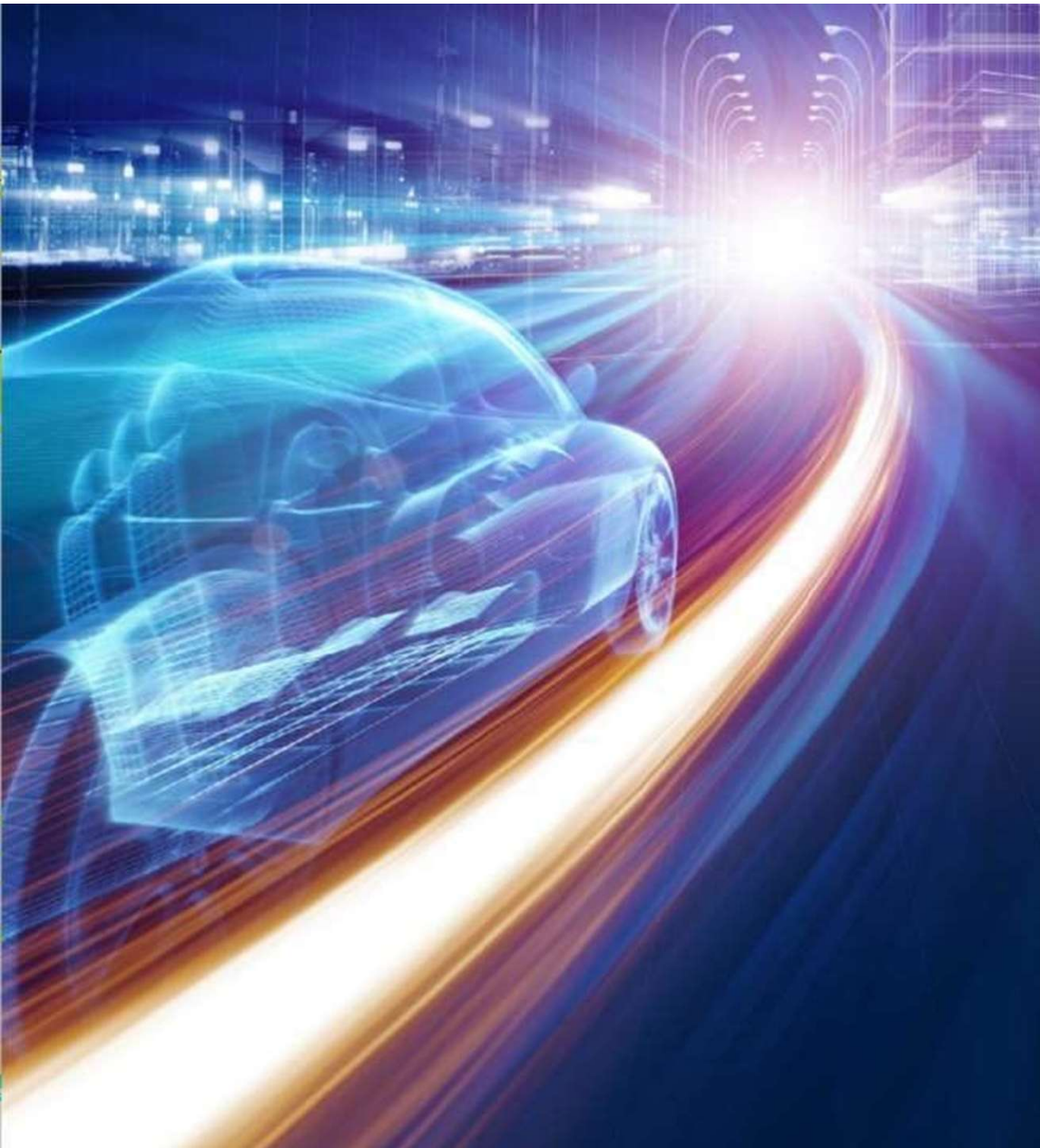


espytes 



**SUSTAINABILITY  
REPORT  
2024**



## I.-BASIS FOR PREPARATION

Espytes SA voluntarily presents its first sustainability report for the 2024 financial year, in accordance with the European sustainability reporting standard for SMEs (VSME-EFRAG), including the basic and comprehensive modules.

The report contains information on the public limited company and aims to communicate to its stakeholders the company's economic, social and environmental commitment and performance during the period from 1 January to 31 December 2024.

## II.-ACTIVITY

ESPYTES SA is a family business with more than 40 years of experience, dedicated to *the extrusion and cold stamping of studs, screws and special parts for the automotive sector.*

*The activity is classified under CNAE 2594 - "Manufacture of fasteners".*

The registered office and production plant of Espytes S.A. are located at Bº Zubillaga, 56, Oñati, Basque Country (ES).



Coordinates: 43.064301168767564, -2.441497917267559

## III.-BUSINESS MODEL

Espytes' production of *studs, screws and special parts is aimed at the European automotive market, mainly Spain, Germany, France and Poland.*

*In 2024, production reached 161.5 million units, 80% of which were exported.*

*Espytes is a leading supplier to tier 1 companies of the main automotive manufacturers in the EU, integrating high standards of quality and competitiveness into its activity.*

*The parts are manufactured in accordance with customer specifications. Espytes has an engineering and development department focused on innovation, efficiency and process and product improvements.*

*Espytes is certified in ISO 9001 and IATF 16949:2016*

*Domestic and European steel manufacturers are the main suppliers in Espytes' supply chain.*



## KEY PERFORMANCE INDICATORS 2024

### ECONOMIC ASPECTS

- *Turnover: €16 million*
- *Balance sheet: €15.6 million €*

### SOCIAL ASPECTS

- *97% permanent contracts*
- *100% local jobs*
- *814 hours of training*



### ENVIRONMENTAL ASPECTS

- *€305,000 invested in renewable energy*
- *91.01% of waste recycled*
- *8.9% reduction in GHG emissions*



### GOVERNANCE

- *20% women on the board of directors*
- *40% women in management team*
- *Sustainability Plan 2024-2026*
- *Equality Plan 2024-2028*





## IV.-STRATEGY

## 4.1.-COMMITMENT TO SUSTAINABILITY

In 2023, in line with European regulatory developments and the challenges facing the automotive sector, Espytes began discussions with a specialist consultancy firm to draw up a roadmap towards a sustainable economy.

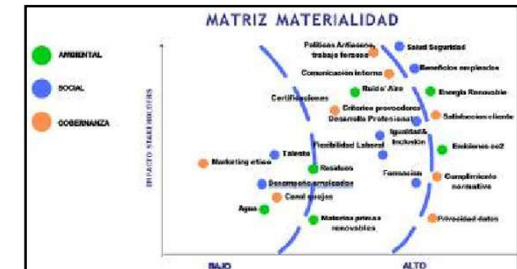
Based on a materiality analysis involving stakeholders, Espytes has approved a 2024-2026 sustainability strategy aligned with the 2030 Agenda and the ten principles of the Global Compact on human rights, labour standards, the environment and the fight against corruption.

The Strategy integrates the following commitments:

- Acting responsibly by seeking to improve social and environmental performance
- Advancing in the prevention and minimisation of environmental impacts
- Commit to well-being, safety, and development of employees improving working conditions and creating a positive impact on the local community
- Innovating seeking efficiency, production safety and sustainability

The strategy is rolled out in four programmes with Objectives and operational actions:

- Ethics, commitment and transparency programme
- Planet Programme
- People Programme
- Services Programme



## 4.2.-PRACTICES, POLICIES AND FUTURE INITIATIVES FOR THE TRANSITION

The 2024-2026 sustainability strategy is driven and led at the highest level of the company by the management team.

In 2024, the implementation of various planned measures relating to governance, the environment and social aspects began.

The table details the scope of policies, actions and objectives established for the period 2024-2026.

ESG ASPECTS	POLICIES, PRACTICES, INITIATIVES 2024-2026	2024-2026 OBJECTIVES
Business Conduct	<ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Sustainable Procurement Policy</li> </ul>	<ul style="list-style-type: none"> <li>100% employees informed Sustainability</li> </ul>
Climate Change	<ul style="list-style-type: none"> <li>Reduction in fossil fuel consumption</li> <li>Renewable energy generation</li> <li>Reduction of corporate carbon footprint (scope 1+2)</li> <li>Optimisation of raw material and manufactured parts transport</li> </ul>	<ul style="list-style-type: none"> <li>2026 targets:               <ul style="list-style-type: none"> <li>30% reduction scope 2 compared to 2022</li> <li>100% offset scope 1</li> <li>Scope 3 emissions calculation</li> </ul> </li> </ul>
Circular economy	<ul style="list-style-type: none"> <li>Waste recycling programme</li> <li>Monitoring Environmental (waste, water, emissions)</li> <li>Implementation of system of management system</li> </ul>	<ul style="list-style-type: none"> <li>80% of waste recycled</li> <li>Digitise Carbon Footprint</li> </ul>
Own Employees	<ul style="list-style-type: none"> <li>Reinforcement of employee training</li> <li>Improved health and safety</li> <li>Employee participation in sustainability</li> <li>Adoption and implementation of Equality Plan</li> <li>Attracting new talent</li> <li>Improving working conditions</li> </ul>	<ul style="list-style-type: none"> <li>Updating skills through digitalisation</li> <li>+20% noise, air and pollutant measurements</li> <li>80% employee satisfaction</li> <li>Strengthen internship programme</li> <li>Renovation of multifunctional spaces (training)</li> </ul>





## 5.1.-Energy

Espytes' activity depends mainly on gas and electricity consumption and, to a lesser extent, on diesel fuel.

In 2024, solar panels were installed in the headquarters and production plant, with the aim of reducing dependence on fossil fuels and reduce the corporate carbon footprint.

In the months of operation, self-consumption has already reached 13.5% of electricity consumption.

2024	RENEWABLE ENERGY	NON-RENEWABLE ENERGY	TOTAL
Electricity (kW)	97,126	620,561	717,687
Natural Gas K		15,227	15,227
Diesel l		318	318

## 5.2.-Greenhouse gas emissions (Scope 1+2)

In 2024, Espytes calculated its carbon footprint (scope 1,2) using the 2022 financial year as a reference year and approved ISO 14064 standard software.

As a result of the measures adopted in relation to renewable energy, by 2024, GHG emissions will have reduced by 8.92% (scope 1+2) compared to 2023.

GHG EMISSIONS (tCO <sub>2</sub> )	2024	2023	2022
Scope 1	3.5794	4.4652	4.5544
Scope 2	160.7489	175.9638	195.2392
TOTAL (1+2)	164.3283	180.4290	199.7936

The intensity of CO<sub>2</sub> emissions is measured based on two parameters: the manufacture of units produced and turnover.

In both cases, between 2022 and 2024 a reduction in intensity of emissions 15,7% and 17,8% respectively, reflecting an improvement in climate efficiency in production and sales

Financial year	Tco <sub>2</sub> / Million pieces	Tco <sub>2</sub> / Million €
2022	1.21	12.49
2023	1.03	10.31
2024	1.02	10.27

### 5.3.-Biodiversity

Espytes' facilities are located near S.A. I am not sensitive areas from the point of view of aware of any áreas seen of the biodiversity (e.g. Natura 2000), reducing the risks of potential negative environmental impacts.



### 5.4.-Water

Water consumption is not identified as a material aspect of Espytes' activity. Water is supplied through from the public network, with water consumption mainly for sanitary use and cooling. In 2024 ,evidence a significant reduction compared to 2023 is a result of a major breakdown in the network

The wastewater generated does not require specific treatment and is discharged into the public sewerage system.

The headquarters and production plant of Espytes S.A. are located in Oñati, which belongs to the eastern Cantabrian river basin, an area classified as having low water stress and the largest water reserves in Spain.



YEAR	WATER CONSUMPTION/ L
2023	546
2024	444

## 5.5.-Resource USE, circular economy and waste management

Espytes applies responsible waste management based on the principles of the circular economy.

It promotes the reuse of packaging and has selective collection systems for organic waste, paper/cardboard, plastics, wood, pallets and scrap metal for recycling. All other waste is treated by authorised local waste management companies.

Scrap metal accounts for 85% of the total of waste generated, which is for use in sold, scrap other industries. The volume of processes generated is associated with the size of the parts manufactured. In 2024, scrap generation has decreased as a result of the reduction in activity and because in 2023 the stock accumulated up to that year was sold.

The remaining 15% consists of waste similar to urban waste and a marginal amount of hazardous waste.

In 2024, Espytes achieved a recycling rate of 91.01% of all waste generated.

With regard to raw materials, the steel used for the production of parts complies with the technical specifications established by customers. Espytes sources steel both in Spain and in other EU countries, depending on availability and market conditions.

In 2024 and 2023, steel purchases and consumption fell as a result of the decline in parts production, from 174,780,472 to 161,591,874 units.

This decline in production has also been reflected in lower waste generation

MANAGEMENT	2024	2023
Steel consumption (kg)	3,049,808	3,257,932
Waste generation kg	222,615	324,268.50
Recycled waste	202,608	301,347
% recycled	91.01	92.93%

Waste	2024	2023	Selective collection	Treatment
	Kg	kg		
Paper-cardboard	933	1,000	Association	Recycling
Organic waste	1,485	350	Association	Composting
Plastics	204	175	Association	Recycling
Other	1,000	900	Association	Disposal
Cardboard	4,680	400	Manager	Recycling
Wooden pallet	1,080	708	Manager	Recycling
Scrap Metal	189,480	294,240	Manager	Recycling
Wood	2,860	1,320	Manager	Recycling
Cleaning solutions	15,307	18,361.50	Manager	Disposal
Mixing (plastics)	4,600	3,660	Manager	Disposal
<b>TOTAL</b>	<b>222,615.00</b>	<b>324,268.50</b>		



## VI.-SOCIAL PERFORMANCE

## 6.1.-General characteristics General

Espytes is committed to the safety, well-being and professional development of its entire workforce.

Espytes has a workforce of 43 employees, 37 men and 6 women, who carry out their activities at the facilities in Oñati (Basque Country). Despite belonging to a highly male-industrial sector, women are increasing their representation in different areas of the company.

The workforce is made up of people who live in the area, and 97.67% have a permanent contract, which demonstrates the stability and quality of employment and the commitment to generating a positive impact on local economic development.

STAFF	< 30 years	30-50 years	> years 50	TOTAL
Women	-	3	3	6
Men	6	21	10	37

## 6.2.-Health and safety

Espytes is committed to the health and safety of its employees. It carries out occupational risk assessments, as well as assessments of exposure to noise and chemical agents, taking the appropriate measures at all times to improve working conditions.

In 2024, the company had 10 workplace incidents, 9 of which resulted in sick leave, totalling 103 days of absence.

No fatalities were recorded.

## 6.3.-Remuneration, collective bargaining and training

The entire workforce is covered by the collective agreement for the iron and steel industry in Gipuzkoa.

The remuneration of 100% of the workforce is above the agreement and the company recognises its employees with additional improvements and benefits (free canteen, life insurance, health services, etc.).

Espytes has a policy of equality and non-discrimination with regard to the selection, recruitment, remuneration and professional development of its employees.

Staff training is a priority for Espytes. In 2024, functional spaces dedicated to in-house training were set up and a total of 814 hours of training were offered, reaching 46.5% of the workforce.

## 6.4.-Additional characteristics of the workforce

Espytes has adopted an equality plan 2024/2028, which includes selection and recruitment, classification, professional training and promotion salary conditions and work-life balance measures.

In 2024, women represent 40% of management positions, a percentage higher than the average for companies in the Basque Country (the Women in Business Grant Thornton Report establishes 38%).



## 6.5.-Policies and processes human rights

Espytes has a code of ethics aligned with the United Nations Global Compact on human rights, labour, the environment and anti-corruption. It applies to shareholders, managers and other individuals, as well as third parties or entities with which it has commercial relations (suppliers, customers, local communities).

In terms of human rights, the code covers the following aspects:

- Forced labour
- Human trafficking
- Discrimination and harassment

Espytes has a mechanism for processing complaints on any aspect covered by the code of ethics, managed at: [canaldenuncias@espytes.com](mailto:canaldenuncias@espytes.com)

In 2024, no complaints were filed or incidents at matters relating to human rights.





## VII.-GOVERNANCE PERFORMANCE

Having **responsible governance** is essential for the **growth and consolidation of the organisation and its adaptation to new models of relationship with stakeholders.**

Espytes is a family business that has a **corporate responsibility policy** with values and a culture that shape the company's behaviour.

In 2024, Espytes adopted a **code of ethics** that:

- a) establishes models and guidelines for professional, ethical and responsible behaviour for employees, suppliers, collaborators and third parties related to the company,
- b) prevents unlawful behaviour and
- c) establishes monitoring and control mechanisms.

The supervision of day-to-day management is the responsibility of **the Board of Directors**, which is made up of six directors.

The management, deployment and coordination of the sustainability strategy is led by a **management committee.**

## 7.1.-Convictions and fines for corruption and bribery

In 2024, Espytes has not been subject to any convictions or fines for violations of anti-corruption and anti-bribery legislation.

## 7.2.-Revenue from certain sectors and exclusion from EU benchmark indices

In 2024, Espytes has not had any revenue from controversial sectors (arms, tobacco, fossil fuels, chemicals, etc.) in accordance with Regulation (EU) 2018/1999 and Regulation (EC) No 1893/2006.

Espytes is not among the companies excluded from the EU benchmark indices aligned with Paris according to Commission Delegated Regulation (EU) 2020/1818.

## 7.3.-Gender diversity ratio in the governing body

The highest decision-making body is the Board of Directors of Espytes S.A.

The Board is made up of individuals representing the shareholder families.

The gender diversity ratio of the Board is:  
Number of women: 1 / Number of men: 5

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