

CIE Automotive

Environmental Policy

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This Environmental Policy has been approved by the Board of Directors of CIE Automotive, S.A. (“**CIE Automotive**” or the “**Company**”, and collectively with its subsidiaries the “**Group**”). It is one of CIE Automotive’s policies on corporate governance and regulatory compliance, and it contains the principles and guidelines used to support appropriate management of information security.

1. Purpose

The purpose of this policy is to implement environmental practices across the entire value chain. By doing this, we are making a contribution to achieving the United Nations Sustainable Development Goals (SDGs) and ensuring transparent communication in relation to our environmental performance. The commitments described in this policy are being established as a key tool for accomplishing the Group’s objective of becoming a company with net zero emissions by the year 2050, in line with the 1.5°C target from the Paris Agreement, while also meeting the requirements of our stakeholders and those established in the applicable regulations.

CIE Automotive is a leading global, multi-technology supplier for the automotive sector, and we have made a firm commitment to sustainable development, the environment, biodiversity, and the fight against climate change. We also recognise our responsibility to minimise the environmental impact of our activities, products, and services, in line with the principles of sustainability and the laws and regulations in force, the requirements of our stakeholders, and the voluntary commitments taken on by the Company. All of these commitments are reflected in our Environmental Policy, which will help guide our strategic and operational decisions as we make progress towards a more sustainable business model.

2. Scope

The scope of this policy covers CIE Automotive and all of its subsidiaries where the Company exercises financial and operational control, with no geographical or technological exceptions.

This policy has the additional purposes of monitoring the supply chain, to ensure that all of its participants have made commitments in line with those of the Company, and of managing information security in relation to developing and manufacturing the products being sold.

3. Environmental policy

CIE Automotive is achieving compliance with the commitments found in this policy by implementing a comprehensive environmental management system, which is based on ambitious challenges, and which applies to all activities we perform. We are also integrating environmental protection into the business management systems, which includes establishing mechanisms for continual improvement, defining the corresponding objectives and targets, and establishing verification and control mechanisms to ensure their achievement. This is also a way of ensuring proactive management of risks and opportunities.

All of this is based on the following principles and commitments:

1. Regulatory and voluntary compliance.

We are ensuring compliance with all applicable environmental laws and regulations, the requirements of our stakeholders, and all voluntary commitments we have taken on, based on a system of transparent, duly documented environmental management.

2. **The fight against climate change, by incorporating strategies for:**
 - Mitigating climate change.
 - Adapting to climate change.

3. **Preserving the quality of air, soil, and water.**
 - Preventing pollution: soil, water, air, and noise.
 - Reducing the noise impact of our activities.
 - Building our production plants in locations that will not cause deforestation or have a negative impact on biodiversity.

4. **Energy efficiency and reducing emissions.**
 - We are promoting energy efficiency for our operations, by implementing clean technologies and making a transition to the use of renewable energy sources.
 - We are committed to progressively reducing our emissions of greenhouse gases (GHGs), in line with the objectives from the Paris Agreement.

5. **Managing resources and wastes.**
 - We are optimising our use of materials during our production processes, prioritising recycled and sustainable raw materials.
 - We are implementing circular economy practices, minimising waste generation and maximising reuse and recycling of materials.

6. **Designing sustainable products and processes by applying ecodesign concepts.**

We are incorporating the principles of sustainability into the design of our components and our manufacturing processes, and into the entire product life cycle. This includes:

 - Using lightweight and recyclable materials that can improve fuel efficiency.
 - Designing our products in a way that facilitates their repair, reuse, and recycling.
 - Implementing circularity in the use of materials.
 - Designing efficient and sustainable processes.
 - Ensuring the safety of our products, across the entire value chain and during their final use.

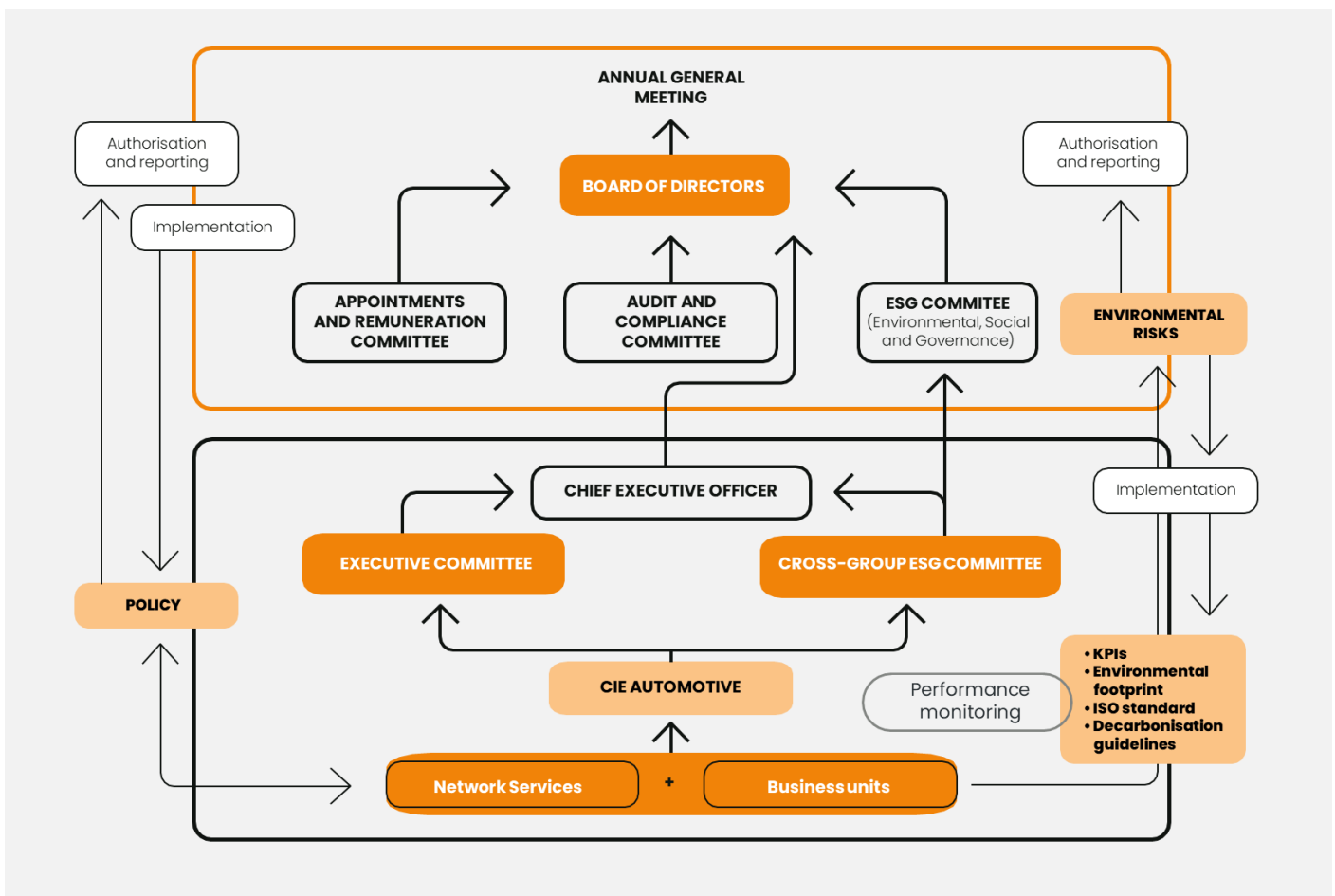
7. **Protecting biodiversity and ensuring responsible use of water resources.**
 - We are performing evaluations on the environmental impact of our facilities, to minimise alteration of the local ecosystems.

- We are managing our use of water in a responsible way, which includes reducing our consumption and ensuring the quality of our wastewater discharges. This also includes:
 - Using and storing water resources properly during operations at our facilities.
 - Applying water treatment as an additional step towards more sustainable water use.
 - Preventing and reducing any water pollution resulting from the activities at our facilities.
 - Protecting water resources, also including surface water sources and seawater.
8. **Participation by everyone:** “we can all make a contribution to improving our environment”.
 9. Encouraging and requiring environmental commitments across the entire value chain, in line with those made by the Company.
 10. Preventing and properly managing accidents and emergency situations, to mitigate any negative impacts on people or the environment.
 11. **Transparency and reporting.**
 - We are publishing annual sustainability reports, in compliance with the European Union’s Corporate Sustainability Reporting Directive (CSRD), to provide verifiable data about our environmental actions, goals, and results.
 - We are establishing key performance indicators (KPIs) in order to measure and display our progress.
 12. **We are defining targets** and using a KPI dashboard to measure our performance, including:
 - Energy efficiency.
 - Reduction of emissions.
 - Water consumption.
 - Waste generation.
 - Circularity.
 - Use of renewable energy.
 - Product safety.
 - Accidents and emergencies.

4. Environmental organisation

Our governance practices related to the environment include establishing and implementing policies, managing environmental and climate-related risks, and using indicators and monitoring tools to implement and track environmental measures and actions.

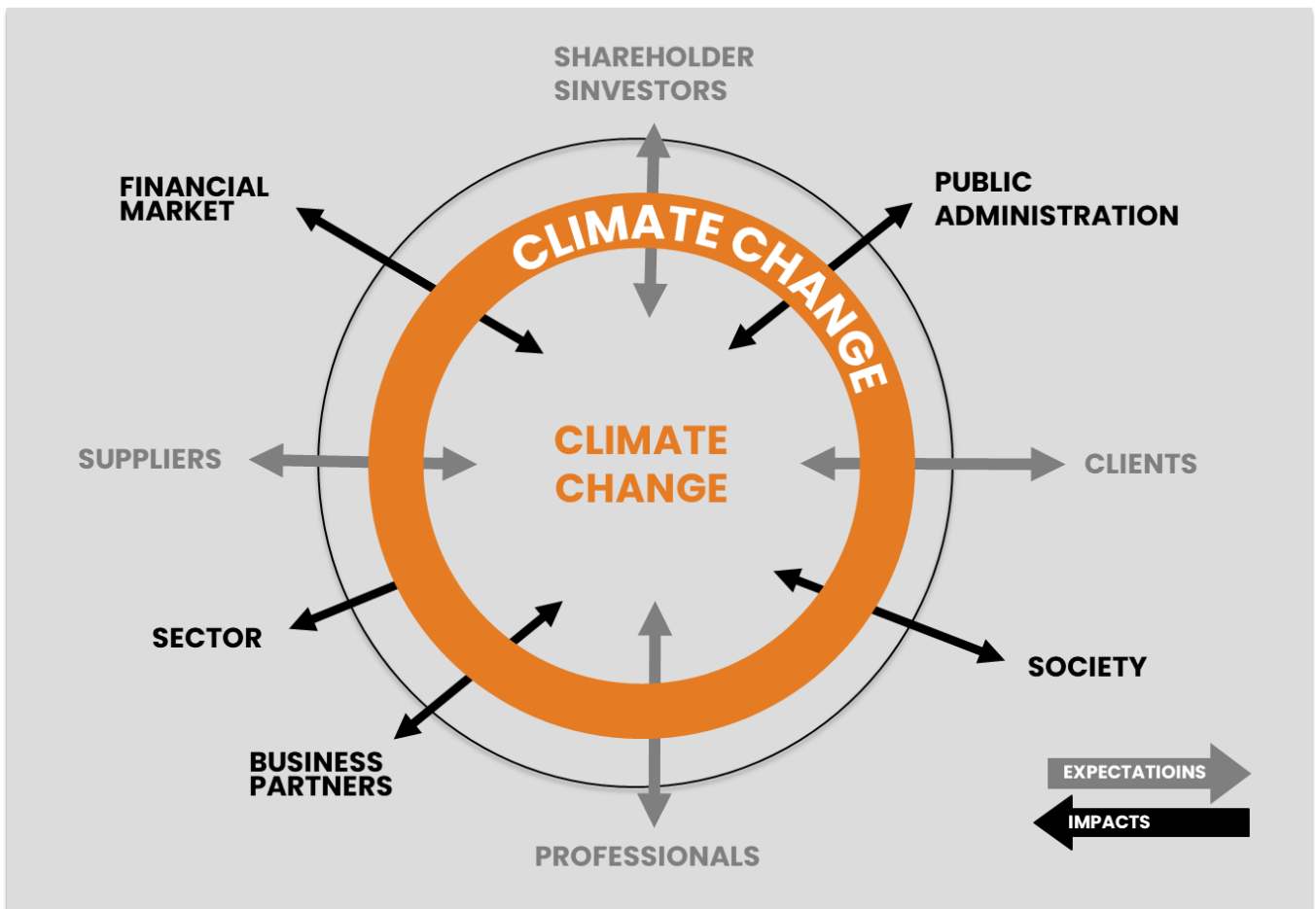
This process involves participation at all levels of the Company, from the General Shareholders' Meeting to the Operating Units. Details regarding the corresponding systems and functions are included in the Rules for the Board of Directors and Committees, including the ESG Committee. These are made available at the Company's website in the Corporate Governance section.



5. Basic principles of environmental management

5.1. Stakeholders

All stakeholders established in CIE Automotive's Management Model are taken into consideration.



MAP OF STAKEHOLDERS

LEVEL 1		LEVEL 2	
Shareholders	Shareholders (Board of Directors)		
	Analysts		
	Investors		
	Minority shareholders		
Financial market	Financial backer		
Professionals	Senior management (Plant) managers		
	Management team (corporate and plant)		
	Middle management (plant)		
	Other plant personnel		
	Representatives of workers		
Customers	Manufacturers of vehicles (OEM)		
Business partners	Suppliers Tier1		
	Global business partners		
		Local business partners	

LEVEL 1		LEVEL 2	
Suppliers	Strategic global suppliers		
	Other global suppliers		
	Strategic national suppliers		
	Other national suppliers		
Society	Local communities of plants		
	Academic community		
	Non-profit entities		
	End users		
Administration	Media		
	Supranational		
	National		
Sector	Local		
	Competitors		
	Associations and organizations in the sector		
	Prescription		

5.2. Management of dependencies and Impacts, Risks and Opportunities (IROs)

As part of the continual review process for the Strategic Plan, Management Plan, and potential Transition Plan, an analysis is performed regarding dependencies, impacts, risks, and opportunities. This is done as a way of ensuring that risks are being mitigated, while also taking advantage of opportunities.

The environmental risks being managed must include, as a minimum, the acute and chronic physical climate risks and transition risks, and a risk analysis must also be implemented regarding pollution, circularity, water, and biodiversity.

The risk map is integrated into CIE Automotive’s Risk Management System (RMS), which is based on the ISO 31000 approach. That system provides reasonable assurance that all significant environmental risks are being prevented, identified, assessed, and subjected to continual monitoring. Those risks are approved by the Board of Directors, and their management is based on the corresponding risk tolerance levels.

5.3. Implementation and oversight

Implementation and oversight

- **Responsibility:** The ESG Committee must oversee implementation of this policy, and it must ensure that it remains in line with the strategic goals and applicable laws and regulations. This oversight must be supported by the CEO, who must in turn receive support from the Group's Engineering, Quality and Environment Department and ESG Cross-Group Committee.
- **Training:** We must provide ongoing training to our employees, to promote development of an environmental culture at all levels of the organisation.
- **Collaboration with stakeholders:** We are working in collaboration with our clients, suppliers, and other stakeholders, to develop sustainable environmental solutions across the entire supply chain.

5.4. Review and updating

This Environmental Policy must be analysed on an annual basis, to ensure that it remains in line with the latest technological advances, best practices, changes to laws and regulations, and stakeholder requirements. A new version of this policy must be produced whenever necessary.

5.5. Availability

This Environmental Policy must be made available to the stakeholders by posting it at CIE Automotive's website, and it must also be available in the Group's document management system on the intranet.

A version of this policy's information suitable for display on signs, posters, and computer screens is also being proposed, to make that information more visible for everyone associated with CIE Automotive.

Use of this poster format will also help ensure that this policy will be easily accessible and understandable for all of CIE Automotive's workers, at all of its facilities.

5.6. Sign, poster, and computer screen version

The next page contains the proposed version suitable for distribution on signs, posters, and computer screens.



ENVIRONMENTAL POLICY

CIE AUTOMOTIVE IS A **LEADING GLOBAL, MULTI-TECHNOLOGY SUPPLIER** FOR THE AUTOMOTIVE SECTOR, AND WE HAVE MADE A FIRM **COMMITMENT** TO:

- **SUSTAINABLE DEVELOPMENT.**
- **CLIMATE CHANGE.**

THIS POLICY IS A KEY PART OF ACHIEVING **THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)** DEFINED BY THE UNITED NATIONS, AS WELL AS THE COMPANY'S COMMITMENTS TO NET ZERO EMISSIONS BY 2050 AND THE 1.5°C TARGET ESTABLISHED IN THE PARIS AGREEMENT.

OUR HIGHEST PRIORITIES ARE:

- **PROTECTING THE ENVIRONMENT AND BIODIVERSITY.**
- **THE HEALTH OF ALL PEOPLE.**
- **RATIONAL USE OF NATURAL RESOURCES (WATER, ENERGY, MATERIALS, ETC.).**
- **PRESERVATION OF AIR, SOIL, AND WATER QUALITY.**

WE COMPLY:

- WITH **THE LEGISLATION IN FORCE.**
- WITH **THE REQUIREMENTS** OF OUR STAKEHOLDERS AND OUR VOLUNTARY COMMITMENTS.

WE ENCOURAGE ALL PARTICIPANTS IN OUR **SUPPLY CHAIN** TO HAVE COMMITMENTS THAT ARE IN LINE WITH OUR OWN, AND WE SUPPORT PURCHASING OF ENERGY-EFFICIENT PRODUCTS AND SERVICES.

WE ARE APPLYING **ECODESIGN** CONCEPTS WHEN DEVELOPING OUR PRODUCTS AND SERVICES, WITH A FOCUS ON **EFFICIENCY**, AND WE ARE PROVIDING ALL NECESSARY INFORMATION AND RESOURCES.

WE ARE COMMITTED TO CONTINUAL IMPROVEMENT THROUGH:

- **PREVENTION AND PRESERVATION.**
 - RISK MINIMISATION AND IMPLEMENTATION OF OUR POLICY ON IMPACTS, RISKS, AND OPPORTUNITIES.
- **REDUCING ENVIRONMENTAL FOOTPRINTS** (PROCESSES AND PRODUCTS).
 - MINIMISING WASTES AND EMISSIONS (GHGs).
 - CIRCULARITY IN THE USE OF MATERIALS.
 - REDUCING THE NOISE IMPACT OF OUR ACTIVITIES.
 - BUILDING OUR PRODUCTION PLANTS IN LOCATIONS THAT WILL AVOID DEFORESTATION.
 - COMMITMENT TO RENEWABLE ENERGY SOURCES.
- **PARTICIPATION BY EVERYONE:** "we can all make a contribution to improving our environment".

WE ARE DEFINING **TARGETS** AND TRACKING OUR **PERFORMANCE** WITH A KPI DASHBOARD THAT MEASURES:

- | | |
|---------------------------|-----------------------------|
| - ENERGY EFFICIENCY | - WATER CONSUMPTION |
| - EMISSION REDUCTION | - WASTE GENERATION |
| - CIRCULARITY | - PRODUCT SAFETY |
| - USE OF RENEWABLE ENERGY | - ACCIDENTS AND EMERGENCIES |

WE'RE MAKING PROGRESS TOWARDS EXCELLENCE

Jesús María Herrera

CEO

Plant Manager

December 2024