

2022 Sustainability Report

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Statement of Support

I am pleased to state that SALTO Systems reaffirms its support for both the UN Global Compact's Ten Principles in the areas of Human Rights, Labour, Environment, and Anti-Corruption, as well as the 17 Sustainable Development Goals.

In the 2021 Sustainability Report, we describe our actions to incorporate the Global Compact and its principles and goals into our business strategy, culture and day-to-day operations.

During 2022, we have continued to live through challenging times, but we have not ceased to lead the efforts of our entire team of people to demonstrate that economic development is not at odds with protecting the planet and those who live on it. Aligning our actions with the SDGs we manage to grow as a company, and to do so with less impact on the environment, with a transparent ethical behaviour and a positive influence on the residents of the locations in which we operate and society at large.

We have continued to grow as an organisation, with greater demands in terms of structure, integrating cultural diversity, and a commitment to people, technology and innovation. This is a challenge that encourages us to go further in our commitment to sustainability.

We are also committed to sharing this information with our stakeholders through our main communication channels.

Yours sincerely,

Javier Roquero

Javier Roquero
Chief Executive Officer



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01

Introduction

01. Introduction

2022 has been a year of major challenges for SALTO. For the most part, major resources have been devoted to reflecting on the strategy to follow in upcoming years. The rapid inorganic growth experienced in the last years called for a revision of the purpose, values, brand management within SALTO, interest groups and value proposal for each of these, as well as the strategic business framework and the role that ESG plays within it. The commitment to Sustainability has become a common goal for all the companies that are part of the SALTO group of companies, with climate change being a specific objective that we have worked on with external experts.

Aside from the reflection made, the year 2022 has once again been a challenging year due to the semiconductor crisis. This has led to the development of new hardware and firmware designs in anticipation of the possibility that supply issues may not be fully resolved in 2023.

Together with these developments, the facilities at SALTO Oiartzun have significantly increased their production capacity thanks to a new spatial distribution and expansion of the corresponding departments. In addition, a new warehouse management system has been implemented in the logistics and shipping department, enabling better service to clients distributed all around the world.

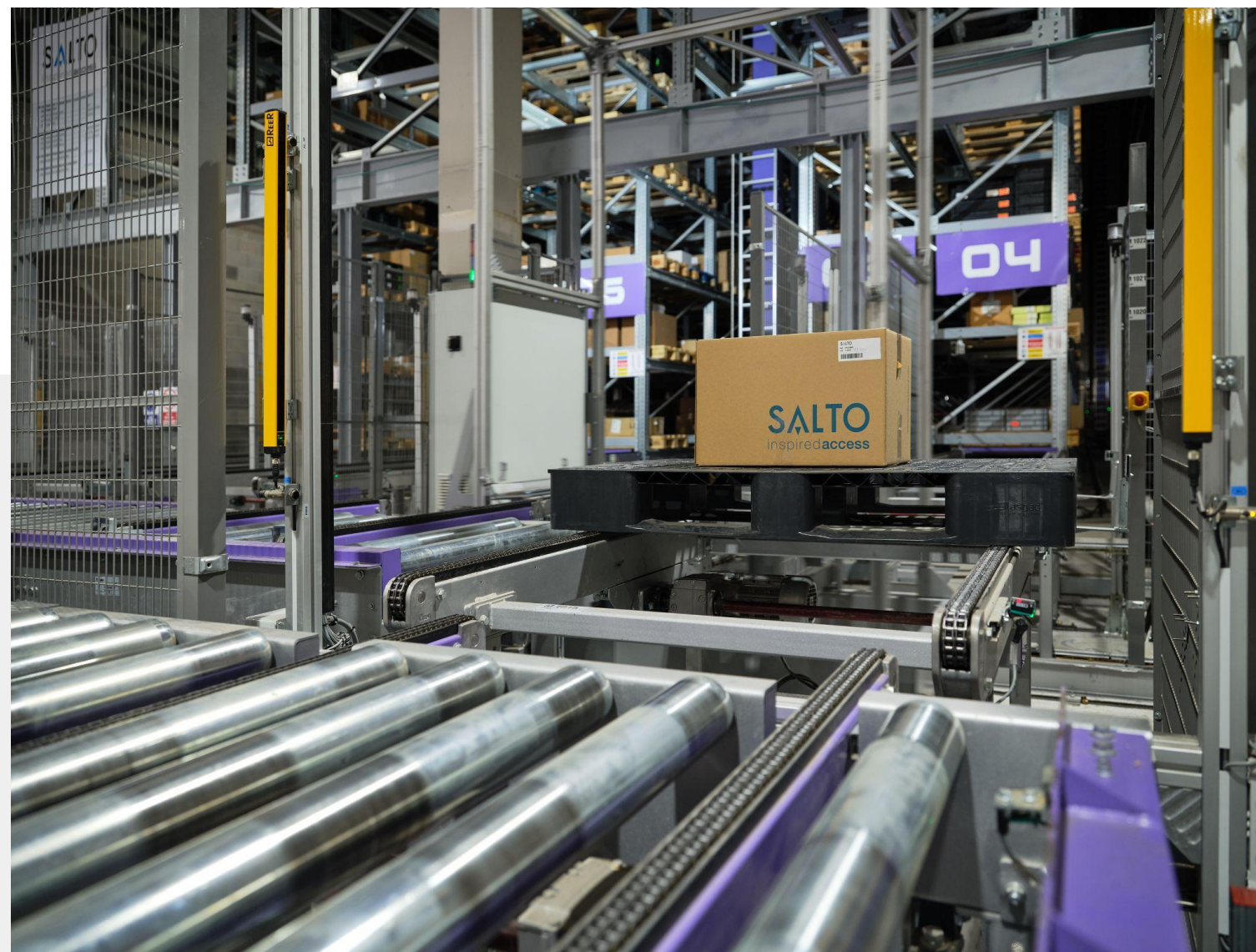
The work carried out in recent years has been continued to ensure that an increasing number of products have their corresponding Environmental Product Declaration (EPD). Additionally, the team responsible for new product launches has been trained on eco-design and circular economy, in order to integrate these into the launch process.



The R+D department has established smaller teams in order to have greater control over the development process, as well as an improvement of launch timelines, resulting in greater product and service quality for SALTO.

2022 has also been a relevant year in terms of improving the collection and standardisation of documentation and information on the performance of the SALTO group of companies in socio-environmental matters.

Despite the difficulties generated by the war in Ukraine, SALTO has not ceased to care about the people and society at large, substantially increasing their contribution to social endeavours in different countries.



ABOUT THE REPORT

This Sustainability Report seeks to answer to the requirements established by Law 11/2018, based on international reference standards. The objective is essentially to convey the most significant information on the economic, social, and environmental performance of the company in 2021.

Scope of the information:

This is the fourth report on this subject prepared by the company, and a major effort has been made to provide information on all the companies and business units that make up the SALTO group. With the aim of continuing to improve in this area, work on the company's information collection system is ongoing.

The data presented complies with the Global Reporting Initiative (GRI) international standard and, at the end of the report, there is a table indicating the relationship between the data provided, the GRI indicators and the corresponding SDG in each case. The report has been prepared taking into account the requirements of the Global Compact in the preparation of progress reports.

02

SALTO

02. SALTO

Since 2001, the year it was founded, SALTO Systems has focused on the development and manufacture of electronic access control solutions, especially in sectors where security is paramount.

The company revolutionised access control with a pioneering approach that included the first battery-powered standalone electronic lock, SALTO Virtual Network (SVN) data-on-card technology, and the first wireless access control system combining a standalone locking device with online and real-time capabilities, all without the use of wires or traditional keys.

In recent years, SALTO's technological developments in mobile access solutions and cloud-based access control technology have strengthened the company's leading position. SALTO Systems is now aiming to play a leading role in the unstoppable process of the mass replacement of traditional keys with digital electronic keys, consolidating its position as one of the top three electronic lock manufacturers worldwide.

With a strategy of organic and inorganic growth, SALTO has incorporated four companies into the group in recent years: Gantner, Conlan, Danalock, Clay,

Cognitec, Bluefield and Contidata. Thanks to these acquisitions, the group reaches more international customers and offers higher levels of innovation and integration.

With over 1,300 people, more than 260 dedicated to R&D, SALTO has delivered more than seven million access points worldwide, used by over 40 million people every day. SALTO has local sales and technical offices in 38 countries and a partner network that extends its reach to almost every region of the world.

The company is certified in ISO 9001 for quality management, as well as ISO 14001 for environmental management, and ISO 27001 for information security management.

One of the pillars of the company's success is its strong commitment to people. By fostering talent, it collaborates with universities and promotes training, professional development, and job satisfaction throughout the careers of all its employees.

The team at SALTO, aware that they are part of a much broader framework in which they live their lives as people, feel a dual obligation, to global sustainability and to the environments in which they operate. This responsibility goes beyond corporate goals and the company's strong commitment means that it offers a programme of activities in line with its spirit. The company's social commitment in the last years is channelled for the most part through Free2move.org, promoting adapted sports as a way to achieve greater social integration.



STRATEGY

SALTO's strategic pillars are reviewed every 3 years and are translated into a series of annual objectives that each department reviews with the participation of the entire staff.

In 2022, the strategic pillars valid until 2025 have been defined:

Purpose:

We aspire to lead the digital transformation of all types of facilities towards electronic access management systems, becoming the foremost brand worldwide in sales, user experience and sustainability.

We will accomplish our purpose offering systems that make the lives of people safer and more comfortable, through innovative and reliable solutions capable of providing useful information for smart facility management. We are drivers of a complex ecosystem of clients and end users, as well as supplier

and collaborator companies, with whom we build lasting relationships to draw mutual benefits, guided by closeness, flexibility, integrity and trust. All of this, through the application of the most stringent standards for our processes, that we question on an ongoing basis, with a perspective of continuous improvement.

Individuals are the "key" element. By taking care of each other and driving our development, we strive to be an attractive company and aim to create a collaborative culture where we can all enjoy the journey that we embark on together.

Our company is sustainably developed, and we create positive impact on the social environments in which we operate. This responsibility goes well beyond traditional corporate goals, and only through the personal commitment of those who work at SALTO, we manage to sustain a programme of activities that are continuously aligned with this principles.

Value proposition:

In an innovative, reliable and sustainable manner, we provide solutions for access and flow of people in buildings of all types. We offer our clients a relationship based on closeness and trust, where the shopping and user experience is nothing short of excellent.

Priority strategies

- ESG 2030
- Corporate governance
- Sustainable and digital product.
- Reinforcing specific markets.

Values

Passion

To carry out our work with enthusiasm and spread it to the people we interact with.

Responsibility

Undertaking the commitment to manage tasks as established, achieving the expected goals (+ delegation + autonomy)

Integrity

Being coherent between what we say and what we do, respecting ethical corporate rules and jointly established agreements

Non-conformism

Questioning in a positive, rational manner, the status quo, at once proposing improvements and alternative solutions

Collaboration

Listening, helping and supporting in a transparent manner the diversity of our Group towards a common objective.

Sustainability

Working for our operations and products to be compatible with a sustainable future for the world.

KEY FIGURES AND INDUSTRIES

EUROPE

Spain, United Kingdom, France, Germany, Switzerland, Netherlands, Belgium, Poland, Slovakia, Slovenia, Czech Republic, Denmark, Norway, Sweden, Finland, Italy, Portugal, Ireland, Austria, Russia

NORTH AMERICA

US (NYC | Atlanta | Las Vegas), Canada

CENTRAL AND LATIN AMERICA

Mexico, Costa Rica, Colombia, Puerto Rico, and Chile

ME / AFRICA

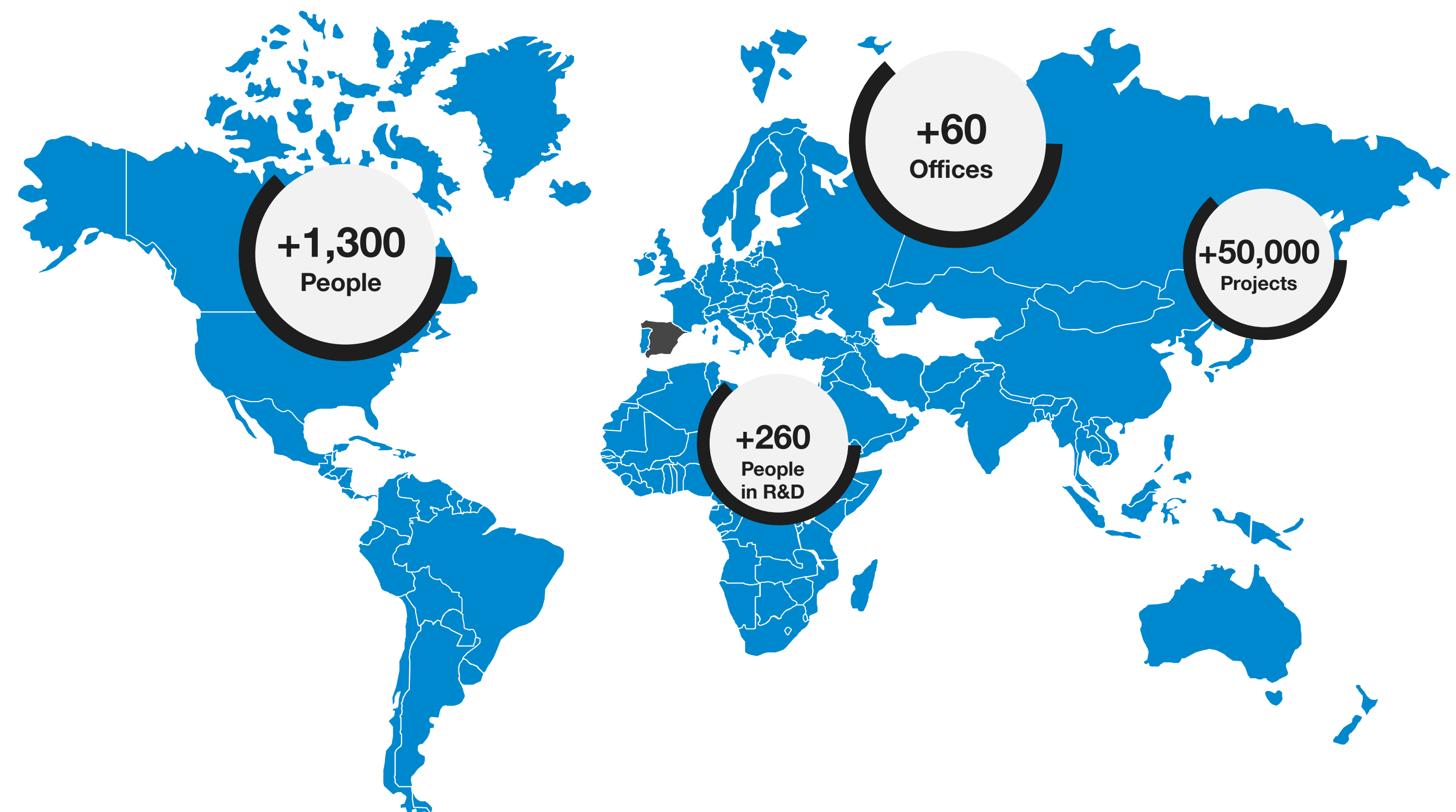
United Arab Emirates, Saudi Arabia and South Africa

ASIA-PACIFIC

Singapore, China, Hong Kong, South Korea, Vietnam, India, Japan and Taiwan

OCEANIA

Australia and New Zealand



SALTO's access control solutions are used worldwide for an endless range of applications and unique, demanding facilities.

Thanks to the system's scalability, SALTO solutions span many projects in different markets. The smallest projects can be implemented and later, as it becomes necessary, they can be easily expanded to larger or even more complex solutions, including transnational ones.



COMPANIES, INDUSTRY AND INFRASTRUCTURE:

SALTO offers the most advanced, flexible and secure access control solutions for all kinds of public infrastructures and multi-user buildings: office buildings, factories, industrial plants, airports, transport hubs, public administration and many others.

- Industrial and manufacturing facilities
- Airports and transportation
- Mining facilities and remote campsites
- Public administration
- Transport and logistics



HEALTHCARE

SALTO's smart access solutions combine the security, safety, and flexibility that healthcare facilities need and our silver ion antimicrobial technology under development to a more hygienic environment. Protect healthcare workers, patients, and healthcare material with the flexibility and safety of SALTO's access control systems.

- Hospitals and clinics
- Home care/Assisted living
- Laboratories



HOSPITALITY

SALTO has developed advanced electronic access control solutions specific to the hospitality industry, designed with aesthetics in mind, and setting a new standard for the industry, from internal organisation to room management, with an easy-to-use system for hotels of all types and sizes.

- Luxury hotels
- All-inclusive resorts
- Hotels for conventions and conferences
- Low-cost hotels
- Automated self-service hotels



EDUCATION

SALTO is the world leader in next generation access control solutions for schools, colleges, and universities. SALTO's smart and wireless access control solutions offer safety and flexibility to any educational facility or centre, in order to protect students, teacher and residents of the educational community.

- Universities and Campuses
- Schools
- Student accommodation



RESIDENTIAL

SALTO's access control and electronic lock technologies are easy to install and service. They offer owners and residents an end-to-end keyless access solution for the main entrance, as well as for the other entrances to the community and resident unit doors, without the associated cost and complexity of traditional access control solutions.

- Neighbourhood communities
- Single-family housing
- Holiday rentals
- Home care/Assisted living



SHARED LIVING SPACES

SALTO has become a world leader in the provision of access control for the hospitality industry. SALTO empowers property owners and managers around the world with new ways to protect guests, manage staff and safeguard assets through unrivalled advanced technology.

- Co-living
- Student accommodation



RETAIL

SALTO's services simplify the workflow and operations associated with access management, through solutions adapted to each store or retail shop. 360-degree retail solutions aimed at improving point of sale safety, protection, management of operations and efficiency, reducing costs and optimising processes to adapt to each location.

- Restaurants and franchises
- Supermarkets and Outlets
- Banking and insurance
- Fashion stores and shops



COWORKING

Enhance the experience for your co-workers while guaranteeing accessibility and increasing their safety and protection. Incorporate new access points and locations, and improve workspace efficiency and usage without complex installations, in a flexible and fast manner, while reducing personnel costs associated with facility operations.



ATTRACTIONS, LEISURE, AND SPORTS

SALTO improves ticketing by unifying ticket sale, booking, point of sale, cashless payment and access control into a single, comprehensive technological platform.

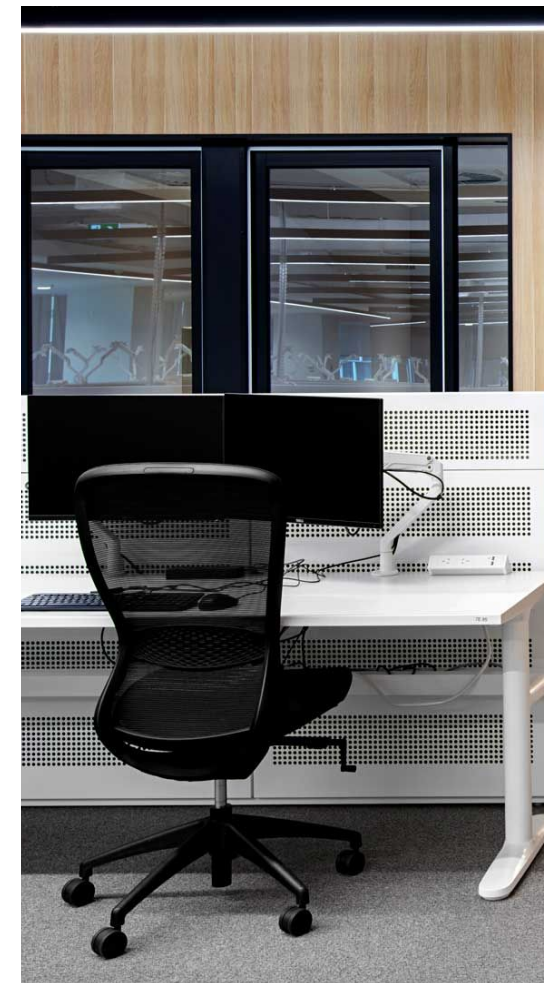
- Museums, Zoos and Attractions
- Water Parks and Resorts
- Cities and Culture Heritage
- Sports Facilities



FITNESS CENTRES & GYMS

SALTO supports fitness centres and gyms in the automation of daily processes.technology.

- Gyms.
- Medical fitness / Rehabilitation
- Sports Clubs



CORPORATE SMART OFFICES

With safe, flexible and innovative solutions, SALTO helps companies achieve modern and flexible workspace concepts, to create attractive work areas.



CRITICAL INFRASTRUCTURES

- Telecommunications
- Energy
- Oil, gas, and water treatment



Cleveland Clinic - UAE



Heathrow Airport - UK



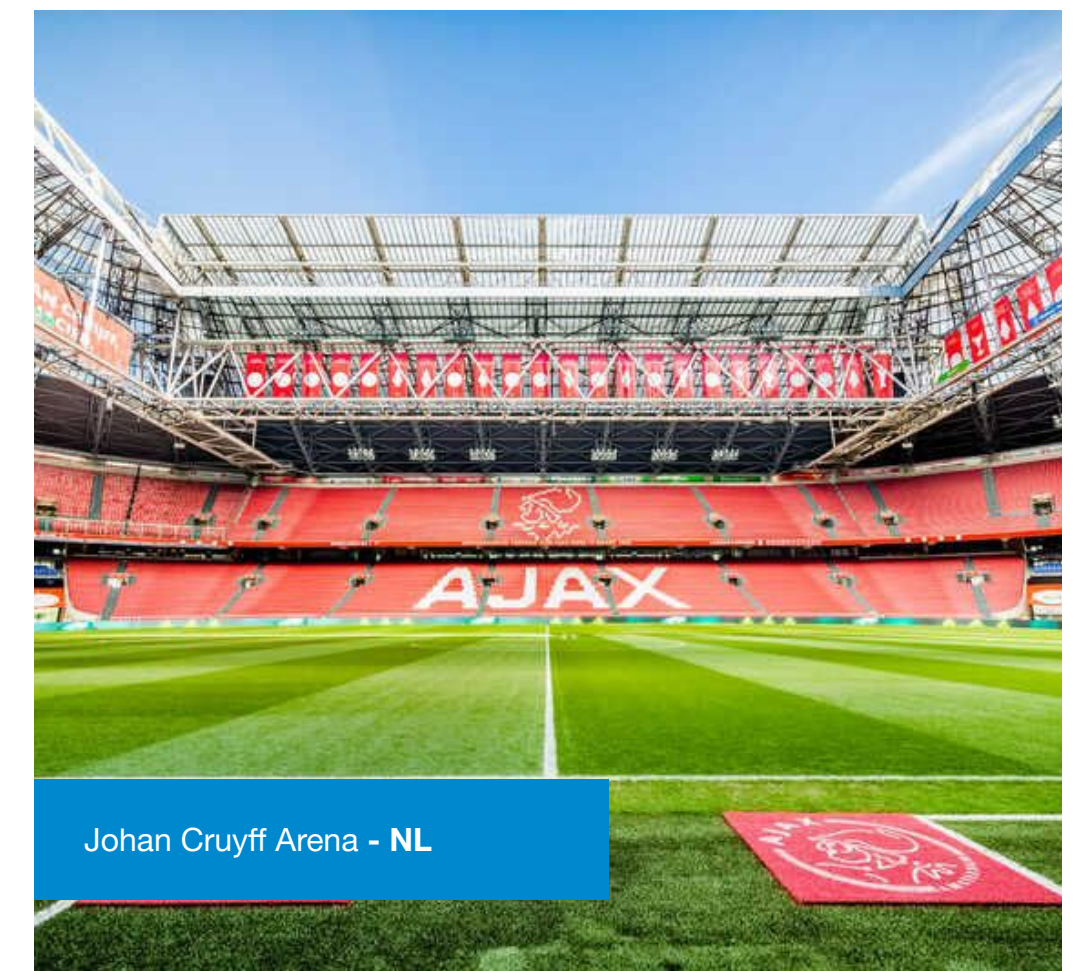
Princeton University - US



Regus - Spaces (IWG) - WW



BBVA - Spain



Johan Cruyff Arena - NL

ORGANISATION

SALTO and its brands can now reach a much wider international market of clients, manufacture over 1 million access points per year and offer enhanced levels of service and assistance.

Clay

Clay BV

Clay Solutions is a software development company headquartered in Amsterdam (The Netherlands) that started its journey offering a cloud-based access control solution entitled “SALTO KS”.

Gantner

Gantner Electronic GmbH

Founded in Schruns, Austria, in 1982, Gantner is considered a pioneer in access control management for smart lockers and storage, along with solutions for time recording, attendance or contactless payment and ticketing systems.

danalock

Danalock Aps

Founded in 2003 and headquartered in Denmark, a technological leader in the design and development of residential smart locks, it recently launched the third generation of its universal motorised smart lock.

CONLAN

Conlan Aps

A manufacturer of access control solutions founded in 1991 and with headquarters in Denmark, it offers robust, reliable and high-quality access control readers.



Cognitec GmbH

Cognitec Systems was founded in 2002 in Dresden, Germany, by a team of experts who recognised the growing demand of biometric software and hardware solutions.



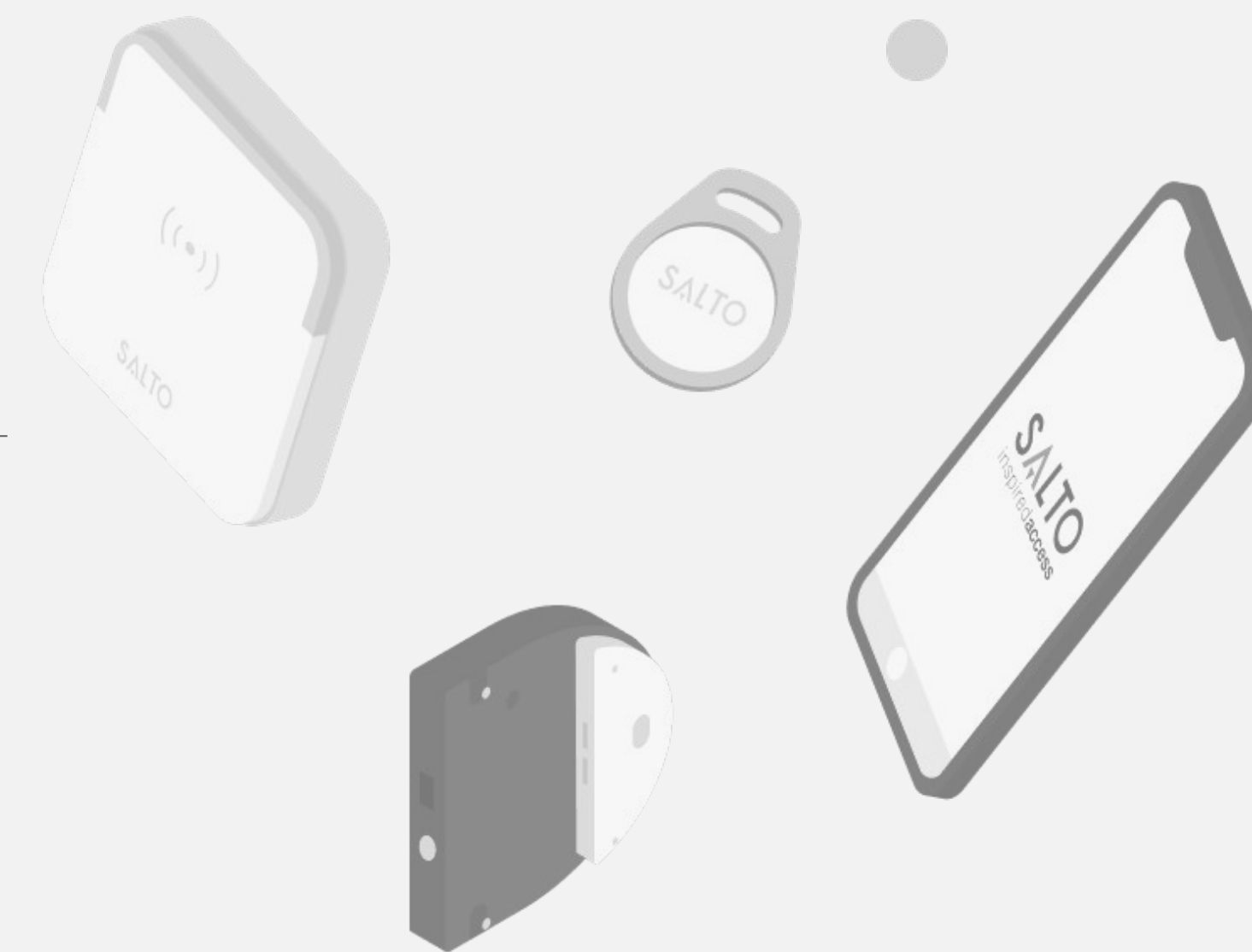
Bluefield Smart Access BV

Founded in 2013 and currently located in Nieuwegein, The Netherlands, Bluefield Smart Access develops software products that automate people registry, authentication and authorisation processes, their identifiers and the physical authorisations to be provided to companies within their specific market segments.



Contidata Datensysteme GmbH

With over 35 years of experience and more than 1000 successful projects in community catering throughout Germany, Contidata is a leader in cashless payment systems and secure electronic payment solutions.



The various companies and subsidiaries that make up the SALTO group are organised into two main groups. On the one hand, there are the production sites, SALTO HQ and Gantner, and on the other hand, the Business Units (BUs).

SALTO has an Executive Committee that coordinates the companies daily management. In 2022, this Committee consisted of 10 individuals at SALTO Oiartzun and 6 individuals at Gantner. These committees coordinate the company's day-to-day management and are committed to allocating all the necessary resources and to periodically supervising compliance with the Management System, in order to provide a continuous response to the needs and requirements of the customer and ensure compliance with the health and safety regulations as well as respect for the environment.

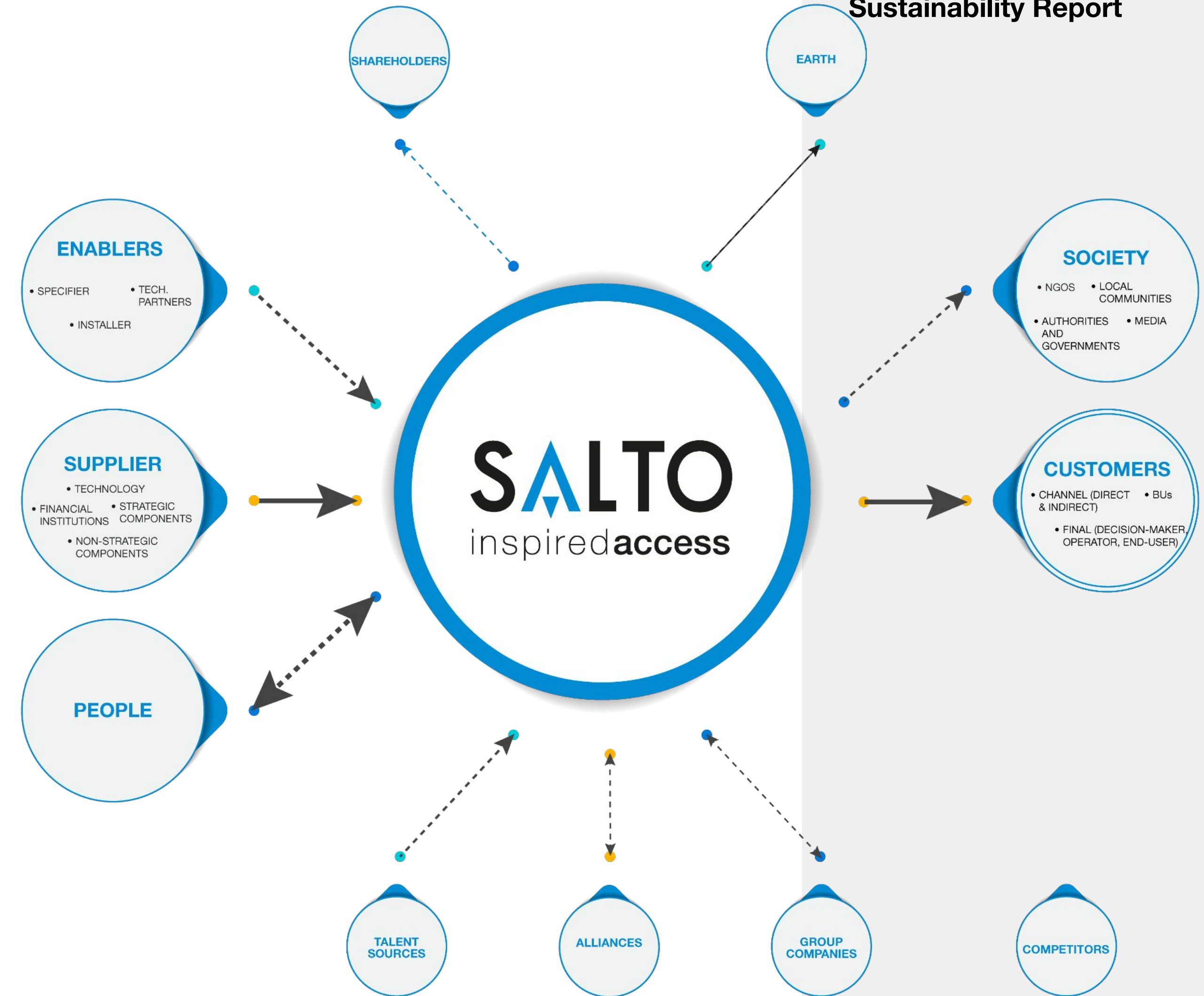
With the acquisition of Gantner, a capital increase was carried out and new shareholders joined the Board of Directors.

Stakeholders

In 2022, the needs and expectations of stakeholders were reviewed to lay the groundwork for risk and materiality analysis. Currently, responses are provided to all through the implementation of control and communication mechanisms, as well as strategic guidelines and challenges derived from their analysis.

In 2022, and in relation to the objectives included in this report, we have worked more closely with the People's Gdl through the integration of Gantner and increased involvement of the BUs in matters of sustainability.

Suppliers have also been a priority stakeholder group, with supply chain challenges and the responsible acquisition project as the most outstanding actions undertaken.



OPERATIONS

Production

2022 has not been without difficulties due to the semiconductor supply crisis, which has made efforts focus mainly on new hardware and firmware designs. The forecast is that in the year 2023, the supply crisis will not be fully resolved at 100%. Upon conducting the risk analysis, this has prompted the development of a procurement department objective to increase the stock of certain critical components.

The LEAN methodology was used, both in the production and purchasing department, as well as in R&D.

In terms of infrastructure, a new macro layout project has been carried out, which anticipates an increase in production capacity by modifying the arrangement of some offices and production cells.

With regards to logistics, the Tookane transportation management software has been implemented, as well as a new warehouse management system.

SALTO has one of the largest factories and production centres for electronic locks in the world (9,000+ m² in Oiartzun, Spain). The group's production capacity is higher than 1 million units/year. 70% of electronic components at SALTO Oiartzun come from nearby suppliers (with a 150km radius).

With some suppliers we work with Just-in-Time delivery. To achieve this, we have worked with them in their development and the provision of infrastructures. Priority has been given to workshops employing people with disabilities, with almost 100 people working for SALTO in Special Employment Centres.



Services

67 offices in 39 countries

97% exports

Logistics

A fully automated plant to guarantee the best service and maximum flexibility in the management of shipments and orders.

In 2022:

61,000 shipments

7,700 pallets

196,000 packages

1,860,000 kg



R&D

SALTO has a R&D department with over 267 people distributed over: The Netherlands, Denmark, Austria, Belgium, India, Cognitec and Spain. In this team, 17% are women and the volume of expenditure and investments in 2022 has exceeded 16.5 million euros.

23% of proceeds come from products developed less than 4 years ago

267 people in the R&D department (17% women)

Six new products launched in 2022



Laboratory

SALTO's laboratory has the capacity to conduct accredited static and dynamic tests according to each standard, at both room temperature and high and low temperatures, as well as in the presence of water and condensation.

TECHNOLOGY AND INNOVATION

R&D has been one a fundamental focus for SALTO since the beginning of its activities. The technology used in its products and services has been developed internally and, for some years now, environmental sustainability criteria have been progressively incorporated into the design and manufacture of the products.

In 2019, the first Environmental Product Declaration (EPD) was achieved for the XS4 Original product, a certification that reports on the environmental impact of the product throughout its life cycle. This milestone is part of the company's clear commitment to minimising the environmental impact of its activity and has been sustained in 2020 and 2021.

For over ten years, we have been working with BioCote to integrate silver ion antimicrobial technology into smart electronic locks.

The packaging of the different products has also been designed according to environmental criteria and is currently FSC-certified.

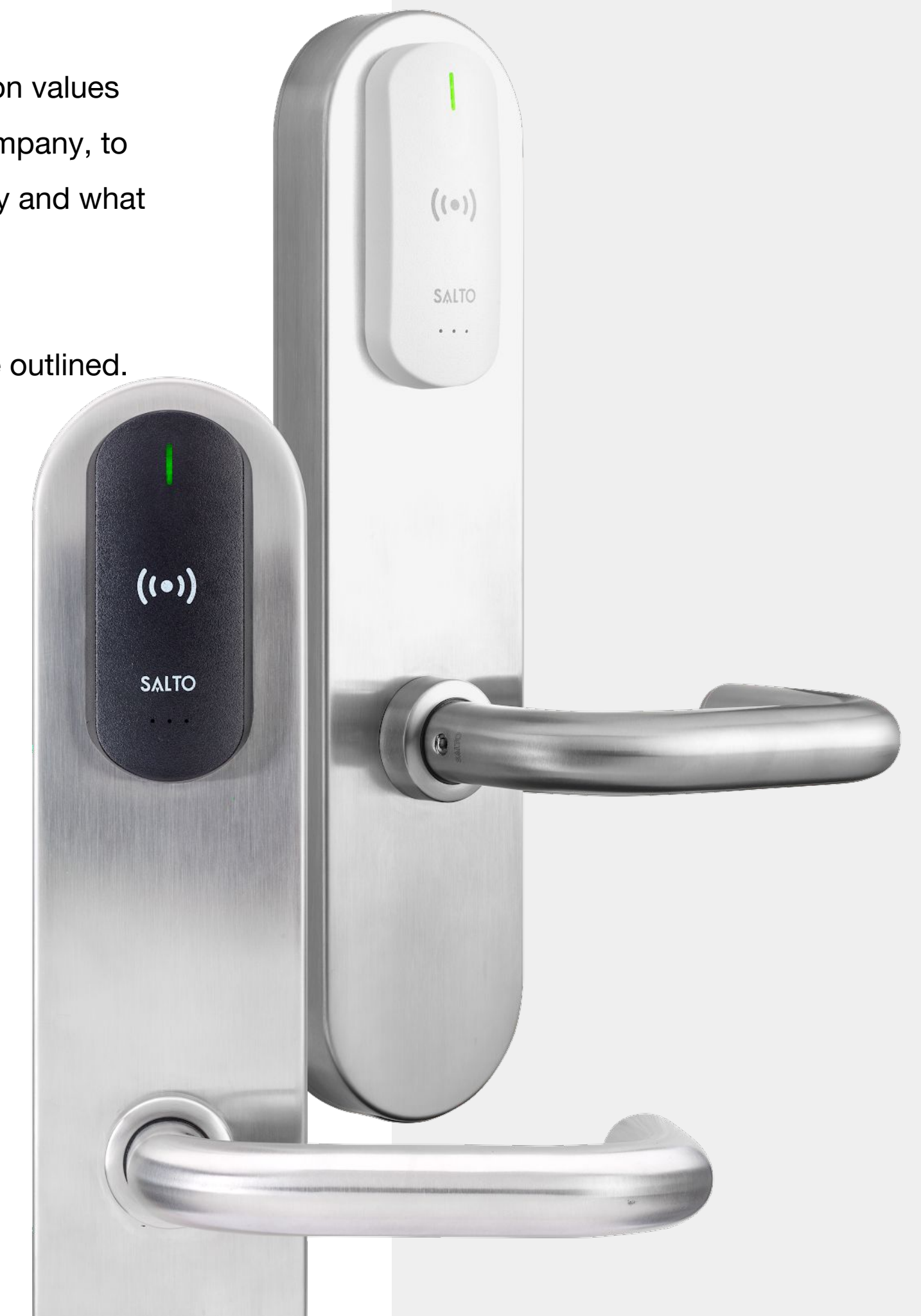
In 2022, milestones include the renewal of the **ISO 27001 certification for Clay**, the development of the **ISO 27001 certification for SALTO Oiartzun** and the implementation of **EAN codes**.

ETHICAL FRAMEWORK

Since its origins, SALTO is committed to being a leading, innovative company in the area of electronic locks. It holds strong values that highlight the role of individuals within the organisation and their responsibility towards customers and society at large. It's not just about achieving good results, but also about the way those results are achieved.

The aim is to exercise ethical and transparent leadership, based on values and in response to the expectations of integrity placed on the company, to comply with the law, and to be consistent in terms of what we say and what we do.

The most significant actions carried out in the last three years are outlined.



Code of Conduct

Code of Conduct: Development of the code of conduct that clearly defines what SALTO understands as 'ethical behaviour' and outlines the basic principles of integrity within its work environment. It is valid for all its activities, regardless of the country in which it operates, and ensures not only compliance with the specific legislation of each country but also respect for different cultures and their ethical principles. It also provides information on the communication channels established to report possible breaches. Everyone in the company, as well as suppliers and subcontractors where applicable, are aware of these ethical principles. Suppliers and subcontractors are asked to make a statement of compliance with environmental issues (that they must take into account if they want to work with SALTO) and, with regard to suppliers from higher-risk countries, also on social and gender equality issues.

social and gender equality. In 2022, a project was initiated with the supply chain to implement a new responsible procurement process. The goal is not only to consider ESG aspects in supplier evaluation but also to act as catalysts and assist them in taking significant steps towards sustainability.

Compliance

There is a specific Compliance committee and work has been done towards drafting a manual applicable to SALTO as a whole, following a detailed analysis of the risks by area.

Global Compact

SALTO's high ethical standards have been ratified by joining the Global Compact and its commitment to the ten Principles, in areas such as human rights, labour standards, environment, and anti-corruption.



03

Risks and Policies

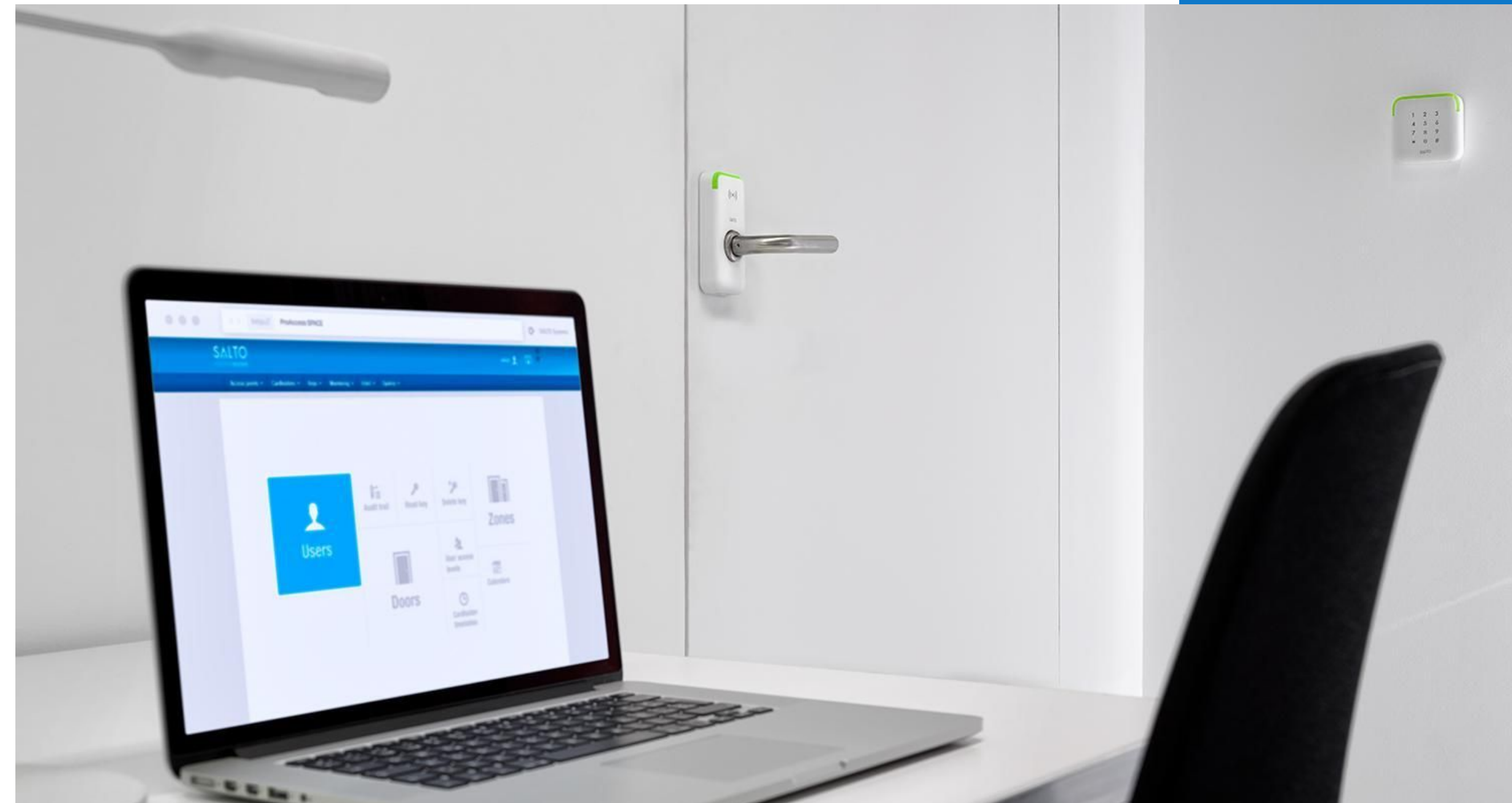
03. Risks and Policies

RISKS

In 2019, SALTO defined the purpose, business challenges, and associated risks. Yearly, each department revises and updates their opportunities for improvement and risks. The aims for the current year are established based on these annual analysis.

For each risk identified, its type, the specific threat, its causes, the probability of its occurrence, and the seriousness of the consequences are assessed.

The following table lists the most significant risks for the company related to this Sustainability Report.



PROCESS	THREATS PROCESS RISKS	2022 ACTIONS (HIGHLIGHTS)
Policies & Strategies.	<ul style="list-style-type: none"> • Use of non-representative indicators • Insufficient monitoring and evaluation 	<ul style="list-style-type: none"> • Specific work of the Business Analysis team with the different areas • Start of the 2023 strategic analysis
Environment and Communication	<ul style="list-style-type: none"> • Accidents with environmental impact • Rise of aspects related to sustainability, SDGs, and the circular economy. Opportunity to improve the perception of SALTO and obtain a competitive edge. • Unnecessary consumption • Non-compliance of suppliers with legal environmental requirements 	<ul style="list-style-type: none"> • Total incorporation of the Sustainability perspective in the strategic analysis initiated towards the end of 2022. • Inclusion of social and environmental criteria in supplier selection. • Supplier training actions regarding SDGs and sustainability. • Include an item. Development and promotion of the Free2Move program.org within the ESG strategy of SALTO Systems
Product design and launch	<ul style="list-style-type: none"> • Failure or unfeasibility of the project at an advanced stage. • Loss of know-how. • Problems with product certification. 	<ul style="list-style-type: none"> • Knowledge and document management. • R&D: specific work on circular economy and energy sources. • Incorporation of new equipment in the laboratory
After-sales service	<ul style="list-style-type: none"> • The resolution of issues takes time 	<ul style="list-style-type: none"> • Incorporation of issue management in the project management software.
People management	<ul style="list-style-type: none"> • Losing talent • Long timeframes for performance evaluation and training needs 	<ul style="list-style-type: none"> • Performance plan • Systematisation of evaluation and training plan with each area
Procurement and suppliers	<ul style="list-style-type: none"> • Lack of suitable suppliers • Failure to meet innovation specifications • Non-fulfilment of service due to stockouts 	<ul style="list-style-type: none"> • Supplier panel • Implementation of a responsible purchasing process • Training workshop for suppliers on sustainability and SDGs to improve their performance. Plan to expand this for all suppliers. • Sustainability training for procurement personnel. • Firmware and hardware redesign to address the component crisis
Administrative-financial management	<ul style="list-style-type: none"> • Legal breaches • Poor implementation of common systems 	<ul style="list-style-type: none"> • Consolidation and reporting system of Group companies
Information management	<ul style="list-style-type: none"> • Security threats that could impact the confidentiality, integrity or availability of IT systems and the platforms and services marketed to customers. 	<ul style="list-style-type: none"> • 2022 Security Master Plan • ISO 27001 certification for Homelock and Nebula • Deployment of SALTO Systems' security standards across Group companies. • Monitoring compliance with security standards.

With the strategic reflection initiated at the end of 2022, a new methodology has been defined for the identification and analysis of risks and actions within the company. It will be applied in 2023 and gathered in next year's report.

POLICIES

SALTO has defined company policies that specify the company's commitments and actions in different areas. In order to focus the non-financial report on the issues to be addressed, the policies most closely related to the social and environmental spheres are set out below.

Quality and environment policy

The company has a specific policy that seeks to ensure the fulfilment of customer requirements and the protection of the environment at all times.

This policy is transmitted, through different awareness and internal communication activities, to all the people in the organisation and to the people or organisations that work for it or on its behalf.

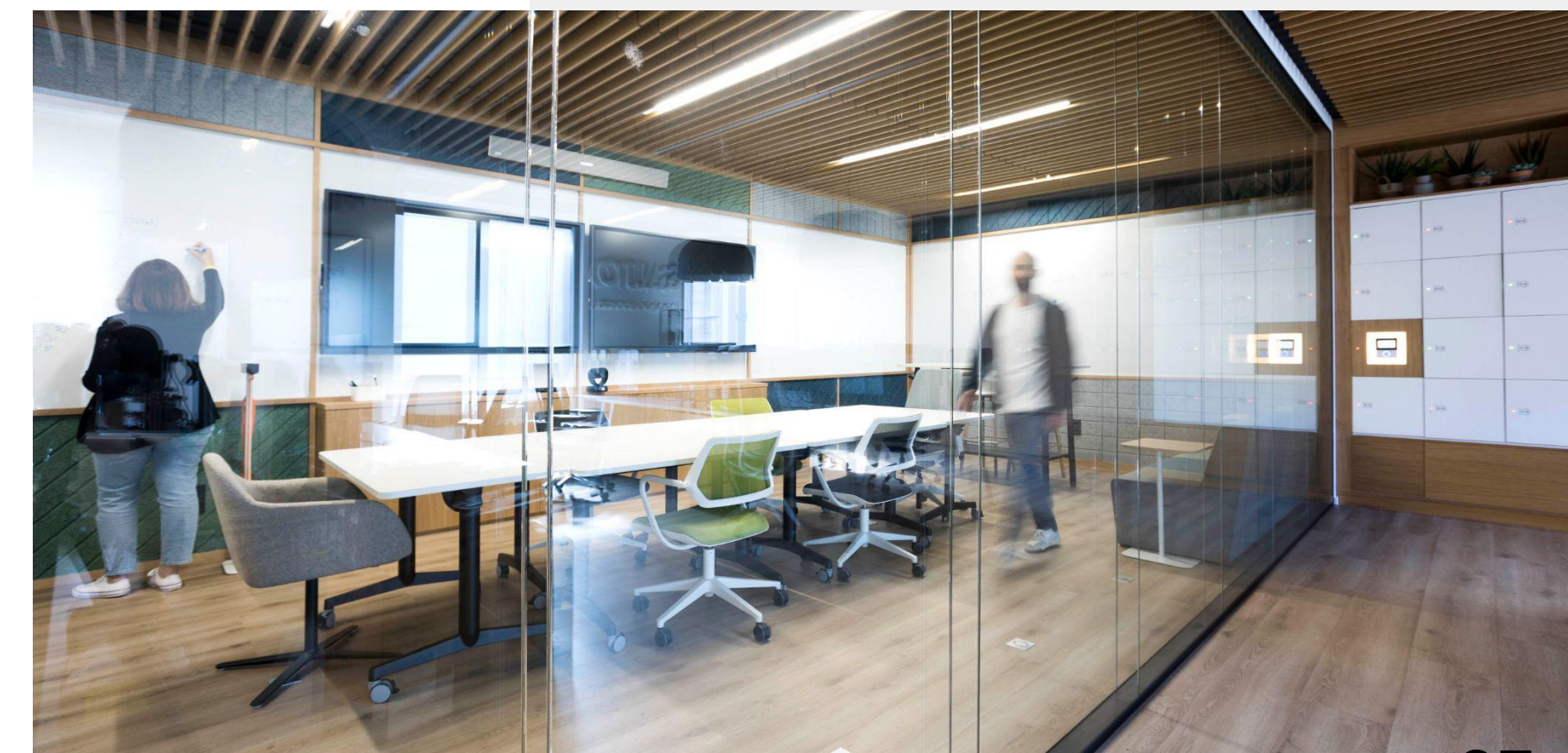
It is given to every person who joins the company (Coexistence / Onboarding Guide), as well as to all people working for the company or on its behalf (subcontractors). It is on the web page available to any person or entity that may request it.

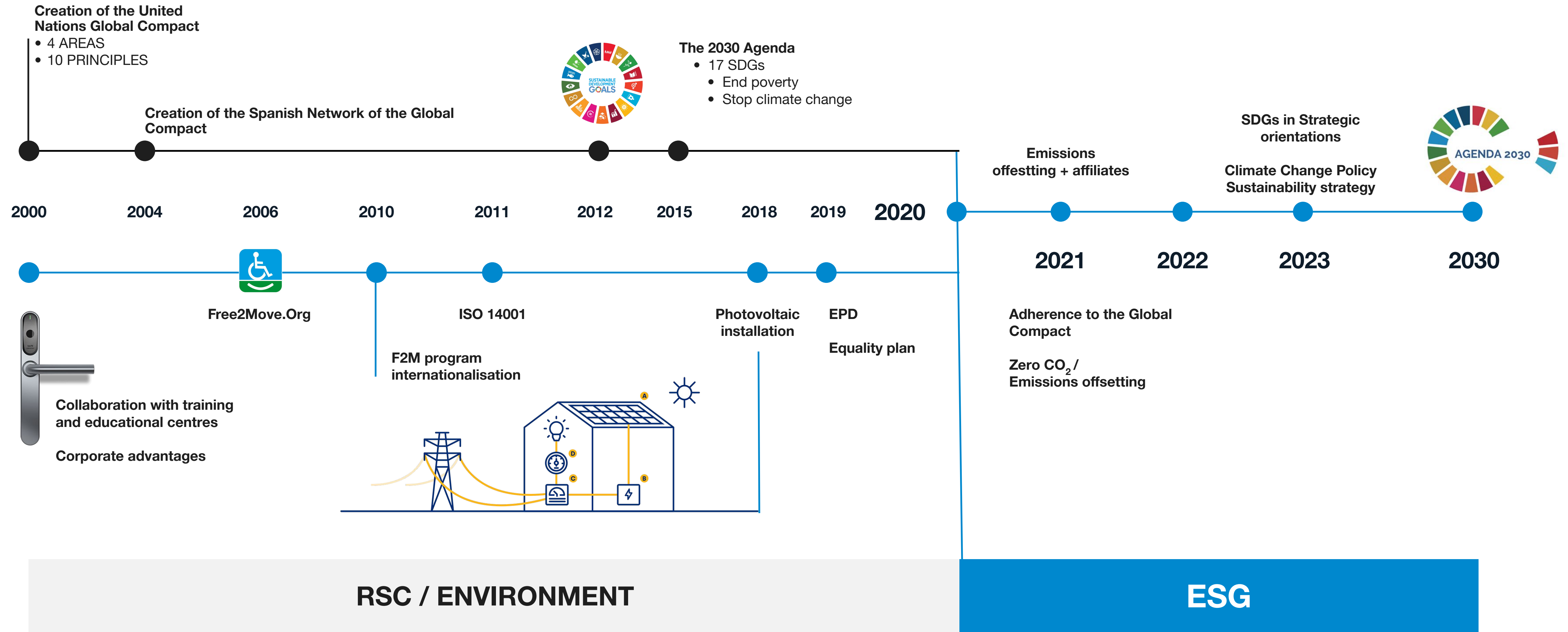
Climate Change Policy:

In 2022, SALTO initiated a Climate Change Policy that was approved in 2023. In it, it commits to reducing its GHG emissions group-wide by 2030.

CSR policy

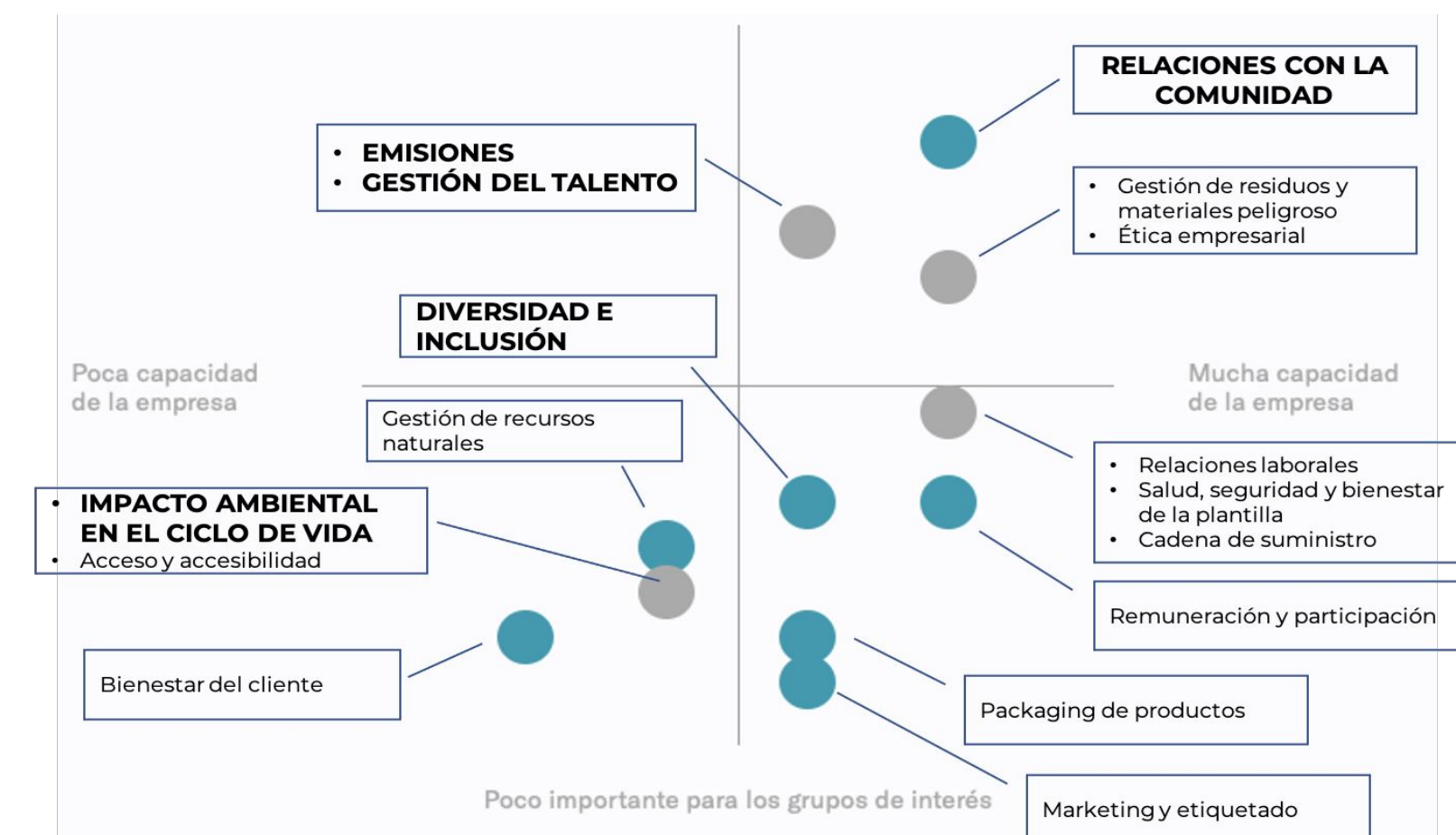
In recent years, the company's social and environmental actions have become more strategic in nature. Although social awareness has been present since the company's beginnings, ESG aspects have become increasingly important, always taking the 2030 Sustainable Development Goals (SDGs) defined by the United Nations as a reference. In this area, an Equality Policy, an Information Security Policy and the aforementioned Code of Conduct have been established. In 2020, SALTO has joined the Spanish Global Compact Network.





MATERIALITY

The materiality analysis carried out at the beginning of 2020 has been in force throughout 2022. Updating it throughout the year had been the initial plan, but it has been deemed more appropriate to do so in parallel with the strategic reflection initiated at the end of the year and ending in 2023. For the definition of materiality, the company's various stakeholders were taken into account and the key ones for the three-year period were prioritised: employees, end consumers, and the local community. In addition to taking into account the vision of the prioritised groups, the main areas and specific actions carried out by the company up to the time of the analysis were reviewed in detail. The external context and trends for the coming years in areas such as the circular economy, diversity and equality, and ESG transparency were also studied in detail. In addition to these inputs, SALTO's internal objectives and the risks and opportunities identified were taken into account.

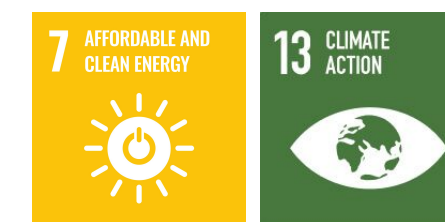


SALTO Systems materiality matrix.

SALTO and the risks and opportunities identified.

Through the inGuru+ tool (based on sector-based material areas defined by SASB), which was developed with the participation of SALTO, the importance of various socio-environmental areas for each of the stakeholder groups was assessed. After the analysis, five areas were selected to focus efforts in 2020-2022.

CARBON EMISSIONS AND CLIMATE CHANGE



ENVIRONMENTAL IMPACT OF THE LIFECYCLE OF PRODUCTS AND SERVICES



RELATIONSHIPS WITH THE COMMUNITY



DIVERSITY AND INCLUSION



EMPLOYEE TALENT MANAGEMENT



Material priority areas for SALTO Systems

MANAGEMENT

When addressing sustainability management at SALTO, the following annual initiatives can be highlighted:

01

Alignment of the material areas with the current strategic guidelines.

02

Definition of specific actions to be carried out in each material area: Related SDG and the area responsible for it.

03

Definition of sustainability objectives in each company department (at SALTO Oiartzun). In addition, each year the different departments set specific aims in the socio-environmental area. These aims are validated by those responsible for sustainability, and care is taken to ensure that they can be met throughout the year. Through this measure, sustainability has been incorporated into the aims of all the people who make up SALTO.

04

Raising awareness and driving other BUs and companies within SALTO to actively participate in sustainability policies, indicators, and initiatives.

In 2022, highlighting the increased commitment of the rest of the companies and BUs is worth noting, as evidenced by the improved data integrity in reporting, local offsetting of GHG emissions, Clay's adherence to the Global Compact, and the achievement of environmental management certification in Norway and Australia.



Alignment of material areas with current strategic guidelines, the SDGs, and the actions of the Management Plan:

GUIDELINES AND STRATEGIC PILLARS	2020-2022 MATERIALITY AREAS				
	EMISSIONS	ENVIRONMENTAL IMPACT OF THE LIFECYCLE	RELATIONSHIPS WITH THE COMMUNITY	DIVERSITY AND INCLUSION	TALENT MANAGEMENT
A robust, market-oriented product that answers to the needs of the client.					
Prioritising local manufacturing.					
Anticipation of key technological developments for the sector.					
Global presence: that clients, wherever they may be, can be serviced by SALTO personnel.					
Organic and inorganic growth to capitalise on market opportunities.					
Attentive to new market opportunities where we can provide new added value.					
Capacity for integration and development to address market opportunities.					
Processes under control and in permanent pursuit of improvement.					
Development of structure and personnel to address present and future demands and challenges.					
Strong and trustworthy brand presence.					

Materiality areas vs. Strategic orientations

ÁREAS MATERIALES (DE IMPORTANCIA)	OR. ESTRATÉGICAS RELACIONADAS	SDG																	ACCIONES 2021 - 2023	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		
1. EMISIONES	OE5																			FUENTES RENOVABLES: Electricidad 100 % renovable. Ya en Olartzun Promover en el resto FUENTES RENOVABLES: Autogeneración (aumentar el nº de paneles solares fotovoltaicos en Olartzun) DESPLAZAMIENTOS DEL PERSONAL: Teaming movilidad local. EFICIENCIA ENERGÉTICA: Aplicar acciones propuestas por la auditoría energética (monitorización de consumos; sustitución de caldera antigua) COMPENSACIÓN DE EMISIONES: Proponer en las BUs; más participativa en SALTO HQ. CIRCULARIDAD E IMPACTO AMBIENTAL CV: Análisis de proyectos actuales y próximos para identificar posibles reducciones de impacto. CIRCULARIDAD E IMPACTO AMBIENTAL CV: Sensibilización / Difusión / Formación en circularidad para productos electrónicos
	OE3																			
	OE10																			
2. IMPACTO AMBIENTAL DEL CICLO DE VIDA	OE4																			ESTILO "SALTO" PAÍSES EN DESARROLLO: Definir el "Estilo SALTO" en materia de sostenibilidad/ impacto para que sea considerado en las implantaciones o nuevas adquisiciones en países en desarrollo. COMUNICACIÓN: SENSIBILIZACIÓN A TERCEROS: Adhesión a temas como el Pacto Mundial, Caring For Climate (búsqueda de potenciales adhesiones interesantes para SALTO). EMPRENDIMIENTO: APOYO A EMPRENDEDORES LOCALES. COMPRAS: COMPRA RESPONSABLE. Inclusión de criterios ESG en los procesos de selección de proveedores. COMPRAS: TRACCIÓN PROVEEDORES. Facilitar a los proveedores del entorno la introducción de ODS (temas sociales y ambientales) en su operativa mediante talleres de trabajo prácticos. Plan de Igualdad SALTO (Olartzun) PROYECTOS FREE-TO-MOVE (Borja Ganzarain)
	OE6																			
	OE8																			
	OE10																			
3. RELACIONES CON LA COMUNIDAD	OE4																			ESTILO "SALTO" PAÍSES EN DESARROLLO: Definir el "Estilo SALTO" en materia de sostenibilidad/ impacto para que sea considerado en las implantaciones o nuevas adquisiciones en países en desarrollo. COMUNICACIÓN: SENSIBILIZACIÓN A TERCEROS: Adhesión a temas como el Pacto Mundial, Caring For Climate (búsqueda de potenciales adhesiones interesantes para SALTO). EMPRENDIMIENTO: APOYO A EMPRENDEDORES LOCALES. COMPRAS: COMPRA RESPONSABLE. Inclusión de criterios ESG en los procesos de selección de proveedores. COMPRAS: TRACCIÓN PROVEEDORES. Facilitar a los proveedores del entorno la introducción de ODS (temas sociales y ambientales) en su operativa mediante talleres de trabajo prácticos. Plan de Igualdad SALTO (Olartzun) PROYECTOS FREE-TO-MOVE (Borja Ganzarain)
	OE7																			
4. DIVERSIDAD E INCLUSIÓN	OE7																			FORMACIÓN EN SOSTENIBILIDAD Y ODS: Diseñar plan formativo y acciones de concienciación. GESTIÓN DEL TALENTO: CENTROS EDUCATIVOS. Establecer objetivos concretos. GESTIÓN DEL TALENTO: DESARROLLO DEL PERSONAL INTERNO. Establecer objetivos concretos.
	OE1																			
5. GESTIÓN DEL TALENTO	OE1																			FORMACIÓN EN SOSTENIBILIDAD Y ODS: Diseñar plan formativo y acciones de concienciación. GESTIÓN DEL TALENTO: CENTROS EDUCATIVOS. Establecer objetivos concretos. GESTIÓN DEL TALENTO: DESARROLLO DEL PERSONAL INTERNO. Establecer objetivos concretos.
	OE2																			
	OE3																			
	OE4																			
	OE5																			
	OE6																			
	OE7																			
	OE9																			

Action monitoring tool by material area.

04

Environmental issues

Among all of the activities carried out, and as a summary, we can highlight the following activities:

01

Raising awareness and direct work with BUs: actions tending to raise awareness on the environment and carbon footprint have been carried out, and they have defined their own environmental improvement action plans. These include the purchase of renewable energy, the reduction of the carbon footprint in scope 2, and compensation of unavoidable emissions through local projects, as well as the establishment of good practices related to paper consumption and waste management.

02

Boosting **sustainable mobility** at SALTO Oiartzun, through an analysis of the issue of mobility (through an employee survey, route analysis and consultations with the competent authorities on matters of public transportation and infrastructure), a proposal of actions and their prioritization. In 2022, actions tending to raise awareness were carried out, and pilot tests were performed for the implementation of a car-sharing app.

03

Notable increase of self-consumption due to photovoltaic generation. The latest solar panels are operational since 2021, so that 2022 has been the first full year with a 200 kWh installation, twice as much as the previous setup.

04

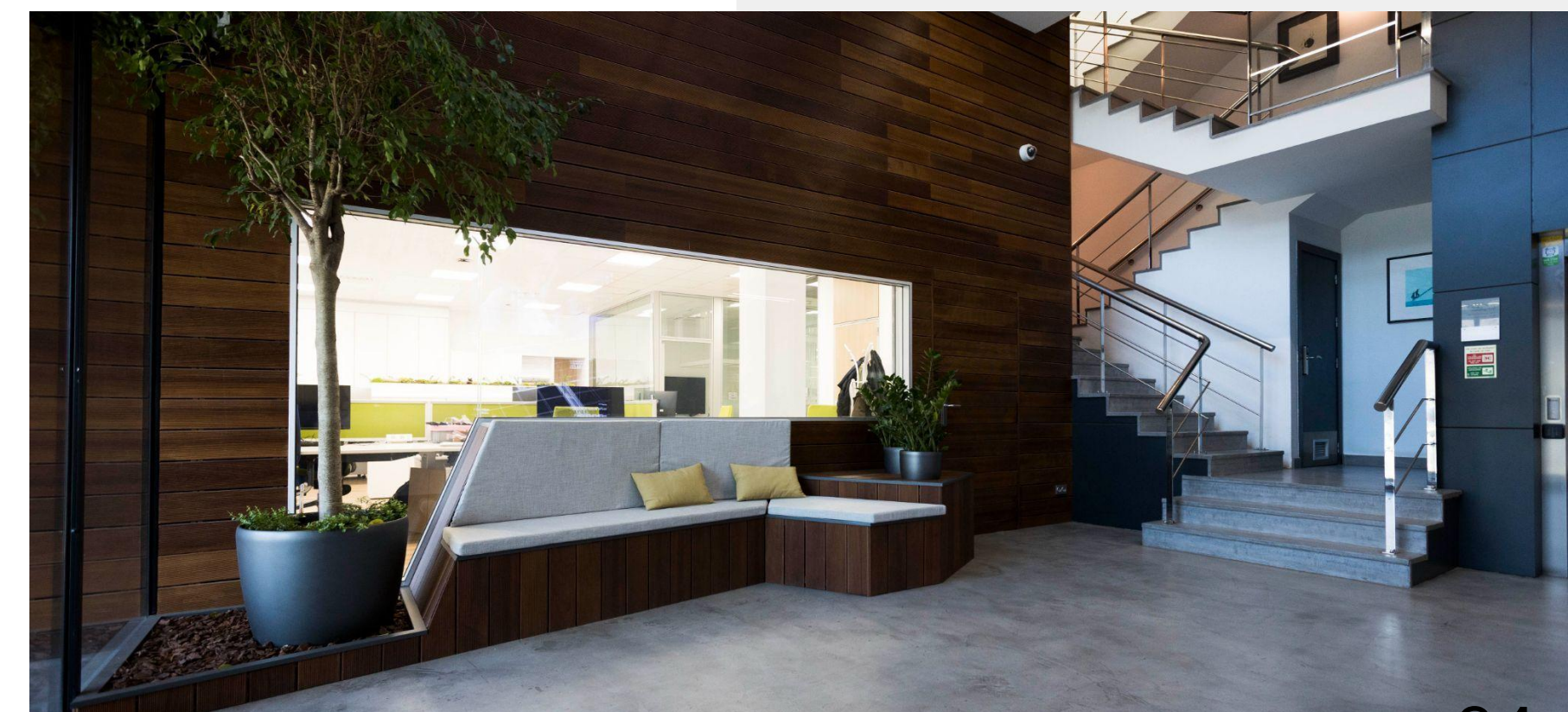
Reduction of Scope 2 energy consumption at SALTO Oiartzun

05

Specific commitment of **reduction of energy consumption throughout the product's lifespan and replacement of energy sources.**

06

Reduction of material consumption: plastics: Reduction in the weight of our own packaging and elimination or reduction of packaging provided by suppliers. Paper: Start of the project to replace installation guides with QR codes in 2022; expected completion in 2023.



ENVIRONMENTAL MANAGEMENT

The SALTO Group is comprised by several companies, of which only two (Gantner and SALTO Oiartzun) have significant production activity and are ISO 14001 certified for their Environmental Management System. These companies have annual improvement objectives, and submit to annual audits to guarantee their legal and operational compliance. Specific environmental management practices are defined in the following areas:

- Hazardous and non-hazardous waste management
- Management of containers and packaging
- Action in environmental emergencies
- Operational control: ensuring that environmental aspects are considered in the design, acquisition of materials, production, use and final treatment.
- Good environmental practices for everyone in the organisation (consumption of paper, water, energy and waste management).

However, due to the inorganic growth of the group in past years, including the acquisition of companies with their own work dynamics, coordination from headquarters (Oiartzun) of these aspects was identified as a priority objective to work on during 2022 in and upcoming years. This will improve the environmental management of SALTO offices and centres that do not have production activities and therefore, have no environmental certification.

In addition to the Environmental Management System, SALTO is aware of the importance of analysing the environmental impact of its main products.

For this reason, since 2019 the company has been strongly committed to obtaining Environmental Product Declarations (EPDs). In 2022, 25% of sold units had an EPD certificate. This figure is expected to increase to at least 55% in the next fiscal year, as efforts are underway to achieve two new EPDs for different product families. The ultimate goal is to reach, in the coming years, a stage where 70% of access point sales are covered by a product environmental declaration. With this approach, SALTO seeks to improve transparency on environmental matters and their responsibility towards the sustainable development of the company.

In 2022, as part of Europe's Sustainable Finances, the European Commission introduced the Green Taxonomy as a tool to determine the sustainability of a company's different activities within the framework of Sustainable Finance Europe. As of this year, it is mandatory for the companies concerned to determine what percentage of their activity is affected by this Taxonomy (that is eligible). For the time being, of the six proposed objectives, only the first two have been technically defined, those corresponding to the EU Climate Taxonomy, climate change mitigation and climate change adaptation. The main activity at SALTO Oiartzun and the other companies in the group are not considered eligible¹ for these objectives.

The noise level in 2022 at SALTO Oiartzun has remained at 56 dBA, which is a normal level for its activity. For the Business Units (BUs) and the rest of the companies in the Group, this data is not significant.

1. According to the [Methodological guide for the application of the Taxonomy Regulation \(TR\) by non-financial entities](#) published by IHOBE on 28/04/2022.

Non-hazardous waste:

In 2022, and due to the aforementioned improved data quality, the kilograms of non-hazardous waste increased by 33% across the entire group. This increase has occurred both at production centres (SALTO Oiartzun with +11% and Gantner with +35%) as well as in offices (+62%).

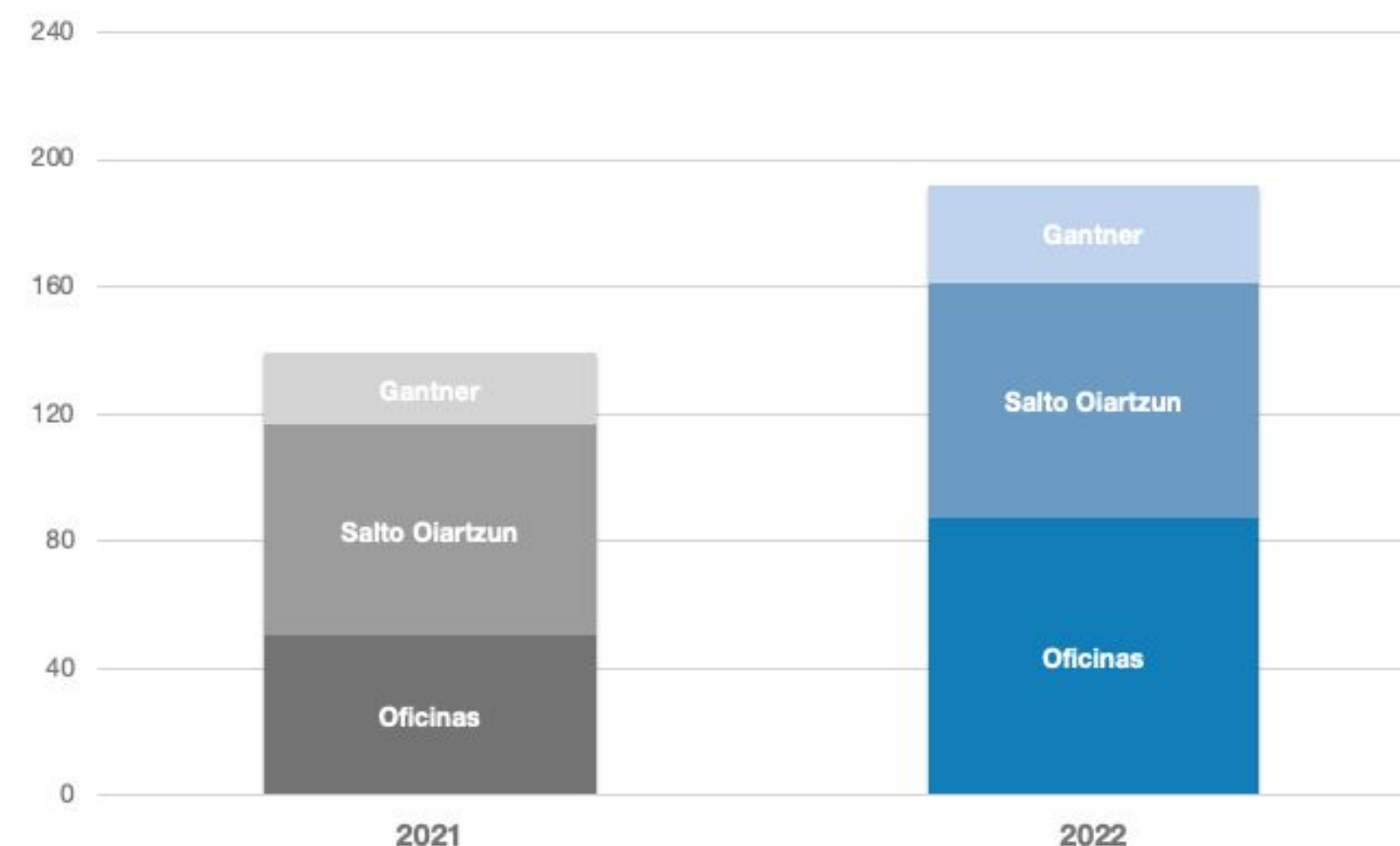
When requesting more detailed information from different locations, many of them have included concepts that were not considered when providing data in 2021. Additionally, information from Cognitec has been incorporated.

Hazardous waste:

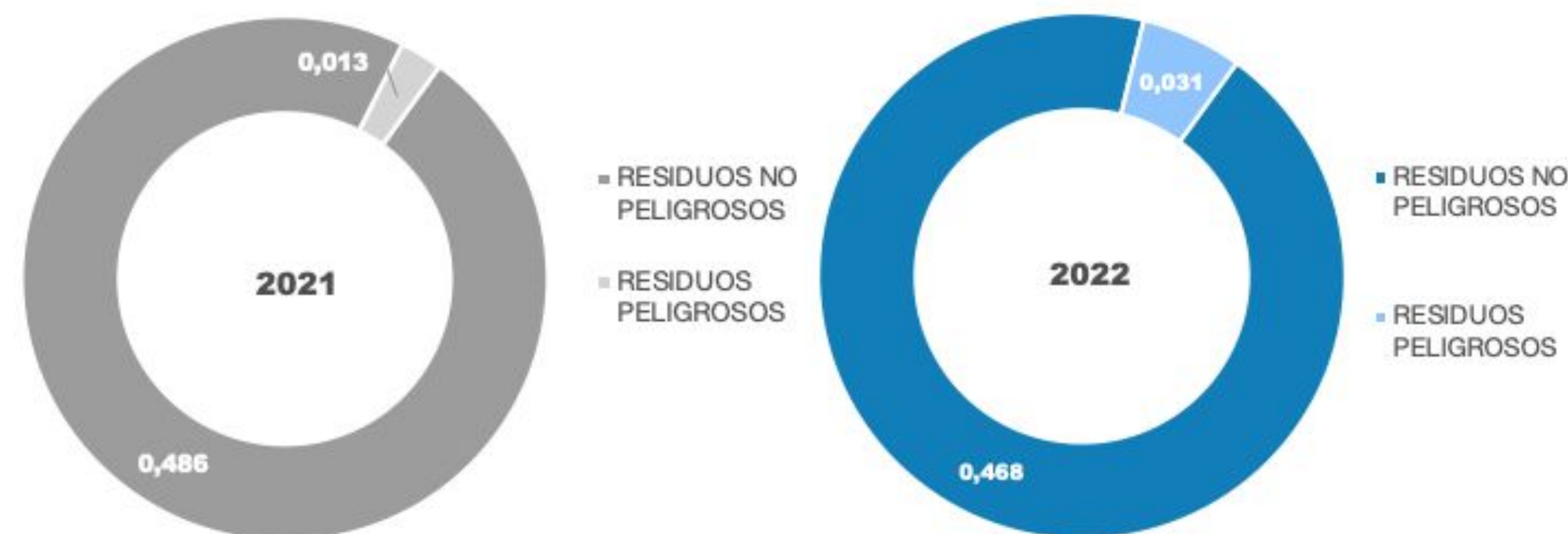
In this case, the increase among the group as a whole has been 222% (in kg). This is mainly because of the inclusion of the different Gantner companies and sites (+74%) and a better measurement in offices (+426%). In this latter case, they have included concepts that were not taken into account in 2021 (mainly packaging, batteries, and WEEE from IT).

In both cases, the verified increase in waste (hazardous and non-hazardous alike) is not due to a substantial increase in the volume of generated waste, but to the inclusion of information which was not able to be measured in 2021, the incorporation of new companies in the group and an increase in production. The waste generation intensity (TON/M€) has remained nearly unchanged in both years (0.498 in 2022 vs. 0.499 in 2021). Despite the fact that the information from the past two years is not directly comparable, the data from 2021 has been retained to reflect SALTO's effort to obtain more and better information about its environmental performance.

TOTAL WASTE (Ton)



TOTAL JOINT WASTE (Ton/M€)



SUSTAINABLE RESOURCE USE

Since its foundation, the company has maintained resource optimisation as one of its main objectives, a practice that has been reinforced by the rapid and exponential growth, both organic and inorganic, of the group.

In recent years, SALTO has been working on the eco-design of its products and processes, recognising the importance of these aspects and focusing on factors such as minimising energy consumption, reducing weight, and decreasing material variability. In this regard, efforts are underway to enhance the training of the R&D team in eco-design methodology and the integration of Life Cycle Assessment (LCA) as a tool for the environmental improvement of the product.

Water:

Water consumption at production centres and business units of the group is not relevant, since it is only used for sanitary and drinking purposes, and there are no process waters. This water is from the general system and the discharges return to the sewerage system. The environmental impact is assessed depending on consumption, although it should be noted that none of the group's locations are in areas where there is a water shortage.

In the case of SALTO Oiartzun there is only one discharge from the salt spray machine, which on every inspection performed by local authorities has been found to be similar to domestic. There are currently no discharges in addition to the sanitary and rainwater discharge, which are sent to separate networks as demanded by the regulation.

Throughout 2022, a periodic control of water consumption has been conducted through direct meter readings, enabling the detection of potential leaks by comparing month-to-month consumption. More recently, a system allowing to measure and monitor continuous water consumption has been installed, which will allow making even faster decisions.

In 2022, the total water consumption of the group was 5,055 m³, which supposes a 62% increase with regards to 2021. This increase is due to the incorporation of new companies into the group and better measurements as compared with 2021. It is not considered a relevant or significant aspect in the company's activities.

In the case of SALTO Oiartzun, there has been a 16% increase in water consumption due to a leak during the summer months and an extraordinary exterior cleaning.

Despite the minimal consumption, measures are taken to reduce water usage, such as installing dual-flush cisterns, low-flow faucets, and updating and communicating the Good Practices training to all Business Units, with specific guidelines for water conservation.

The discharge is evaluated as an environmental impact but is considered not significant and is monitored in the same manner as water consumption.

Materials

In this area, data on office paper consumption and packaging materials are available for the entire group for the year 2022.

Paper consumption totalled 12.57 tons, which is nearly the same amount as the previous year. Consumption decreased in offices (-13%), while it increased in SALTO Oiartzun (+21%) and Gantner (+114%). From these office supplies, the percentage of required materials does not reach 46%, which added to the paper with some eco-label accounts for 51%.

In terms of packaging materials, the consumption in 2022 (the first year for which data is available) was 340.2 tons, with SALTO Oiartzun being the main consumer (92% of the total). Significant improvements are being made in this area (replacement of pallets and plastic filler, reduction in the weight of certain materials, etc.), with the goal of reducing 73.4 tons of purchased plastic.

For the rest of the materials consumed in the production centres, we have data from SALTO Oiartzun. Since Gantner does not manufacture on site but through subcontracted companies, data on consumption is not available. Nevertheless, we will try to obtain this information for future reports.

At the Oiartzun plant, 2,613 tonnes of pieces have been used, representing a 39% increase with regards to 2021. 50.3 tonnes of circuits have been used, for a 15% increase. This increase is in line with increased production (of 17% in manufactured units).



Energy:

Every year, measures are implemented in the field of energy consumption that have a positive impact on the company's environmental performance. In 2022, and continuing with the actions undertaken in this regard during the past years, the following are worthy of note:

- Progressive installation of an electric consumption monitoring system at the most relevant points of the production plan. This enables detecting anomalous consumption peaks and establishing actions towards their control and reduction.
- Promoting the procurement of renewable energy sources across all Business Units of the group. In 2022, some Business Units and companies within the group have already begun to acquire energy from renewable sources.
- R&D projects with the specific goal of reducing energy consumption over the product lifecycle and substituting primary energy sources.

Total energy:

The total energy consumption of the group (both internally and externally) has been 47,785.79 GJ, which supposes a 63.7% increase with regards to the past year (+33% internal and 80% external). As in other aspects, this is due to improved data quality as well as the increased number of locations that are covered by the report.

In the case of travels, the group's regular activity has been recovering after the years 2020 and 2021, the most affected by the pandemic.

The following information gathers consumption by type of energy:

SALTO GROUP (GJ)	2021	2022
Consumption of renewable electric energy	5586.47	5764.28
Consumption of non-renewable electric energy	2590.8	3008
Consumption of natural gas	2023.81	4001.69
Heat consumption	included in electrical consumption	789.34
Internal Energy consumption	10201.07	13595.07
Energy consumption for home-to-work travel	8212.16	12609.49
Energy consumption for business travel by car, public transportation, bicycle, and on foot	9022.17	15188
Energy consumption for business travel by plane	1749.64	6393.23
EXTERNAL ENERGY CONSUMPTION	18984.5	34190.72

In terms of energy intensity, however, an improvement in the trend in two out of the three indicators used can be observed:

INDICATOR	EVOLUTION 2022 vs. 2021
Total internal energy consumption per person (GJ/person)	-7.97%
Total internal energy consumption per unit volume. Sale (GJ/€)	-3.49%
Total internal energy consumption per unit area (GJ/m2).	2.50%

Electric energy:

In 2022, the electric energy consumed by group companies was 8,772.28 GJ, with 65.7% from renewable origins. This amount represents a 7.2% increase compared to the previous year in absolute values, but a 22.31% reduction in energy intensity in electricity per unit of sales volume.

With regards to 2021, there has been a slight increase at SALTO Oiartzun, but the increase in offices is worth noting (+146%) as well as the reduction at Gantner (-57%). At production centres, the percentage of energy from renewable origins is 100% at SALTO Oiartzun and 96% at Gantner. This percentage is reduced up to 41% for the set of BUs.

Per consumption centre, the distribution is the following for 2022:

2022	ABSOLUTE VALUE - GJ		Industrial centres	
	SALTO Group	Offices	Industrial centres	
			SALTO HQ	Gantner
Consumption of renewable electric energy	5764.28	2064.11	3048.94	682.74
Consumption of non-renewable electric energy	3008	2976.48	0	31.52

Natural gas:

The consumption of natural gas by the group in 2022 was 4.001.7 GJ, representing a 97.7% increase with regards to 2021.

This increase has occurred entirely due to the increase in the number of locations covered by this report, since we would obtain an 8% reduction if we only took into account the 2021 facilities.



CLIMATE CHANGE

SALTO approaches the fight against climate change from a dual perspective: minimising emissions to the greatest extent possible and compensating those that could not be avoided. This is our commitment to net zero emissions.

CO₂ emissions:

In 2022, the total emissions by all companies in the group represents 3,842 Ton CO₂, which is a 71% increase with regards to the emissions calculated in 2021. This increase is due to two circumstances: Improved data quality and integrity of obtained data (including new locations and more detailed calculated emissions) and an increase in overall activity, particularly mobility (in 2021, mobility reduction measures were still in place due to the pandemic situation). Therefore, we have selected 2022 as the baseline year to measure the evolution of our carbon footprint.

The foundation for addressing our decarbonisation strategy effectively is to have quality data that allows us to measure performance. Therefore, during 2022, data collection at group level has been refined, and various companies and business units have been engaged to understand, reduce, and offset the carbon footprint.



GHG EMISSIONS	TONNES OF GROUP CO ₂	OBSERVATIONS
Direct (Scope 1)	1156.0	Corresponds to the consumption of natural gas and, as of 2022, to emissions from rental vehicles calculated based on their propulsion method and current emissions factors. Vehicle emissions represent 83% of Scope 1.
Indirect (Scope 2)	277,5	Indirect emissions to produce consumed energy. Both electrical consumption and heat consumption in locations where energy purchase is monitored are considered. The latter has begun to be measured in 2022.
Other indirect (Scope 3)	2408,8	Currently, categories 6 (business trips), 7 (home-to-work travel), and 8 (leased assets - offices where there is no control over leased assets) are measured.

In 2022, over half of the Business Units independently offset their emissions, and as a summary, the following can be highlighted:

- 67% of emissions were offset through neutralisation projects, which eliminate GHG from the atmosphere: Reforestation, ecosystem restoration, land use changes...
- 33% of emissions were offset through mitigation projects beyond the value chain: Projects to encourage renewables in developing countries or replacement of coal stoves with less polluting biomass alternatives.
- 95.8% of the offsets were endorsed by recognised certification schemes or organisations (UN, Gipuzkoa Provincial Council, The Gold Standard), and the remaining offsets were initiated by other NGOs working on climate change mitigation.

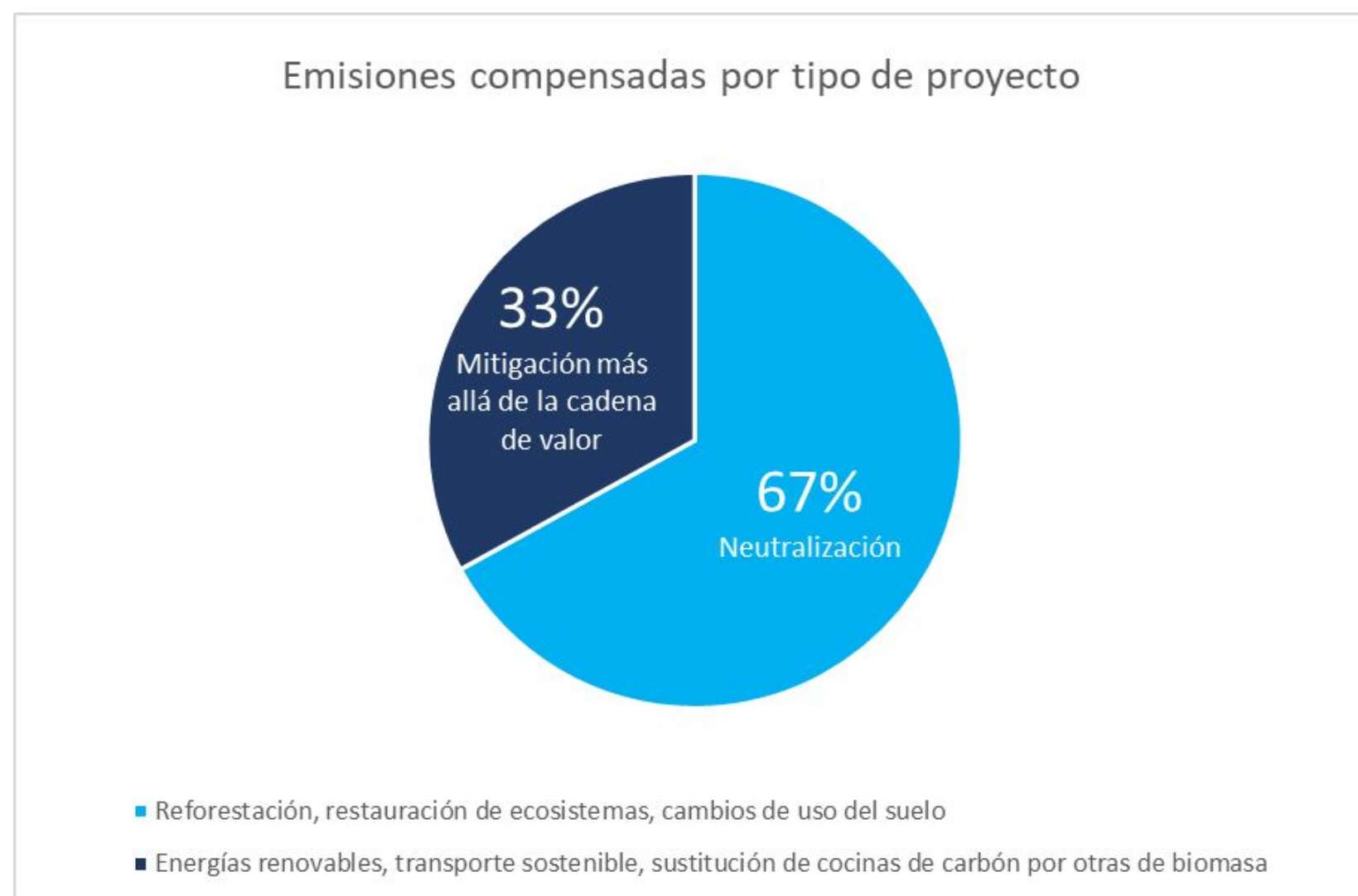
The same criteria will be followed in 2023 to offset the emissions generated in 2022.

Other actions have also been undertaken at our headquarters:

- Reduction measures (monitoring/tracking) of energy consumption: CO₂ control points, relative humidity and temperature.
- Analysis of mobility issues and approval of a car-sharing app.
- Analysis of the product life cycle.
- Reduction of material consumption: Improvements in packaging and paper consumption (replacing printed installation guides with QR codes).

Other emissions:

The company does not use substances that deplete the ozone layer, except for a small amount of solvent in a production process that, due to the low quantity, has been excluded from the Basque Government's emission controls. The emission of nitrogen oxides (NOX), sulphur oxides (SOX) and other significant emissions do not apply either.



05

Social and personnel issues

05. Social and personnel issues

During its 21 years of existence, the company has experienced exponential growth, going from ten employees to approximately 1,400 individuals in 2022. The group's workforce is made up of people of over 30 nationalities and uses English as a common language. The commitment of the employees and the effort made by the team to maintain the humanistic philosophy that drives the management of SALTO have been essential.

This growth, both organic and inorganic, has implied a search for synergies among the different companies in the group and the subsequent integration of productive enclaves and Business Units (BUs). These changes, which have impacted various areas of the company, have posed a special challenge for the Human Resources Department of the company. Together with the General Management, this department is working on implementing personnel management measures in various locations tailored to the unique characteristics of different cultures.

207 new positions were created in 2022, making up a workforce of 1394 individuals, of which 27% are women.

Since its inception, SALTO has invested significant resources in taking care of the individuals who are part of the company. Once the person is hired, personalised follow-up is carried out for all employees, focused on aspects such as their expectations in the company, their training needs, and the level of development to which they aspire within the organisation.

Furthermore, to ensure the well-being of the workforce, there is a commitment to maintaining comprehensive health through measures such as flexibility, work-life balance, physical health, comfortable work environments and rest areas, etc. The goal is to make working at SALTO an endeavour that fosters career development, taking into account not only technical and financial aspects, but also other variables of the so-called emotional salary. One of the organisation's challenges is to maintain this policy, based on SALTO's values and founding principles, in the various offices and companies that the group is acquiring.

As in other areas, in 2022, major efforts have been made to gather information from the various sites, in order to better manage the impact generated on the people and their environment.

The following table shows the number of people employed by professional category as at 31 December 2022 for the entire group.

	M	H	Total 2021	M	H	Total 2022
Management	3	13	16	11	48	59
Middle Management (Level 1)	0	37	37	8	45	53
Middle Management (Level 2)	16	39	55	20	79	99
Technical	82	532	614	106	505	611
Administration - Sales	186	272	458	157	273	430
Direct Labour (DL)	70	65	135	68	74	142
TOTAL	357	958	1315	370	1024	1394

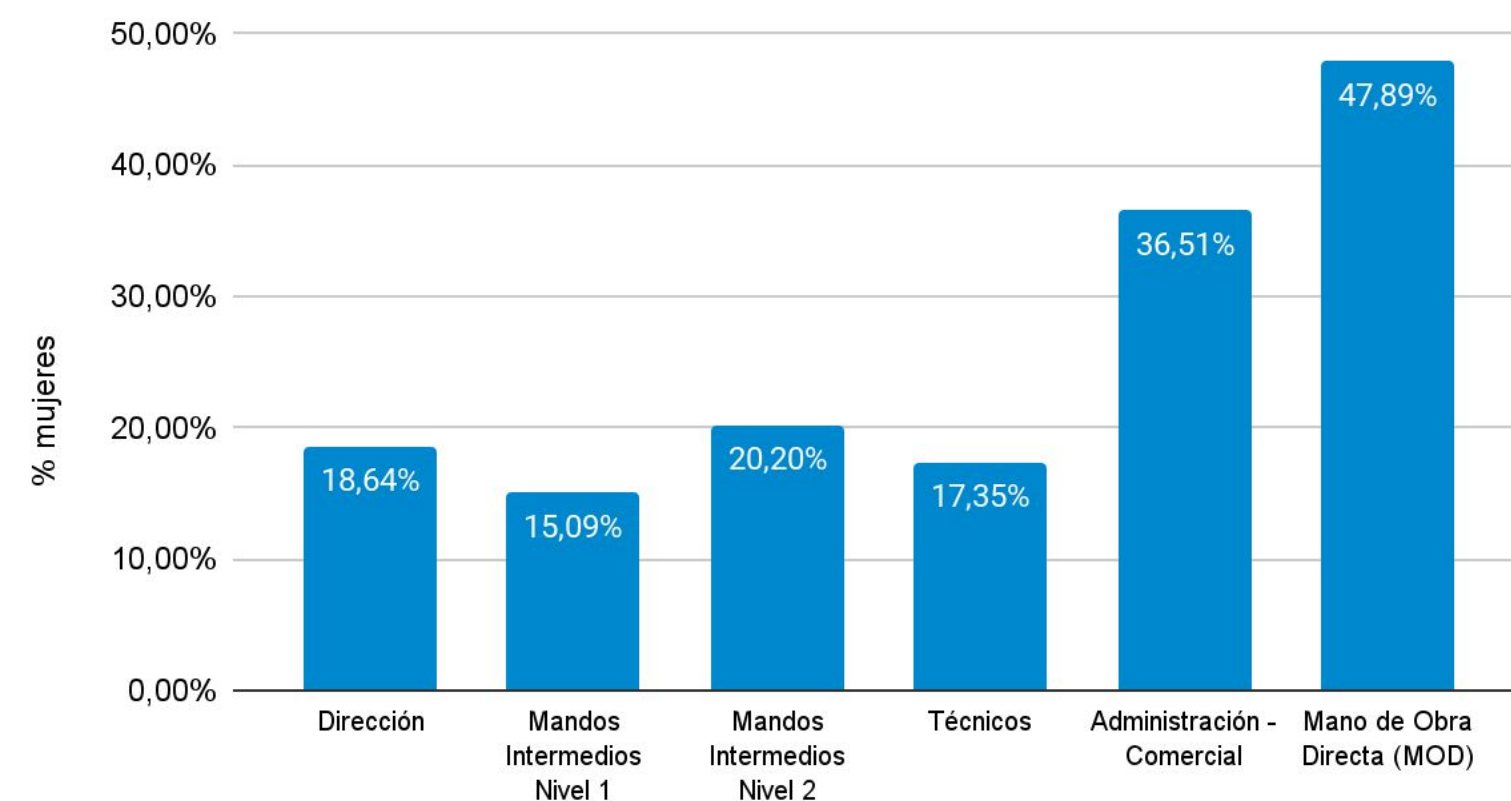


In 2022, the global workforce has grown by 6%, 4% in the case of women and 7% in the case of men. 96% of individuals have permanent contracts, and the turnover rate in 2022 was 7%.

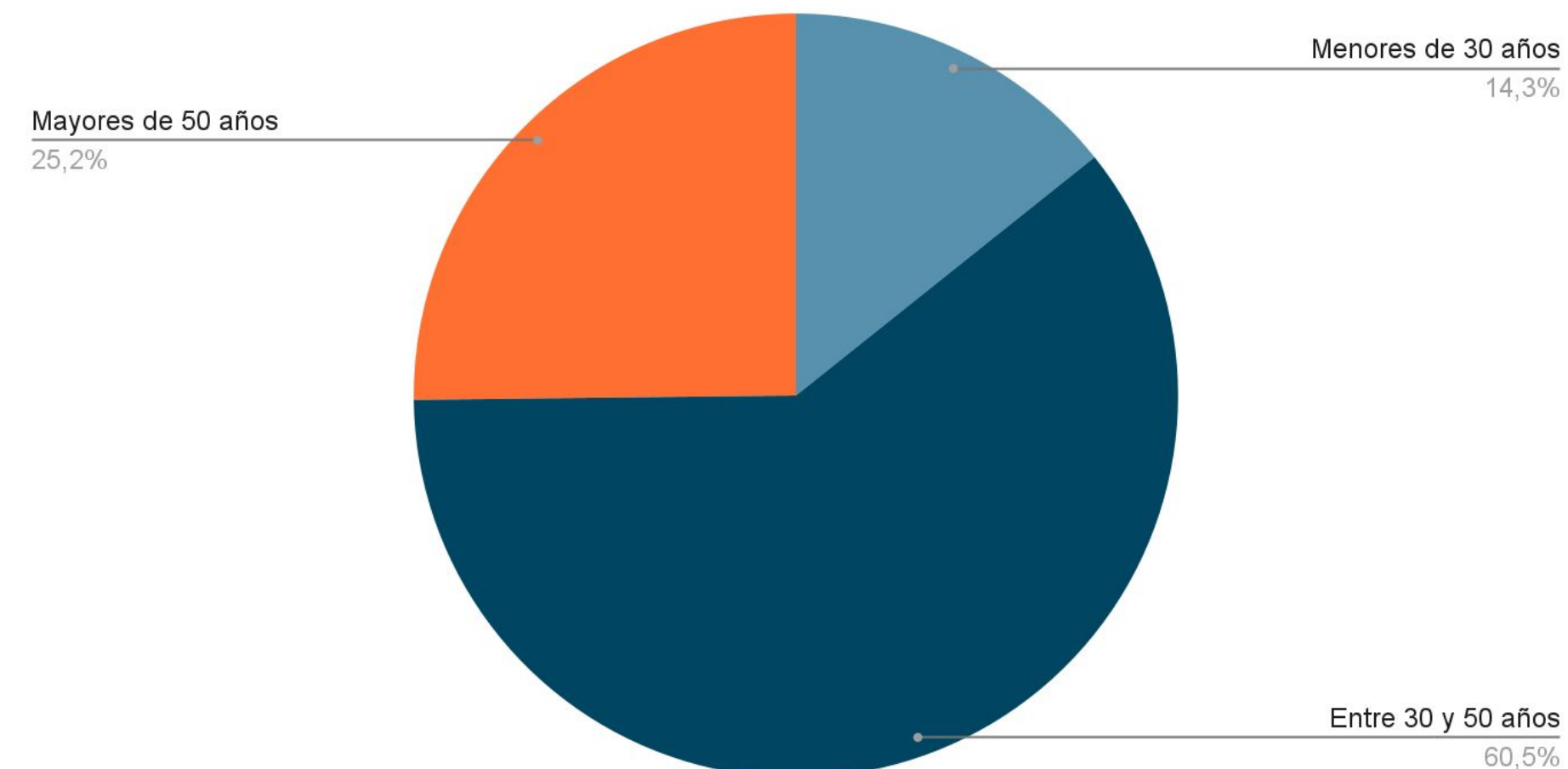
Across the company, female representation is 27%, the same as in 2021. However, unlike the past year, in 2022 women can be said to be present in all of the company's professional groups.

The following table shows the global data of the female presence in each of the groups. Across the company, female representation is 27%. In a sector with a high male presence, SALTO's commitment to hiring women and ensuring their presence in all work groups is yielding results, as shown in the following graph.

% of Women per work group



Regarding the policy of labour termination, SALTO currently does not have one as it has not been necessary due to the average age of the workforce (41 years). The age distribution of the overall workforce is as follows:



At SALTO Oiartzun, the 2022 workforce was comprised by 343 individuals (40% women), which supposes an 8% increase with regards to the previous year. 95% are indefinite contracts and 92% of the workforce resides in the country.

A total of 34 individuals have been dismissed across the company, with none at Salto Oiartzun.

The **salary equity** for 2022 and for the entire group is 1:6.6. This is due to the disparity in average salaries among the different countries (and continents) where SALTO has a presence.

This result has been obtained as the ratio between the average salary of the 10% of the staff who earn the most and the average salary of the 10% who earn the least. The calculation formula is defined in the inGUru+ tool developed by ADEGI for the self-diagnosis of the social impact of companies. In the case of SALTO Oiartzun, the salary equity ratio is 1:4.08.

As far as the **diversity** of the workforce, SALTO's international character and its presence in a high number of countries enriches the plural nature of races and cultures, thus creating an inclusive, welcoming environment for all. While there is no formal diversity management policy, the company acknowledges and values the importance of having the best possible talent, regardless of their origin, race, gender, etc.

Equality in opportunities between men and women has been present since the company's beginnings. Many actions have been undertaken for this purpose over the past years, and the company's 2nd Equality Plan was defined in 2022.

The progress made in recent years has been remarkable, and after the effort made in 2021 to review the use of inclusive language in internal procedures and documents, 2022 aimed to actively involve the workforce in this area. Their specific collaboration was sought for the development of the new plan.

The **ratio of salary differences**, calculated as the average of salaries by job category and gender is:

	SALTO		
	2020	2021	2022
Management	1	nd	1.8
Level 1 Middle Management	-	-	1.68
Level 2 Middle Management	0.57	0.7	1.41
Technical	0.92	0.86	1.17
Administration - Sales	0.58	0.57	1.48
Direct Labour (DL)	0.97	0.96	0.99

As far as SALTO's advisors, they receive no payment for this role. The female representation is nearly the same as in the previous year, with 19% in executive committees and 10% on the board of directors.

The entire workforce is subject to the collective bargaining agreement of their respective country, and the number of working hours is established based on each country's legislation. In the case of SALTO Oiartzun, the Company Agreement (Pacto de Empresa) was signed in 2020 and is valid until the year 2022, under a work day of 1,697 hours in the case of a split work day and 1,682 for a continuous work day.

With regards to the **well-being and safety** of the employees, many measures were adopted after the pandemic, in order to improve the working conditions within the company.

These include the renovations carried out in the office structure at the headquarters, aimed at expanding the number of desks and creating small rooms to enable individual work in quieter spaces. This, in turn, has facilitated the maintenance of social distancing throughout 2022, as mandated by the law due to the pandemic experienced in previous months.

With regards to safety, SALTO promotes a prevention culture based on the active participation of individuals in initiatives aimed at ensuring a safe working environment.

Thanks to the contribution and commitment of the health and safety delegates, SALTO Oiartzun's accident rate is less than 2%, with a

downward trend in the last years. As acknowledgment, on 29 April 2022 the company was awarded with the Zero Bidean de Mutualia award.

Related to this and with the goal of educating and raising awareness among the workforce in this area, the organisation celebrated the World Day for Safety and Health at Work on 28 April.

Furthermore, SALTO has an externally audited occupational health and safety system in place to protect all its employees. In 2022, the details of accidents at SALTO Oiartzun are available: 7 with work-related leave and 6 without it. They have all been mild accidents.

All staff are entitled to parental leave and in the past year, which was used by 68 people, 34% of whom are women. All of them returned to work once the leave had been completed.

SALTO, at the same time, has established certain measures allowing to better **reconcile** personal and work life. In terms of a work-life balance, we can mention the following measures: flexible start and finish times, flexible holiday system (included in the Flexible Working Guide), intensive working hours in August and special working hours for specific periods when caring for dependent persons, as well as the availability of remote working for family reasons. All requests for partial paternity leave at SALTO Oiartzun have been accepted as well as all requests to carry over leave to the following year in order to improve the work-life balance within the family unit.

When analysing **absenteeism**, SALTO differentiates between standard absenteeism, understood as the person's non-attendance at work for reasons unrelated to the workplace, and the “non-SALTO profile”, which includes the above, except for maternity, paternity, breastfeeding, or wedding leave. The overall absenteeism rate at SALTO Oiartzun in 2022 was 8% (3.85% in males and 4.20% in females), while the “non-SALTO profile” rate was 5% (gender-specific data is not available). In the case of Gantner, absenteeism has accounted for 7%.

Regarding the **social benefits** enjoyed by the workforce, information is currently available for SALTO Oiartzun. At Oiartzun 100% of the workforce has a wide range of social benefits, such as physical therapy, wellness programs, sports attire, catering, healthy menus, etc. In the case of individuals with an indefinite contract, they have a medical insurance and life and disability insurance.

In this field, as in previous years, the following actions stand out:

- Physical therapist service for the company in the Oiartzun facilities: preventive for production and warehouse and on demand for the rest of the company.
- Voluntary Wellness classes, outside working hours and 100% subsidised by the company. The service is designed to be carried out at the company's facilities to ensure attendance.

- Healthy diet. Fresh fruit and nuts are available to all staff both in the dining room and in the coffee area. Vending and catering menus are healthy. In this regard, the purchase of bread and organic vegetables is facilitated through the intranet. Suppliers are local with the idea of promoting “Km0” purchases.
- Promotion of sports. Participation in races and sporting events is encouraged by funding the registration and the acquisition of sportswear with corporate labels.
- Language classes. Classes are given at the company premises and outside working hours in five languages. This is completely funded by SALTO and can be attended even if the learning is not necessary for the performance of the person's specific job.
- Possibility of teleworking for all people who request it, agreed with each person in charge based on the needs of the position and the person.



In recent years, the company has demonstrated its **commitment to disability** by undertaking various initiatives, such as Free2move (detailed in the Society section) and subcontracting with Special Employment Centres.

In the case of SALTO Oiartzun, 134 individuals have been subcontracted from two Centres (52% women), 112 from Katea Legaia and 22 from Eskulan. In 2022, the subcontracting amount increased by 42% compared to the previous year, with a total amount of 2.67 million euros compared to 1.88 million euros in 2021.

In 2022, and with the purpose of analysing the inclusion of individuals with disabilities in the company's core activities, SALTO Oiartzun participated in the “InklusioanBAT” project funded by the Gipuzkoa Provincial Council and led by the company Gureak. The feasibility of incorporating these profiles in upcoming years will be analysed.

As for **training**, SALTO’s global workforce has received 15,190 hours of training, which represent an average of 11 hours per person. In the case of SALTO Oiartzun, there is detailed information by gender and work category, as gathered in the following table.

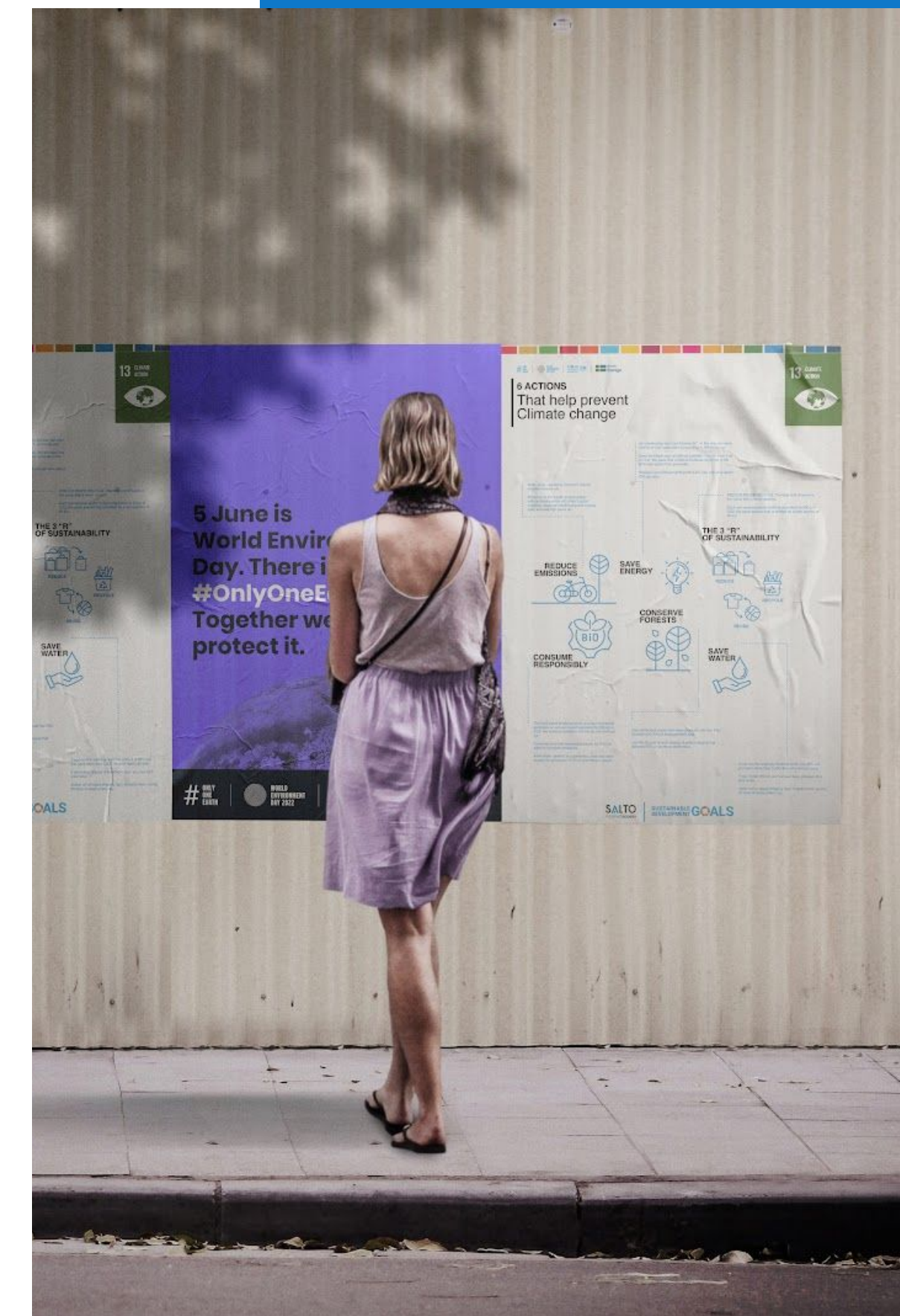
WORK CATEGORY	Hours / Person		Total hours	
	Women	Men	Women	Men
Management	34	7.4	102	52
Level 1 Middle Management	-	11.42	-	80
Level 2 Middle Management	64.1	34.7	513.17	452
Technical	52.4	31	2254	3380.75
Administration - Sales	25.8	41.5	439	748.5
Direct Labour (DL)	16.75	19.5	1072.75	1034.83



As part of the training provided, the celebration of global days has been used to not only conduct activities with social impact but also to raise awareness and educate the workforce on Sustainable Development Goals (SDGs).

The celebration on any specific day has been adapted to the employees' workday, therefore, not all dates match the socially recognised day.

DATE	CELEBRATION
11 February	International Day of Women and Girls in Science
9 March	International Women's Day, with the slogan "Gender equality today for a sustainable tomorrow"
28 April	2022 World Day for Safety and Health at Work
31 May	World Environment Day, #OnlyOneEarth
20 June	World Refugee Day
22 September	World Car-Free Day: carpooling at Salto
14 October	World Food Day
19 October	International Day for the Fight against Breast Cancer
24 October	International Day against Climate Change
October	Cybersecurity Awareness Month



06

About the Company

06. About the Company

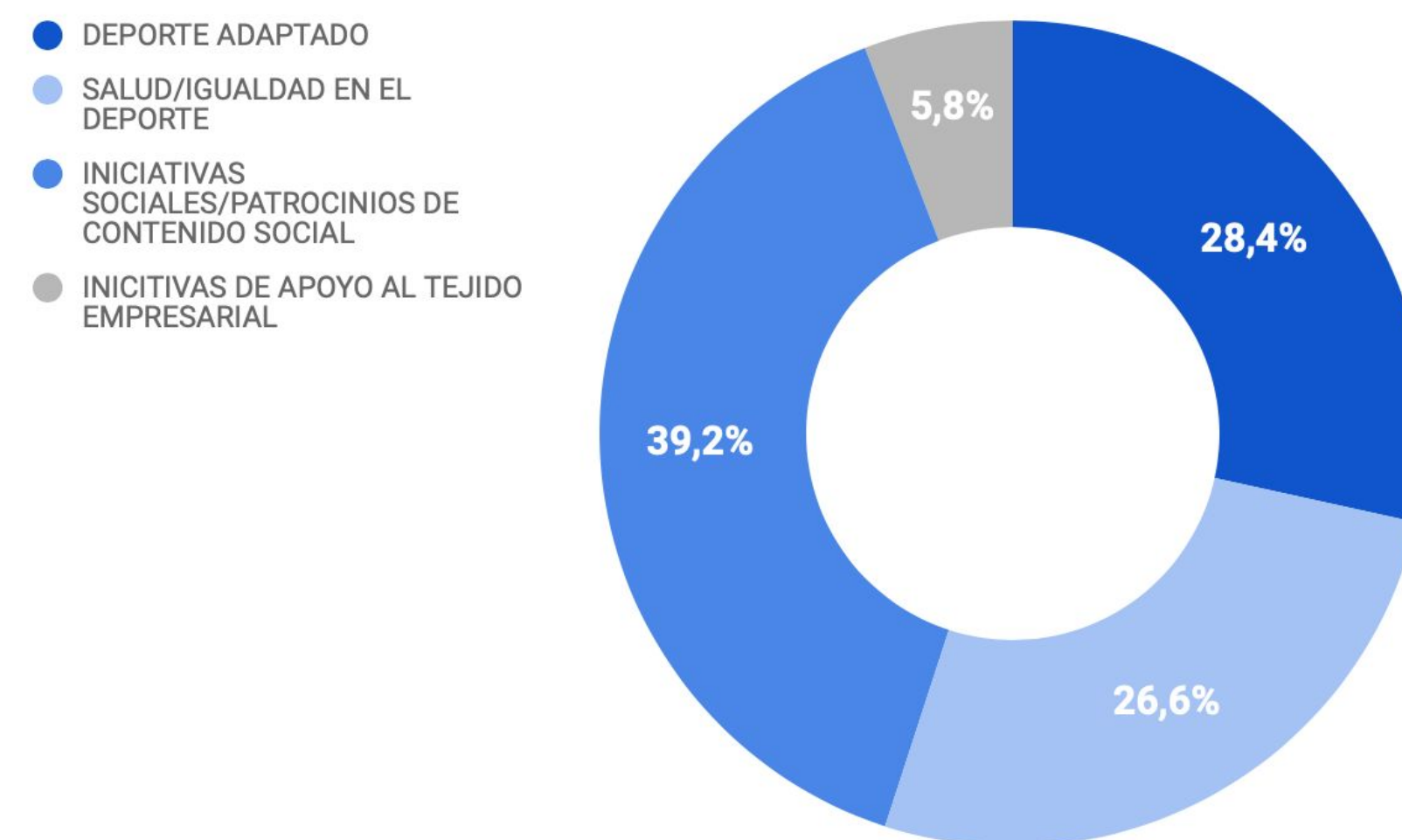
COMMITMENT WITH THE TERRITORY

Free2move.org is an initiative by SALTO to channel for the most part its commitment to society. It aims to support individuals with physical disabilities and limited mobility issues. In particular, it focuses on individuals in the field of adapted sports, offering a pathway for growth and social integration. At SALTO, we have a strong belief in sports as a powerful tool to enhance quality of life and promote the inclusion of individuals with disabilities.

In addition, SALTO actively contributes to society in the regions where it operates. Its global contribution in 2022 amounted to 409,110 euros, 47% higher than that of 2021. From this amount, 51% corresponds to SALTO Oiartzun, 44% to SALTO subsidiaries, and the remaining 5% to Gantner subsidiaries.

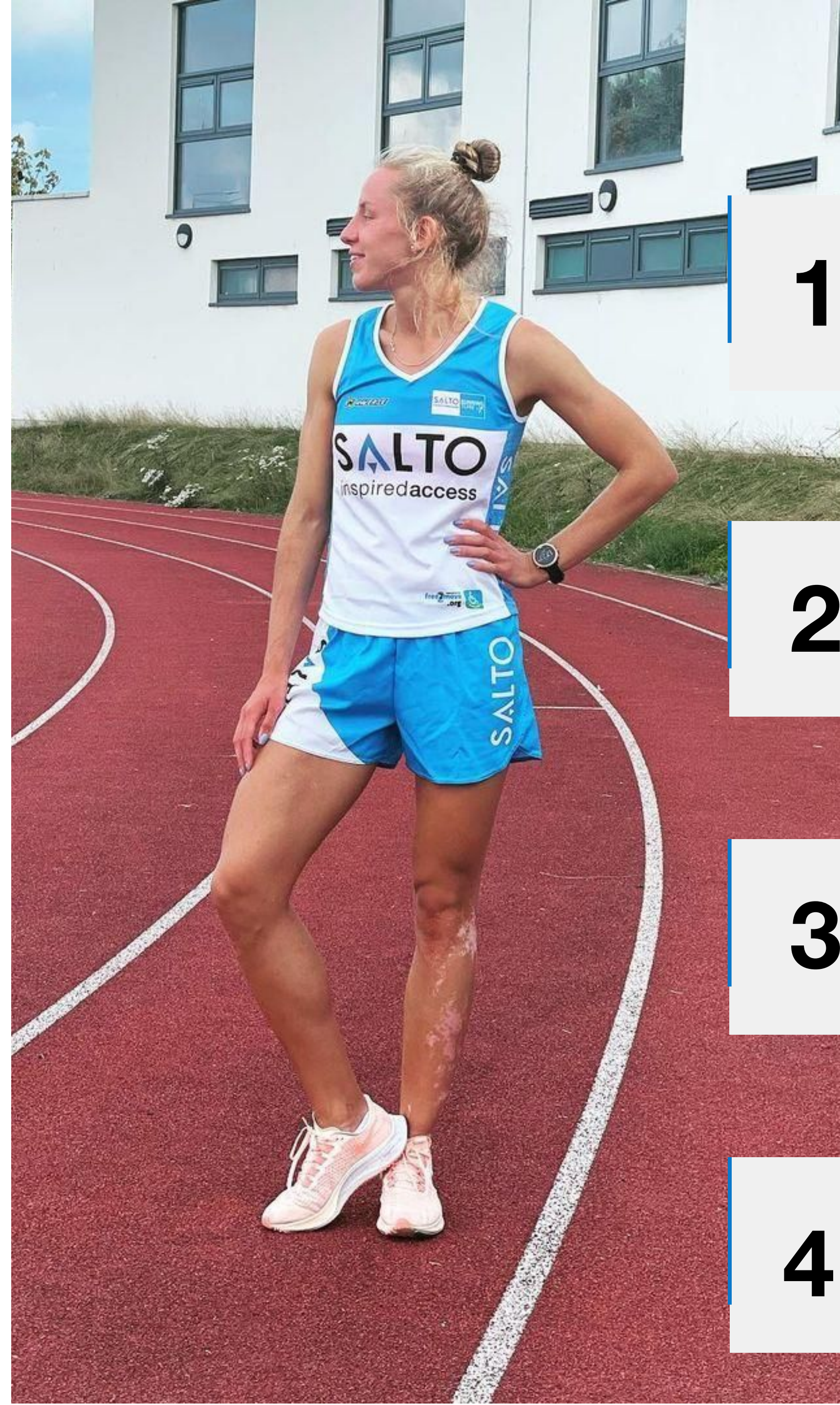
The following chart illustrates the areas to which these contributions have been allocated, with a focus on social initiatives and/or sponsorships with social content. In this area, the assistance is quite fragmented, as more than 70 projects from 12 different countries have been supported.

The global contribution in 2022 has been 47% higher than that of 2021.



We believe in supporting change and those who are driving it.

Our purpose is to promote accessibility and improve the living conditions of the most vulnerable individuals in the places where SALTO is present.



1

Eliminating obstacles: Our goal is for inspiring athletes to break stigmas and encourage more people to participate in sports.

2

Adapted sports

We see capacity in diversity: Sports should be accessible. More than 10 projects in individual and team sports.

3

Sports and health

Passion and enthusiasm for sports: We encourage our employees to lead a healthy lifestyle.

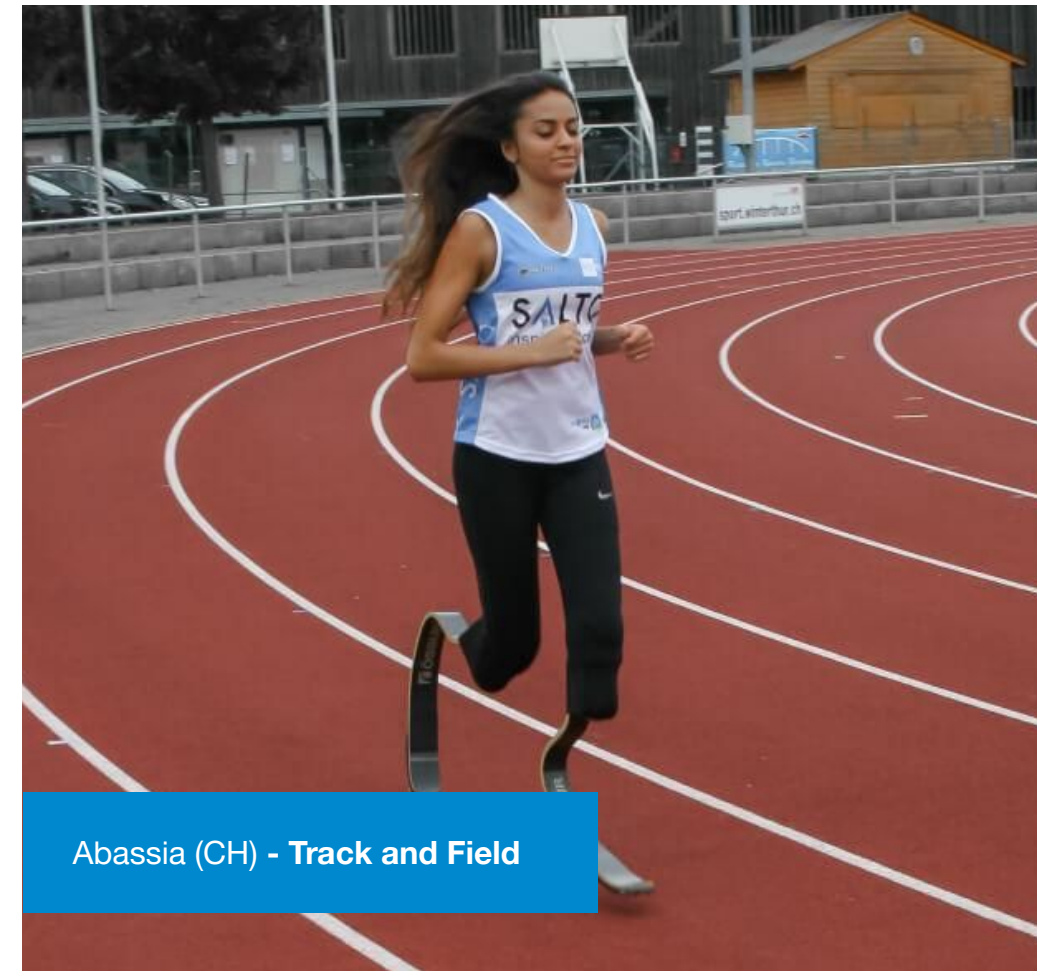
4

Social initiatives

Contributing to change: We collaborate with specific programs and work with not-for-profit humanitarian organisations.



Aita Mari - Social initiative



Abassia (CH) - Track and Field



Ion Galarraga - Hand Bike



SALTO Running Team - WW



SALTO Bera-Bera - Basketball



BAE - Social initiative

Projects

We provide opportunities, inspiration, and work on support projects to ensure that anyone can actively participate in adapted sports, enabling children and adults with diverse abilities to step onto the field and engage in physical activities.

+14 projects

in individual and team sports.



Wheelchair basketball



Track and Field

Para triathlon



Hand Bike



Winter Sports



Wheelchair fencing

Initiatives

Historically, we have actively collaborated with various associations, sports clubs, foundations, as well as NGOs.

— Social Initiatives

— Adapted Sports

— Health / Sports & Equality

— Corporate Social Sponsorship



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— Social Initiatives

— Adapted Sports

— **Health / Sports & Equality**

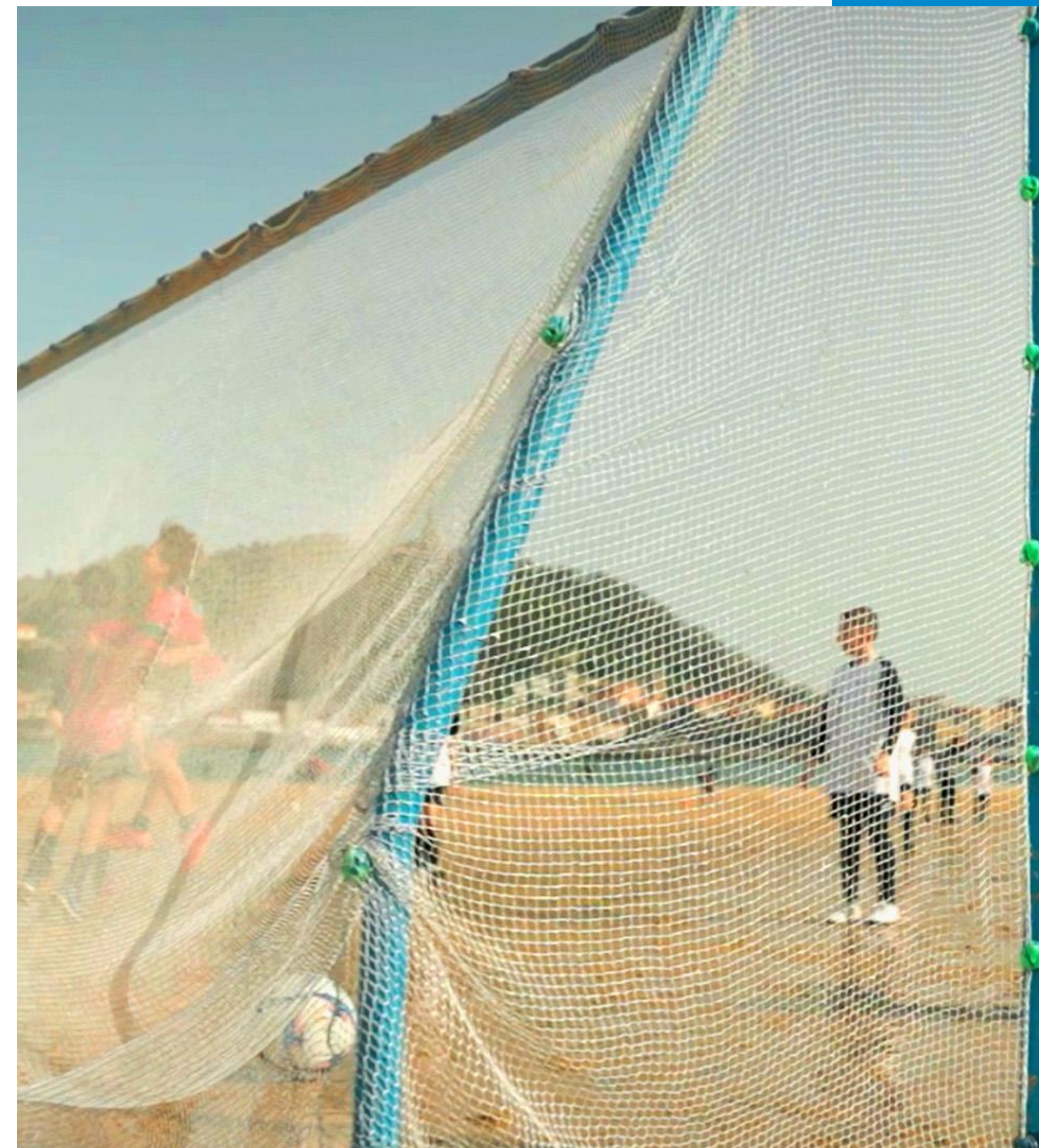
— Corporate Social Sponsorship



Initiatives

Historically, we have actively collaborated with various associations, sports clubs, foundations, as well as NGOs.

- Social Initiatives
- Adapted Sports
- Health / Sports & Equality
- **Corporate Social Sponsorship**



For years, the commitment of SALTO Oiartzun to Education can be highlighted through its Talento Futuro project. It seeks to bring the company closer to the educational centres in the area (students, Professional Training, Universities) and encourage STEM vocations among students in the Gipuzkoa.

Within this project, and in 2022, the following actions are worth highlighting:

Teaching Collaborations

- Tecnun (U. Navarra)
- ADE + IMS (U. Deusto)
- MEDEA Master's Degree (U. Deusto)
- Master's Degree in International Management (MU)
- D. Bosco FP
- Plaiiaundi Ikastetxea

Students in the company

- Four in Dual Vocational Training
- 8 Final Degree / Master's Degree Projects at SALTO's facilities, of which two have been hired
- Three internship contracts
- Six interns

Other initiatives

- GIPUZKOA TALENT: active participation in the initiative to attract talent to Gipuzkoa.
- INDUSTRIA EGUNA: INDUSTRIA EGUNA: introduction to the business world for 4th year secondary school students in Gipuzkoa
- Participation in three JOB FAIRS and similar initiatives
- New Culturers Gunea (Adegi)
- Talent Community (ADEGI)
- Visits from school students, vocational education students, university students, as well as companies.
- Active collaboration with Emakumeak Zientzian

In addition to the actions carried out in the field of Education, efforts have also been made to involve employees in social initiatives, such as blood donations for the Blood Bank and toy collection efforts for the Red Cross.

In April 2022, SALTO joined the international trade boycott with Russia, not accepting new orders from this country until a peace agreement is signed between the parties. Additionally, the profits from committed sales until April were directed towards charitable projects aiding refugees affected by this war.

Some of the social entities that have received financial collaboration include organizations focused on reducing inequalities (SDG 10), health and well-being (SDG 3), or climate change (SDG 13).

In 2022, SALTO has been the winning company at the second edition of the Arizmendiarieta award, organized by the Arizmendiarieta foundation to promote the Inclusive Participatory Business Model (MIPE, Modelo Inclusivo Participativo de Empresa). The company has been acknowledged for the application of the management values and practices characteristic of this model.

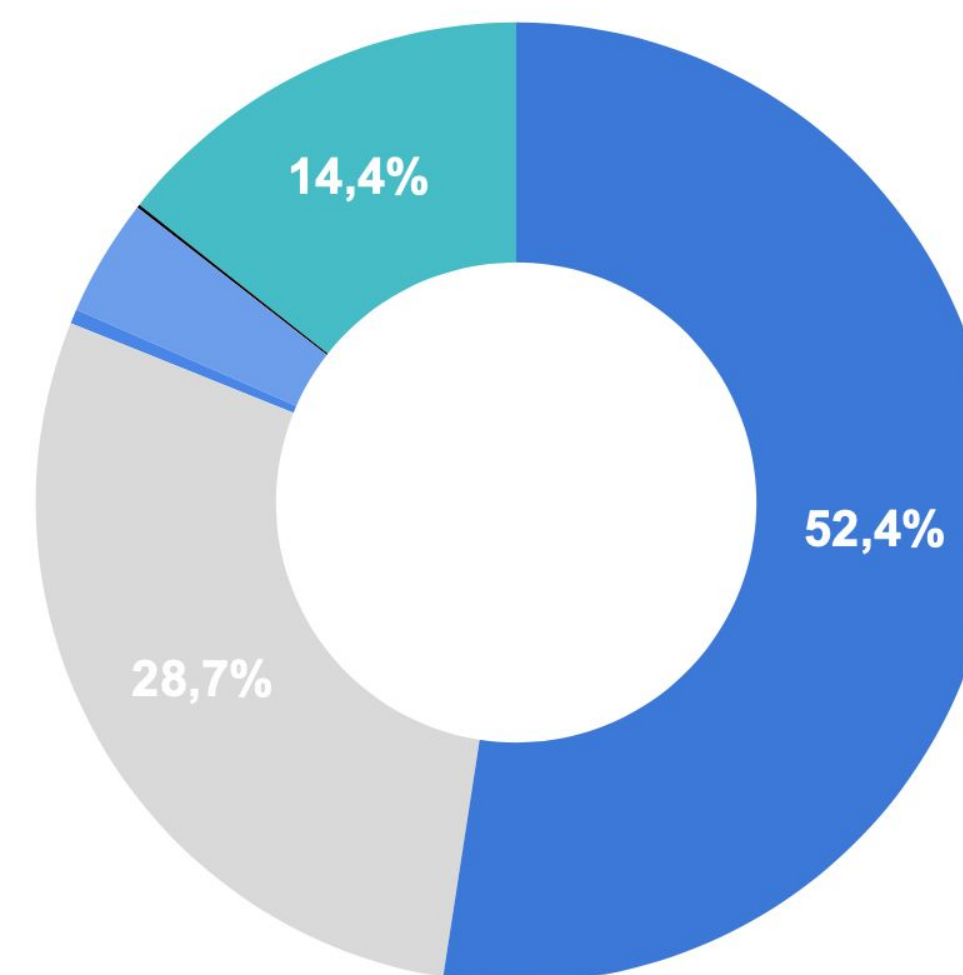
Similarly, SALTO has been awarded with the GIT SECURITY AWARD 2022 for the Sustainability category. The jury and readers of GIT Security magazine have recognized our commitment to the Environment, Social Responsibility and Corporate Governance.

SOCIOECONOMIC VALUE

In 2022, the economic value generated and distributed by SALTO (consolidated with Gantner) amounted to 383.9 million euros, as shown in the attached chart.

A total of 414,425 euros in grants were received, 38% for SALTO Oiartzun (mainly R&D and training projects), and the remaining 62% for affiliates.

- Costes Operacionales
- Salarios y Beneficios a los EMPLEADOS
- Pagos a proveedores de capital
- Pagos al Gobierno: IMPUESTOS
- Inversiones en la Comunidad: SOCIEDAD
- Valor Económico Retenido (para crecimiento futuro)



Subcontracting and suppliers.

In 2022, thanks to the significant effort in gathering information from different group companies, we are able to provide the percentage of purchases from local suppliers. For the entire group, it is worth noting that 25% of purchases are from suppliers in the Basque Country, 41% from Spanish suppliers and 81% of purchases are from European suppliers.

In the case of SALTO Oiartzun, and in order to determine the contribution to

Gipuzkoa, 36% of the suppliers are from Gipuzkoa, 44% from the BAC, 70% are national and 90% European. Among non-European suppliers, China is the only country with which there is a trade relationship and that has been identified as a high-risk country.

In this field, the most significant initiative carried out has been the implementation of the responsible procurement project initiated in 2021.

Thanks to this initiative, ESG criteria have been incorporated into the supplier qualification process, and training actions have been developed for both SALTO Oiartzun's procurement managers and a group of critical suppliers for the company.

The process of evaluating suppliers within the context of ESG has begun, an action that is expected to be finalised in 2023 together with the ESG risk matrix of the company's suppliers.

Additionally, environmentally friendly best practices, including sustainable purchasing and consumption criteria, have been disseminated to all business units. 15.45% of our raw materials (excluding office supplies) are recycled.

Corruption and bribery.

The SALTO Code of Conduct defines specific measures in the event of possible cases being detected in the organisation. Both Oiartzun (SALTO HQ) and Nüziders (Gantner HQ) control 100% of the payments made in the different group companies and, whenever technically possible, a dual signature system is used.

There have been no confirmed corruption cases in 2022.

Consumers.

Product safety is one of SALTO's key competitive requirements and this is ensured by strict compliance with safety regulations by all products. Claims and complaints follow the process defined in the company's Management Manual.

The number of enquiries, complaints and claims received in 2022 in all Business Units has been 119,044, of which 98.9% have been closed.

Appendix

Content of the Report

Appendix. Content of the Report

CONTENT OF LAW 11/2018		LOCATION/DIRECT RESPONSE	GRI
BUSINESS MODEL			
Corporate environment		Page 4-23	102 and 103
Organisation and structure		Page 17-19	
Markets		Page 11-15	
Objectives and strategies		Page 9-10	
Factors and trends that may affect the evolution		Page 8-23	
Policies		Page 27-31	
Risks		Page 25-26	
ENVIRONMENTAL ISSUES			
Pollution	Measures to prevent, reduce or remedy any air, noise, light pollution	Page 33-42	416-1
Circular economy, waste prevention and management	Prevention measures	Page 34	301-2 / 301-3 306-2 / 306-3 / 306-4 Not applicable
	Recycling, reuse	Page 36	
	Waste recovery and elimination	Page 36	
	Actions to combat food waste	Not a material area	
Sustainable use of resources	Water	Page 37	303 (from 1 to 5)
	Consumption of raw materials	Page 38	301-1
	Energy consumption (measures for energy efficiency and the use of renewable energies)	Page 39-40	302 (from 1 to 4)

CONTENT OF LAW 11/2018		LOCATION/DIRECT RESPONSE	GRI
Climate change	Emissions of greenhouse gases	Page 41-42	305 (from 1 to 7)
	Measures for adapting to climate change	Page 37-42	307-1
	Reduction targets and measures implemented	Page 37-42	305-5
Protection of biodiversity	Measures to preserve or restore biodiversity	Not a material area	Not applicable
	Impacts caused by activities or operations in protected areas	Not a material area	Not applicable
SOCIAL AND PERSONNEL ISSUES			
Employment	Total number and distribution of employees by gender, age, country and job category	Page 45-46	401
	Total number and distribution of contract types	Page 46	401
	Average annual number of permanent contracts, temporary contracts, and part-time contracts by gender, age and job category	Page 46	401
	Number of dismissals by sex, age, job category	Page 46	401
	Average earnings and their evolution broken down by gender, age and job category	Page 47	405-2
	Pay gap	Page 47	405-2
	Average remuneration of board members and managers	Page 47	405-2
	Implementation of disconnecting from work policies	Page 46	405-2
	Employees with disabilities	Page 50	405-

CONTENT OF LAW 11/2018		LOCATION/DIRECT RESPONSE	GRI
Work organisation	Organisation of working time	Page 48	102-8
	Number of hours of absenteeism	Page 49	403-2
	Measures aimed at achieving work-life balance	Page 48	401-3
Health and safety	Health and safety conditions at work	Page 48	403 (from 1 to 3 and from 6 to 8)
	Occupational accidents (frequency and severity) and occupational illnesses broken down by sex	Page 48	403-9 / 403-10
Social relations	Organisation of social dialogue, including procedures for informing and consulting with staff and negotiating with them	Page 48	402-1
	Percentage of employees covered by collective bargaining agreements by country	Page 48	102-41
	Balance of collective bargaining agreements: field of health and safety at work	Page 48	403-4
Training	Policies implemented in the field of training	Page 50	403-5 / 404-2
	Number of hours of training by professional category	Page 50	404-1
Accessibility	Policy to combat all types of discrimination	Page 47	103-2
	Diversity management policy	Page 47	
	Universal plan for people with disabilities	Page 50	
Equality	Measures taken to promote equal treatment and equal opportunities for men and women	Page 47	
	Equality plans	Page 47	
	Measures taken to promote employment	Page 47-51	
	Protocols to combat sexual harassment and gender-based harassment	Page 47	
	Measures to address integration and accessibility for people with disabilities	Page 50	103-2

CONTENT OF LAW 11/2018		LOCATION/DIRECT RESPONSE	GRI
Equality	Policy to combat all types of discrimination	Page 47	406-1
	Diversity management policy	Page 47	405-1
INFORMATION ON HUMAN RIGHTS			
Due diligence	Due diligence procedure	The reference to this information is gathered in Page 22 (Ethical Framework). The Code of Conduct of SALTO sets out the company's mode of operation.	
Prevention	Prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and redress possible abuses committed		412-1 / 412-2 / 412-3
	Balance of collective bargaining agreements: field of health and safety at work		411-1
Ethical channel - Ethical mailbox	Complaints for cases of human rights violations		407-1
	Promotion of and compliance with fundamental ILO conventions – freedom of association		
	Guaranteeing the right to collective bargaining.		
Human rights principles	Effective abolition of child labour		
	Elimination of forced or compulsory labour		
	Elimination of discrimination based on employment and occupation		
INFORMATION ABOUT THE COMPANY			
Corruption and bribery	Measures taken to prevent corruption and bribery	Page 63	205
	Measures to combat money laundering	Page 63	103-2
	Contributions to foundations and non-profit organisations	Page 53	103-2 / 201-1
Commitments	Impact of the company's activity on local employment and development	Page 46 and 53-62	203-1 / 203-2 / 204-1

CONTENT OF LAW 11/2018		LOCATION/DIRECT RESPONSE	GRI
Commitments	Impact of the company's activity on local populations and the region	Page 52-61	413-1 / 413-2
	Relationships with stakeholders in the local community and the types of dialogue with them	Page 54-61	413-1
	Association or sponsorship actions	Page 55-60	103-2 / 201-1
Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in procurement policy	Page 63	103-3
	Consideration in relationships with suppliers and subcontractors of their social and environmental responsibility	Page 63	414-1
	Monitoring and audit systems and their results	Page 63	414-2
Consumers	Measures for the health and safety of consumers	Page 63	416-1
	Claim systems	Page 63	
	Number of complaints received and their resolution	Page 63	416-2
Tax information	Indicators of benefits obtained by country	Information not available	
	Taxes on profits paid and public subsidies received	Page 62	201-1 / 201-4



SALTO Worldwide: Spain, UK, France, Germany, Switzerland, The Netherlands, Belgium, Poland, Slovakia, Slovenia, Czech Republic, Denmark, Norway, Sweden, Finland, Italy, Portugal, US, Canada, Mexico, Costa Rica, Colombia, Puerto Rico, Chile, China, Hong Kong, Singapore, Korea, Vietnam, UAE, India, South Africa, Australia, New Zealand



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