CIE Automotive

NEWS N.40

CIE Automotive

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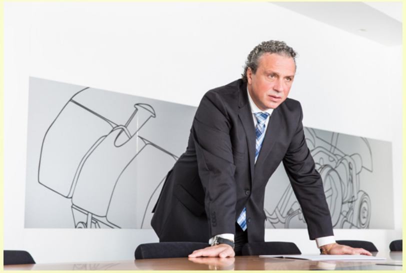
READY FOR THE FUTURE



Dear friends,

As the end of the year approaches, it is time to pause for a moment, reflect, appreciate the work done and prepare ourselves for the future. The same happens when an important milestone is achieved. We have celebrated our 25th anniversary together this year and this milestone has coincided with the launch of our Strategic Plan 2025, the roadmap we have set for the next four years and which embraces both the financial objectives published in June and the environmental, social and governance (ESG) objectives published in November.

Based on 4 strategic lines - CIE culture, ethical commitment, eco-efficiency and active listening - this ESG section of the 2025 Strategic Plan is a further demonstration of our commitment to transparency with our stakeholders, whose needs and requirements have been the primary driving force in the preparation of this plan.

Reflection on our 25th anniversary has also involved another important change: the reformulation of our Mission, Vision and Values, updating them to the current reality of our company and our environment, in order to respond to the changes that the automotive sector is undergoing, as well as to reflect our new ambitions.

There is no doubt that we have come a long way in these 25 years and during that time, we have faced many challenges, lived through crises, overcome difficulties... And yet, we have always managed to maintain the growing path, seize opportunities and maintain the financial discipline that has mitigated market setbacks. We have also consolidated our reputation as a reliable partner and supplier, with the capacity to respond to our customers' needs, even in the toughest conditions. And the key to all this has undoubtedly been the magnificent human team of this company, a team that has grown and strengthened to form the CIE of today.

The year 2021 has been a complicated year for the automotive sector, in which the reactivation of the activity after the stoppages forced by the pandemic has been slowed down by the shortage of semiconductors and by multiple problems of price and availability in the logistics chain. And even against this backdrop, we have achieved results that are better than the average for our sector and above market expectations. This good performance is not the result of chance, but of our good work and our business model, developed to be resilient in adverse conditions. Congratulations on all this, team.

Now it is time to face the immediate future, and we do so with optimism. Cautious optimism, with our feet on the ground, because we know that success is the result of the efforts of each and every one of us. Because we are going through a period of transformation in the automotive industry and we know that we are going to play a key role if we continue to give our best.

We know that we have the best professionals to take advantage of these opportunities and that they are fully committed to the path and objectives that CIE Automotive has set for itself.

We have a great future ahead of us and together we are going to make it a reality.

Jesús María Herrera

CIE AUTOMOTIVE PRESENTS ITS ESG STRATEGIC PLAN 2025

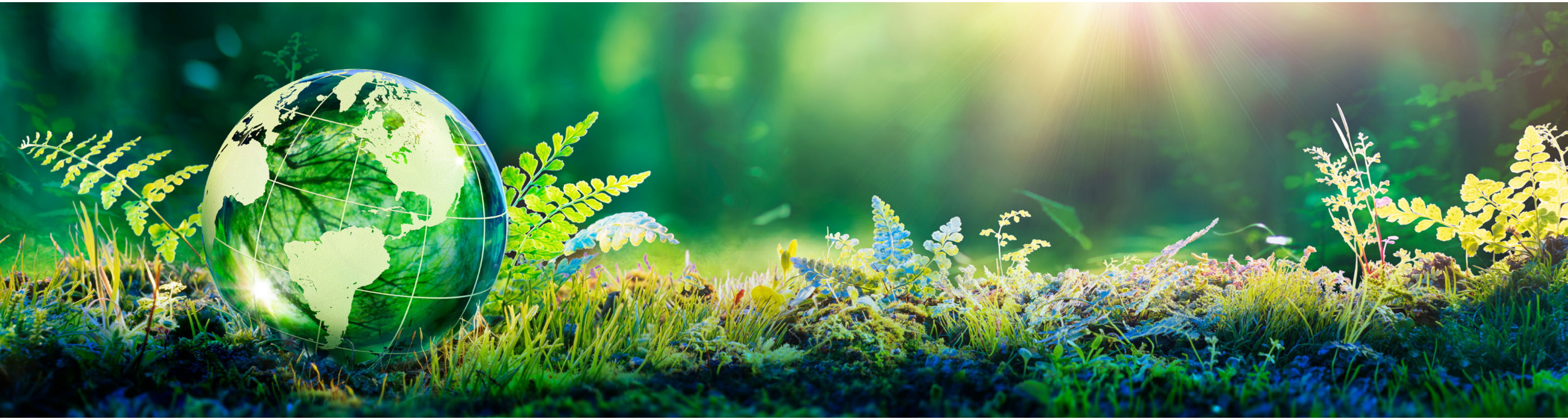
This is the second part of the Strategic Plan 2025, of which its operational section was already made public in June

We continue taking firm steps in our commitment to corporate responsibility and in our bet for sustainability with the publication of the ESG Strategic Plan 2025.

After a global analysis of the context, we drew up a Strategic Plan 2025, a comprehensive project that covers all aspects of the business and which CIE has presented in two parts: the Operational section of the Plan, published in June during the Group's first Capital Markets Day, and the ESG (Environmental, Social and Governance) section, published in November.

In the words of Jesús Maria Herrera, CEO of CIE: "The preferences, needs and requirements of all our stakeholders have been the primary driver of this Plan".

He continues: "Based on 4 strategic lines - CIE culture, ethical commitment, eco-efficiency and active listening - this ESG Strategic Plan 2025 undoubtedly marks a before and after in CIE's growing public commitment to sustainability, taking into account, on the one hand, its full integration with the business on a daily basis and, on the other hand, the transparency in its communication to the market".



MISSION, VISION & VALUES

As part of CIE Automotive's "ESG 2025 Strategic Plan", we wanted to take the oportunity of this milestone to also launch the updated version of our Mission, Vision and Values. An update that reflects an evolving environment that is requiring our organization to evolve and adapt. A new context that leads us to redefine who we are and who we want to be in the medium and long term, without ever losing the essence of our project.

We hope to count on your collaboration for its deployment in all our workplaces. You can find the details of this launch in the Mission, Vision and Values section of our website.

CIE Automotive

Vision

To provide the best solutions for the mobility of the future, being:

- **Climate neutral:**
  - Maximum circularity of resources
  - Net zero emissions
- **Value chain tractors:**
  - Integral conception
  - Favouring local economies
- **A reference point in society:**
  - Guaranteeing the integrity, security and health of people
  - Listening, transmitting and acting
- **Excellent in management:**
  - Transparency and integrity
  - Generating value

CIE Automotive

Values

- Commitment to things well done
- Innovation as the answer to any challenge
- Focus on people, their families and their environment
- Diversity, equality and inclusion
- Sustainable and profitable growth
- Ethics and honesty
- Self-criticism and recognition
- Climate action
- Respect for legality

CORPORATE DIVERSITY, EQUALITY AND INCLUSION COMMITTEE (DE&I)

The company has a long-term commitment to environmental, social and governance criteria

As part of the objectives of the ESG 2025 Strategic Plan, CIE Automotive created a Corporate Diversity, Equality and Inclusion (DE&I) Committee in 2021, recognizing the value and importance of diversity as well as the efficient management of different talents, in order to achieve a sense of belonging for all its employees and advance on a sustainable strategy.

The DE&I Corporate Committee is representative of all the geographic areas and technologies in which the Group operates, with employees from different generations and genders. Thus, the Committee includes employees from Mexico, Brazil, USA, China, Eastern and Western Europe and, in terms of technologies, Machining, Aluminium, Roof Systems, Plastics, Metal Stamping and Tube Forming and Forging are represented.

Among the main objectives of this Corporate Committee, whose working meetings have started in the second half of 2021, are:

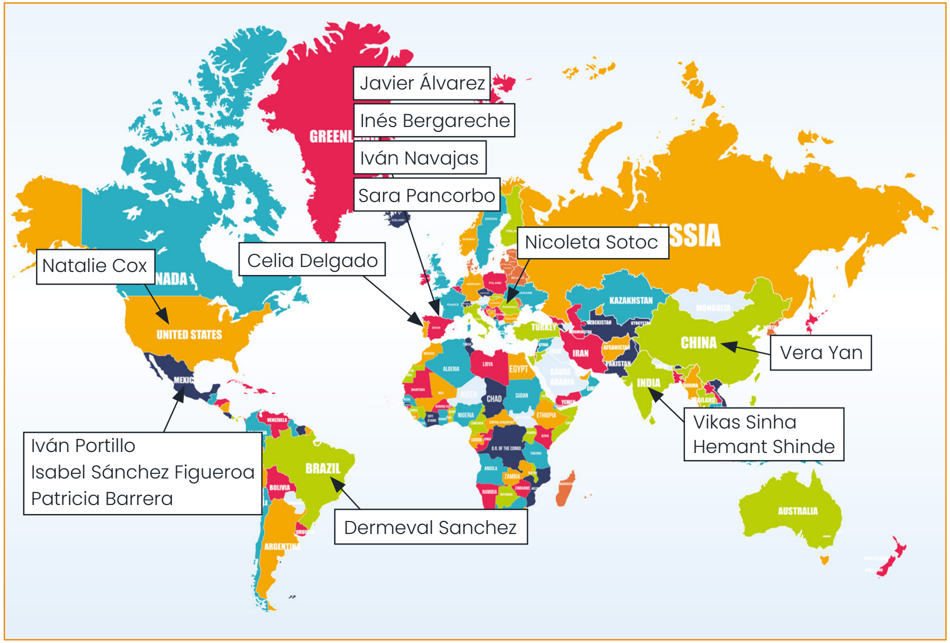
The definition of a universal diagnostic tool to identify the diversity of the workforce and the level of DE&I maturity in each of the Group's plants.

Providing support in the deployment of the initiatives arising from the above diagnosis.

Create a DE&I network to share knowledge and best practices.

Increase diversity awareness within the organization.

In accordance with the indicators of the ESG Strategic Plan 2025, it is expected that the Group's more than 110 plants will have carried out their corresponding DE&I diagnosis before the end of this Plan and, in parallel, that as a result of this diagnosis, action plans on the subject will be implemented in those plants that require it.



FINANCIAL COMMITMENT TO ESG

The company has a long-term commitment to environmental, social and governance criteria

From the Corporate Finance & Treasury Department of CIE Group, we reaffirm our long term commitment to sustainability and we continue to link our financing facilities to environmental, social and governance (ESG) criteria, in accordance with our business model focused in creating value and long term growth.

During this year, aligned with our main financial partners in the importance of the ESG criteria, we have not only linked new funding but also already existing structural funding facilities, achieving to convert more than 375 million euros in sustainable funding sources.

These increase in the sustainable funding weight over the Net and Gross Financial Debt are another milestone in achieving our corporate targets since we estimate that at the end of 2021 more than 60% of the net financial debt (40% at the end of 2020) and more than 40% of the gross financial debt (28% at the end of 2020) of CIE Automotive Group will be sustainable.

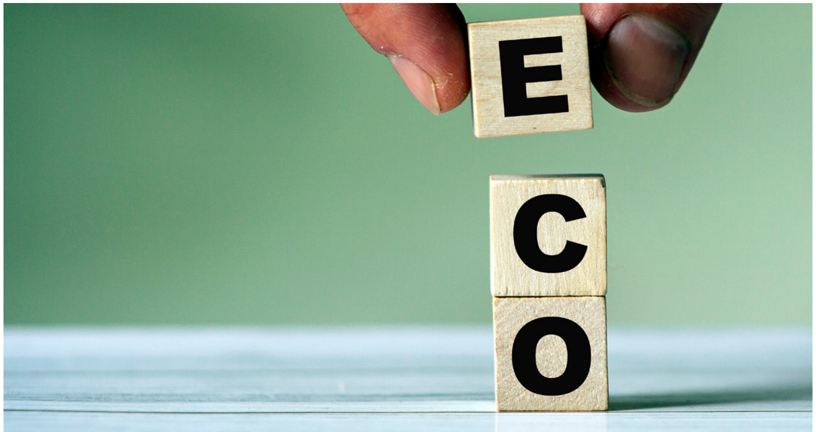
CIE AUTOMOTIVE GOES ONE STEP FURTHER IN ECODESIGN

The company consolidates the engineering and environmental areas

Iñigo Loizaga, currently Head of Engineering at CIE Automotive, will now jointly lead the Group's Engineering and Environment departments in a new role that will undoubtedly prove key in the coming years.

This unification of responsibilities represents an important step forward for CIE in sustainability and more specifically in eco-efficiency, one of the four strategic lines of the ESG Strategic Plan 2025.

In this way, the Group definitively integrates the environment and climate change into its business model, both at product development and production levels, and it faces the important challenges posed by society and by the different stakeholders with guarantees.



CIE WINS BRONZE IN THE PRESTIGIOUS "REPORTA" RANKING

CIE Automotive continues to climb up the Reporta ranking, reaching third place this year

First published in 2010, Reporta assesses the quality of the information that the companies, included in the Madrid Stock Exchange General Index (IGBM), make available to their shareholders and stakeholders in their Annual Report. The overall ranking of the Reporta Report is obtained from the scores obtained by the universe of companies analysed in a total of 36 indicators, grouped into four principles: transparency, commitment, relevance and accessibility.

CIE Automotive is in third place in this edition, preceded by two of the largest Ibex 35 companies, Santander and Telefónica, and surrounded by other major Spanish corporations such as CaixaBank, Red Eléctrica and Iberdrola.

This year, the company obtained a total of 85.3 points out of a maximum of 100, as well as being sector leader in "Basic Materials and Industry" and absolute leader in the principle of "Accessibility", obtaining the highest possible score in this section.

It is worth noting the gradual and very positive evolution of CIE Automotive's Annual Report, which in just six years has risen from 51st to 3rd place, doubling its score. Congratulations to the whole CIE team on this new achievement!

INSTITUTIONAL INVESTOR RECOGNIZES CIE 'S WORK

Following its success in 2020, CIE Automotive was once again honoured by the world's leading financial sector ranking company "Institutional Investor". Among other mentions, this edition recognized Jesús María Herrera as "Best CEO" and Lorea Aristizabal as "Best IR Professional" among European automotive companies in the Small & Midcap segment. The publication has released the results of the "All-Europe Executive Team 2021" awards, which score, through a survey of analysts and fund managers, aspects such as knowledge of the company and the sector, credibility, leadership, communication, accessibility, published financial information and the quality of the meetings held, among other aspects. In this edition, 1,536 investment professionals from 644 firms participated, a higher participation than last year. Congratulations to all for another year of hard work!

INVESTOR RELATIONS

During the second half of the year, the intense marketing activity has continued to be mainly virtual, although we have added some face-to-face events, as was the case during the first half of the year. Thus, since the beginning of the year and up to the closing of this edition, we have held a total of (i) 6 roadshows (1 on-site), (ii) 19 conferences (1 on-site), as well as (iii) a multitude of conference calls with investors. Additionally, and always within the parameters of health and safety, we have organized 2 visits to our plants with very small groups of investors. All this means that we have interacted with a total of more than 400 investors from 24 different geographies.

Particularly noteworthy is the growing interest of investors in Environmental, Social and Governance (ESG) aspects, with specific meetings and/or calls to discuss these aspects becoming more and more common.

In addition to the events mentioned above, during the month of December we have participated for the first time in an international conference that brings together the heads of investor relations departments of major listed companies from all over Europe, organized by the prestigious international broker Kepler Cheuvreux. The conference is a top-level forum for exchanging views and/or learning about international best practices in the field of investor relations.

On the stock front, the complexity of the environment has increased especially during this second half of the year, with semiconductor shortages hitting new highs and raw material and energy shortages driving prices sharply higher. All this has led to several profit warnings from automotive suppliers and a significant indiscriminate stock market correction for all suppliers. In the specific case of the CIE share (+16%), as of December 2nd, it has clearly outperformed the Ibex 35 (+3%) and has underperformed below the Stoxx Auto (+23%).

INTERVIEWS

"WE HAVE AN ENORMOUS MANAGEMENT CAPACITY IN SPAIN AND OUR SECTOR HAS PROVED IT"

In its section "Protagonists of Spain's economic history", "Estrategias de Inversión" interviews Antón Pradera, Chairman of CIE Automotive

From his origins as a civil engineer and the start of his career at Banco Bilbao, to his arrival in the Automotive industry, with the conception of the CIE Automotive project as a key moment, the interview reviews a large part of Antón Pradera's professional career.

Manuel López and Silvia Morcillo were in charge of reviewing with him different aspects of the current economic situation, such as the role of China in the world economy, the existing problem in the raw materials markets or the change of paradigm that the automotive sector is undergoing with electrification as an unstoppable trend.

A review enlivened with experiences and personal experiences that show the different facets of Antón Pradera.

Full interview only in Spanish:

https://youtu.be/QWmAAfFKyWA

"IN A SECTOR UNDERGOING TRANSFORMATION SUCH AS THE AUTOMOTIVE INDUSTRY, EMPLOYEE TRAINING IS KEY TO IMPROVE ITS COMPETITIVENESS"

In his interview for the consultant firm KPMG, Jesús Maria Herrera emphasises the need to focus on learning and investment in new technologies, as the keys to a sustainable future

On the 50th anniversary of its presence in Spain, KPMG publishes "50 glances towards the future", a compilation of interviews with 50 top executives of some of the most relevant companies in the Spanish business world and in the key sectors of our economy.

The publication seeks to reflect the necessary space for reflection on leadership and talent for a more sustainable, digital, and human economy, the necessary debate on a future in which growth will be oriented towards responsibility and well-being.

Jesús Maria Herrera, CEO of CIE Automotive, is one of the 50 people interviewed.

Full interview only in Spanish:

https://www.tendencias.kpmg.es/2021/05/

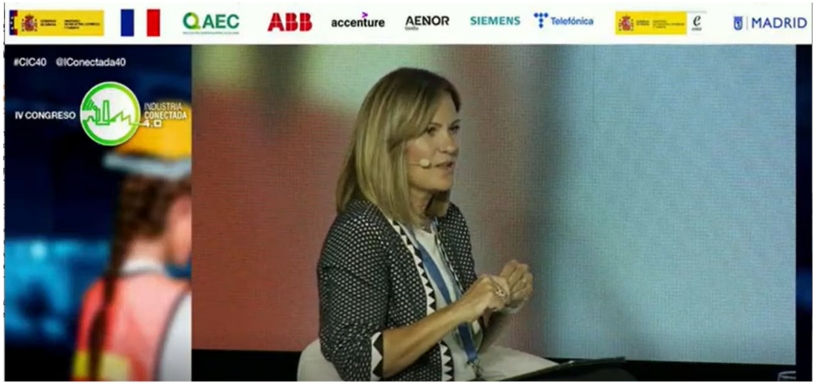
FORUMS

IV CONGRESS ON CONNECTED INDUSTRY 4.0

Boosting digitization in the post-covid industry

Since 2017, on an annual basis, the Connected Industry 4.0 Congress has established itself as a meeting point for the national industry, becoming a space for dissemination, awareness and exchange of experiences on the digital transformation of industrial companies.

During the congress of this edition, three sectorial tables were held: Defense, Pharmaceutical Industry, and Automotive. The latter included the participation of Lorea Aristizabal, Director of Corporate Development at CIE Automotive; María Concepción Caja, Director of Corporate and Internal Communication at Stellantis; and Ernesto Salas, Director of Institutional Relations at Renault; moderated by María González, Managing Director of Accenture.

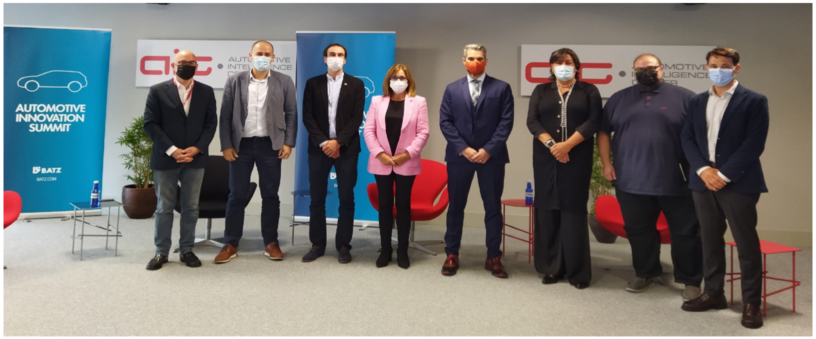


BATZ INNOVATION SUMMIT

Integrating sustainability in automotive industry

The sixth edition of the BATZ Innovation Summit was held on October 21. Under the title "Integrating sustainability in the automotive industry": A strategic priority towards the new mobility, the conference addressed this transition from the different dimensions that make up sustainability from the hand of leaders in this field.

Susana Molinuevo, Director of Compliance and ESG at CIE Automotive, was the person in charge of bringing the environmental, social and corporate governance dimensions down to earth in the organization, sharing her experience in the implementation and development of the most critical aspects.



AWARDS AND RECOGNITIONS

ESG AWARDS – 3RD EDITION

In 2019 CIE Automotive launched the first edition of the ESG Awards, in recognition of the supply chain in ESG performance.

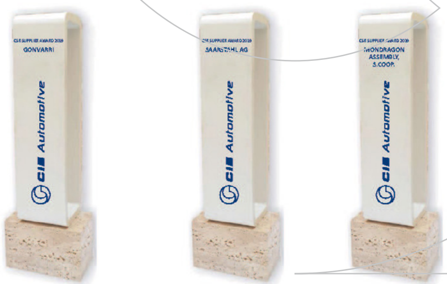
The selection was made under objective criteria, based on the documentation and further verification provided through our Supplier Portal. Three Mexican companies, two Spanish companies, one German company, six Chinese companies and one Indian company received the awards from our procurement teams, highlighting the great importance for the CIE Automotive group worldwide to confirm the commitment of its supply chain to ESG criteria.

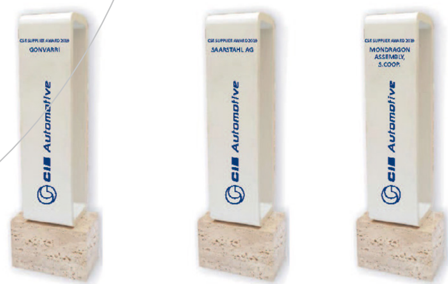
In 2020 during the pandemic, our efforts were even more focused on reinforcing the work under ESG standards and despite not being able to present the awards in person, one Spanish supplier, one Portuguese supplier, as well as two Mexican and three Indian suppliers, received gratitude and recognition in the form of an award in their companies for their advanced work in ESG matters.

The unstoppable tide of integration of ESG criteria into the DNA of companies, not only large corporations, but also small and medium-sized companies, has undoubtedly set the bar very high to determine who will be the awarded suppliers in the 2022 edition.

We can't wait to get together again, shake hands and thank you for your commitment and good work in ESG.

Together we will all be able to contribute making the world a better and more sustainable place.





AWARDS AND RECOGNITIONS

CIE AUTOMOTIVE RECOGNIZED IN THE "TOP SUPPLIERS" OF AUTOMOTIVE NEWS 2020

CIE Automotive has successfully overcome all the challenges that brought 2020. That is why we are pleased to inform you that CIE Automotive has moved up four positions in the prestigious automotive industry ranking "Top Suppliers Automotive News" to reach the 55th position worldwide in 2020. This ranking, which classifies the 100 largest automotive suppliers worldwide according to turnover, is prepared by the Michigan-based publication leader in global automotive industry information and is one of the main references in the sector. The world ranking is led by Robert Bosch, Denso Corp. and ZF Friedrichshafen.

In the European ranking, which takes into account the top 50 European automotive suppliers, CIE Automotive also climbed four positions to 37th place.

Finally, in the North American ranking, which takes into account the top 100 North American automotive suppliers, our subsidiary CIE Automotive USA Inc. climbed a total of eight positions to 59th place.

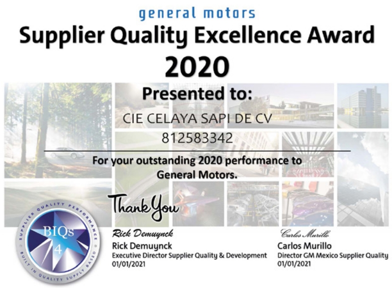
The resilience of the automotive supply chain has been providential to the industry's recovery, and CIE has played a key role.

CIE CELAYA AWARDED BY GM

General Motors has recognized, for third consecutive year, with the 2020 year Quality Excellence award to our plant CIE Celaya.

Suppliers receiving this award have met a very stringent set of quality performance criteria and have achieved cross-functional support from the entire GM organization for 2020.

Congratulations!



CIE Automotive

CIE Automotive worldwide

North America

USA
R&D ★
Plastic
Machining
Roof Systems

MEXICO
R&D ★
Aluminium
Forging
Stamping
Machining
Plastic
Roof Systems

South America

BRAZIL
R&D ★
Forging
Stamping
Aluminium
Machining
Plastic
Casting

West Europe

SPAIN
Headquarters
R&D ★
Aluminium
Forging
Stamping
Machining
Plastic
Roof Systems

FRANCE
R&D ★
Machining
Roof Systems

ITALY
Machining

GERMANY
R&D ★
Forging
Roof Systems

PORTUGAL
R&D ★
Plastic

Central East Europe

CZECH REP
Stamping
Machining
Plastic
Cold Forging

LITHUANIA
Forging

ROMANIA
Aluminium
Roof Systems

SLOVAKIA
R&D ★
Machining
Roof Systems

RUSSIA
Aluminium

Africa

MOROCCO
Plastic

Asia

CHINA
R&D ★
Forging
Stamping
Machining
Roof Systems

INDIA
R&D ★
Aluminium
Forging
Stamping
Machining
Casting
Composites