



SUSTAINABLE
PERFORMANCE
REVIEW **2023**

01

A FEW WORDS FROM
THE MANAGING DIRECTOR

 **ISTOBAL**
Vehicle Wash & Care

 **ISTOBAL**
Vehicle Wash & Care

OUR RESPONSIBILITY FOR SUSTAINABLE GROWTH

Dear employees, customers and partners,

ISTOBAL continues to drive innovation and cutting-edge technology to offer solutions that improve our customers' profitability, while optimising the social and environmental impact of our global operations.

Our constant focus on innovation has positioned us as a leader in the vehicle wash & care industry, promoting more sustainable practices in three key areas: transparency and governance, the protection of the planet and corporate social responsibility. We recognise the importance of driving positive change for society and the environment, fostering the well-being of the local communities where we operate.

We made significant progress with our Environmental, Social and Governance (ESG) initiatives in 2023. When compared with 2022, we have reduced our CO2 emissions by 14% by implementing more efficient technologies and transitioning to renewable energy sources at our facilities. We have also reduced the water consumption of our washing processes by 20% by recycling water and optimising our systems. In addition, we have increased the use of solar energy at our plants, reaching 25% of our total energy consumption, compared with 15% in 2022.

We have strengthened our partnerships with local communities, supporting educational and environmental projects, and increasing our investment by 30% compared with the previous year. We have also launched new eco-friendly product lines that have been very well received by our customers, reflecting our commitment to sustainability and continuous innovation.

This Performance Review shows the significant progress recorded for our initiatives and commitments. These achievements are just the beginning. Our commitment to sustainable growth remains a strategic priority. We are determined to continue improving our sustainable practices and lead the way towards a greener and fairer future, adapting to change. We will continue to work with all our stakeholders to foster an environment that supports sustainability, innovation and social well-being.

I would like to thank the entire ISTOBAL team for their true dedication and continuous efforts, and our customers and partners for their trust and support. Together, we can create a positive and lasting legacy for future generations.

[SUSTAINABLE
COMMITMENT]



Antonio Martinez
Managing Director, ISTOBAL



02

2023 MILESTONES



Our Organisational Strategy



Healthy **profitability** driven by an improved operating margin for key markets and services.



Rapid adaptations to market changes (driving direct sales and optimise services).



The **hard-hitting** impact of **rising interest rates** on equipment sales, and **more stable operating and product costs**.



Consolidated growth in **services** providing leverage for profitability.



Digitalization is key to improving efficiency and driving business growth.



ISTOBAL's first **Sustainability Report** provided a basis for internal cultural change.



Global and sustainable solutions and services able to ensure healthy profits



- **75 years** of experience
- **€156 M in turnover** in 2023
- **900+ employees**
- **80+ countries** rely on our solutions
- **13 subsidiaries**
- **70% of production** sold internationally

Milestones in line with our sustainable commitment for 2023

SOCIAL

8,132 hours OF TRAINING COMPLETED	DECREASING THE NUMBER OF OCCUPATIONAL ACCIDENTS BY 14%
13 PEOPLE WITH DIFFERENT CAPACITIES CONTRACTED	 +900 EMPLOYEES

ECONOMIC

€14 M EBITDA 2023	€156 M ISTOBAL GROUP TURNOVER	70% EXPORTS AS A PERCENTAGE (Sales outside of Spain in 2023)
€3.7 M INVESTMENT in R&D		



ENVIRONMENT

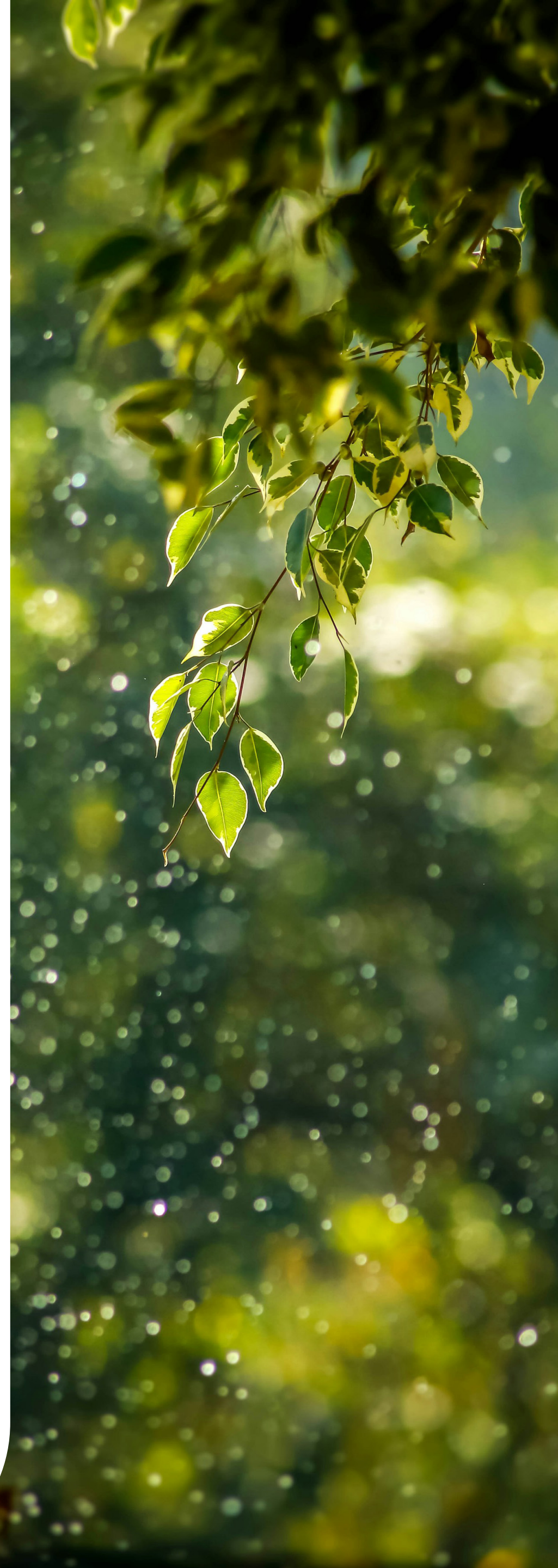
ENVIRONMENTAL MANAGEMENT CERTIFICATION Certified according to ISO 14001	CARDBOARD PACKAGING USE REDUCED BY 14% IN TOTAL
TONNES OF CO2 EQUIVALENTS REDUCED BY 14% IN TOTAL (Carbon Footprint)	POWER CONSUMPTION REDUCED BY 20% IN TOTAL

18.43% of power used was sourced from self-consumed photovoltaic power.

GOVERNANCE

QUALITY SYSTEMS Certified according to ISO 9001	0 PENALTIES AND WHISTLEBLOWING ON ESG TOPICS
---	--

CODE OF ETHICS AND ETHICS CHANNEL



03 GOVERNANCE



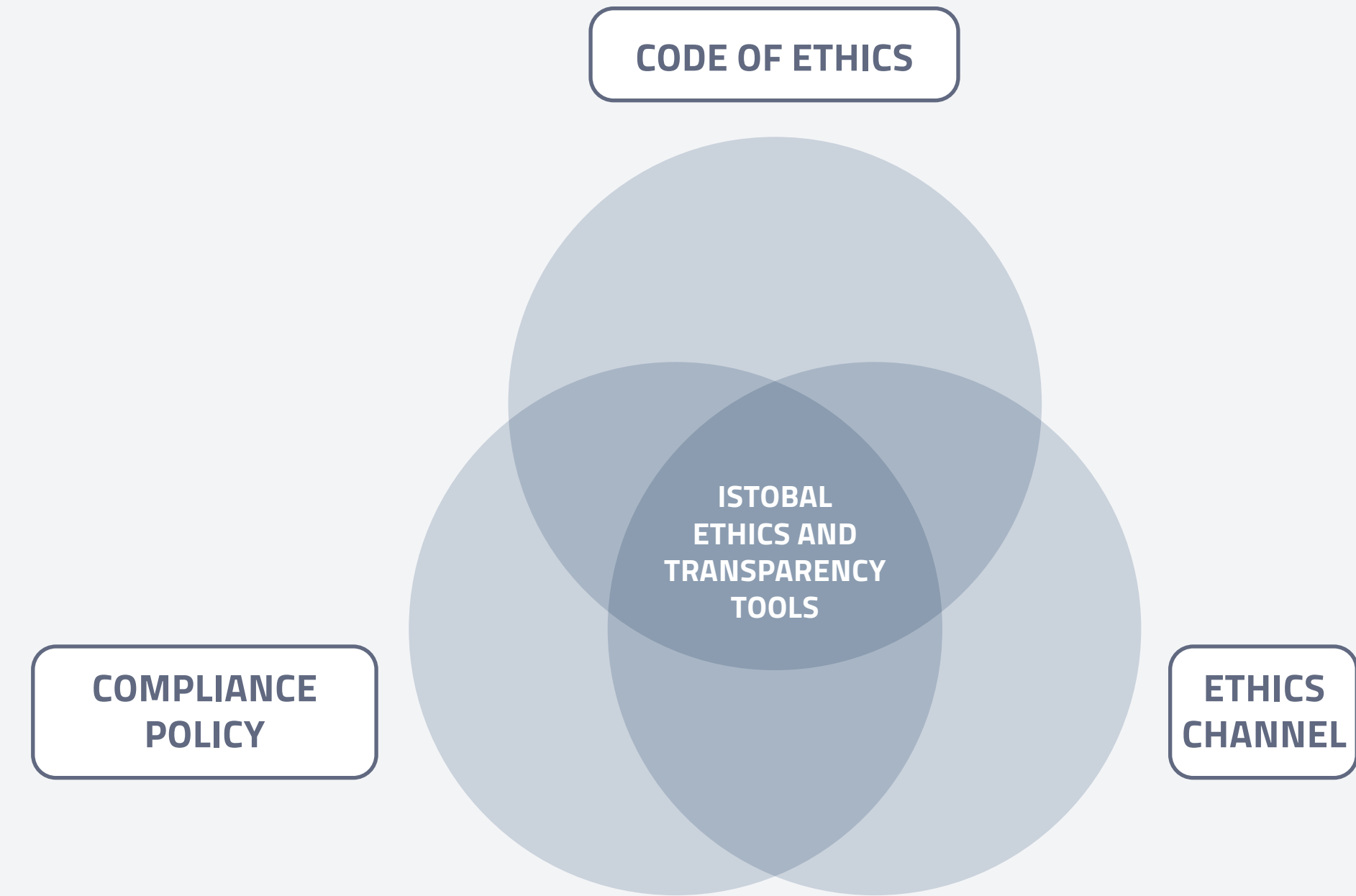
Our governance structure

WE PROMOTE TRANSPARENT PRACTICES

No penalties were initiated during financial years **2022** and **2023**.

RISK MANAGEMENT (2023)

- Global economic crisis.
- No digitalization for complex processes.
- New technologies must be integrated at an accelerated rate.
- Suppliers are dependent on strategic components.
- Demand for services is limited on some markets.
- Operations are limited in Germany.



Providing clear and accurate information on all of our activities and solutions is a key principle in our relationship with all our stakeholders.

ISTOBAL stakeholders



CORPORATE GOVERNANCE MODEL

Our corporate governance model is based on three bodies, the **Steering Committee**, the **Management board** and the **Board of Shareholders**.



04

ENVIRONMENT



Our commitment to the environment

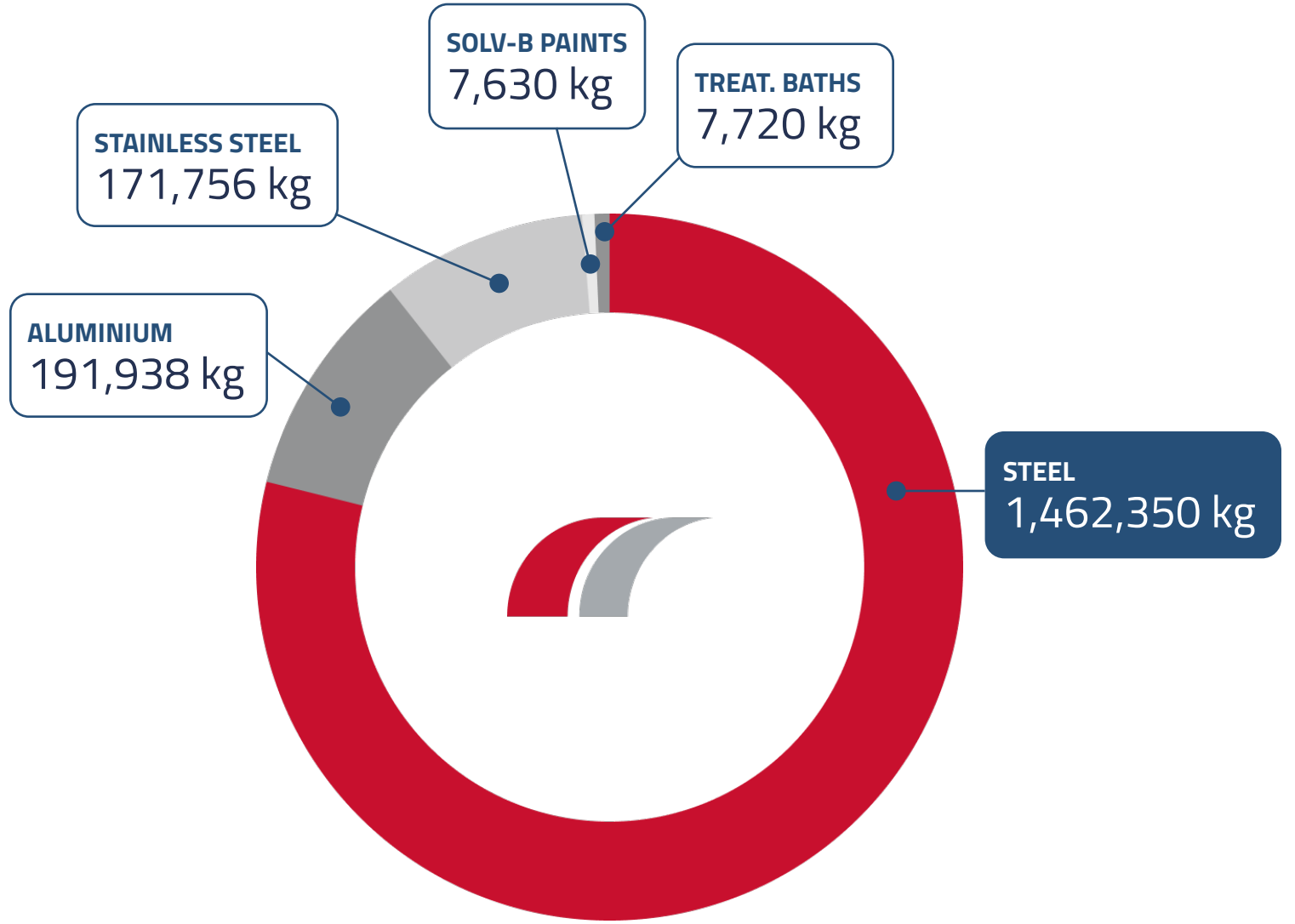
At ISTOBAL, we consider the excellence of our products and services as our priority, along with safety and the protection of our equipment, which are fundamental cornerstones for growth.

We also recognise that our operations have environmental and social impacts that, if not effectively managed and reduced, can compromise environmental sustainability. For this reason, ISTOBAL is committed to protecting the environment by implementing various policies and procedures in our daily operations in our surrounding environment.

WE IDENTIFIED THE FOLLOWING GOALS IN 2023:

- ▼
 - Kr/Kp ratio in consumables sold by IMS by **3%** 7% ACHIEVED
- ▼
 - CARDBOARD packaging use by **3%** 14% ACHIEVED
- ▼
 - PLASTIC packaging use by **2%** 5% ACHIEVED
- ▼
 - POWER consumption by **20%** 20% ACHIEVED

Our main use of raw material in 2023

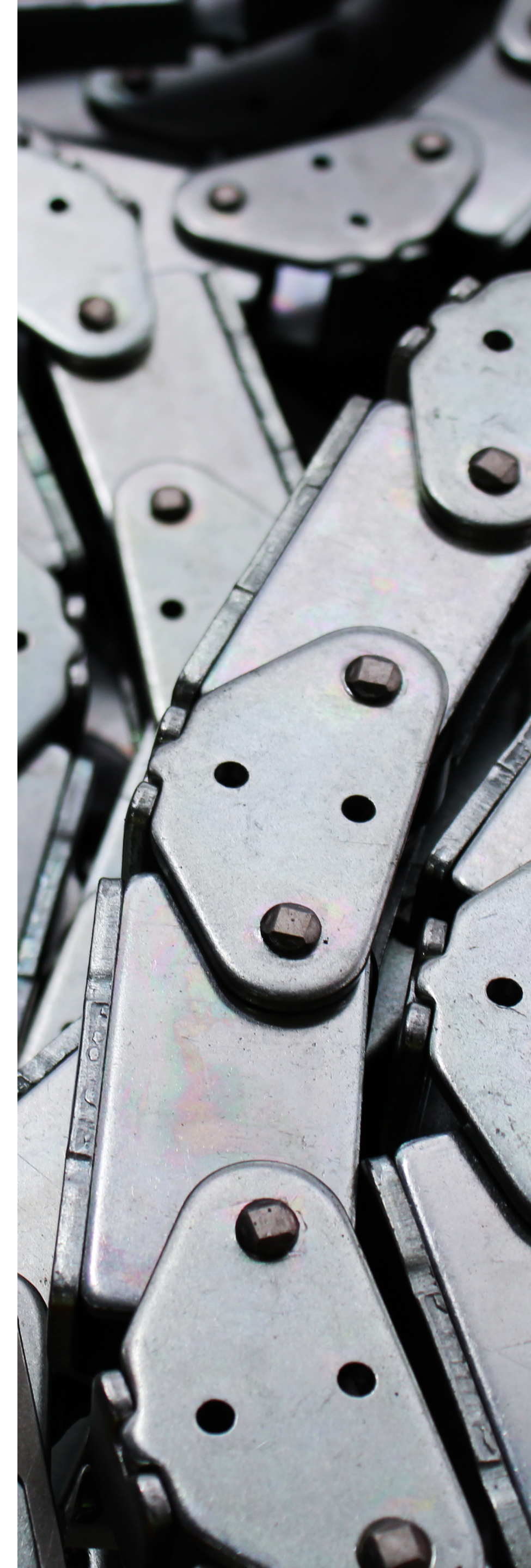


Raw materials	2023 (kg)	2022 (kg)
Steel	1,406,533	1,462,350
Aluminium	191,938	265,006
Stainless steel	171,756	205,261
Solvent-based paints	7,630	12,621
Treatment baths	7,720	10,540

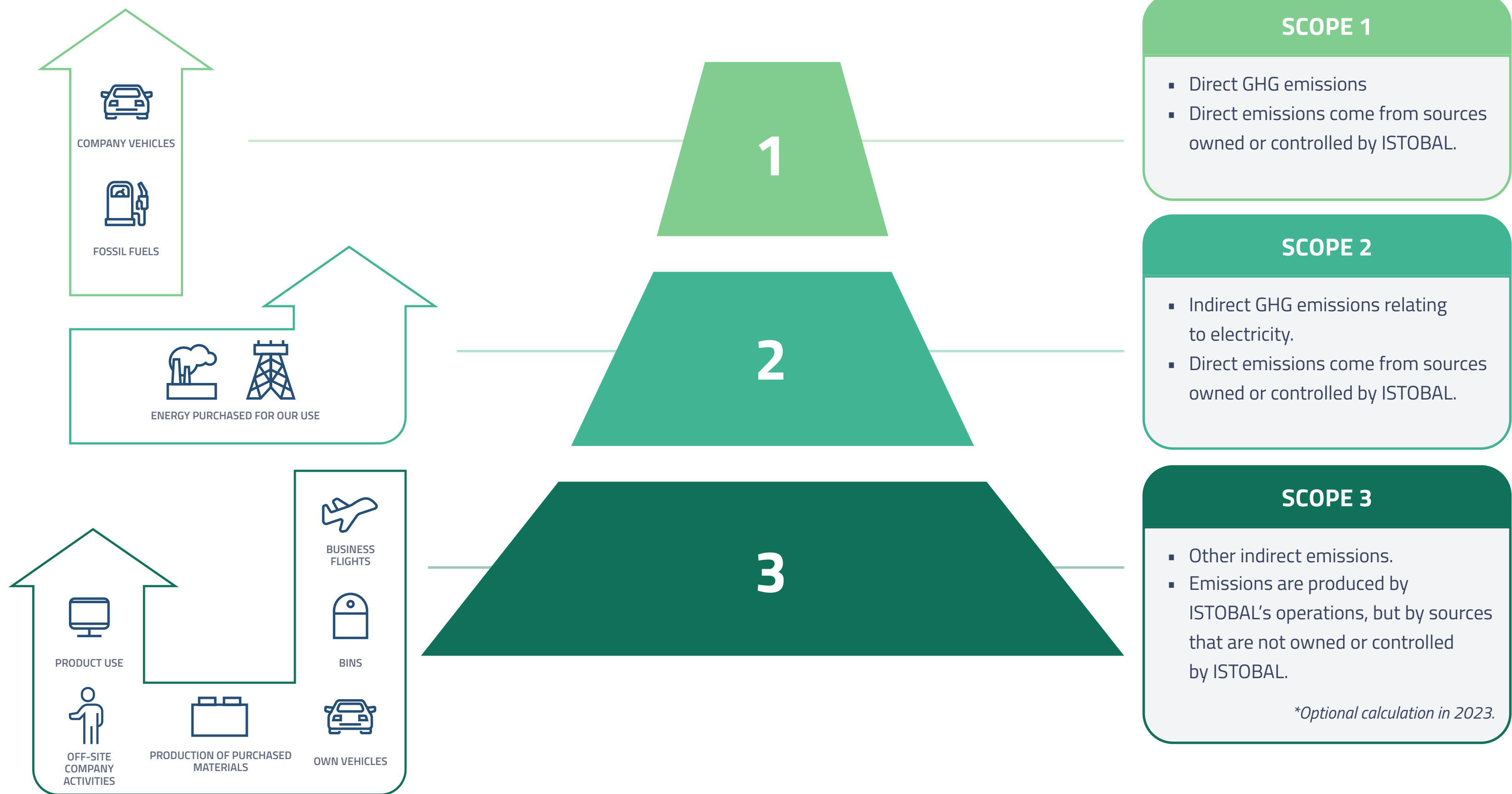
Our environmental management is based on best practices and processes meeting the highest environmental standards, as we constantly aim to reduce our impact. Thanks to our constant improvements, our approach is more efficient and sustainable, ensuring responsible growth on a global scale.

Non-hazardous waste		
	2023 (kg)	2022 (kg)
Mixed waste	136.29	201.08
Wood	64.6	59.8
Inert waste	121.16	121
Paper & Cardboard	39.2	62.24
RNP Paint Dust	18.39	18.93
Zinc ash	4.98	14.69
Power cables	8.43	14.69
Aluminium scrap	3.58	3.07
Zinc mattes	4.02	7.16
Stainless steel scrap	0.44	3.79
Other	0.16	1.36
Total	401.73	500.7

Hazardous waste		
	2023 (kg)	2022 (kg)
Contaminated cloths and absorbent materials	20.06	12.44
Empty degreasing baths	13.65	29.07
Contaminated cloths and absorbent materials	0.04	0.79
Empty pickling baths	32.17	-
Car wash water	18.63	37.83
Pasty paints and varnishes	4.93	7.33
Water purification sludge	6.23	6.78
Contaminated plastic containers	2.41	2.53
Contaminated cardboard	2	1.66
Contaminated metal containers	1.62	1.53
Waste oil	0.25	0.46
Other	0.9	0.89
Total	102.88	101.57



Changes to our ISTOBAL carbon footprint



SCOPE 1: DIRECT EMISSIONS

	2023	2022	Variation
Fixed equipment	757.47	911.81	-16.90%
TAS IES vehicles	847.53	846.97	0.07%
Fugitive (AA)	1.13	12.5	-91.04%
Total Scope 1	1,606.12	1,771.28	-9.36%

SCOPE 2: INDIRECT EMISSIONS

Power Consumption	600.39	796.13	-24.62%
Total Scope 2	600.39	796.13	-24.62%
Total Scope 1 + 2	2,206.51	2,567.41	-14.03%

*Tn CO2 eq.



IMPACT

SCOPE 1
Thanks to improved planning of when surface treatment lines are started up, our natural gas consumption has dropped.

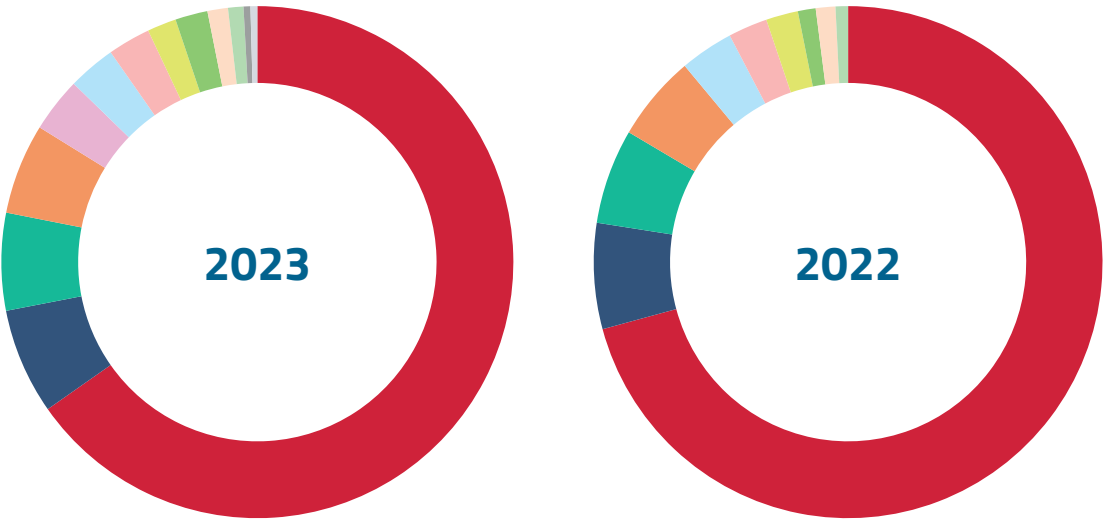
SCOPE 2
The amount of energy obtained from less efficient sources in terms of CO2 emissions into the atmosphere has been partially reduced thanks to self-consumed solar energy.

05 SOCIAL

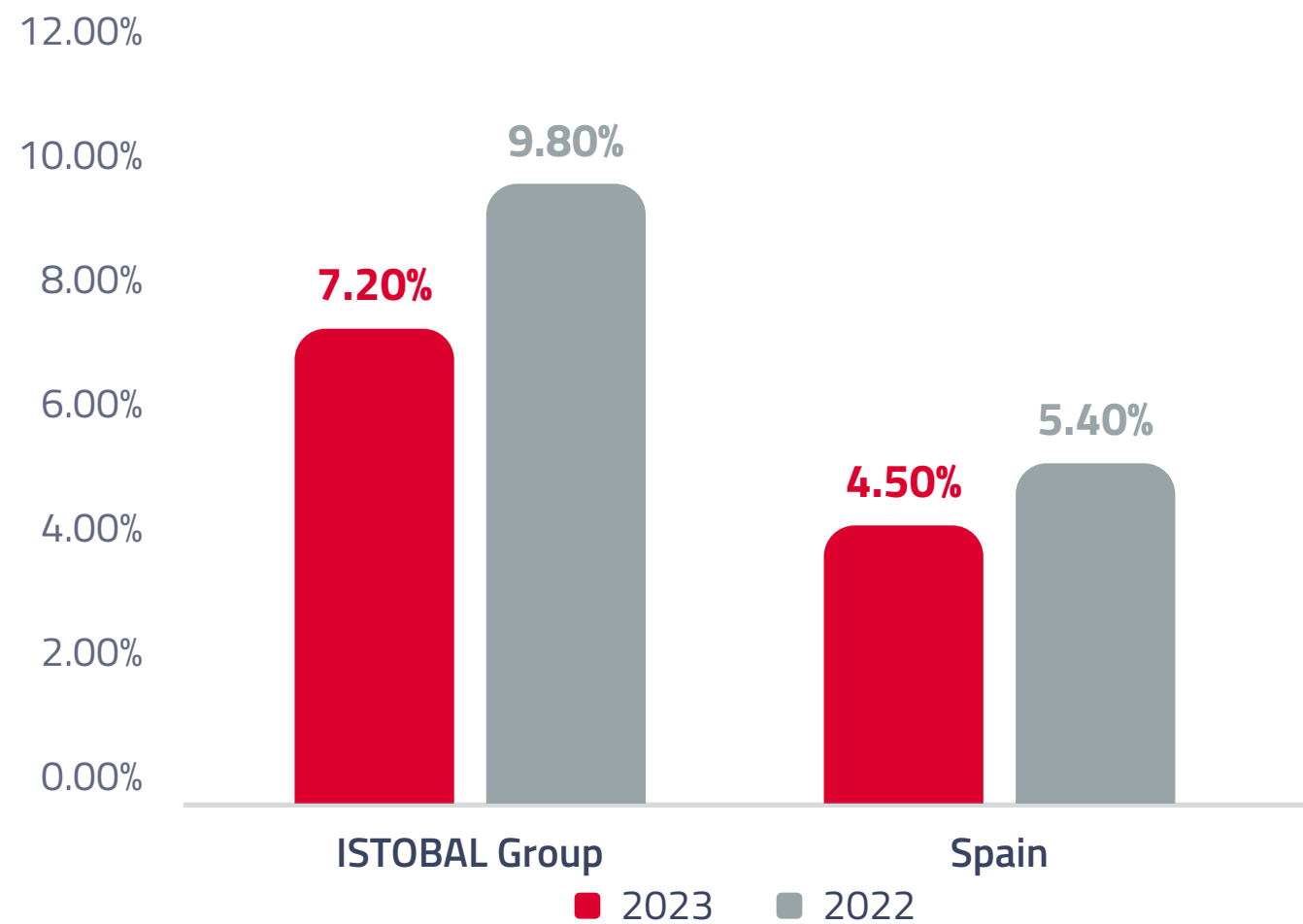


Employees by country

Total number and distribution of employees by country on 31 December 2023 and 2022:



Comparing employees turnover 2022-2023



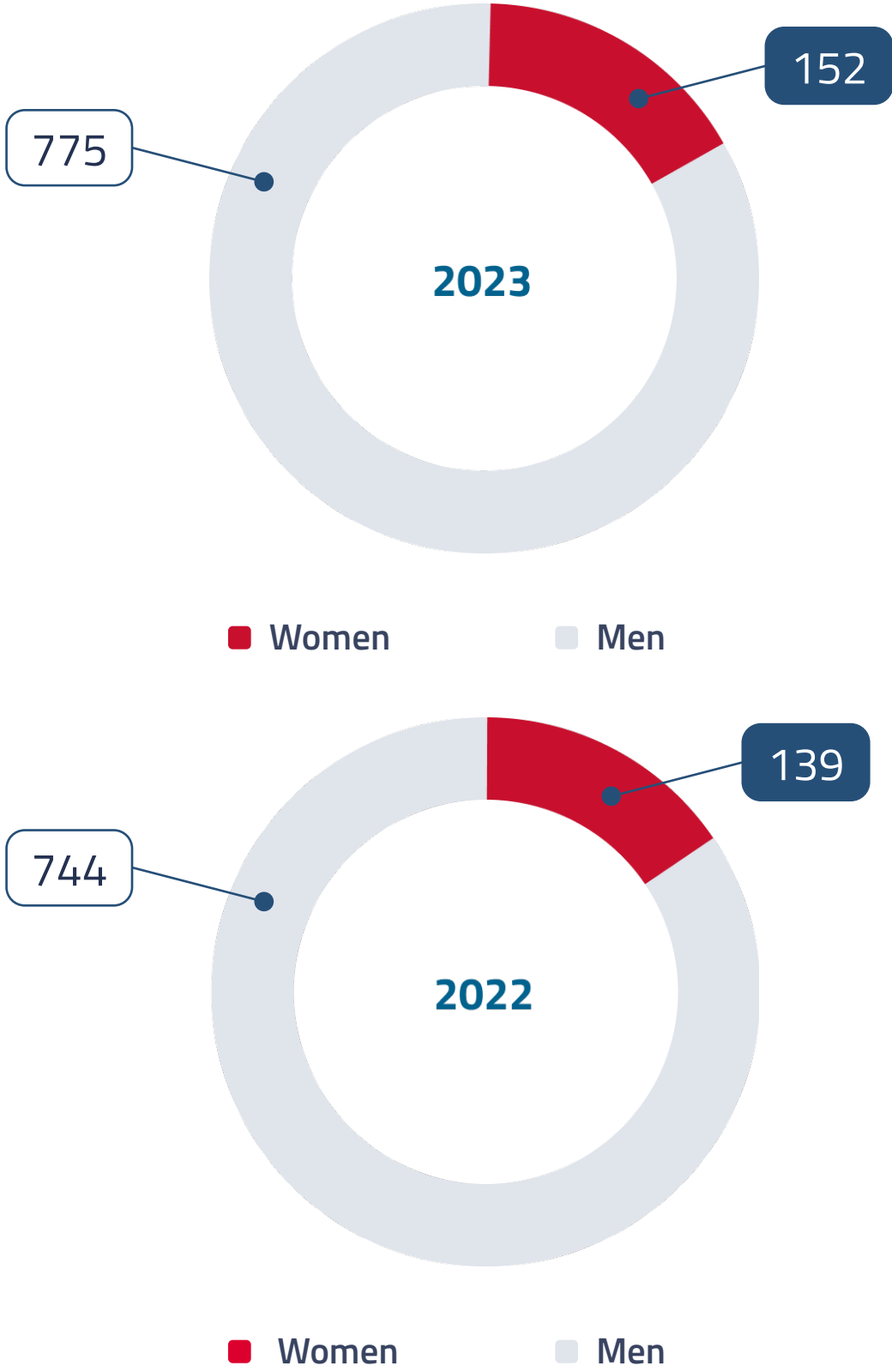
	Number of employees	
	2023	2022
■ Spain	605	625
■ United Kingdom	62	59
■ USA	57	53
■ Denmark	53	48
■ Hungary*	32	-
■ Austria	28	30
■ Brazil	25	22
■ Sweden	17	18
■ China	19	10
■ Portugal	12	11
■ Italy	9	7
■ France*	4	-
■ Poland*	4	-
Total	927	883

*FTE (Full-Time Equivalent).

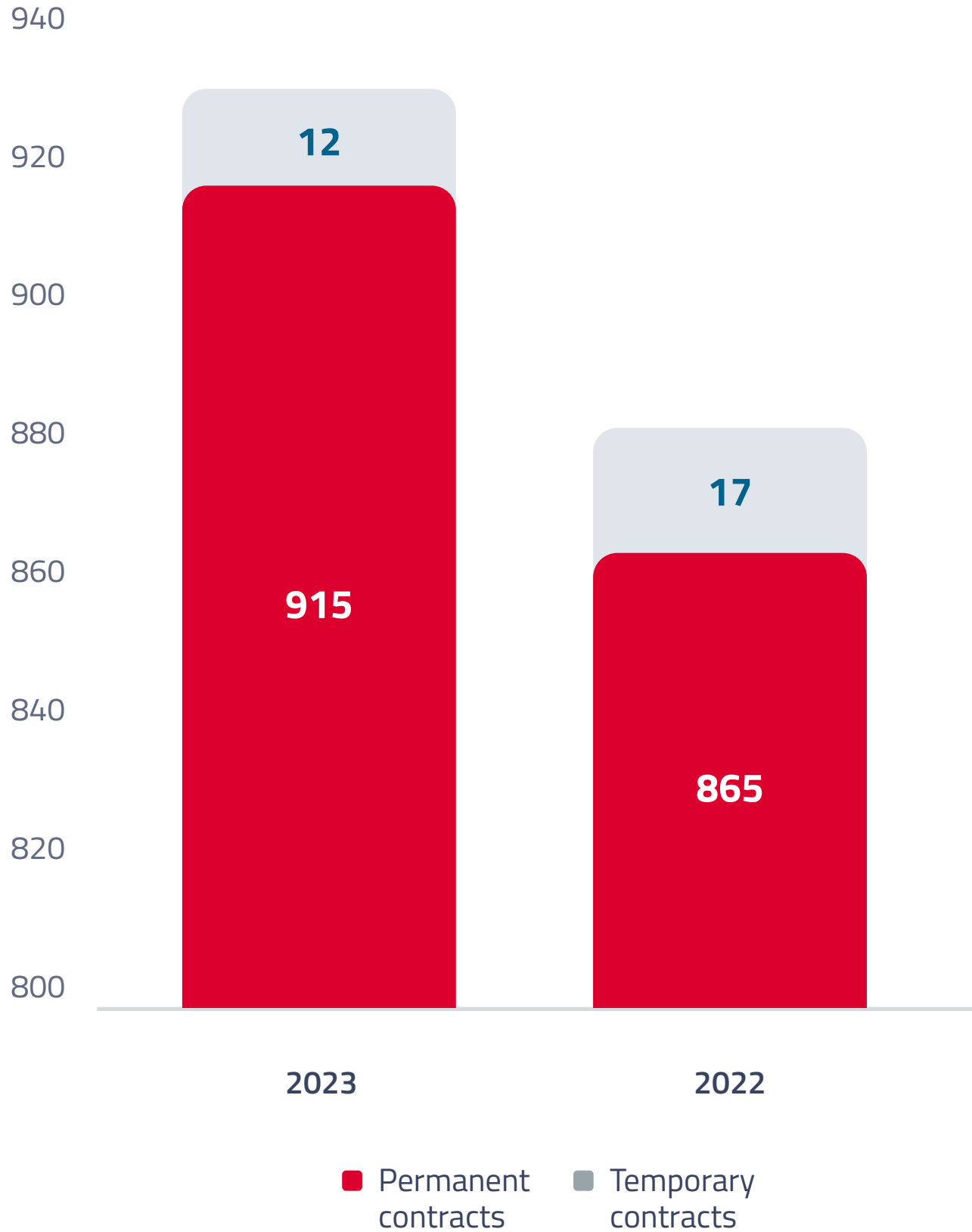


Progress in ISTOBAL statistics

Distribution of staff by gender



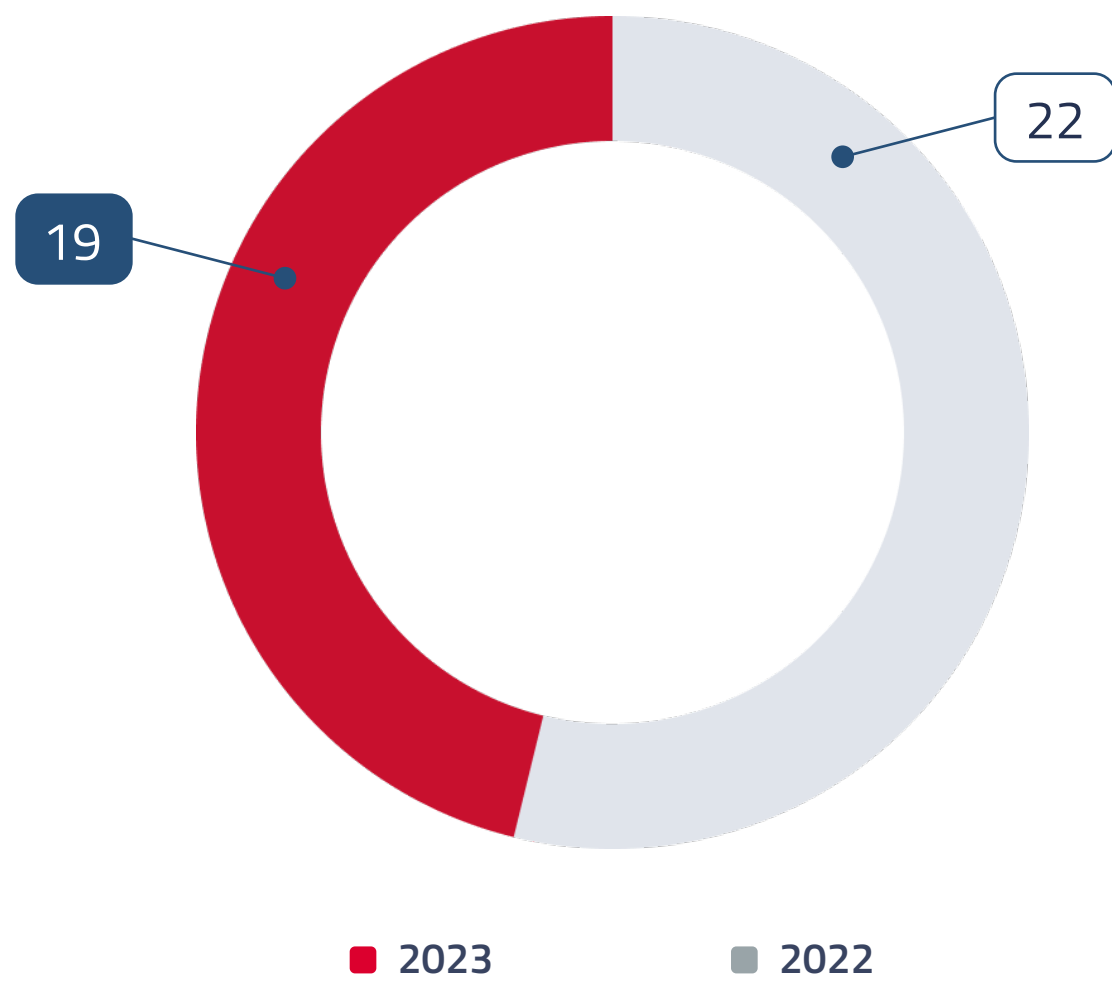
Distribution of staff by contract



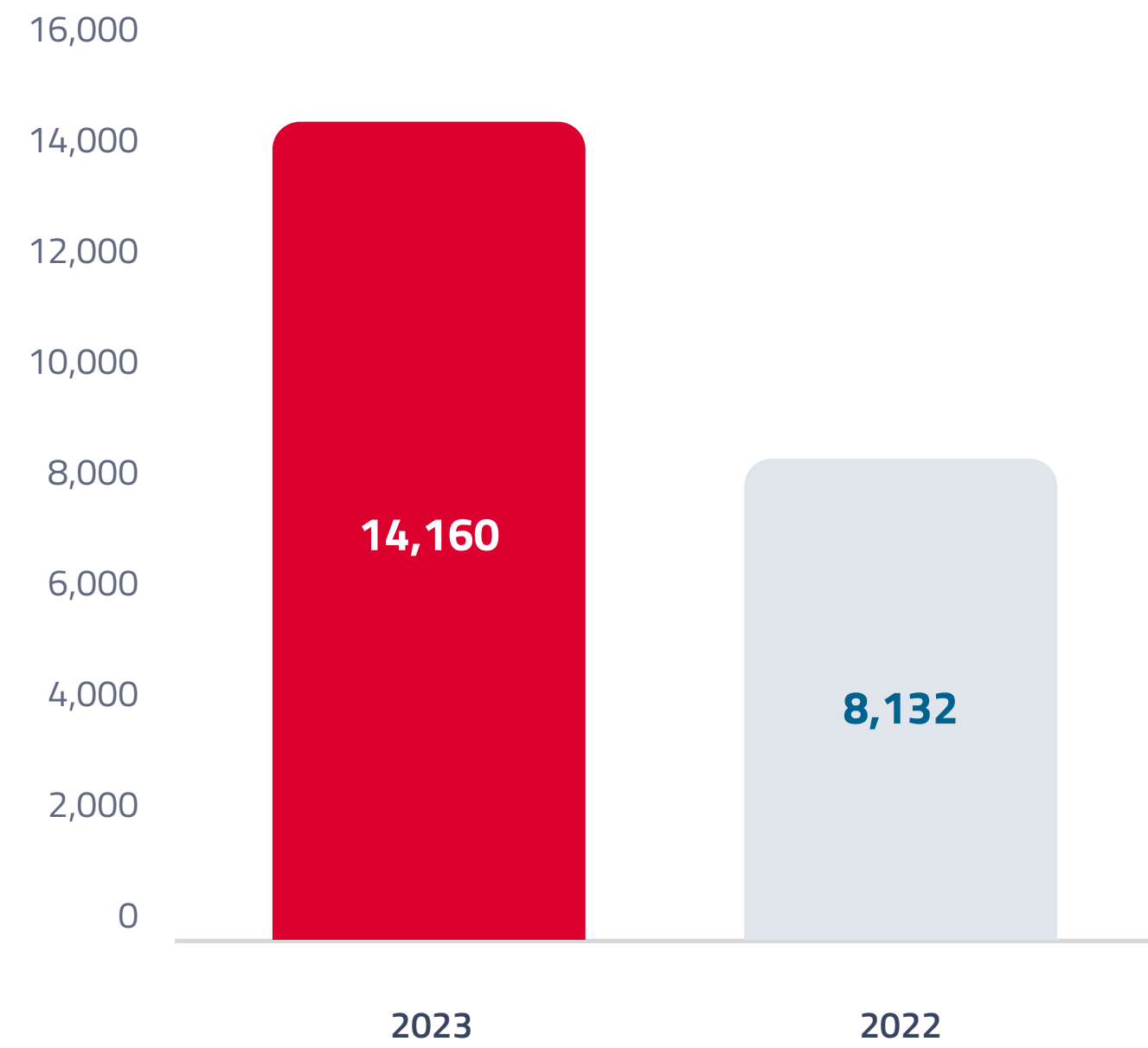
 SUSTAINABLE PERFORMANCE 2023



No. of accidents

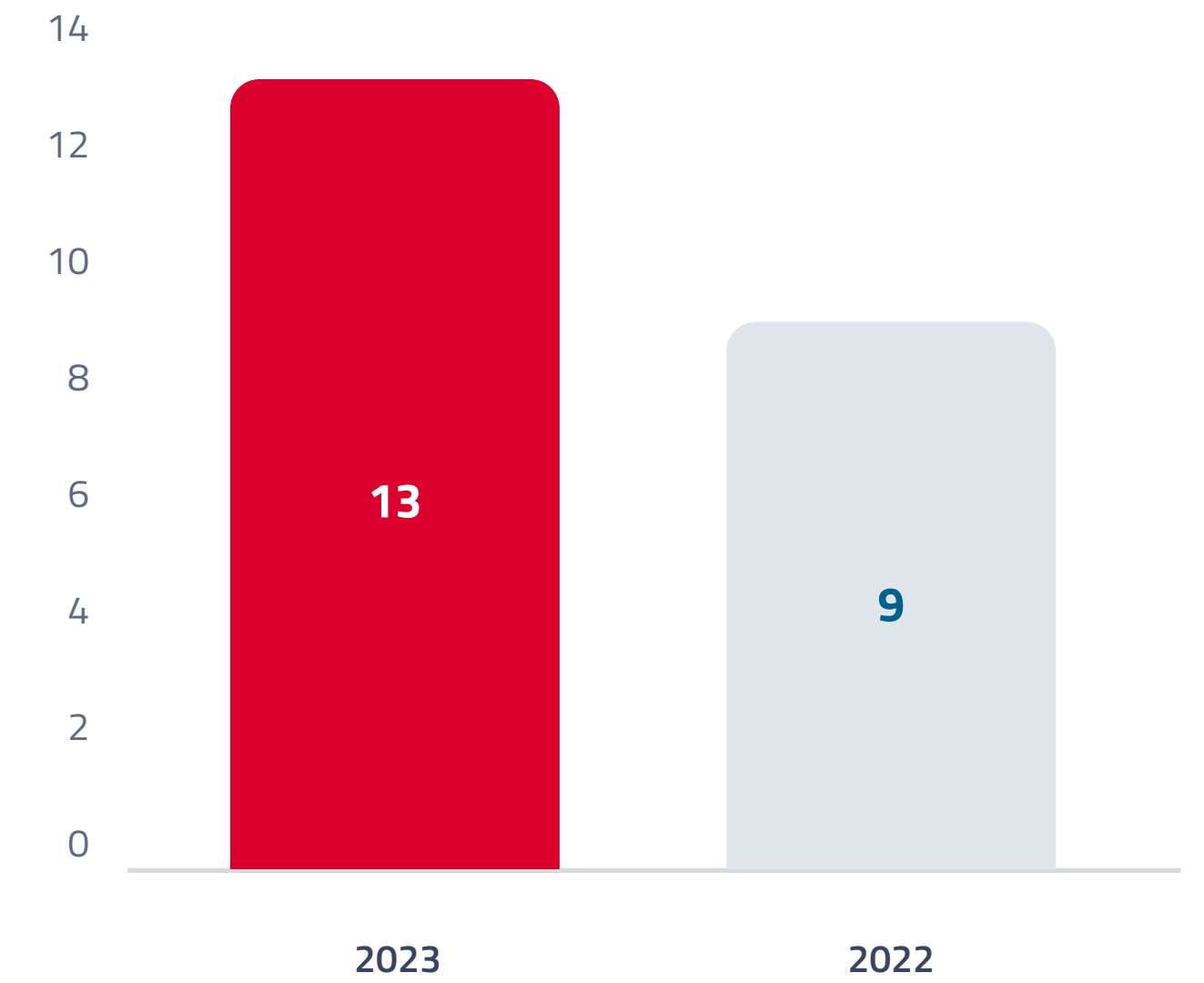


Training time (in hours)



Accessibility

(No. of people hired with different capacities)





06

SOCIAL COMMITMENTS

Social commitments

We demonstrate our social commitments by supporting sport, encouraging teamwork, supporting education and technological innovation, and via our strong commitment to our host communities, as we voluntarily help with local projects aiming to improve quality of life.

We aim to actively show our commitment to our host community, primarily by supporting programs, groups and events aiming to promote collective well-being in theory and practice.

Main contributions by ISTOBAL in 2023	
	2023
L'Alcudia Easter Week	€350
COTIF Championship	€17,000
ISTOBAL Chair and UPV contributions	€32,750
Total	€50,000

We continue to jointly support programs such as Operación Consolida, an initiative launched by the Association of Young Valencian Entrepreneurs to drive the growth and consolidation of companies in our Local community which have the potential to grow and could learn from well-known Valencian firms.



ISTOBAL received several awards and similar throughout 2023 for its commitment to innovation in the car wash industry. These awards highlight the excellence of its products and its position as a leader in the sector.



AWARDS AND SIMILAR IN 2023

THE FEMEVAL AWARD

The FEMEVAL Innovation Award.

THE MIA AWARD

The MIA Award for Best Digital Marketing Strategy.

The logo for ISTOBAL features a stylized graphic of three curved lines in white, grey, and blue on the left, followed by the word "ISTOBAL" in a bold, white, sans-serif font. Below this, the tagline "Vehicle Wash & Care" is written in a smaller, white, sans-serif font.

ISTOBAL
Vehicle Wash & Care