

# Sustainability Report

## 2023



***Ingeteam***

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# Letter from the CEO



**Adolfo Rebollo Gómez**  
CEO

## **INNOVATION AS A LEVER TO ACHIEVE SUSTAINABILITY**

Our people, improving management practices and our customers are, repeatedly, the three pillars on which we rely to ensure Ingeteam is a sustainable and profitable enterprise for the benefit of all.

Consequently, one of the objectives of the 2022-204 Strategic Plan involved generating internal synergies to revalidate our company's commitment to well-being, economic and technological development and the environment.

In this sense, 2023 entailed the consolidation of the integration of principles of sustainability, both in the company's strategy and corporate culture.

Our success and growth are linked to the well-being of our people and the planet we inhabit, via the electrification of society, the generation of clean energy and our commitment to safe and efficient electricity transmission, distribution and consumption.

The SDGs provided us with a global framework that enables us to identify areas where we can contribute to sustainable development, but at Ingeteam we go further than a declaration of intent. Our economic, social and environmental impact is perfectly aligned with a policy of minimising waste and maximising the efficient use of resources.

Moreover, we have accepted the challenge of applying Environmental, Social, and Governance (ESG) criteria to their full extent. ESG criteria that we have focussed a large part of our work on in 2023. And we will continue to work along these lines.

There is no planet B. The energy transition requires a response to global warming and companies have a huge responsibility to adapt our internal policies and do whatever it takes to leave a more habitable world for future generations.

Innovation is the lever that drives environmental change within our organisation. That is why we have orientated our governance process using a model that enables us to meet the challenges posed by the energy transition. A process we apply to every market in which we operate and one that is nurtured by the initiatives of our personnel, thereby generating involvement and a sense of belonging that have enabled us to get to where we are today.

We have cleared the way for more than 50 years and I am aware that we still have a long way to go to achieve excellence in terms of the environmental and sustainable performance of our activity.

Being recognised in the sector and society as a whole as a company that sets the benchmark, one that is committed to international standards in terms of SDG environmental management is an ambitious goal and one that requires a far-reaching strategy.

I am counting on every member of this great family to do so.

# Introduction

The contribution to the decarbonization of society and the energy transformation, towards an increasingly electrified society, are the basis of our project.

The Project's technological foundation is comprised of the company's three fundamental technology vectors: rotating electrical machines, power electronics and automation and control. Ingeteam also provides innovative solutions for operation and maintenance, an increasingly important field in sectors concerned with renewables.

In this Strategic Plan, Ingeteam has aligned its strategic goals with the Sustainable Development Goals of the 2030 Agenda and sought to make the company's project sustainable on three fronts: social, economic and environmental.

- Social, obliging us to create value for all our stakeholders, and in particular for our people, by offering opportunities for development in safe, healthy working environments.
- Financial, obliging us to attain sufficient yield to assure future growth.
- Environmental, which requires us to develop products, systems and services that help respect the environment.

The contents of this document are as follows:

## **GRI 102. General Disclosures**

This section describes the company's position in regard to the following:

- Profile of the organisation
- Structure
- Ethics & Integrity
- Governance
- Stakeholder engagement
- Reporting practices

## **GRI 200. Economic Disclosures**

This section examines the following areas:

- Economic performance
- Market presence
- Indirect economic impacts
- Procurement practices
- Anti-corruption
- Anti-competitive behaviour

## **GRI 300. Environmental Disclosures**

This section describes the impacts of the company's operations on the environment, specifically in regard to the following:

- Materials
- Energy

- Water
- Biodiversity
- Emissions
- Effluents & waste
- Environmental compliance
- Environmental assessment of suppliers

## **GRI 400. Social Disclosures**

This last section examines the aspects of the company's operations that directly affect its people, its suppliers and the communities in which it works:

- Employment
- Employee-employer relations
- Occupational health & safety
- Training & education
- Diversity & equal opportunities
- Non-discrimination
- Human rights

# GRI 102 About Us

## PROFILE OF THE COMPANY

### 102-1 NAME OF THE ORGANISATION

This report relates to Ingeteam Group.

### 102-2 ACTIVITIES, BRANDS, PRODUCTS & SERVICES

We are Ingeteam, a team of more than 5,000 people present in 24 countries, convinced that there is a different way to generate, transport, store and consume energy more efficiently and sustainably, on which we will be focussing all our efforts in the coming years. And how will we achieve this? By electrifying society innovatively and sustainably using our specialist cutting-edge electrical energy conversion technology, and our more than 80 years of experience in providing creative solutions to specific problems.

We want to consolidate our position as a leader in renewable generation (wind, solar, and hydroelectric), storage, the intelligent transport network and the efficient and clean consumption of electrical energy via our electric vehicle chargers, generators and motors for traction, marine, steel, mining and green hydrogen production and submersible water pumps and motors.

To date we have already delivered 30 GW of solar PV capacity with our solar inverters and more than 80 GW of Indar inverters and generators to the wind industry. We have installed 11 GW of total power in the hydropower sector with our Indar generators and more than 12,000 Indar submersible pumps worldwide. More than 10,000 electrical substations are automated with our equipment. We have also accumulated 3 GWh in electrical storage facilities and are a world leader in the provision of operation and maintenance services at renewable energy plants with more than 22 GW of maintained capacity.

In terms of efficient consumption, it is worth noting that over 28,000 electric vehicle chargers, 800 electric trains, and more than 700 electric ships have been equipped with our technology and equipment, enabling their evolution towards hybrid and full electric naval propulsion systems.

At Ingeteam we are doers, we are capable of providing creative responses to specific and complex problems, and prepared for the transition towards a world of clean energy production via the electrification of society.

The 2022-2024 Strategic Plan introduces the reorganisation of the business units in terms of their market perspective. The activity of each unit will remain the same, although the way of addressing the market will have an eminently sectoral focus, aligning the technological capabilities of the company in a single strategy aimed at globally satisfying the needs of each sector in which we are active. From a structural perspective, Ingeteam's activity is supported by 3 technological segments:

- Machines
- Converters and Controls
- Services

Develops its solutions in the following 7 sectors:

- Hydro
- Water
- Railway & Mobility
- Marine, Metals & Mining
- Wind Energy
- Solar PV, BESS & Green H2

- Transmission & Distribution

In each as follows:

### **Hydro**

Design and manufacture of equipment and systems for hydroelectric power plants, from Indar electric generators to control and automation systems, including frequency converters for variable speed applications. Ingeteam executes projects and provides supplies adapted to the specific needs of each power plant, both for new build hydroelectric power plants and for the modernisation of existing plants. We also provide O&M services for hydroelectric power plants.

### **Water**

Indar submersible pumping units and variable frequency drives and electrical engineering and automation, delivering pumping solutions with power ratings of up to 6.5 MW applied to drinking water supplies, offshore rigs, mining, hydroelectric plants and waste water and clean water pumping stations. Variable frequency drives and electrical engineering & automation.

### **Railway & Mobility**

Variable frequency drives and on-board traction drives, and integrated electric powertrain solutions also including transformers and batteries, train control and management systems (TCMS), control of auxiliary systems (HVAC, WC, door control, etc.), monitoring systems for vibrations, thermal and electrical variables, and systems for braking energy recovery through traction substations.

### **Marine, Metals & Mining**

- Marine & Ports: Variable frequency drives, electric motors and generators for



propulsion (main and auxiliary), integrated power plant solutions including transformers, electrical enclosures, batteries, automation systems and Power Management Systems on ships in the Offshore (Supply and Heavy Offshore), ferry, cruise ship, dredger, tugboat, research vessel (being specialists in silencers), etc. segments. In addition, we develop OPS (cold ironing) power supply system solutions for ships at berth.

- **Metals:** Advanced system automation with Industry 4.0 technology, comprehensive electrical project management, project management, detail engineering, manufacturing & supply of electrical equipment including variable frequency drives & motors or generators, electrical installations, systems automation, commissioning, SAT training & maintenance. Provision of Grid Power Quality solutions for large consumers.
- **Mining:** Extensive variety of solutions for mining and mineral processing, developing applications for new installations as well as for the refurbishment and expansion of existing ones, covering the entire production process, from the extraction of the material, its processing, to transport and delivery.

### **Wind Energy**

Full and doubly-fed (with induction generator) power converters; Indar asynchronous doubly-fed, squirrel-cage and permanent magnet synchronous generators; electric switchboards; Condition Monitoring Systems (CMS); SCADA and analysis systems; and operation and maintenance (O&M) services with a multi-technology and multi-brand scope for wind turbines up to 18 MW for onshore and offshore applications.

### **Solar PV, BESS & Green H2**

- **Solar PV:** String inverters for domestic, industrial and utility-scale applications

and central inverters for utility-scale applications, including Power Station with Medium Voltage output up to 7,500 kVA Power Plant Controller for plant control and photovoltaic plant O&M services.

- **BESS:** Battery or supercapacitor inverters, including Power Stations with Medium Voltage output up to 7,500kVA, Energy Management Systems to manage the installation, Smart SCADA and O&M services.
- **Green H2:** Ingeteam has recently promoted the creation of a new H2 Business Unit offering Power Electronics and Control solutions in the field of “green” hydrogen generation.

### **Transmission & Distribution**

- **Power Grid Automation:** Substation automation, control systems and power grid protection.
- **Power Systems Converters:** Power converter-based solutions for power quality improvements, continuity of supply, reactive power compensation, voltage/power factor control, grid code compliance, active power management and frequency regulation systems, power flow control systems or grid interconnection solutions.
- **Power Systems Machines:** Synchronous compensator-based solutions for grid stability, inertia, short-circuit power and voltage control.
- **Electric Vehicle Chargers:** DC and AC, ultra-rapid (up to 400 kW), rapid (up to 100 kW), semi-rapid (up to 22 kW) and domestic charging systems for electric vehicles.

### **Flexible Power Generation**

Indar synchronous generators and control systems are driven by high-efficiency

thermal motors (diesel, gas or dual).

### **Power Plants Services**

Services at thermoelectric generation plants: solar thermal, biomass and biogas..

### **Automation Devices**

Development of real-time industrial controllers, as well as equipment and SW tools for monitoring and preventive diagnosis aimed at the predictive maintenance of plants, processes and machinery.

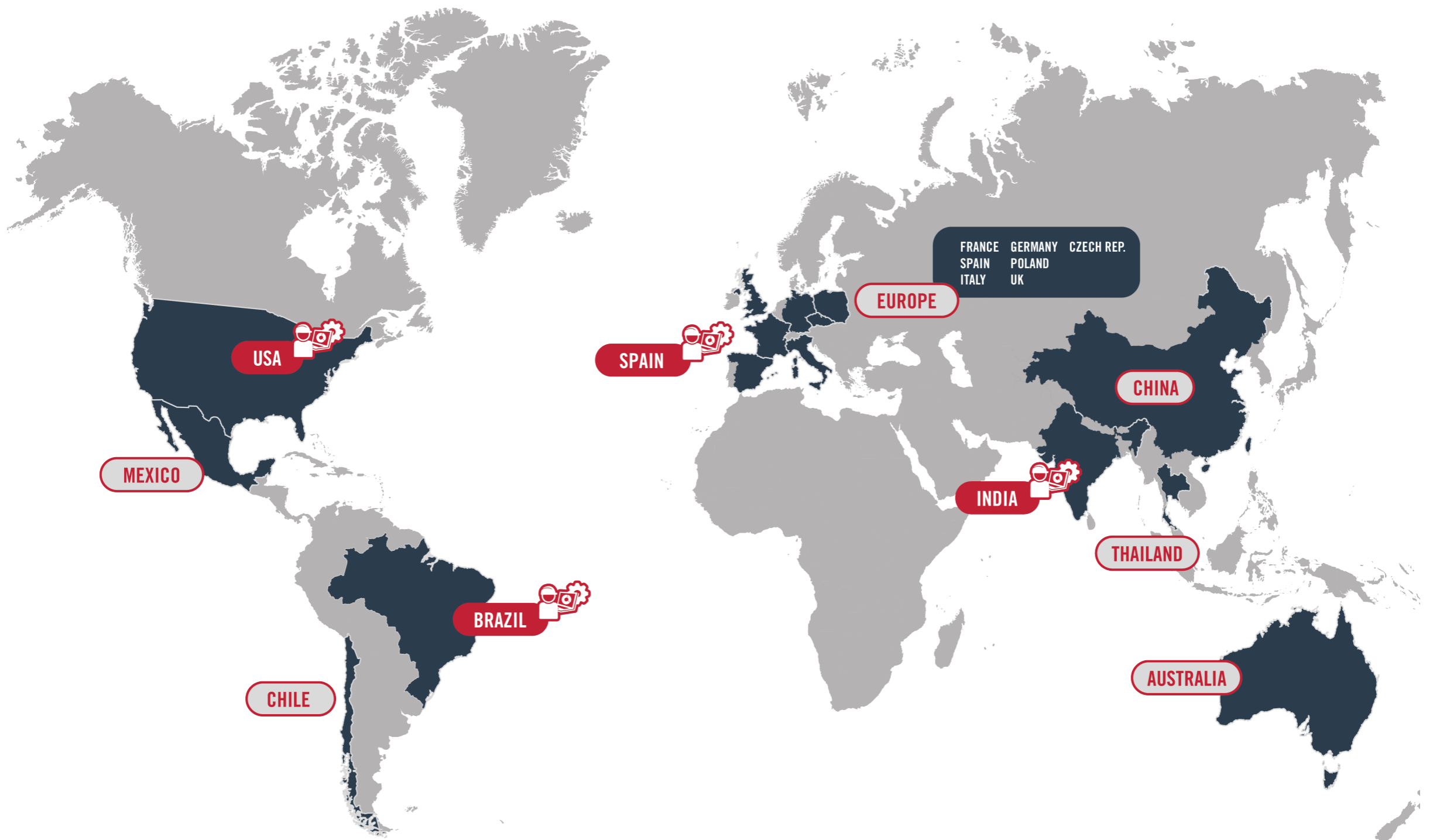
### 102-3 LOCATION OF HEAD QUARTERS

Ingeteam S.A. is based on the Bizkaia Technology Park in Zamudio, near Bilbao.

### 102-4 LOCATION OF OPERATIONS

We currently have production plants in Spain, the USA, Brazil, the Czech Republic and India. In addition to our production sites, we also have subsidiaries at the following locations:

- Europe: Czech Republic, France, Germany, Italy, Poland and the United Kingdom.
- America: Brazil, Chile, Mexico and USA.
- Africa, Asia & Oceania: Australia, China, Thailand and India.



## 102-5 OWNERSHIP AND LEGAL FORM

Ingeteam is the holding company and is constituted as a public limited company [Sociedad Anónima]. Its main shareholders are:

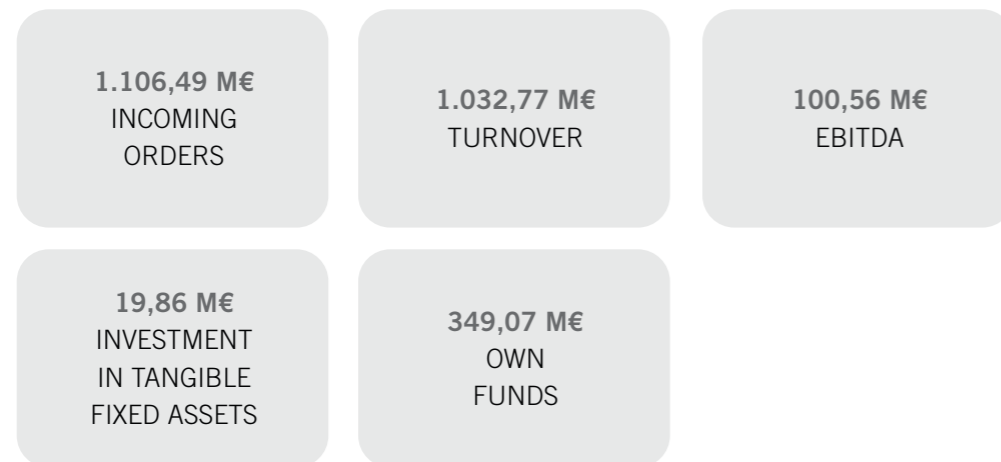
Kutxabank, S.A.	12.86%
Ingeteam, S.A. (treasury stock)	19.12%
Other shareholders	68.02%

## 102-6 MARKETS SERVED

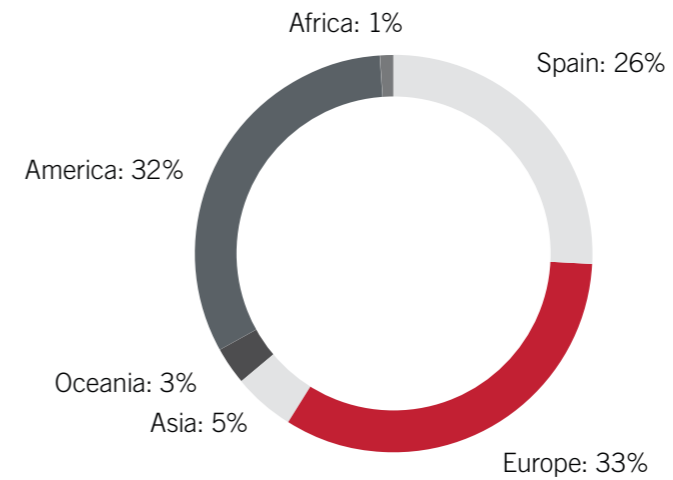
The commercial interest of the companies that make up Ingeteam is global, without geographical restriction. The sectors and customers that we serve are listed in section 102-2 above.

## 102-7 SCALE OF THE ORGANISATION

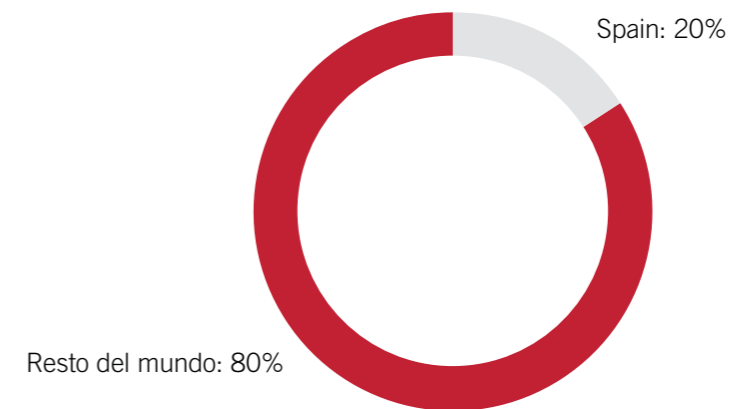
The company's turnover in 2023 was €1,032.77 million, with more than 5% of that figure given over to R&D&i. The main financial figures at the close of financial year 2023 are as follows:



The company's worldwide turnover by country/continent is as follows:



And the final destinations of its products/services break down as follows:



## 102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS

Ingeteam complies diligently with all labour and employment legislation in force in all the countries where its various headquarters or work centres are located.

During the year 2023, an average of 4,841.5 theoretical personnel has been reached, although the year is closed with a real final staff of 4,977 people (AURA platform reporting source, specific reporting tool for non-financial indicators linked to Personas that will be the basis for those 2022 data provided in this report.

Compared to the previous year, as indicated in the evolution tables, this year 2023 saw a significant increase in the average workforce of 365.5 theoretical personnel, representing +8.2%. This increase in staff is due to the Strategic Plan of Ingeteam 2022-2024, which includes and develops strategic projects and businesses that involve an increase in staff.

As regards the actual final staff figures at the end of the financial year, there was also an increase in the number of employees of 295 people in the workforce, which represents a percentage increase of 6.3% compared with the end of the financial year 2022. The trend in recent years is marked by a sustained increase year by year although in 2023 the increase is slowed down with a reduction of 6.5 points compared to that growth reference of 2022 with respect to 2021.

#### Employment and organisational indicators

	2023	2022
<b>Average number of employees</b>	4,841,5 (+8,2%)	4,476 (+9.6%)
<b>Number of employees at year-end</b>	4,977 (+6,3%)	4,682 (+12.8%)

In terms of the distribution of the average workforce between the sexes, 80.9% are men and 19.1% are women, compared to 81.2% men and 18.8% women in 2022.

The evolution of this distribution with respect to previous years, shown in the attached table, reflects the sustained increase of the average 2023 workforce of

women with respect to the average total increase of the Ingeteam 2023 workforce in the previous table by +8.2%, which has meant in absolute terms, an increase in the average female workforce in 80.9 women (+9,6%), compared to the increase in the male workforce established at 284.6 men (+7.8%).

Average number of employees by gender	2023		2022	
	Nº	%	Nº	%
<b>Men</b>	3,917.1	80.9	3,632.5	81.2
<b>Woman</b>	924.4	19.1	843,5	18.8
<b>TOTAL</b>	4,841.5	100	4,476	100

The average age of our staff is 8.1 years (slight decrease over the 8.7 years of 2022), with an average age of 42.77 years, an average age that increases by 2.23 years compared to the previous year as a result of the slower addition of new people to the workforce, these being on average younger, no longer have direct impact on the global average age of Ingeteam.

	2023	2022
<b>General average age</b>	42.77 (+2.23)	40.54
<b>Female average age</b>	42.71 (+2)	40.71
<b>Male average age</b>	43.03 (+3.13)	39.89

By gender, the average age of men and women differs by about 0.58 year. in favour of the female group, being 7.99 in them and 8.57 in them respectively; the average age in women is 40.03 years, and in men 42.71 years, with a similar difference of 0.32 average year older in the male group. This determines an average profile of younger and older women although the differences are not very significant.

The average workforce by age brackets in 2023 is distributed as follows, both in Spain and the other countries where Ingeteam is present:

Age bracket	2023	2022	Spain 2023	Spain 2022	Other coun- tr. 2023	Other coun- tr. 2022
<b>&lt;30 years</b>	1,091.17 (22.54%)	1,055.6 (23.58%)	659.45 (18.52%)	619.7 (19.26%)	431.72 (33.7%)	435.9 (34.6%)
<b>30-50 years</b>	3,107.19 (64.18%)	2,909.9 (65.01%)	2,366.83 (66.45%)	2,208 (68.63%)	740.36 (57.8%)	701.9 (55.8%)
<b>&gt;50 years</b>	643.19 (13.28%)	510.5 (11.42%)	535.34 (15.03%)	389.5 (12,26%)	107.85 (8.4%)	121 (9.6%)
<b>Total</b>	4,841,5	4,476	3,561.6	3,217.2	1,279.9	1,258.8

The average workforce by age brackets in 2023 of the “Other countries” segment, broken down by the 6 Ingeteam subsidiaries that contribute the most to the total workforce, is distributed as follows:

Age bracket	MEX 2023	MEX 2022	USA 2023	USA 2022	BRAZIL 2023	BRAZIL 2022	CZECH REP. 2023	CZECH REP. 2022
<b>&lt;30 years</b>	122.35 49.5%	136.05 51.4%	24.27 24.86%	25.86 22.1%	55.14 8.18%	66.24 34.9%	24.69 0.49%	22.59 18.9%
<b>30-50 years</b>	122.19 49.44%	123.93 46.8%	49.44 50.65%	56.6 48.5%	134.64 68.81%	117.8 62%	64.47 53.5%	69.23 58%
<b>&gt;50 years</b>	2.61 1.06%	4.34 1.8%	23.9 24.49%	34.15 29.4%	5.88 3.1%	5.89 3.1%	31.35 6.01%	27.56 23.1%
<b>Total</b>	247.15	264.32	97.61	116.61	190.02	190.02	120.51	119.38

Age bracket	INDIA 2023	INDIA 2022	CHILE 2023	CHILE 2022	UK 2023	UK 2022	ITALIA 2023	ITALIA 2022
<b>&lt;30 years</b>	25.01 35.27%	28.65 3.21%	77 1.25%	53.48 39.3%	38.39 39.6%	40.44 43.1%	9.17 13.16%	7.45 11.69%
<b>30-50 years</b>	44.9 63.32%	36.65 5.28%	106.65 57.14%	79.01 58.1%	54.83 56.1%	51.1 54.5%	41.36 59.35%	40.14 62.97%
<b>&gt;50 years</b>	1 1.41%	1 2%	3 1.61%	3.4 2.6%	4.55 4.6%	2.15 2.4%	19.16 27.49%	16.15 25.24%
<b>Total</b>	70.91	66.3	186.65	135.89	97.77	93.69	69.69	63.74

Ingeteam Mexico, UK and Chile, are those branches with younger staff, serving a collective of <30 years around a range of 35-50%, compared to levels in Spain

and Czech Rep. for this age group of 13%.

Spain, and Brazil, followed by Czech Rep. and Chile are those countries where Ingeteam has a majority workforce in the 30-50 age group, standing around the range of 59-69% for these 4 countries; Mexico and the USA, manifest templates in this lower band at 49-50% approx.

Notably the USA subsidiary with a workforce of >50 years 27%, followed by the Czech Republic and the USA with 26% and 24.49%. Spain with about 15% and all of them very far from the current% for this age group in the other subsidiaries where the% are located in the 1-5% approx.

The final 2023 workforce by age bracket in % and its trend with respect to reports from previous years would be as follows:

Age bracket	2023	2022
<b>&lt;30 years</b>	22.54%	22.54%
<b>30-50 years</b>	64.18%	65.01%
<b>&gt;50 years</b>	13.28%	11.41%

Therefore, compared to the 2022 data, in general, under an overall analysis. The average workforce is slightly aging, with a decrease of 1 point in the <30 years group and almost 2 points in the >50 years group, which is reflected in the increase in the average age of the workforce by 2.23 years, as mentioned in the previous point.

	2023		2022	
<b>Average number of employees by country</b>	4,841.5	100%	4,476	100%
<b>Mexico</b>	247.15	5.1%	264	6%
<b>USA</b>	97.61	2.02%	116.61	3%
<b>Brazil</b>	195.66	4.04%	190.02	4%
<b>Czech Republic</b>	120.51	2.49%	119.38	3%
<b>India</b>	70.91	1.46%	66.3	1%
<b>Chile</b>	186.65	3.85%	135.89	3%
<b>Romania</b>	33	0.68%	24.83	1%
<b>UK</b>	97.77	2.02%	93.69	2%
<b>France</b>	44.37	0.92%	53.75	1%
<b>Italy</b>	69.69	1.44%	63.74	1%
<b>South Africa</b>	2.39	0.05%	10	0%
<b>Australia</b>	40.06	0.83%	40.19	1%
<b>Philippines</b>	1.01	0.02%	7.59	0%
<b>Bulgaria</b>	3.75	0.08%	10	0%
<b>Morocco</b>	12.88	0.27%	17.53	0%
<b>Panama</b>	17.99	0.37%	16.91	0%
<b>Uruguay</b>	4.83	0.1%	7.44	0%
<b>Poland</b>	6.18	0.13%	5.52	0%
<b>Germany</b>	2.62	0.05%	3.5	0%
<b>Vietnam</b>	16.98	0.35%	3	0%
<b>China</b>	7.92	0.16%	8.58	0%

Average workforce by job category and gender in 2023 and the trend compared to previous years:

	2023	2022
<b>Shop floor workers</b>	2,300.11 (47.51%)	2,120.15 (47.37%)
<b>Engineers</b>	1,228.7 (25.38%)	1,198.3 (26.77%)
<b>Administrative staff</b>	503.79 (10.41%)	498.7 (11.14%)
<b>Middle management</b>	520.7 (10.75%)	496.52 (11.09%)
<b>Management</b>	288.25 (5.95%)	162.32 (3.63%)
<b>TOTAL</b>	4,841.5 (100%)	4,476 (100%)

Compared to the previous year 2022, in 2023 the distribution by categories in total percentage terms remains at approximately the same levels although, with a remarkable rise in the Management group of 2.33% compared to the previous year, followed by a rise in the Technicians/Engineers/As collective of almost 1.4%.

The areas of activity defined in Ingeteam's Employee Management and Development Policy are as follows:

- Talent Attraction, Selection and Integration
- Internal Communication
- Identification, Development and Promotion of Potential. Performance evaluation
- HR Architecture and Organisation
- Equality, Diversity and Inclusion
- General Professional Development (Training)
- Compensation and benefits
- Industrial relations
- Organisational Development (Culture)
- Commitment and Pride of Belonging
- Work-life balance

## 102-9 SUPPLY CHAIN

As indicated in the Code of Conduct and the Code of Conduct for Suppliers, Ingeteam is committed to integrity, honesty and trust in all its business relationships, activities and conduct. It expects the same commitment from its suppliers and indeed all third parties it is linked to such as subcontractors, commercial agents, business partners, associated persons, consultants and similar, all of whom are

included under the general term “suppliers”.

The services and products provided by Ingeteam’s suppliers form an essential part of the value chain provided to customers, so they are required to comply strictly with legislation, with the same ethical principles on defence of human rights and integrity, prevention of corruption, protection of intellectual and industrial property rights, safety, health, environmental matters and conflict minerals.

Accordingly, Ingeteam has drawn up a specific Code of Conduct for Suppliers that details the requirements made of them in business dealings.

The supply chain is specific to each business, except for a few common areas that can be managed at corporate level, mainly in services: insurance, travel, company vehicles, etc.

Business units which work in production establish supply chains mainly on a local basis, backed up by many years of experience in supplier assessment.

## 102-10 SIGNIFICANT CHANGES TO THE ORGANISATION AND ITS SUPPLY CHAIN

The 2022-2024 Strategic Plan introduces the reorganisation of the business units in terms of their market perspective. The activity of each unit will remain the same, although the way of addressing the market will have an eminently sectoral focus.

It constitutes the roadmap that will take Ingeteam to the next level, achieving nearly €1bn in turnover. The company has implemented matrix management, with a customer-focused sector orientation, to drive sales of its full range of products, systems and services. It has complemented this sectoral organisation with 8 functional areas and 3 technological segments (electric machine, converters and

control, and services) that pursue an overall specialisation, the mainstreaming of best practices and internal efficiency. It has put in place ambitious investment plans to consolidate its position as a technological leader in the sectors in which it operates. The renewable energy market is set to grow rapidly in the coming years and with its new Strategic Plan Ingeteam aims to position itself as a key player in the energy transformation.

Ingeteam’s range of products, systems and services covers the growing electrification of society via its technological solutions, which enable more efficient and sustainable energy generation, transmission, storage and consumption.

The company is committed to an international, economically sustainable project to maintain its level of investment in facilities and R&D, and the creation of quality jobs, with a social and economic impact in the territories where it operates, without forgetting its roots.

In this context, Ingeteam plans to invest a total of €210m over the next three years, of which €140m will go to R&D and €70m to investment in new facilities and the improvement of existing ones. Specifically, it will invest in two selfconsumption photovoltaic facilities at its plants in Beasain (Gipuzkoa) and Sesma (Navarre). The first produces Indar brand marine engines and generators (which enable electrical energy to be generated from mechanical energy) for wind, marine, hydraulic and stationary power plants, as well as pumps. The second manufactures solar inverters (which make it possible to generate electricity that can be fed into the grid from solar panels), inverters for charging and discharging batteries used in storage projects, electric vehicle chargers, and wind turbine converters (which enable wind turbines to generate electricity that can be fed into the grid). It will also undergo expansion to accommodate growth in these areas. It also intends to invest in a new building in Navarre that will house a new



test laboratory and offices. Ingeteam will also upgrade capacity at its Milwaukee (USA) plant to make it more versatile and serve more domestic customers in more sectors.

#### 102-11 PRECAUTIONARY PRINCIPLE OR APPROACH

Ingeteam's operations are based on highly technological products and services. R&D is essential to the development of the company, and around 5% of its annual turnover is given over to it.

Every time Ingeteam starts a project for the development of a new product or service, the principle of precaution is applied to offset any negative repercussions that the products or service in question may have on the environment and/or on people.

#### 102-12 EXTERNAL INITIATIVES

Ingeteam has voluntarily signed up to the UN Global Compact and complies with local legislation on financial, environmental and social issues.

For the fifth year in succession we also drew up non-financial statements as part of the consolidated management report for the 2023 financial year at Ingeteam S.A.. These statements were drawn up to meet the requirements of Law 11/2018 of 28 December 2018 amending the Code of Commerce, the reformulated wording of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July and Account Auditing Act 22/2015 of 20 July on non-financial reporting and diversity.

These non-financial statements were drawn up in accordance with the guidelines on non-financial reporting issued by the European Commission (2017/C 215/01),

arising from Directive 2014/95/EU. The guidelines of the Global Reporting Initiative on drawing up sustainability reports (GRI Standards) were also taken into account.

The non-financial statements include the information required to understand the trends, results and situation of the company and the impact of our activities concerning social and environmental issues, respect for human rights, the struggle against corruption and bribery and personnel issues. These statements are available to all users on the company's website along with this sustainability report.

#### 102-13 MEMBERSHIP OF ASSOCIATIONS

To help perform our activities in various technological ecosystems, we are members of the following associations:

- TECNALIA. The largest center for applied research and technological development in Spain, a benchmark in Europe and member of the Basque Research and Technology Alliance
- Clúster de Energía
- Foro marítimo vasco
- Innobasque Agencia vasca de innovación
- Gaia Asociación de la industria electrónica
- Clúster Marítimo Español
- Clúste de movilidad
- Club de exportadores e inversores
- Euskalit Estándares y formación de Calidad

- APD Asociación para el progreso de la dirección
- ASEMPEA Asociación Empresarial España-Asean
- ENERCLUB Club Español de la Energía
- Pacto Mundial-Red Española

The business units also participate in many other sectoral associations such as:

- AEE Asociación Eólica Española
- Wind Europe Asociación europea
- GWEC Global Wind Energy Council
- Enercluster - Clúster Energía Renovable de Navarra
- Renewable Hydrogen Coalition
- UNEF Unión Española Fotovoltaica
- SEIA Solar Energies Industry Association
- Asociación Española del Hidrógeno
- AFSIA Africa Solar Industrys Association
- Clean Energy Council
- Italia Solare
- Smart Energy Council
- APVI Australian PV Institute

- AEDIVE Asociación española para el desarrollo e impulso del VE
- CHARIN
- CHADEMO
- OCA Open Charge Alliance
- ASOLMEX
- Cámara comercio de España
- RENEWABLE UK
- ACERA
- AEMER Asociación de Empresas de Mantenimiento de Energías Renovables
- Siderex
- MAFEX
- Plataforma tecnológica ferroviaria española
- AFBEL Asociación Fabricantes Bienes de Equipo Eléctrico
- CIGRE
- UCA USERS
- DNP USERS
- FUTURED
- DLMS UA

- VDMA Marine
- VDMA Mining
- SERCOBE Asociación nacional de empresas de bienes de equipo.
- OWA Ontario Waterpower Association
- COGEN
- EASA Asociación reparadores de máquinas
- IDA International Desalination Association
- FLUIDEX Asociación Española de Exportadores de Equipos, Soluciones y Tecnologías de Proceso en la Manipulación de Fluidos
- PUMP CENTRE
- Hydraulic Institute
- GWI
- AWWA American Water Works Association
- ALADYR LATAM

## STRATEGY

### 102-14 STATEMENT FROM SENIOR DECISION-MAKER

The project is based on helping to decarbonise society and bring about a transformation in energy towards an increasingly more electrified society. The technological foundation that supports the Project is supported by the company's three fundamental technology vectors: rotating electrical machines, power electronics

and automation and control. Ingeteam also provides innovative solutions for operation and maintenance, an increasingly important field in sectors concerned with renewables.

Ingeteam's current Strategic Plan aligns its strategic goals with the Sustainable Development Goals of the 2030 Agenda and seeks to make the company's project sustainable on three fronts: social, economic and environmental.

As part of its Corporate Social Responsibility policy, Ingeteam's Board of Directors has selected 10 Sustainable Development Goals from among the 17 on the UN's 2030 Agenda. These SDGs best align with the strategy established in Ingeteam's Mission and Vision.

Specifically, they are the following:

- **SDG 3. Good Health & Well-being.** For any individual or collective purpose, it is necessary to ensure a healthy life and promote universal well-being. Ingeteam carries out a range of activities in regard to nutrition, encouragement of physical exercise among employees, support for research into disease, etc.
- **SDG 4. Quality Education.** Ensuring inclusive, fair, quality education and promoting lifelong learning opportunities for everyone are priority areas in helping to solve the world's problems. Ingeteam has collaborated for many years with all kinds of educational centres: dual vocational training centres, universities, schools, etc.
- **SDG 5. Gender Equality.** Gender equality is not only a fundamental human right but the necessary foundation for a peaceful, prosperous and sustainable world. At Ingeteam we are aware of this objective and several business/production units already have equality plans in place, whilst others are in the process of being

drawn up and developed, with the intention of defining a company-wide framework for action and commitment.

- **SDG 6. Clean water and sanitation.** Water is one of the planet's most precious resources. According to the UN, its scarcity already affects more than 40% of the world's population. A statistic that sets alarm bells ringing and drives the search for solutions. Ensuring the availability and sustainable management of water and sanitation for all is vital today. At Ingeteam we work on projects aimed at improving water resource management and efficiency. Thereby, our technology contributes to solving irrigation problems due to droughts and the supply of freshwater, among others.
- **SDG 7. Affordable, Clean Energy.** The implementation and growth of renewables to achieve a more sustainable world is vital to achieve this goal, and it is here where the company is a driving force in the development of products that favour the decarbonisation and electrification of society. Our efforts are also directed at improving energy efficiency in processes that require large scale energy exchanges.
- **SDG 8. Decent Work & Economic Growth.** To achieve sustainable economic development, societies need to set in place conditions to enable people to access quality jobs. At Ingeteam we work to create quality jobs that contribute to the promotion of economic development, entrepreneurship and technological innovation.
- **SDG 11. Sustainable Cities & Communities.** Cities are focal points for ideas, trade, culture, science, productivity, social development and much more. What's more, cities are growing, as is the world's population. At Ingeteam we seek to help cities become sustainable by fostering sustainable mobility via

railway traction equipment and electric vehicles. We also drive social action in favour of different community based organisations and sectors.

- **SDG 12. Responsible Consumption & Production.** Sustainable consumption and production mean, among other things, promoting the efficient use of resources and energy, and the construction of environmentally friendly infrastructure. The buildings in which Ingeteam's Production Units are located are the subject of various plans to reduce their carbon footprint and for waste recycling.
- **SDG 13. Climate Action.** Climate change affects all countries on all continents, negatively impacting their economies, people's lives and communities, and greenhouse gas emissions are at the highest ever. At Ingeteam we take particular care to prevent pollution during the process of manufacturing our products, which over the course of their useful lifetimes help stop over 14 tonnes of CO<sub>2</sub> from entering the atmosphere.
- **SDG 14. Life below water.** We are aware that water is one of the most precious resources the planet has, that is why we apply our experience and knowledge to create environmentally friendly machines, satisfying the needs of our customers, backed by the reliability of a manufacturer with more than 80 years of history.

## 102-15 KEY IMPACTS, RISKS AND OPPORTUNITIES

The expectations for development in the various Ingeteam businesses are as follows:

### Wind Energy

Since the beginning of its activity in the wind sector in 1997, Ingeteam has man-

ufactured more than 32,000 converters and 34,000 generators with Ingeteam technology for the wind sector, reaching the figure of 80 GW of installed power.

Ingeteam has an annual production capacity of 6.2 GW in Spain for converters and control systems and 4.5 GW for wind generators.

The main markets for Ingeteam in this sector have been the United States, Brazil, India and Europe.

### **Solar PV**

Ingeteam's contribution to the development of technology for solar photovoltaic energy constitutes one of the main strengths of its business. And in fact it is one of the businesses with the highest turnover of the group.

In 2023 Ingeteam supplied 5.25 GW of new PV power, exceeding the figure of 30 GW. The implementation of large projects in Australia, Brazil and Mexico stood out.

Currently, Ingeteam has a product catalog that responds to suits all sectors and market needs, from residential to large scale or utility scale, passing through commercial and industrial.

### **Hydro Energy**

The hydropower generation market exceeded 1,400 GW in 2022. It is currently the renewable energy with the greatest generation capacity in the world. The country ranking is led by China with more than 415 GW installed, followed by Brazil, USA, Canada and Russia.

Besides greenfield installations, the two main growth trends in the sector are:

- Modernisation of old plants.

- Conversion of existing plants to reversible pumped-storage facilities, where feasible.

### **Flexible Power Generation**

Ingeteam provides distributed generation systems for backup thermal power plants in isolated locations and for weak grids via high-efficiency synchronous generators driven by thermal motors (diesel, gas or dual) which minimise primary fuel consumption. We also provide generation control systems for plants of this type. This year, generators with a total output of more than 1.1 GVA have been manufactured, reaching a total of 6.5 GVA.

### **Transmission & Distribution**

Ingeteam's consolidated market share in the grid protections sector continues in the range of 0.5% - 1%, with equipment supply to some of the most important electrical transmission and distribution companies (utilities TSO and DSO) in the world, as well as in the renewables market with a share close to 2% worldwide. Globally, more than 33 GW of the power generated by renewable sources is evacuated to the grid thanks to our technology.

The good momentum of renewable energy in Spain has allowed us to contract numerous protection and control projects for substations, with an aggregated power supplied close to 2 GW.

At a global level, we have renewed and closed new and important framework agreements for the coming years of protection and control systems, line protections, multifunction relays, regulators, relays for Recloser for the main electrical companies and we continue to diversify our client portfolio with new orders for digital substations. We are very well positioned with utilities and renewable

clients, where we are enhancing our services associated with digitalization and cybersecurity.

The electrical system is evolving towards a scenario with a high penetration of intermittent renewable generation (solar and wind) connected to transport and distribution networks, and a growing electrification of transport, air conditioning and industrial consumption. Due to the large amount of equipment connected to the grid (energy consumers, renewable generation, batteries and electric vehicles) that convert from direct current to alternating current and the improvement in the efficiency of conversion technology, the use of power electronics will continue to grow rapidly.

In 2023, the first contract was signed for the development of a Soft Open Point (SOP) solution in Bermeo, Spain. The SOP allows increasing the capacity of the electric grid and improving its efficiency by interconnecting two independent electrical networks without the need for them to be synchronized, with the existing electrical infrastructure and without the need for new and costly investments.

### **EV Chargers**

In 2023, 51,716 full-electric EVs were registered in Europe, which represents 5.4% of the market, compared to the 30,520 units registered in 2022, which represented 3.8% of the total.

Europe is currently the main market for Ingeteam's EV Chargers business unit. In 2023, the main markets for Ingeteam in this sector were: Spain (70.3%), France (19.7%), Italy (3.65%), Ireland (2.2%), Norway (2%) and the United Kingdom (1.4%).

By product type, Ingeteam's main sales were the 180 kW fast charger, RAPID 120/180 (40.7%); the 22 kW semi-rapid chargers, FUSION (37.4%); the 50

kW, RAPID 50 (15.1%) and RAPID ST fast charging stations (5.4%). Also, in the second half of 2023, production of the new 60 kW fast charger, RAPID 60, began.

### **BESS**

The development of battery energy storage systems (BESS) is a transversal activity of Ingeteam that responds to the need to adapt the generation curve to the consumption curve, while contributing to stabilizing and controlling the electrical grid.

With a total accumulated 2 GW / 4.5 GWh, this business unit has references in the main markets of the world, among which the United States, United Kingdom, Australia, Spain and Italy stand out.

In 2023, 980 MW were supplied, with special mention to Ingeteam's participation in one of the largest battery storage systems in Europe, with a nominal capacity of 340 MWh.

### **Water**

Our product is among the top three global brands in water supply applications and projects with submersible pump-motor assembly solutions, providing supplies adapted to the specific needs of our clients, both for new constructions and for the retrofitting of existing installations.

Throughout 2023, multiple projects have been developed, among which, due to their characteristics, it is worth highlighting those developed in Mexico (project to supply water to the city of Guadalajara and surrounding areas), Alicante (seawater pumping project for a plant desalination plant) and Australia (river water pumping project).

## **Railway & Mobility**

The global rolling stock market will experience substantial growth through 2030 due to factors such as urbanization, expansion of railway networks, technological advancements and increased focus on sustainable transportation. Estimates point to a compound annual growth rate (CAGR) of 4% to 6% for the period 2023-2030. The more mature markets of Europe, Asia-Pacific and North America are expected to grow and contribute to the majority of global growth.

Regarding conventional passenger transportation, demand is expected to grow at an Annual Rate of 4.5%, while the growth in demand for vehicles for the freight transportation market is estimated to be higher. The progressive elimination of outdated fleets and the electrification of networks railways are the main drivers of this growth. Decarbonization policies favor electric and alternative fuel vehicles over diesel traction, especially in Europe.

High-speed rail services have seen strong growth, with significant development in the Asia-Pacific region and in the EU. The planned expansion of the high-speed rail network in Europe indicates a potential sustained growth in demand for rolling stock in this segment until 2030.

Ingeteam is present in the aforementioned markets, thanks to a complete offer of frequency converters and integrated solutions for the electric traction chain, train control systems (TCMS), control of auxiliary systems (HVAC, WC, door control, etc.), vibration monitoring systems and thermal and electrical variables.

During 2023, we have obtained a new order to supply converter and TCMS equipment for 36 locomotives, intended for the transport of goods.

It should also be noted that the design has been consolidated and manufacturing of the first converter made for a vehicle with electric traction plus batteries has begun.

## **Marine**

The electrification of the maritime sector is one of the great challenges to achieve environmental efficiency in the transition towards more sustainable transport. The path to achieving greener ships and ports therefore involves providing them with hybrid or electric infrastructure that reduces polluting emissions and contributes to preserving the valuable ecosystem of our coasts.

That is precisely the work we have been carrying out for more than two decades, and, since then, more than 700 vessels in the global maritime market are equipped with Ingeteam technology, allowing an evolution towards hybrid and full electric marine propulsion systems.

Additionally, we contribute to the decarbonization of ports by developing OPS (cold ironing) storage and power system solutions for ships in port. In 2023 we have obtained important orders, including a first-class European port, thus taking another step towards naval electrification.

## **Metals & Mining**

At Ingeteam, we offer advanced automation and control systems, based on technology that incorporates the latest trends of the 4.0 Industry. Our activities are mainly basic and detailed electrical engineering, development of application software for Level 1 and Level 2 control systems, design of variable and fixed speed electric drive systems.

We supply control systems, HV and LV electrical panels, frequency converters and motors, instrumentation and robotic solutions. On-site services are also an integral part of our projects, we provide electrical installation, commissioning, training for O&M personnel.

We work as a subcontractor for technology companies or as a direct supplier. We participate in the execution of new investment projects, as well as in the renewal and modernization of metallurgical technologies. Thanks to a wide spectrum of activities and a stable client portfolio we achieve a good result in 2023, despite the apparent decline in demand caused by global factors.

### **Green H2 Systems**

Today, Ingeteam has technology present in different plants in Spain, Belgium and the United States that supply energy to PEM and alkaline electrolyzers to generate renewable hydrogen for various applications. During 2024, other projects will be launched in Spain, the United States, Germany and Canada.

If we consider the global supply achieved, Ingeteam has more than 400 MW in its portfolio in the hydrogen sector, between awarded and delivered projects. Among all of them, SoHyCal stands out, the largest operational renewable hydrogen production plant in North America to date.

### **ETHICS & INTEGRITY**

#### 102-16 VALUES, PRINCIPLES, STANDARDS AND NORMS OF BEHAVIOUR

At Ingeteam, we have specified a set of values that are consistent with those from the previous strategic reflections.

#### **Mission:**

“Favour the global energy transition model through the development and application of high technology in rotating electrical machines, power electronics and automation and control”.

#### **Vision:**

“To be an electrification leader, offering personalised and competitive products, services and systems.

We will rely on people and continuous improvement to make Ingeteam, in collaboration with our customers, a sustainable project”.

We will achieve a position of leadership based on the following:

- Service excellence, with a business model and competitive strategy based on providing excellent service to our customers. Customer satisfaction is the key to our business.

Our policy will include setting up cooperation and partnership arrangements to ensure mutual satisfaction well beyond day-to-day operations.

- Technology and innovation: we seek to encourage innovative attitudes towards products, services, systems and working procedures to continually improve our management efforts and the proposals that we put to customers. To that end, we will use all necessary technologies available to us. We will use technology as a lever for growth and a distinguishing feature.

We will aim our growth at areas where we can contribute products and services with the most added value and the highest technology content.

- Quality: our commitment to total quality, competitiveness, internal efficiency, rigour and prudence in our business operations is an identifying feature of our corporate project, providing it with the backing of sound assurances that the best interests of shareholders and employees alike will be safeguarded. Accordingly, Ingeteam proactively takes on board and ethos of continuous



improvement as it seeks discreet improvements in all areas of activity so as to progress towards operational and corporate excellence.

**Values:**

- The basic foundation of any business is its workforce
- Appreciation of human values and attitudes
- Trust
- Proactivity
- Consistency, implementation and reliability
- Leadership at all levels and teamwork
- Self-criticism
- Friendship
- Work-life balance
- Commitment to society

These values show up in a multitude of activities. In any event, they are all covered by the organisation's Code of Conduct, which is its highest ranking set of rules in this regard.

The services and products sourced from suppliers by Ingeteam form an essential part of the value chain provided to customers, so they are required to comply strictly with legislation, with the same ethical values on defence of human rights and integrity, prevention of corruption, protection of intellectual and industrial property rights, safety, health, environmental matters and conflict minerals.

Ingeteam has also signed up to the 10 principles of the universally accepted Global Compact based on United Nations declarations on human rights, labour, the environment and anti corruption measures.

### 102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS

Ingeteam has a Code of Conduct that was approved in 2012, updated in 2019 and is being revised throughout this year to issue a new update. It lays down guidelines for the conduct of board members, management committees and workforces at Ingeteam companies and reinforces the ethical culture of the organisation concerning the following issues:

- Values and principles in Ingeteam's business relationships.
- Indications of types of behaviour that are not tolerated, are inappropriate or may even be considered as criminal in business dealings.
- A reminder of the duty to report behaviour that contravenes the code via the reporting channel set up.

These guidelines on conduct are also expected to be shared by the various parties with which Ingeteam deals, i.e. customers, suppliers, shareholders, associates and public/private sector organisations.

The Code of Conduct was drawn up and has been updated on the basis of the Mission, Vision and Values of Ingeteam, as set by the Board of Directors, and on a commitment to reinforce a culture of ethics at the organisation and ensure that its employees exercise due diligence and proper compliance with regulations in all the territories where the company operates.

To that end, the Board of Directors has set up a structure and model at Ingeteam to prevent, detect and investigate breaches of the Code of Conduct and of applicable regulations via the Compliance and Conduct Committee, so that improvements can also be suggested.

### **Compliance and Conduct Committee**

The Compliance and Conduct Committee (henceforth called the Compliance Committee) is the Ingeteam body that monitors the distribution, knowledge of and compliance with the Code of Conduct and the culture of ethics.

It is appointed by the Board of Directors of Ingeteam, to which it is answerable and required to report regularly. The Chair and Secretary are appointed by the Board of Directors from among its members.

The Board of Directors has given the committee independent powers of initiative and control within Ingeteam to assure compliance with current regulations, particularly on matters of criminal law, and with the Code of Conduct on the part of all company personnel. This covers the actions of companies, business units, production units and their individual specialists.

It also manages the Reporting Channel and guarantees full confidentiality for reports by whistle-blowers concerning potential breaches of the Code of Conduct or applicable regulations. Such irregularities are investigated through impartial proceedings tailored to the circumstances of each case.

The committee has its own regulations which set out its functions and responsibilities. It is made up of:

Chairwoman: Member of the Executive Committee - International Development Director

Ordinary members:

- Global Director People
- Global Director Digitalization & Infrastructure
- Global Director Legal
- Global Director Ethics and Compliance
- Global Director Accounting, Audit & Controlling

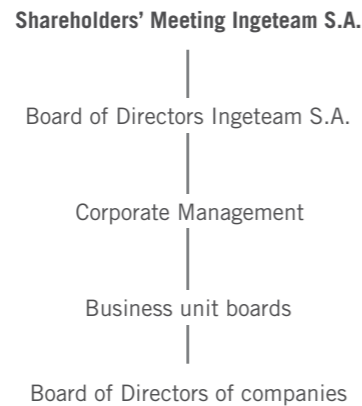
Ingeteam set up a Reporting Channel in 2012 for reporting any activities by its employees, suppliers or third parties with which Ingeteam maintains workrelated, commercial or direct professional links concerning the following:

- Breaches of the Ingeteam Code of Conduct or any other policy or procedure.
- Breaches of current legislation or regulations on labour, civil or criminal matters that may be detected and that affect Ingeteam.
- Any doubt or suspicion of actual or potential financial or reputational harm to Ingeteam.

## GOVERNANCE

### 102-18 GOVERNANCE STRUCTURE

The governance structure of Ingeteam comprises the following bodies:



### 102-19 DELEGATING AUTHORITY

The model for delegating authority is applicable to all company subsidiaries.

### 102-20 EXECUTIVE-LEVEL RESPONSIBILITY FOR ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS

Ingeteam has always known how to combine the experience it has gained since its foundation with a constant renewal of ideas. The business sectors in which Ingeteam operates require a permanent search for solutions in technology, innovation and good management practices.

To react to such expectations, Ingeteam employs an active and efficient structure, with the agile decision-making of a family-run business, to quickly transfer its knowledge and competitiveness to the market. And all this with the express involvement of its staff and collaborators.

### General Meeting of Shareholders

This is the highest decision-making body for the natural and juridical persons who are shareholders. It meets once a year on an ordinary basis to approve the e previous year's accounts, and can convene additional extraordinary shareholders' meetings.

### Board Of Directors

The General Meeting of Shareholders chooses the members of the Board of Directors, which is the sovereign decision-making body and representative of the company's strategies. The Board meets quarterly, and this may be augmented by extraordinary meetings should relevant matters arise.

### Corporate Management

Approval of the new 2022-2024 Strategic Plan has led to certain changes in corporate governance. The new executive team is structured as follows:

- **Corporate Business Management (DCN):** Corporate Business Directorate (DCN) is comprised of the three Technology Segment Managers (Machines, Converters & Controls, O&M Services) and managers from the three Sector Divisions, the CTO, DG and the CEO. This is Ingeteam's highest executive body in terms of Strategy and Business.
- **Corporate Management Directorate (DCG):** The Corporate Functional Directorates (5), the Segment Directorates (3), the DG and the CEO make up the Corporate Management Directorate (DCG).

The DCG is the forum where the Strategic Goals and Projects for Ingeteam's functional areas are established.

## 102-21 CONSULTING STAKEHOLDERS ON ECONOMIC, ENVIRONMENTAL & SOCIAL TOPICS

The CEO delegates persons from his/her management area to consult with and check information on stakeholders concerning economic, environmental and social topics.

## 102-22 COMPOSITION OF THE HIGHEST GOVERNANCE BODY AND ITS COMMITTEES

The General Meeting appoints the Board of Directors, which is the sovereign decision-making body and representative of the company as regards strategies. The Board meets quarterly, and this may be augmented by extraordinary meetings should relevant matters arise.

The Board has 7 members, and the proportion of women is 28.5%.

Name	Role
<b>Ms. Teresa Madariaga Zubimendi</b>	Chairwoman
<b>Mr. Felipe García de Eulate</b>	Ordinary member
<b>Mr. Victor Mendiguren Ayerdi</b>	Ordinary member
<b>Ms. Alicia Vivanco González</b>	Ordinary member
<b>Mr. Ander Gandiaga Osoro</b>	Ordinary member
<b>Mr. Alex Belaustegui Foronda</b>	Ordinary member
<b>Mr. Adolfo Rebollo Gómez</b>	Member / CEO
<b>Mr. Alberto Guerra San José</b>	Non-director Secretary

## 102-23 CHAIR OF THE HIGHEST GOVERNANCE BODY

The current chair of the Board of Directors is Ms. Teresa Madariaga.

## 102-24 NOMINATING & SELECTING THE HIGHEST GOVERNANCE BODY

The members of the highest governance body are nominated by shareholders and

their selection is approved by the General Meeting of Shareholders.

## 102-25 CONFLICTS OF INTEREST

Each Director provides a statement of potential conflicts of interest, and refrains from participating in or voting on matters that fall within the conflict area.

## 102-26 ROLE OF HIGHEST GOVERNANCE BODY IN SETTING PURPOSE, VALUES AND STRATEGY

The role of the Board is to approve the annual plans and strategic plans proposed by the CEO.

## 102-27 COLLECTIVE KNOWLEDGE OF HIGHEST GOVERNANCE BODY

There is no corporate training or individual personnel training programme.

## 102-28 EVALUATING THE HIGHEST GOVERNANCE BODY'S PERFORMANCE

There is an annual evaluation by the General Meeting.

## 102-29 IDENTIFYING AND MANAGING ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS

The company CEO submits impacts, significant risks and opportunities to the Board for its information and for decision-making.

## 102-30 EFFECTIVENESS OF RISK MANAGEMENT PROCESS

The CEO presents the most significant risks to the Board for its information and for decision-making.

## 102-31 REVIEW OF ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS

These topics are reviewed monthly.

## 102-32 HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING

The CEO is responsible for approving the sustainability report.

## 102-33 COMMUNICATING CRITICAL CONCERNS

Any critical concern is dealt with at the Corporate Management level. The CEO is directly aware of matters of importance with a view to reporting them to the highest governance body.

## 102-34 NATURE AND TOTAL NUMBER OF CRITICAL CONCERNS

Information on critical concerns is not public knowledge and may not therefore be disclosed here. The mechanism for tackling such concerns is outlined in the previous point.

## 102-35 REMUNERATION POLICIES

To deal with remuneration policies for the highest governance body and the top executives of Ingeteam, the Board of Directors of Ingeteam, S.A. has set up the Appointments & Remunerations Committee as a standing committee with an informational and consultative remit. It has the power to provide information and advice & make proposals within its area of action. This includes:

- Submitting proposals to the Board on remuneration policies for top management at Ingeteam, regularly reviewing same and, if necessary, proposing that

the Board change or update them.

- Reporting to the Board the proposals put forward by the CEO on top management contracts at Ingeteam and on the remuneration structure and basic terms and conditions of those contracts.
- Regularly reviewing the general remuneration programmes of the workforce of the company to assess their suitability and outcomes.
- Ensuring compliance with the company's remuneration programmes and reporting on documents to be approved by the Board..

The remuneration of the management staff of the organisation is set in each case by their superiors, with assessment as required from the Human Resources area closest to their area of responsibility and the relevant line managers.

In each annual review, the extent to which each individual has met his/her targets, the trend in his/her performance individually and in teamwork in regard to his/her functional area, current economic circumstances, the strategy, sector and location of the organisation where he/she works and the wage policy directives applicable to each organisational unit and to the organisation as a whole are taken into account.

The policy for the organization as a whole establishes that management staff salaries include a variable element to link their monetary remuneration with the trends in various company and business-unit level performance indicators and the attainment of individual and collective targets (at team, department & functional area levels).

Similarly, another purpose is to further the strategy of the organisation by enhancing its competitiveness and strengthening the commitment of employees.

Compensation for termination or cancellation of employment contracts at the organisation (for reasons of dismissal, retirement or others) is provided in strict compliance with any agreements reached between the parties or, in the absence of such agreements, in compliance with current legislation covering the reason for the cessation of the employment relationship.

The organisation's variable remuneration policy sets out the general characteristics of the targets to be used at the different management levels for structuring and calculating variable remuneration, and establishes the different percentage brackets for the items into which it may be broken down:

- Objective variable remuneration based on meeting measurable targets based on indicators versus subjective variable remuneration based on performance assessment.
- Indicators for financial results at the different levels of the organisation at which each management staff member operates, indicators for targets in each functional area, and project indicators.

The policy also provides a reference system for calculating all indicators, with the thresholds and limits to be taken into account.

#### 102-36 PROCESS FOR DETERMINING REMUNERATION

The previous point sets out the process by which remuneration is determined. Specialist external consultants have no role in this process.

#### 102-37 STAKEHOLDERS' INVOLVEMENT IN REMUNERATION

The opinion of stakeholder groups is not sought in regard to determining remuneration.

#### 102-38 ANNUAL TOTAL COMPENSATION RATIO

This information is not available.

#### 102-39 PERCENTAGE INCREASE IN ANNUAL TOTAL COMPENSATION RATIO

This information is not available.

#### 102-40 LIST OF STAKEHOLDER GROUPS

Ingeteam's stakeholder groups are the following:

- Strategic customers
- Rest of customers
- End customers
- People
- Shareholders
- Suppliers
- Financial organisations
- Knowledge centres
- Public administrations
- Community & setting
- Regulatory bodies
- Sectoral associations
- Competitors

## 102-41 COLLECTIVE BARGAINING AGREEMENTS

All employees of Ingeteam are covered by the relevant sectoral collective bargaining agreements, which are supplemented by company-specific agreements negotiated with workers' representatives where relevant at each workplace.

## 102-42 IDENTIFICATION & SELECTION OF STAKEHOLDERS

In the course of its strategic reflection process, Ingeteam has identified the main stakeholders which its activities may impact.

## 102-43 APPROACH TO STAKEHOLDER ENGAGEMENT

During the activity of the different companies that comprise Ingeteam, we consult the stakeholders and obtain their impressions, which are forwarded to the CEO via the aforementioned established channels.

## 102-44 KEY TOPICS AND CONCERNS RAISED

The key topics for Ingeteam are set out in the strategic reflection process. In general this may entail ensuring that our operations fit with the requirements of our stakeholders: employees, suppliers, society, etc. Our activities are therefore focused on achieving that fit:

- Adapting to continual technological developments at customers.
- Taking advantage of technological developments applied to our products which are supplied by third parties.
- Enriching the technical capabilities and working methods of our employees and at the same time providing them with better conditions for assuring work-life balance.
- Meeting the needs of the societies where we operate and making use of local

human resources whenever possible.

- Encouraging greater environmental friendliness by publicising our clean, efficient technology solutions.

## REPORTING PRACTICES

### 102-45 ENTITIES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS

The entities included are listed below:

- INGETEAM, S.A.
- NGETEAM Power Conversion, S.L.U.
- INGETEAM Power Technology, S.A.
- INGETEAM Indar Machines, S.A.
- Bizkaia Business Capital, S.L.U.
- Bizkaia Business Capital 1, S.L.U.
- Bizkaia Business Capital 2, S.L.U.
- INGETEAM R&D Europe, S. L.
- Bizkaia Business Capital 3, S.L.U.
- Bizkaia Business Capital 4, S.L.U.
- Bizkaia Business Capital 5, S.L.U.
- INGETEAM México, S.A. de C.V.
- INGETEAM, GmbH
- INGETEAM, A.S.
- INGETEAM, Ltda.

- INGETEAM, S.R.L.
- INGETEAM, Inc.
- INGETEAM, S.A.S.
- INGETEAM, Spzoo
- INGETEAM, SpA
- INGETEAM (PTY), Ltd
- INGETEAM Power Technology India Private Co. Ltd.
- INGETEAM Australia (PTY) Ltd.
- INGETEAM Panamá, S.A.
- INGETEAM Service S.r.l.
- INGETEAM Philippines INC
- INGETEAM Uruguay, S.A.
- INGETEAM UK, LTD.
- INGETEAM Morocco, S.A.R.L.A.U.
- INGETEAM Bulgaria, E.A.D.
- INGETEAM Perú, S.A.C
- Elprom Service, s.r.o.
- INGETEAM Power Technology Shanghai Co., Ltd.
- INGETEAM Vietnam Co., Ltd.

## 102-46 DEFINING REPORT CONTENT AND TOPIC BOUNDARIES

The four relevant principles are applied in defining the content of this report:

## Stakeholder inclusiveness

The stakeholder groups involved and the way in which the related approaches and impacts are taken into account are outlined in points 102-40 to 104-44 above.

## Sustainability

The whole document seeks to present the performance of the organisation in topics which in any way affect the sustainability of operations in our working environments.

Ingeteam conducts regular analyses to identify relevant aspects in regard to environmental, social and people-related issues, human rights, the struggle against corruption and for ethical behaviour as relevant to the various stakeholders throughout its value chain.

This process of analysis, including knowledge processes with and concerning stakeholder groups, is key to establishing priority areas for action by the company in line with best practices and reference standards. The main overall trends in the sector are taken into account, and a materiality assessment meeting is held.

## Materiality

Ingeteam works in a wide variety of industrial settings, and the material topics dealt with are equally varied. This report presents those which we consider most relevant in terms of their effects on sustainability. Specifically, the criteria applied are those of GRI 102 – 46 “Defining report content and topic boundaries” and GRI 102 – 47 “List of material topics”.



## Exhaustiveness

The working group on sustainability considers the level of exhaustiveness of the information presented here to be sufficient. It is the level expected by members of the corporate management and by the highest governance body.

The application of the four principles refers to the following parameters:

- The list of material topics dealt with in the report.
- Coverage, which in our case is global given how widely spread our plants are and in view of our commercial and industrial operations.
- The weather. Information is compiled in the year of the report.

Most of the information in this report has been audited with a view to submitting non-financial statements.

## 102-47 LIST OF MATERIAL TOPICS

The list of material topics is directly linked to the indicators selected.

## 102-48 RESTATEMENTS OF INFORMATION

Some sections of this report are restated from last year's report, as there have been no changes in them.

## 102-49 CHANGES IN REPORTING

The report continues to be prepared in accordance with the consolidated set of GRI STANDARDS 2016.

## 102-50 REPORTING PERIOD

This report covers financial year 2022.

## 102-51 DATE OF MOST RECENT REPORT

The latest report was published in June 2022 and referred to financial year 2021.

## 102-52 REPORTING CYCLE

Annual.

## 102-53 CONTACT POINT FOR QUESTIONS REGARDING THE REPORT

Any questions regarding the report should be addressed to the Corporate Communications Department at Ingeteam, which coordinates its preparation.

## 102-54 CLAIMS OF REPORTING

This report was drawn up in line with GRI standards: Essential option.

## 102-55 GRI CONTENT INDEX

This index is at the start of the document.

## 102-56 EXTERNAL ASSURANCE

This sustainability report has not undergone external verification. However, many of the data shown here also appear in the Non-Financial Statements. Those non-financial statements are part of the consolidated management report for financial year 2022 of Ingeteam S.A.. They were drawn up to meet the requirements set in Act 11/2018 of 28 December 2018 amending the Code of Commerce, the reformulated wording of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July and Account Auditing Act 22/2015 of 20 July on non-financial reporting and diversity.



# GRI 201 Economy

2023 began continuing with the delicate geopolitical situation derived from the war in Ukraine and the effects of high inflation that affected all sectors due to the increase in raw material prices.

The global geopolitical situation only underscores the need for energy independence, which can only be achieved via the sustainable electrification of society, based 100% on renewable generation.

We are well positioned to play a leading role in the markets that will lead the change in our society's energy model. We have the capability, the technology, the desire and the best team in the industry to meet all of the challenges involved. We remain confident in the objectives contained in the current 2022-24 Strategic Plan.

We have made progress with the roll-out and can already see improvements in certain areas, for example in market access. The new organisation also seeks specialisation, and the transversalisation of knowledge and functions. Our accumulated order backlog was over €1 billion at the end of the year, an all-time record.

## ECONOMIC PERFORMANCE

### 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The figures for economic value (EV) in 2023 are as follows:

- EV generated: 1.045.100.933 €
- EV distributed: 1.027.821.637 €
- EV retained: 17.279.297 €

### 201-2 FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE



The effects of climate change are a reality that is affecting the entire planet, and urgent action must be taken as quickly as possible to reduce its impact. This action should focus on replacing the current energy model, which is based on fossil fuels - basically oil, natural gas and coal - and shifting to the widespread consumption of energy from renewable sources.

Therefore, the renewable energy revolution is unstoppable and irreversible favouring the transition to a sustainable energy scenario. All the efforts of the countries, in our particular case the European Union, are leading to the acceleration of the development of multiple transition technologies such as smart grids, green hydrogen and batteries, sectors in which Ingeteam can play a major role.

Renewables currently account for a third of global energy capacity and a quarter of generation capacity. The products manufactured by Ingeteam contribute to the energy transition as demonstrated by more than 30 GW of solar photovoltaic capacity supplied with solar inverters and more than 57 GW of Indar converters and generators to the wind industry. Ingeteam has more than 11 GW of total in-

stalled power in the hydropower sector with our Indar generators and more than 12,000 Indar submersible pumps worldwide. 9,000 transmission and distribution substations are automated and protected with their equipment, integrating more than 31 GW of renewable power into the grid. We have also accumulated 3 GWh in electrical storage facilities and are a world leader in the provision of operation and maintenance services at renewable energy plants with more than 22 GW of maintained capacity.

In terms of efficient consumption, it is worth noting the supply of over 24,000 electric vehicle chargers, 700 items of equipment for electric trains, or more than 650 ships equipped with our technology, enabling their evolution towards hybrid and full electric naval propulsion systems.

At Ingeteam we are always looking for innovative solutions that guarantee taking steps towards the decarbonisation of the maritime sector and the electrification of ports. This commitment translates, for example, into our membership of initiatives such as the Net-Zero Mar Alliance, which brings together more than fifty companies and organisations to steer the Spanish maritime industry towards a green horizon with a commitment to a sustainable economy as a key factor in this process. The new EU regulatory framework via programmes such as Fit for 55, in the context of the European Green Pact and the European Climate Act, or the Climate Change and Energy Transition Act, favours the commitment to the green economy as a crucial vector for industrial development and job creation as an alternative for recovery and modernity in Europe..

At the same time, international climate targets or the goals set by Brussels as part of the Green Deal make it clear that the world needs a different kind of ship, one that is more efficient, less polluting, and powered by cleaner fuels. In short, more innovative and technological vessels.

The combination of both factors strengthens European industry and suggests that, despite the enormous complexity of the shipbuilding sector and global imbalances - with Asia as a major global shipbuilding hub - the EU shipbuilding sector has a future and should play a predominant role in the coming decades.

In the global context, the search for carbon-free solutions is a necessity in the transport sector. Spending on new and existing rail network infrastructure continues to increase worldwide for a variety of reasons. Rail is the most environmentally friendly mode of land transport, with much lower energy consumption and emissions of CO<sub>2</sub> per tonne-kilometre than others.

The personal and freight transport needs of the world's population are growing in parallel with increased business and commercial activity, while putting additional pressure on existing transport networks, including roads, air and sea routes, as well as rail. This situation is forcing governments to improve their transport networks in all areas, by installing new projects and expanding existing infrastructure.

As for green hydrogen, the sector in which we have started our activity, pressures to reduce environmental pollution have led a number of countries and companies to commit to this new form of clean energy, which many believe will be key to "decarbonising" the planet. Several countries have published national plans for the production of this renewable fuel. This includes the European Union (EU), which in its "Hydrogen Strategy for a Climate Neutral Europe", published in mid-2020, committed to investing US\$430 billion in green hydrogen between now and 2030. The EU intends to install 40 gigawatts (GW) of renewable hydrogen electrolyzers over the next decade to achieve its goal of becoming climate neutral by 2050.

In the fight against global warming, it is also necessary to promote sustainable mobility. Car manufacturers are already announcing the withdrawal of fossil fuel combustion engines from the market, so infrastructures have become essential to building the new mobility.

## 201-3 DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS



Ingeteam does not make specific pension plan contributions for its employees. Coverage is provided via official contributions to the Social Security system, as per the legislation applicable in each country at each relevant time.

## 201-4 FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT



In financial year 2022, Ingeteam received €6,374,368 in aid for research programmes from various institutions.

## MARKET PRESENCE

### 202-1 RATIOS OF STANDARD ENTRY-LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE



At Ingeteam wages depend on training, experience and performance. The gender of workers is not taken into account. Since 2012, chapter 2 of our Code of Conduct has read as follows: "The wages received by employees will be determined by the functions that they perform, with the applicable bargaining agreements always being observed".

At Ingeteam we do all that we can to eliminate any gender gap and support equal opportunities in recruitment, in opportunities for promotion at work and in drawing up remuneration policies.

In 2023, as in previous years, Ingeteam carried out a comparative analysis to assess the existence of the pay gap at its workplaces and its evolution.

This analysis took gender, occupational category and geographical area into account and compared the wages of all the women at each workplace with those of the men in each category, with the results being weighted over the total number of employees. "Remuneration" includes wage items such as basic wage, bonuses, voluntary bonuses, incentives, variable remuneration, etc.

From 2020, the wage amounts associated with the concept of seniority are expressly excluded, because different criteria may coexist depending on the workplace and country, as well as introducing a distorting element in the comparisons of total wages by sex.

Additionally, we did not carry out a global wage gap analysis on the understanding that the diversity of wage levels between countries with different living standards would produce an absolute result that would be difficult to interpret. Hence, the following study, which breaks down the gap analysis into geographical areas (Spain, Europe and the rest of the world with analysis of specific and representative countries according to workforce) that have a certain wage affinity or at least where the difference in living standards and its impact on wages does not distort the result sought.

### **Wage gap at Ingeteam in Spain:**

Following analysis, each workplace was found to exhibit a different reality, and although the conclusions did not find gender pay equity at all of our workplaces

in Spain and Europe in 2023 - where there has been both progress and setbacks depending on the professional group - where various variables can affect the gap making it a complex issue to manage. In any event, we can attest that Ingeteam is currently working to reduce this gap at all of its workplaces in Spain and abroad, using regular diagnoses and action plans that result in decisive advances in this area and specified in the Equality Plans currently in force.

Internationally, the situation is not significantly different from Europe, although it is more diverse in terms of socio-cultural situations and work environments due to the lack of basic Collective Bargaining Agreements that provide a basis for compensation.

### **202-2 PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY**



Over 80% of the senior management of the organisation are hired from local communities, which in this case means from the country where each workplace is located..

### **INDIRECT ECONOMIC IMPACTS**

#### **203-1 INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED**

Ingeteam's operations do not include the development of infrastructures of any kind.

#### **203-2 SIGNIFICANT INDIRECT ECONOMIC IMPACTS**



The economic impact of Ingeteam on local communities is evidenced in these main points:

- The creation of jobs and hiring of local personnel at our production plants.
- Contributions to the local economy in the form of taxes paid on our operations.  
In this sense, Ingeteam's tax payments in 2022 amounted to €1,522,177.

## PROCUREMENT PRACTICES

### 204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS



The share of local procurement in 2023 remains the same as in the previous year at around 40%.

## ANTI-CORRUPTION

### 205-1 OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION



As in the previous year, there were no cases of corruption related to operations. In any event, such cases are identified in our Code of Conduct, and potential circumstances are monitored by the Compliance Committee.

Corruption prevention and detection reviews were carried out this year in subsidiaries in Italy, Brazil, Australia, India, Mexico and the UK.

### 205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES



Ingeteam has measures in place to prevent, detect and respond to corruption-related activities:

#### Corruption-prevention measures:

- The Code of Conduct sets clear guidelines concerning the prohibition of gifts, donations, invitations, travel and other considerations for customers, suppliers and public employees.
- If there is any doubt as to the interpretation of the guidelines, the principle of prudence should be applied and gifts or invitations are to be turned down. In any event, superiors and the Conduct Committee can be consulted.
- General terms and conditions for purchasing are in place and a code of conduct for suppliers is being drawn up to get them to undertake to act ethically. Specific clauses are included.
- There are procedures for purchasing, assessment and approval of suppliers and supplier audits.
- Guidelines on sponsorship and donations.

#### Corruption-detection measures:

- Notification and publicising of the Reporting Channel.
- Regular reviews of risk areas.

#### Corruption-response measures:

- There is a procedure for responding to and investigating reports.
- Compliance and Conduct Committee.

### 205-3 CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

There were no corruption cases related to Ingeteam's activities in 2023.

## **ANTI-COMPETITIVE BEHAVIOUR**

### 206-1 LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOUR, ANTI-TRUST AND MONOPOLY PRACTICES



No legal action was taken in 2022 concerning anti-competitive behaviour or monopoly practices related to the operations of Ingeteam.



# GRI 300 Environment

Aspiration: “Develop our activity and business with excellent environmental and sustainability performance, being recognised in the sector and society as a benchmark company committed to international standards in terms of environmental management and sustainable development objectives”.

Our principles and priorities are:

- Ensure compliance with current legislation and all other commitments that the company has subscribed to in terms of Environmental Management and Sustainability.
- Ensure, during the performance of our industrial and business activity, the protection and respect for the environment, minimising the environmental effects produced as a consequence of this activity.

- Favour a global energy transition model by developing and applying high-technology in rotary electric machinery, power electronics, automation and control that contribute to the mitigation of climate change and enable the sustainable use of natural resources.
- Ensure compliance with applicable environmental legal requirements in the countries where we operate and with the requirements voluntarily adopted by the organisation.
- Ensure that the Environmental Policy and Regulations are known, extended and respected by all employees via information channels, in addition to developing awareness campaigns and continuous training.

- Promote the development of appropriate management processes, procedures and tools for greater efficiency, prevention and control of environmental activity, resulting in a minimum environmental impact.
- Integrate the Environmental Management system into the global management of Ingeteam, promoting and recognising active participation in initiatives that have an impact on the awareness and commitment of the Organisation and Employees to this integration.
- Define concrete, challenging, achievable and measurable objectives and goals within a specific environmental programme that contributes to minimising our environmental footprint.
- Exercise responsible consumption, waste generation and management.
- Respect nature and biodiversity in the environments where Ingeteam's workplaces are located.
- Inform and make available to all our stakeholders Ingeteam's environmental policy, objectives, practices and results.

For this section, information is reported from countries where there is a management system in place, the information reported is verifiable, and a significant workforce exists that could have an environmental impact.

Therefore the information reported here is for the following countries: Spain (including all its workplaces), France, Czech Republic, Italy, USA, Mexico, Brazil, Chile, India and UK.

The commitment to responsible management of the environment is supported by an externally audited and ISO 14001 certified environmental management system, based on environmental indicators and objectives for process monitoring and improvement.

Ingeteam's production centres located in Spain, the United States, the United Kingdom, Mexico, Brazil, Chile and France have an environmental management system per standard UNE-EN ISO 14001. Each production unit has specialist personnel allocated to handle matters of environmental risk prevention. Their numbers vary depending on the potential risk in each area of activity.

The most significant effects of the company's activities on the environment are:

- Impact on climate change.
- Air, water and soil pollution.
- Consumption of non-renewable raw materials.

Ingeteam's environmental management is based on the principle of precaution and prevention with a focus on the entire business value chain. The environmental management system aims to prevent pollution and reduce environmental impacts throughout the value chain.

Ingeteam's risk of producing environmental pollution is low, with the exception of certain manufacturing production units including Ingeteam Indar Machines, located in Beasain-Guipuzkoa, which manufactures generators and electric generators and submersible pumps. The factory stands in a natural area and is closely monitored by the public water authority URA, under the Basque Government, given that there is a risk of discharges into water courses.

In addition to the ISO 14001 certificates, the activity of Ingeteam Indar Machines has an ISO 50001 certificate, within the integrated management system for Safety, Health and Environment, which certifies energy management. This activity has an integrated management policy that includes energy management.

In 2032, 85% of EBITDA is from ISO 14001 environmentally certified activities.

Due to the nature of Ingeteam's business the production of its equipment does not include emissions of ozone-depleting substances (ODS), nitrogen oxides (NOx), sulphur oxides (SOx) or other significant substances into the atmosphere. The company does not create light or noise pollution either.

In addition to the usual measures such as selective waste collection at every workplace, improvements to the calculation of indicators, etc., two measures were established in recent years by Corporate Management that will be implemented in the years to come:

### **Promote the use of electric vehicles:**

Management will act in several ways to promote the use of electric vehicles (EVs).

On the one hand, fleet vehicles will be gradually replaced by EVs when leasing contracts reach their limit, except in cases where operations do not allow daily re-charging to guarantee the desired operation. Likewise, when hiring new vehicles, reasonable efforts will be made to ensure that they are EVs, it being necessary to justify the non-addition of electric fleet vehicles, prior to their hiring.

During 2023, 11 100% electric vehicles were added to the fleet, this represents a percentage of 49% of corporate vehicles that are 100% electric and 65% if we include those with some form of hybridization.

On the other hand, charging infrastructures are essential for EV deployment to be efficient. A sufficient number of EV chargers have been installed at the facilities to contribute to the improvement of the charging network. Thus, EV charging points have been installed in the employee parking area, so they can charge their private EVs whilst they are at work.

Another initiative that has been launched is the financial support for the instal-

lation of EV chargers in private homes with special prices for people working at Ingeteam.

### **Promotion of solar photovoltaic self-consumption installations:**

With the sun as our ally, we can make our homes more sustainable, which is why we have also promoted residential solar photovoltaic installations for self-consumption in the homes of our employees.

We offer our staff financial support and technical advice for the installation of domestic inverters (with or without storage) in their home or private property.

### **Mobility plan:**

In 2023, in compliance with DECREE 254/2020, of 10 November, on Energy Sustainability in the Basque Autonomous Community, the relevant studies have been conducted on the Mobility Plan for the facilities in Bizkaia and Gipuzkoa.

In this regard, the Mobility Plan for the Innovation City in Sarriguren, Navarre, where Ingeteam's facilities are located, was also presented. This mobility plan involved the participation of Ingeteam.

In terms of more specific measures/action in Spain to favour greater efficiency and environmental performance for mobility, we can highlight the following:

- Renewal and promotion of the campaign to use bicycles as a non-polluting and healthy means of transport.
- Renewal of the agreement with Urban Ciclo as a means to transport small parcels between offices and the Campollano warehouse.
- Renewal of agreement to provide an Envirobank machine to manage the recycling of coffee capsules, batteries, light bulbs and oils at the Albacete offices

and avoid contamination and water waste.

- Awareness-raising communication via the “Ingegram” channel: preserving pollution and reminder in the event of an environmental emergency.
- Recycling week at FEDA on the Carbon Footprint experience.
- Talks in schools on 26 January 2023 for environmental education day.
- Talks in various provincial schools in Albacete on 17 May, World Recycling Day.
- Newsletter with publications on environmental awareness and sensitization.
- Notification of employee mobility survey for the calculation of service activity carbon footprint in Spain.
- Raising environmental awareness via inductions and for the entire workforce, and news, articles, documentation of interest via the Intranet.
- Notification of 2023 Mobility Plans.
- Signage reduction of electricity consumption and waste reduction.
- Participation in the sustainability partnership “enRedarse”.

#### GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME



		2023	2022	2021
301-1.a	Paper consumption (kg)	22,855	38,938	28,070
301-1.b	Cardboard consumption (kg)	185,187	130,857	83,408
301-1.c	Wood consumption (kg)	1,127,230	749,750	770,759
301-1.d	Chemical products consumption (kg)	312,394	433,535	522,440
301-1.e	Metal consumption (kg)	23,767,927	15,677,570	19,861,383
301-1.f	Plastic consumption (kg)	218,343	46,256	59,585
301-1.g	Cable consumption (kg)	405,728	502,673	161,043
301-1.h	E/E and ICT equipment consumption (kg)	634,010	633,796	1,620,928

#### GRI 301-3 RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS

The main reclaimed products are pallets, boxes, drums and GRP.

## ENERGY

### GRI 302 ENERGY CONSUMPTION WITHIN THE ORGANISATION



Energy consumption within Ingeteam is systematically controlled at all the group's significant sites: production facilities, buildings, and offices belonging to Ingeteam, excluding the energy consumption of subcontractors. Energy consumption is calculated by adding i) the primary energy consumption of fuels; and ii) secondary energy consumption of electricity and district heating purchased from third parties.

It is worth highlighting that the electricity consumed by all organisations based in Spain (Bizkaia, Navarre, Gipuzkoa & Albacete) is environmentally friendly and comes entirely from renewable sources, thanks to an agreement with electrical utility company Iberdrola.

Natural gas consumption has decreased by 11% mainly due to the production decrease in the United States in 2023.

	2023	2022	2021
302-1.a Electricity consumption	13,877,680	13,979,747	14,509,323
302-1.b Natural gas consumption for heating in kWh	10,039,704	11,318,977	8,207,233
302-1.c Diesel consumption in litres for heating, machinery, etc. ...	23,327	20,860	34,447

### GRI 303 WATER



Water is one of the natural resources used by processes and its management pays special attention to water consumption and discharge quality control (in m<sup>3</sup>).

Total water consumption amounted to 36,127 m<sup>3</sup> in fiscal year 2023 (32,047 m<sup>3</sup> in fiscal year 2022). In 2023, a total of 330 m<sup>3</sup> of recycled water was used. Given that the main nature of water consumption comes from the tests carried out for submersible pumps (the rest is for human consumption and DHW), no special measures to reduce water consumption in this period have been considered.

	2023	2022	2021
303-1 Water consumption (m <sup>3</sup> )	36,127,410	31,567,757	34,150,894

### GRI 304 BIODIVERSITY



The indicators for biodiversity impacts under Heading 304 can be summed up by stating that the industrial operations of the member companies of Ingeteam are conducted with the utmost respect for the natural settings in which they are based. Ingeteam is a company with a low risk of producing environmental pollution, with the exception of certain manufacturing production units such as Indar in Beasain, which makes electric generators and submersible pumps. Its factory stands in a natural area and is closely monitored by the public water authority URA, given that there is a risk of discharges into water courses.

### GRI 305 EMISSIONS



Ingeteam annually measures its direct and indirect emissions in accordance with the GHG Protocol requirements, which is the corporate standard for accounting and reporting. In the 2023 fiscal year, a calculation of the 2022 emissions was made based on the GHG Protocol methodology, resulting in the 2022 Carbon Footprint report, which has been externally verified by the company Lloyds Register Quality Assurance, LRQA, for the com-

panies Ingeteam Power Technology S.A and Ingeteam Indar Machines, S.A. The rest of the national and international companies contribute to the report with activity data that has not been verified, only calculated.

Additionally, as of the date of writing this report, the Carbon Footprint calculation corresponding to the year 2023 and verification by an independent third party has been carried out. For the 2023 financial year, the verifier has been DNV. In a similar way to the calculation carried out in fiscal year 2022, the contribution to the carbon footprint of international companies has been calculated with the same methodology, although it has not been verified by a third party.

Under this approach, only the calculation of those facilities, centers and vehicles with respect to which Ingeteam has the capacity to direct its operational policies and, therefore, complete and accessible information is included. All identified direct emissions, Scope 1 emissions, as well as indirect emissions due to electricity consumption, Scope 2 emissions, will be included in the calculations.

Scope 3 indirect emissions are those consequences of Ingeteam's activities, but that occur in sources that are not owned and controlled by it. In order to obtain a complete view of the emissions generated by Ingeteam's activity, it has been decided to include the emissions detected from scope 3 sources, on which the company can currently provide data. For this, the Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the Greenhouse Gas Protocol (GHG Protocol) has been applied.

The scope 1, 2 and 3 emissions calculation inventory is as follows:

	2023	2022	2021
Direct emissions (Scope 1)	5,838 tCO <sub>2</sub> -eq	5,769 tCO <sub>2</sub> -eq	5,518 tCO <sub>2</sub> -eq
Indirect energy emissions (Scope 2)	742 tCO <sub>2</sub> -eq	663 tCO <sub>2</sub> -eq	5,959 tCO <sub>2</sub> -eq
Indirect emissions generated by business travel (Scope 3)	34,939 tCO <sub>2</sub> -eq	38,092 tCO <sub>2</sub> -eq	1,252 tCO <sub>2</sub> -eq

The main source of primary energy is the consumption of natural gas. Additionally, chlorofluorocarbon substances (CFCs) and halons, historically used as refrigerants and propellants, affect the ozone layer if they are released into the atmosphere. The presence of these substances in Ingeteam has a marginal value and is mainly located in fire extinguishing equipment, high voltage cells and refrigeration systems. The maintenance of these equipment, which works in closed circuit, is carried out in accordance with current legislation. Scope 1 emissions amounted to 5,838 tCO<sub>2</sub>-eq in fiscal year 2023 (5,769 tCO<sub>2</sub>-eq in fiscal year 2022).

Ingeteam uses a market-based approach to calculate indirect emissions produced by electricity consumption. Scope 2 emissions amounted to 742 tCO<sub>2</sub>-eq in fiscal 2023 (663 tCO<sub>2</sub>-eq in fiscal 2022) mainly due to the decrease in redemption acquisitions of guarantees of origin of electricity.

Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the company's value chain, including upstream and downstream emissions. This includes transportation, the elimination of waste generated in operations, the use of products sold, business trips (plane, train) and employee travel. The

Scope 3 emissions amounted to 34,939 tCO<sub>2</sub>-eq in Fiscal Year 2023 (38,092 tCO<sub>2</sub>-eq in fiscal year 2022).

## GRI 306 EFFLUENTS AND WASTE



The environmental impact of Ingeteam's waste depends on the type of waste and the waste treatment method chosen. Our internal procedure divides between hazardous and non-hazardous waste.

Waste generated by weight (in kg):

	2023	2022	2021
Hazardous waste (batteries, toner, rags, etc.)	128,482	108,126	348,364
Electrical-electronic computer waste	54,803	32,249	36,440
Paper + cardboard waste	269,959	201,491	261,984
Plastic waste	81,757	59,343	60,647
Wood waste	616,190	453,417	624,091
Metal + cable waste	1.608,120	1,562,759	638,740

Regarding the final treatment of waste at the facilities, practically all of it is recovered through authorized managers and a small fraction is eliminated.

Regarding reuse measures, wooden containers and pallets are reused in the shipments themselves.

### 306-4 TRANSPORT OF HAZARDOUS WASTE



Waste management is carried out by authorised waste managers, incorporating new managers at the sites where operation and maintenance services are provided.

### 306-5 WATER BODIES AFFECTED BY WATER DISCHARGES AND/OR RUN-OFF



No such discharges were detected.

## ENVIRONMENTAL COMPLIANCE

### 307-1 NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

In relation to environmental regulation, within its management system, In-geteam continuously monitors environmental legislation to determine the impact on its activity, through management databases of environmental legal requirements.

In fiscal year 2023 there have been no fines or sanctions derived from non-compliance with environmental regulations.

Regarding environmental events, no significant environmental event has occurred in which it has been necessary to activate the environmental incident procedure. There has been no damage to the environment, no deterioration in water bodies, or damage to biodiversity.

### ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

At Ingeteam we have a supplier code of conduct in which we ask our interested parties to adhere to our environmental requirements. Likewise, our general purchasing conditions include the main environmental requirements demanded of the supply chain.

In fiscal 2023, we have developed a specific environmental sustainability assessment for main contractors. The objective of this document is to establish general sustainability assessment requirements (including environmental) for major suppliers. As of the date of this report, this evaluation is in the final testing phase. Likewise, the Eco-vadis platform is being used in tests to evaluate the supply chain assessment tool.

# GRI 400 Social performance

This section describes the links between Ingeteam and the persons with whom it interacts in the business and in the communities in which it operates.

The personnel management structure in place at Ingeteam enables us to attract, develop and promote the talent that we need in line with the business project set out in the current strategic plan. We attract and recruit the finest specialists by offering an attractive, reliable, transparent brand, in line with the company's values. This means that we have a smooth running, efficient organisation with teams trained to manage change.

One of Ingeteam's biggest successes is our workforce, which reflects our society in terms of diversity, gender and inclusion. In 2023, an average theoretical staffing level of 4,841.5 staff was reached, although the year ended with a final actual staffing level of 4,977 people.

We have also continued to implement measures aimed at facilitating the work-life balance, supporting equal opportunities by eliminating potential gender and racial bias. We also maintain our strong commitment to people with disabilities, manifest by their integration at Ingeteam and by our cooperation agreements with special employment centres.

At Ingeteam we are convinced that investment in proper training not only increases opportunities for career development but also encourages our employees to see Ingeteam as their path for the future. It is therefore a key element in holding onto talent and securing commitment to our organisation.

We also strive to eliminate potential gender bias and support equal opportunities, both in the selection of our staff and in career progression opportunities.



In Spain, where the majority of our workplaces and staff are located, all workplaces that are affected by national equality regulations comply with the regulations that ensure and promote wage convergence between women and men. It is also worth mentioning that this year, projects have been initiated to review and update existing Equality Plans and others have been initiated at workplaces that are not legally obliged to implement them.

In this sense, we are also very active with institutional campaigns and collaborate with various organisations such as the Bai Sarea Network and Gizonduz.

#### GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER



In 2023, the average workforce totalled 4,841.5 theoretical employees, although the year ended with an actual workforce of 4,977 people (reporting source AURA platform, a specific reporting tool for non-financial indicators linked to Personnel, which is the basis for the 2023 data provided in this report).

With respect to the previous year, there was a significant increase in the average number of staff of 365.5 theoretical staff, up 8.2%. This increase in the workforce is due to Ingeteam's 2022-2024 Strategic Plan which includes and develops strategic projects and businesses that involve increases to the workforce.

In terms of actual final workforce figures, there was also an increase of 295 additional employees, which represents a percentage increase of 6.3% with respect to the end of the 2022 financial period. The trend in recent years has been marked by a steady yearly increase, although in 2023 the increase was significant.

#### GRI 401-2 BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEE



At Ingeteam, we do not discriminate based on contract type (permanent-temporary) in general terms.

The exception to the above general rule are the USA and Mexico, where current labour legislation and common practice provide for different treatment for certain aspects regarding permanent or temporary contracts, or time served at the company (holidays, insurance, etc.). This differentiation, in terms of social benefits, does not apply to working hours (full-time and part-time).

Regarding the distribution of the type of fixed-temporary contract by age groups, there is progress in generalized employment stability, but highlighting, as was the case in 2022, the increase in employment stability in the group of younger people <30 years old, with an increase of 9.5 points compared to the 2022 figure. In the middle-aged group, stability is maintained in the same percentages, and in the older group is where a slight percentage decline is experienced approximately of a half point.

#### GRI 401-3 PERMISO PARENTAL



We promote and implement measures to facilitate a healthy work-life balance, such as:

- Flexible working hours for the development of working hours. 87% of the workforce has enjoyed flexible working hours throughout the year, which is a total of 4.331 people employed, a much higher figure than the employees who enjoyed such flexibility last year, assuming an increase of 25%.
- Maternity/paternity leave. 98% of the staff entitled to this permit have exercised their integrity throughout 2023 compared to 98,8% in 2022, a very similar figure, and that is a group of 196 people who have enjoyed this permit of the

total of 200 who are eligible to do so.

- Facilities to reach personal agreements regarding schedules specific to the needs of the worker.
- Extended paid leave as defined in official Regulations or Collective Agreements applicable in Spain.
- Facilities for applying for voluntary leave for legal custody of minors/adults.

Regarding the granting of reductions in working hours within the framework of legal standards. The 3.2% of the average workforce enjoys a reduced working day, which means a total of 159 people in the average workforce, a figure that suffers an increase in absolute terms compared to 134 last year, although in terms of % it has a slight reduction.

As shown in the graph below, of the total number of persons applying for a reduction in working hours for reasons of conciliation, the majority of women is 62 per cent of the total, similar to the data of 2022.

Reduced working hours	2023		2022	
	Average Staff	%	Average Staff	%
Men	61	38	51	38
Women	98	62	83	62
Total	159	100	134	100

On the other hand, and in terms of flexible working hours, during 2022, a decisive step was taken regarding this important issue in favour of work-life balance, reaching figures of 3,331 people benefiting from this flexibility, which represents 86.5% of the workforce, and an advance of more than 24 points compared to figures from the past.

## EMPLOYEE-EMPLOYER RELATIONS

## 402-1 MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES



There is no specific corporate policy at Ingeteam on minimum notice periods to workers and their representatives regarding significant operational changes, but the period required in law is strictly complied with.

Information is provided in line with the circumstances in each case, using the relevant channels, but no minimum notice period has been set.

However, in 2022 we created a new internal communication channel called “My Portal” within the employee portal. This is used to send communications to everyone at Ingeteam. The news can be consulted via the employee portal itself, and also e-mail is sent to the company’s email account with the headline and subtitle of the news item. Throughout the year, a total of 780 news items have been sent via the portal on different topics such as: new orders, events, videos explaining how a product we develop works, communications on CSR, etc.

## OCCUPATIONAL HEALTH & SAFETY

### GRI 403-1 WORKERS’ REPRESENTATION IN FORMAL JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES



A large proportion of the Ingeteam workforce are represented by health and safety committees made up of management and workers, which advise and consult on Occupational Health & Safety matters. Forming these committees ensures joint participation in the control and monitoring of activities.

## Occupational Health and Safety (OHS) as a main focus

At Ingeteam, Health and Safety is a priority in everything we do. To this end, and in accordance with Ingeteam's new 2022-2024 Strategic Plan, we continue to work on the following:

- To be an organisation with a real, reliable and viable health and safety culture.
- That people in the organisation, in their different roles, are committed to safety and take personal responsibility.
- That our production activities are conducted under controlled working conditions in order to cause zero harm to people's health.
- That our safety systems, processes and management tools support our processes in an integrated and comprehensive manner and support continuous improvement.
- That our contractors, suppliers and other stakeholders should be considered as our own, and therefore comply with the same Health and Safety requirements.
- Design and maintain facilities and equipment with safety as a priority in their conception.
- Maintain open, two-way and effective communication channels on health and safety issues.

By doing this, we can achieve a high level of Health and Safety, creating a competitive advantage for the company and increasing people's satisfaction.

Our principles and priorities are:

- We believe that all accidents can and should be prevented. This challenge cannot be met without the commitment, active support and contribution of all those involved in the work process.

- Health and safety management must be dynamic, participative and efficient. We must invest in people and motivate our workforce through engagement, by reporting accidents and unsafe behaviour and conditions and by making proposals for improvement.
- We promote new ideas and initiatives in health and safety i.e. we encourage people to participate in creating a shared, common health and safety culture.
- Good Health & Well-being: Improving health and well-being at work means investing in the most important asset of any company or organisation: its workers.
- We seek to eliminate hazards and minimise risks as we follow our procedures, regulations and processes. Health and safety rules are based on experience and the requirements of law. Everyone is responsible for complying with them. We monitor and reject unsafe practices..
- Safety is directly linked to learning. If an organisation is not a learning organisation, it is not a safe organisation. Organisations need to learn from their employees, and learn from all kinds of "deviations".
- We think before acting and consider the situation and circumstances. We assess, understand the risks, implement controls and undertake monitoring. If something looks unsafe it probably is unsafe.

For its part, Ingeteam's Code of Conduct indicates:

- Ingeteam undertakes to ensure that its professionals work in safe places, and have policies, procedures and the means necessary to minimise any associated risks, both for its own personnel and for external workers.
- All Ingeteam's professionals are obliged to be aware of and comply with the regulations relating to health and safety at work, looking after their own safety and that of any person who may be affected by their activities.

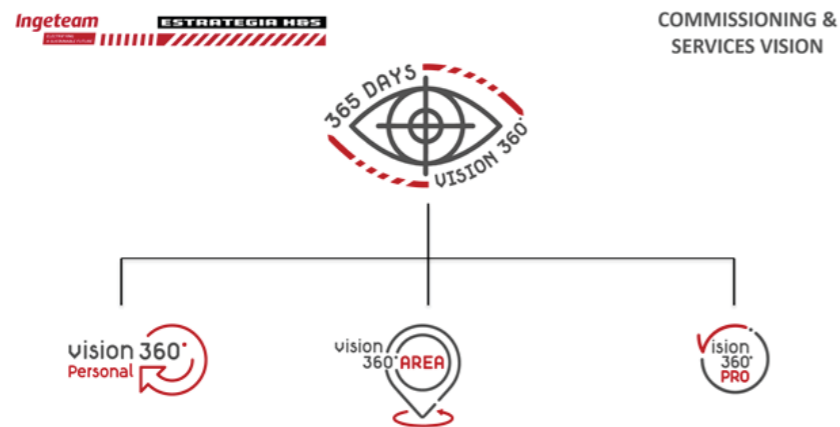
- Furthermore, professionals are obliged to report any anomaly, incident or risk observed in relation to these aspects to their superior or the person in charge.

On the other hand, considering the new Strategic Plan, which seeks efficiency and continuous improvement of the organisation's processes, the Health & Safety Area has been restructured and a new Global Health & Safety Area has been created.

Likewise, and in line with the Strategic Plan, a H&S communication campaign has been developed called 360° vision / 365 days. This campaign seeks to enhance the more operational aspect of Health and Safety, by anticipating what we do, without improvising and by taking action to improve our health and well-being at work.

360° vision / 365 days is a global health and safety campaign covering all of the company's activities and countries (service, commissioning, manufacturing, laboratories and office work) in their different stages. However, in 2023, the focus was on the commissioning and service group (work at customer sites).

The campaign establishes three environments, that of the person (Personal), that of the workplace (AREA) and that of the tasks or work performed (PRO).



### GRI 403-2 TYPES OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS AND ABSENTEEISM AND NUMBER OF WORK-RELATED FATALITIES

	Lost time accidents	No lost time accidents	Commuting accidents	Incidents	Near miss
Total 2023	90	117	21	257	310
Total 2022	69	115	55	234	366
Total 2021	69	111	39	166	295
Men 2023	77	101	15	NA	NA
Men 2022	65	109	42	NA	NA
Men 2021	61	94	34	NA	NA
Women 2023	13	16	6	NA	NA
Women 2022	4	6	13	NA	NA
Women 2021	8	17	5	NA	NA

In 2023 there were 90 lost time accidents (hereinafter LTA), 30% more than in 2021 which was of 39 lost time accidents. The percentage of male CBAs has increased 16.6% in 2023. As a result, female LTAs have increased by 225% from 4 to 13. The main causes of this increase in accidents with sick leave are the increase in activity in the start-up of services, laboratories and above all in production plants, the manufacture of new, more complex equipment, organisational changes and the hiring of new personnel. The increase in the accident rate among women is linked to the increase in the accident rate in one of the production plants in which the direct labour force of women is important.

In relation to no lost time accidents (hereinafter NLAT), it has decreased by 1% over the total, being 118 in 2022 compared to 117 in 2023. It is not a significant increase, but it is above the desired parameters in Ingeteam.

As regards commuting accidents, there has been a significant decrease of 61%, this is a very significant decrease. From 55 in 2022 to 21 in 2023. It can be concluded that the increase in the possibilities of teleworking within the organisation, the holding of online intercompany meetings, the subcontracting of start-up work to third party companies in mainly remote locations, as well as the possibility of carrying out remote technical interventions without having to go to the customer's premises, have made such a significant decrease possible.

The figure for total reported incidents and nearmisses can be improved because it has fallen by 5.5%, breaking the upward trend of recent years. Incidents have increased by 10% (257 incidents in 2023 compared to 234 in 2022) and near misses have decreased by 15% (310 near misses in 2023 compared to 366 in 2022). The objective of increasing awareness of communication and learning is a priority for Ingeteam and we will have to work along these lines to return to the objective of increasing nearmiss reporting. In the case of incidents, the trend should be towards reducing them, as they are events with material damage that have materialised and should have been avoided previously.

<b>INJURY FREQUENCY RATE (IFR) BY GENDER: Number of lost-time accidents / Total number of scheduled working hours) * 1000000</b>	<b>2023</b>	<b>2022</b>
IFR - Total	10.33	10.85
IFR - Men	11.16	12.28
IFR - Women	7.18	3.75

Even though there has been an increase by 30% in lost-time accidents, the total TFA has decreased by 7.5%. This increase is mainly due to the fact that the total hours worked by the workforce decreased in 2022 compared to 2021. Regarding segmentation between men and women, it is evident that there has decreased by

9.1% by men from 2022 to 2023 and a decrease of 91.4% by women.

<b>INJURY SEVERITY RATE (ISR) BY GENDER: Total number of working days lost due to lost-time accidents / Total number of scheduled working hours) * 1000</b>	<b>2023</b>	<b>2022</b>
IFR - Total	0.28	0.44
IFR - Men	0.22	0.50
IFR - Women	0.05	0.15

The ISR of 2023 has decreased by 36% compared to 2022. It is justified because the accident rate has been linked to minor events, such as blows, cuts and musculoskeletal injuries, and therefore very short-term absenteeism.

<b>OCCUPATIONAL DISEASES (OD) BY GENDER:</b>	<b>2023</b>	<b>2022</b>
Number of cases of occupational diseases	8	8
OD – Men	(75%) 6	(87%) 7
OD – Women	(25%) 2	(13%) 1

The number of total occupational diseases (8) remains the same as in 2022. However, taking into account the increase in the number of employees, it can be seen that in relative terms the relative number of occupational diseases has decreased. The causes are mainly linked to musculoskeletal aspects.

<b>Formal agreements* on occupational health and safety reached by works councils or specific health and safety committees</b>	<b>2023</b>	<b>2022</b>
Number of formal agreements reached	154	103
Number of meetings held	64	61

In relation to the number of meetings held, there is an increase of 4.9% in the number of meetings held compared to 2022. In the case of formal agreements reached, there is an increase of 49%, from 103 agreements in 2022 to 154 in 2023

### GRI 403-3 WORKERS WITH A HIGH INCIDENCE OR HIGH RISK OF DISEASES RELATED TO THEIR OCCUPATION



The ISR of 2023 has decreased by 36% compared to 2022. It is justified because the accident rate has been linked to minor events, such as blows, cuts and musculoskeletal injuries, and therefore very short-term absenteeism.

OCCUPATIONAL DISEASES (OD) BY GENDER:	2023	2022	2021
Number of cases of occupational diseases	8	8	12
OD – Men	(75%) 6	(87%) 7	83% (10)
OD – Women	(25%) 2	(13%) 1	17% (2)

### GRI 403-4 HEALTH AND SAFETY TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS



In relation to the number of meetings held, there is an increase of 4.9% in the number of meetings held compared to 2022. In the case of formal agreements reached, there is an increase of 49%, from 103 agreements in 2022 to 154 in 2023

Formal agreements* on occupational health and safety reached by works councils or specific health and safety committees	2023	2022	2021
Number of formal agreements reached	154	103	218
Number of meetings held	64	61	87

## TRAINING & EDUCATION

### 404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE



At Ingeteam we are convinced that investment in proper training not only increases opportunities for career development but also encour-

ages our employees to see Ingeteam as their path for the future. It is therefore a key element in holding onto talent and securing commitment to our organisation.

In 2023, through the different annual Training Plans developed in each headquarters or workplace, more than 134.602 hours of training have been carried out throughout Ingeteam, which presents a decrease of 8.9% over the previous year (29.499 hours). In view of the concentration of the workforce in Spain, most of the training was carried out in Ingeteam Spain. Likewise, the average hours/person ratio amounts to more than 28 hours per person, a similar figure to the year 2022.

If we introduce the gender magnifying glass, we can see that this ratio of hours/person, decanted this year 2023 against the situation of 2023 by the female group, with 4.5 hours more on average per person in training than the male group. However, the reduction in training hours in 2023 has had a greater impact on women, with a total reduction in hours in % of 12.8% compared to last year's figure, while for men, the drop in training hours was 8%.

Investment in training/development	2023		2022	
	Men	Women	Men	Women
Total hours	105.706	29.196	126.939	37.463
Ratio hours/person	27	31,5	35	44

As a result of the annual training plans, during 2023 the training expenditure at Ingeteam amounted to more than 1.8 million euros, with an average annual investment per employee of 386 euros, which represents an increase of 23% in terms of total training investment, and an increase of 14% with respect to the average figure for 2022 for average investment per person in training.

These figures for the increase in investment in training and the average increase in investment per person may clash with the previous data on the reduction in the

volume of total hours and means of training, although the explanation can be found in the nature of the training itself, which involves an annual plan with a lower volume of hours but a higher cost.

The following graph describes the evolution of these data:

Investment in training/development	2023	2022
Total investment (Thousand euros)	1,856	1,503
Ratio euros/person	383	336

### Training Hours by Professional Category

The distribution of 2023 training by professional category in the whole of Ingeteam is shown in the following graph:

	2023	2022
Training hours for shop floor workers	74,325 (55.1%)	104,345 (63.4%)
Training hours for engineers	38,266 (28.4%)	34,236 (20.8%)
Training hours for administrative staff	8,176 (6.1%)	8,133 (5%)
Training hours for middle management	10,077 (7.4%)	13,073 (8%)
Training hours for management	4,060 (3%)	4,615 (2.8%)
Total hours	134,902	164,402

According to the table above, the group of Administrative staff has a small increase in the volume of hours of 42 hours (+1.1%), and especially the group of Engineers with a significant increase of more than 4,000 hours in total, which represents an increase of 7.5% with respect to last year.

However, the rest of the groups have setbacks of different degrees, not very marked in the groups of Middle Management (-0.2%) and Management (-0.5%), but significant in the group of Operators, with a setback of 8.3% with respect to 2021.

## 404-2 PROGRAMMES FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS



Ingeteam has diverse processes oriented to the Performance Evaluation with a focus on Development, which during 2023 has impacted a total of 1,563 people employed. In any case, of the 1,563 persons subjected to this practice, 82.3 per cent were successful, 1,287 persons. There has been a setback of 10 points with respect to last year's data in % terms, although in absolute terms it has grown as the target group of this practice has increased by more than 500 people as a result of the progressive implementation of the PDI Process in Spain, which began its launch in 2022.

This setback can be seen in the fact that, of the 10 work centres with this practice in place, only 6 of them have completed this important process 100%, while the rest of the centres have experienced results that vary between 50 and 75% approx. of compliance as a result of the lack of maturity and complete deployment of the new PDI Process launched.

The “Development Talk or Interview” is a key component of these local processes, whereby the employee receives regular feedback from their manager in relation to their performance and critical inputs on strengths and opportunities for improvement in terms of Technical, Human and Business Competences, which are then used to draw up individual and group development plans.

This practice not only leads to the employee's professional development, but also improves their motivation and engagement, while creating and promoting the types of professional profile that the organisation will require down the line.

### 404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS



In 2023, through the different annual Training Plans developed in each headquarters or workplace, more than 134.602 hours of training have been carried out throughout Ingeteam, which presents a decrease of 8.9% over the previous year (29.499 hours). In view of the concentration of the workforce in Spain, most of the training was carried out in Ingeteam Spain. Likewise, the average hours/people ratio amounts to more than 28 hours per person, a similar figure to the year 2022.

### DIVERSITY & EQUAL OPPORTUNITY

#### 405-1 DIVERSITY & EQUAL OPPORTUNITY



At Ingeteam we do all that we can to eliminate any gender gap and support equal opportunities in recruitment, in opportunities for promotion at work and in drawing up remuneration policies.

There is currently a significant gap between men and women in STEAM degree courses (Science, Technology, Engineering, Arts and Maths). At Ingeteam we strive to encourage women to take up careers in technology through the Inspira project, which organises actions to heighten awareness in society and encourage interest among children, especially girls, to foster empowerment and help them overcome barriers to choosing the education and occupation that they want.

In terms of the distribution of the average workforce between the sexes, 80.9% are men and 19.1% are women, compared to 81.2% men and 18.8% women in 2022.

The evolution of this distribution with respect to previous years, shown in the attached table, reflects the sustained increase of the average 2023 workforce of women with respect to the average total increase of the Ingeteam 2023 workforce in the previous table by +8.2%, which has meant in absolute terms, an increase in the average female workforce in 80.9 women (+9,6%), compared to the increase in the male workforce established at 284.6 men (+7.8%).

The average age of our staff is 8.1 years (slight decrease over the 8.7 years of 2022), with an average age of 42.77 years, an average age that increases by 2.23 years compared to the previous year as a result of the slower addition of new people to the workforce, these being on average younger, no longer have direct impact on the global average age of Ingeteam.

By gender, the average age of men and women differs by about 0.58 year. in favour of the female group, being 7.99 in them and 8.57 in them respectively; the average age in women is 40.03 years, and in men 42.71 years, with a similar difference of 0.32 average year older in the male group. This determines an average profile of younger and older women although the differences are not very significant.

(incluir la tabla de la p.26 del EINF en inglés titulada “Average number of employees by gender”)

Average number of employees by gender	2023		2022	
	No.	%	No.	%
Men	3,917.1	80.9	3,632.5	81.2
Woman	924.4	19.1	843.5	18.8
TOTAL	4,841.5	100	4,476	100



Our commitment to persons with disabilities can be seen in the fact that they are integrated at Ingeteam, and that we have cooperation agreements with special employment centres.

In this sense, we work with and make donations to Fundacion Adecco and Lantegi Batuak at some of our workplaces in the Basque Country and we participate in institutional campaigns to foster the integration of persons with disabilities. We also work with the Gureak association, a Basque corporate group that creates and manages stable job opportunities properly adapted to persons with disabilities, especially for mentally disabled persons in Gipuzkoa .

The table below shows the number of people with disabilities at Ingeteam, whether internal or external, and by gender. Internally, there is a slight increase of 2 persons, similar to the increase at the external level (3 persons).

In Spain, 100% of the work centres are adapted for disabled personnel, although globally, there are 4 centres out of the total of 24 centres that have not completed this process 100%, therefore 16% of Ingeteam's facilities are not adapted.

As was the case last year, four Ingeteam plants (two in Spain, one in the USA and one in South Africa) have protocols in place for integrating persons with disabilities. Between them they make up 13% of total workplaces.

		2023	2022	2021
405-1 (g)	Number of disabled employees	0.58 %	0.55 %	0,55%
405-1 (h)	Equivalent disabled employees	0.29 %	0.24 %	0,24%
405-1 (i)	Existence of disabled-friendly facilities	84 %	64 %	64%

#### 405-2 RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN



At Ingeteam wages depend on training, experience and performance. The gender of workers is not taken into account. This is actually factored into Chapter 2 of our Code of Conduct: “The wages received by employees will be determined by the functions that they perform, with the applicable bargaining agreements always being observed”.

This year we have once again carried out an analysis to assess the existence of a wage gap at our workplaces in Spain taking into account gender, occupational category and geographical area and comparing the wages of all women at each workplace with those of men in each category, with the results being weighted for the total number of employees. We can therefore confirm that there is equal pay for men-women at all of our workplaces in Spain, safeguarded by the wage tables drawn up in the applicable provincial and company level collective bargaining agreements.

The situation is similar to Spain in the rest of Europe, which is where most of our workplaces are located.

We did not carry out a global wage gap analysis on the understanding that the diversity of wage levels between countries with different living standards would produce an absolute result that would be difficult to interpret.

### NON-DISCRIMINATION

#### 406-1 INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN



With our international outlook, we are well aware of how diverse Ingeteam is, and we strive to manage diversity correctly and avoid discrimination through the Ingeteam Code of Conduct and through

specific protocols drawn up at six different workplaces (17% of the total).

The Compliance Committee did not detect any cases of discrimination during the year.

The Code of Conduct contains a specific section on Diversity, Equal Opportunities and Equal Treatment, which sets out the commitments and the behaviour expected of company employees in this regard:

- Company employees must act based on respect, dignity, equality and diversity in their working relations with other employees, particularly those who manage teams/people.
- Efforts must be made to foster working relationships based on respect, mutual cooperation and equality of individuals over and above differences of any type; diversity and harmony must be properly managed, with particular consideration in regard to the employment of persons with disabilities or functional diversity, and equal opportunities must be offered in access to employment, occupational development and promotion based on merit and capability.
- At Ingeteam no discrimination of any kind is permitted, nor any type of harassment or physical, sexual, psychological or verbal abuse or other degrading treatment. All available measures must be used to pursue and reprimand any such actions or circumstances detected. The procedures and protocols needed to prevent and respond to such cases have been set in place.
- Discriminatory language is not permitted in corporate communications of any kind, be they external or internal, and inclusive language is encouraged within the organisation.

The Compliance and Conduct Committee monitors the prevention and detection of discrimination of all kinds. A reporting channel has been set up for use if any discrimination is detected.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

### 407-1 OPERATIONS AND SUPPLIERS IN WHICH THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK



All employees of Ingeteam in Spain are covered by the relevant sectoral collective bargaining agreements, which are supplemented by company-specific agreements negotiated with workers' representatives where relevant at each workplace. These agreements include a section on Occupational Health & Safety.

At our plants abroad we comply with the relevant legislation in this regard.

## CHILD LABOUR

### 408-1 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOUR



Ingeteam is firmly opposed to the use of child labour, which it considers reprehensible.

The organisation is strongly against child labour and refuses to acquire any product manufactured using child labour, aligned with local legislation and ILO requirements.

The services and products sourced by Ingeteam form an essential part of the value chain provided to customers, so suppliers are required also to commit to:

- Strict compliance with legislation.
- Ethical principles based on the defence of human rights and integrity.

- Prevention of corruption.
- Protection of intellectual and industrial property rights.
- Health, safety and environment.

## FORCED OR COMPULSORY LABOUR

### 409-1 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOUR



The risk assessments conducted in regard to preventing risks under criminal law and maintaining the compliance model have not identified any operations involving significant risks for breaches of freedom of association and collective bargaining rights, for discrimination in employment and occupation, or for forced, compulsory or child labour.

## SECURITY PRACTICES

### 410-1 SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES

Ingeteam has no security personnel in the sense referred to here.

## RIGHTS OF INDIGENOUS PEOPLES

### 411-1 INCIDENTS OF VIOLATIONS INVOLVING RIGHTS OF INDIGENOUS PEOPLES



There have been no cases of violation of rights of indigenous peoples in the course of Ingeteam's operations or those of related companies.

## HUMAN RIGHTS ASSESSMENT

### 412-1 OPERATIONS THAT HAVE BEEN SUBJECT TO HUMAN RIGHTS REVIEWS OR IMPACT ASSESSMENTS



Ingeteam does not conduct assessments of the application of human rights.

#### 412-2 EMPLOYEE TRAINING ON HUMAN RIGHTS POLICIES OR PROCEDURES



Since 2022 Ingeteam has implemented the “STANDARD ON COMMITMENT TO HUMAN RIGHTS” that can be consulted on its website. This document reflects the commitment of Ingeteam and its Board of Directors to Human Rights and fair working conditions, an aspect already included in its Code of Conduct.

This document states that all the activities of Ingeteam are carried out with respect for human rights, and the commitment to comply with the principles established in the United Nations Global Compact, as well as the working principles contained in the Conventions of the International Labour Organisation and its Tripartite Declaration of Principles on Multinational Enterprises and Social Policy, Guidelines for multinational enterprises and OECD recommendations. Also with the Declaration, the Sustainable Development Goals (SDGs) adopted by the United Nations.

#### 412-3 SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACTS THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT UNDERWENT HUMAN RIGHTS SCREENING.



In the General conditions of purchase for Ingeteam there is a section on “Supplier Performance Requirements”, which contains various provisions in this respect, obliging our suppliers to follow our code of conduct and specifying various obligations related to the respect for human rights.

## LOCAL COMMUNITIES

### 413-1 OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENT AND DEVELOPMENT PROGRAMMES



In line with our ethos concerning proper interaction with society, we seek to strengthen our engagement with the community precisely now that current economic circumstances are least favourable.

This ongoing contribution takes effort on our part, but we embark on it with responsibility and enthusiasm through dynamic, proactive management in compliance with our ethos of good business ethics.

At Ingeteam we seek to consolidate our links with the community through facts and figures, in numerous social patronage and sponsorship arrangements and similar initiatives, all carried out with careful attention wherever we operate.

Ingeteam has a sponsorship and donations policy aligned with the corporate social responsibility goals and strategy of the company’s Corporate Marketing Management and with its Code of Conduct, and more specifically with the compliance model for the prevention of criminal activities, particularly as regards corruption, given that donations and sponsorships entail a risk of covert bribery, as set out in international standards such as ISO 37001.

The general purpose of this policy is to set out principles for action and basic instruments to be drawn up, implemented and optimised at the company’s companies concerning sponsorship and donations, especially in the area of investment and development in the local communities where Ingeteam operates.

We take action in three main categories: technical, social and sports.

At Ingeteam we are aware of the importance of training and know-how, and we understand that the younger a stakeholder group is, the more value such initiatives have. This is precisely where interaction between business and the academic world is most meaningful: cooperation agreements with universities and high schools encourage students to do work experience, which provides them with specific training and builds up a real talent management model such as the one that we ourselves promote.

In 2023, the company once again took part in the STARINNOVA mentoring project, promoted by the newspaper El Correo, which promotes entrepreneurship initiatives and relations with industrial companies among secondary school students in numerous centres to monitor these initiatives and familiarise students with their industrial environment.

On the other hand, we continue to maintain the exchange agreements signed with universities and institutes:

- Universities: Deusto Engineering Faculty, Deusto Business School, ETSI (Higher Technical College of Engineering in Bilbao), the publicly-run University of the Basque Country (UPV) in Bizkaia, the Polytechnic University of Oviedo, the University of Castilla la Mancha, the University of Navarre, the Higher Polytechnic College of Mondragón, etc.
- Vocational training schools: Salesianos, Jesuitas, Iurreta, Fadura, Elorrieta, Txorierri, Somorrostro, Tartanga, etc.

Over and above our concern for engaging with our social setting and with the education of young people, and making improvements wherever possible, there are other initiatives in which Ingeteam also brings to bear its know-how and its solidarity.

In the field of sectoral associations and collaborations in various initiatives, in 2023 a total of EUR 91,546 has been paid in fees and contributions in various initiatives under sponsorship concepts. In 2022, a total of EUR 142,033 was paid in fees between different initiatives and associations.

This year we have carried out different sponsorship activities such as:

- Korrika en Gipuzkoa (Spain)
- Cámara de Comercio Gipuzkoa (Spain)
- SOCIEDAD CICLISTA LOINAZ (Spain)
- SDAD.DEPORTIVA BEASAIN (Spain)
- GAIA (Asociación de Industrias de Conocimiento y Tecnología del País Vasco (Spain))
- Eskola Kantari de la Sdad. Coral de Bilbao (Spain)
- Orquesta Sinfónica de Euskadi (Spain)
- Carrera de empresas El Correo (Spain)
- Fundación Fair Saturday (Spain)
- Industria Erronka 2023 (Spain)
- FUND.INDUSTRIAL NAVARRA (Spain)
- Post-Sportverein Dusseldorf 1925 ev (Germany)
- AVSI (Italy)
- Vocational School and Practical School, Nový Jičín, contributory organization (Czech Rep.)
- Club of Visually Impaired Athletes Opava, z.s. (Czech Rep.)

- Balónek z.s. (Czech Rep.)
- Tělovýchovná jednota Vřesina, z.s. (Czech Rep.)
- La Corrida-pedestrian race Toulouse (France)
- Climate Fresco workshop (France)
- Día de la mujer y la niña en la ciencia 2023 (Mexico)
- Convenio de formación con UNITSMO (Mexico)
- Renew Wisconsin Annual Energy Summit (USA)
- US Presidential Visit and evento (USA)
- University of Wisconsin-Milwaukee Career Center (USA)
- MSOE Humanitarian Engineering Chapter (USA)
- Riverkeepers Cleanup (USA)
- Collection, transportation and treatment of hazardous waste (Vietnam)
- Men's Health Day celebration (Australia)
- UNIVERSITY OF WOLLONGONG (Australia)

Contributions to foundations and non-profit entities in 2023 amounted to EUR 45,717, while in 2022 they amounted to EUR 62,088.

The recipient foundations were:

- BETI BIZ (Spain)
- Goierriko Association (Spain)
- DYA (Spain)
- CEAMYN Association of battered women and children (Spain)
- Food Bank (Spain)

- Multiple Sclerosis Society (Spain)
- AVSI (Italy)
- Association of disabled citizens and their Friends (Czech Rep.)
- Plant a tree campaign (Mexico)
- Menomonee Valley Partners (USA)
- National Alliance on Mental Illness Stoutheast WI Chapter (USA)
- VL CANCER COUNCIL NSW WOLLONGONG (Australia)
- Donation to earthquake victims in Turkey
- Donation to flood victims Italy
- Donaciones solidarias ANAPAR Parkinson association (Asociación Navarra de Parkinson)
- ENARCH Association
- Reto de Pablo Association

#### 413-2 OPERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS – ON LOCAL COMMUNITIES



There have been no cases of operations with a significant negative impact on local communities.

#### SUPPLIER SOCIAL ASSESSMENT

##### 414-1 NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA

No filters based on social criteria were applied in the selection of any new suppliers.

#### 414-2 NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN



No negative social impacts were recorded in the supply chains for Ingeteam companies.

### PUBLIC POLICY

#### 415-1 POLITICAL CONTRIBUTIONS



No contributions were made to any political party or representative.

### CUSTOMER HEALTH AND SAFETY

#### 416-1 ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS OF PRODUCT AND SERVICE CATEGORIES

Ingeteam guarantees that all its products are constructed and operate according to characteristics set out in documents of various types, such as:

- Technical data sheets.
- Product catalogues.
- Technical project specifications based on customer requirements and the points set out in the various technical and commercial quotes submitted.

The system for claims and complaints and the methods for dealing with them are

as per quality assurance standard ISO 9001, to which most Ingeteam companies adhere.

All the electrical products of Ingeteam carry the EC Electromagnetic Compatibility certificate, which assures that they are safe to use.

The complaints received and their resolution are distributed throughout the perimeter of all the Group's business units. The result is that 224 claims have been received in 2023 (247 in fiscal year 2022), of which 49 remain pending resolution (89 in 2022). That is, a 93% positive resolution (64% in 2022).

#### 416-2 INCIDENTS OF NON-COMPLIANCE CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES



There were no cases of non-compliance concerning health and safety impacts of our products in the year covered by this report.

### MARKETING AND LABELLING

#### 417-1 REQUIREMENTS FOR PRODUCT AND SERVICE INFORMATION AND LABELLING

The products manufactured and marketed by Ingeteam companies are not subject to the labelling procedures in common use for consumer products.

Each product carries an ID plate which gives basic information, including at least a manufacturing serial number to guarantee traceability. Each type of product has the characteristics described in the relevant technical data sheet, where its full technical, construction and functional characteristics are listed.

#### 417-2 INCIDENTS OF NON-COMPLIANCE CONCERNING PRODUCT AND SERVICE INFORMATION AND LABELLING

There were no incidents of non-compliance concerning product and service information and labelling in the year covered by this report.

#### 417-3 INCIDENTS OF NON-COMPLIANCE CONCERNING MARKETING COMMUNICATIONS



There were no incidents of non-compliance concerning marketing communications such as advertising, promotions, sponsorship, etc. in the year covered by this report.

Ingeteam complies with the General Data Protection Regulation in all its communications.

### CUSTOMER PRIVACY

#### 418-1 SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA



Ingeteam is a major player in the challenges and technological developments in the electrification and decarbonisation of society together with our customers and suppliers, constantly generating new challenges in the field of R&D. These developments also imply an increase in the frequency, The intensity and complexity of cyber attacks also pose a challenge in the management of cybersecurity risk and theft of sensitive data from the company and projects attributable to the lack of security in networks, operating systems and databases.

Relevant aspects of the cybersecurity risk management model:

1. The Ingeteam Directorate is committed to improving and developing the actions necessary to reinforce a strong cybersecurity culture and training, promote the safe use of cyberassets and strengthen detection capabilities, prevention, defense and response to cyber-attacks or cybersecurity incidents at a global level.
2. Ingeteam is implementing a system, process and activity improvement plan, updating and integrating systems and adopting new technologies. As Ingeteam is increasingly exposed to cybersecurity risks, a holistic vision of cybersecurity has been adopted that applies to all areas where IT systems exist, in the staffs' equipment and connections and data transmission.
3. We are in a process of continuous improvement of systems, architecture, procedures, protocols, work processes, training of teams to minimize the risks of cybersecurity.
4. Ingeteam has appointed a Global Cybersecurity Officer (CISO), who reports to senior management and the Ethics and Compliance Committee and defines, coordinates and oversees the deployment of cybersecurity strategy, management and these risks.
5. In addition, Ingeteam is promoting the formation and dissemination of a digital culture and skills to the workforce through an 18-month training programme with the specialized provider Kaspersky.

### SOCIO-ECONOMIC COMPLIANCE

#### 419-1 NON-COMPLIANCE WITH LAWS AND REGULATIONS IN THE SOCIAL AND ECONOMIC AREA





Ingeteam was not fined for non-compliance with laws and regulations in the social and economic area in the year covered by this report.

# The 10 principles of the Global Compact

Our determination to move towards sustainable growth increases every day and encourages us to continue working on the basis of respect for these Ten Principles, which perfectly capture the ideal business organisation and set the bar for our activity.

## HUMAN RIGHTS

### PRINCIPLE 1

**Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.**

At Ingeteam we seek to ensure that all our activities promote and ensure the full exercise of human rights. Our organisation, with a broad international presence, strives every day to incorporate new measures to better address this principle in

areas such as working conditions, safety, health, education and the rights of disadvantaged groups, among others.

### PRINCIPLE 2

**Businesses should make sure that their employees are not complicit in human rights abuses.**

We have no record of such activities now or in the past.

## LABOUR STANDARDS

### PRINCIPLE 3

#### **Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

Our employees are covered by the relevant sectoral collective bargaining agreements, which are supplemented by company-specific agreements negotiated with workers' representatives where relevant at each workplace.

### PRINCIPLE 4

#### **Businesses should uphold the elimination of all forms of forced and compulsory labour.**

Such activities do not apply to our organisation or to any of our key stakeholders, and we support initiatives to eradicate any such activities.

### PRINCIPLE 5

#### **Businesses should uphold the effective abolition of child labour.**

This is not applicable at our organisation, neither now nor in the past, as our activities are not prone to the reprehensible use of child labour as may be the case in other sectors.

### PRINCIPLE 6

#### **Businesses should uphold the elimination of discrimination in respect of employment and occupation.**

At Ingeteam we promote equal opportunities regardless of race, colour, nationality, gender, marital status, religion or sexual orientation, diversity being one of our hallmarks, especially at an organisation such as ours, with a presence in different geographical contexts.

## ENVIRONMENT

### PRINCIPLE 7

#### **Businesses should support a precautionary approach to environmental challenges.**

Ingeteam's commitment to environmental conservation and environmental protection has been present from day one and is a priority objective, such that we could not now work without a preventive approach that aims to reduce our environmental impact to a minimum, as confirmed by our indicators.

### PRINCIPLE 8

#### **Businesses should undertake initiatives to promote greater environmental responsibility.**

We continue to strive to reduce our emissions and energy consumption. On the other hand, environmental sustainability remains a priority at our organisation and we continue to promote the recycling of materials, as evidenced by the constant optimisation of our consumption ratios.

## PRINCIPLE 9

**Businesses should encourage the development and diffusion of environmentally friendly technologies.**

Ingeteam's activity is strongly linked to the generation of energy from renewable sources and the development of technology that favours the most efficient use of available energy.

## **ANTI-CORRUPTION**

### PRINCIPLE 10

**Businesses should work against corruption in all its forms, including extortion and bribery.**

We are not aware of any such activities.

