



MEMORANDUM OF SUSTAINABILITY 2024

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

www.espa.com

TABLE OF CONTENTS

MESSAGE FROM JOSEP PERICH,
CEO OF GTE GROUP 03

01 ABOUT GTE GROUP 04

GTE Group in figures	05
Our history	06
GTE Group culture	08
Management Model	09
From raw material to finished product	10
Geographical presence	15
Our products and solutions	17
Collaborations	18
Business strategy	19
Risk Management	21

02 VALUE PROPOSITION 23

Customer Service	24
Services	25
Quality	26

03 HUMAN CAPITAL 28

Human capital in figures	29
Professional development, equality and diversity	31
Payment	33
Work-life balance	34
Digital disconnection	34
Organisation of working time	35
Social dialogue	35
Occupational health and safety	37

04 SUSTAINABILITY 38

Environmental management	39
Eco-efficiency and responsible waste management	40
Climate change	44

05 ETHICS AND TRANSPARENCY 45

Good governance	46
Responsible supply chain management	49

06 BASIS FOR THE FORMULATION
OF THE NON-FINANCIAL
INFORMATION STATEMENT 51

Materiality	53
-------------	----

07 TAX INFORMATION 54

ANNEXES 56

INTRODUCTION



Dear GTE Group family:

In 2024, we face a complex global scenario, marked by geopolitical instability and a significant contraction in some of the sector's main markets. However, at GTE Group we have managed to achieve our main objectives, driven by both organic and inorganic growth, despite this adverse context. Thanks to the commitment and talent of our team, we have not only managed to grow, but we have also taken fundamental strategic steps to consolidate our leadership.

First of all, I would like to thank everyone who makes up this great family: our customers, for their continued trust and support; our suppliers, who are essential allies in every step we take; and, especially, our team, who are the engine and the heart of our organisation.

During the year, we made two strategic acquisitions that mark a milestone in our history. Firstly, the incorporation of an industrial company allows us to continue on the path of vertical integration, improving our production capacity and guaranteeing greater quality control at every stage of the process. Secondly, the acquisition of a distribution company has allowed us to expand our portfolio with complementary products, gaining access to market segments that we were previously unable to serve. The unity of our teams strengthens the human capital of GTE Group.

These decisions are part of a strategy that seeks to combine innovation, sustainability and competitiveness. We continue to prioritise investment in R&D&I as a fundamental axis, developing products and solutions that are not only efficient, but also sustainable and environmentally responsible.

Although 2024 has presented us with considerable challenges, such as persistent inflation and geopolitical tensions, we have successfully increased our sales and strengthened our financial position. These achievements reflect the collective effort and adaptability that is the hallmark of GTE Group.

Our commitment to sustainability remains a priority. In line with the principles of eco-design, water and energy efficiency, we work on the development of products that minimise environmental impact and aid preservation of essential resources such as water. Our long-term vision is clear: to lead a sustainable management model encompassing every stage from raw materials to the finished product, creating a positive impact on society and the planet alike.

As we move towards 2025, we face the future with determination and enthusiasm. Our priority remains the satisfaction of our customers and the continuous improvement of our quality and service. These are the pillars on which we build our success, and I am confident that together we will continue to reach new heights.

Once again, I would like to thank each and every one of you for your trust, commitment and dedication. Together, we have overcome challenges — and together, we will continue achieving new milestones.



Josep Perich
CEO of GTE Group

01

About GTE Group



01 GTE Group in figures



2024 INDICATORS



11
PRODUCTION
CENTRES



16
DISTRIBUTION
CENTRES



+100
COUNTRIES

THE TEAM



+440
EMPLOYEES



39%
WOMEN



+8%
INCREASE IN STAFF
VS. 2023



95%
INDEFINITE
PERMANENT

ENVIRONMENT



80%
SUPPLIERS
EUROPEAN



01 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.



Industrias Auxiliares GTE Group (hereinafter referred to as 'GTE Group' or simply 'GTE') was established in 2019, born from the shared vision of a group of entrepreneurs, primarily based in the Pla de l'Estany region of Spain, who aimed to create a business group with international reach that promotes the local economy, is strongly committed to reducing its carbon footprint, and generates value for the region — all while upholding the sector's standards of profitability and financial soundness.

With this objective, the companies ESTUDIOS, SERVICIOS Y MONTAJES MEBA, SL, CABLEADOS Y MONTAJES BANYOLES, SL, SERVICIOS DE REPOSICIÓN 20, SL, MIDTAL TALENTOS, SL and

MIDMER MERCADOS, SL were merged under the corporate umbrella of the holding company Industrias Auxiliares GTE Group, S.L., which now holds 100% of the shares of all of them.

In May 2022, GTE Group took a highly significant step towards achieving its objectives by acquiring 80% of the capital of ESPA 2025, S.L. and its subsidiaries (hereinafter "Grupo Espa"), through a capital increase with dilution of the previous shareholders. This operation represented a major leap in scale for GTE Group and was a defining step toward achieving its founding goal of becoming a benchmark in its areas of activity.

01 Our history



About the ESPA Group

The ESPA Group was founded in 1962 in Banyoles (Girona, Spain) and comprises a group of internationally-active companies 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 residential sector – who are leaders in their market within Spain and have an international presence in over 100 countries.

The main company within the ESPA Group, along with its production headquarters, is located in Banyoles (Girona, Spain), where it stands as one of the region's leading businesses and a significant generator of both direct and indirect employment. Since its founding, ESPA has consistently been at the forefront of technological innovation, with a clear goal: that of ensuring that its products offer distinct

environmental sustainability benefits – particularly in terms of water and energy savings, as well as product longevity. ESPA's design philosophy prioritises the replacement of worn components over time wherever possible, as an alternative to full-product replacement policies that are considerably more harmful to the environment.

Nowadays, fortunately, these concepts are increasingly integrated into company policies, but for ESPA these have been constant values throughout its history. With this commitment to innovation and the search for excellence in its products, ESPA has experienced significant growth, which has accelerated since its international expansion began in 1975.

Corporate operations 2024

In July 2024, GTE Group acquired 100% of the shares of the company Baico Pumps, S.L.

Baico Pumps, S.L. is a distributor of water pumps and equipment located in the province of Girona, specialising in a range of complementary products to the ESPA catalogue, thus increasing the company's scope and the creation of a broad and solid portfolio.

In August 2024, GTE Group also acquired Banyoles Color, S.L., located in Pla de l'Estany, a company that offers two main services: industrial

painting and machining of parts. ESPA 2025, SL has acquired the production activity while maintaining 100% of its industrial staff, allowing the verticalisation of the production process, thus contributing to one of the objectives of the group – that of efficient management and quality control throughout the production chain.

01 GTE Group culture



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.



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.



EXCELLENCE

Creativity and innovation make the difference – they are key to achieving business excellence. We strive to stay ahead of the curve by developing solutions tailored to the evolving needs of society.

PASSION

We are a team that is fully engaged at every step of the way. We believe in what we do and work together toward a shared goal.

CUSTOMER FOCUS

Our customers are our greatest asset. Their needs and concerns are at the heart of our dedication and commitment.

AMBITION

We like setting limits – so we can surpass them. We aim to keep growing, innovating, and rising to every challenge we set ourselves.

ENVIRONMENTAL RESPONSIBILITY

We consider water and energy saving to be fundamental necessities for the sustainability of our planet. We therefore focus our innovative efforts on developing pumping solutions that contribute to sustainability through their use.

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.

01 Management Model



WE DESIGN



WE PRODUCE



WE DISTRIBUTE

We have a vertically integrated production chain that guarantees efficient control of the entire process, from the procurement of materials through to final distribution.

01 Management Model From raw material to finished product



WE DESIGN

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

1 Continuous product improvement

Our R&D&I team is dedicated to developing efficient and sustainable solutions when it comes to using water and energy, constantly improving the designs, materials and characteristics of our products. We guarantee high durability and ease of repair, ensuring that replacements are simple and affordable.

2 New product development

Investment in R&D&I is a fundamental pillar of our identity. That's why we focus on bringing value to the market by developing and launching products that drive greater energy and water efficiency, such as our variable-speed pumps.

3 Design and commissioning of industrial equipment to optimise the efficiency of the production process.

Our engineering team specialises in the design of customised machinery that adapts to our production needs, giving us greater flexibility and efficiency in our processes.

01 Management Model From raw material to finished product



WE PRODUCE

We at GTE Group employ a vertical manufacturing process that guarantees comprehensive control of the entire production chain, from aluminium smelting through to final product assembly.

In this way, we achieve

+ PRODUCTION
EFFICIENCY

+ QUALITY
CONTROL

+ FLEXIBILITY

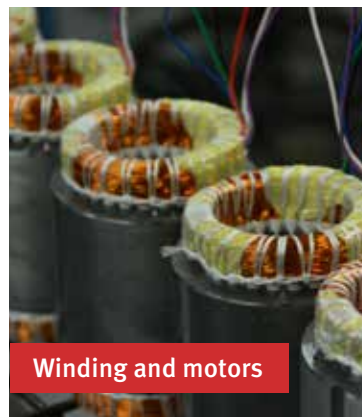
+ ADAPTATION OF COMPONENTS TO
OUR PRODUCTS

— DEPENDENCE ON
THIRD PARTIES

Details of GTE Group's activities



Aluminium casting



Winding and motors



Paint



Machining



Electrical panels and wiring



Assembly of hydraulic parts



Pumps, systems and
equipment assembly

01 Management Model From raw material to finished product

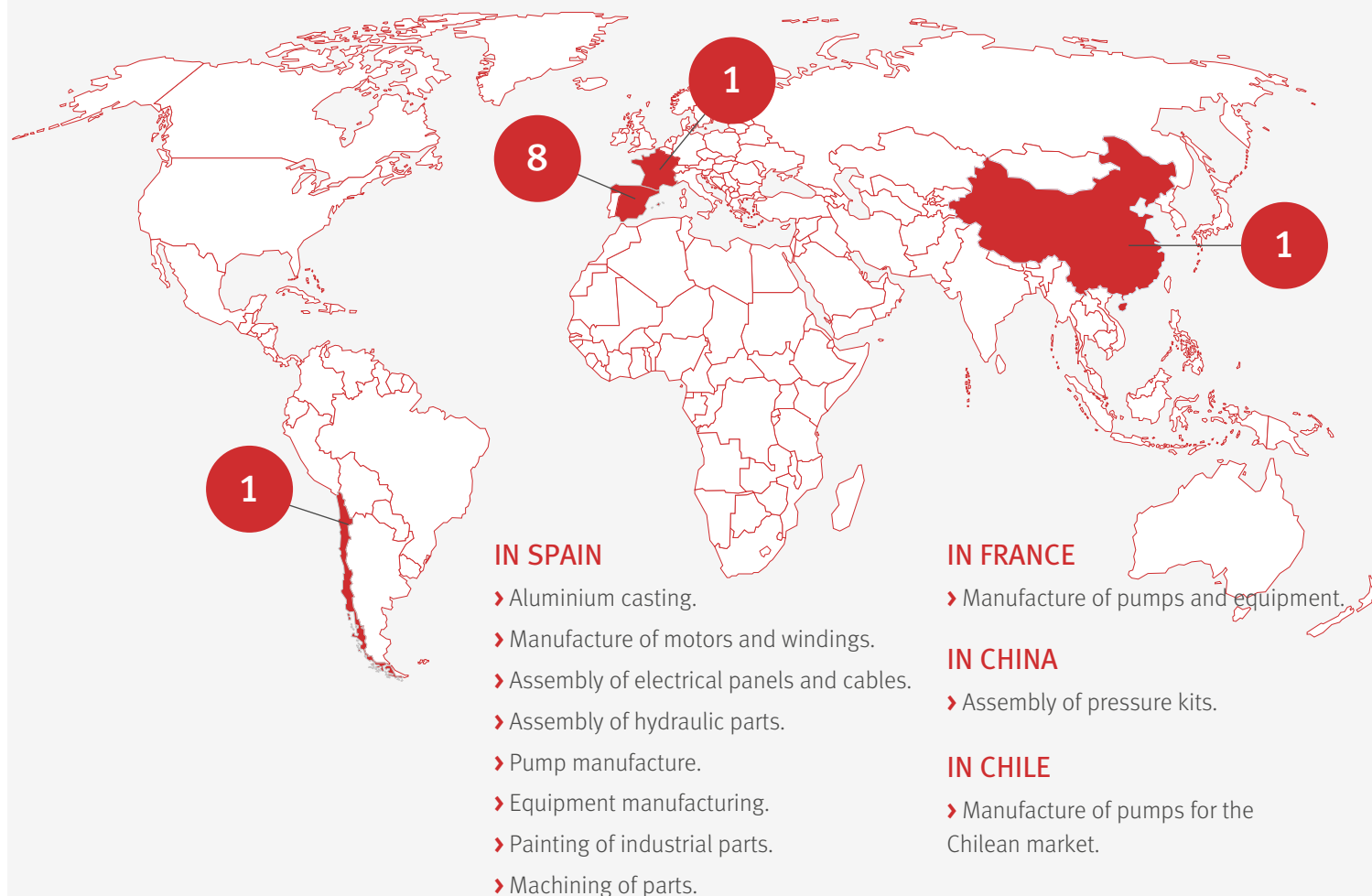


WE PRODUCE

We have **11 production centres** in Spain, France, China and Chile. Our commitment to strengthening local economies has led us to collaborate with a group of specialised and local suppliers, which allows us to optimise our processes and generate synergies.

95% of our products are manufactured in Europe, complying with the highest standards of quality, safety and reliability as established by European regulations.

Production centres



01 Management Model From raw material to finished product



WE DISTRIBUTE

Our business model is based on providing a complete and personalised service, tailored to the sales channel, the specific application of each product and the local requirements of each customer.

Our brands

We drive the value of our brands through the efforts of a team of employees based in over 100 countries. Our mission goes beyond merely manufacturing and distributing pumps, systems and equipment for water management. We focus on providing well-being and hydraulic convenience to users, aiding them in their daily lives and ensuring optimal solutions whenever our products are applied. These solutions are offered through our brands.



This is the Group's brand par excellence, with a wide range of high-added-value products for the domestic and professional residential pumping sector.



It features a product portfolio adapted to the needs and demands of the mass market DIY (Do It Yourself) channel.



Brand aimed at the DIY channel for the French market.



In the French market, we market products and equipment for residential pressurisation, building, agricultural irrigation systems and industrial use under the PGB brand, recognised for its long history in this market.



The brand enjoys an **international presence**, offering a wide range of products aimed at the professional residential sector.

01 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 channels through our most recognised brand, ESPA®, and with the acquisition of BAICO® this year we entered a new market segment with complementary products, thus expanding the group's solutions and portfolio.

We focus on offering solutions for professionals, installers and stockists, working together with our partners to define strategies adapted to each market and channel.

We have adjusted to changes in distribution to meet current needs, and with the growth of large DIY superstores and Marketplace platforms, we have developed specific solutions under the ESPA LEADER® and POMPES GUINARD LOISIRS® brands aimed at the end consumer.

Our team of engineers provides personalised advice concerning each project. Moreover, our presence in the project channel – especially within the residential and commercial pressurisation segment – is well established in Spain, where we stand out, and we are market leaders in the highly competitive Middle East. Our footprint continues to grow across other strategic markets.

Professional distribution – 1

Wholesalers of **plumbing, drainage and electrical** material, as well as pumping specialists.

2

Specialist distribution

Professionals **specialised** in a segment of the sector.

3

Mass Market

Large supermarkets and marketplaces specialising in homes and gardening.

4

Production for third parties

Customised design and production of pumping and filtration solutions.

Manufacture of components for third parties such as motors, cables and castings.

5

Projects

Businesses **specialising in** building water pressurisation. Construction of fire-fighting equipment.

Reuse of water resources (residential self-sufficiency).

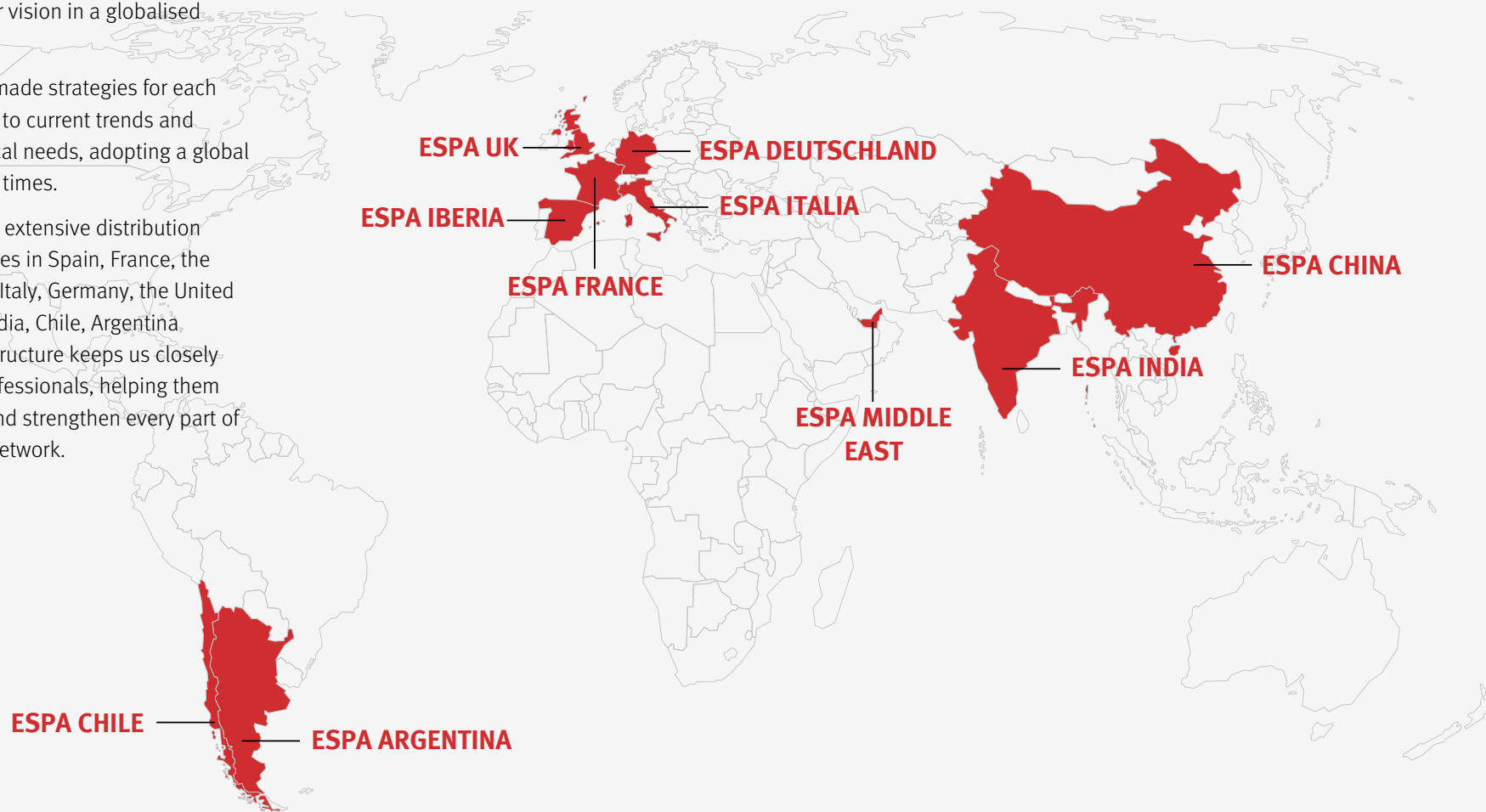
01 Management Model | Geographical presence



Thanks to our network of subsidiaries and partners, we are present in over 100 countries, consolidating our international character and our vision in a globalised economy.

We create tailor-made strategies for each market, adapting to current trends and responding to local needs, adopting a global perspective at all times.

We have our own extensive distribution network and offices in Spain, France, the United Kingdom, Italy, Germany, the United Arab Emirates, India, Chile, Argentina and China. Our structure keeps us closely connected to professionals, helping them generate value and strengthen every part of the distribution network.

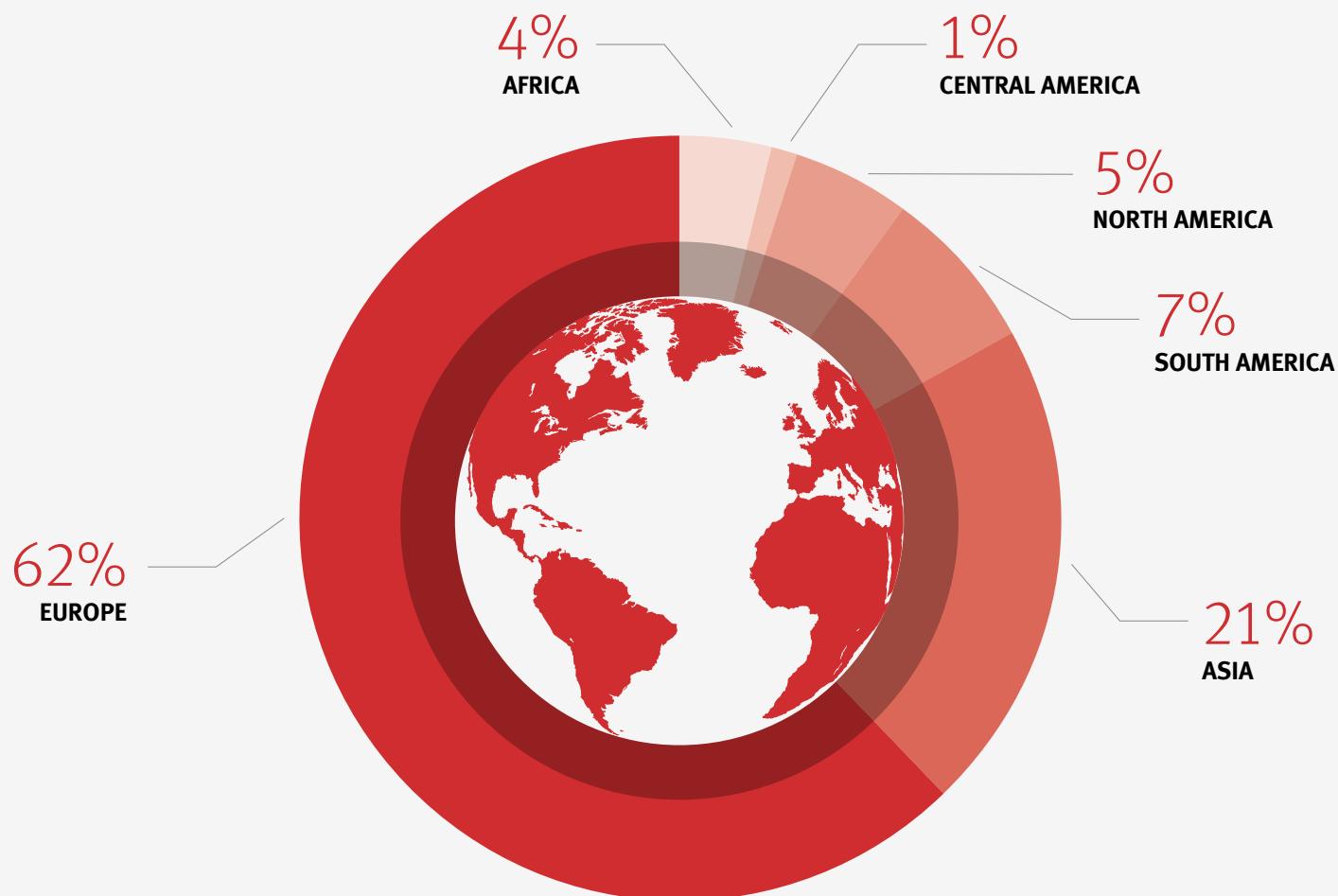


01 Management Model | Geographical presence



Distribution by zones

We are mainly active in Europe, the Middle East and the Americas. In the coming years, we aim to strengthen our presence in the markets in which we already operate, expand our customer base and open up new regions with high development potential.



01 Management Model Our products and solutions



Business lines

Our strategy centres on the development of innovative solutions that offer unique value to our clients. At the same time, we are focused on reinforcing our position in key sectors such as agriculture, pool and wellness, pressurisation systems, the mass market channel, and water reuse – a critical area for conserving one of our most valuable resources.

Sectors



Residential



Sales



Agriculture



Industrial

Applications



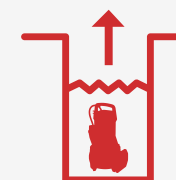
Capture



Supply



Recirculation and
filtration



Evacuation

01 Collaborations



We are committed to collaboration with a wide range of entities, constantly seeking synergies and opportunities for joint growth.

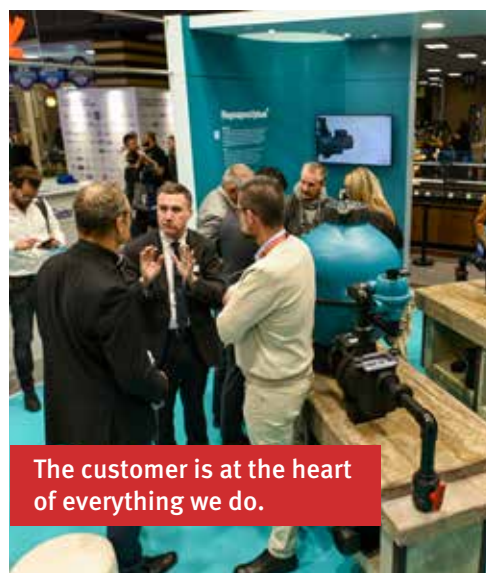
We actively participate in the following ventures:



01 Business strategy



The Group's strategic axes are concentrated in five main pillars. Every action and decision we take is aligned with the objectives defined for each one.



01 Business strategy



The defined short and medium-term objectives are:

Growth in strategic markets and International Impulse

The main lines of action of the commercial part of the group have a dual focus: on the one hand, to maintain and improve our position in the markets where we are already present, and on the other hand, to identify and take advantage of new growth opportunities by attracting new customers, establishing strategic alliances and expanding into other regions with potential.

Quality

Quality is a cross-cutting axis in all our areas of activity and a firm commitment to our clients.

We work under strict standards of control and continuous improvement to guarantee products and services in line with market expectations.

Our quality management system is based on process efficiency, constant innovation and customer orientation.

We foster an internal culture where quality is not just a goal, but an attitude shared by the whole team.

This approach allows us to build long-term relationships of trust, strengthen our positioning and differentiate ourselves in an increasingly competitive environment.

Service. The customer is at the heart of everything we do.

Our goal is to establish ourselves as a benchmark in developing solutions that deliver a truly customer-centric experience. To this end, we have designed a comprehensive strategy that covers all stages of the commercial cycle: pre-sales, sales and after-sales. This approach allows us to support our customers continuously, ensuring high-quality, personalised service that builds trust and lasting satisfaction.

The team. Training and development

The human team is a fundamental pillar for the achievement of our objectives, which is why we continue to work on actions to promote talent retention and continuous training and development. We promote policies that favour work-life balance, equal opportunities and professional growth within the organisation. We also promote technical training and cross-cutting skills programmes to adapt to a constantly changing environment.

ESG

Sustainability is at the heart of our business. We maintain a firm commitment to environmental protection and social responsibility, promoting concrete actions that generate a positive impact, especially in the design of our products so that they contribute to energy and water saving. We work continuously to integrate these values into all our operations and decisions, fostering a responsible growth model aligned with global challenges.

01 Risk Management



We operate in an increasingly fragmented geopolitical environment, where economic and financial uncertainty in some of the countries where we operate has led us to strengthen our control mechanisms. This allows us to anticipate, mitigate risks and reduce potential impact, while identifying opportunities for value.

We have structured our risk and opportunity management in three key areas: corporate, social and environmental, in order to comprehensively address the challenges of the current context.

Corporate:

RISKS	OPPORTUNITIES
Foreign currency risk With a presence in over 100 countries, we are exposed to foreign exchange risk. To mitigate this, we always implement case-specific measures and analyse hedging in those markets known to be highly volatile on an individual basis.	Investment in industrialisation The modernisation of our production system is a constant priority in order to improve our efficiency and competitiveness.
Regulatory and legislative changes Changes in regulations and legislation always have the potential to impact upon our business. Therefore, we monitor regulatory updates continuously and assess how they apply to our products, seeking at all times to be ahead of the curve in our pumping and filtration solutions.	Digital Transformation New digital tools represent a disruptive change. Our Digital Transformation team works continuously to integrate them, embedding new technologies into our processes to optimise day-to-day management.
Cybersecurity We implement advanced protection measures to safeguard our digital environments, including two-factor authentication and internal phishing awareness campaigns. We also conduct regular training for staff, reinforcing our culture of cybersecurity and reducing the risks associated with digital threats.	Innovation Staying true to our founding goals, our new products are designed to remain at the forefront of the industry, delivering distinct benefits — particularly in the areas of energy and water efficiency.
Credit risk. We constantly monitor credit risk, insuring most of our sales through external insurance companies.	Local suppliers We are committed to supporting the local economy by ensuring that most of our suppliers are locally based. We thereby help reduce CO ₂ emissions and achieve greater flexibility and responsiveness in the face of fluctuating demand, while simultaneously promoting the local economy and contributing to its growth. New Markets and Distribution Channels. Our geographic footprint continues to grow. The development of new distribution channels has enabled us to access new markets.

01 Risk Management



Social:

RISKS	OPPORTUNITIES
Occupational health and safety We conduct regular reviews of safety protocols and training to ensure that all our processes comply with current occupational health and safety regulations.	Talent loyalty We invest in identifying and developing talent, promoting the internal growth of our teams.
	Professional development programmes We implement training and capacity building plans.
	Work flexibility We promote a healthy work-life balance through measures such as flexible working hours, remote work, and other initiatives that support personal–professional integration. These actions not only make it easier for our team to balance their responsibilities, but also enhance their well-being and overall job satisfaction.

Environmental:

RISKS	OPPORTUNITIES
Depletion of natural and energy resources Water is an essential and limited resource, which calls for a responsible approach to its management. For this reason, we implement actions aimed at developing products that respond to new market demands and contribute to their preservation.	Energy and water efficiency Development of sustainable technologies with greater energy and water efficiency.
	Non-hazardous Reduction of waste generation and promotion of waste reuse.

02

Value Proposition

02 Customer Service



Our mission is to promote well-being for our customers. To achieve this, we are committed to providing a responsive, efficient, and personalised service tailored to each customer's needs.

We aim to remain at the forefront of developing solutions that not only deliver the best possible user experience, but also encourage the responsible use of water and energy resources – contributing to social well-being and environmental sustainability.

Our customer service team is on hand to respond to any questions or needs, offering direct, personal, and attentive support. In the event of product issues, we provide multiple channels of communication, including our website, phone, email, and social media.



02 Services



Constantly learning from our customers and end users, we work to offer a full range of services with the aim of providing the best possible experience.

We have a wide network of Technical Services that handle the maintenance, repair and marketing of components of our products and equipment. Through this network, we offer the following services:

1 Personalised advice

Our technical team is dedicated to understanding our customers' needs and recommending the products that best suit their requirements.

2 Commissioning

We offer a specialised commissioning service for each equipment or system, through our after-sales and Technical Services network.

3 Spare parts

Committed to sustainability, we design our products to ensure long service lives, allowing for the replacement of those parts most prone to wear and tear. We recommend the exclusive use of OEM spare parts to ensure the correct functioning of our products.

4 Repairs

Our extensive service network is always available to provide the necessary maintenance and repair support for our products. We ensure that all the markets in which we operate have access to the spare parts and tools necessary to provide a fast, high-quality service.

Proximity to the customer

We want to be close to our customers and understand their needs first-hand. That is why we have sales offices in Europe, Asia, the Middle East and South America, and our distribution network means that our products are present in over 100 countries.

In 2024 we attended Mostra Convegno Expocomfort in Milan and Piscine Global in Lyon, among other local trade fairs.

In order to strengthen our presence and improve customer satisfaction, year after year we continue to hold face-to-face and online training sessions for our customers, technical services and employees.

02 Quality



Our main priority is to offer products of the highest quality while simultaneously helping to make our planet a more sustainable and safer place. This commitment has been ingrained in the culture of our company since its inception and, as such, the Quality Management department ensures strict compliance with the Group's quality policy and manual.

We fully adhere to the safety legislation in force in all the markets in which we operate.

The main objectives of the Group's purchasing policy are as follows:



**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**

02 Quality



Quality and Environmental Management System

At GTE Group, we implement a quality and process management system based on the principles of the international ISO 9001 and ISO 14001 standards.

This system guarantees the reliability of our products, the efficiency of our processes and proper environmental management. It is made up of specific procedures and instructions for each phase of the company's process map, and continuous improvement is applied to all of them.

Quality Committee

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 2024 with 97.6% of incidents resolved.

Standards

At GTE Group, we have a dedicated team responsible for closely monitoring all regulations applicable to our products – including those related to safety, sustainability, and more – to ensure full compliance with the requirements of each market, and this enables us to adapt our products and processes promptly and appropriately whenever regulatory changes occur.

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 European Standard EN 60335.
- The corresponding standards applicable in the United States, in compliance with UL 60335.
- European Directive 2014/30 EU regarding 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.

03

Human Capital

03 Human capital in figures



We consider them the heart of GTE Group, and will work to guarantee equal opportunities and promote the professional development of the entire team without discrimination of any kind.

At year-end 2024, the Group had 440 employees, an increase of 8% compared to the previous year. This growth is due, firstly, to the incorporation of the companies Baico Pumps, S.L. and Banyoles Color, S.L., and secondly, to the expansion process in which we are currently immersed.

Our team is present in 10 countries and is characterised by its diversity of profiles, gender, age and culture, which significantly enriches our organisation. As of 31 December 2024, the overall distribution of the workforce is 61% male and 39% female. In Spain, this proportion is 55% men and 45% women.

The People Management area (GGPP, *Gestión de Personas*) continues to work to promote equality and develop action plans to encourage greater representation of women in the various jobs and regions where they are less present.

We hereby reaffirm our commitment to the creation of stable and quality employment. In 2024, 95% of our workforce will have permanent contracts.

Total number and distribution of staff by gender, country and occupational classification as of 31/12/2024.



Staff by age group and gender

Age group	2023				2024			
	Women	Men	Total	%	Women	Men	Total	%
< 35	30	64	94	23%	37	70	107	24%
35-50	80	99	179	44%	75	110	185	42%
> 50	57	77	134	33%	61	87	148	34%
TOTAL	167	240	407	100%	173	267	440	100%

03 Human capital in figures



We value the knowledge and skills of our entire team, hiring people who are the best fit for each position, regardless of their age range. By the end of 2024, 34% of our workforce will be made up of people over 50 years of age, whose experience represents a source of enrichment and an invaluable contribution to the Group.

Template by professional composition

Professional category	2023			2024		
	Women	Men	Total	Women	Men	Total
Management	-	8	8	-	8	8
Technical	3	23	26	4	38	42
Professional	18	35	53	8	40	48
Administration	52	24	76	70	34	104
Production	94	150	244	91	147	238
TOTAL	167	240	407	173	267	440

Staff by country

Country	2023			2024		
	Women	Men	Total	Women	Men	Total
Spain	131	141	272	138	170	308
France	10	27	37	11	26	37
China	6	17	23	7	16	23
Chile	5	13	18	6	14	20
India	1	14	15	1	11	12
United Arab Emirates	1	13	14		15	15
Germany	5	3	8	3	3	6
Italy	3	4	7	2	3	5
Argentina	3	4	7	3	5	8
United Kingdom	2	4	6	2	4	6
TOTAL	167	240	407	173	267	440

Staff by type of contract as of 31 December 2024

Type of contract	2023	2024
Permanent	389	420
Complete	369	412
Partial	8	5
Discontinuous fixed-term	12	3
Temporary	18	20
Internships	3	2
Partial	15	17
Complete		1
TOTAL	407	440

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

03 Professional development, equality and diversity



The attraction and retention of talent, together with the promotion of professional development, are fundamental strategic axes for our organisation. In this context, we actively promote continuous training as a key tool to enhance the competencies of our team. Our training programmes are designed to respond to the real needs of the people who make up the Group, in line with our strategic plan. To guarantee the effectiveness and relevance of each training initiative, we apply a structured process that ensures coherence between training actions and the company's strategic challenges:

1 Identifying needs

A survey was sent to the people in charge of each team to identify training requirements.

2 Coordination and communication

Organisation of training and notification of selected staff according to identified needs.

3 Follow-up of training activities

During the training activities, the people management department monitors the progress of the training activities and whether they meet the agreed requirements.

Results assessment

4 Analysis of the degree of satisfaction and effectiveness of the training at the end.

This approach ensures that training is aligned with the actual needs of the organisation, providing teams with the resources and tools necessary for their professional development, increasing our competitiveness and improving business efficiency and productivity.

Training and talent retention are strategic pillars of the Group, with a special focus on fostering the motivation and commitment of our employees. We are committed to internal promotion, prioritising effective performance and the principle of equal opportunities and non-discrimination. In this respect, during 2024, training courses were held on a wide range of topics, such as:

In 2024, a total of 343 people from both production centres and distribution units participated in training activities, accumulating 2,399 hours of training. This figure represents a significant increase

- Compliance
- Digital tools
- Languages
- Harassment at work
- Products and applications
- Occupational health and safety
- Corporate strategy

compared to 2023, reflecting the boost we have given to training as a key lever for professional development and continuous improvement.

Professional category	2023		2024	
	Training hours	%	Training hours	%
Management	60	4%	5	0%
Technical	656	49%	470	20%
Professional	120	9%	477	20%
Administration	209	16%	622	26%
Production	297	22%	825	34%
TOTAL	1,342	100%	2,399	100%

03 Professional development, equality and diversity



GTE Group's Commitment to Diversity, Equity and Inclusion (DEI)

At GTE Group we promote a fair, diverse and inclusive work environment by implementing policies and procedures aligned with our values. These initiatives start in the selection and promotion processes, ensuring equal opportunities for all. We do not discriminate against employees or applicants on the grounds of race, sex, religion, age or any other personal or social status.

To reinforce this commitment, we have a specific protocol for the prevention, detection and action against any type of harassment that may violate the fundamental rights of individuals, affecting their physical, psychological or moral well-being. In addition, we encourage the use of inclusive, respectful and non-sexist language in all our internal and external communications.

In line with Organic Law 3/2007 for equal opportunities between men and women, our company ESPA 2025 SL, which represents 47% of the group's total workforce, has developed and implemented a solid Equality Plan. This plan, the result of transparent negotiation with workers' legal representation, reflects our commitment to fairness and non-discrimination.

Beyond regulatory compliance, the Equality Plan is a living document in constant evolution. In the next two years, its scope will be extended to the rest of the group's companies, with the aim of continuing to avoid gender gaps, continuing to promote equal access to professional development opportunities as a guarantee of fair treatment at all stages of the employment cycle, adapting to the particularities of each company. We have also approved a protocol against sexual and workplace harassment, and we are drawing up a specific protocol for the protection of the LGBTI community.

At GTE Group we support the inclusion of people with disabilities in the workplace, offering them jobs that match their abilities. At the end of 2024, our company ESPA 2025 SL, the only company in the group with over 50 employees and therefore obliged to comply with the General Law on Disability (LGD), has met the requirements established by this law.

In addition, we actively collaborate with an Occupational Centre for people with disabilities, which provides services such as the preparation of component assemblies for different workplaces. In terms of labour turnover, thirteen redundancies were recorded in 2024. This figure does not include termination due to failure to pass probationary periods.

Age Group	2023					2024				
	Administration	Production	Professional	Technical	Total	Administration	Production	Professional	Technical	Total
< 35	-	2	-	-	2	-	3	-	1	4
Women	-	2	-	-	2	-	1	-	-	1
Men	-	-	-	-	0	-	2	-	1	3
35 - 50	2	-	1	-	3	2	4	2	-	8
Women	-	-	-	-	0	2	4	-	-	6
Men	2	-	1	-	3	-	-	2	-	2
> 50	-	1	-	-	1	-	1	-	-	1
Women	-	-	-	-	0	-	1	-	-	1
Men	-	1	-	-	1	-	-	-	-	0
TOTAL	2	3	1	0	6	2	8	2	1	13

03 Payment



GTE Group's remuneration policy guarantees equal pay for men and women, ensuring equal pay for work of equal status and value.

In addition, we offer a flexible remuneration plan that allows those who wish to access non-monetary benefits such as medical insurance, transport solutions, restaurant tickets, childcare, etc., to benefit from its advantages.

Average remuneration by occupational category and gender

Category	Women	Men	General total
Administration	28,556	23,309	26,764
Management	-	130,899	130,899
Production	21,871	23,584	22,904
Professional	38,627	44,418	43,304
Technical	30,427	31,886	31,731
TOTAL	25,451	30,329	28,348

Average remuneration by age group

Age	Women	Men	General total
< 35	25,090	22,950	23,648
35 - 50	25,122	28,213	26,882
> 50	26,117	41,130	34,468
TOTAL	25,451	30,329	28,348

We implement measures to prevent the pay gap, such as the annual review of our employees' salaries, comparing them with the relevant pay surveys for each area of influence, job position and collective agreement (where applicable). In addition, we conduct an annual pay gap analysis to keep a constant check on these figures.

Wage gap by typology

	2023	2024
Adjusted wage gap	6.6%	7.9%
Unadjusted wage gap	14.1%	16.1%

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. This takes into account the fact that the fixed and variable remuneration received is annual, eliminating the impact of the type and duration of the contract.

In the calculation of the adjusted pay gap, the different professional categories have been assessed individually in order to obtain a more accurate result that is more in line with the Group's reality.

The management functions are performed by the company's representative, who is male. 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.

03 Reconciliation of work and family life



At GTE Group, we believe that one of the key pillars for retaining talent and guaranteeing satisfaction in the workplace is to promote the work-life balance of our teams.

To this end, we have designed flexible working time options that allow our employees to adjust their working hours to their personal needs and commitments. In addition, we continue to expand teleworking year after year, increasing both the number of people using it and the percentage of time spent teleworking.

Another key aspect is the attention to the family needs of our teams, especially with regard to childcare and other responsibilities. We have therefore established irregular working day agreements with those who have requested them, allowing them to adapt their working hours to suit their family needs, without compromising the fulfilment of work demands.

03 Digital disconnection



In compliance with article 88 of the Spanish Organic Law 3/2018, on the Protection of Personal Data and Guarantee of Digital Rights, GTE Group has a Digital Disconnection Protocol. This protocol establishes limits and rules for the use of digital devices outside working hours, ensuring respect for our employees' rest, leave and holiday time, as well as their personal and family privacy, which contributes to increasing their job satisfaction. We have a clocking-in system that controls the start and end of the working day.

This protocol applies to units located in Spanish territory, although it can be extended to all Group units, in accordance with the laws applicable in each country.



03 Organisation of Working Time



The organisation of working time at GTE Group is adapted to the needs of each position and the local circumstances of each country, complying with current legislation and promoting work-life balance at all times. Labour flexibility is one of our key principles.

At ESPA 2025 SL, which has over 50 employees, the working hours are agreed with the Works Committee, which extends to all units of the Group within Spain, taking into account aspects such as the applicable covenants, local public holidays and specific agreements.

The production plants and warehouses of the Pump, Motor and Winding Production Group have rotating working hours for the production staff. Office staff have flexible working hours, ensuring

compliance with the mandatory daily hours and facilitating work-life balance.

In 2024, the total hours of recorded absenteeism were 38,532 hours, excluding holiday periods and including absences due to common illness, occupational diseases, accidents at work and leave. These hours represent 3.24% of total working hours.

In 2023, this figure reached 26,453 hours, which represents 3.87%, higher than in 2024.

**38,532 hours
of absenteeism
were recorded in
2024, discounting
holiday periods
but including
absences due to
common illnesses,
occupational
illnesses and
accidents at work,
and leave periods.
These hours
represent **3,24%**
of total working
hours.**

03 Social dialogue

We encourage transparency, participation and effective communication at all levels of the Group. To this end, we have implemented procedures to inform, consult and negotiate with our employees, using a variety of tools and platforms to facilitate communication and foster a collaborative culture.

In 2024 we implemented a human resources management platform at Group level, which allows us to unify the data of all employees while simultaneously improving management of internal communications, collection of feedback from the team and monitoring of each employees' professional development.

As part of our integration process, we are working to create a strong culture of collaboration and internal communication through regular briefings and a biannual convention designed for all our employees. We believe that actively involving our teams in information and decision-making strengthens ownership, increases motivation and improves the overall effectiveness of the company.

03 Social dialogue



All staff are covered by specific agreements. Each workplace has its own specific regulations and adheres to the local labour agreement in each country.

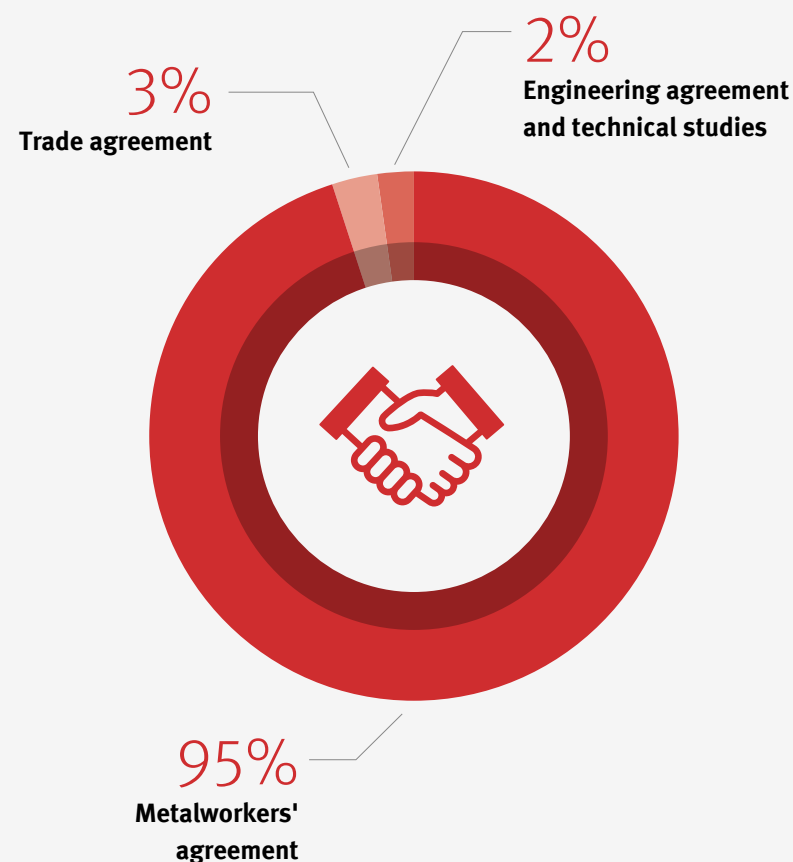
Collective bargaining

All Group employees have the right to association and collective bargaining. In countries where there is no specific regulation on collective bargaining, we are governed by local labour law.

In 2024 INDUSTRIAS AUXILIARES GTE GROUP set up a workers' representation composed of three delegates, as the company had fewer than 50 workers. Monthly meetings with the company's management are held with them.

ESPA 2025 SL, which has over 50 employees, has two committees: one for the main work centre, with eight members, and one for the remaining work centres, with three members. In France, employee representation is provided by the Social and Economic Committee, which holds monthly meetings with company management.

In other companies where it is not possible to set up a committee due to the number of employees, the figure of the workers' delegate has been implemented, who mediates and communicates any relevant issues to the staff.



03 Occupational health and safety



The health and safety of our employees are top priorities for GTE Group. The People Management Department coordinates the implementation of all necessary procedures, protocols and security measures for both face-to-face and remote work.

The External Prevention Services (SPA, *Servicios de Prevención Ajenos*) engaged by our companies determine the necessary protective measures at each workplace, under the supervision of the People Management Department (GGPP, *Gestión de Personas*). We

prioritise collective protection measures, and where these are not feasible, we provide the necessary Personal Protective Equipment (PPE) according to each job role.

All employees in Spain receive occupational health and safety training at the start of their employment, in accordance with Article 19 of the Law on Occupational Risk Prevention. In other countries, local health and safety protocols are applied.

Actions to Prevent Occupational Risks

We carry out various measures to prevent occupational hazards, assess risks and implement protective measures:

- **Availability of protective measures for workers.**
- **Training and information on health and safety at work.**
- **Periodic medical examinations.**
- **Medical assistance service.**

Accidents at Work and Occupational Diseases

For the management of accidents at work, we have the support of the GGPP Department, the General Services Department and the mutual insurance companies in Spain, and with equivalent organisations in other countries.

In 2024, the GTE Group recorded a total of 28 work-related accidents, 46% of which resulted in sick leave. This results in a sick leave incidence rate of 3%.

Distribution of accidents with sick leave by sex:

	2023	%	2024	%
Women	5	42%	5	38%
Men	7	58%	8	62%
TOTAL	12	100%	13	100%

Workplace Safety Indicators in Spain for 2025:

	2023	2024
Rate of incidents requiring sick leave	4.55%	3.09%
Sick leave frequency index	26.1	18.2
Severity index	0.56	0.17

04

Sustainability

04 Environmental management



At GTE Group, we are committed to sustainability, ensuring a balance between economic growth, environmental care and social well-being.

We consider water and energy saving to be fundamental necessities for the sustainability of our planet. That is why we focus our efforts on innovating pumping solutions that optimise the use of resources. As part of this commitment, we have an Environmental Emergency Plan, activated in case of environmental risk. In 2024, no non-compliance was recorded.

In 2025, we will continue to implement actions to minimise our environmental impact and strengthen staff awareness of good environmental management practices in each work area.

Environmental certifications

We believe that the responsible use of natural resources is key to the sustainability of the planet and social well-being. As a company, we know that the success of an environmental management system depends on the commitment of all employees.

Since July 2022, ESPA 2025 S.L., a group company, has held the ISO 14001-2015 environmental certification (ES22/0000520). We continue to work on certifying our production plant in France to the same standard.

Environmental risk prevention

To ensure compliance with the highest environmental standards, GTE Group implements preventive measures such as:

- **Periodic checks on flue gas-emitting equipment to prevent environmental impacts.**
- **Containment measures to prevent accidental spillage.**
- **Classification and treatment of waste with certified environmental managers.**
- **Reuse of pallets until the end of their useful life.**
- **Collaboration with suppliers to minimise environmental impact and encourage recycling.**
- **Monitoring and optimisation of energy consumption.**

04 Eco-efficiency and responsible waste management



At GTE Group we are committed to continuous improvement in environmental management and energy efficiency. To this end, we integrate sustainable criteria into all phases of our products' life cycle:

- Ecodesign
- Energy efficiency
- Durability
- Repair capability

We actively work on the segregation and recycling of waste in all our plants (Spain, France, China and Chile) and offices, ensuring its correct recovery in accordance with current environmental regulations. In Spain, we issue annual waste declarations (DAE, DARI) and follow a Packaging Waste Prevention Plan (PEP). In 2023, ESPA 2025 S.L. joined Ecoembes, a SCRAP (*Sistema Colectivo de Responsabilidad Ampliada del Productor*, Collective Extended Producer Responsibility System) officially registered under No. 22334. We manage WEEE according to Spanish legislation.

Actions implemented in 2024

- Promotion of energy and water efficiency policies in all our facilities.
- Environmental awareness campaigns disseminated through our social networks.
- Adaptation of spaces and infrastructures to maximise the use of natural light and incorporation of low energy consumption equipment.

Below is a selection of highlights shared on our social media channels:



04 Eco-efficiency and responsible waste management



Consumption of non-hazardous and hazardous waste

In 2024, we at GTE Group continued to advance our strategy of responsible waste management, with the aim of minimising our environmental impact and complying with current sustainability regulations. In this period, 92% of the waste generated was classified as non-hazardous, while 8% was hazardous waste. This ratio represents a significant improvement compared to 2023.

We have also reinforced our commitment to the circular economy by implementing the Green Dot system in our packaging, thus ensuring compliance with the Spanish Packaging and Packaging Waste Act. This measure not only ensures the correct subsequent management

of materials, but also promotes recycling and reuse, in line with the principles of sustainability that guide our operations.

We continue to work to reduce the generation of waste at source and improve its segregation, with a vision that focuses on continuous improvement and efficiency of our production processes.

Waste generation table (in tonnes)

	Non-hazardous waste			Hazardous waste		
	2023	2024	Change	2023	2024	Change
Composting	0.00	1.80	100%	-	-	-
Recycling	67.93	105.66	56%	-	-	-
Recovery	69.14	79.47	15%	-	-	-
Landfill	22.02	9.61	-56%	47.27	17.78	-62%
TOTAL	159.09	196.54	24%	47.27	17.78	-62%



04 Eco-efficiency and responsible waste management



Material consumption

By 2024, 13% of the materials we were using were of renewable origin. The remaining 87% were easily segregable and recyclable materials. Inputs used in manufacturing processes that are not part of the final product (such as lubricants and detergents) are not considered hazardous and are properly managed for recycling.

These levels, in percentage terms, remain in line with those recorded in 2023. The increase in the consumption of materials in 2024 is due both to the company's organic growth compared to the previous year and to the inorganic growth resulting from the acquisition of the Banyoles Color, S.L. production centre.

Materials and raw materials	2023 (Kgs)	2024 (Kgs)	Change
Non-renewable	4,871,673	5,696,382	17%
Lubricating oils	4,020	4,304	7%
Steel	2,095,767	2,179,369	4%
Aluminium	324,726	377,608	16%
Copper	519,157	606,599	17%
Electric material	96,887	312,555	223%
Electronic equipment	28,057	69,675	148%
Metal	1,197,809	1,052,463	-12%
Paints and varnishes	12,582	39,343	213%
Plastics	556,876	970,528	74%
Other	35,792	83,940	135%
Renewable	719,886	856,278	19%
Cardboard	433,409	565,605	31%
Wood	276,277	252,686	-9%
Rubber	10,199	37,987	272%
TOTAL	5,591,558	6,552,660	17%

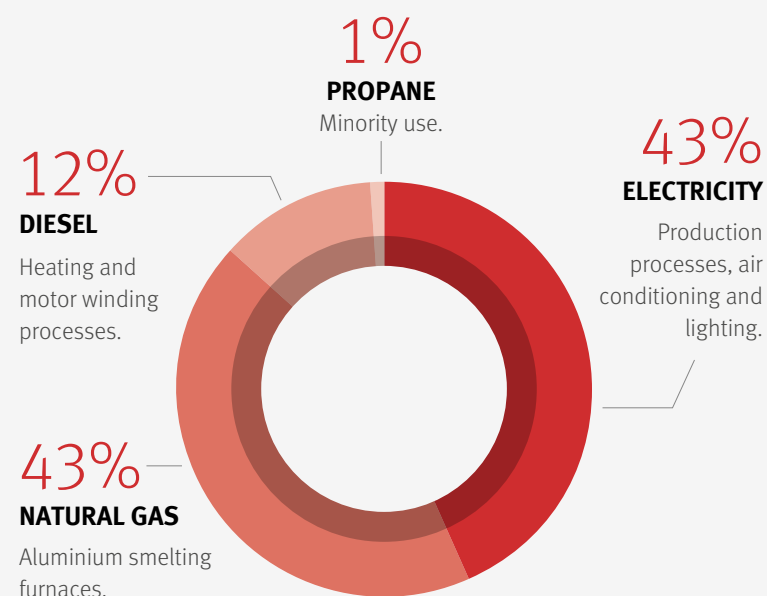


04 Eco-efficiency and responsible waste management



Energy consumption

In 2024, the Group's energy consumption was distributed as follows:

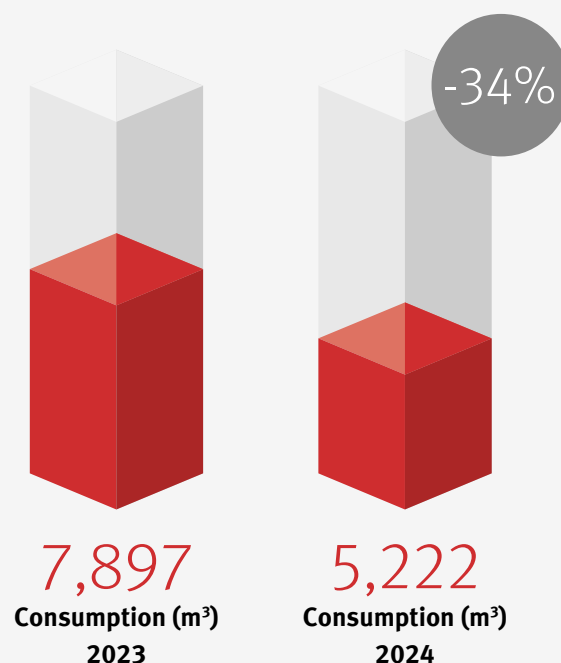


Concept	Consumption (kWh) 2023	Consumption (kWh) 2024	% Variation
Natural Gas	1,641,569	1,951,087	19%
Electricity	1,889,910	1,953,208	3%
Diesel	499,727	560,966	12%
Propane	25,766	26,540	3%
Other	428	512	20%

Water consumption

In the context of the extreme drought that affected Catalonia, we have reinforced our water efficiency measures, despite the fact that this resource does not play a central role in our production processes.

100% of the water we use comes from the public water supply, and our operations are designed to avoid any discharge that could affect aquifers or groundwater. In addition, regular controls are implemented to ensure that the water environment is not polluted.



The data show that even with a higher operational load, water use has decreased, generating no additional pressures on the environment.

On World Water Day, we launched awareness campaigns to promote responsible water use.



04 Climate change



GTE Group is active in the fight against climate change, implementing mitigation and adaptation measures. In 2024, we calculated our greenhouse gas (GHG) emissions, taking into account energy, gas, diesel, transport and business travel.

In 2024, GTE Group has strengthened its commitment to climate sustainability by taking action along the following lines:

- Progressive reduction of direct and indirect emissions through more efficient management of energy resources.
- Incorporation of climate criteria in operational and investment decision-making.
- Internal awareness-raising on responsible habits.

For the calculation of greenhouse gas (GHG) emissions in 2024, the following sources have been considered:

- Energy consumption (electricity and gas).
- Diesel consumption in industrial processes and vehicle fleet.
- Emissions associated with business travel.

The estimated results of the GHG inventory for the Group's workplaces are detailed below:

Carbon footprint (tn of CO₂ eq)

	2023	2024	% Variation
Scope 1 (direct emissions)	865	781	-10%
Scope 2 (indirect emissions)	111	100	-10%
TOTAL	976	881	-10%

Improvement actions in 2024

- Replacement of halogen lights with LEDs in warehouses.
- Recycling culture and proper disposal of electronic waste.
- Encouragement of teleworking and reduction of travel where possible.
- Participation in international conventions on sustainability.
- Replacement of HVAC equipment with more efficient equipment.

Short and medium-term objectives

- **Hybrid and electric vehicles:** Prioritise their acquisition.
- **Renewable energy:** Installation of solar panels to reduce emissions.
- **Ecodesign:** Development of products with lower energy consumption and higher efficiency.
- **Training:** Environmental awareness-raising for employees.
- **Supply chain optimisation:** Reduction of costs and emissions.
- **Digitisation:** Virtualisation of servers to optimise energy consumption.
- **Infrastructure:** Removal and upgrading of asbestos cement roofs.

With these actions, we reinforce our commitment to sustainability and continuous improvement in the Group's environmental management.

05

Ethics and transparency

05 Good governance



At GTE Group, we understand that sound business management is not just about compliance, but about building a culture based on integrity, consistency and accountability. We therefore promote an environment where ethical behaviour and respect for people are embedded in the way we operate, lead and make decisions.

Beyond formal principles, we promote a way of working that prioritises active listening, transparency in relations with our stakeholders and a firm commitment to the personal and professional development of our teams. This vision allows us to build long-term trust and consolidate relationships based on mutual respect and fairness.

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 course of their activities, regardless of their hierarchical level, geographical location or function. 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 Focus.**
- **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.**
- **Anti-corruption and bribery efforts.**
- **Prevention of money laundering.**
- **Respect for the environment and regional planning.**
- **Continuous improvement.**

Respect for human rights

ARTICLE 3.8.

GTE Group expresses its commitment and connection with human rights recognised in national and international legislation. In particular, GTE Group declares its total rejection of child labour, forced or compulsory labour and any form of modern slavery, ensures and promotes the elimination of this type of situation in its supply chain, and 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, and furthermore promotes open dialogue that integrates different cultural frameworks.

05 Good governance



Anti-corruption and bribery efforts

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.

To that end, GTE Group expressly prohibits any practice that seeks to influence the will of third parties through illegal acts or unethical practices in order to obtain any advantage or benefit within the market, or in public or private contracts.

ARTICLE 6.3.

GTE Group's executives and employees must not, either directly or through third parties, offer, grant, request, or accept any undue advantages or benefits based on unlawful acts that could result in a gain – whether current or future – for GTE Group, themselves, or any third party. Furthermore, no money may be received personally from customers or suppliers, even in the form of a loan or advance.

Combating money laundering

At GTE Group we take a firm and proactive stance against any risk associated with the misuse of the financial system. Aware of the responsibility of operating in a global environment, we implement control measures to ensure that our activities are not linked in any way, either directly or indirectly, to operations related to money laundering or the financing of terrorism.

To this end, we apply rigorous criteria when evaluating and selecting our business partners, ensuring adequate traceability and verification of their legitimacy. We also adopt internal policies that restrict the use of cash and ensure strict documentary control of all transactions, thus contributing to a secure, ethical and legally compliant business environment.

Data protection and intellectual property

At GTE Group, the protection of confidential information is an essential principle that is part of our corporate culture and responsible management practices. Unless expressly authorised by the Management or required to do so by law, no member of the team may disclose sensitive data relating to the company or its partners; this includes any and all technical developments, product specifications, and strategic or unpublished financial information.

Similarly, all staff undertake to respect the confidentiality of information obtained from previous professional experience, avoiding any inappropriate use that could infringe the rights of third parties.

Where the nature of a collaboration so requires, specific confidentiality agreements will be formalised to ensure the protection, appropriate use and security of shared data.

GTE Group strictly complies with data protection regulations, in particular Regulation (EU) 2016/679 (GDPR) and Organic Law 3/2018 within a Spanish context. In the other countries in which we operate, local legal provisions apply and we always adopt the highest standards of data privacy and security.

05 Good governance



Compliance Committee

GTE Group has a *Compliance* Committee, which is entrusted with the following responsibilities:

- Promote awareness, understanding and compliance with the Code of Ethics, supporting appropriate training and communication initiatives in line with principles of cooperation and engagement with stakeholders.
- Provide binding interpretations of the Code of Ethics and respond to any queries or concerns submitted.
- Oversee the investigation and verification of reported breaches, and issue appropriate rulings on the cases processed.
- Annually assess the level of compliance with the Code of Ethics and report to the relevant governing bodies.
- Approve procedures and protocols to ensure adherence to the Code of Ethics.

Employees can contact the Committee in complete confidentiality through the Ethics Channel or 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.



05 Responsible supply chain management



In 2024, we at GTE Group reaffirmed our commitment to a responsible and close sourcing model, aligned with our values of sustainability, efficiency and commitment to the environment.

Focusing on the territorial location of our supply chain not only strengthens the business fabric of our immediate environment, but also optimises resources and reduces our environmental footprint. This year, over half of our purchases were made from suppliers based in Catalonia, the region where our largest industrial capacity is concentrated.

This strategy allows us to work hand-in-hand with our local partners, generating shared knowledge, operational responsiveness and an enhanced capacity to adapt to market needs. For the GTE Group, investing in our local region is a tangible way of building industry with a positive impact.

The geographic distribution of our purchases in 2024 is shown below:

	2023	2024	Change
Catalonia	51%	50%	-1%
Spain	10%	6%	-4%
EEC	24%	24%	0%
NO EEC	14%	20%	6%

In 2024, we at GTE Group strengthened our procurement policy to ensure not only the quality of our products and services, but also the environmental friendliness, operational efficiency and sustainability of our entire value chain.

Our sourcing model is based on a holistic approach, combining technical excellence, responsible collaboration and commitment to today's social and environmental challenges. In this regard, we have focused our efforts on:

- Fostering relationships of trust and continuous improvement with our suppliers, generating synergies that allow us to evolve together in terms of quality, efficiency and sustainability.
- Guaranteeing strict compliance with technical and quality requirements, supervised by our Quality Department, to ensure excellence at every stage of supply.
- Anticipating market dynamics, identifying trends and price fluctuations to optimise our costs and minimise risks associated with raw materials.
- Promoting ethical, sustainable and secure supply chains, aligned with the following principles:
 - **Environment:** We prioritise recyclable raw materials, local suppliers and the responsible use of resources, with the aim of reducing environmental impact and unnecessary waste.
 - **Occupational health and safety** We insist upon safe working conditions, both in our own facilities and in those of our supply partners.
 - **Human rights and diversity:** We reinforce our commitment to respect the dignity of all people, and we expect our employees to share these values.

Looking ahead to 2025, we will continue to deepen our assessment and improvement of social and environmental sustainability across our supply network as an essential part of our commitment to responsible development.

05 Responsible supply chain management



Commitment to society

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 2024:

- **Participation in the ONCOTRAIL solidarity race.**
- **Collaboration with Josep Brugulat Secondary School, providing training sessions for pupils.**
- **Delivery of pumps to regions hit by torrential rain and flooding (DANA)**

Local development

At GTE Group we believe in the value of making a positive impact beyond our industrial activity. That is why we work actively to strengthen the economic and social fabric of our immediate environment.

In a social context, we cultivate partnerships with schools and universities in the region, providing practical training opportunities for talented youngsters. Through these programmes, we not only contribute to their professional development, but also open doors to new ideas and perspectives in our organisation.

In economic and environmental terms, we are firmly committed to local suppliers. This strategic choice allows us to reduce our logistics footprint, gain operational agility and foster a more resilient and connected industrial ecosystem. By networking with local companies, we generate collaborative relationships that boost collective competitiveness and reinforce the sustainable development of the territory.



06

Basis for the formulation of the Non- Financial Information Statement

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



The Group includes the non-financial information based on the requirements of Law 11/2028 of 28 December, on non-financial information and diversity, in the 2024 Non-Financial Information Statement of INDUSTRIAS AUXILIARES GTE GROUP, SL and subsidiaries, which is included as an annex to the Group's 2024 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 issued annually (GRI 2-3), and in this instance covers the financial year 2024 and the activities of INDUSTRIAS AUXILIARES GTE GROUP, SL and its subsidiaries.

In this context, through the Non-Financial Information Statement, 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 II.



06 Materiality



At GTE Group, we understand that sustainable management must be aligned with the genuine expectations and concerns of those who interact with or are affected by our activities. For this reason, in 2024 we promoted an internal analysis and reflection exercise with the aim of identifying the social, environmental and governance issues that are the most relevant to both the organisation and our stakeholders.

This process was articulated through participatory sessions with various strategic areas of the Group, including the commercial and industrial divisions, as well as corporate services, including human resources, finance and digital transformation, ensuring a broad, cross-cutting and representative view of our operations and priorities.

Thanks to this approach, we have been able to identify the issues that generate the greatest impact or concern, allowing us to focus our efforts on those areas where we can generate real and lasting value. This prioritisation guides our decision-making, focuses our actions in the short and medium term and strengthens our responsiveness to common challenges.

The results of this materiality analysis for the 2024 financial year are set out below:

Relevancia para los grupos de interés



Impacto en la organización

- 1 Eco-efficient products
- 2 Responsible supplier selection
- 3 Energy consumption, water and emissions
- 4 Waste management
- 5 Use of raw materials
- 6 Reconciling work and family life
- 7 Quality of employment

- 8 Occupational health and safety
- 9 Diversity, equality and inclusion
- 10 Attracting, training and retaining talent
- 11 Human rights
- 12 Positive impact on society
- 13 Promoting the local economy
- 14 Cybersecurity

- 15 Product quality
- 16 Intellectual property
- 17 Innovation
- 18 Service and Customer Care
- 19 Corporate responsibility and regulations
- 20 Transparency and traceability of the value chain

- Environmental
- Social
- Governance

07

Tax information

07 Tax information



Profits made by country and profit taxes paid

Country	2023		2024	
	Benefits obtained	Corporate income tax	Benefits obtained	Corporate income tax
Spain	€1,400,000	€440,900	€2,098,600	€478,600
France	€155,900	€132,200	–€212,100	€95,900
Argentina	€862,800	€273,500	€354,700	–€176,500
India	–€45,900	€11,200	–€123,400	–€27,900
Chile	€61,800	€30,000	–€53,900	€0
Hong Kong	–€158,400	€0	–€171,600	€0
United Kingdom	–€43,900	€0	–€85,900	€0
Italy	–€46,300	€0	€37,600	€5,900
China	€251,600	€12,700	€319,200	€8,200
United Arab Emirates	€254,000	€0	€312,800	€0
Germany	–€211,300	€0	€78,200	€0
TOTAL	€2,480,300	€900,500	€2,554,000	€384,200

Economic value generated and distributed

Key figures:

Balance	2023	2024
Non-current assets	€47,649,800	€50,711,400
Current assets	€35,956,800	€36,628,500
Net equity	€29,474,200	€31,321,600
Non-current liabilities	€23,255,200	€23,016,800
Current liabilities	€30,877,200	€33,001,500
Income statement	2023	2024
Turnover	€83,461,500	€88,212,600
Operating profit	€3,789,300	€3,995,100
Financial expenses	€1,300,600	€1,847,300
Profit before tax	€2,480,300	€2,554,000
Net profit for the year	€1,579,700	€2,169,800

Information on public subsidies received

Public grants received	2023	2024
Activity	-56,798.17	-11,350.39
Training	-3,807.00	-
Energy	-937.58	-
Investment	-76,729.11	-9,897.00

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 GTE Group, an operation that facilitated a significant step towards meeting its foundational goals.

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 the 2023 report is comparable with the data of ESPA 2025, S.L. and its subsidiaries and includes the integration of Baico Pumps, SL (July 2024) and Banyoles Color, SL (August 2024). This year's report is comparable with the report presented in 2023.



ANNEX I Group companies



Subsidiaries

The subsidiaries included in this report, that form part of the consolidated group, are as follows:

Company	Address	Activity
› INDUSTRIAS AUXILIARES GTE GROUP, SL	Spain	Holding company
› 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
› BANYOLES COLOR, SLU	Spain	Rental of premises
› BAICO PUMPS, SLU	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
› DGC. ESPA DIRECCION, GESTION Y CONTROL, SL	Spain	Non-operational

ANNEX II Distribution of staff



Average annual employment contract types

Type of contract	2023	2024
Permanent	374	407
Complete	361	397
Partial	8	5
Discontinuous Fixed-Term	5	5
Temporary	18	23
Internships	3	3
Partial	15	19
Complete		1
TOTAL	392	430

Average annual employment contract types by age groups

Age groups	2023				2024			
	Women	Men	Total	%	Women	Men	Total	%
< 35	29	57	86	20%	35	69	104	24%
Permanent	29	51	80	19%	35	65	100	23%
Complete	26	49	75	17%	32	63	95	22%
Partial	2		2	0%	2		2	0%
Discontinuous Fixed-Term	1	2	3	1%	1	2	3	1%
Temporary	0	6	6	1%	0	4	4	1%
Internships		3	3	1%		2	2	0%
Internships			0	0%		1	1	0%
Partial		3	3	1%		1	1	0%
35-50	73	99	172	40%	74	103	177	41%
Permanent	73	99	172	40%	74	102	176	41%
Complete	67	98	165	38%	70	101	171	40%
Partial	5		5	1%	2	1	3	1%
Discontinuous Fixed-Term	1	1	2	0%	2		2	0%
Temporary		0	0	0%		1	1	0%
Internships			0	0%		1	1	0%
> 50	60	74	134	31%	62	87	149	35%
Permanent	51	71	122	28%	52	79	131	30%
Complete	51	71	122	28%	52	79	131	30%
Temporary	9	3	12	3%	10	8	18	4%
Partial	9	3	12	3%	10	8	18	4%
TOTAL	162	230	392	91%	171	259	430	100%

ANNEX II Distribution of staff



Average annual average employment contract types and age groups

Contract type	2023			2024		
	Women	Men	Total	Women	Men	Total
Permanent	153	221	374	161	246	407
Complete	144	217	361	154	243	397
Administration	49	22	71	63	32	95
Management		8	8		9	9
Production	76	130	206	78	126	204
Professional	16	34	50	8	41	49
Technical	3	23	26	5	35	40
Partial	7	1	8	4	1	5
Administration	3		3	3		3
Management		1	1			0
Production	3		3	1	1	2
Professional	1		1			0
Discontinuous Fixed-Term	2	3	5	3	2	5
Production	2	3	5	3	2	5
Temporary	9	9	18	10	13	23
Internships	0	3	3	0	3	3
Administration		2	2			0
Production		1	1		3	3
Complete	0	0	0	0	1	1
Technical			0		1	1
Partial	9	6	15	10	9	19
Administration			0		1	1
Production	9	5	14	10	7	17
Professional		1				
Technical			0		1	1
TOTAL	162	230	392	171	259	430



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



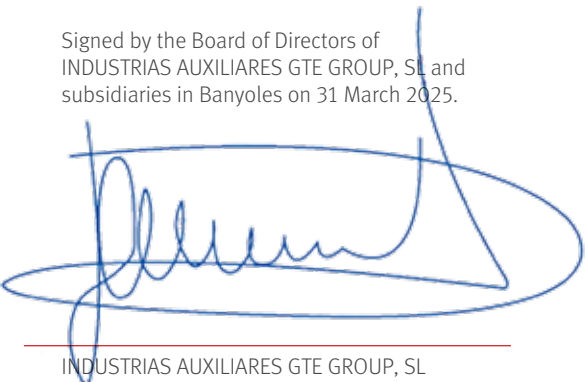
Scope	Contents	GRI Standard	Page
Business model	Business model description	2-1, 2-9	09
	Geographical presence	2-6	15
	Organisational objectives and strategies	2-22	19
	The main factors and trends that may affect its future evolution.	No GRI	21
General information	Company policies	2-23, 2-24	27-32, 34-39
	Reporting framework used	1-3	52
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	28
	Master's	2-7, 2-19, 201-3, 405-2	29
	Organisation of work	No GRI	35
	Health and safety	403-1, 403-2, 403-2, 403-3, 403-5	37
	Social Relationships	2-29, 403-1, 403-4	35
	Training	404-1, 404-2	31
	Accessibility	405-1	32
	Equality	406-1, 405-1	31
Environmental issues	General information: policies applied by the Company and the results thereof, as well as the main risks affecting the Company	3-3	38
	Environmental management	307-1, 308-2, 2-27	39
	Contamination	305-5	40
	Circular economy and waste prevention and management	2-22, 306-1, 306-2, 306-3	40
	Sustainable use of resources	303, 5, 301, 1, 302, 1, 302, 2, 302, 3, 302, 4	42
	Climate change	201-2, 305-1, 305-2, 305-3, 305-4, 305-5, 201-2	43
	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	46
	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	46
	Complaints of human rights violations	419-1, 406-1, 414-1	46
	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	46
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	47
	Measures to prevent corruption and bribery	205-1	47
	Measures to combat money laundering	205-2	46
	Contributions to foundations and non-profit organisations	201-1	50
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	50
	The company's commitment to sustainable development	413-1, 413-2, 2-28	50
	Subcontracting and suppliers	308-1, 414-1, 308-2, 414-2	49
	Consumers	416-1, 416-2	24
	Tax information	201-1, 201-4	55



Gràcies per
ser part de
la història
d'ESPA.

Convenció Anual, juliol 2024 - Girona

Signed by the Board of Directors of
INDUSTRIAS AUXILIARES GTE GROUP, SL and
subsidiaries in Banyoles on 31 March 2025.



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

**INDUSTRIAS AUXILIARES
GTE GROUP, SL.**

hello@espa.com
www.espa.com

