



CIE Automotive

ESG Policy

(Environmental, Social and Governance)

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1. Introduction and scope of application

The general ESG (Environmental, Social and Governance) Policy establishes the basic principles and the general framework for action for managing ESG practices assumed by CIE Automotive, S.A. and its subsidiaries ("CIE Automotive" or the "Group", interchangeably) and serves as a basis for incorporating ESG into CIE Automotive's business model and strategy and, thus, create long-term value for all stakeholders and for the Company itself, utilising the corporate web page as the main instrument to guide stakeholder relations.

The general ESG Policy applies to all CIE Automotive directors, executives and employees and to all the subsidiaries that compose the Group.

2. Objectives

The main objectives of this policy are:

- To ensure that the actions of CIE Automotive are governed by the following **principles**:
 - ✓ Promote the **best corporate governance practices**, prioritising transparency, ethical business management, tax responsibility where it operates and proper financial and non-financial risk management, disclosing all data relevant to our activity.
 - ✓ **Create and maintain fluid and bidirectional communication with stakeholders** to better understand their expectations and to efficiently adapt the business' operations to their satisfaction.
 - ✓ Encourage and ensure **compliance with human rights** throughout the entire value chain of CIE Automotive.
 - ✓ Foster a **general purchasing policy** for CIE Automotive that develops a supply chain that complies with the principles of this policy.
 - ✓ Encourage care for the **safety and health of everyone who forms part of CIE Automotive**, as well as those who perform their work in CIE Automotive's facilities.
 - ✓ Foster the **human and professional development of everyone who forms part of CIE Automotive**, providing them with the necessary means (training, equality and social welfare plans) to improve their capacity for initiative, creativity and innovation and to increase and improve participation and teamwork. Furthermore, CIE Automotive will ensure that all people comply with the CIE Code of Conduct.
 - ✓ Contribute to **better managing natural resources and the environment**, with efficiency, innovation and efficacy, minimising the negative impacts arising from our activity, complying with the policies and procedures established in the environmental management systems.

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➤ Articulate the corporate strategy related to sustainability through the following **commitments**:

- ✓ **Integrate the environmental variable, with respect to the natural surroundings and the fight against climate change** in the execution of all CIE Automotive projects, reflecting its commitment to the protection and conservation of the environment in all its actions.
- ✓ Ensure the **well-being of CIE Automotive employees** through equal opportunities, fostering an attractive working environment and occupational risk prevention. Specifically, CIE Automotive agrees to maintain an occupational risk prevention system that provides a healthy working environment.
- ✓ **Respect the commitments** contained in the UN Universal Declaration of Human Rights and in the International Labour Organisation (ILO) Declaration, the principles of the UN Global Compact, the Sustainable Development Goals (SDG), the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the OECD and G20 Principles of Corporate Governance.
- ✓ **Prevent money laundering and combat corruption** in all its forms and in all the countries and areas where CIE Automotive carries out its activities, in its business relationships with both the public and private sectors. To that end, CIE Automotive must work to maintain programmes and implement the most appropriate internal rules and controls.

The specific practices carried out to comply with these principles are available on the corporate web page (www.cieautomotive.com) and in the various public reports.

3. Systems for monitoring the proper application of the principles, associated risks and their management

The ESG Committee is responsible for reviewing the ESG Policy of CIE Automotive and it will delegate the task of monitoring of the proper application of its principles to the ESG Cross-cutting Committee. This committee is specifically created for the purpose of handling everything that concerns CIE Automotive in relation to ESG and will report directly to the ESG Committee.

The proper application of these principles and the possible risks associated are framed within CIE Automotive’s Risk Management Control Policy, in which, following the methodology of ISO 31000 (the risk management methodology generally accepted in the market) and with the participation of senior management and the management team, a Risk Map is prepared annually.

This map will include at least a catalogue of the risks affecting CIE Automotive, which also includes the assessment of all matters related to the Company's non-financial risks and the ones related to corruption, including operational, technological, legal, social, environmental, political and reputational risks. To ensure that the responses to the risks agreed are viable and efficient, an assessment will be performed every year with the following objectives:

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- ✓ To ensure that the risks are being managed in the manner established by senior management and the management team.
- ✓ To evaluate whether the agreed-upon responses are efficient, to provide responses to those who are responsible for them and to implement action plans if necessary.
- ✓ To determine whether the risk catalogue anticipates and reflects possible changes in stakeholders' expectations.

To make this assessment, in its annual review plan, the Compliance Department will include the priority action plans to monitor whether they are being carried out according to that established and if they are effectively mitigating the risk they are addressing. Those responsible for monitoring the risks are the heads of each of the corresponding business divisions.

Additionally, the Compliance Department must identify whether any risk has materialised and, where applicable, the measures implemented to mitigate it.

4. Channels of communication, participation and dialogue with stakeholders

CIE Automotive's essential channel of official communication with stakeholders is its corporate web page (www.cieautomotive.com) that is always up-to-date and where all relevant information that affects stakeholders is systematically published. The goal of CIE Automotive is to make transparency the main priority in shaping its relationships with stakeholders.

In addition to the corporate web page, CIE Automotive has a corporate intranet that can be accessed by everyone who forms part of the Group and two channels of communication for dialogue with and the participation of the various stakeholders in relation to ESG:

- ✓ E-mail: esg@cieautomotive.com
- ✓ Post addressed to the ESG cross-cutting committee at the following address:
Alameda Mazarredo 69, 8º. 48009 Bilbao (Bizkaia), Spain.

Through its ESG Cross-cutting Committee, CIE Automotive agrees to, at all times, process the personal data of the person who has made the communication in an entirely confidential manner and in accordance with the purposes envisaged in this section.

In addition, to implement the technical and organisational measures necessary to guarantee the security of their data and to avoid their alteration, loss, unauthorised processing or access, taking into account the state of technology, the nature of the data stored and the risks to which they are exposed, all in compliance with data protection legislation.

5. Responsible communication

With the goal of CIE Automotive responsibly communicating ESG matters to all stakeholders, all directors, executives, employees and workers of all the companies composing CIE Automotive are obligated to comply with the CIE Automotive Code of Conduct that includes, within its guidelines, avoiding the manipulation of information and protecting integrity and honour.

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