

Sustainability Report

2021



Ingeteam

Index

03

Letter from the CEO

05

Introduction

07

GRI 200 About Us

28

GRI 201 Economy

33

GRI 300 Environmental Standards

41

GRI 400 Social Performance

56

The 10 Principles of the Global Compact

Letter from the CEO



Mr. Adolfo Rebollo Gómez
Chief Executive Officer

2021 was eagerly awaited for its gradual return to normality in terms of health, work, business, travel, etc. Two years after the start of the pandemic, the epidemiological situation certainly improved, although the virus continued to spread and mutate. But 2021 was also a year of mass vaccinations and a relaxation of restrictions that will entail a return to very similar normality to that which prevailed pre-COVID. The pandemic we have experienced has made society as a whole aware of the importance of taking care of ourselves and our planet. At Ingeteam we are convinced that a more sustainable world is possible and have been working towards this goal since our inception.

From an economic sustainability perspective, like many other companies, we have had to deal with supply chain issues resulting from the economic slowdown caused by the pandemic and the general increase in the price of raw materials, electricity and gas. Despite these hiccups, we managed to reach the end of the year with a recovery in our activity, which approached the

previous levels. Thus, we completed a strategic plan that I am frankly satisfied with, and that despite the difficulties over the past three years we have maintained our level of investment and our workforce.

This past year we embarked on a process of strategic reflection to produce the new 2022-24 Strategic Plan, which not only respects the usual challenges of economic, social and environmental sustainability embraced by the company but also explicitly summarises them via the new slogan that accompanies our brand: “Electrifying a Sustainable Future”. This phrase represents our activity since our foundation 50 years ago, nothing more and nothing less than facilitating the electrification of society, supporting the generation of clean energy and promoting safe and efficient transport and electricity consumption.

The market in which we operate has changed dramatically. Climate change has made energy transition a top priority for governments and society. And this challenge finds Ingeteam perfectly suited to provide the solutions that society and, ultimately, the planet require.

We continue to uphold our commitment to the Sustainable Development Goals. Ensuring sustainability is at the core of our DNA. Our contribution to the decarbonisation of society and the energy transformation towards an increasingly electrified society are the basis of our project.

We help make the environment more sustainable by minimising the impact of our operations on nature, reducing our energy consumption and our emissions of CO2 and other greenhouse gases and encouraging recycling and awareness via the training of our Human Resources, and in general everyone with whom we come into contact.

We also continue to be committed to complying with the Ten Principles of the United Nations Global Compact in our strategy, working on the inclusion of aspects related to compliance, sustainability and CSR and we have once again conducted an “Audit of Accounts for non-financial information and diversity” with positive results.

We have the people, the technology, the facilities, the customers and partners to create a more sustainable world!

Introduction

2021 was the last year of the (2019-2021) Strategic Plan.

The project is based on helping to decarbonise society and bring about a transformation in energy towards an increasingly more electrified society. The technological grounding for the project involved the Group's three basic technology vectors: rotary electrical machinery, power electronics and automation & 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 concerning 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 concerning 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.

102-2 ACTIVITIES, BRANDS, PRODUCTS & SERVICES

Ingeteam is an international technology company specialising in electrical energy conversion. Our technological developments in power and control electronics (inverters, frequency converters, controllers and protective devices), rotary electrical machines (motors, generators and Indar pump motor units), systems (integration of electromechanical engineering & automation) and O&M services enable us to offer solutions for the wind, photovoltaic, hydroelectric and fossil

fuel energy sectors, for the metal processing industry, for shipbuilding, for railway traction and electrical power grids, including substations. We cover transmission and distribution, and always strive for greater efficiency in generation and energy consumption.

Ingeteam operates worldwide, with permanent establishments in 24 countries, and employs over 4000 people. Its activity is structured based on R&D&I, investing more than 5% of its turnover annually.

The new 2022-2024 Strategic Plan introduces the reorganisation of the business units in terms of their approach to the market. 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.

Ingeteam is, therefore, active in seven sectors:

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

We will provide transversal support to the BUs and Sectors from 3 Technological Segments:

- Machines
- Converters & Controls
- Services

The segments support the BUs with core technology and efficient operations.

It develops its solutions in each as follows:

Wind energy

Doubly Fed induction generator (DFIG) and Full Converter (FC) converters with unit power ratings up to 18 MW; doubly fed asynchronous, squirrel cage and permanent magnet synchronous generators rated at up to 15 MW; electrical

control cabinets for wind turbines, smart SCADA, control centres, substation automation; and operation and maintenance (O&M) services for wind farms.

Hydroelectric Energy

Indar hydroelectric generators up to 100 MVA combined power at voltages up to 15 kV. Refurbishment and repowering of large machines, with capacities up to 200 MVA. Variable frequency drives (FC and DFIG) and generators for variable speed and reversible pumping stations. Complete automation of hydroelectric plants, voltage & speed regulators, Smart SCADA and O&M services at power plants.

Photovoltaic energy

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

Battery storage

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.

Shipbuilding & 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.

Rail traction

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.

Transmission & Distribution of Energy

Substation automation, electrical grid control & protection systems, power electronics applied to grids (e.g. Statcom) and electrical storage systems.

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 wastewater and clean water pumping stations. Variable frequency drives and electrical engineering & automation.

Electrical mobility

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.

Industry

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.

Flexible Generation

Indar synchronous generators and control systems are driven by high-efficiency thermal motors (diesel, gas or dual).

Green hydrogen

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.

102-3 LOCATION OF HEADQUARTERS

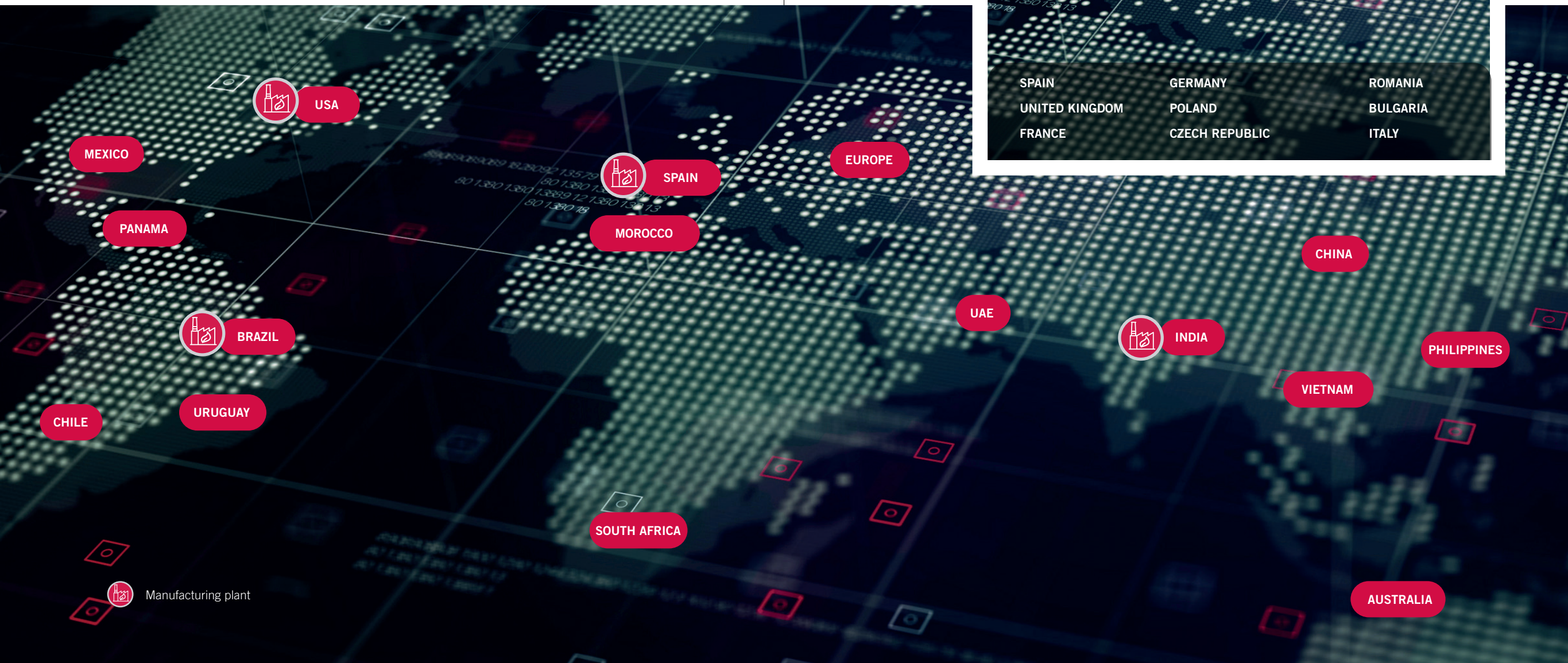
Ingeteam S.A. is based on the Bizkaia Technology Park in Zamudio, near Bilbao.

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: Bulgaria, Czech Republic, France, Germany, Italy, Poland, Romania and the United Kingdom.

- America: Brazil, Chile, Mexico, Panama, Uruguay and USA.
- Africa, Asia & Oceania: Australia, China, Morocco, Philippines, South Africa, Vietnam and UAE.



102-5 OWNERSHIP AND LEGAL FORM

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

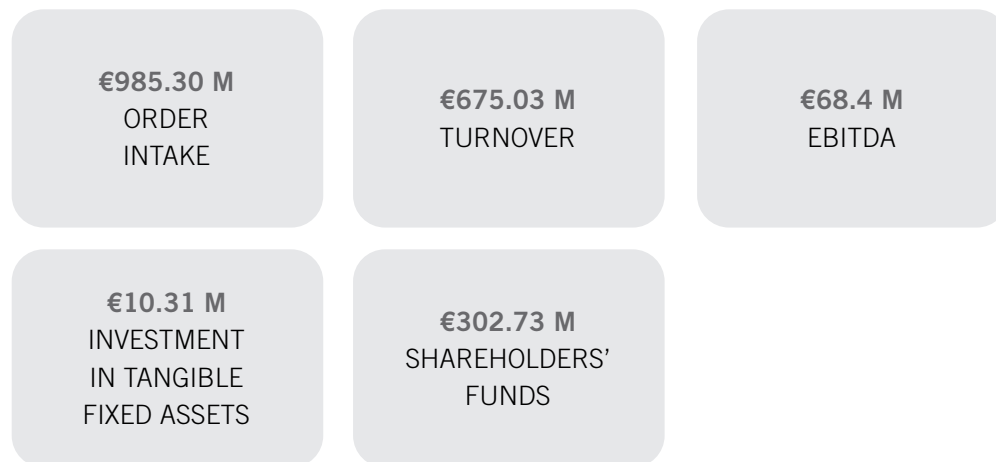
Kutxabank, S.A.	12.86%
Ingeteam, S.A. (treasury stock)	19.12%
Other shareholders	68.02%

102-6 MARKETS SERVED

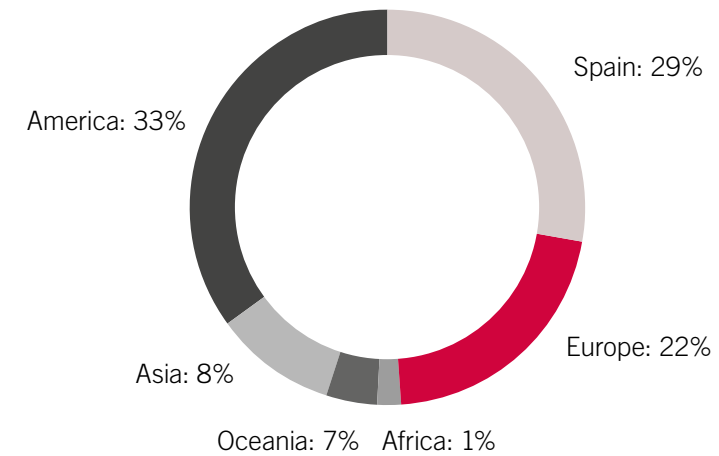
The commercial interest of the companies that make up Ingeteam is global, without geographical restriction. The sectors and customers that we serve are listed in section 102-2 above.

102-7 SCALE OF THE ORGANISATION

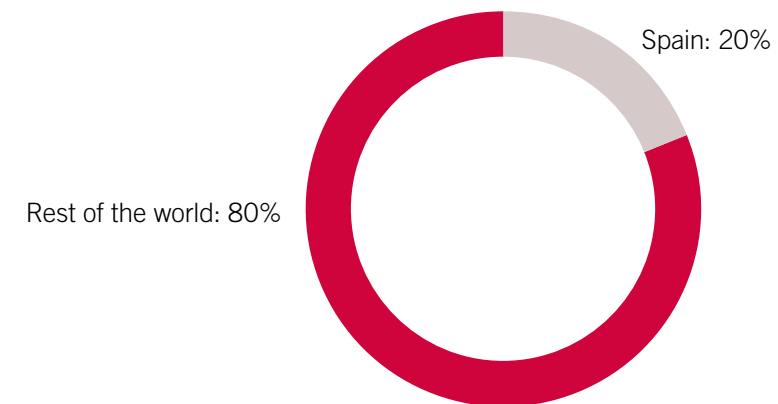
The Group's turnover in 2020 was 675 million Euros, with more than 5% of that figure given over to R&D&i. The main financial figures at the close of the financial year 2021 are as follows:



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

In 2021, the average workforce totalled 4,084.16 theoretical employees, although the year ended with an actual workforce of 4,151 people (reporting source:

the new specific reporting tool for non-financial indicators linked to People and OHS, which is the basis for the 2021 data provided in this report, except for those specific to and relating to COVID).

Compared to the previous year, as the tables show, there was an increase in the average workforce of 78.16 theoretical staff in 2021, representing +1.9%; which, although it does not match 2019 levels, does represent a recovery concerning 2020.

In terms of actual final headcount figures, these also recovered with an increase of 92 more people on the payroll, representing a percentage increase of 2.2%. The trend in recent years, unlike that of the average workforce, is marked by a steady year-on-year increase.

The organisation has a people management policy to “define, implement and develop a people management model at the Ingeteam Group that can attract, develop and promote the talent required for the business project set up and specified in the current strategic plan, in balance with the interests in terms of personal and career growth of those who work with us, to secure their long-term commitment and participation in consolidating and expanding that project.”

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 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 principles on the 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 the 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

This year we continued with the strategic plan for the 2019-2021 period.

Following developments in 2020, this has been a year of settlement and restoration of commercial operations and projects, returning them to normality after the upheavals caused by the global pandemic.

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 fourth year in succession, we produced the non-financial statements as part of the consolidated management report for the 2021 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 per 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 considered.

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 ASSOCIATION MEMBERSHIP

To help perform our activities in various technological ecosystems, the group is a member of the following associations:

- Energy Cluster
- Basque Maritime Forum
- Innobasque
- Gaia

- Spanish Maritime Cluster
- Mobility Cluster
- Spanish Exporters and Investors Club
- Euskalit
- APD

Group member companies also form part of many sectoral associations such as the following:

- UNEF
- AEDIVE
- EWEA
- AWEA
- SEIA
- Siderex
- Hydraulic Institute
- AFBEL

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 8 Sustainable Development Goals from among the 17 on the UN's 2030 Agenda. These are adjudged to be the SDGs which are most closely aligned with the strategy set out in the mission and vision of the 2019-2021 Strategic Plan.

The SDGs are as follows:

- **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 conducts a range of activities concerning 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, to define a company-wide framework for action and commitment.
- **SDG 7. Affordable, Clean Energy.** The implementation and growth of renewables to achieve a more sustainable world is vital to achieving this goal, and it is here where the company is a driving force in the development of products that favour 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 are particularly careful to avoid polluting the manufacturing process for our products, and during their useful life, they contribute by avoiding the emission almost 14 million tonnes of CO₂ into the atmosphere.

102-15 KEY IMPACTS, RISKS AND OPPORTUNITIES

Expectations for the evolution of Ingeteam's different businesses at present and with a view to the new strategic plan are as follows: (although this document refers to activity in 2021, the different businesses are named using the single designation that will be used starting with the new 2022-2024 strategic plan, which will be exclusively in English).

Wind Energy

Ingeteam continues to be the world's leading independent supplier of wind power generators and converters, thanks to the innovative solutions that it offers the sector.

In 2021, 4.4 GW of generators and 2 GW of wind converters were manufactured. We achieved a cumulative figure of 54 GW and expect to maintain this level of leadership, with an objective of 60 GW of installed capacity worldwide by the end

of the current strategic plan period. In addition, we have exceeded 6 GW in the provision of O&M services.

Solar PV

Global PV activity continued to grow in 2021, adding approximately another 156 GW, far surpassing the 2020 figure.

Ingeteam has more than 25 GW of installed capacity worldwide, having supplied 3.6 GW in 2021, thus exceeding the target of 24 GW by the end of the 2019-202 period. Our operations in the PV sector are heavily based on internationalisation. One of the main pillars of this trend is our O&M service, which we offer as a necessary addition to PV facilities. In the past year, we have achieved an output of 8.9 GW at maintained solar photovoltaic installations worldwide.

Hydro Generation

In terms of hydroelectric generators, Indar has supplied 1,394 units to date, equivalent to 10.5 GW overall. In particular, in 2021 it produced 70 new machines.

Hydropower experienced a recovery this year and is expected to continue to grow soon. The current circumstances of the search for energy independence from fossil fuels, added to the issue of climate change, make hydroelectric energy increasingly plausible, not only as a generation technology but also because of its added storage capacity (at reversible pumped-storage plants), enabling the integration of other renewables (photovoltaic and wind) into the electricity grid.

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 430 MVA have been manufactured.

Transmission & Distribution

The Ingeteam Group provides protection, control and metering systems for electricity distribution and transmission grids to meet the increasing need to upscale grids in response to increasing demand, improve the standard of service and enhance efficiency. The concept of smart grids is becoming firmly established in this sector.

Sales figures for 2021 remained in line with those of 2020, representing good turnover, although there were increased difficulties related to the supply chain as a result of the global panorama.

Investment in grids is bound to grow in the coming years. In terms of Ingeteam's activity during the 2022-2024 strategic plan, sustainable growth will continue in this sector in terms of the transmission and distribution of electricity, particularly in the automation of substations at renewable generating plants, which is the area where most growth is expected.

EV Chargers

Electric vehicle charging equipment continues to experience exponential growth in all countries, both in Europe and the rest of the world. Parallel growth is also expected in its electric vehicle charger business, where we have so far supplied over 12,500 units, a large increase over the previous year. In addition, it con-

tinues to bring new charger models to the market, and its internationalisation strategy has started to bear fruit.

BESS

This is an area that cuts across various forms of electricity generation, where there is a need to adapt the generation curve to the consumption curve and at the same time help to stabilise and control the grid. The large-scale incorporation of renewables into the generation mix accentuates that need. A very respectable 1.6 GWh of installed storage capacity, related to renewable generation and distribution substations, was achieved in 2021.

Water

The ever greater need for water for human consumption and the upsets resulting from climate change make this business area, which is conducted by Ingeteam Group member company Indar, an increasingly important vector for development. Indar offers a range of water engineering solutions that bring together pumping project engineering and its submersible motor pump units.

Railway & Mobility

In the global context, the search for carbon-free solutions is a necessity in the transport sector. Thus contributing to the decarbonisation of society through the electrification of transport, Ingeteam continues to expand its range of traction systems with the latest developments for high-speed trains.

Marine

This year we have increased our order intake for support vessels for the building of offshore wind farms, suction dredges, cruise liners and other high-technology, specialist vessels (research ships, silent vessels, etc.) are the main focus points

of the Group's operations in this sector. Ingeteam's laboratories are completed with the inauguration of the Smart Automation 4.0 Laboratory.

Metals & Mining

Steel production figures have declined minimally for most European producers leading to market contraction. However, at Ingeteam we have won important orders.

In mining, projects have resumed that were halted in the previous year due to the pandemic.

Green H2 Systems

This was created in the second half of 2021. It has started its commercial activity and won two orders in 2021. The objective is to design and manufacture the power electronics systems required for hydrolyser operation.

ETHICS & INTEGRITY

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

The conclusions of the latest strategic reflection process conducted by Ingeteam include a list of specific values that remain consistent with those which emerged from 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 to progress towards operational and corporate excellence.

Values:

- The basic foundation of any business is its workforce.
- Appreciation of human values and attitudes
- Trust
- Radioactivity
- 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 Group'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 the 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, which was first approved in 2012 and updated in 2019. 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 business relationships.
- Indications of types of behaviour that are not tolerated, are inappropriate or may even be considered 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 based on 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 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 within the Group.

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 Group personnel. This covers the actions of companies, business units, production units and their 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 regulations which set out its functions and responsibilities. It is made up of:

Chair: Corporate Head of International Development & Internal Operations

Ordinary members:

- Corporate Head of HR
- Corporate Head of IT & Digitisation

- Head of Legal Services
- Corporate Head of Internal Operations

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

Breaches of the Code of Conduct or any other Ingeteam policy or procedure.

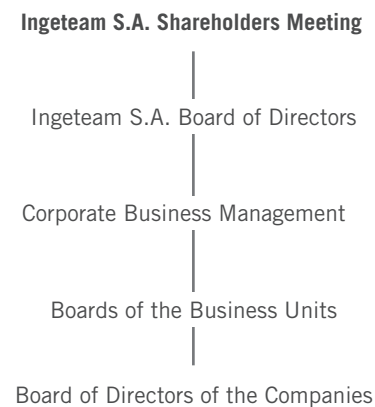
Breaches of current legislation or regulations on labour, civil or criminal matters that may be detected and that affect Ingeteam.

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 applies 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 previous year's accounts and can convene additional extraordinary shareholders' meetings. In 2019 a private website was set up to enhance communication and transparency.

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

The approval of the new 2019-2021 Strategic Plan has given rise to changes in corporate management, with the former executive and corporate business management teams being merged into a single governing body.

This body monitors and implements the company's goals and holds regular meetings with the CEO, General Manager and COO, Segment Managers and Corporate Functional Managers.

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 highest governance body of Ingeteam S.A. is its Board of Directors, which has set up an Appointments & Remuneration Committee.

Name	Charge
Mrs. Teresa Madariaga Zubimendi	Chairwoman
Mr. Felipe García de Eulate	Voting member
Mr. Victor Mendiguren Ayerdi	Voting member
Mrs. Alicia Vivanco González	Voting member
Mr. Ander Gandiaga Osoro	Voting member
Mr. Alex Belaustegui Foronda	Voting member
Mr. Adolfo Rebollo Gómez	Voting member / CEO
Mr. Alberto Guerra San José	Secretary-non director

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

102-30 EFFECTIVENESS OF RISK MANAGEMENT PROCESS

The CEO presents the most significant risks to the Board for its information and 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 drawn up by the Head of CSR.

102-33 COMMUNICATING CRITICAL CONCERNS

Any critical concern is dealt with at the level of the Corporate Management of the Group. The CEO is directly aware of matters of importance to report 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 the remuneration structure and basic terms and conditions of those contracts.
- Regularly reviewing the general remuneration programmes of the workforce of the Group to assess their suitability and outcomes.
- Seeing that the company's remuneration programmes are complied with 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 concerning 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 the organisation as a whole are considered.

The policy for the group as a whole establishes that management staff salaries include a variable part to link their monetary remuneration with the trends in various Group, company and business-unit level performance indicators and with the meeting 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 grounded 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 indicators for projects.

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

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 concerning 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
- Local 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 that are relevant at each workplace.

102-42 IDENTIFICATION & SELECTION OF STAKEHOLDERS

In the course of its strategic reflection process, Ingeteam has identified the main stakeholders that 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.
- INGETEAM 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 Honduras, S.A. de C.V.
- 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 how the related approaches and impacts are considered are outlined in points 102-40 to 104-44 above.

Sustainability

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

Ingeteam conducts regular analyses to identify relevant aspects concerning environmental, social and people-related issues, human rights, the struggle against corruption and 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 in establishing the priority areas for action by the Group in line with best practices and reference standards. The main overall trends in the sector are considered, 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 given 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 to submit 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 per the consolidated set of GRI STANDARDS 2016.

102-50 REPORTING PERIOD

This report covers the financial year 2021.

102-51 DATE OF THE MOST RECENT REPORT

The latest report was published in June 2021 and referred to the financial year 2020.

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 Marketing 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 the financial year 2021 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

2021 was expected to be a year of strong recovery after the very significant impact of the Covid19 pandemic on the economy and society in 2020. In reality, the effects of the pandemic have remained implicit in multiple activities related to economic activity. Two key aspects of which have been particularly affected:

- Difficulty in international travel due to the random and disorderly appearance of multiple Covid outbreaks for its different variants. In this sense, the mobility that is necessary for business relations and project development has been severely restricted. Similarly, the holding of congresses and trade fair events has been at a standstill, with a timid resurgence in the last quarter of the year.
- On the other hand, a global phenomenon has affected supply chains for the components that are required for the production of the capital goods used in

projects. This has created the paradox of having a large order book, due to the revival of activity following the pandemic, but also significant difficulties in responding to customers on time and within budget.

As far as Ingeteam is concerned, we faced the pandemic head-on. Our sectoral diversification, internationalisation and the work put in by everyone at the Group have enabled us to end the year having met practically all of our objectives. In one of the most difficult years we have had to live through, we achieved a turnover of €675m.

ECONOMIC PERFORMANCE

201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The figures for economic value (EV) in 2021 are as follows:

- EV generated: € 688,021,127
- EV distributed: € 667,847,484
- EV retained: € 20,173,643

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



The energy transition will define the coming years, becoming the number one priority for the entire energy and utility sector. Climate change mitigation will play out over the next 10 to 15 years. The renewable energy revolution is unstoppable and irreversible and favours the transition to a sustainable energy scenario. The efforts of all countries, in our particular case the European Union, are leading to an acceleration in the development of multiple transitional technologies, such as smart grids, green hydrogen and batteries, sectors in which Ingeteam plays a very important role.

Renewables currently account for a third of global energy capacity and a quarter of generation capacity. The products we manufacture at the Group contribute to the energy transition as demonstrated by more than 4 GW of equipment supplied for solar photovoltaic energy this year and the more than 56 GW of

installed capacity in the world, based on Ingeteam power converter equipment and Indar electric generators.

In mid-2020, the international 'Race to Zero' campaign was launched to bring cities, regions, businesses, investors and civil society together in the largest coalition of leaders with the same goal: zero emissions by 2050. 'Race to Zero' preceded COP26, which was held from 1-12 November 2021 and aims to reshape innovation and growth plans in support of a more resilient, inclusive and healthy economy after COVID-19.

As for green hydrogen, the sector in which we have started our activity, pressures to reduce environmental pollution have led several 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 new mobility. To date, Ingeteam has supplied more than 12,000 chargers for electric cars. We also contribute to the reduction of emissions from ships by equipping them with diesel-electric propulsion and rail traction.

201-3 DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS



Ingeteam does not make contributions to specific pension plans 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 THE GOVERNMENT



In the financial year 2021, Ingeteam received € 4,311,768 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 considered.

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, opportunities for promotion at work and drawing up remuneration policies.

In 2021, as in 2020, Ingeteam has conducted 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.

A global gap analysis has not been conducted as any diversity in wage levels between countries with different living standards would provide 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 an 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:

Ingeteam confirms that there is equal pay for men and women at all its workplaces in Spain, with the safeguard of the wage tables drawn up in the applicable provincial and company level collective bargaining agreements.

It must be said that all company workplaces in Spain subject to national equality regulations comply with such regulations, which monitor and promote wage convergence between men and women. It is also worth mentioning that in 2021, projects were initiated to review and update existing Equality Plans, and others were initiated at centres where there is no legal obligation to implement them, as in the case of Corporación and IRDE workplaces in Bizkaia (Spain).

Wage gap study at Ingeteam Europe (including Spain):

Leaving aside the Management category, the results for the study for Europe as a whole are very similar to those for Spain, as the reasons for the gap in Spain are much the same as those prevailing elsewhere in Europe, where in any event there are collective bargaining agreements and national regulations that safeguard and monitor equal pay for equal work for men and women.

Wage gap at Ingeteam in the rest of the world:

Considering the size of the workplace/country headquarters (employees and diversity of men and women), in addition to maintaining last year's criteria, we have once again focused on the subsidiaries in the USA, and Mexico and have added Brazil as a new addition.

In the United States as an average, the resulting final gap is very similar to last year and very much in line with that observed in Spain and Europe.

In Mexico, there is a wage gap difference between women and men in terms of contract type, seniority or years' experience between men and women.

In Brazil, the resulting final wage gap underwent a significant balancing due to the important incorporation of new male staff with lower/junior salaries in line with the existing female employees, thereby balancing any differences.

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



Over 83% 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. Ingeteam's tax payments in 2021 amounted to €80,771,596.

PROCUREMENT PRACTICES

204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS



The percentage of local supplies in 2021 was in line with 2020, i.e. 41%.

ANTI-CORRUPTION

205-1 OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION



As occurred in the previous year, no operations with risks related to corruption took place in 2021. In any event, such cases are identified in our Code of Conduct, and potential circumstances are monitored by the Compliance Committee.

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:

- 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 in the interpretation of those guidelines, the principle of prudence is to 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.

- There is a policy 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 2021.

ANTI-COMPETITIVE BEHAVIOUR

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



No legal action was taken in 2021 concerning anti-competitive behaviour or monopoly practices related to Ingeteam's operations.

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 Group 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, the Czech Republic, Italy, the USA, Mexico, Brazil, Chile, India and UK.

Ingeteam's production centres located in Spain, the United States, the United Kingdom and Mexico have an environmental management system per the UNE-EN ISO 14001 standard and have specific Environmental Policies, an Environmental Management Manual and associated procedures.

Each production unit has specialist personnel allocated to manage matters of

environmental risk prevention. Their numbers vary depending on the potential risk in each area of activity.

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.

Furthermore, the products manufactured by Ingeteam are destined for renewable energies, making it possible to reduce CO2 emissions into the atmosphere by more than 13 million tonnes. In 2021, 10,8 GW of renewable energy equipment was manufactured and installed. This figure was similar in 2020.

On the other hand, due to the type of products manufactured, the company does not create light or noise pollution either.

In addition to the efficiency measures such as selective waste collection at all of the company's workplaces, improvements to the calculation of indicators, etc., two measures were repeated this year by Corporate Management that will be implemented over the coming years:

Promote the use of electric vehicles:

The company's 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 recharging 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 before their hiring.

Thus, management vehicles will gradually be replaced by EVs. This started in 2020 with the contracting of 3 electric vehicles and throughout 2021 several additional vehicles were contracted to incentivise the adoption of EVs as the standard in management. We estimate that this initiative will have an emissions reduction impact of 1,596 t CO₂/year.

Other initiatives that Ingeteam is currently developing to favour the use of EVs among its workforce also aim to reduce emissions by approximately 6,000 t CO₂/year.

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

Promotion of solar photovoltaic self-consumption installations:

The Group's management is examining and developing a plan to provide advice and support to staff in this area, which came to fruition in 2021.

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

Gipuzkoa facilities:

- Installation of three new electric charging points.
- Replacement of plastic stirrers with paper stirrers.

- Lights changed to LED at the Segorbe offices.
- Continuation of BIO Solvent implementation. In 2021, it was implemented in 7 more sections. Implementation to be completed in 2022.
- The training was provided in 2021 per Decree 254/2020 of the Basque Sustainability Act to managers, purchasing and maintenance staff and those in charge of sections with high energy consumption levels.

Bizkaia facilities:

- ISO 14001 certification for building 106 in Zamudio.
- Installation of photovoltaic panels in building 110 in Zamudio.
- Installation of charging points for electric vehicles in all buildings.
- Increase collection points for (recyclable) industrial plastic waste in offices.
- Replacement of individual litter bins with waste sorting points for Urban Solid Waste (USW).
- Awareness raising amongst staff (internal and subcontracted services) on waste sorting by providing information on best practices.
- Awareness raising concerning paper consumption, via monthly mailings (print consumption).
- Energy efficiency training for personnel involved with energy-consuming facilities.
- Replacement of plastic cups with paper cups.

- Replacement of plastic stirrers with wooden stirrers.
- Reusable packaging kitting system to eliminate plastic and cardboard consumption.
- Replacement of conventional lamps with LEDs for interior and exterior lighting (car parks in buildings 106 and 108).
- Adherence to a SCRAP for WEEE management.

Facilities in Navarre:

- Raising environmental awareness via inductions for the entire workforce, and news, articles, and documentation of interest via the Intranet.
- Free electric vehicle charging for employees.
- Promoting the use of bicycles, and public transport
- Bicycle parking.
- Lights changed to LED and improvement of building insulation. Replacement of fluorescent lamps
- Supply chain environmental action: environmental awareness and requirements for suppliers
- Specifications for packaging with the lowest possible consumption of raw materials and promotion of reuse.
- Digitisation and electronic signature: Docuware, Calitel Doc, and ecofactura have been implemented.
- Lighten the pallet used for Power Block packaging. Implemented in 2021

- Re-use of corner pieces and pallets from shipments to metal fabrication continued in 2021.

Albacete facilities:

- 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 and oils at the Albacete offices and avoid contamination and water waste.
- Install electric vehicle charging points in the Campollano warehouse. (2 more recharging points are added to the two already available)
- Provide electric vehicle charging points for CSR “ABYCINE” activities.
- Renovation of the Campollano logistics centre facility roof ridge to incorporate translucent polycarbonate panels for natural light, to reduce the use of artificial light.
- Replacement of all traditional halogen lamps at the 6400 m2 logistics centre with LED lamps.
- Provide the organisation with leaflets to better explain urban waste sorting.
- Updating of signage at sorting points.
- Maintain an efficient driving manual as part of the system documentation.
- Waste reduction: deteriorated photo cameras, reuse for social activities.

- Correct sorting communication campaign via the “Ingegram” channel.
- Publications in local newspapers: World Environment Day.

GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME



		2020	2021
301-1.a	Paper consumption (kg)	27,925	28,603
301-1.b	Carboard consumption (kg)	109,979	76,422
301-1.c	Wood consumption (kg)	719,258	756,944
301-1.d	Chemical consumption (kg)	431,332	522,310
301-1.e	Metal consumption (kg)	11,629,274	19,701,019
301-1.f	Plastic consumption (kg)	57,260	57,869
301-1.g	Cable consumption (kg)	430,228	150,209
301-1.h	E/E equipment and ICT consumption (kg)	754,684	1,620,928

GRI 301-2 RECYCLED INPUT MATERIALS USED



71% of all the paper used at the Group is recycled stock. For cardboard, the figure is 48%. Last year both figures were lower (62% and 37%).

These figures are based on the information on paper characteristics provided on packaging or invoices, in catalogues and on websites. Paper identified as ECO-logical, FSC, recycled or similar is counted as 100% recycled stock. Cardboard is considered environmentally friendly if it is marked as ECO efficient, FSC, etc.

		2020	2021
301-2.a	Recycled paper purchased (from recycling)	71 %	86 %
301-2.b	Recycled cardboard purchased (from recycling)	48 %	58 %

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



It is worth highlighting that the electricity consumed by all group 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.

In addition, the opening of new production workplaces (e.g. the aforementioned centre in Ortuella, a new 4,000 m2 industrial plant in Sesma-Navarra, etc.), have contributed to the increased consumption of natural gas and diesel for heating, etc.

Diesel consumption has also increased for the same reason. Also, this year included the generator until consumption which was not included last year. Although consumption is indeed expected to be reduced for this generator unit in 2021 when it will be replaced by an increase in power from the grid.

		2020	2021
302-1.a	Electricity consumption in kWh	16,278,337	14,509,323
302-1.b	Natural gas consumption for heating in kWh	8,558,134	8,207,233
302-1.c	Fuel oil consumption in litres for heating, machinery	598,435	598,435

302-2 ENERGY CONSUMPTION OUTSIDE THE ORGANISATION



Again there has been a significant reduction in the kilometres travelled, compared to the previous year.

There has been much less travel and many Ingeteam professionals have worked remotely (see related aspects in the chapter on “Occupational Health and Safety at Work - Effects of the COVID-19 pandemic”).

In addition, and in line with its commitment to reducing its carbon footprint, Ingeteam has begun to define and implement a plan to promote the use of electric vehicles. Although the number of kilometres is not affected by this programme, it is important to note that these kilometres are covered by electric vehicles, which do not emit harmful particles when used.

		2020	2021
302-2.a	Kilometres driven per company car (except in-itinere)	20,377,092	17,758,187
302-2.b	Kilometres driven in private vehicles (in-itinere)	7,204,241	7,235,551

GRI 303 WATER



Of the total reported water consumption, more than 10 million litres (28%) come from recycled water. In addition, an underground water well has been created to reduce the consumption of drinking water for tests at the Sesma factory.

		2020	2021
303-1	Water consumption (m3)	37,522,801	34,150,894
303-2	Water sources are significantly affected by water abstraction	Water is only taken from the public water supply	Water is only taken from the public water supply
303-3	Recycled and reused water in litres	7,247,190.00	10,000,000.00

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, except for 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



		2020	2021
305-1.a	CO ₂ emissions from fossil fuels (except 305-1.b and 305-1.c)	1,918 T	1,592 T
305-1.b	CO ₂ emissions from company vehicle mobility(except in-itinere)	2,975 T	2,9752,789
305-1.c	CO ₂ emissions in Tons, from private vehicle mobility (in-itinere)	1.052 T	1.136 T

305-2	CO ₂ emissions from electricity consumption (for the generation of purchased electricity)	7.416 T	5.948 T
305-4	CO ₂ emissions	13.360 T	11.467 T
305-6	Emissions of ozone depleting substances (ODS), in tonnes of CFC-11 equivalent	0 T	0 T

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

	2020	2021
Direct emissions (scope 1), including emissions and absorption from sources owned or controlled by the company	60,421,819.34* kg CO ₂ eq	5,518,527.83* kg CO ₂ eq
Indirect emissions from energy generation (scope 2), including emissions associated with secondary forms of energy such as steam and electricity generated outside the premises of Ingeteam	6,674,118* kg CO ₂ eq	5,948,822.42* kg CO ₂ eq
Indirect emissions from business travel activities (Scope 3), which are not sources owned or controlled by Ingeteam	-	1,252,066.53 kg CO ₂ eq**

*Emission factors used: MITECO (June 2020 - Version 15) & DEFRA – 2020.

** Emission factors DEFRA – 2020

This year, direct (Scope 1) and indirect energy emissions (Scope 2) have decreased due to less travel in response to COVID-19 and less electricity consumption. At Ingeteam we aim to reduce Scope 1 and 2 emissions. We have an agreement with an energy company for the supply of 100% green energy for all branches in Spain. As detailed above, we also have an internal commitment at the Group level to renew the company's vehicle fleet with electric vehicles and another to promote solar photovoltaic self-consumption facilities.

Concerning Scope 3 emissions in 2021, progress has been made in the inclusion of GHG emissions derived from company business trips made with sources

that are not owned or controlled by Ingeteam by train and plane. This figure corresponds to journeys made within Spain and with origin and destination in Spain.

GRI 306 EFFLUENTS AND WASTE



Due to the nature of the wind energy services provided by Ingeteam, we must sometimes dispose of such waste. It is included here, even though we do not own it. E-waste has experienced a significant increase due to the Ortuella factory (Bizkaia) inaugurated at the end of 2019, when we did not report this type of waste.

The Sesma factory has set itself the target of reducing waste generation by 2% concerning the working hours conducted at the plant this coming year.

		2020	2021
306-1	Water effluent	2,848,500 L	10,390,780 L
306-2.a.1	Hazardous waste (batteries, toners, rags, etc.)	254,015 kg	348,364 kg
306-2.a.2	Electrical-electronic-IT waste	1,926,923 kg	36,440 kg
306-2.b.1+2	Paper + Cardboard waste	225,276 kg	261,984 kg
306-2.b.3	Plastic waste	39,811 kg	60,647 kg
306-2.b.4	Wood waste	829,073 kg	624,091 kg
306-2.b.5+6	Metal + Cable waste	2,404,401 kg	638,740 kg
306-3	Major spills	423 L	154 L

306-4 TRANSPORT OF HAZARDOUS WASTE



Waste from Ingeteam member companies is transported by authorised carriers.

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



No such discharges have been detected.

ENVIRONMENTAL COMPLIANCE

307-1 NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

No member company of the Group has been fined or given any non-monetary penalty concerning environmental issues.

ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

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 principles on the 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.

Business relations with suppliers and subcontractors generate a series of risks that Ingeteam identifies, assesses and mitigates, in addition to the approval, assessment and audit of the most relevant suppliers, one objective being to deter-

mine not only their technical capacity and financial solvency but also their CSR responsibility. Among the risk areas assessed, environmental and other criteria are considered.

To mitigate these risks, procurement policies and procedures have been established, as well as clear instructions in Ingeteam's Code of Conduct and Supplier Code of Conduct.

		2020	2020
308-1	New suppliers whose selection includes environmental criteria	28.33%	26.60%
308-2	Environmental nonconformities in the supply chain and steps taken	139	8

GRI 400 Social performance

This section describes the links between Ingeteam and the persons with whom it interacts in 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 2021, despite the number of job losses worldwide as a result of the Covid 19 pandemic, at Ingeteam we continued to increase our workforce to more than 4,100 employees.

In today's globalised world, the virus grew into a global pandemic by March. To look after the company's staff, a specific working group (Observatory) was set up at the beginning of the epidemic to assess the measures to be taken based on the circumstances in each country. Thus, preventive measures to combat the Covid-19 pandemic have been applied throughout the year, adapting each moment to the circumstantial incidence of each wave of infections. These included the following:

- Encourage teleworking for longer hours and where circumstances advised.
- Reduction of minimum mealtimes. Alteration of daily attendance schedules. Adapted timetables or continuous working hours. Maximum flexibility.
- Unpaid leave.
- Identification and specific treatment for particularly vulnerable groups.

- Definition and ongoing development of general and local prevention protocols in line with the recommendations provided by national, regional and provincial authorities as well as other health institutions.
- Implementation of measures for the use of PPE and the installation of protective materials (masks, separation screens, signage and information campaigns, reinforcement of cleaning material, CO2 control equipment, temperature control equipment, etc.).
- Capacity control at centres where attendance is required.
- Training and awareness-raising.
- Maximum cooperation and information with External Prevention Services.

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, manifested by their integration into the Group 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.

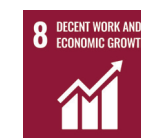
We also strive to eliminate potential gender bias and support equal opportunities, both in the selection of our staff and in career progression opportunities.

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. Thus, more than 2,846 people in the Group across twelve workplaces are covered by Equality Programmes that are periodically reviewed and adapted.

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



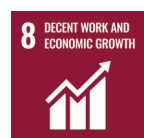
In 2021, the average workforce totalled 4,084.16 theoretical employees, although the year ended with an actual workforce of 4,151 people (reporting source AURA platform, a new specific reporting tool for non-financial indicators linked to People and OHS, which is the basis for the 2021 data provided in this report, except for those specific to and relating to COVID).

Compared to the previous year there was an increase in the average workforce of 78.16 theoretical staff in 2021, representing +1.9%; which although it does not match 2019 levels, does represent a recovery concerning 2020.

In terms of actual final headcount figures, these also recovered with an increase of 92 more people on the payroll, representing a percentage increase of 2.2%. The trend in recent years, unlike that of the average workforce, is marked by a steady year-on-year increase.

		2020	2021
401-1 (a)	Average time worked at the company	8.3 years	8.3 years
401-1 (b)	Net job creation in the year	-102 no. of employees	78 no. of employees
401-1 (c)	Average age of the workforce	38.5 years	42 years
401-1 (e)	Workers with reduced working hours	3.9%	3.9%
401-1 (f)	Employees with flexible working hours	43.2%	37.7 %

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

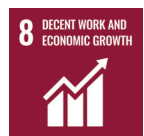


At Ingeteam, we do not discriminate based on contract type (permanent-temporary) in general terms.

The exception to the above general rule are the USA and Mexico, where current labour legislation and common practice provides 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).

In 2021, stable employment levels at Ingeteam increased slightly compared to 2020, reaching around 82% of the total number of employees, 4% higher than in 2020, and representing 209 new permanent contracts compared to the previous year, of which 135 are men and 74 are women.

GRI 401-3 PARENTAL LEAVE



97.2% of personnel entitled to take this leave took it in its entirety in 2021 compared to 87% in 2020, which represents a total of 328

people who took this leave out of the 334 eligible to do so. This figure has increased significantly with a 10 percentage point increase in the take-up of this leave.

The company promotes and implements measures to facilitate work-life balance, including the following:

- Granting reductions in working hours in line with legal standards. 3.9% of our average workforce, a total of 126 people availed themselves of reduced working hours, which is down from 158 last year, marking a clear downward trend in such reductions in recent years.
- Flexible working hours. On average 437.7% of our workforce, 1150 employees, worked flexible hours over the year, less than the 1,731 employees who benefited from flexitime last year. This change may be due to a lack of specific reporting criteria in previous years, which have been revised and established in the new 2021 Personnel Management Indicator Model.
- Facilities for reaching individual agreements on working hours tailored to the needs of each worker.
- Paid leaves of absence longer than those agreed in the official collective bargaining agreements and regulations applicable in Spain.

Facilities for requesting voluntary leaves of absence to care for children/elderly persons.

		2020	2021
401-3 (a)	Employed persons entitled to maternity or paternity leave during the year	214	334
401-3 (b)	Employed persons who have taken maternity or paternity leave during the year	214	328

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.

OCCUPATIONAL HEALTH & SAFETY

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



A large proportion of the Ingeteam workforce is 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 the main focus

We aspire to be an organisation with a strategic goal of causing zero harm to health and where people are our main asset. We, therefore, set out to provide safe working environments and are committed to prevention based on teamwork,

training, lifelong learning and positive leadership of people. "We all care for everyone". This is also reflected in Ingeteam's code of conduct.

In 2021 we continued with the occupational health and safety campaign "LET'S GO SAFETY – LET'S BE HEALTHY" at all Ingeteam companies. This year, we continued to conduct new activities aimed at reporting accidents, incidents and possible risks (near misses) at all Ingeteam Power Technology workplaces in Spain. The aim is to strengthen learning by encouraging the reporting of accidents, incidents and near misses and to contribute to accident reduction and improved shared safety awareness.

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



Ingeteam has improved the final figure by 1.4% compared to 2020. In 2020 there were 70 lost-time accidents and 69 in 2021, one accident less. This indicates that in 2021 the improvement trend of previous years has ceased. In the case of women, the figure worsened compared to 2020 by 27.5%. In the case of men, the figure improved by 6.1%.

Number of work-related accidents with leave by sex	2020	2021
Total	70	69
Men	65	61
Women	5	8

Other accident rate data 2020	Non lost time accidents	Accidents to/from work	Incidents
Total	110	39	166

Men	93	35	-
Women	17	14	-
ACCIDENT FREQUENCY RATE (AFR) BY SEX: (Total of lost time accidents / Total number of scheduled working hours) * 1000000			
	2020	2021	
AFR Total	10.74	9.32	
AFR Men	12.30	10.09	
AFR Women	4.01	5.9	

*En route accidents are not included in the total for lost-time accidents. Nor are relapses included, as they are counted as single accidents.

The 13.2% reduction in the accident rate compared to 2020 is a response to the action and improvement plan established, to workforce awareness of incident reporting and commitment to Health & Safety, as well as to the unequivocal commitment of the management to improve accident rates. Similarly, there was a 47% increase for women and an 18% decrease for men.

ACCIDENT SEVERITY RATE (ASR) BY SEX: (Total number of working days lost due to lost time accidents / Total number of scheduled working hours) * 1000:			
	2020	2021	
ASR Total	0.25	0,30	
ASR Men	0.28	0,30	
ASR Women	0.09	0,30	

Considering that the total accident frequency rate (AFR) decreased by 13.2% but the total accident severity rate (ASR) increased by 20%, the conclusion is clear: the accident rate was lower, but the accidents led to longer periods of sick leave.

There were no work-related fatalities in 2021.

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



The incidence of occupational diseases is 9% higher than in 2020. The origins of the diseases are mainly musculoskeletal problems and in some cases chemical allergies.

Occupational diseases (OD) by sex	2020	2021
Number of occupational diseases	11	12
OD Men	82% (9)	83% (10)
OD Women	18% (2)	17% (2)

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



There was a 32% decrease in the number of meetings held compared to 2020. In the case of formal agreements reached, these increased from 64 in 2020 to 218 in 2021. This increase is not so significant, as it includes matters discussed and reflected in the minutes of the meeting, taken as valid and considered as agreements for practical purposes.

Formal agreements* regarding occupational health and safety reached by works councils or specific health and safety committees	2020	2021
Number of formal agreements reached	64	218
Number of meetings held	127	87

*Formal agreement: A document (minutes or similar) drawn up and signed by both parties

TRAINING & EDUCATION

404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE



Amongst the various annual training plans implemented at each plant and workplace in 2021, Ingeteam provided over 151,644 hours of training, which represents an increase of 27% over the previous year. 70% of the training was conducted at Ingeteam España. Also, the average hours/person ratio rose to more than 37 hours per person, an increase of 25%.

The data for 2021, although below pre-COVID levels, when the average ratio of hours/person was 39 hours of training per person per year, is still very close, and we can therefore affirm that the situation has regained normality as far as Development is concerned.

While many training and awareness-raising activities in 2019 were very much “tinged” by aspects linked to the pandemic, 2021 saw a return to the normal prevalence of training and development activities linked to the development of innovation and technological surveillance and R&D, new product development, and the development of human skills/personnel management.

As a result of annual training plans, in 2021 Ingeteam’s training expenditure amounted to almost €1.3 million (€1,418k) with an average annual investment per employee of €323, a 10.5% reduction compared to the average figure for 2020, even though the number of training hours per person has increased, which shows that the total cost of training and development actions was lower than in 2020.

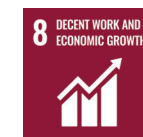
		2020	2021
404-1	Training	29.7 H per person	37.1 H per person
404-2	Cost of training per year	€ 361 per person	€ 323 per person

Having invested almost 151,644 hours in training, and €1.3m, the distribution of such training by professional category at Ingeteam as a whole during 2020 is shown in the following chart:

	2020		2021	
	Ingeteam Spain	Ingeteam (*)	Ingeteam Spain	Ingeteam (*)
Training hours Technicians Operators	36,816 (50.2%)	67,646 (57%)	57,170.3 (54.3%)	89,095.8 (58.7%)
Training hours Technicians engineers	19,724 (26.9%)	26,363 (22%)	29,931.6 (28.4%)	37,149.4 (24.5%)
Training Hours Administrative	7,378 (10.1%)	12,100 (10%)	5,382.7 (5.1%)	9,436.9 (6.2%)
Training hours Middle management	7,329 (10%)	9,069 (7.7%)	10,838.8 (10.3%)	13,462.3 (8.8%)
Training Hours Management	1,972 (2.7%)	3,664 (3.3%)	1,941.5 (1.8%)	2,499.7 (1.6%)
Total Hours	73,219 h	118,842 h	105,265.1h	151,644.1h

(*) The scope covered is all Ingeteam Group PUs, including subsidiaries.

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



Ingeteam has procedures and tools in place for assessing performance with a view to upgrading skills. A standout feature of those procedures and tools is the regular “Development Talk or

Interview” through which employees receive regular feedback from their line managers concerning their performance. There are also significant inputs regarding strengths and opportunities for improvement in technical, human and business skills which can be used to draw up individual and group upskilling plans.

These practices not only foster individual career development but also enhance motivation and commitment and help to generate and promote skillsets that may be needed by the organisation in the future.

Most plants also offer leaves of absence for training (vocational training and re-training), often entailing a guaranteed right to return to the same or a similar job.

There are also programmes in place to manage employees exiting the organisation due to retirement or dismissal. They include pre-retirement planning with the support of specialists to help smooth the transition from work to retirement.

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



Ingeteam has various processes aimed at Performance Assessment with a focus on Development, which in 2021 had an impact on a total of 752 employees, a lower figure than in previous years, which was over 1,400 people. In any event, 93% of the 752 people who underwent this completed it.

The reason for this reduction, which is mainly focused on some of Ingeteam Spain's centres, is linked to a review of the various existing competency models and local processes for the design of a single Ingeteam Transversal Competency Model, as well as a Global Development and Performance Evaluation Process to

be implemented by 2022. This transition from local processes to a single Global Process led to the temporary suspension of local processes in 2021 pending the launch of the Global Process.

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, opportunities for promotion at work and 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 start 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.

The evolution of this distribution concerning previous years, shown in the attached table, reflects a significant increase in the proportion of women concerning the Ingeteam total, with 1.33% compared to the 2020 figure, which has meant, in absolute terms, an increase in the female workforce of 67 women, compared to the increase in the male workforce of 10 men.

		2020	2021
405-1 (a)	Female employees	17%	18.33%
405-1 (b)	Male employees	83%	81.67%
405-1 (e)	Women on governing bodies	9.31%	5%
405-1 (f)	Men on governing bodies	90.69%	95%

Our commitment to persons with disabilities can be seen in the fact that they are integrated at Ingeteam into the Group, 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.

As can be seen in the attached table, there has been progress in terms of the presence of people with disabilities both in absolute and relative terms.

100% of our workplaces in Spain are adapted for use by persons with disabilities, although this figure drops to 64% globally.

Like 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 11% of the group's total workplaces.

		2020	2021
405-1 (g)	Number of disabled employees	0.55 %	0.55 %
405-1 (h)	Number of equivalent disabled employees	3.30%	0.24%
405-1 (i)	Existence of disabled-friendly facilities	41%	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 considered. This is 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 conducted an analysis to assess the existence of a wage gap at our workplaces in Spain considering 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 and 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 conduct 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 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:

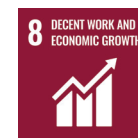
- Company employees must act based on respect, dignity, equality and diversity in their working relations with other employees, particularly those who manage teams/people.
- Efforts must be made to foster working relationships based on respect, cooperation and equality of individuals over and above differences of any type; diversity and harmony must be properly managed, with particular consideration regarding 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

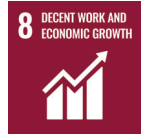


All employees of Ingeteam in Spain are covered by the relevant sectoral collective bargaining agreements, which are supplemented by company-specific agreements negotiated with workers' representatives were relevant at each workplace. These agreements include a section on Occupational Health & Safety.

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 concerning 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 THE RIGHTS OF INDIGENOUS PEOPLES



There have been no instances of violation of rights of indigenous peoples during the operation of Ingeteam companies or related to them.

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



Again this year, resources were allocated to harassment prevention training for directors and middle management, again as a face-to-face activity.

Since 2017 there has been a protocol in place for prevention and action in case of sexual harassment in the workplace, with a single campaign staged nationwide in Spain. Committees have been set up to prevent harassment at each workplace and all relevant employees are given face-to-face training.

16 of Ingeteam's workplaces currently have such protocols in place. Between them, they cover 2770 employees (67% of the workforce). Over and above our code of conduct, these anti-harassment protocols and their effective application evidence our commitment to socially responsible behaviour.

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



Ingeteam's General conditions of purchase include 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 conducted with careful attention wherever we operate.

Ingeteam has a sponsorship and donations policy aligned with the corporate social responsibility goals and strategy of the Group'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 Group member companies concerning sponsorship and donations, especially in the area of investment and development in the local communities where Ingeteam operates.

Corporate Marketing Management is the Group body authorised to set the strategy and objectives for corporate social responsibility, to receive notifications and queries concerning its application, to channel approvals of donations and sponsorship deals and to monitor and report any non-fulfilment to the Compliance Committee.

We act 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 promote.

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 stock of know-how and its solidarity.

This year, although the need for aid related to the pandemic has diminished, we have nevertheless continued certain activities such as the donation of 10,000 gloves to the Javier de Elcano Residence, or the purchase of disinfectants, masks, digital thermometers, CO2 meters, Serological Tests, etc.

We have also promoted crowdfunding activities among our employees in the Basque Country to raise funds for coronavirus research. The amounts contributed have been earmarked for the Basque Foundation for Health Innovation and Research. The company contributed the same amount raised by its employees.

In the field of academic training, we have continued to collaborate with educational centres such as universities and vocational training centres. We have also participated in several job fairs that have had to adopt an online format and have attended in person those that were maintained.

There are social activities that, due to their nature, are becoming regular, such as the collaboration with certain associations such as the Asociación de Familias de Niños con Cáncer de Castilla la Mancha AFANION, the DYA and the Asociación de Familiares y Amigos de Pacientes con Neuroblastoma.

In addition to the contributions to usual institutions, this year donations were made to charitable projects chosen by the employees themselves. Some of these are detailed below:

- ADANO (Navarre Association for Children with Cancer), which contributes to improving the quality of life of children and their families.
- ANFAS Navarre Association for People with Intellectual or Developmental Disabilities, which conducts activities to support and promote equal opportunities.
- Red Cross, to collaborate with people at risk of poverty and exclusion to provide them with opportunities and resources.
- Caritas, which promotes the comprehensive development of individuals and peoples, especially the poorest and most excluded.
- Food Bank, to fight hunger, poverty and food waste by using and distributing food to the neediest people.
- Donation of 119 cameras to AMIAB and the Autism Development Association: Giving a new lease of life to the large number of cameras that we throw away during the year.
- Ingeteam Albacete has started the EFR (Family Responsible Company) certification process. The company also has this certification at its production centres in Bizkaia.
- Health workers for a day: In October, the first day of “Health workers for a day” took place, when the youngest members of the #Ingeteamfamily put themselves in the shoes of doctors, surgeons and nurses for a day, with the help of professionals from the HLA El Rosario clinic.
- We joined forces to support disability week at Ingeteam with the Adecco Foundation to reinforce action aimed at achieving the total inclusion of this group.

In the cultural and sporting sphere, 2021 saw the resumption of many of the activities in our communities that had suffered a hiatus due to the pandemic:

- Ingeteam sponsored CD Triatlón Albacete, a national leader. Ingeteam has taken another step forward in its commitment to support and promote sport, healthy lifestyles and sustainable mobility.
- Participation in the Post inter-company race with up to 8 teams from the company.
- In 2021, the company participated in the STARINNOVA mentoring project, promoted by the newspaper El Correo, which promotes entrepreneurship initiatives and relations with industrial companies among secondary school students at numerous centres.
- Sponsorship for the twelfth consecutive year of the Euskadiko Orkestra concert week, which has resumed its live performances.
- Support for the Eskola Kantari project of the Bilbao Choral Society, which seeks to provide musical education for young people from schools in disadvantaged social environments.

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 of 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 Group companies adhere.

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

Complaints and their resolution are distributed across the perimeter of all the business units of the company. This year we have extended the consultation to all Ingeteam companies. As a result, 888 complaints have been received, of which 80% have been resolved. Last year we only counted companies in Spain where 770 customer complaints were received with an 86% positive resolution rate.

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

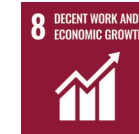


There were no incidents of non-compliance concerning marketing communications such as advertising, promotions, sponsorship, etc. in the year covered by this report.

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



No Ingeteam company received any substantiated complaints concerning breaches of customer privacy or losses of data.

Personal data are processed responsibly, in line with the legislation on privacy applicable at the relevant time (at national and international levels).

Compliance with regulations on privacy is a cross-sectoral obligation applicable to all areas of the business and all employees. The actions taken to ensure compliance included training sessions and a Privacy Committee to coordinate data management and function as an advisory body.

SOCIAL-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 based on 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 that were 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 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 does not apply to 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, natio-

nality, gender, marital status, religion or sexual orientation, diversity is 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 envi-

ronmentally 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.