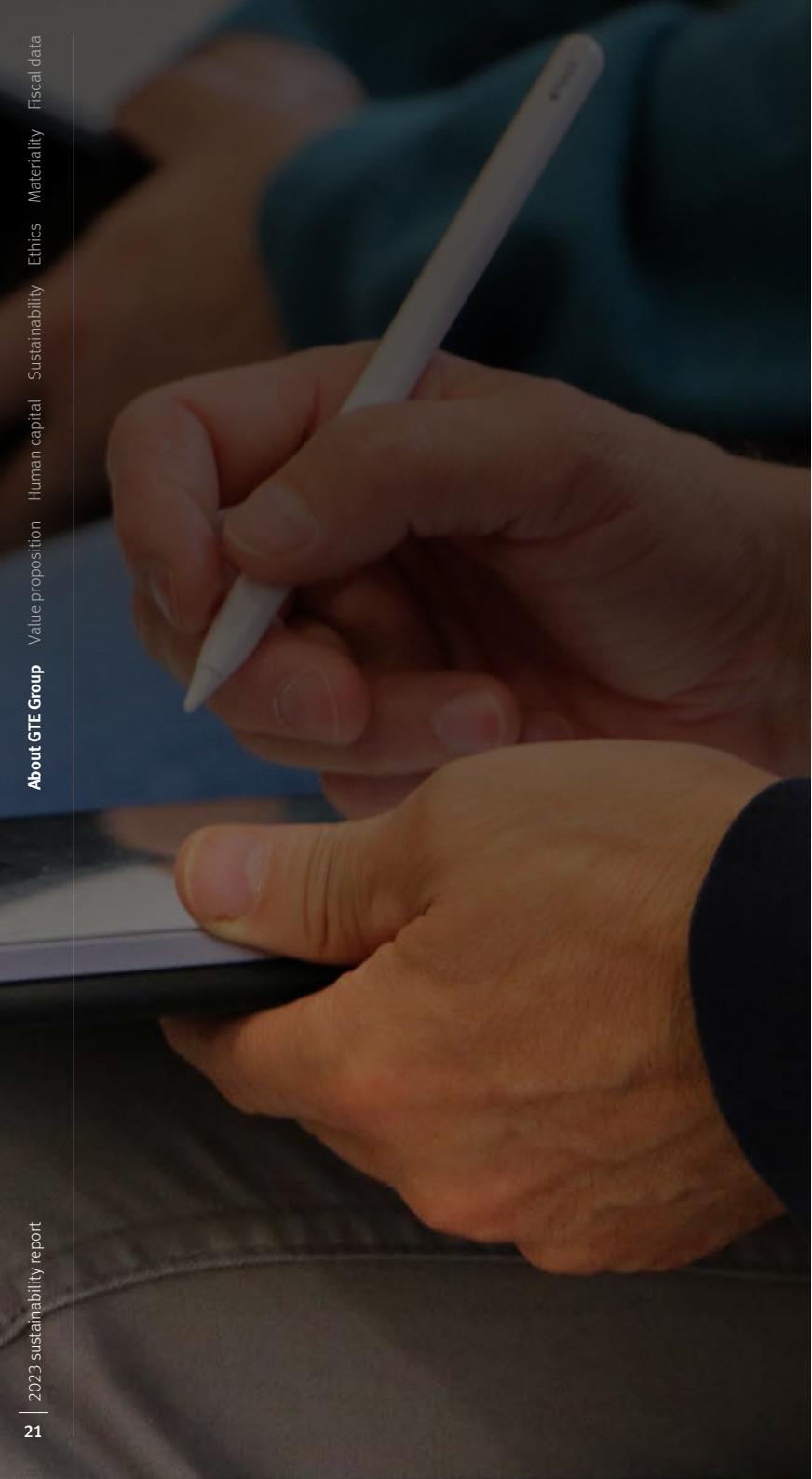
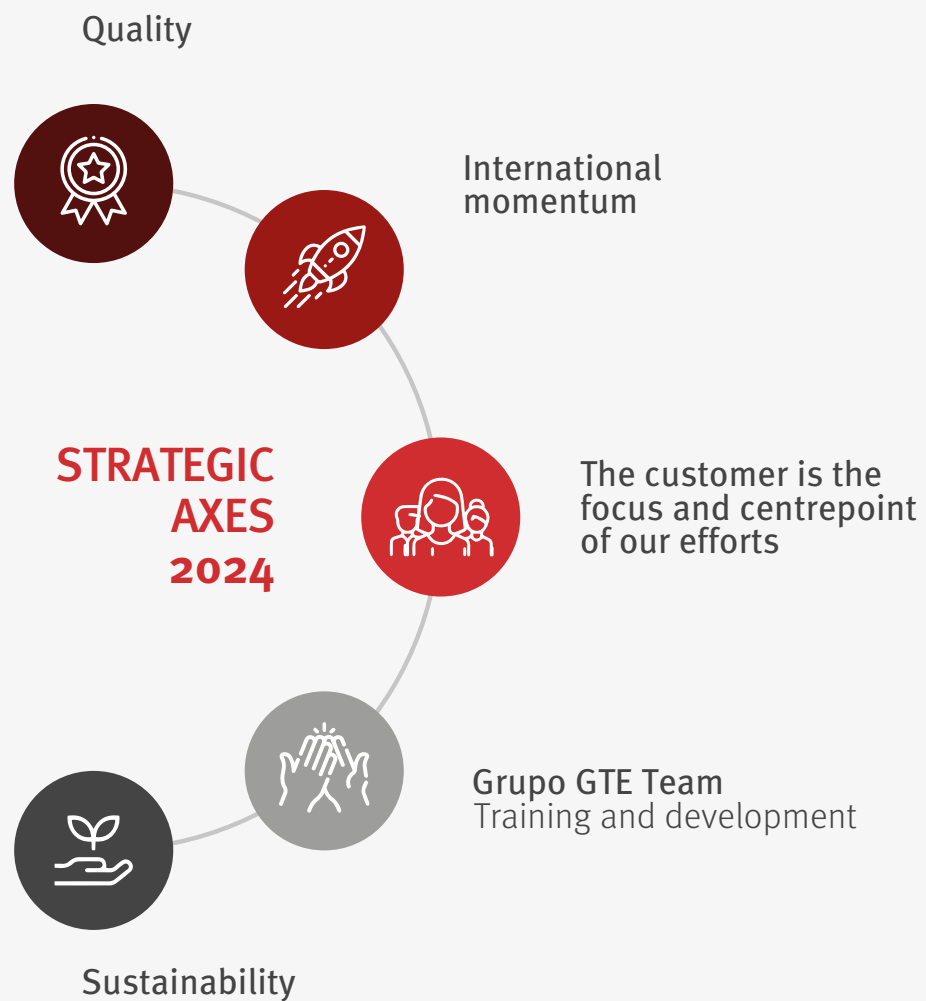
# Collaborations

We believe in collaboration between entities of different natures. We seek to identify synergies and opportunities through our participation in:



# Business strategy

The Group's strategic axes are concentrated in five main pillars. All actions and decisions are aimed at achieving the objectives defined in each of them.



## Business strategy

The defined short and medium-term objectives are:

<b>QUALITY</b>	Continuous improvement of quality controls to maintain the highest standards.	Implementation of the Group's best quality practices in all production centres.	Continuous collaboration with our suppliers to minimise incidents at source.	Modernise the logistics system by incorporating new technologies in traceability, monitoring and control.	Streamline the management of any customer incident by providing fast and effective solutions.
<b>INTERNATIONAL PROMOTION</b>	Reinforce the ESPA brand and implement new business lines with specific plans for the different geographies.	Attract new customers and open up new geographical areas.	Expansion of the product catalogue to offer greater coverage of solutions under the requirements of energy efficiency and sustainability.	We think Global in a sustainable environment and act local. Continue action plans adapted to each geography.	The geopolitical context and regulatory and legal changes can modify market behaviour. Our aim is to adapt to new situations and market demands with agility and speed.
<b>CUSTOMER CENTRIC</b>	Implementation of the ESPA SERVICE APPROACH Quality Management tool. Our customers are at the centre of all our activities and we are committed to their full satisfaction, loyalty and fidelity.	We adapt our products to the needs of our customers, providing differential value through design, innovation and quality. We are committed to continuing to create a product portfolio that meets your expectations.	We continue to focus on proximity to our customers. To this end, we will promote training sessions for customers and technical services on the new features of our products.		
<b>GTE GROUP TEAM</b>	Training, team development and implementation of talent retention programmes.	We have measures in place to reconcile work and family life. We will continue to support its implementation for the improvement of professional development.	Improving the employee experience with the implementation of the employee portal starting in 2024.	Internal communication is of utmost importance to keep teams aligned. This is why we are working to ensure that all Group units have all relevant information at their disposal.	Implementation of a single Welcome Plan for the entire Group so that new recruits feel part of the team and the Group's culture from day one.
<b>SUSTAINABILITY</b>	Investment in R&D&I for the creation of new evolutionary, technology-based and sustainable products.	Obtaining the ISO 14001 certification in all GTE Group production centres.	We will invest in the development of new products totally focused on the reuse and saving of water.	The recyclability of the product is an aspect that is highly considered during design. This is why we are committed to continuing to promote the manufacture and marketing of products with highly recoverable components.	

# Risk Management

We find ourselves in a fragmented geopolitical context. The economic and financial uncertainty in certain countries in which we operate has led us to review our control mechanisms in order to minimise the impact, mitigate the risks involved and identify potential opportunities. We identify risks and opportunities in three main blocks: corporate, social and environmental.

## Corporate

### RISKS

#### › Exchange rate risk

The Group is present in more than 100 countries and is therefore exposed to currency risk, which we try to minimise by taking action on a case-by-case basis. In countries with higher volatility, hedging is analysed in particular.

#### › Regulatory and legislative changes

Any regulatory and legislative change can have an impact on our business. We constantly monitor regulatory developments and analyse their application in our products.

#### › Cybersecurity

The Digital Transformation team has security measures in place. In addition, regular awareness-raising actions are carried out among workers to reduce the risk.

#### › Credit risk

Continuous monitoring of credit risk. The vast majority of our sales are guaranteed by external insurance companies.

### OPPORTUNITIES

#### › Investment in industrialisation

The modernisation of our productive apparatus is a constant priority in order to be more efficient and competitive.

#### › Digital Transformation

The new tools represent a disruptive shift in digital transformation. Their integration into daily management is a permanent objective of our Digital Transformation team.

#### › Innovation

Development of new products to be at the forefront of technological developments and to meet the demands and new market opportunities.

#### › Local suppliers

We are committed to supporting the local economy by ensuring the majority of our suppliers to be local. In this way we contribute to the reduction of CO2 emissions and obtain greater flexibility and agility in the face of fluctuations in demand.



# Risk Management

## Social

### RISKS

#### › Occupational health and safety

Personnel safety protocols are regularly reviewed to ensure that all our processes comply with occupational health and safety regulations.

### OPPORTUNITIES

#### › Loyalty of talent

Investment in talent identification and development. We are committed to the internal promotion of our teams: We develop continuous training and team motivation plans. We encourage the effective implementation of family reconciliation measures.

## Environmental

### RISKS

#### › Depletion of natural and energy resources

Considering water as a scarce commodity is an environmental necessity. We are implementing actions to make products available to meet new market demands.

### OPPORTUNITIES

#### › Energy and water efficiency

Development of sustainable technologies with greater energy and water efficiency.

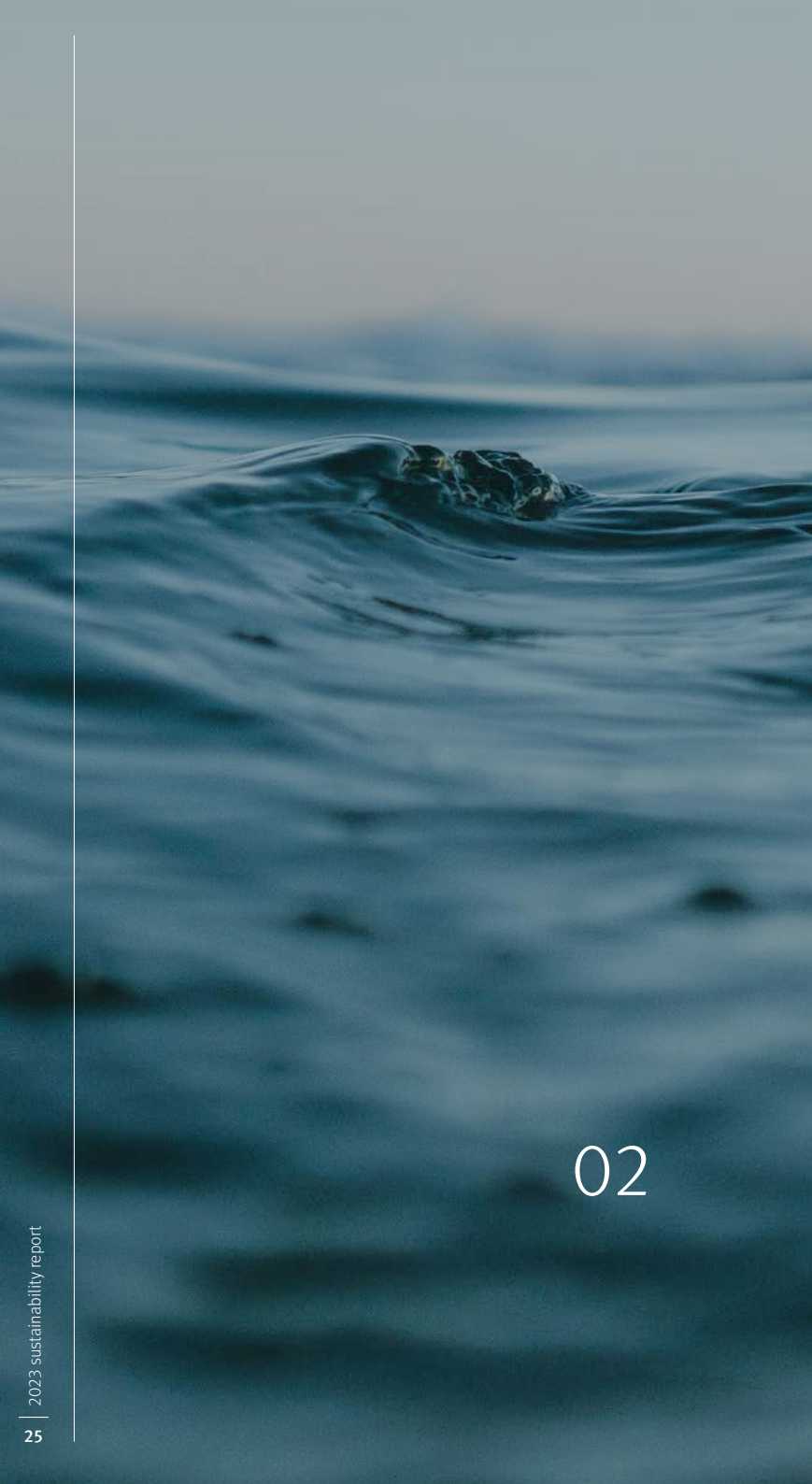
#### › Energy consumption

Staff training and awareness-raising.

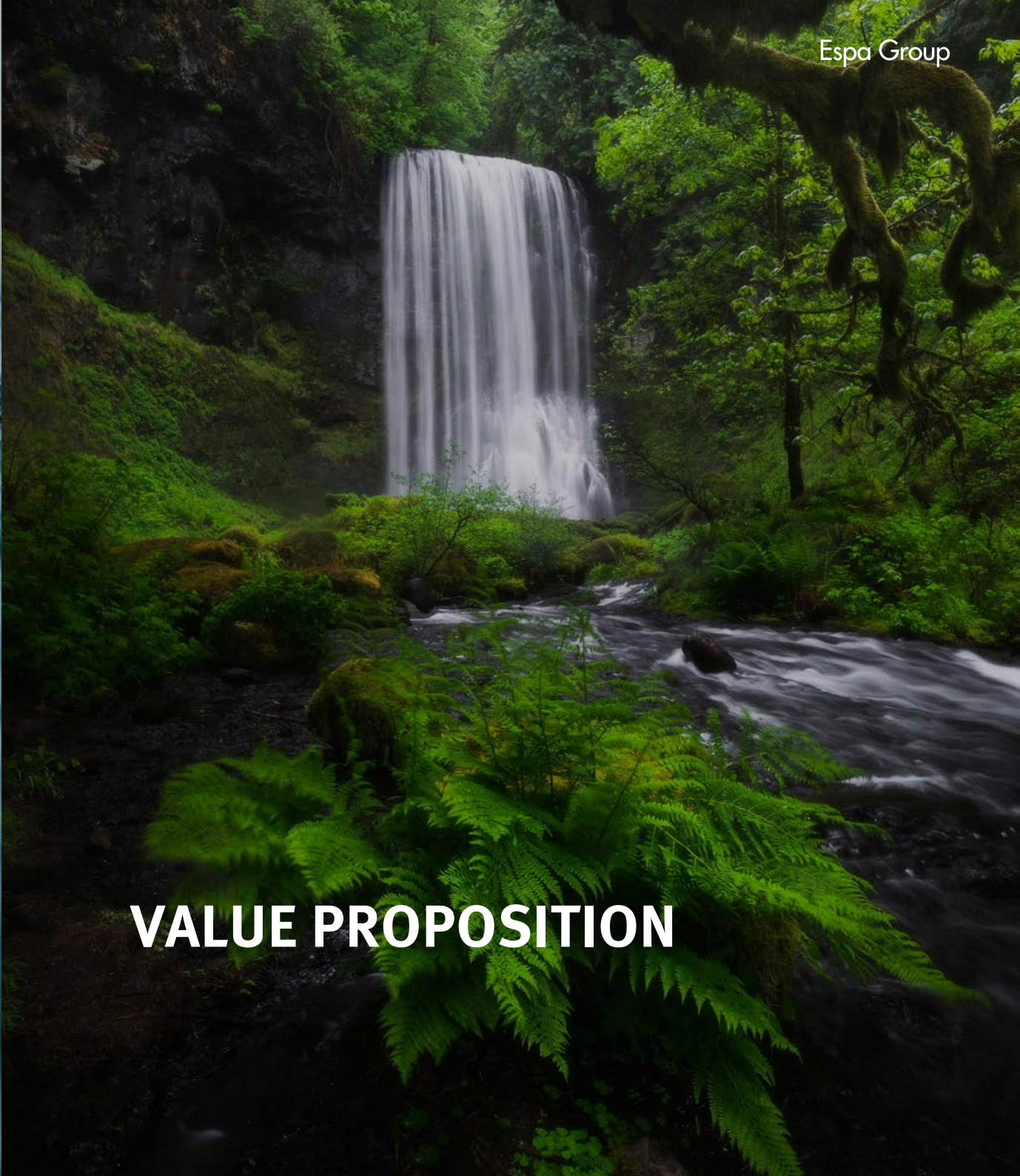
#### › Waste

Reduce waste generation and promote waste reuse.





# 02



# VALUE PROPOSITION

# Customer Service

Our purpose is to generate well-being for all users at the various moments of their daily lives and in each of the applications of our products. That is why we work to offer a personalised, close, fast and efficient service to all our customers.

We believe in comprehensive customer service, which includes assistance and guidance in pre-sales, sales management and a differential after-sales service in the sector.

We aim to continue to be a benchmark in the development of solutions that combine the best experience for our customers, with an efficient use of water and energy resources in order to contribute to social welfare and care for the environment.

Our customer service team resolves the needs and queries of users through direct and personalised attention, without delays, without automatic assistants and without programmed responses through the following communication channels:

1

### Intranet

Through the Intranet, ESPA 2025 S.L. customers can make enquiries or requests, view the status of the same and consult the list of historical data. In this way, the customer has traceability and a record of the requests that have been made.

2





### Telephone or e-mail

The Customer Service teams at our head offices and subsidiaries are available to answer any questions via telephone or e-mail. Since 2020, we have also had a Whatsapp service through which we provide immediate responses to all kinds of queries.

3

### Social media

The users can also make comments, suggestions and requests through our social networks. We are currently present on Facebook, Instagram, LinkedIn and YouTube.

Social Network	December 2022	December 2023
	1524	1658
	1626	1945
	4621	5235
	1412	1772

## Services

We have an extensive network of Technical Services for the maintenance, repair and marketing of components of our products and equipment. We offer:

1

### Personalised advice

The technical team works to satisfy the needs of our customers and to recommend the products and solutions best suited to their requirements.

2

### Commissioning

Through our after-sales service and Technical Service Network we offer the specific commissioning service for each equipment or system.

3

### Spare parts

Particularly committed to the environment, all our products are designed with a long service life in mind, allowing for the replacement of parts with increased wear. We recommend the use of our original spare parts for the maintenance and repair of our products in order to guarantee their correct functioning.

4

### Repairs

An extensive network of Technical Services offers the necessary support, maintenance and repair of our products. We attach great importance to the availability of official Service Centres in all the markets in which we are present in order to ensure fast and high quality support.

We are constantly learning from our customers and the end users of our products, building and offering a complete range of products aimed at providing the best experience.

# Proximity to the customer

Customer proximity is an essential component of our strategy and daily operations. At GTE Group, we firmly believe that proximity and personal attention are fundamental pillars of our continued success.

We want to be close to our customers. We therefore have sales offices in Europe, Asia and South America, with our products marketed in more than 100 countries.

In the 2023 financial year we attended the Piscina & Wellness (Swimming Pool & Wellness) Barcelona trade show with more than 150 m<sup>2</sup>.

In 2024 we will participate in the two major international trade fairs in the sector: Mostra Convegno Expocomfort in Milan and Piscine Global in Lyon, among others.



European product



Quality product



Integral manufacturing



High repair capability



International scope



Commitment to people and the environment

# Quality

These concepts are part of the company's culture, which is why our Quality Management department is responsible for the strict compliance with the Group's quality policy and manual. We comply in all respects with the safety legislation in force in each of the markets in which we operate. The main objectives of the Group's purchasing policy are as follows:

To offer the highest quality product is our priority and making our planet a more sustainable and safer place is our commitment.



To offer a high quality product



To preserve the environment by ensuring the repair capability of our products



Sustainable use of productive resources



Ensuring occupational health and safety



Promoting the local economy

# Quality Management System and Environment

At ESPA, we establish and apply a quality and process management system governed by the principles of the international standards ISO9001 and ISO14001.

The quality and environmental management system adopted by the Group ensures product reliability, process efficiency and correct environmental management. It consists of the specific procedures and instructions for each phase of the company's process map and continuous improvement is applied in each and every one of them.

Specifically, three main control phases are established in the product process.

- ▶ Quality in incoming inspection is responsible for the evaluation of suppliers and is based on their commitment to the company to comply with the established technical requirements and to ensure the quality of the components supplied.
- ▶ During the production process, different quality controls are carried out to ensure correct assembly, as any possible incidents are checked, controlled and managed.

Finally, 100% of the products are subjected to a final check prior to shipment and are uniquely marked to guarantee traceability in the event of any incident being detected.

As part of the Group's performance in providing comprehensive care, it is essential to ensure that every customer interaction is of high quality and aligned with the company's values and goals.

We aim to handle the complaints received and determine the action to be taken within 48 hours. We ended 2023 with 91.6% of incidents resolved.

During the year 2023, an internal communication channel has been created in order to convey customer incidents to the different areas of the company.

1

## To streamline

Decision-making by identifying causes and defining remedial and corrective actions for each incident as quickly as possible.

2

## To inspire

Continuous improvement of procedures and systems that allow us to better listen and respond to the needs and concerns of our customers.

3

## To reinforce

One of our strategic axes: to offer a quality product and service throughout the value chain.

Quality

## Standards

The GTE Group has a team of personnel in charge of exhaustively monitoring the regulations that apply to our product, whether they pertain to safety and/or sustainability, among other things, in order to comply with all the requirements of each market and adapt our product and processes in a timely manner in the event of changes to them.



### Safety regulations

Our pumps and equipment comply with the minimum safety requirements established by:

- › European Directives 2006/42/EC on machine safety and 2014/35/EU on Low Voltage, certifying the products in accordance with the European standard EN 60335.
- › The corresponding standards applicable in the United States, in compliance with UL 60335.
- › European Directive 2014/30 EU on electromagnetic compatibility.

The SGS certification body guarantees the compliance of our products with these directives.



### Energy efficiency regulations

Our motors comply with the European Regulation 2019/1781 which establishes ecological design requirements and aims to enhance engine efficiency and overall sustainability.



### Waste treatment regulations

We comply with the Spanish RD 1055/2022 which aims to prevent, regulate and reduce the impact of the effects caused by WEEE waste, and sets targets for the collection and treatment of WEEE at the end of its useful life.

In order to ensure proper management, since the 2023 financial year, ESPA 2025, SL has been a member of SCRAP (Collective System of Extended Producer Responsibility) and ECOTIC, which manages the recovery of waste from ESPA brand pumps in Spain.



### Toxicity regulations

We comply with the REACH regulation which regulates the production and use of chemical substances and the ROHS2/ROHS3 which refers to the restriction of the use of hazardous substances in the manufacture of electrical and electronic equipment and which may affect human health. For compliance with both regulations, we work with reliable suppliers who have the capacity to ensure that they also comply with these regulations.

Considered the heart  
of the GTE Group.  
We work to guarantee  
equal opportunities  
and promote  
the professional  
development of all  
our staff without  
discrimination  
of any kind.

03

## HUMAN CAPITAL





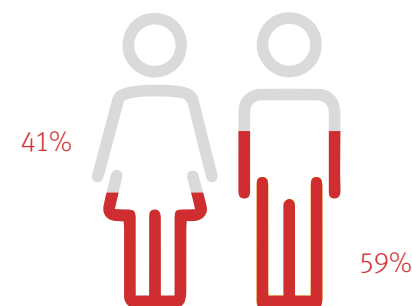
# Human capital in figures

At year-end 2023, the Group's workforce will comprise 407 people, 3% more than at year-end 2022. This increase is the result of the Group's expansion process.

The team is spread over 10 countries and made up of people of different profiles, genders, ages and cultures, which gives us an enormous enrichment.

As of 31 December 2023, the global workforce was 59% male and 41% female. In Spain the composition is 48% women and 52% men. The Human Resources team continues to work to promote equality and establish action plans to increase the presence of women in under-represented jobs and geographical areas.

Total number and distribution of staff by gender, country and occupational classification as at 31/12/2023.



### > Staff by age group and gender

Age group	Women	Men	Total	%
< 35	30	64	94	23%
35-50	80	99	179	44%
> 50	57	77	134	33%
<b>TOTAL</b>	<b>167</b>	<b>240</b>	<b>407</b>	<b>100%</b>

**We are committed to the creation of stable and quality employment. In 2023, 96% of the workforce has a permanent contract, 95% of which are full-time contracts.**

## Human capital in figures

We value the knowledge and skills of the entire team. We hire people who are best suited to the job, regardless of their age.

People over 50 years of age represented 33% of the workforce by the end of 2023. Their experience enriches us and brings great value to the Group.

Detailed information on the distribution of staff can be found in Annex II.

### > Template by professional composition

Professional category	Women	Men	Total
Management	-	8	8
Technical	3	23	26
Professional	18	35	53
Administration	52	24	76
Production	94	150	244
<b>TOTAL</b>	<b>167</b>	<b>240</b>	<b>407</b>

### > Staff by country

Country	Women	Men	Total	%
Spain	131	141	272	67
France	10	27	37	9
China	6	17	23	6
Chile	5	13	18	4
India	1	14	15	4
United Arab Emirates	1	13	14	3
Germany	5	3	8	2
Italy	3	4	7	2
Argentina	3	4	7	2
United Kingdom	2	4	6	1
<b>TOTAL</b>	<b>167</b>	<b>240</b>	<b>407</b>	<b>100%</b>

### > Staff by type of contract as of 31 December 2023

Type of contract	Total
<b>Not set</b>	<b>389</b>
Complete	369
Partial	8
Discontinuous Fixed-Term	12
<b>Temporary</b>	<b>18</b>
Internships	3
Partial	15
<b>TOTAL</b>	<b>407</b>

# Professional development, equality and diversity

Talent retention - and therefore career development - has always been a top priority for us. As a result, we are proud to have a workforce with a seniority of more than eleven years.

One of our pillars for the professional development of our team is our continuous training programmes, specially designed to be adapted to their needs. In order to guarantee that the training courses promoted by the company cover 100% of the needs, the following procedure is adhered to in all of them:

1. Needs detection survey sent to the heads of each team.
2. Coordination and communication of the training to the staff selected on the basis of the training.
3. Evaluation of the degree of satisfaction and effectiveness of the training after its completion.

This procedure guarantees training according to the real needs of the organisation, provides the teams with the necessary resources for their professional development, improves our competitiveness and, in short, increases the efficiency and productivity of the company.

Talent retention and team building are part of the company's five strategic pillars. Of particular importance to the Group is the motivation and commitment of its employees. That is why we are committed to the internal promotion of all those people who manage to perform their functions correctly, acting in accordance with the principle of equal opportunities and non-discrimination.

In 2023, 54 people from both production and distribution centres were trained. A total of 1342 hours of training were provided.

Professional category	Training hours	%
Management	60	4
Technical	656	49
Professional	120	9
Administration	209	16
Production	297	22
<b>TOTAL</b>	<b>1,342</b>	<b>100%</b>



# Professional development, equality and diversity

At GTE Group, we encourage and promote DEI policies by implementing practices and procedures for a fair and diverse work environment. These procedures start in the promotion and selection processes. GTE Group does not discriminate against any employee or candidate on the basis of race, sex, religion, age or any other personal or social condition or circumstance. A protocol is in place for the prevention, detection and action against any type of harassment that violates the fundamental rights of individuals and has physical, psychological or moral consequences. We also promote the use of inclusive, respectful and non-sexist language both internally and externally.

In accordance with the Organic Law 3/2007 on equal opportunities between men and women, ESPA 2025 SL, the largest company of the Group, which concentrates 51% of the total workforce, has drawn up and implemented a solid Equality Plan, the result of a transparent and constructive negotiation with the legal representation of its workers.

Beyond complying with legal requirements, the ESPA 2025 SL Equality Plan is a dynamic and constantly evolving protocol that, over the next two years, will be extended to the rest of the companies that make up the group. The main objective is to continue to consolidate concrete measures aimed at closing gender gaps, promoting equal access to career development opportunities and ensuring fair treatment at all stages of the employment cycle, always taking into account the context of each individual company. In addition, a protocol against sexual harassment and harassment in the workplace has also been approved and work is underway to define a protocol against LGBTBI harassment.

We facilitate the integration of people with disabilities into jobs in line with their abilities. At the end of 2023, GTE Group employs 7 people with disabilities, exceeding the requirements of the General Law on Disability (LGD) that affects the company ESPA 2025, SL. In addition, as part of our commitment to employment integration, we collaborate with an Occupational Centre for people with disabilities. This centre is responsible for the preparation of kits and offers a service to different work centres located in Banyoles.

In relation to the number of redundancies, at the end of 2023 there were a total of 6 people. This figure does not include termination due to failure to pass probationary periods.

Age Group	Administration	Production	Professional	Total
< 35	-	2	-	2
Women	-	2	-	2
35 - 50	2	-	1	3
Men	2	-	1	3
> 50	-	1	-	1
Men	-	1	-	1
<b>TOTAL</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>6</b>

# Payment

The Group's remuneration policy ensures equal pay for men and women, according to categories and functions, complying with the principle of equal pay for equal work of equal value.

We offer a flexible remuneration plan in which all those who wish to do so can take out medical insurance.

## > Average remuneration by occupational category and gender

Professional category	Women	Men
Management	-	€84,175
Technical	€36,541	€37,986
Professional	€28,691	€39,987
Administration	€25,804	€24,153
Production	€19,089	€20,961
<b>TOTAL</b>	<b>€22,559</b>	<b>€28,368</b>

## > Average remuneration by age group

Age groups	Women	Men
< 35	€22,313	€19,870
> 50	€22,248	€32,644
35-50	€22,909	€30,050
<b>TOTAL</b>	<b>€22,559</b>	<b>€28,368</b>

We apply measures to avoid a pay gap, such as the annual review of employees' salaries and their comparison with the remuneration studies that apply according to the area of influence, job position and the collective agreement in force (where applicable). The pay gap is also reviewed annually to keep track of these figures.

## > Wage gap by typology

	2023
Adjusted wage gap	6.60%
Unadjusted wage gap	14.10%

The unadjusted pay gap is calculated as the difference between men's and women's gross pay taking into account the normalisation of professional salaries. In this way, the fixed and variable remuneration received is considered to have been annual, eliminating the effect of the type of contract and its duration.

For the calculation of the adjusted pay gap, each of the professional categories has been considered individually to obtain a more accurate and realistic result.

The management functions are exercised by the male sole director of the company. In NOTE 22 of the notes to the annual accounts, section b) Senior management and administrative body shows the average remuneration of directors and executives, including variable remuneration, allowances, indemnities and payments to long-term savings schemes and any other payments broken down by gender.



## Family reconciliation

At GTE Group, we believe that one of the pillars of talent development and satisfaction in the workplace is to ensure the work-life balance of our teams.

To this end, we have designed flexible working time options that allow us to better adjust working hours to personal needs and commitments, and we continue to expand teleworking year after year, increasing both the number of people using this modality and the percentage of time spent teleworking.

Another key aspect is the needs of our teams in relation to childcare and other family responsibilities. This is why we have established, with those who have requested it, an irregular working day arrangement to meet their childcare responsibilities. This agreement will allow all team members to adapt their work schedules according to their family needs, while ensuring that work demands are met.

## Digital disconnection

GTE Group has a Digital Disconnection Protocol in compliance with article 88 of the Spanish Organic Law 3/2018, on the Protection of Personal Data and Guarantee of Digital Rights, which establishes limits and rules for the use of digital devices outside working hours, in order to guarantee all employees respect for their rest time, leave and holidays, as well as their personal and family privacy, while increasing their job satisfaction.

This protocol applies to units located in Spain, but can be extended to all Group units in compliance with the laws applicable to each country.

In most workplaces we have a clock-in and clock-out system at the beginning and end of the working day.



## Organisation of working time

Working time is organised with different entry and exit times with attendance control, according to the working needs of the jobs and the circumstances of each country, always complying with current legislation, trying to reconcile work and family life as much as possible and following the criteria of work flexibility.

The working calendar in all the Group's units, both national and international, is agreed with the different committees and/or company delegates, taking into account aspects such as the applicable agreements, local public holidays, specific agreements and the particular situation of each company, among other things.

The Group has production plants, offices and warehouses. The production staff is organised on a rotating shift schedule and the office staff on a flexible start and finish timetable, always complying with the contractually obligatory daily working hours, with the aim of facilitating family reconciliation.

› Absenteeism hours in 2023 amounted to 26,453 hours, without taking into account holiday periods and including absences due to common illnesses, occupational illnesses, occupational accidents at work and leave.

› These hours represent 3.87% of total working hours.

## Social dialogue

We value and encourage transparency, participation and effective communication at all levels. To ensure these principles, we have implemented a series of procedures to inform, consult and negotiate with our employees.

As part of our group integration process, we are working on creating a culture of collaboration and strong internal communication at group level, through regular briefings and an annual convention specially designed for all employees.



Social dialogue

# Collective bargaining

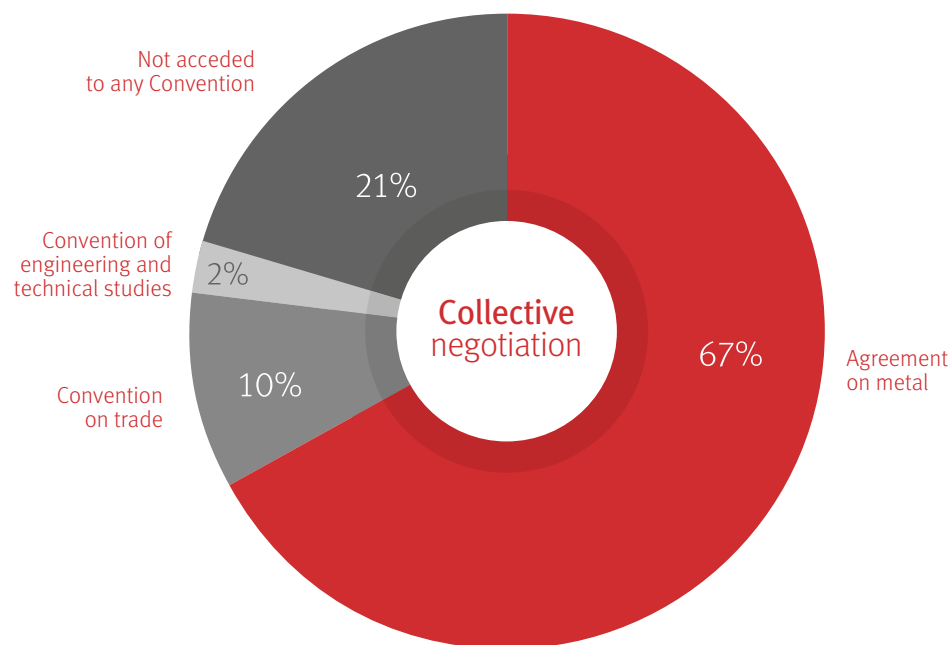
All employees of the group have the right to collective bargaining and association. In countries where there is no specific regulation on collective bargaining, they are governed by the country's labour law.

The company ESPA 2025, SL, which employs more than fifty people, has two committees: one for the main work centre, composed of eight members, and the other for the rest of the work centres, composed of three members.

In France, staff representation is provided by the Social and Economic Committee, with which the head of the company holds monthly meetings.

In the other companies, where the number of employees does not allow for the constitution of a committee, the figure of the workers' delegate has been implemented, who mediates and informs the workforce of any issues or problems that may arise.

- › The number of staff covered by specific collective agreements is 79%.
- › Each workplace has its own specific regulations and adheres to the local labour agreement of each country.





# Occupational health and safety

The health and safety of our workforce is a top priority for us. The Group's management ensures that all necessary procedures, protocols and safety measures are in place for both on-site and off-site work.

The External Prevention Services (SPA) of the group companies are in charge of indicating in which workplaces collective and individual protection measures are required, under the coordination and supervision of the HR Department.



## Actions to prevent occupational risks

We carry out actions to prevent occupational hazards, assess risks and implement protective measures.

- › Protective measures available to workers.
- › Training and information on health and safety at work.
- › Regular medical examinations.
- › Medical assistance service.

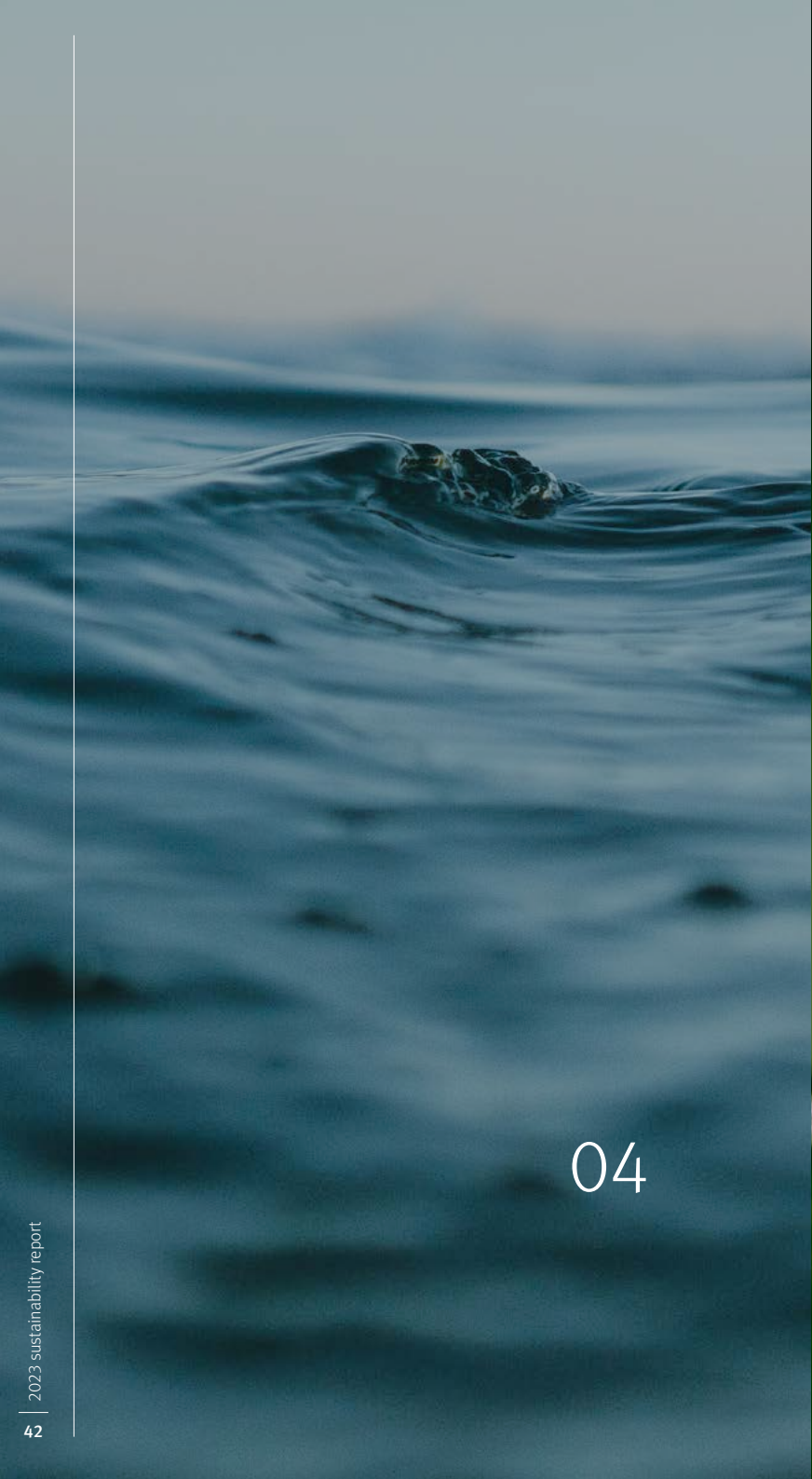


## Accidents at work and occupational diseases

In 2023, GTE Group recorded a total of 34 work-related accidents, 35% of which resulted in sick leave. This result leads to an incidence rate with sick leave of 3.1%.

### › Distribution of accidents with sick leave by sex

	No. Accidents with sick leave	%
Women	5	42%
Men	7	58%
<b>TOTAL</b>	<b>12</b>	<b>100%</b>



04



# SUSTAINABILITY

# Environmental management

Under this commitment to sustainability, GTE Group has an environmental emergency plan that is activated in the event of a risk to the environment. In the 2023 financial year, no cases of non-compliance were recorded.

During 2024 we will continue to implement actions to minimise our impact and to continue to educate and raise awareness of environmental management among all staff.

Our commitment is to contribute to making our planet a more sustainable place, ensuring a balance between economic growth, environmental care and social well-being.

## 1

### Environmental certifications

We firmly believe that the correct use of natural resources, as well as their preservation, contribute to the sustainability of the planet and the well-being of society.

As a company, we are convinced that the success of any environmental management system lies in the commitment of each and every one of the organisation's collaborators. Since July 2022, the ESPA 2025 S.L. Group company has been ISO 14001-2015 environmentally certified under number ES22/0000520. In 2024, work will continue to ensure that our production plant in France also has this certification.

## 2

### Environmental risk prevention

In order to prevent environmental risks, the Group carries out continuous improvement actions and measures to meet the highest environmental standards.

In order to prevent any environmental risk:

- ▶ We carry out regular inspections of all equipment that emits emissions into the atmosphere, i.e. combustion gases, and which pose a danger to the environment in the event of malfunctioning.
- ▶ We have the appropriate measures in place to prevent any accidental spillage.
- ▶ We classify waste according to its nature and treat it with approved environmental managers.
- ▶ We cooperate with our suppliers on matters concerning recycling and minimising the impact.
- ▶ We monitor energy consumption in order to minimise it if necessary.

## Eco-efficiency and responsible waste management

At GTE Group, we work on the continuous improvement of Environmental Management. We are committed to energy efficiency. Therefore, we apply actions throughout the entire management model.

The product life cycle is designed to meet the following environmental criteria:

- › Ecodesign
- › Energy efficiency
- › Durability
- › Repair capability

We promote the commercialisation of variable speed pumps which allow energy savings of up to 70% compared to a conventional single speed water pump.

Our product range is adapted to IE2 class motors in compliance with the European regulation 2019/1781, which ensures that sustainability and energy efficiency targets are met. During the same year, we also implemented the new packaging island which allows us to reduce the use of plastic film by more than 50%.

The implementation of improvements in responsible waste management is a priority for the Group. The waste generated at the Group's production centres in Spain, France, China and Chile and its offices is duly segregated to facilitate its collection and recycling.

The production plants located in Spain make annual declarations for the correct management of this waste, which include the Annual Packaging Declaration (DAE) and the Annual Declaration of Industrial Waste (DARI). A Packaging Waste Prevention Plan (WPP) is also in place to minimise waste and implement improvements in relation to recycling and reuse of materials.

In 2023, the largest company of the ESPA 2025,SL Group joined the SCRAP (Collective System of Extended Producer Responsibility) managed by ECOEMBES under number 22334.

We also manage and treat WEEE (Waste Electrical and Electronic Equipment) as regulated by Spanish legislation.

Noise and light pollution are not a significant environmental aspect of the activity.

The actions to be carried out during the financial year 2024 are:

- › Implementation of awareness programmes for all staff on the responsible consumption of resources.
- › Promote energy and water saving policies.
- › Improve facilities by promoting the use of natural light and low-consumption electronic devices.

## Eco-efficiency and responsible waste management

### Consumption of non-hazardous and hazardous waste

The Group has a Packaging Reduction and Reuse Plan. In 2023, we implemented the identification of the packaging we use with the GREEN DOT, a symbol that guarantees that the company complies with the Packaging Law, caring for the environment through the recycling and ecodesign of light household packaging in Spain.

Among the waste generated in 2023, 77% of the total was non-hazardous waste. Of the remaining 23%, 24.8 tonnes belonged to the fibre cement removed from one of the roofs of the company ESPA 2025, SL as a result of the Group's commitment to ensuring the health and safety of workers.

#### > Waste Generation table

Row tags	Non-hazardous waste	Hazardous waste	General total
Recycling	67.93	-	67.93
Recovery	69.14	-	69.14
Landfill	22.02	47.27	69.29
<b>GENERAL TOTAL</b>	<b>159.09</b>	<b>47.27</b>	<b>206.36</b>

### Material consumption

The Group consumes 13% renewable materials. The remaining 87% of non-renewable materials are easily segregated and recyclable.

Materials related to the manufacturing process that are not part of the final product (lubricants, detergents, etc.) are not hazardous to the environment and are all recycled.

#### > Table showing Consumption of materials and raw materials

Origin of materials and raw materials	2023 (Kgs)
<b>Non-renewable</b>	<b>4,871,673</b>
Lubricating oils	4,020
Steel	2,095,767
Aluminium	324,726
Copper	519,157
Electric material	96,887
Electronic equipment	28,057
Metal	1,197,809
Paints and varnishes	12,582
Plastics	556,876
Other	35,792
<b>Renewable Resources</b>	<b>719,885</b>
Cardboard	433,409
Wood	276,277
Rubber	10,199
<b>TOTAL</b>	<b>5,591,558</b>

## Eco-efficiency and responsible waste management

### Direct and indirect energy consumption

The main source of energy consumed by the Group is electricity, which accounts for 47% of the total energy consumed in 2023. This source is used for all production processes, air conditioning, cooling and lighting systems.

The second most consumed source is natural gas, which accounts for 40% of total consumption. It is used in aluminium die casting furnaces.

Diesel fuel, which is used for heating systems and in the engine winding process, accounts for 12% of energy consumption. Propane is a minority energy source for our activity and does not account for more than 1% of total consumption.

Concept	Consumption (kWh) 2023
Natural Gas	1,641,569
Electricity	1,889,910
Diesel	499,727
Propane	25,766
Other	428

### Water consumption

In the midst of the extreme drought affecting Spain, with particular intensity in the region of Catalonia, our commitment is fundamental: to make efficient use of available water resources. Although water consumption is not a significant part of our activity, we are aware of the need to optimise its use in order to preserve this precious resource, which is fundamental for our environment and well-being.

The water used comes from the public water supply. It is important to note that during each stage of our production process, we ensure that no groundwater contamination is generated.

We carry out staff awareness programmes and actions. For example, on the occasion of World Water Day, we launched a campaign to contribute to responsible water use.

Water consumption in m<sup>3</sup> from municipal supply 2023:  
**7,897**

## Climate change

GTE Group works to contribute to sustainable development and the fight against climate change. The effects of global warming are becoming increasingly palpable, which is why we apply adaptation and mitigation measures to manage risks and identify new opportunities.

The calculation of greenhouse gas (GHG) emissions takes into account the consumption of energy, gas, diesel for production and vehicles, as well as business travel. In 2023, the estimated GHGs of the Group's workplaces were:

Carbon Footprint (tn of CO <sub>2</sub> eq in 2023)	2023	%
Scope 1: Direct emissions	865	89%
Scope 2: Indirect emissions	111	11%
<b>TOTAL EMISSIONS</b>	<b>976</b>	<b>100%</b>

# Climate change

1

## Main improvement actions carried out during the financial year 2023:

- › We modernised the palletisation area, which allows a saving of more than 50% in plastic film, a project that is still in progress with the analysis of different films containing recyclable plastic.
- › Replacement of all halogen lights in the logistics warehouse of the ESPA 2025 S.L. unit with LED lights, which saves energy.
- › Promotion of the culture of recycling. Reduce, Recycle and Reuse as much as possible. We promote the recycling of obsolete IT equipment and ensure proper disposal of electronic waste at designated points. We also reuse pallets to extend their useful life.
- › Replacement of air-conditioning equipment to reduce energy consumption.
- › Installation of a charging point for electric vehicles at our headquarters in Banyoles.
- › Replacement of the roof of one of the warehouses of ESPA 2025 S.L. for better thermal insulation.
- › Encouraging digitisation for a rational use of paper.
- › Encouraging teleworking and the use of video conferencing, if needs permit, reducing CO2 emissions associated with travel.
- › Encouragement of commercial and supplier visits via video conferencing to avoid unnecessary travel.

# Climate change

2

## The short- and medium-term improvement actions we aim to carry out are:

- › Hybrid and electric vehicles: Priority will be given to the purchase of hybrid and electric vehicles.
- › Renewable energy: Installation of solar panels to reduce carbon emissions and pollution.
- › Ecodesign: We will continue to focus on developing products that minimise energy consumption and maximise performance.
- › Training: Implementation of awareness-raising and sensitisation actions for all employees.
- › Supply chain: Implementation of supply chain optimisation measures to achieve cost and emission reductions.
- › Digitisation: Virtualisation of servers to reduce the amount of hardware required, optimise its use and reduce energy consumption and CO2 emissions.



05

# ETHICS AND TRANSPARENCY

## Good governance

GTE Group's management model is based on transparency, trust, respect for human rights and prioritising ethics. We work every day to ensure that the points that define the company's philosophy are used to guide the conduct of the company and our teams.

### Code of Ethics

GTE Group's Code of Ethics establishes a set of principles and guidelines of conduct aimed at guaranteeing the ethical and responsible behaviour of all employees in the development of their activity and regardless of their hierarchical level, geographical or functional position. We have a Disciplinary Regime through which non-compliance with the rules and procedures set out in the Code of Ethics is sanctioned. It applies to all employees, managers and senior management.

In compliance with State Law 2/2023, GTE Group's Code of Ethics includes the following aspects:

- › Quality and Customer Orientation.
- › Compliance with legal regulations.
- › Protection and respect for the health and safety of colleagues at work.
- › GTE Group's market performance and business communications based on honesty, transparency, clarity and ethics.
- › Protection of our resources.
- › Fighting corruption and bribery.
- › The prevention of money laundering.
- › Respect for the environment and regional planning.
- › Continuous improvement.

### Respect for human rights

#### ARTICLE 3.8

ESPA expresses its commitment and connection with human rights recognized in national and international legislation. In particular, ESPA declares its total rejection of child labour, forced or compulsory labour and any form of modern slavery. It ensures and promotes the elimination of this type of situation in its supply chain. It also undertakes to respect freedom of association and collective bargaining, the right to move freely within each country, non-discrimination based on any condition or characteristic and the rights of ethnic minorities and indigenous peoples in the places where it operates. It also promotes an open dialogue that integrates different cultural frameworks.

### Combating money laundering

GTE Group is committed to preventing the companies of the GROUP from being involved, directly or indirectly, in any activity that could be related to money laundering and/or the financing of terrorism.

To this end, GTE adopts measures such as identifying and getting to know its business partners and refraining from entering into business relationships with those for whom there may be indications of links to money laundering or terrorist financing. GTE also limits the use of cash for payments and collections and keeps a record thereof.



## Good governance

### Fighting corruption and bribery

To fight corruption and bribery we have implemented internal policies and best practice manuals which are included in our code of ethics.

#### ARTICLE 6.2.

ESPA expressly prohibits any practice that seeks, through unlawful acts or unethical practices, to influence the will of third parties in order to obtain any advantage or benefit on the market or in public or private contracts.

#### ARTICLE 6.3.

ESPA officers and employees may not, directly or through an intermediary, offer or grant, solicit or accept, advantages or benefits that are unjustified and/or based on an unlawful act that is of present or future benefit to ESPA, to themselves or to a third party.

Nor may money be received personally from customers or suppliers, even in the form of a loan or advance.

### Data protection and intellectual property

Unless authorised by Group management or required by law, the workforce shall not disclose confidential information (product designs, specifications, new developments, financial and other information not published by the company) of its own or of its suppliers.

Likewise, employees undertake to keep confidential information they have obtained in previous employment confidential.

If necessary, confidentiality agreements will be signed to ensure the preservation and proper use of the information provided.

The Group has implemented data protection in accordance with Regulation (EU) 2016/679 of 27 April 2016 on the Protection of Personal Data and the corresponding Organic Law 3/2018.

In the other countries where the Group operates, the laws of each territory are applied, always giving priority to the most restrictive law.



## Good governance

### Compliance Committee

The GTE group has a Compliance Committee, which has the following competencies:

- › Promote the dissemination, knowledge and compliance with the Code of Ethics, promoting the training and communication actions it deems appropriate in accordance with the principles of cooperation and coordination with stakeholders.
- › Interpret the Code of Ethics in a binding manner and to resolve any queries or doubts that may arise.
- › Promote the procedures for verifying and investigating complaints received and to issue the appropriate resolutions on the files processed.

- › Assess annually the degree of compliance with the Code of Ethics and report to the relevant governance bodies on compliance with the Code of Ethics.
- › Validate procedures and protocols to ensure compliance with the Code of Ethics.

Employees can contact the Committee in full confidentiality through the Ethics Channel or the Internal Reporting Channel.

Communications addressed to the Ethics Channel shall be processed, managed and resolved in accordance with the Procedure for the management of information received, which forms part of GTE's corporate governance system.



# Responsible supply chain management

GTE Group works to contribute to the industrial growth and development of the region. Priority is given to each of the Group's production units purchasing from local suppliers, with the positive environmental impact that this entails.

In 2023, more than 51% of purchases were made from suppliers located in Catalonia, where the Group's largest production plant is located. This strategy allows us to create synergies and collaborations with the aim of achieving continuous improvement of our processes and products, adding value to the industry of the territory.

The breakdown by geographical area of purchases made in 2023 is detailed below:

Catalonia	51%
Spain	10%
EEC	24%
NO EEC	14%

The main objective of the Group's purchasing policy is to ensure the quality of our products and services, the preservation of the environment, the optimisation of costs and the procurement of all goods and services for the normal development of the activity.

To this end, GTE Group concentrates its efforts on:

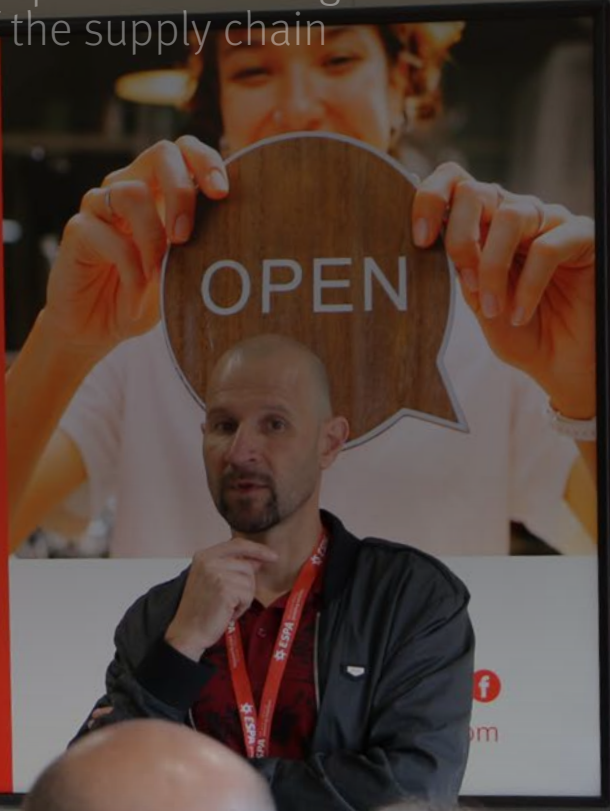
- › Establish a commitment to collaboration with our suppliers for continuous improvement.
- › Ensure that the material or service supplied meets the technical and quality requirements established by our Quality department.
- › Anticipate price variations and trends in the market and encourage process improvements to minimise volatility in raw material costs.
- › Encourage compliance with the different legislation in force in the field of:
  - › **Environment:** Preference is given to recyclable raw materials, the sustainable use of production resources and collaboration with local suppliers is encouraged, and unnecessary waste is avoided.
  - › **Occupational health and safety:** Compliance with the internal working environment and that of our suppliers is ensured.
  - › **Human rights:** We encourage diversity and respect the personal dignity of our workforce, and we ask our suppliers to respect it as well.

In 2024, we will continue to work to improve the social and environmental sustainability of our suppliers.



## Commitment to society

Responsible management  
of the supply chain



1

### Social action

GTE Group is committed to contributing to a more responsible and socially responsible future. We highlight the following collaborations during the financial year 2023:

- › Research Institute - Hospital de la Santa Creu and Sant Pau
- › Phelan-McDermid Syndrome Association
- › Caritas Pla de l'Estany

2

### Local development

We contribute to the sustainable development of local organisations and entities. To this end, in the social sphere, we collaborate with nearby colleges and universities by offering work placements for trainees.

To improve sustainable development and efficiency, we rely on local suppliers. In this way, we contribute to the economic growth of the area and to the creation of synergies between the companies that are part of our supply chain.

06

**BASIS FOR THE  
FORMULATION OF THE  
STATEMENT OF NON-  
FINANCIAL INFORMATION**

# Basis for the formulation of the Statement of Non-Financial Information

The Group includes the non-financial information based on the requirements of Law 11/2028 of 28 December in the 2023 Sustainability Report of INDUSTRIAS AUXILIARES GTE GROUP, SL and subsidiaries, which is included as an appendix to the Group's 2023 consolidated management report.

The Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI Standards) have been taken into account in its preparation. This report has been prepared in accordance with the core option of the GRI standards. For content not covered by these standards, standardised reference indicators have been used. The Non-Financial Information Statement is annual (GRI 2-3), in this case, for the financial year 2023 and covers the activities of INDUSTRIAS AUXILIARES GTE GROUP, SL and its subsidiaries.

In this context, through the Statement of Non-Financial Information, the group aims to report on environmental, social, personnel and human rights issues relevant to the company's business activities. For each issue proposed by the law, the report indicates the policies associated with each, the risks associated with each and the baseline indicator used for monitoring and evaluation. A summary table indicating the information reported, including the GRI standard used, is detailed in ANNEX III.





# Materiality

In order to identify the social, governance and environmental issues relevant to stakeholders, an internal consultation process has been carried out with the commercial, industrial and corporate central services division, which includes human resources, digital transformation and finance. Knowing which aspects are of greatest concern or relevance to our stakeholders is of utmost importance to the Group as it allows us to determine our roadmap, implement short- and medium-term actions and seek solutions to common challenges.



- 1** Eco-efficient products
- 8** Occupational health and safety
- 15** Product quality
- 2** Responsible supplier selection
- 9** Diversity, equality and inclusion
- 16** Intellectual property
- 3** Energy consumption, water and emissions
- 10** Attracting, training and retaining talent
- 17** Innovation
- 4** Waste management
- 11** Human rights
- 18** Service and Customer Care
- 5** Use of raw materials
- 12** Positive impact on society
- 19** Corporate responsibility and regulations
- 6** Reconciling work and family life
- 13** Promotion of the local economy
- 20** Transparency and traceability of the value chain
- 7** Quality of employment
- 14** Cybersecurity

07

# TAX INFORMATION

# Tax information

## > Profits made by country and profit taxes paid

Country	Benefits obtained	Corporate income tax
Spain	€1,400.0K	€440.9K
France	€155.9K	€132.2K
Argentina	€862.8K	€273.5K
India	-€45.9K	€11.2K
Chile	€61.8K	€30.0K
Hong Kong	-€158.4K	€0.0K
United Kingdom	-€43.9K	€0.0K
Italy	-€46.3K	€0.0K
China	€251.6K	€12.7K
United Arab Emirates	€254.0K	€0.0K
Germany	-€211.3K	€0.0K
<b>TOTAL</b>	<b>€2,480.3K</b>	<b>€900.5K</b>

## > Economic value generated and distributed

Key figures:	
<b>Balance</b>	<b>2023</b>
Non-current asset	€47,649.8K
Current asset	€35,956.8K
Net equity	€29,474.2K
Non-current liabilities	€23,255.2K
Current liability:	€30,877.2K
<b>Income statement</b>	
Turnover	€83,461.5K
EBITDA	€7,214.6K
Profit from operations	€3,789.3K
Financial expenditure	€1,300.6K
Profit before tax	€2,480.3K
Result for the year	€1,579.7K

## > Information on public subsidies received

Public grants received	2023
Activity	56,798
Training	3,807
Energy	938
Investment	76,729

# Annexes

## ANNEX I Group companies

### Parent company

INDUSTRIAS AUXILIARES GTE GROUP, SL was constituted on 30 December 2019 as a result of the contribution of the businesses of a group of entrepreneurs, mainly based in Girona, with the aim of creating a benchmark corporation in its geography. Thus, through the contribution of the following companies: ESTUDIOS, SERVICIOS Y MONTAJES MEBA, SL, CABLEADOS Y MONTAJES BANYOLES, SL, SERVICIOS DE REPOSICIÓN 20, SL, MIDTAL TALENTOS, SL and MIDMER MERCADOS, SL, INDUSTRIAS AUXILIARES GTE GROUP, SL was created.

In 2022, INDUSTRIAS AUXILIARES GTE GROUP, SL became a majority shareholder in the capital of the ESPA Group, generating with this operation an important step forward in its foundational objective.

The share capital of the parent company INDUSTRIAS AUXILIARES GTE GROUP, SL consists of 3,000 shares. Companies with direct holdings of 10% or more of the share capital of the parent company are:

- › 28.83% JVS PARTICIP SOLUTIONS, SLU
- › 24.38% STRONGPRECISION 2018, SL
- › 23.83% 2020 TOT ENGIN, SLU

### Subsidiaries

Subsidiaries are defined as companies over which control exists either by virtue of holding a majority of the voting rights or by virtue of having the capacity to hold a majority of the voting rights by virtue of agreements entered into with third parties.

On 30 May 2022, ESPA 2025, S.L. and its subsidiaries were integrated as subsidiaries following the capital increase in ESPA 2025, S.L. which involved GTE Group obtaining 80.04% of the capital. The non-financial information presented in 2022 is not comparable with this report, as the data of ESPA 2025, S.L. and its subsidiaries only cover the period since its integration (31 May to 31 December 2022). In the 2024 report, the data will be comparable with the data for the year 2023.

## ANNEX I Group companies

The detail of the subsidiaries included in this report and forming part of the consolidated group is as follows:

Company	Address	Activity
› INDUSTRIAS AUXILIARES GTE GROUP, SL	Spain	Holding company
› DGC. ESPA DIRECCION, GESTION Y CONTROL, SL	Spain	Pump marketing
› REPOSITIONING SERVICES 20, SLU	Spain	Wholesale trade of other machinery products
› MIDTAL TALENTOS, SLU	Spain	Research and development
› MIDMER MERCADOS, SLU	Spain	Distribution and marketing of all kinds of products
› CABLEADOS Y MONTAJES BANYOLES, SLU	Spain	Installation, assembly and machining of metal parts and the like
› MIDMED MEDIACIONES, SLU	Spain	Non-operational
› ESTUDIOS, SERVICIOS Y MONTAJES MEBA, SLU	Spain	Wholesale of pumps
› OD DISTRIBUTION OF PUMPS AND HYDRAULIC SYSTEMS, SLU	Spain	Non-operational
› ASPEMOTORS, SLU	Spain	Non-operational
› PROCLIENS 25, SLU	Spain	Holding of shares
› ESPA 2025, S.L	Spain	Production and marketing of pumps
› ESPA EDE IBERIA, S.L.U	Spain	Pump marketing
› SA ESPA FRANCE	France	Pump marketing
› ESPA MIDDLE EAST (FZE)	United Arab Emirates	Pump marketing
› ESPA PRODUCTION FRANCE, SAS	France	Prod., com. and serv. technical assistance for pumps and compo.
› ESPA DEUTSCHLAND, GMBH	Germany	Pump marketing
› ESPA CHINA JIAXING CO, LTD	China	Production and marketing of pumps
› ESPA ITALIA, SRL	Italy	Pump marketing
› ESPA ARGENTINA, S.A	Argentina	Pump marketing
› ESPA CHILE, S.A.	Chile	Pump marketing
› SARL POMPES GUINARD LOISIRS	France	Pump marketing
› ESPA PUMPS ( U.K. ), LTD	United Kingdom	Pump marketing
› ESPA WATER SYSTEM PVT, LTD	India	Pump marketing
› SARL POMPES GUINARD BATIMENT	France	Pump marketing
› ESPA PUMPS CHINA, LTD	Hong Kong	Pump marketing
› BOMBAS IMCHISA, SA	Chile	Production and marketing of pumps
› TRADINCAT, SPA	Chile	Pump marketing
› CENPISA FRANCE, SARL	France	Wholesale trade and distribution of spare parts and repair of electrical equipment
› SCI NEUVY MOTEURS	France	Rental of premises
› DENTAL CARE, SLU	Spain	Non-operational

## ANNEX II Distribution of staff

### > Average annual employment contract types

Type of contract	Total	%
<b>Not set</b>	<b>374</b>	<b>95%</b>
Complete	361	92%
Partial	8	2%
Discontinuous Fixed-Term	5	1%
<b>Temporary</b>	<b>18</b>	<b>5%</b>
Internships	3	1%
Partial	15	4%
<b>TOTAL</b>	<b>392</b>	<b>100%</b>

### > Average annual employment contract types by age groups

Age groups	Women	Men	Total	%
<b>&lt; 35</b>	<b>29</b>	<b>56</b>	<b>85</b>	<b>22%</b>
<b>Not set</b>	<b>29</b>	<b>50</b>	<b>79</b>	<b>20%</b>
Complete	26	49	75	19%
Partial	2	-	2	0%
Discontinuous Fixed-Term	1	2	3	1%
<b>Temporary</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>2%</b>
Internships	-	3	3	1%
Partial	-	3	3	1%
<b>35-50</b>	<b>73</b>	<b>99</b>	<b>172</b>	<b>44%</b>
<b>Not set</b>	<b>73</b>	<b>99</b>	<b>172</b>	<b>44%</b>
Complete	67	98	165	42%
Partial	5	-	5	1%
Discontinuous Fixed-Term	1	1	2	1%
<b>&gt; 50</b>	<b>60</b>	<b>74</b>	<b>134</b>	<b>31%</b>
<b>Not set</b>	<b>51</b>	<b>71</b>	<b>122</b>	<b>31%</b>
Complete	51	71	122	31%
<b>Temporary</b>	<b>9</b>	<b>3</b>	<b>12</b>	<b>3%</b>
Partial	9	3	12	3%
<b>TOTAL</b>	<b>162</b>	<b>230</b>	<b>392</b>	<b>100%</b>

### > Average annual average employment contract types and age groups

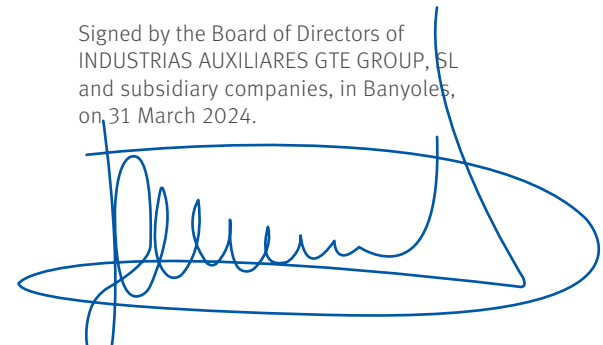
Contract type	Women	Men	Total
<b>Not set</b>	<b>153</b>	<b>221</b>	<b>374</b>
<b>Complete</b>	<b>144</b>	<b>217</b>	<b>361</b>
Administration	49	22	71
Management	-	8	8
Production	76	130	206
Professional	16	34	50
Technical	3	23	26
<b>Partial</b>	<b>7</b>	<b>1</b>	<b>8</b>
Administration	3	-	3
Management	-	1	1
Production	3	-	3
Professional	1	-	1
<b>Discontinuous Fixed-Term</b>	<b>2</b>	<b>3</b>	<b>5</b>
Production	2	3	5
<b>Temporary</b>	<b>9</b>	<b>9</b>	<b>18</b>
<b>Internships</b>	<b>-</b>	<b>3</b>	<b>3</b>
Administration	-	2	2
Production	-	1	1
<b>Partial</b>	<b>9</b>	<b>6</b>	<b>15</b>
Administration	-	-	-
Production	9	5	14
Professional	-	1	1
<b>TOTAL</b>	<b>162</b>	<b>230</b>	<b>392</b>

# ANNEX III Correspondence of the contents of Law 11/2018 and the GRI Indicators

Scope	Contents	GRI Standard	Page
Business model	Business model description	2-1, 2-9	09
	Geographical presence	2-6	15
	Organisational objectives and strategies	2-22	21
	The main factors and trends that may affect its future evolution.	No GRI	23
General information	Company policies	2-23, 2-24	30-36-38-43
	Reporting framework used	1-3	56
Social issues relating to staff	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	2-23, 3-3	32
	Master's	2-7, 2-19, 201-3, 405-2	33
	Organisation of work	No GRI	39
	Health and safety	403-1, 403-2, 403-2, 403-3, 403-5	41
	Social Relationships	2-29, 403-1, 403-4	39
	Training	404-1, 404-2	35
	Accessibility	405-1	36
	Equality	406-1, 405-1	35
Environmental issues	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	3-3	42
	Environmental management	307-1, 308-2, 2-27	43
	Contamination	305-5	44
	Circular economy and waste prevention and management	2-22, 306-1, 306-2, 306-3	44
	Sustainable use of resources	303, 5, 301, 1, 302, 1, 302, 2, 302, 3, 302, 4	45
	Climate change	201-2, 305-1, 305-2, 305-3, 305-4, 305-5, 201-2	46
	Protection of biodiversity	304-2, 303-2, 306-5	Not applicable
Human rights	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	2-23	50
	Description of the implementation due diligence procedures with regard to human rights; prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and remedy possible abuses committed	3-3, 2-23, 414-1	50
	Complaints of human rights violations	419-1, 406-1, 414-1	50
	Promotion and enforcement of the provisions of ILO core conventions related to respect for freedom of association and the right to collective bargaining. Elimination of discrimination in respect of employment and occupation and the effective abolition of child labour	406-1, 408-1, 409-1	50
Corruption and bribery	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	2-23, 3-3	51
	Measures to prevent corruption and bribery	205-1	51
	Measures to combat money laundering	205-2	50
	Contributions to foundations and non-profit organisations	201-1	54
Company	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	2-23, 3-3	54
	The company's commitment to sustainable development	413-1, 413-2, 2-28	54
	Subcontracting and suppliers	308-1, 414-1, 308-2, 414-2	53
	Consumers	416-1, 416-2	26
	Tax information	201-1, 201-4	59



Signed by the Board of Directors of  
INDUSTRIAS AUXILIARES GTE GROUP, SL  
and subsidiary companies, in Banyoles,  
on 31 March 2024.

A handwritten signature in blue ink, consisting of a large, stylized initial 'J' followed by several loops and a final flourish that extends upwards and to the right.

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INDUSTRIAS AUXILIARES GTE GROUP, SL  
(Represented by Jaume Vizern Soler)

