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GIRBAU

LAUNDRY BEYOND LAUNDRY

20
20

SUSTAINABILITY
REPORT

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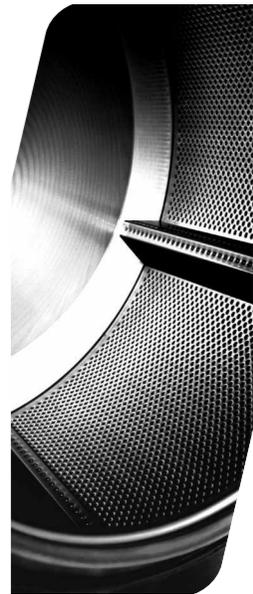
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01

LETTER OF
INTRODUCTION



2020 will live long in our memory as the year of COVID-19. The COVID-19 pandemic has had an enormous impact on all aspects our lives and on all economic and social sectors. Current major trends have accelerated and have affected the entire planet to a greater or lesser degree.

At Girbau we have been severely affected. Our activity is closely linked to tourism and mobility, sectors that have suffered the most and whose recovery will be slower. This has forced us to diversify and to invest in new market segments that will begin to bear fruit in 2021.

Our priority has always been the safety of our employees. Since the pandemic was declared in March 2020, we have offered most of our office employees the option of teleworking and implemented security measures for those have to work onsite: protective equipment, safety distance, ventilation, sectorization of facilities and awareness of the risk of infection, as well as communication campaigns. The support between group companies has also been significant with regard to the supply of masks, especially at the beginning of the pandemic, when there was a huge shortage in most of the countries in which we operate. Despite all this, we have managed to keep infections to a minimum, well below the average for the industrial sector.

We have also prioritized maintaining close contact with our customers, both those whose businesses have been interrupted, such as those in hospitality industry, and those who have felt totally overwhelmed by the pandemic, such as those in the health sector. We have worked on specific sanitation and disinfection solutions and we have not stopped providing our services at any time.

In 2020 we finalized a Strategic Plan and we have now started on a new strategic approach with a long-term vision. ⁽¹⁰²⁻¹⁴⁾

The essence of the 2020 Strategic Plan still very much applies: growth through partnerships; adaptation through innovation and agility, and people at the heart of our organization. And we would like to highlight the following:

- The creation of Girbau Lab, which contributes significantly towards transforming the culture of the company into one of innovation and open innovation, and whose projects are slowly being turned into business opportunities.
- The high level of engagement of the people who make up the Girbau community. Despite the uncertainty which we are all experiencing, the engagement survey we carried out at the end of 2020 shows an improvement in the results compared to 2018, with an increase of 1 point in engagement (from 77 points, which was itself considered an excellent level, to 78 points).
- The high levels of industrial and R&D investment to develop new products, which stands out for its connectivity and adaptability to new businesses.

Within this process of strategic analysis, we have explicitly defined our PURPOSE, our raison d'être as a company. Girbau has always been more than a business. Respect for people and the preservation of the

environment have always been core values of the organization. And now, in such a changing environment in which everything is accelerating, we have considered it necessary to explicitly define and communicate this purpose. First, it helps us align our activities and actions with a long-term vision. Second, it gives fundamental meaning to our day to day.

Our purpose is **to be a reference creating a positive impact on people and planet.**

This purpose will transform our company and we have developed our mission accordingly: from initially offering solutions for our customers' laundries, to now offering solutions for the treatment of textiles.

In February 2020, Serge Joris joined us as CEO of the group, bringing his experience in the industrial sector and in internationalization and strengthening the senior management team. Although his incorporation coincided with the beginning of the pandemic as an added difficulty, he has shown excellent professional capabilities and an understanding of the reality of a highly volatile environment, as well as the qualities of leadership and teamwork.

We cannot end this letter of introduction without mentioning that, 100 years ago, our great-grandfather Pere Girbau Barbosa opened an electromechanical equipment workshop that was in fact run by our grandfather Joan Girbau Vilageliu. And 60 years ago, the next generation, made up of the brothers Pere, Toni and Teresa Girbau Bover, coinciding with the Spanish tourism boom, decided to stop manufacturing domestic washing machines to dedicate themselves to industrial ones.

Therefore, 2020 marked the centenary of the family business and the 60 year anniversary of the current business. We would like to take this opportunity to thank all those people who, at some point in these 100 years, have made it possible for us to be here now.

We also like to mention in particular the people of the Girbau community for the support, effort and sacrifice they have made throughout 2020 to guarantee the future of our business. Your enormous dedication is a source of great satisfaction for us.

MANY THANKS TO EACH AND EVERY ONE OF YOU.

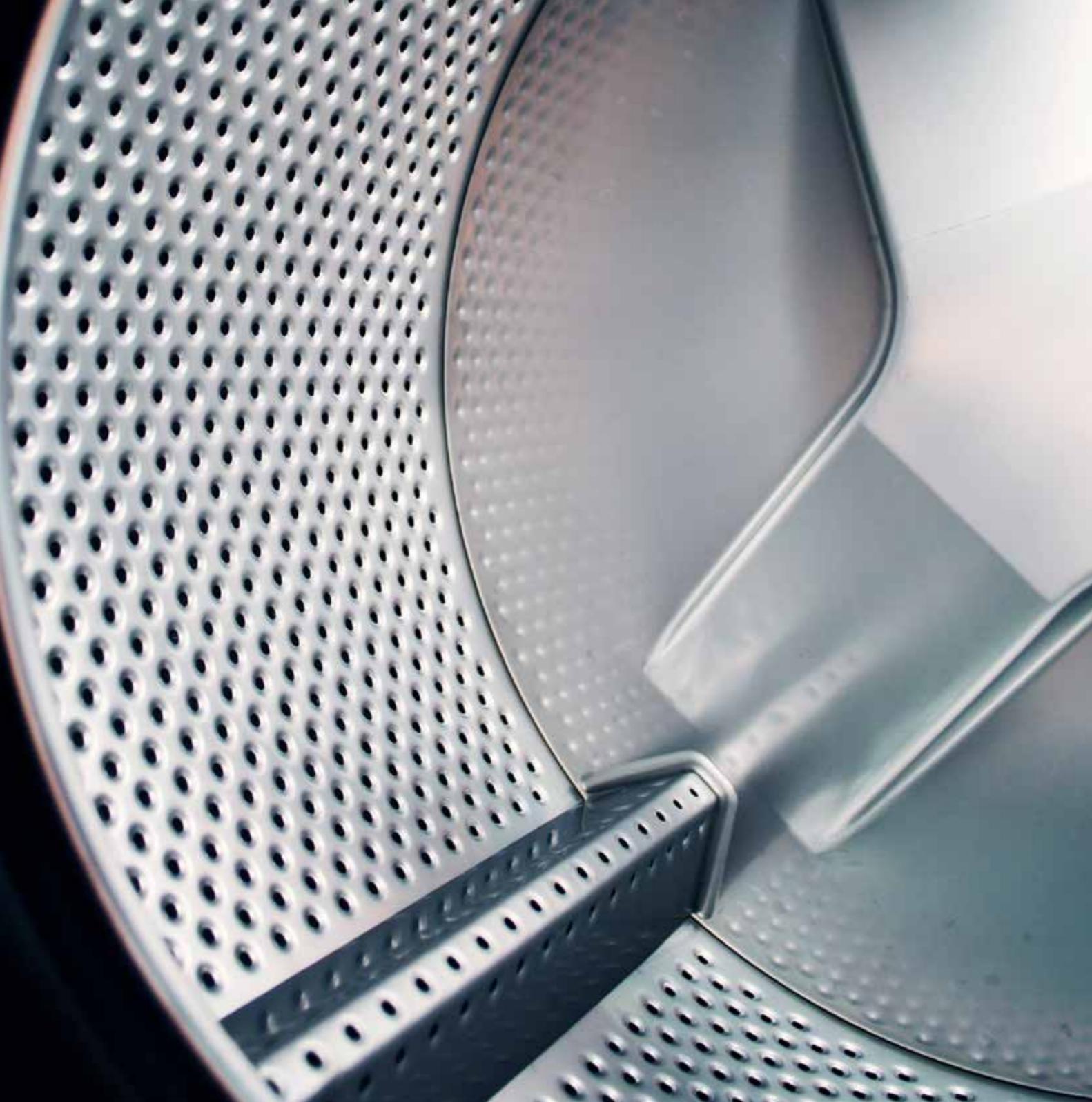
Mercè Girbau

Chairwoman
and CEO

Pere Girbau

CEO





02

2020 AT
A GLANCE

GIRBAU



16
commercial
subsidiaries

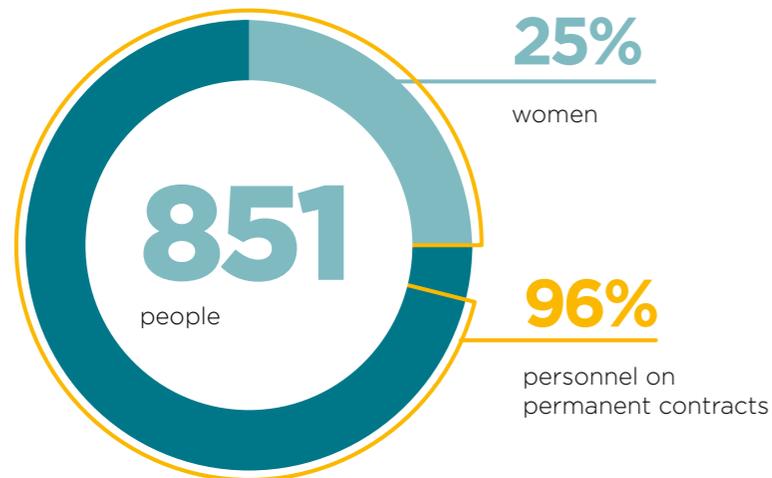


6
production
centres
(Spain, France
and China)



+100
countries in
which are
products
are sold

OUR PEOPLE



SUPPLIERS

1,700
active suppliers

THE ENVIRONMENT

0.130

kWh/€ turnover

energy consumption in production centres

0.144

kWh/€ turnover

water consumption in production
centres and commercial offices

0.0136

kg CO₂ eq/€

turnover of greenhouse gas
emissions in production centres

FINANCIAL FIGURES (102-7)



5.24%

turnover allocated to R&D&I

160
years

We celebrated the centenary of the family business and 60 years of the current business



We defined a new purpose to guides us in the long term, linked to sustainability and people that will leads us to a profound transformation



We created a COVID Team and a COVID Committee to manage and implement the measures of protection for the workforce against the coronavirus



Girbau Group acquired a 100% stake in its Chinese joint venture, GSLT



Our commitment to circularity in industrial laundry resulted in the development of Clint, a new material made from textile waste, created by us in conjunction with students at Elisava



We provided new disinfection solutions to customers through a Disinfection Monitoring Package and offered them free online training on textile hygiene and disinfection



We took part in working groups of the Government of Catalonia to define COVID-free protocols in tourist establishments



2020, a year marked by the COVID-19 pandemic and the consequent impact on our activity



03

Girbau, laundry
beyond laundry

ABOUT US

(102-1)

We are one of the world's leading groups in innovative and sustainable solutions for the laundry industry. We have 6 production plants located in Spain (4), France and China, around 70 product references on the market, with a direct presence in 17 countries and sales in more than 100.

The goal of Girbau is to generate maximum value for customers, accompanying them in their professional growth and adapting ourselves to the territory where we operate.

Overview of the 2018-2020 Strategic Plan

In 2020 we completed our 2018-2020 Strategic Plan. The growth and profitability targets were not achieved, but we are very proud of the progress we did manage, first, in terms of our adaptability, with the implementation and consolidation of the Project Management Department, the investments made in our production plants, improvements in our warehouses, the use of new digital tools, investment in innovation, etc., and, second, in terms of our people, as demonstrated by the results of our employee satisfaction survey, the investment in training and continuous improvement in internal communication.





100 years of the family business and 60 years of the current business

We celebrated the centenary of the family business and 60 years of the current business through an online event.

Our internationalization, commitment to innovation and sustainability have been key factors in our history, but also the ability to find solutions to new challenges and to take risks when opportunities appear.

Since the birth of the Girbau company, 100 years ago, when the great-grandfather Pere Girbau Barbosa opened an electromechanical workshop believing that electricity was the future, until today, there have been many challenges and opportunities that driven us to become a leading international group, with our offer of solutions for the laundry industry.



Our purpose

In 2020 we explicitly defined our purpose, our *raison d'être* as a company and as a community, our “what for”, which gives fundamental meaning to our business, aligns and guides us in the transformation of the company, putting people and the planet at the heart.

This transformation has led us to diversify the business, while maintaining the connection with our current activity, either through the same customers, the same channel, the same technology, etc. Always with the purpose of creating a positive impact on people and planet.

Participatory process of defining the purpose

Girbau's purpose has been defined through a process of reflection in which family members and shareholders over 18 years of age, as well as the Board of Directors and the Steering Committee, have participated in two sessions that included an inspiring presentation and workshop.

Once the purpose was defined and validated, it was communicated at the convention of subsidiaries, as well as at the ceremony to commemorate the centenary of the family business and the 60 year anniversary of the current business.

At Girbau, the corporate purpose has always been linked to the well-being of people and environmental sustainability, something that goes beyond just business. Explicitly defining this facilitates decision-making when choosing new projects and helps to align ourselves to achieve them.

To be a reference creating a positive impact on people and planet

GIRBAU'S PURPOSE

- Go the extra mile to provide new solutions for the planet and people
- Clean energy
- Care for people
- Entrepreneurship
- Reduction in emissions
- Zero waste

Global presence

PRODUCTION CENTRES

Vic (Catalonia, Spain)

Girbau 1 (G1)

Assembly of large capacity washing machines, small and medium capacity dryers, ironers and manufacturing of components and ironing.

Girbau 2 (G2)

Assembly of batch washers (batch washers, presses, dryers), flatwork ironer and complementary equipment.

Girbau 3 (G3)

Assembly of small and medium capacity washing machine production lines.

Girbau 6 (G6)

Machining and welding.

Grésy-sur-Aix (Francia)

Girbau 4 (G4)

Machinery for automation of the finishing process (feeders, folders, stackers) and Compact ironers.

Shanghai (China)

Girbau 7

Washers, dryers, ironers and flatwork ironers.

COMMERCIAL SUBSIDIARIES AND DELEGATIONS

Germany

Argentina

Australia

Brazil

China

Cuba

Colombia

United Arab Emirates

Spain

United States

France

Italy

Mexico

Portugal

United Kingdom

Dominican Republic

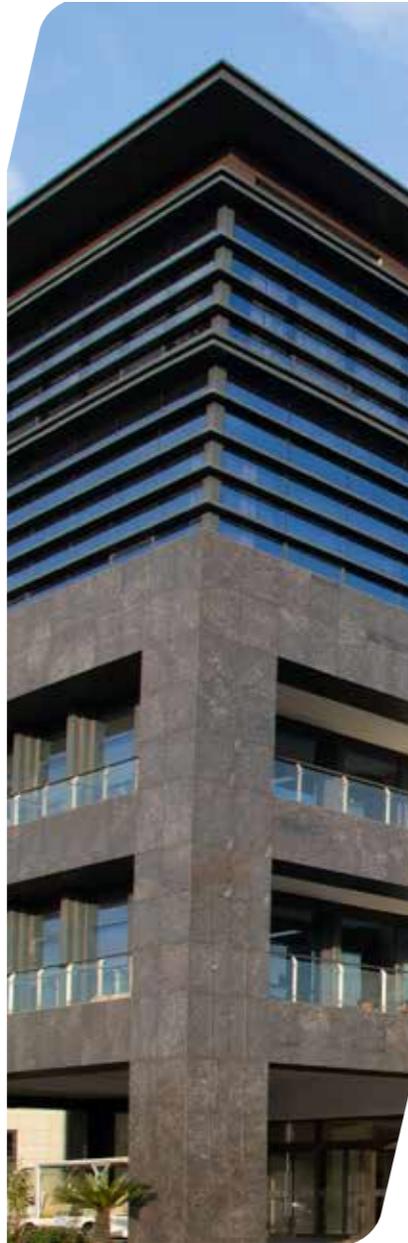


Girbau Group acquires a 100% stake in its Chinese joint-venture

Girbau Group has acquired the entire share capital of its Chinese joint venture Girbau Shenguang Laundry Technology (hereinafter GSLT). GSLT is now therefore a wholly-owned subsidiary of Girbau Group with the aim of promoting the future development of the company and strengthening its position in the Chinese market. GSLT is the result of the joint venture set up in 2017 by Girbau Group and Shenguang, a Chinese manufacturer of laundry machinery.

Girbau Group, which until now had a majority stake in the company, took control after purchasing the remaining shares from its partner Mr Qian Zhigen, President of Shanghai Shenguang Machinery Group. The partnership between the two companies allows Girbau to boost its market share in China and consolidate itself in the region.

GSLT, located in Shanghai, provides professional laundry solutions and is exclusively dedicated to customers in the Chinese market.



Girbau Brazil has received, for the sixth time, the award for Best Hospitality Supplier in the Laundry Equipment category, in the awards given by Hotéis magazine, one of the most important in the Brazilian hospitality sector.

In 2020 we started the digitalization project of the Vic plants, with the implementation of SAP Fiori, which provides a set of applications for Industry 4.0. This makes it possible for plant personnel to work with tablets, providing real-time updates of procedures, plans, tasks and production indicators.



At the Vic factory, improvements have been carried out in various lines, including the manufacturing line for drums and casings for the new series of washing machines, with an optimization of the flow of materials and production capacity, as well as in quality and safety. The improvements to the assembly line have increased the growth capacity of the product portfolio.

Girbau Robotics has carried out an optimization of ergonomic flow and time savings by investing in bag rails.



Sectors in which we operate

LAUNDRY BUSINESS

Comprehensive solutions for industrial, commercial and self-service laundries.



Girbau collaborates with Lavandería Tecnológica de Uruguay to install the first batch washer in the country

The exceptional circumstances resulting from the COVID-19 pandemic has posed a huge challenge for the laundry sector in terms of disinfection. A challenge that Girbau has overcome by focusing its efforts on maintaining a closer relationship than ever with its customers and distributors in order to offer them the best solutions on the market.

Thanks to this culture of proximity to our customers, Uruguay now has its first batch washer, a huge facility—it is made up of 12 modules and is suitable for intensive washing and disinfection— which will help provide the industry with a washing quality that maintains high standards of cleaning and disinfection.

The project, for which Girbau provided comprehensive advice in all phases of the process, represented a great technological leap for Uruguay, allowing the Uruguayan textile washing industry to access the new technologies and innovations on the market, and has enabled Lavandería Tecnológica transform itself from a simple laundry business to an industrial one.

Girbau provided comprehensive advice, from the collection of river water to support for the team architects, to convert what was a small warehouse into the facility that it is today.



SNL Ibérica places its trust in Girbau for the treatment of hospital clothing in Portugal

SNL Ibérica, Girbau's customer with 22 years of experience in hospital laundry management, has reinforced its commitment to its sustainability policy with the acquisition of a batch washer, dryers and ironing line. With this acquisition from Girbau, SNL Ibérica contributes decisively to minimizing the impact of the growing demand for the treatment of hospital clothing derived from the COVID-19 pandemic, a situation that has put the hospital system under extreme pressure.

This investment in Girbau equipment has enabled the

customer to double production while proportionally increasing energy efficiency by around 15% and reducing water consumption by around 20%.

The forecast for 2021 is that the partnership between Girbau and SNL will enable this sustainable growth to continue through the acquisition of new equipment and thus contribute to the energy efficiency and improvement of SNL Ibérica - Sociedade de Lavandarias Lda.



Opl (on-premise laundry) LAUNDRY IN FACILITIES

Comprehensive solutions for laundry in health and social services, hospitality, retail, sports and leisure.



Product range

COMMERCIAL DIVISION

FLATWORK ZONE



PB/PBP

FINISHING ZONE



S/AVR S/MP4 S/MTA

INTERNAL LOGISTICS



LAUNDRY MANAGEMENT AND CONNECTIVITY



ED



HS / RMG / RMS / LS



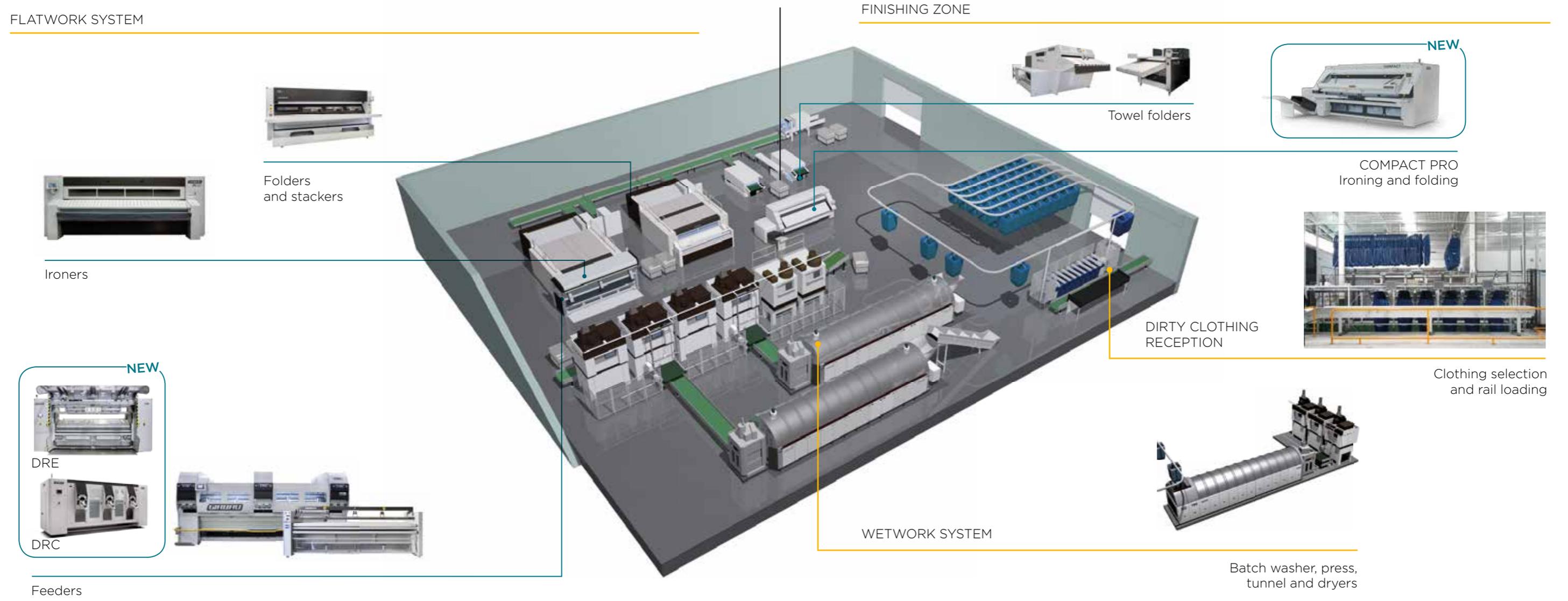
BW

Sanitary Barrier Washers

Product range

INDUSTRIAL DIVISION

FLATWORK SYSTEM





Compact Pro is the result of the evolution of the current Compact+ towards a faster and more ergonomic machine.



In 2021, we will launch a new range of washers and dryers in China with improved ergonomics, safety and interface.

The washing machine will incorporate new safety controls and new doors that comply with CE marking standards. Improvements have been made to the design of the dryer to make it more efficient.



Sapphire Payment Kiosk, a new, more secure payment system

The **Sapphire Payment Kiosk** is now in operation. This payment system for laundries enables the centralized management of information provided by an unlimited number of machines and allows cash to be stored safely.

Girbau's Wet Cleaning system is a key solution for the disinfection of microorganisms from delicate garments while protecting the fabric.



This year we have completed the project for the first cornerless feeder, the DRC, which allows textiles to be fed in without the need to find the corners.

The competitive advantage of this feeder is that two lanes can be used in parallel with a high feeding quality and, moreover, it stands out for its low energy consumption and stability. Its launch on the market is scheduled for 2021.

Another launch planned for 2021 is that of the DRE feeder, the most versatile, productive and high-speed Girbau feeder that has ever existed. Its flexibility allows a wide variety of items to be fed into the ironer while offering superior quality results in less time.

Girbau HeiQ Viroblock, the first antimicrobial textile solution adapted for laundries

At Girbau we continue working and focusing our efforts on driving the company forward, diversifying our activity towards new segments and offering new solutions to respond to customer needs.

In 2020 we signed an agreement with HeiQ, a leading Swiss company in textile innovation that develops technologies for textile treatments, including HeiQ Viroblock NPJ03, which has proven its effectiveness against SARS-CoV-2.

This technology has multiple applications in various sectors; collaboration with HeiQ, however, has allowed Girbau to be the first company in the professional laundry sector to exclusively offer this solution to customers so that they can apply an antiviral treatment during the washing process, adding an extra measure of protection to the items.

Girbau will initially focus on a B2B offer, with a special focus on to providing greater antimicrobial and antiviral protection to items and textiles used in the healthcare and hospitality sectors. In this regard, we have already signed an agreement with the Vic Hospital Consortium to carry out a pilot test and treat the clothes with HeiQ Viroblock NPJ03 at the La Calandra laundry.

This partnership represents an important milestone in Girbau's journey, as it allows us to create pioneering solutions for textile treatment with a positive impact on people. The collaboration is therefore a positive step forward in differentiating our offer and shows once again how two innovative companies can contribute to a better world by joining forces.



Disinfection Monitoring Package, the new Sapphire functionality that ensures the correct disinfection is carried out during the washing process

In 2020, Girbau launched the pioneering solution Disinfection Monitoring Package, created specifically to guarantee hygiene and disinfection in laundries. It is a unique solution on the market designed to respond to the new needs of customers in this COVID-19 scenario and beyond, in which textile disinfection is a key element in protecting the health of people in the prevention and fight against the pandemic.

The Disinfection Monitoring Package is a new programme that is integrated into Sapphire, Girbau's intelligent remote control software. The new functionality aims to help customers, especially hotels, care homes and others with their own laundry, in their prevention and disinfection strategies, guaranteeing protocols in accordance with the requirements of the new normal. In this regard, the Disinfection Monitoring Package plays a key role, since it offers a remote data recording system with time and temperature traceability for correct disinfection in the washing of every batch and ensures that the process has been carried out successfully.

With this solution, Girbau provides high added value to its customers' businesses using state-of-the-art software whose purpose is to guarantee the elimination of microorganisms that are harmful to health.

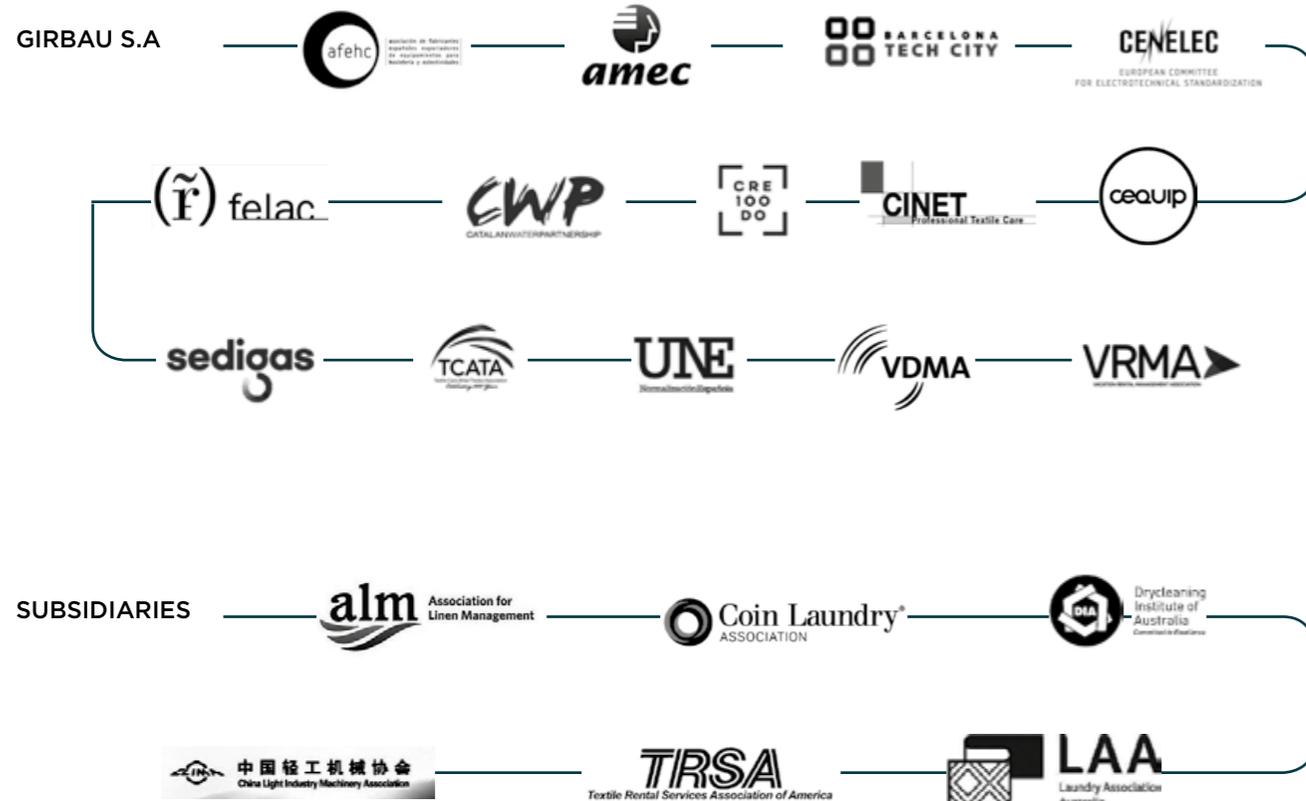


COVID-19 DISINFECTION MONITORING PACKAGE



Partnerships and associations

(102-13)



A SUSTAINABLE APPROACH TO THE FUTURE

(102-12)

We manage the business responsibly and take a sustainable approach to the future, seeking economic, social and environmental balance, in accordance with our corporate purpose. Our actions are aimed at generating value for our stakeholders.

We work to achieve the United Nations Sustainable Development Goals, prioritizing those goals that are related to our activity.



Ensure healthy lives and promote well-being for all at all ages.



Make cities and human settlements inclusive, safe, resilient and sustainable.



Ensure availability and sustainable management of water and sanitation for all.



Ensure sustainable consumption and production patterns.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

The family business, a pillar of good governance

Girbau's corporate governance model is based on a professionalized family business culture:

Our smooth functioning and sound structure ensure a balance of power and, in turn, divide the functions between the business family and the management bodies. This safeguards the interests of the shareholders and maximizes the economic value of the company, its continuity over time and the persistence of its culture and values.

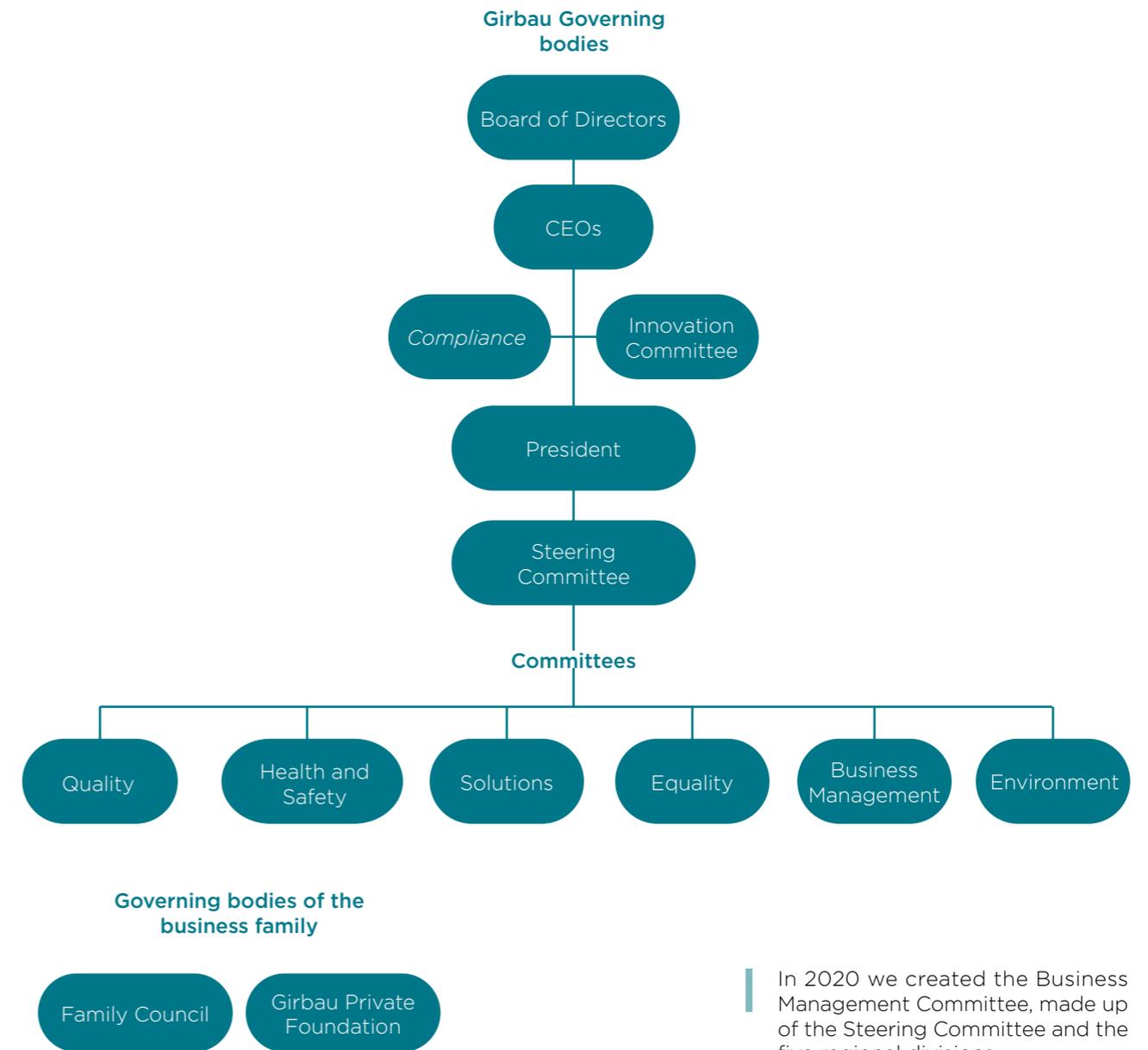
The members of the fourth generation of the family have been trained by people from the Girbau team in different areas of the business.



Serge Joris, appointed President of Girbau Group

In 2020, Serge Joris was appointed the new President of the Girbau. Joris has a strong professional background with more than 25 years of international experience, occupying high-level positions in companies in the technology and industrial sector.

This appointment aims to strengthen Girbau's management team and promote the growth of the company. Pere Girbau and Mercè Girbau, the current CEOs and third generation of the family business, continue to perform their CEO duties, with a clear focus on developing the company's strategy and promoting innovation, new technologies and sustainability, as well as the culture and values of the company.



In 2020 we created the Business Management Committee, made up of the Steering Committee and the five regional divisions.

Committed to ethics and transparency

Our management model is based on integrity, transparency, ethical business management, human rights and compliance with the laws and regulations that apply to us. The Board of Directors, the Management and the Compliance Officer ensure compliance with these principles and commitments.

Girbau, S.A, has internal protocols in place for the prevention and detection of any criminal conduct within the company and a code of conduct that establishes the following commitments:

- **Respect for the integrity of individuals**, in accordance with human rights and international ethical guidelines, including those of the International Labour Organization, the United Nations Universal Declaration of Human Rights and the European Convention on Human Rights.
- **Commitment against corruption and bribery.** Members of the company are informed about how to proceed ethically and professionally.
- **Commitment in the fight against money laundering and fraud prevention** We adopt the appropriate measures in order to prevent any type of money laundering.

INNOVATION, A GROWTH DRIVER

R&D and innovation are among Girbau's main growth drivers, in line with the company's 2020 Strategic Plan. We approach innovation from a dual perspective:



R&D, new technologies and products

The R&D process at Girbau focuses increasingly on initiatives aimed at the eco-efficiency of machines, water reuse and savings and electricity consumption savings.

In 2020 we created the Solutions Committee, to develop new solutions that are even better adapted to the needs of different markets.



GIRBAU LAB

Open innovation in the laundry industry

The mission of Girbau Lab is to provide added value, through innovation, to customers in the laundry and textile treatment sectors. Girbau LAB translates new knowledge or technologies into real market opportunities and does so by capturing and managing innovation proposals from outside the company to be developed internally and vice versa.

Adopting a disruptive, open and international approach, Girbau LAB seeks solutions from the most advanced innovation environments through collaboration and internally promotes the generation of ideas.

Strategic challenges:



Digital transformation



Sustainability and circularity



Health and well-being of people

Main projects in 2020

CLINT, MATERIAL MADE FROM TEXTILE WASTE.

It is estimated that Girbau machines wash around 25,000 tonnes of clothing every day around the world and it is estimated that the solid residue of the fabrics generated during the drying process is 0.04 % of the volume of clothes washed, that is, a volume of accumulated waste of 10 tonnes per day.

To find a solution to this environmental problem and transform waste into a resource, Girbau LAB established a collaboration agreement with Elisava Barcelona School of Design and Engineering to invite students of Advanced Materials from the Degree in Industrial Design Engineering and from the Simultaneous Studies Programme to develop an academic innovation project. The result is Clint, a material made from textile waste.

The many applications of Clint include stationery and packaging. The first practical application of the new material was in the printing of the cards commemorating the 100th anniversary of the Girbau family business and the 60th anniversary of the industrial laundry business.



3RD EDITION OF IDRIVERS.

At the beginning of 2020 we completed the third edition of iDrivers, Girbau's intrapreneurship programme, which allows employees to contribute to improving experiences, products and processes, by presenting ideas to find disruptive business solutions to the company's business challenges and proposals for industrial laundry

NEW STUDENT CHALLENGE IN PARTNERSHIP WITH CREACCIÓ.

Students from the Technology and Communication Training Centre of the University of Vic-Teknos, from La Salle Manlleu and from the IES-FP of Vic took part in a project to find solutions to a challenge related to industrial laundry launched by Girbau LAB. These young people were faced with the challenge of finding sustainable solutions for washing their own clothes after leaving home. The proposals received ranged from setting up laundries with areas for connecting to the Internet or watching television series to generating the energy used by the washing machine with an exercise bike. This action is part of the intrapreneurship support programme promoted by Creacció, an agency for entrepreneurship, innovation and knowledge.

PARTICIPATION IN WORKING GROUPS TO DEFINE COVID-FREE PROTOCOLS IN TOURIST ESTABLISHMENTS

In 2020 we drew up the guidelines Praxis de trabajo en lavandería hotelera (practical guide to working in hotel laundry), the result of Girbau's participation in working groups to create COVID-free protocols in tourist establishments. The information offered in the guide is based on Girbau's experience, history and best practices, with the understanding that a hotel is responsible for the safety and health of all its guests and that clothing is a key aspect of this responsibility.

INNOVATORS CLUB SESSIONS.

The Innovators Club is a meeting space promoted by Girbau LAB to promote an innovative culture at Girbau. The Club aims to become the key tool for learning about the main trends, cutting-edge technologies and best practices in innovation that can inspire and therefore bring about innovation within Girbau. In 2020, the Club held the following sessions:

- *How innovation can help us to be an agile organization, with Xavier Marcet.*
- *Social innovation and new opportunities for textiles, with Alfred Vernis.*
- *Innovation in times of COVID, with Mariona Sanz.*
- *Ocean 52, with Olga Vilacañas.*
- *Createch 360°, with Albert Vilardaga.*
- *Presentation of the Clint project by Elisava students.*

In 2020 Girbau LAB continued to look for startups in the latest edition of IQSTechFest, the most important international conference for industrial startups organized by IQS Tech Factory. During the event, Girbau made contact with different emerging companies that presented prototypes and potentially interesting solutions for the company.

As a result of a collaboration agreement with the Polytechnic University of Catalonia that began in 2019, we continue to count on the participation of an industrial PhD student for a water recovery project. The PhD student brings methodology and scientific rigour to the project.

Company employees have increasingly more input in matters of innovation, with actions such as the relaunch of Idea Box, the platform for collecting ideas and internal initiatives.

FINANCIAL FIGURES

(102-7)

Main figures (in euros)

	2019	2020
Balance sheet figures		
Non-current assets	34,263,797	32,183,588
Current assets	116,814,861	91,737,117
Net worth	86,358,863	76,860,986
Current and non-current liabilities	64,719,795	47,059,719
Income statement figures		
Equivalent turnover	182,267,327	113,206,577



04

Our people

QUALITY EMPLOYMENT AND WELL-BEING OF PEOPLE

The socioeconomic impact of the COVID-19 pandemic has also affected Girbau, which has worked to cushion this impact on its employees with the tools that each government has provided.

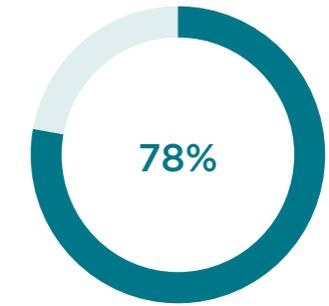
(102-7, 102-8, 102-41, 401-1)



Work environment

In 2020 Girbau carried out the second edition of the engagement survey aimed at all the people who work in the company's international community. The participation of the workforce in this survey, prepared by a specialized consulting firm, was 80%. Overall, the results were better than those of the first edition, in 2018, and of particular note was the on point increase in the engagement rate, which stands at 78% (more than 75 is considered very positive).

Both evaluations have enabled us to understand the work environment, a key pillar of team management, and to guide our actions towards creating satisfactory workplace conditions for our people.



Engagement rate

Internal communication

Dialogue and communication with the people who work at Girbau is fluid and constant and is facilitated through the use of corporate channels and the implementation of new actions that promote mutual communication.

- **Dialogue with management.** Third edition of this internal communication initiative, aimed at the entire Girbau community, which brings together people from different areas and centres with the company's CEOs during a session where topics of common interest are discussed. The objective is to enhance internal communication by creating a direct channel between management and staff and contribute to the continuous improvement of the company by encouraging the direct participation of employees. **In 2020, 20 sessions were held with the participation of 170 people.**
- **COVID-19 webinars.** During the lockdown period, Girbau set up a series of webinars in order to keep the workforce informed about the company's situation, the actions taken at all times in line with the evolution of the pandemic and the preventive measures implemented. Depending on their theme, some webinars were addressed to the entire workforce and others to middle managers, with most of them hosted by Management and the Prevention Service. The company email system and the GICOM app were used to send them to the recipients.
- **COVID-19 newsletter.** In all work centres and sent via email (GiExpress) and the GICOM mobile application.
- **G&YOU Employee Portal.**
- **Girbau annual plan sessions,** organized during the first quarter of the year, to publicize the end of the year results and the main projects in the current year.
- **Half-yearly meetings** addressed to middle managers.
- **Monthly videoconferences** hosted by management with the general managers of the subsidiaries.
- **Monthly video from the CEO.** Since June 2020, Girbau's management has produced the Corporate Bulletin in video format on a monthly basis, in which the most relevant information about the Girbau Group, the company's monthly results and the main projects being carried out are shared. It is sent to the entire workforce by email and the internal communication app GICOM.

Equality, diversity and multiculturalism

Girbau's workforce is made up of a wide diversity of cultures, ethnicities and nationalities, enriching us with different perspectives when tackling challenges and allowing us to build closer relationships with our customers, who are also diverse. We work to promote equal opportunities and prevent any type of discrimination in the workforce.



We work to promote equal opportunities and prevent any type of discrimination in the workforce.

405-1
Employees by age group and gender



Employees with functional diversity by gender



Employees by professional classification and gender



(1) Includes CEOs, members of the Girbau S.A. Steering Committee and regional general management of the subsidiaries.
(2) Includes the intermediate positions of Girbau, S.A (according to the organizational chart as of December 31) and the members of the steering committees of the subsidiaries (excluding general management).

With regard to gender diversity, Girbau, S.A, has been governed, since 2012, by the Equal Opportunities Plan. The Plan is periodically reviewed and updated and the Equality Commission meets to monitor its implementation whenever necessary. The Commission is represented by the Management and the Works Council.

We have protocols in place regarding sexual, moral (mobbing) or gender-based harassment, as well as a guide to neutral language at work.

There are also plans and policies in place in the company's subsidiaries in relation to this. In the UK, we have an equal opportunity policy and a dignity at work policy. In Australia, there is also a policy against harassment and violence in the workplace.

TRAINING AND PROFESSIONAL DEVELOPMENT

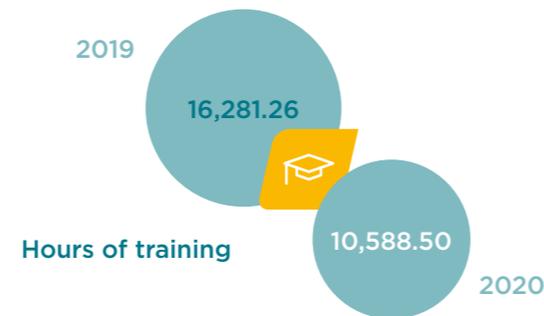
At Girbau we promote professional development, key to tackling business challenges. Our talent management aims to attract, develop, motivate and retain the human talent necessary to achieve the strategic objectives of the company and respond to the expectations of customers and markets.

We have established training collaboration programmes to incorporate talent through internship agreements with foundations, professional schools and universities.

At Girbau we believe that employee training is a fundamental tool to guarantee growth and provide the set of skills and competencies necessary to successfully achieve the company's objectives. We carry out an annual training plan at Girbau, SA that is linked to the needs of the Strategic Plan, involving different actions in different areas. In 2020, more than 467 people from both the production centres and commercial subsidiaries received training.



In the years 2019 and 2020, a total of 16,281.26 and 10,588.50 hours of training were given, respectively.



In 2020, more than 467 people from both the production centres and commercial subsidiaries received training.

In 2020, Girbau carried out a cybersecurity training programme addressed to the most critical positions and new hires in order to minimize the risk of cyber attacks. The programme, in which 320 people participated, included the following modules:



Security Essentials: **identifying and preventing potential security hazards in the workplace and beyond.**



Out-of-office security: keeping company information secure outside our facilities.



The general data protection regulation in action: exploring the key concepts of the regulation and how they might affect the functioning of the organization.

FOCUS ON EMPLOYEE SAFETY

The safety of the people who work in the company has always been a priority at Girbau. In 2020, the year of the COVID-19 outbreak, this commitment was reinforced in order to protect and provide maximum security to employees against the virus. The culture of prevention implemented through the management system according to the ISO 45001 standard, which covers all the group's activities, was an excellent starting point.

COVID-19 prevention measures

After the state of alarm was declared, Girbau, S.A. implemented an initial reaction plan outlining the steps to be followed by all the company's subsidiaries and production centres, who then adopted all the prevention and safety measures in a global and coordinated manner.

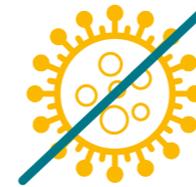
Through a specific training plan and constant benchmarking with leading companies, security conditions were defined and deployed. COVID-19 was included as a new risk, becoming an integrated part of the culture of prevention.

Subsidiaries, factories and subcontractors were aligned with the safety and prevention plan and information campaigns were carried out globally and strategically.

Depending on the health situation at each moment, various measures have been deployed and adapted. Those following were those in force at the end of the year:



- COVID bubbles (shifts, equipment groups, etc.).
- Disinfection of surfaces and tools with aerosols and liquids.
- Staggered access with specific flows.
- Minimum 1.5 metre safety distance.
- Use of mask and screen. Closure of common areas (canteen, gym, etc.).
- Awareness campaigns on safety at work. Meetings with limited capacity and time.
- Teleworking three days a week.
- Restrictions on travel.
- Sectorization of the factory.
- Specific protocol for all subcontractors and visitors.
- Temperature control at entrances.
- COVID-19 agent (identifies the needs of each plant).
- Antigen test when entering the workplace after the Christmas holidays.



At Girbau France, a group security procedure was deployed through training and audits.

In the United States, one of the many measures adopted was the installation of ozone air purifiers at night to eliminate any particulate pollution.

A cross-functional team was established at the China subsidiary to implement a strict COVID-19 prevention and control system according to government requirements and inspections, providing free masks and maintaining the appropriate security measures.

At the UK subsidiary, technical staff were equipped with disposable hazmat suits to protect against the virus.

To define and coordinate prevention and safety measures, Girbau has created a COVID Committee, made up of the Works Council, the health and safety manager and the Steering Committee, and the COVID Team, set up to manage and solve practical issues.

The infection rate at Girbau has never exceeded 1%, while in the industrial sector the annual average was 12%.

Girbau carried out 20 internal safety audits supervised by the COVID-19 agent.

Continued commitment to "zero and more" in safety at work

Girbau, S.A. has a health and safety policy and an occupational safety programme, called "zero and more", which defines Girbau's commitment to safety and objectives. This programme, which continued to be implemented in 2020, integrates occupational risk prevention into the general management system of Girbau, S.A. in all activities and at all levels.

Girbau, S.A. carries out all the prevention actions required by the occupational risk prevention regulations that apply in each centre.

In 2020 we established the accident triangle and managed all industrial requirements.

In 2020, Girbau developed a global strategic safety plan with the aim of aligning all subsidiaries and production centres and establishing global safety monitoring indicators by 2021.

We implement various safety programmes:

- Documentation
- Subcontracted personnel platforms
- AENOR legal audit
- Competences.
- Chemical.
- Behaviours*

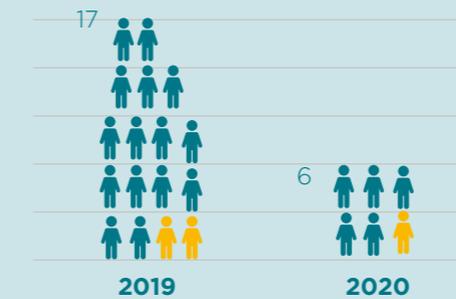
(*) Includes accidents, emergencies, safety person, 5-minute monthly meetings and safety walk-arounds with general management.



Accident indicators

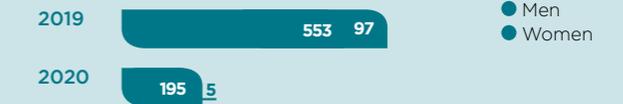
(403-9)

Number of work accidents leading to sick leave

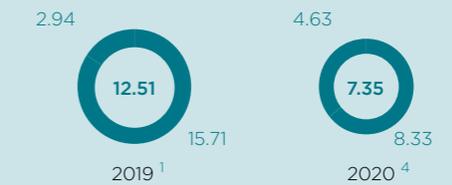


● Number of to and from work accidents leading to sick leave

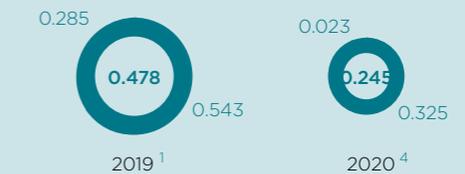
Number of days lost



Frequency rate ²



Severity rate ³



(1) Accidents leading to sick leave have only been recorded in Spain (Girbau SA) and in the subsidiaries in Australia, France (Robotics), China, Mexico, the Dominican Republic and the United Kingdom. The frequency and severity rates have been calculated considering only the subsidiaries that have recorded work accidents leading to sick leave.
 (2) Represents the number of accidents leading to sick leave (including accidents to and from work) per million hours worked.
 (3) Represents the number of days lost per thousand hours worked.
 (4) Accidents leading to sick leave have only been recorded in Spain (Girbau SA) and in the US subsidiary. The frequency and severity rates have been calculated considering only the subsidiaries that have recorded work accidents leading to sick leave.





05

Customers

UNDERSTAND, PERSONALIZE AND SATISFY

At Girbau we implement customer intimacy strategies to learn about the customer in order to continuously personalize products and services, satisfy their needs and exceed their expectations.

In 2020, the Strategic Marketing Department was set up with the aim of leading the creation of new solutions based on knowledge of both the market and our customers' businesses, in order to anticipate their needs.

In order to implement this strategy, which places the customer at the heart, the company has created a new Strategic Marketing Department, which turns the focus of the organization on anticipating customer needs. The Department's first action was to implement a segmentation of the market, the result of an internal process to identify customer needs that was carried out in 2019 (Athena Project). Customer segmentation makes it possible to identify the product offer according to the needs of each segment.

Meanwhile, at Girbau we continue to develop initiatives that focus on customer service, such as inbound marketing, which involves capturing and assessing leads to facilitate the sales process and provide each customer with a more agile and adapted response. Inbound marketing actions were carried out for the international launch of the Disinfection Monitoring Package, including the creation of a specific landing page and the preparation of visual documentation, etc.

In terms of COVID-19 prevention measures aimed at customers, in the UK subsidiary, whose main customers are care homes, a weekly PCR test was carried out on all technical personnel working at these centres in order to protect the residents as much as possible. An antibacterial spray was also provided to disinfect machines that may have washed infected clothes.

At the US subsidiary, the measures included providing face masks to customers, information on COVID-19 regulations and "We are open" signs for laundries and advertisements for distributors.

In line with the idea of understanding in order to personalize, the Industrial Business Unit was created, specializing in the sale, pre-sale and post-sale of products and services for the industrial sector.

With the aim of providing support, exchanging knowledge and offering value, under the motto "emprendiendo juntos" (working together) Girbau hosted a meeting between Spanish self-service laundry customers and experts in the company to share market trends and current needs.



Closer relationships with customers through the "three legs" innovation programme

In 2020, Girbau continued to collaborate with startups in a programme involving the identification of problems, the definition of solutions and their final implementation focused on meeting customer needs. This innovation programme is called "three legs":



Redefining the challenge

>> Challenge

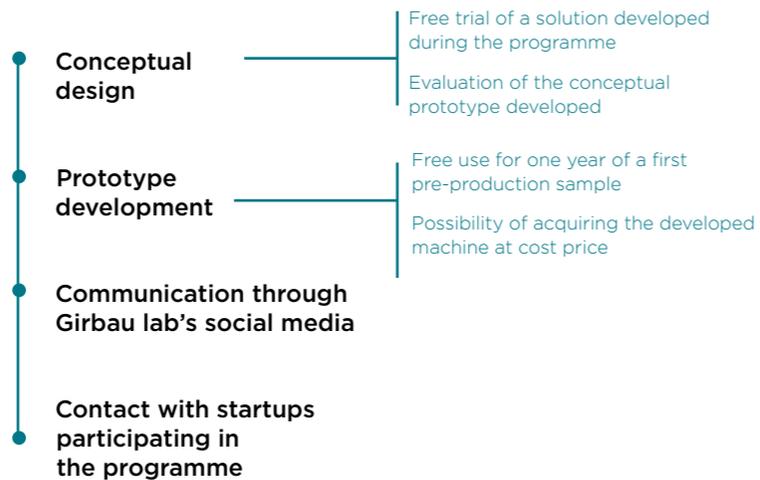
>> Solution

The contributions of emerging companies to the project are diverse:

- New technology
- Different approach
- Focus on the business
- Flexible teams
- Talent
- Openness to cooperate

In 2020, the innovation challenge was entirely about automation.

For Girbau's customers, the benefits of the programme are also significant:



Girbau offers free online training on hygiene, textile disinfection and best practices for hotel and care home laundry managers

Girbau offers free online training on hygiene, textile disinfection and best practices for hotel and care home laundry managers

Girbau launched free online courses in 2020 to provide the necessary training for laundry managers to safely sanitize and disinfect all types of fabrics and to handle the extraordinary situation generated by the COVID-19 pandemic. **These training sessions were attended by 1,248 people.**

The initiative's first webinar was aimed in particular at hotels, since many were converted into field hospitals or housed healthcare workers. Textile washing and disinfection has become a crucial element in containing the spread of infection. The webinar provided some key pointers on how to achieve the optimal hygiene and disinfection of the treated fabrics and on the different disinfection methods available, as well as tips on the proper cleaning of facilities and on handling and transporting fabrics order to prevent contagion.

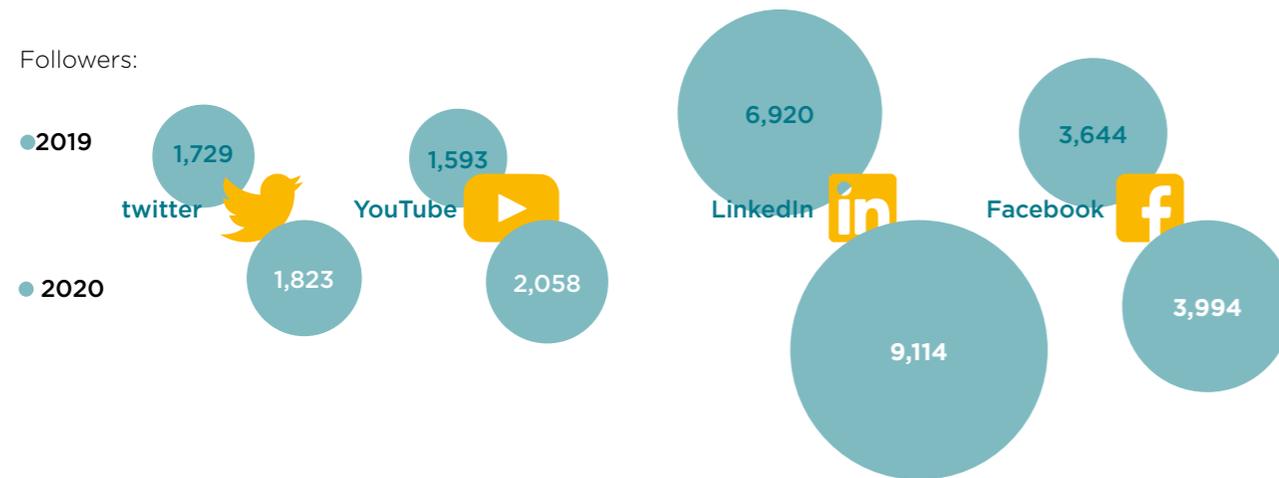
In this way, Girbau made its know-how available to the entire community, helping the professionals in the sector to meet the current demand for textile disinfection with sound training provided by experts in the field.

Girbau has carried out an international campaign for industrial laundries to convey the message that the company is there to support them, offering advice and audits.

Girbau is present on major social media sites, which facilitates dialogue and communication with customers and other stakeholders.

Multiple communication channels

Followers:



In 2020, a machinery outlet section was included on the Girbau website selling equipment from fairs, pre-production samples, etc. The objective of the *outlet* is twofold: to give a second used to this machinery, which have been recovered through inspection, certification and a new guarantee, and to facilitate the purchase of products in a difficult socio-economic context.

GUARANTEED QUALITY AND SAFETY

Girbau's sole purpose in obtaining certifications is to guarantee customers, personnel, suppliers and the community that things are done well in the company. Quality is integrated at all levels of Girbau through management systems and tools that guarantee its fulfilment and continuous improvement.

QUALITY MANAGEMENT

Since 1996, Girbau S.A. has implemented a quality management system, certified to ISO 9001 standards. This system guarantees that our products have been designed and manufactured in accordance with the pre-established procedures in the quality manual, thereby ensuring that the same processes are repeated for all products. Girbau Shenguang (since 2018) and Girbau Robotics (since 2004) are certified under the same standard.

CERTIFICATIONS

Certifications provide a guarantee for our customers that our products comply with the strictest quality, safety, efficiency and eco-design regulations that apply in the different markets in which they are sold.

To guarantee their reliability and quality, the components assembled in our products also have the necessary certifications.

Product and component certifications

We guarantee the quality and reliability of our products and components through the following certifications:

European market (CE)

- CE marking according to the Gas Appliances Regulation (GAR), issued by LGAI-Appplus.
- CE marking according to Pressure Equipment Directive (PED), issued by TÜV.
- CE marking according to the Radio Equipment Directive (RED), issued by LGAI-Appplus.
- CE testing according to the Electromagnetic Compatibility Directive (EMC), carried out by Appplus.
- Compliance with WEEE responsibilities as producers of electrical and electronic equipment, according to the Waste Electrical and Electronic Equipment (WEEE) Directive.

English Market (UK)

- WRAS Certification (S6).

Swiss market

- SVGW Gas Certification (ED).

North American market (United States and Canada)

- ETL Certification (S6, ED, PB, DY130), issued by Intertek.
- CSA certification (motors and drainage).
- UL certification.

Australian market

- AGA gas certification (ED).
- Watermark Certification (S6).

Korean market

- KC certification (only for some S6 models), issued by KTL.
- KGS certification (as manufacturers of gas appliances).



06

The environment

ENVIRONMENTAL FOCUS OF THE ACTIVITY

(102-11)

Girbau's activity is carried out with focus on the environment. Our manufacturing process, and in general the lifecycle of our products, is based on optimizing the use of natural resources and energy, and constant improvements to mitigate and minimize their environmental impacts. Respect for the environment is an indispensable requirement for a company with a sustainable vocation like ours. For this reason, the company's management has defined an environmental policy for the entire Girbau group.

At Girbau, SA, plants G1, G2 and G3 have an environmental management system certified according to the ISO 14001 standard and verified according to the EMAS Regulation. Girbau Shenguang is also ISO 14001 certified.

Within the framework of our environmental management system, the following significant environmental aspects have been identified:

Girbau, SA annually publishes its Environmental Declaration, containing extensive information on all environmental aspects of the G1, G2 and G3 production facilities.

Energy consumption



Raw material consumption
(mainly steel).



Waste generation

(mainly non-hazardous – steel – and recoverable.)



Emissions

(derived from energy consumption)



The Environmental Declaration is available at <https://www.girbau.es/equipamiento-lavanderia/declaracion-medioambiental>.

To ensure the correct control and management of these aspects, we monitor the follow-up indicators and have established procedures in order to define an action plan. Annually, we define improvement objectives focused in particular on reducing energy and raw material consumption, in order to reduce the environmental impact of our activities.

As defined in our environmental policy, we have identified and managed environmental risks and opportunities at an operational level. Opportunities are transformed into improvement objectives which are then set out in the environmental programme on an annual basis.

Main risks

- Failure to become a leading manufacturer in the environmental efficiency of products.
- Incorrect identification of environmental aspects and assessment using inappropriate criteria.
- Failure to achieve environmental targets.

Main opportunities

- Optimizing energy consumption within the Girbau group.
- Optimizing the segregation and recovery of waste.
- Installation of solar panels for self-generated electricity.
- Development of new business models within the circular economy.
- The training and awareness of the users of Girbau machines for a more efficient use.



At Girbau we want to engage and involve stakeholders in environmental management. The majority of Girbau, S.A.'s employees, including new hires, are trained and/or informed on environmental matters. We provide information on our environmental policy, the main environmental impacts, and best practices in the workplace.

We periodically carry out awareness-raising and promotional actions on best practices. In 2020 we started an awareness campaign through information pills that will continue in 2021.

1. REDUCE EL CONSUMO DE ENERGÍA / REDUCE ENERGY CONSUMPTION



Con la sustitución de los sistemas de iluminación por lámparas tipo LED* se puede alcanzar hasta un 50% de reducción en el consumo de electricidad

The replacement of lighting systems with LED lamps, permits up to 50% reduction in electricity consumption*

*Light-emitting diode

At the same time, we have implemented environmental best practices in marketing areas and in the publication of graphical material with the aim of promoting digital media.

The environmental management of suppliers is now considered an important aspect of the supplier evaluation procedure to assess the correct performance of each supplier in their field.

EFFICIENT ENERGY, WATER AND MATERIAL CONSUMPTION

Energy

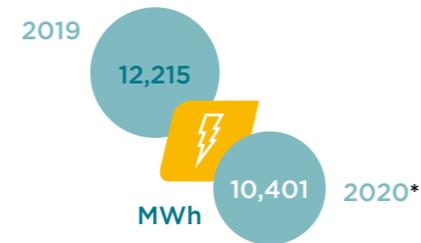
Energy consumption is a key aspect of our activity and one of the most significant issues in terms of our environmental impact. Efficiency in energy consumption is part of the DNA of our products, which are designed to achieve maximum efficiency throughout their life cycle.

Annual energy consumption in production centres according to turnover:



(*) In 2020, due to the COVID-19 pandemic, production was irregular; therefore, the resulting indicator cannot be considered relevant.

Annual energy consumption in production centres:



MAIN IMPROVEMENT MEASURES IN 2020

- Girbau, S.A**
 Photovoltaic solar production for self-consumption. In 2020, the second year of solar energy production for self-consumption, the installed solar panels (99.96 kWp on the G1 roof) produced 123,049 kWh.
- Subsidiaries**
 Awareness campaign throughout the group on the control and optimization of energy resources and business vehicle fuel costs.

100 kWp of solar energy is currently installed and this is expected to increase in the near future

The solar panels installed on the roof of G1 have produced

123,049 kWh



Water

Water consumption is not a significant aspect of Girbau's activity. The water from the supply network is used for the industrial process, in the testing of washing machines, *during which most of the water is recovered*, and in the evaporative coolers, as well as in toilets in all the plants.

Annual water consumption in production centres according to turnover:



(* In 2020, due to the COVID-19 pandemic, production was irregular; therefore, the resulting indicator cannot be considered relevant.

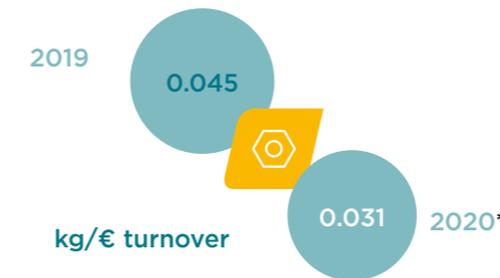
Annual water consumption in production centres and commercial offices



Materials

The continuous improvement of production processes has led to the optimization of the consumption of materials, and a significant improvement in their use has been obtained.

Consumption of raw materials according to turnover:



(* In 2020, due to the COVID-19 pandemic, production was irregular; therefore, the resulting indicator cannot be considered relevant.

Annual raw material consumption in production centres and offices



MAIN IMPROVEMENT MEASURES IN 2020

Girbau, S.A

50% reduction in packaging weight of series 6 washers thanks to a more rational packaging using a rigid base made of wood, cardboard and shrink wrap. This packaging ensures the adequate protection of the machine during handling and transport.

Subsidiaries

In France they are working on the goal of achieving zero paper.

Also in France, an optimization project is being implemented for the reuse of packaging from supplier products.

Girbau Robotics has adapted its coffee machines to work with multi-use cups belonging to employees instead of single-use plastic cups.

REDUCING ENERGY CONSUMPTION TO REDUCE THE CARBON FOOTPRINT

The main generators of greenhouse gas in Girbau's activity are those derived from energy consumption. For this reason, any efforts made to reduce this consumption have an impact on our carbon footprint.

There are several opportunities available to us in this regard:

- The efficiency of our machines has an impact on the resource consumption efficiency of users.
- Reducing the weight of the machine packaging leads to greater transport efficiency.

The annual production of G1 solar panels is 123 MWh, which lowers CO₂ emissions by 30 t.

(305-1, 305-2)
Greenhouse gas emissions:



RESPONSIBLE MANAGEMENT OF WASTE AND WASTEWATER QUALITY

At Girbau, S.A, all waste is managed by authorized carriers and managers. We promote responsible waste management in all our production centres and commercial offices.

More than 90% of the waste generated at the G1, G2 and G3 production centres is recovered.

In accordance with European regulations, as a producer of waste electrical and electronic equipment, Girbau, SA is a member of SCRAP (collective systems for extended producer responsibility) which is responsible for the final management of our machines at the end of their service life.

Girbau, SA, is authorized to discharge wastewater directly into the municipal sewer system, since it is comparable to domestic wastewater. Only wastewater from the production process (degreasing water in the internal circuit) generated in G1 is managed as waste.



ECO-SUSTAINABLE PRODUCTS AND SOLUTIONS

Sustainability and circularity are among Girbau's main strategic challenges, the objectives of which are:

Water and energy savings in products and processes, and the development of more efficient systems.

New business models and solutions that contribute to the **more efficient use of industrial laundry machinery and facilities.**

Use and generation of **alternative energy sources.**

New solutions and business models that promote a **collaborative economy** in which users share resources and help extend product life cycles.

Waste treatment and reuse in the production process.

Alternative technologies for the laundry industry that contribute to developing more **sustainable solutions: infrared, ultrasound, artificial vision, and others.**



In the United Kingdom, Girbau products that consume water are included in The Water Technology List, which certifies efficiency in consumption.

Girbau washing machines have a direct impact on users' water consumption. We work to offer technical solutions in machines that allow us to accurately determine the precise optimal consumption of chemical products required for washing and, consequently, reduce wastewater load.

At Girbau, all products are manufactured according to environmental criteria. From the design phase, the procedure defined in the environmental management system is applied, outlining which measures need to be taken into account to minimize negative effects on the environment.

During the design phase the following aspects are considered:

- Machines that guarantee optimization in the use of natural resources, which translates into energy and water savings.
- Quiet machines to reduce noise pollution.
- Reduction of the weight of machines to save on raw materials.
- Use of durable materials to avoid consuming new materials.
- Use of recyclable materials so they can be recovered.

We also comply with UK, US and Australian regulations on the prohibition to contaminate the drinking water network when using washing machines.

Products

REDUCTION IN THE CONSUMPTION OF COMPRESSED AIR WITH THE NEW DRE FEEDER

One of the key movements in feeding machines is that of the transfer box, which receives the laundry from the server clamps and deposits it on the table that carries the item to the ironer. With the old model of DRF feeder, the movement was rotational and carried out by means of pneumatic cylinders and blowing compressed air, in order to ensure that the clothes were properly placed on the table. With the new DRE feeder, this movement is done by means of a servo motor and is no longer rotational but horizontal, without the need for air blowing, thereby **reducing compressed air consumption by 12.5%**.



It is mainly used for clothing in healthcare centres and makes handling easier for the operator, since who no longer needs to find the corners of the items.

INCREASED PRODUCTION OF THE DRC FEEDER FOR THE SAME HEAT ENERGY CONSUMPTION

In 2020, we launched the first cornerless feeder (feeding without the need to find the corners), the DRC, on the market. This feeder allows two lanes to be used, which makes better use of the heat from the ironer, since practically the entire heated surface is used thus preventing energy losses from heat release. With the same consumption of calorific energy, **it is possible to increase production by 15%**.



Solutions

At Girbau we offer energy and water saving solutions through our consulting, laboratory and training services aimed at laundries. We advise on aspects such as working methods, machine adaptation, energy source changes, etc.

In the area of water, Girbau focuses on the reuse of washing water (water recovery), that is, on the incorporation of an internal water recovery treatment in the laundry washing system.



WATER TREATMENT STUDIES IN INDUSTRIAL LAUNDRIES

We carry out an industrial PhD programme in which we develop a comprehensive water reuse system.



INTEGRATED RINSE WATER RECOVERY SYSTEM

In batch washers, the rinse water is automatically recovered for pre-washing and washing. The same does not happen in washing machines, which consume about 15 litres of water for every kilo of clothes washed. At Girbau, we designed systems for recovering rinse water, with or without a filter, and we launched a line of integrated systems in which rinse water is used for pre-washing and washing. This solution saves between 30 and 40% of water, so 10 litres of water are consumed for every kilo of laundry washed. In the long term, the establishment of closed water circuits will allow **savings of 85%**.



ENERGY RECOVERY

In an industrial laundry, energy consumption (mainly gas and electricity) is 20 to 25% of the production cost. Of this consumption, 40% is lost in the form of heat and hot water. At Girbau we offer water to water heat exchangers (for example, the heat from the water that comes out of the washing machine can preheat the clean wash water) and air to air exchangers (preheating the air that enters the dryers with the humid air that is released). These systems enable a saving of 30% of the gas used. In the ironer, the hot air that comes out can be used to heat the water for any point of the laundry.



EFFICIENT USE OF ENERGY

At Girbau we promote the use of efficient energy protection equipment, such as the Stemless system. In this system, the steam boiler (high energy cost) is no longer needed and washing is carried out using water heated by the high-efficiency condensing boilers. The production of hot water can be supported with the above solutions, thus avoiding temperature gradients.



USE OF ALTERNATIVE ENERGIES

The hot water production system can be supported by solar energy. If the average consumption in a laundry is 2 kWh per kilo of clothes, after installing thermal solar panels this can go **down to 1 kWh per kilo**.

We offer our customers integrated water recovery solutions, systems that do not require the use of steam and are supported by solar panels, which entails **savings of 30-40% in energy and water**.



07

Social action

WE SUPPORT THE COMMUNITY (413-1)

At Girbau we support local communities. In 2020 we demonstrated our support for those people fighting every day on the front line against the pandemic and for the most affected groups:

At the US subsidiary, the Express Laundry Center functioned as an essential service with normal business hours to serve the community and staffing was increased to carry out additional disinfection during business hours. The subsidiary participated once again in the annual Pink Possible Breast Cancer campaign and in the city/university COVID-19 protocol project.

The Dominican Republic subsidiary organized a charity run and clothing drive among its staff with the proceeds going to shelters.

Girbau, SA, installed a portable laundry at the Hospital Clínic of Barcelona that enabled the daily washing and disinfection of up to 720 kilos of garments worn by healthcare workers, in addition to testing the behaviour of certain materials in the wash. The loan of this equipment was also possible thanks to Girbau's regular collaborators, who entirely altruistically offered their help to the company to carry out this charitable action. Girbau offered training to the hospital's laundry staff in the use of the Mobile Laundry Mini portable laundry.

Girbau, SA, loaned a washing machine and a dryer to a centre in Montgat set up during the pandemic to provide a suitable lockdown space for vulnerable and homeless young people between 18 and 23 years of age.

Girbau, together with the University of Vic - Central University of Catalonia and the Scientia Foundation, promotes the FIRST Tech Challenge tournament, the largest international STEM programme for young people between 16 and 18 years of age. In 2020, the second edition of the tournament was held in Vic, with 24 participating teams and with the support of 22 people from Girbau as volunteers.

The Chinese subsidiary donated 10,000 yuan (about 1,290 euros) to the local trade association to support it during the crisis caused by COVID-19.

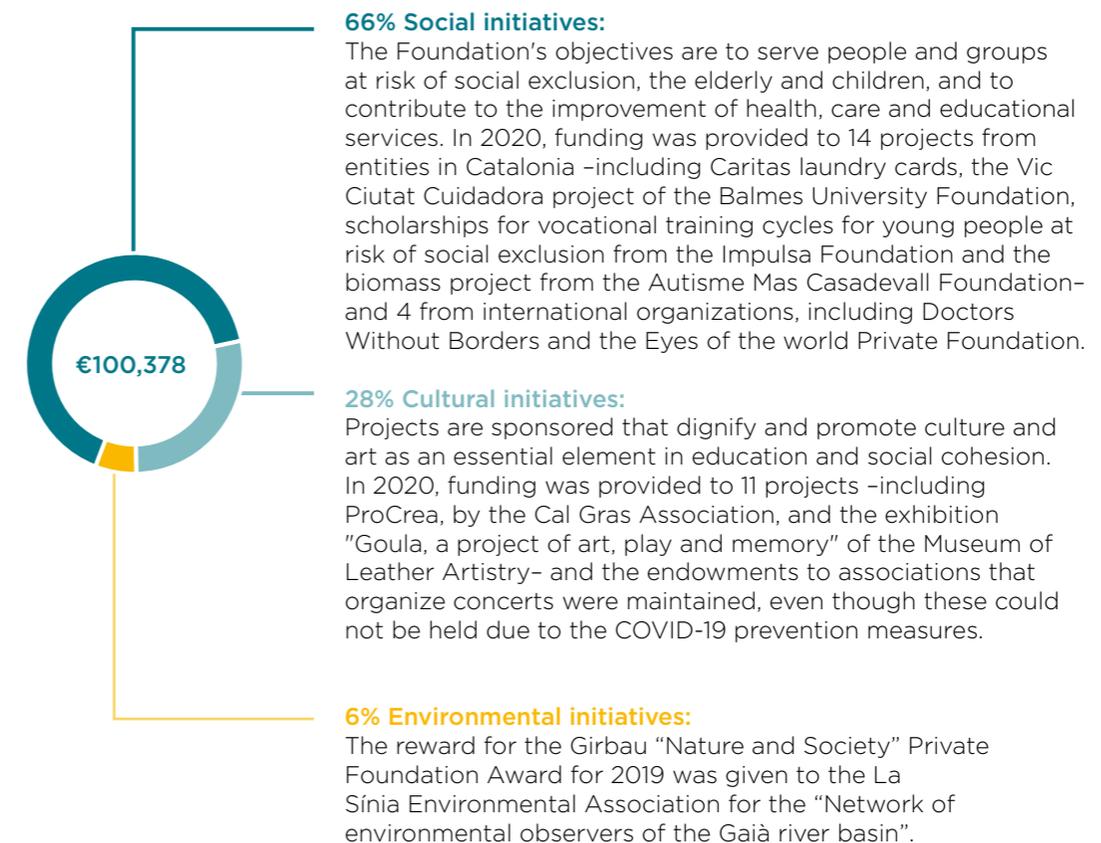
GIRBAU PRIVATE FOUNDATION

The objective of the Foundation is to promote initiatives that contribute to the development of people, the improvement of society and protection of the environment. It operates primarily in Catalonia, where the foundation has its headquarters, and focuses on helping and subsidizing entities and associations that operate in the social, cultural and environmental fields. The Girbau Private Foundation was created in 1999 by the three founding partners of Girbau, SA: Pere, Toni and Teresa Girbau.

In 2020, the Foundation's digital tools were improved in order to facilitate the participation of trustees, access to the data necessary to monitor projects, and contact and communication between entities and trustees of the Foundation.

The board of trustees, the governing and administrative body of the Foundation, comprises ten members, company representatives, and the Girbau family. People with diverse profiles and professional careers who share the same social, cultural, and environmental concerns.

The Girbau private foundation, during 2020, donated 100,378 euros, distributed among 31 entities or associations based in Catalonia.





08

Suppliers

SUPPLIERS

To ensure the correct functioning of the business, Girbau has a network of suppliers from very diverse categories and fields, adapted to the necessary technical, competitive, quality and productivity standards and who constantly update their services to comply with the company's requirements and the regulations.

In 2020, an environmental diagnosis survey was carried out on suppliers to extend Girbau's commitment to them and include environmental criteria in the selection procedures. The results of the survey will enable annual environmental management targets for suppliers to be defined.

Girbau's suppliers are classified into three types:

- Factory suppliers (machine components)
- Finished goods suppliers (complete machines)
- Service and transport suppliers

Girbau follows an annual supplier audit plan that establishes two types of control:

1. On-site quality audits on aspects such as technical definitions, their transfer to internal manufacturing orders and raw material control roadmaps, product control before shipment, general data, etc.
2. Supplier registration questionnaire that covers invoicing, customers, quality, etc.

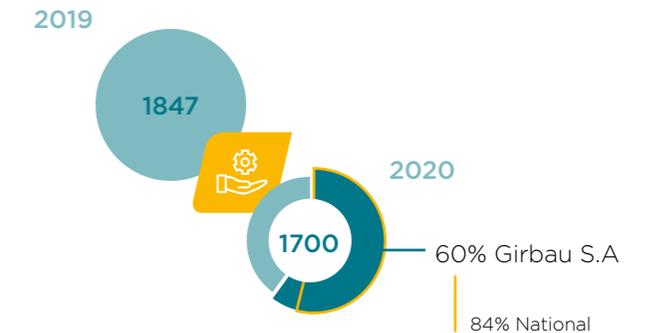
The policies and practices for supplier selection are the same for both local and foreign suppliers. All things being equal, preference is given to local suppliers that minimize the environmental impact of transport and contribute to the cohesion of the factories with their surroundings.

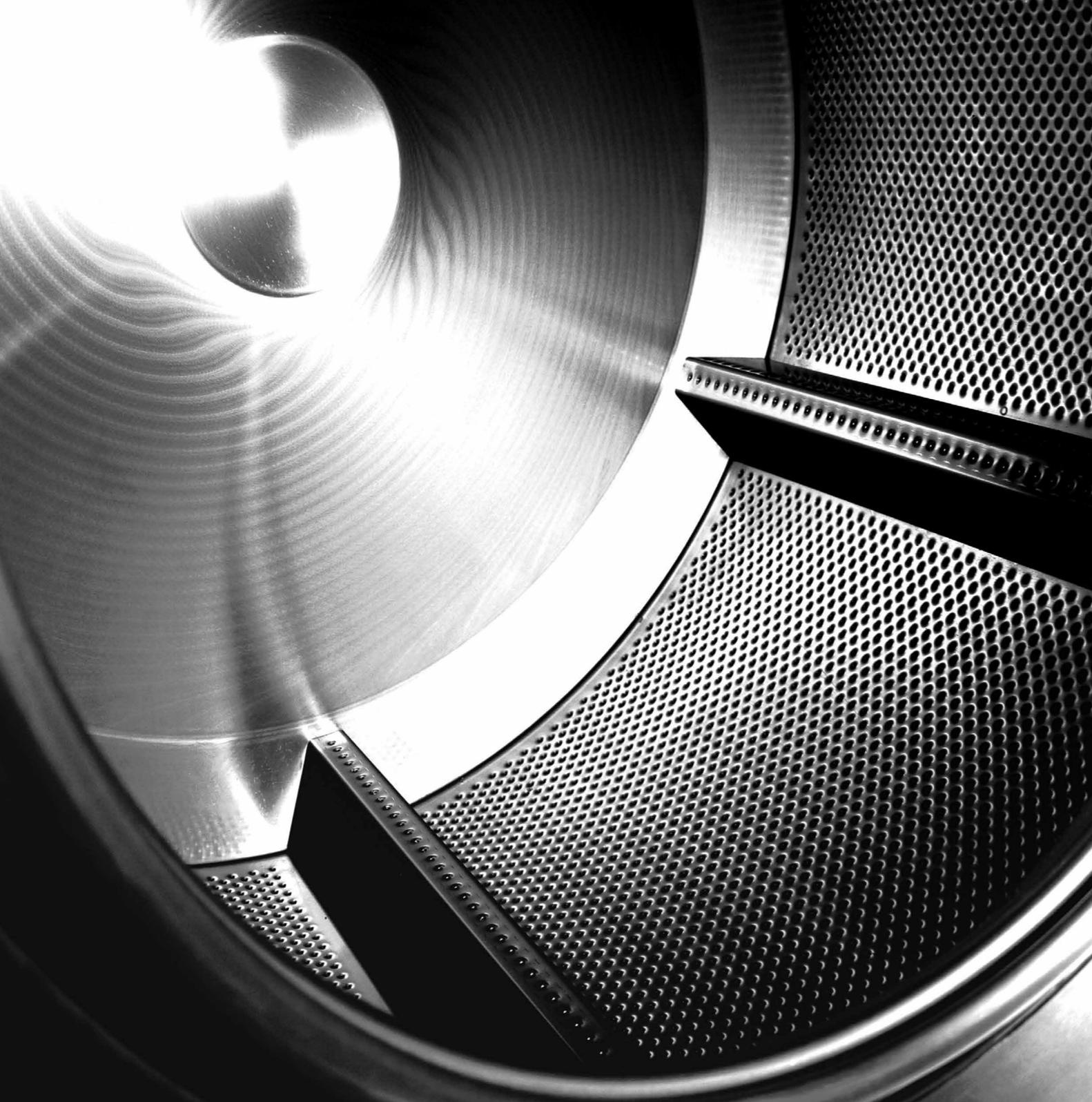
Girbau, SA, has implemented SAP Vendor Invoice Management, a module for invoice management that simplifies the process more efficiently and eliminates paper.

Girbau Robotics has implemented a supplier evaluation system, has completed the first phase of the G-Supplier digitalization roadmap and has deployed 50% of G-Logistic.

In 2020, about 60% of the group's total suppliers correspond to Girbau, SA, of which more than 84% are national.

Active suppliers (102-9)





09

Principles that
govern the
report

SCOPE AND COVERAGE

In December 2018, the Official Gazette published Law 11/2018, of 28 December, which modifies the Commercial Code, the revised text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Audits of Accounts, regarding non-financial information and diversity (hereinafter, Law 11/2018), which substitutes Royal Decree Law 18/2017, of 24 November, transposing to the Spanish legal system Directive 2014/95/EU of the European Parliament and of the Council, as regards disclosure of non-financial and diversity information.

In this context, Girbau, SA, and its subsidiaries (hereinafter, Girbau) include the consolidated non-financial information statement in Girbau's 2020 sustainability report, as indicated in the table "Contents of the Law on the subject of non-financial information and diversity".

The key indicators of non-financial results in this consolidated non-financial information statement were prepared in accordance with the content provided in the current commercial regulations and following the standards for preparing sustainability reports of the Global Reporting Initiative (GRI standards), international reporting framework provided for in the new Article 49.6(e) of the Commercial Code introduced by Law 11/2018. The information included in the non-financial information statement,

which forms part of the consolidated management report and which will accompany the consolidated financial statements corresponding to the 2020 financial year, is verified by Despatx i Gabinet d'Auditoria, SL in their capacity as an independent provider of verification services, in accordance with the new wording given by Law 11/2018 to Article 49 of the Commercial Code.

Furthermore, the rest of the non-financial information contained in this Sustainability Report, for the financial year closed on 31 December 2020, has been prepared, in all significant aspects, in line with GRI standards, in the core option, according to the details of point 102-54 of section "GRI Table of Contents" of the report. For the materiality analysis, prepared in 2019, the Accountability AA1000SES (2015) stakeholder engagement standard was followed.

This sustainability report covers 100% of business turnover, which encompasses the activities of Girbau, SA, the holding company of Girbau, and its subsidiaries.

For any issues related to the content of this report, please call **93 702 7093** or write to cgarcia@girbau.com.



