



CIE Automotive

Alameda Mazarredo nº 69, 8º
48009 Bilbao

**TO THE SPANISH SECURITIES AND EXCHANGE
COMMISSION, NOTIFICATION OF OTHER RELEVANT
INFORMATION**

In accordance with the provisions of Article 17 of Regulation (EU) No. 596/2014 on Market Abuse, Articles 227 and 228 of Royal Legislative Decree 4/2015, of October 23, which approves the consolidated text of the Securities Market Act, and other applicable regulations, CIE Automotive, S.A. (the "**Company**") announces that the Board of Directors of the Company has resolved to call an Ordinary General Meeting of Shareholders to be held at **12:30 p.m. on May 4, 2023** on first call and, if applicable, on the following day at the same time on second call.

Attached hereto is the notice of the Ordinary General Meeting of Shareholders -including the agenda for the meeting- as well as the proposed resolutions and directors' reports.

Bilbao, March 31, 2023.

Jose Ramón Berecibar Mutiozábal.
Secretary of the Board of Directors

CIE AUTOMOTIVE, S.A.**Notice of Ordinary General Meeting of Shareholders 2023**

By resolution of the Board of Directors of CIE Automotive, S.A. (the "**Company**"), an Ordinary General Meeting of Shareholders of the Company is called to be held at **12:30 p.m. on May 4, 2023** on first call and, if appropriate, on the following day at the same time on second call, at Palacio Euskalduna, Avenida Abandoibarra 4, Bilbao (Bizkaia), to deliberate and decide on the following agenda:

1. Examination and approval, as the case may be, of the annual accounts of CIE Automotive, S.A. and directors' report, and the annual accounts and directors' report for its consolidated group of companies, corresponding to 2022.
2. Approval of the Board of Directors' management.
3. Approval of the proposal for the application of the result corresponding to 2022.
4. Examination and approval of the consolidated non-financial information statement of CIE Automotive S.A. and its subsidiaries for 2022.
5. To rescind the authorization granted by the General Meeting of Shareholders of April 28, 2022, authorizing the Board of Directors to proceed with the derivative acquisition of treasury shares, directly or through group companies, in accordance with articles 146 and 509 of the Corporate Enterprises Act; reduction of capital stock to redeem treasury shares, delegating to the Board the necessary powers for its execution.
6. Ratification and appointment of Abanti Sankaranarayanan as member of the Board of Directors of the Company, as proprietary director.
7. Approval of a new remuneration policy of the Company for the current year and the period 2024-2026.
8. Approval of modifications to the terms of the long-term variable compensation linked to the evolution of the share of which the Chief Executive Officer is the beneficiary.

9. Establishment of the maximum amount of the compensation of directors in their capacity as directors for the current year.
10. Submission of the Annual Report on the Remuneration of the Directors of CIE Automotive, S.A. to the General Meeting of Shareholders for consultation purposes.
11. Delegation of powers for the enforcement of the foregoing resolutions.
12. Approval of the minutes of the meeting.

Right to the inclusion of items on the agenda. In accordance with Article 519 of the Corporate Enterprises Act, shareholders representing at least three percent (3%) of the capital may request publication of a supplement to the notice of the General Meeting of Shareholders, including one or more items on the agenda.

The exercise of this right must be made by means of irrefutable notification - addressed to the Secretary of the Board of Directors - to be received at the registered office within five (5) days following publication of this notice of meeting, which must expressly (a) request the publication of a supplement to this notice of meeting, including one or more items on the agenda, provided that the new items are accompanied by a justification or, if applicable, a justified proposal of resolution; and (b) present substantiated proposals of resolution on matters already included or to be included on the agenda.

The notification letter must state the name or corporate name of the requesting shareholder or shareholders, and must be accompanied by the appropriate documentation -copy of the attendance card or certificate of legitimacy- proving their status as shareholders, to compare this information with that provided by the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear).

The call supplement must be published at least fifteen (15) days prior to the date set for the General Meeting of Shareholders on first call.

Right of attendance. The holders of shares registered in the corresponding accounting register at least five (5) days before the date on which the General Meeting of Shareholders is to be held will have the right to attend the General Meeting of Shareholders. This circumstance must be evidenced by means of

the appropriate attendance card or certificate of legitimacy issued by the entity or entities in charge of the book-entry registry, or in any other form admitted under prevailing legislation.

Right to information. Shareholders have the right to examine at the Company's registered office, at Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia), or through the Company's website (<http://www.cieautomotive.com/web/investors-website>), the documents mentioned below, as well as the right to obtain the delivery or sending of a copy of the same free of charge:

1. Full text of the proposed resolutions corresponding to the items on the agenda, submitted by the Board of Directors, together with the reports of the Board of Directors (and, if applicable, of the Appointments and Compensation Committee) corresponding to the fifth, sixth, seventh and eighth items on the agenda.
2. Full text of the Annual Accounts (Balance Sheet, Profit and Loss Statement, Notes to the Annual Accounts, Statement of Changes in Equity and Statement of Cash Flows) and Directors' Report of the Company and its consolidated group, corresponding to 2022, as well as the respective auditor's reports.
3. Consolidated statement of non-financial information of CIE Automotive, S.A. and its subsidiaries for 2022.
4. Annual Corporate Governance Report for 2022.
5. Annual Compensation Report for 2022.
6. Annual activity report of the Audit and Compliance Committee.
7. Report of the Audit and Compliance Committee on the independence of the Auditors referred to in Article 529 quaterdecies of the Corporate Enterprises Act.
8. Annual activity report of the Appointments and Compensation Committee.
9. Regulations of the Electronic Shareholders Forum.
10. Attendance, proxy and voting card.

In accordance with the provisions of Article 12 bis of the Company's Bylaws and of Article 9 of the Regulations of the General Meeting of Shareholders, from the publication of this notice of call of the General Meeting of Shareholders and up to and including the fifth (5th) day prior to the date scheduled for the meeting on first call, shareholders may request in writing the reports or clarifications they deem necessary, or submit in writing the questions they deem pertinent, regarding the items included on the agenda.

In addition, with the same notice and in the same manner, shareholders may request reports or clarifications or ask questions in writing about the information accessible to the public that has been provided by the Company to the Spanish Securities and Exchange Commission since the last General Meeting of Shareholders was held on April 28, 2022, as well as about the auditor's report.

In the written requests for information, the name and surname of the requesting shareholder must be stated, accrediting the shares they hold, and the appropriate document -copy of the attendance card or certificate of legitimacy- accrediting their status as shareholder must be attached, to compare this information with that provided by the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear). These requests for information - addressed to the attention of the Shareholder Relations Office (General Secretary's Office) - may be made by delivering the request to the registered office, by sending it to the Company by mail addressed to Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia), stating the number of shares held, the securities account where they are deposited and other circumstances specified on the Company's website, to compare this information with that provided by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear). The Company's website details the relevant explanations for the exercise of the shareholder's right to information.

Special information instruments. In accordance with the provisions of Article 539 of the Corporate Enterprises Act, the Company has a website (<http://www.cieautomotive.com/web/investors-website>) to enable shareholders to exercise their right to information and to disseminate the relevant information required by the legislation on the securities market.

Electronic Shareholders Forum. An Electronic Shareholders Forum will be set up on the Company's website, to which both individual shareholders and voluntary associations that may be formed in accordance with Article 539.2 of the Corporate Enterprises Act may have access with due guarantees, to facilitate its

communication prior to the General Meeting of Shareholders, all in accordance with the terms laid down in the aforementioned Article 539 of the Corporate Enterprises Act.

Right of representation. In accordance with the provisions of Article 16 of the Company's Bylaws and Article 12 of the Regulations of the General Meeting of Shareholders, any shareholder entitled to attend may be represented at the General Meeting of Shareholders by another person, even if they are not a shareholder, granting the proxy in writing and specifically for the General Meeting of Shareholders. All shareholders may exercise their right of representation by means of (a) the proxy card prepared in each case by the entity or entities in charge of the book-entry registry, or (b) a proxy card, a template of which will be available on the Company's website (<http://www.cieautomotive.com/web/investors-website>) from the date of the call of the General Meeting of Shareholders. The proxy must be completed and signed by the shareholder, subscribing the corresponding attendance and proxy card. The proxy must be accepted by the shareholder representative, without which it may not be exercised. For this purpose, the representative must also sign the attendance and proxy card. The shareholder in whose favor the proxy is granted must exercise it by attending the General Meeting of Shareholders in person, presenting the attendance and proxy card at the shareholder registration desks, at the place and on the day set for the holding of the General Meeting of Shareholders and from one hour prior to the time scheduled for the start of the meeting. Likewise, attendance and proxy cards may be delivered during the days prior to the Meeting at the registered office, Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia). Under the terms laid down in the Company Bylaws, in the Regulations of the General Meeting of Shareholders and in the Board Regulations, the Chairman and the Secretary of the General Meeting of Shareholders will have the broadest powers, as far as legally possible, to accept the validity of the document evidencing the proxy.

Representation by correspondence. In accordance with the provisions of Article 14 of the Regulations of the General Meeting of Shareholders, shareholders may grant their proxy by means of correspondence. The attendance and proxy cards, duly completed and signed, may be sent to CIE Automotive, S.A. by mail addressed to the Company at Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia) or by email to ir@cieautomotive.com. The shareholder who confers proxy by means of correspondence must indicate their name and surname, accrediting the shares

they hold, to compare this information with that provided by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear). The proxy document must be signed by the shareholder and the signature must be notarized. In cases of voluntary representation, the powers of the signing proxy in the name and on behalf of the shareholder must be evidenced by submitting a non-certified copy of the aforementioned proxy. The shareholder who confers representation by means of correspondence must inform the shareholder appointed as proxy of the representation conferred in their favor. Representation conferred by correspondence must be accepted by the proxy. To this end, the representative must sign the attendance and proxy card, reserving a copy of the same presentation and handover at the shareholder registration desks, at the place and on the date set for the General Meeting of Shareholders. Therefore, the shareholder in whose favor the proxy is granted by correspondence must exercise it by attending the General Meeting of Shareholders in person. The proxy conferred by correspondence may be revoked by express revocation of the shareholder, effected by the same means used to confer the proxy, within the term established for conferring it, or by personal attendance of the shareholder at the General Meeting of Shareholders. A shareholder who confers proxy by correspondence and does not make a mark in some or any of the boxes intended to give voting instructions with respect to the items on the agenda will be deemed to wish to vote in favor of the respective proposals made by the Board of Directors.

Vote by mail. In accordance with the provisions of Article 14 of the Regulations of the General Meeting of Shareholders, shareholders may exercise their voting rights by correspondence. To cast a vote by mail, the shareholder must complete and sign the attendance, proxy and voting card issued by the entity or entities in charge of the book-entry registry, in which they must state their vote -for or against- abstention or blank vote, marking with a cross in the corresponding box.

The completed and signed card may be sent to CIE Automotive, S.A. by post to Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia) or by email to ir@cieautomotive.com. A shareholder who casts their vote by correspondence and does not make a mark in some or any of the boxes intended to give voting instructions with respect to the items on the agenda will be deemed to vote in favor of the respective proposals made by the Board of Directors.

The vote cast by correspondence will be rendered ineffective by subsequent and express revocation of the shareholder, carried out by the same means used for casting the vote and within the term established for this purpose, or by the personal attendance at the General Meeting of Shareholders by the shareholder who cast the vote by correspondence or by the attendance of their proxy.

The vote cast by mail must be received by the Company before 11:59 p.m. on the day prior to the day scheduled for the General Meeting of Shareholders on first call, i.e. before 11:59 p.m. on May 3, 2023. Otherwise, the vote will be deemed not to have been cast. After the aforementioned period, only votes cast in person at the General Meeting of Shareholders by the shareholder or by the shareholder's proxy will be admissible. A shareholder who casts their vote remotely by correspondence will be considered present for the purposes of the constitution of the General Meeting of Shareholders.

Proxy and vote in the event of a supplementary call. If, as a result of the exercise of the right to include new items on the agenda corresponding to shareholders representing at least three percent (3%) of the capital stock, a supplement to this call is published, shareholders who have delegated their representation or who have cast their vote prior to the publication of said supplement, may:

- (a) Grant a new proxy with the corresponding voting instructions, or cast a new vote, in respect of all the items on the agenda (including both the initial items and the new items incorporated by means of the supplement), in which case the proxy granted or the vote cast previously will be deemed revoked and be null and void; or
- (b) Complete the corresponding voting instructions to the initially appointed proxy (who must be the same, and no other proxy may be appointed) only with respect to the new items on the agenda incorporated by means of the supplement, all in accordance with the procedures and methods mentioned in the preceding sections, and by the same means used in the proxy granted or the vote originally cast.

In the event that the shareholder has cast an absentee vote prior to the publication of the supplement and does not carry out any of the above-mentioned actions

under (a) and (b) above, they will be deemed to abstain with respect to such new items.

Protection of personal data. The personal data that shareholders send to the Company to exercise their rights to attend, delegate and vote at the General Meeting of Shareholders or that are provided by the credit institutions and securities companies and agencies in which such shareholders have their shares deposited, through the entity legally authorized to keep the book-entry registry (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear)), will be processed for the purpose of managing the development, compliance and control of the existing shareholder relationship.

Shareholders are also informed that the regulations regarding the processing of personal data are available at <http://www.cieautomotive.com/politica-de-privacidad-y-cookies>. These data will be incorporated into a computer file owned by the Company and the shareholders will be able to exercise their right to access, rectification, objection, erasure, restriction on data processing, and data portability, in accordance with the provisions of the applicable legislation on the protection of personal data by means of written communication addressed to the Company at Alameda Mazarredo, 69, 8º piso, 48009 Bilbao (Bizkaia).

Other issues: The Company will broadcast the General Meeting of Shareholders through its corporate website www.cieautomotive.com. Attendance at the General Meeting of Shareholders implies consent to the recording and broadcasting of the image of the attendees.

Although this announcement provides for two calls, the Board of Directors informs shareholders, to avoid unnecessary inconvenience, that it expects to be able to meet the attendance quorum required by the Corporate Enterprises Act, the Bylaws and the Regulations of the General Meeting of Shareholders on the first call, and therefore it is foreseeable that the General Meeting of Shareholders will be held on May 4, 2023, at 12:30 p.m.

Bilbao, March 29, 2023. For the Board of Directors, the Secretary. Jose Ramon Berecibar Mutiozabal.

**PROPOSED RESOLUTIONS RELATING TO ITEMS
ONE, TWO, THREE AND FOUR ON THE AGENDA**

ONE. Examination and approval, as the case may be, of the annual accounts of CIE Automotive, S.A. and directors' report, and the annual accounts and directors' report of its consolidated group of companies, corresponding to 2022.

To approve the annual accounts (balance sheet, profit and loss statement, statement of changes in equity, cash flow statement and notes to the annual accounts) and individual and consolidated directors' report for the year ended December 31, 2022.

TWO. Approval of the management of the Board of Directors.

To approve the management of the Board of Directors of the Company during the year ended December 31, 2022.

THREE. Approval of the proposal for the application of the result corresponding to 2022.

To approve the proposed appropriation of the profits (losses) corresponding to the year ended December 31, 2022, as follows:

	<i>Thousands of Euros (€)</i>
- To Interim Dividend	50,246
- To Supplemental Dividend	50,246
Total Dividends	100,492
- To Voluntary Reserves	6,407
TOTAL PROFIT (LOSS) COMPANY	106,899
CONSOLIDATED GROUP PROFIT (Thousands of Euros)	342,220

Consequently, in relation to the proposed distribution of dividends, having paid on January 3, 2023 an interim dividend out of the profits for 2022 in the amount of 0.41 euros gross per share entitled to receive dividends, it is resolved to propose as a final dividend the payment to each of the Company's outstanding ordinary shares (excluding, therefore, the shares held as treasury shares by the Company on the date of payment of the aforementioned final dividend, if applicable) of an amount of 0.419 euros gross per share, which -if approved- will be paid on July 7, 2023.

FOUR. Examination and approval of the consolidated non-financial information statement of CIE Automotive S.A. and its subsidiaries for 2022.

To approve the consolidated statement of non-financial information for the year ended December 31, 2022, which is an integral part of the consolidated directors' report for the aforementioned year.

**PROPOSAL OF AGREEMENT IN RELATION TO ITEM
FIVE ON THE AGENDA**

FIVE. Cancellling the authorization granted by the General Meeting of Shareholders of April 28, 2022, authorizing the Board of Directors to proceed with the derivative acquisition of treasury shares, directly or through group companies, in accordance with Articles 146 and 509 of the Corporate Enterprises Act; reducing the capital to redeem treasury shares, delegating to the Board the necessary powers for its execution.

1. To rescind the resolution adopted by the General Meeting of Shareholders on April 28, 2022 to authorize the Company, directly or through any of its subsidiaries, for a maximum of five (5) years from the date of this General Meeting of Shareholders, to acquire, at any time and as many times as it deems appropriate, shares of CIE Automotive, S.A., by any means permitted by law, including against profits for the year and unrestricted reserves, all in accordance with Article 146 and related provisions of the Corporate Enterprises Act.
2. To rescind the resolution adopted by the General Meeting of Shareholders on April 28, 2022 to the extent not executed, to authorize the Company to proceed to dispose to any third parties or to subsequently redeem any treasury shares acquired by virtue of this authorization or the authorizations made by previous General Meeting of Shareholders, all in accordance with Article 146 and related provisions of the Corporate Enterprises Act, as well as to delegate to the Board of Directors the approval and terms of the execution of the resolutions to dispose of the treasury shares held by the Company at any given time.
3. To approve the terms and conditions of these acquisitions, which will be as follows:
 - (a) The par value of the shares acquired directly or indirectly, added to those already held by the acquiring company and its subsidiaries and, if applicable, by the parent company and its subsidiaries, should not exceed ten percent (10%) of the capital of CIE

Automotive, S.A., respecting in all cases the limitations established for the acquisition of treasury shares by the regulatory authorities of the markets where the shares of CIE Automotive, S.A. are listed.

- (b) That the acquisition, including the shares that the company, or a person acting in their own name but on behalf of the company, had previously acquired and held in a portfolio, does not have the effect that the equity is less than the capital stock plus the legal or statutory reserves that are not available. For these purposes, equity will be deemed to be the amount classified as such in accordance with the criteria for the preparation of the annual accounts, less the amount of the profits directly allocated thereto, and increased by the amount of the uncalled subscribed capital stock, as well as the amount of the par value and the share premiums of the subscribed capital recorded for accounting purposes as liabilities.
 - (c) The acquisition price must not be less than the nominal price or ten percent (10%) higher than the listed price of the shares on the date of acquisition or, in the case of derivatives, on the date of the contract giving rise to the acquisition. Transactions for the acquisition of treasury shares must be carried out in accordance with the rules and customs of the securities markets.
 - (d) A restricted reserve equivalent to the amount of treasury shares computed in assets should be established in equity. This reserve must be maintained until the shares are disposed of.
4. To expressly authorize the Company so that the shares acquired in use of this authorization may be used in whole or in part for delivery to the workers, employees or directors of the Company, when there is a recognized right, either directly or as a result of the exercise of option rights held by them, for the purposes laid down in the last paragraph of Article 146.1(a) of the Corporate Enterprises Act.
5. To reduce the share capital to redeem the treasury shares of CIE Automotive, S.A. that it may hold on its balance sheet, with a charge to profits or free reserves and for the amount that may be convenient at any given time or as necessary, up to the maximum of the treasury shares existing at any given time.

6. To delegate to the Board of Directors the enforcement of the foregoing resolution to reduce capital, who may carry it out one or more times and within a deadline of five (5) years from the date of this General Meeting of Shareholders, carrying out such formalities, procedures and authorizations as may be necessary or required by the Corporate Enterprises Act and other applicable provisions and, in particular, it is delegated so that, within the term and limits established for such enforcement, it may set the date(s) of the specific capital reduction(s) its opportunity and convenience, taking into account the market conditions, the share price, the economic and financial situation of the Company, its cash flow, reserves and outlook of the Company and any other aspect that may influence such decision; to specify the amount of the capital reduction; to determine the destination of the amount of the reduction, either to a restricted reserve or to freely distributable reserves, providing, as the case may be, the guarantees and complying with the legal requirements; to adapt Article 4 of the Company Bylaws to the new figure of the share capital; to request the delisting of the redeemed securities and, in general, to adopt such resolutions as may be necessary for the purposes of such redemption and subsequent capital reduction, designating the persons who may intervene in its formalization.

It is noted for the record that a report justifying the proposal presented has been prepared by the directors.

REPORT PRESENTED BY THE BOARD OF DIRECTORS OF CIE AUTOMOTIVE, S.A. IN RELATION TO THE RESOLUTION REFERRED TO IN ITEM FIVE OF THE AGENDA OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS ON THE PROPOSAL FOR AUTHORIZATION OF THE DERIVATIVE ACQUISITION OF TREASURY SHARES

1. PRELIMINARY

The Board of Directors of CIE Automotive, S.A. (the “**Company**”) has resolved to call an ordinary meeting of the general meeting of shareholders of the Company (the “**General Meeting**”) on May 4 and 5, 2023, on first and second call, respectively, and to submit for consideration (as item five on the agenda)

-leaving without effect the authorization granted by the General Meeting of Shareholders on April 28, 2022- the authorization to the Board of Directors to proceed with the derivative acquisition of treasure stock, directly or through group companies, in accordance with Articles 146 and 509 of the Consolidated Text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010, of July 2 (the “**Corporate Enterprises Act**”); including the reduction of capital stock to redeem own shares, delegating to the Board the necessary powers for its execution.

2. PURPOSE OF THE REPORT

For the valid adoption of the resolution to amend the bylaws, Article 286 of the Corporate Enterprises Act requires, among other requirements, that the directors prepare a written report with the justification thereof, which, together with the full text of the proposed amendment, must be made available to the shareholders within the time and in the manner mentioned in said article. Article 318 of the Corporate Enterprises Act establishes that the reduction of capital stock must be agreed by the General Meeting of Shareholders in accordance with the requirements of the amendment of the bylaws.

The purpose of this report is to comply with the provisions of the aforementioned regulations in relation to item five of the agenda submitted for approval by the General Meeting of Shareholders.

3. JUSTIFICATION OF THE PROPOSAL

Articles 144 et seq of the Corporate Enterprises Act, which regulate the regime of the business on treasury shares, allow the derivative acquisition of the shares by complying, among others, with the requirements resulting from Article 146 of the Corporate Enterprises Act. To this effect, it is proposed to the General Meeting of Shareholders to adopt a resolution that, leaving without effect the resolution adopted by the General Meeting of Shareholders on April 28, 2022, to the extent that it has not been executed, to grant the authorization with the requirements and limits

established in the Corporate Enterprises Act for the Company (either directly or through companies of its group) to acquire its treasury shares or, in the second case, shares issued by the parent company.

However, once the derivative acquisition of treasury shares has occurred, there are several mechanisms established in the Corporate Enterprises Act to reduce or eliminate the Company's treasury shares that have been acquired. Thus, it could be decided to redeem these shares or to sell them on the market. In the case of a company with securities admitted to trading on a secondary market, it is impossible to determine *a priori* the suitability of the procedure that, in the Company's interest and when the time comes, it is advisable to use for the aforementioned purpose of reducing or eliminating the treasury shares acquired. It is not possible to foresee market conditions at any given time, which could be favorable or unfavorable with respect to a single previously established procedure. For this reason, it is considered appropriate that the assessment of the circumstances at any given time be made by the Company's Board of Directors, which will then decide on the most suitable system

If it is decided to redeem the treasury shares acquired, this results in the need to adopt a resolution to reduce the capital stock. However, as the assessment of the convenience and opportunity of a financial operation of these characteristics must be adopted based on market circumstances at any given time, this requires - in the opinion of this Board of Directors - proposing to the General Meeting of Shareholders the adoption of a capital reduction resolution delegating the Board with the necessary powers for its execution. Such proposal includes the determination of the amount of the capital reduction and whether such amount is to be appropriated either to a restricted reserve or to a freely distributable reserve, in which case the requirements established by the Corporate Enterprises Act must naturally be complied with to guarantee creditors. In short, the purpose of this resolution to reduce capital stock is to provide the Company with a suitable instrument in the interest of the Company and its shareholders.

4. FULL TEXT OF THE PROPOSED RESOLUTION TO BE SUBMITTED TO THE GENERAL MEETING OF SHAREHOLDERS

The full text of the proposed resolution submitted for approval by the General Meeting of Shareholders is as follows:

"FIVE. Cancelling the authorization granted by the General Meeting of Shareholders of April 28, 2022, authorizing the Board of Directors to proceed with the derivative acquisition of treasury shares, directly or through group companies, in accordance with Articles 146 and 509 of the Corporate Enterprises Act; reducing the capital to redeem treasury shares, delegating to the Board the necessary powers for its execution.

1. *To rescind the resolution adopted by the General Meeting of Shareholders on April 28, 2022 to authorize the Company, directly or through any of its subsidiaries, for a maximum of five (5) years from the date of this General Meeting of Shareholders, to acquire, at any time and as many times as it deems appropriate, shares of CIE Automotive, S.A., by any means permitted by law, including against profits for the year and unrestricted reserves, all in accordance with Article 146 and related provisions of the Corporate Enterprises Act.*
2. *To rescind the resolution adopted by the General Meeting of Shareholders on April 28, 2022 to the extent not executed, to authorize the Company to proceed to dispose to any third parties or to subsequently redeem any treasury shares acquired by virtue of this authorization or the authorizations made by previous General Meeting of Shareholders, all in accordance with Article 146 and related provisions of the Corporate Enterprises Act, as well as to delegate to the Board of Directors the approval and terms of the execution of the resolutions to dispose of the treasury shares held by the Company at any given time.*
3. *To approve the terms and conditions of these acquisitions, which will be as follows:*
 - (a) *The par value of the shares acquired directly or indirectly, added to the par value of the shares already held by the acquiring company and its subsidiaries and, if applicable, by the parent company and its subsidiaries, must not exceed ten percent (10%) of the share capital of CIE Automotive, S.A., in compliance in all cases with the limitations established for the acquisition of treasury shares by the regulatory authorities of the markets where the shares of CIE Automotive, S.A. are admitted to trading.*

- (b) *That the acquisition, including the shares that the company, or a person acting in their own name but on behalf of the company, had previously acquired and held in a portfolio, does not have the effect that the equity is less than the capital stock plus the legal or statutory reserves that are not available. For these purposes, equity will be deemed to be the amount classified as such in accordance with the criteria for the preparation of the annual accounts, less the amount of the profits directly allocated thereto, and increased by the amount of the uncalled subscribed capital stock, as well as the amount of the par value and the share premiums of the subscribed capital recorded for accounting purposes as liabilities.*
 - (c) *The acquisition price must not be less than the nominal price or ten percent (10%) higher than the listed price of the shares on the date of acquisition or, in the case of derivatives, on the date of the contract giving rise to the acquisition. Transactions for the acquisition of treasury shares must be carried out in accordance with the rules and customs of the securities markets.*
 - (d) *A restricted reserve equivalent to the amount of treasury shares computed in assets should be established in equity. This reserve must be maintained until the shares are disposed of.*
4. *To expressly authorize the Company so that the shares acquired in use of this authorization may be used in whole or in part for delivery to the workers, employees or directors of the Company, when there is a recognized right, either directly or as a result of the exercise of option rights held by them, for the purposes laid down in the last paragraph of Article 146.1(a) of the Corporate Enterprises Act.*
 5. *To reduce the share capital to redeem the treasury shares of CIE Automotive, S.A. that it may hold on its balance sheet, with a charge to profits or free reserves and for the amount that may be convenient at any given time or as necessary, up to the maximum of the treasury shares existing at any given time.*
 6. *To delegate to the Board of Directors the execution of the foregoing resolution to reduce capital, which may be carried out one or more times and within a deadline of five (5) years from the date of this General Meeting of Shareholders, carrying out such formalities, procedures and*

authorizations as may be necessary or required by the Corporate Enterprises Act and other applicable provisions and, in particular, it is delegated so that, within the term and limits established for such enforcement, it may set the date(s) of the specific capital reduction(s) its opportunity and convenience, taking into account the market conditions, the share price, the economic and financial situation of the Company, its cash flow, reserves and outlook of the Company and any other aspect that may influence such decision; to specify the amount of the capital reduction; to determine the destination of the amount of the reduction, either to a restricted reserve or to freely distributable reserves, providing, as the case may be, the guarantees and complying with the legal requirements; to adapt Article 4 of the Company Bylaws to the new figure of the share capital; to request the delisting of the redeemed securities and, in general, to adopt such resolutions as may be necessary for the purposes of such redemption and subsequent capital reduction, designating the persons who may intervene in its formalization.

It is noted for the record that a report justifying the proposal presented has been prepared by the directors."

5. FORMULATION AND DISCLOSURE OF THE REPORT

This report has been formulated and unanimously approved by the Board of Directors at its meeting held on February 24, 2023. It will be made available to the public (and, in particular, to the Company's shareholders on the occasion of the next ordinary meeting of the General Meeting of Shareholders) through its publication on the Company's website, in accordance with the applicable legal, statutory and regulatory terms.

Bilbao, February 24, 2023

**PROPOSAL OF AGREEMENT IN RELATION TO ITEM SIX
OF THE AGENDA**

SIX. Ratification and appointment of Abanti Sankaranarayanan as member of the Board of Directors of the Company, as proprietary director.

At the proposal of the Board of Directors, with the favorable report of the Appointments and Compensation Committee, to ratify the appointment by cooptation of Abanti Sankaranarayanan made by the Board of Directors on December 15, 2022 and appoint her as a director of the Company for the statutory term of four (4) years with effect from the date of adoption of this resolution, with the status of proprietary director.

It is hereby noted that the reports issued by the Appointments and Compensation Committee and by the Board of Directors were made available to the shareholders at the time the General Meeting of Shareholders was called.

REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF CIE AUTOMOTIVE, S.A. (the “Company”) CONCERNING THE PROPOSAL FOR THE RATIFICATION AND REAPPOINTMENT OF ABANTI SANKARANARAYANAN AS PROPRIETARY DIRECTOR, TO BE MADE IN CONNECTION WITH HER (IF APPLICABLE) RATIFICATION AND APPOINTMENT BY THE GENERAL MEETING OF SHAREHOLDERS ON THE OCCASION OF ITS NEXT MEETING.

1. SUBJECT OF THIS REPORT.

This report (the “**Report**”) is issued in accordance with and for the purpose of the provisions of Article 529 decies of Royal Legislative Decree 1/2010, of July 2, which approves the consolidated text of the Corporate Enterprises Act (the “**Corporate Enterprises Act**”) and Articles 23 and 24 of the Board Regulations, which establish that the Board of Directors is responsible for making proposals for the appointment of directors (other than independent directors) to be submitted for approval by the general meeting of shareholders (the “**General Meeting**”).

In this regard, the Report is issued for the purpose of proposing to the General Meeting of Shareholders, at its next ordinary meeting, the ratification and appointment of Abanti Sankaranarayanan (the “**Director**”) as a proprietary director representing the significant shareholder Mahindra & Mahindra Ltd.

2. PROPOSAL AND JUSTIFICATION OF THE PROPOSAL.

The Director was appointed proprietary director representing the significant shareholder Mahindra & Mahindra Ltd by co-optation on December 15, 2022. In this regard, the Board of Directors has been able to verify once again that the Director meets the circumstances of competence, experience, merit, suitability and honorability that the performance of the position of director of the Company requires.

Accordingly, the Board of Directors has resolved to propose the ratification and appointment of the Director as a proprietary director of the Company for the statutory term.

Professional profile

The professional profile of the Director is available to the public on the Company’s website, through the following link

<https://cieautomotive.com/web/investors-website/consejo-de-administracion>

It is noted for the record that the proposal is issued taking into account and in accordance with the Policy for the Selection of Candidates for Directors and Diversity on the Board of Directors.

3. FORMULATION AND DISCLOSURE OF THE REPORT.

This report has been formulated and unanimously approved by the Board of Directors at its meeting held on February 24, 2023. It will be made available to the public (and, in particular, to the Company's shareholders on the occasion of the next ordinary meeting of the General Meeting of Shareholders) through its publication on the Company's website, in accordance with the applicable legal, statutory and regulatory terms.

Bilbao, February 24, 2023

REPORT SUBMITTED BY THE APPOINTMENTS AND COMPENSATION COMMITTEE OF CIE AUTOMOTIVE, S.A. (the "Company") CONCERNING THE PROPOSAL FOR THE RATIFICATION AND REAPPOINTMENT OF ABANTI SANKARANARAYANAN AS PROPRIETARY DIRECTOR, TO BE MADE IN CONNECTION WITH HER (IF APPLICABLE) RATIFICATION AND APPOINTMENT BY THE GENERAL MEETING OF SHAREHOLDERS ON THE OCCASION OF ITS NEXT MEETING.

1. SUBJECT OF THIS REPORT.

This report (the "**Report**") is issued in accordance with and for the purpose of the provisions of Articles 529 decies and 529 quindecies d) of Royal Legislative Decree 1/2010, of July 2, which approves the consolidated text of the Corporate Enterprises Act (the "**Corporate Enterprises Act**"), Articles 23 and 24 of the Board Regulations and Article 3.(f) of the Regulations of the Appointments and Compensation Committee, which establishes that the Appointments and Compensation Committee is responsible for informing the Board of Directors regarding proposals for the re-election of directors (other than independent directors) to be submitted for approval by the general meeting of shareholders of the Company (the "**General Meeting**").

For clarification purposes, it should be noted that this Report is issued as a continuation of the favorable report submitted to the Board of Directors on the same basis on the occasion of the appointment of Abanti Sankaranarayanan (the "**Director**") as a proprietary director by co-optation on December 15, 2022.

2. REPORT ON THE PROPOSAL.

At its meeting held today, the Appointments and Compensation Committee agreed to report favorably on the proposal to ratify and appoint the Director as proprietary director of the Company for the statutory term, to be submitted to the decision of the General Meeting of Shareholders at its next ordinary meeting.

The Appointments and Compensation Committee has verified that the reasons and circumstances of competence, experience, merits, suitability and honorability, which -without prejudice to the proprietary nature of the Director- motivated its favorable report at the time of her appointment by co-optation, remain in force. Likewise, the circumstances for her qualification as a proprietary director continue to apply in relation to the significant shareholder Mahindra & Mahindra Ltd.

Accordingly, the Appointments and Compensation Committee has resolved to propose the ratification and appointment of the Director as a proprietary director of the Company for the statutory term.

Professional profile

The professional profile of the Director is available to the public on the Company's website, through the following link

<https://cieautomotive.com/web/investors-website/consejo-de-administracion>

It is hereby stated for the record that the report of the Appointments and Remuneration Committee is issued taking into account and in accordance with the Policy for the Selection of Candidates for Directors and Diversity on the Board of Directors.

3. FORMULATION AND DISCLOSURE OF THE REPORT.

This report has been formulated and unanimously approved by the Appointments and Compensation Committee at its meeting held on February 24, 2023. It will be made available to the public (and, in particular, to the Company's shareholders on the occasion of the next ordinary meeting of the General Meeting of Shareholders) through its publication on the Company's website, in accordance with the applicable legal, statutory and regulatory terms.

Bilbao, February 24, 2023

**PROPOSED RESOLUTION RELATING TO ITEM SEVEN ON
THE AGENDA**

SEVEN. Approval of the Directors' Remuneration Policy 2024- 2026.

In accordance with Article 529 novodecies of the Corporate Enterprises Act, to approve the Directors' Remuneration Policy for the period 2024-2026, the full text of which, together with the mandatory report of the Appointments and Compensation Committee, is included in the Board of Directors' explanatory report made available to the shareholders as part of the documentation relating to the Ordinary General Meeting of Shareholders.

REPORT PRESENTED BY THE BOARD OF DIRECTORS OF CIE AUTOMOTIVE, S.A. IN RELATION TO THE RESOLUTION REFERRED TO IN POINT SEVEN OF THE AGENDA OF THE ORDINARY GENERAL MEETING.

1. SUBJECT OF THIS REPORT.

Article 529.novodecies of the current Corporate Enterprises Act requires, among other requirements, a reasoned report from the Board of Directors and the Appointments and Compensation Committee regarding the directors' remuneration policy.

The purpose of this report is to comply with the provisions of the aforementioned rule, which is prepared by the Board of Directors of CIE Automotive, S.A. ("**CIE Automotive**" or the "**Company**") to justify the proposal - which is submitted for approval at the General Meeting of Shareholders convened for May 4, 2023, at 12:30 p.m., on first call, and the following day, May 5, 2023, at the same time, on second call, under item seven of the agenda.

2. JUSTIFICATION OF THE PROPOSAL.

The remuneration policy (the "**Remuneration Policy**" or the "**Policy**") for directors proposed by the Appointments and Compensation Committee for the 2024-2026 period is a continuation of the Directors' Remuneration Policy in place up to the current date.

This Remuneration Policy is intended to be a tool to ensure the presence of talent, effort and value creation in the Company's management body. It is designed to attract and retain the best directors, encourage their efforts, foster their creativity and leadership and ensure that their interests are aligned with those of CIE Automotive's shareholders.

To this end, the policy for which approval is sought from the General Meeting of Shareholders is based on the following principles:

- a) To compensate adequately the dedication and responsibility assumed by the directors, in accordance with that which is paid in the market in comparable companies in terms of capitalization, size, ownership structure and international presence.

- b) To ensure that compensation contributes directly to the achievement of CIE Automotive's strategic objectives.
- c) To ensure proper attraction, motivation and retention of the best professionals.

In this way, the mechanisms for the compensation of directors in their capacity as directors, and of directors who have executive functions, are proposed.

With regard to the directors in their condition as directors, it is decided to only remunerate those directors who have a special dedication to the Company.

With regard to the Chief Executive Officer (director with executive functions), a compensation plan is continued to encourage his motivation and commitment over time, and his excellent performance in recent years is rewarded in an extraordinary way, all under the following parameters:

- a) To reward with a comprehensive offer of monetary elements that recognizes and respects the diversity of his needs and expectations related to the professional environment, while at the same time serving as a tool for communicating organizational goals and business targets.
- b) To ensure that the compensation, in terms of its structure and overall amount, complies with best practices and is competitive with the market.
- c) To include a significant annual variable component linked to performance and the achievement of specific, predetermined and quantifiable objectives.
- d) To strengthen and encourage the achievement of the Company's strategic objectives through the incorporation of long-term incentives, reinforcing continuity in the competitive development of the Group, its directors and its management team, fostering a motivating and loyalty-building effect, as well as retaining the best professionals.
- e) To foster a culture of commitment to the Group's objectives, where both personal and team contributions are fundamental.

- f) To establish adequate mechanisms so that the Company can obtain reimbursement of the variable components of the compensation when the payment has not been adjusted to the conditions under which they were granted.

In addition, as a result of the application of the foregoing principles and as justified in the policy, it is proposed to grant an extraordinary non-vested compensation to the Chief Executive Officer, to (i) offset the compensation deficit that he has not been able to consolidate in the period since the approval of his long-term variable compensation system linked to the evolution of the share price; (ii) also to recognize the effort, value and results of the Chief Executive Officer's management in the period and (iii) reward his alignment and personal - and equity - commitment to the interests of the CIE Automotive Group, with which he shares objectives

In conclusion to the foregoing, and taking into account the proposal issued for this purpose by the Appointments and Compensation Committee, the Board of Directors of CIE Automotive proposes that, in continuity with the existing one, a remuneration policy for the members of the Board of Directors be articulated.

3. FULL TEXT OF THE PROPOSED RESOLUTION SUBMITTED FOR THE DELIBERATION AND DECISION OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS.

"SEVEN. Approval of the Directors' Remuneration Policy 2024-2026.

In accordance with Article 529 novodecies of the Corporate Enterprises Act, to approve the Directors' Remuneration Policy for the period 2024-2026, the full text of which, together with the mandatory report of the Appointments and Compensation Committee, is included in the Board of Directors' explanatory report made available to the shareholders as part of the documentation relating to the Ordinary General Meeting of Shareholders.

4. REPORT OF THE APPOINTMENTS AND COMPENSATION COMMITTEE ON THE PROPOSED DIRECTORS' REMUNERATION POLICY

"REPORT JUSTIFYING THE REMUNERATION POLICY OF THE DIRECTORS OF CIE AUTOMOTIVE, S.A.

1. INTRODUCTION

The purpose of the Directors' Remuneration Policy (the "Policy") of CIE Automotive S.A. ("**CIE Automotive**" or the "**Company**") that the Appointments and Compensation Committee of CIE Automotive proposes to the Board of Directors of CIE Automotive for consideration by the General Meeting of Shareholders is to describe and update the various elements of the remuneration policy for the directors of CIE Automotive (both directors as such and executive directors), as well as the main conditions that the contracts of executive directors must observe, adapted to the circumstances and characteristics of the composition of the Board of Directors of CIE Automotive.

The issuance of this report complies with the provisions of section 4 of article 529 novodecies of the Corporate Enterprises Act.

2. JUSTIFICATION OF THE PROPOSAL

The new Directors' Remuneration Policy represents a continuity with respect to the existing policy to date and in any case seeks to be a tool to ensure the presence of talent, effort and value creation in the Company's management body. It was designed to attract and retain the best directors, encourage their efforts, foster their creativity and leadership and ensure that their interests are aligned with those of CIE Automotive's shareholders.

Likewise, the new Policy is an update of the existing policy to: (i) the new wording given to article 24 (*Remuneration of directors*) of the Company's bylaws and (ii) the regulation relating to extraordinary compensation measures in exceptional circumstances to the redefinition carried out in relation to the Chief Executive Officer's compensation package.

The Appointments and Compensation Committee considers that the proposed Directors' Remuneration Policy submitted to the Board of Directors complies with the functions reserved by the Corporate Enterprises Act for this instrument, as well as with the recommendations contained in the Code of Good Governance for Listed Companies approved by the Spanish Securities and Exchange Commission regarding compensation, which are directly



applicable to the characteristics of CIE Automotive as a listed company, and with the good governance recommendations generally recognized in international markets in this area.

The text of the proposed Directors' Remuneration Policy for the period 2024-2026 is as follows:

**REMUNERATION POLICY OF THE MEMBERS OF THE
BOARD OF DIRECTORS OF
CIE AUTOMOTIVE, S.A.
("CIE Automotive" or the "Company")**

I. Regulatory framework

Article 529.novodecies.1 of the Corporate Enterprises Act (the "**LSC**"), states that the approval of the Directors' remuneration policy is the responsibility of the General Meeting of Shareholders at the proposal of the Board of Directors in accordance with Article 249 bis j) of that Act.

In accordance with Article 529.novodecies.1 of the LSC, the remuneration policy for Directors will be adjusted as appropriate to the compensation system laid down in the Company's Bylaws.

Therefore, the statutory basis for this policy will be Article 24 of the Company's Bylaws, as amended by the Company's General Meeting of Shareholders of April 28, 2022, which has the following content:

"Article 24. Remuneration of directors

1. *The members of the Board of Directors will receive compensation, except for those cases in which the Board of Directors expressly so determines, taking into account the services and responsibilities assumed by the various directors.*
2. *The compensation of the members of the Board of Directors will consist, in cash, of a fixed annual part, appropriate to the services and responsibilities assumed. In addition to the foregoing, certain members of the Board of Directors, depending on their services and responsibilities, may also receive (a) a variable part, in cash, linked to objective indicators relating to the individual performance of the director or the company; and (b) a health care part, which will include the appropriate insurance.*
3. *The determination of the amounts comprising the fixed compensation of the members of the Board of Directors in their capacity as directors, of the*

indicators used to calculate the variable portion (which, in no case, may consist of a share in the company's profits), and of the elements comprising the health care portion, will be agreed by the General Meeting of Shareholders.

4. *The General Meeting of Shareholders is expressly authorized to establish incentive systems for all, one or some of the directors as well as for the senior executives of the company or of the group companies, which may include the delivery of shares or stock options or compensation indexed to the value of the shares, subject to the requirements established in the legislation in force from time to time.*
5. *In the case of directors who have been attributed executive functions in the company, the compensation corresponding to the CEOs and other directors to whom functions of this nature are attributed by virtue of other titles must comply with the provisions shown here and, in any case, with the remuneration policy approved by the General Meeting and the contracts approved by the Board of Directors and signed with them, in accordance with applicable legislation. In the case of directors who have executive functions in the company, they may receive:*
 - a) *a fixed allowance,*
 - b) *variable compensation in the long and short term with general reference indicators or parameters,*
 - c) *compensation in shares or linked to their performance, under the terms laid down in paragraph 4 above,*
 - d) *indemnities for early termination, provided that the termination was not due to a breach of the duties of a director, and amounts related to non-competition, permanence and exclusivity commitments assumed; and*
 - e) *the savings or pension systems deemed appropriate.*
6. *The Board of Directors will prepare an annual report on the compensation of its directors, with the content and for the purposes laid down in applicable legislation."*

II. Basic principles

The Remuneration Policy seeks to ensure that the compensation of CIE Automotive's directors is appropriate to the dedication and responsibility assumed, and in line with the compensation paid in the market at comparable companies in Spain and abroad, taking into account the long-term interest of the shareholders as a whole.

Accordingly, the Remuneration Policy must be appropriate to the circumstances prevailing at any given time, paying special attention to the evolution of the regulations, best practices, recommendations and trends – both national and international – in the area of compensation of directors of listed companies and the prevailing market conditions.

Therefore, the basic principles on which the Remuneration Policy for directors in their capacity as directors is built are as follows:

- a) To compensate adequately the dedication and responsibility assumed by the directors, in accordance with that which is paid in the market in comparable companies in terms of capitalization, size, ownership structure and international presence.
- b) To ensure that compensation contributes directly to the achievement of CIE Automotive's strategic objectives.
- c) To ensure proper attraction, motivation and retention of the best professionals.

Finally, it should be noted that the nature of their relationship has been taken into account, insofar as it has been decided not to grant compensation to proprietary directors (except for the Chairman of the Board of Directors, due to his special dedication), although this last decision is subject to review in the future and could well give rise to a new remuneration policy (or a modification of the current one) in subsequent years that would take this specific fact into account.

In addition to the foregoing, in the case of those directors who perform executive functions in the Company, the basic principles governing their compensation are as follows:

- d) To reward with a comprehensive offer of monetary elements that recognizes and respects the diversity of his needs and expectations related to the professional environment, while at the same time serving as a tool for communicating organizational goals and business targets.

- e) To ensure that the compensation, in terms of its structure and overall amount, complies with best practices and is competitive with the market.
- f) To include a significant annual variable component linked to performance and the achievement of specific, predetermined and quantifiable objectives.
- g) To strengthen and encourage the achievement of the Company's strategic objectives through the incorporation of long-term incentives, reinforcing continuity in the competitive development of the Group, its directors and its management team, fostering a motivating and loyalty-building effect, as well as retaining the best professionals.
- h) To foster a culture of commitment to the Group's objectives, where both personal and team contributions are fundamental.
- i) To establish adequate mechanisms so that the Company can obtain reimbursement of the variable components of the compensation when the payment has not been adjusted to the conditions under which they were granted.

This Remuneration Policy distinguishes between the compensation system for the performance of the position of director and the compensation system for the performance of executive functions by executive directors.

III. Remuneration policy for directors in their capacity as directors

A fixed annual allowance is established as a remuneration policy for directors in their capacity as directors, which will be payable exclusively to those non-executive directors who have a special dedication to the Company, i.e. (i) the Chairman of the Board of Directors and (ii) the independent female directors. Without prejudice to the foregoing, the Board of Directors is empowered, subject to the prior approval of the Appointments and Compensation Committee, to establish compensation for proprietary directors in line with market compensation and always within the maximum amount approved by the Ordinary General Meeting of Shareholders for the compensation of directors in their capacity as directors for each year.

It is left to the discretion of the Board of Directors to establish the frequency of payment of the annual allocation.

Except as provided in this section and in the provisions of Article 24 of the Bylaws, the freedom of configuration reserved by law for the Board of Directors is respected.

In addition to the above, the Chairman of the Board of Directors will receive compensation in kind for the use of the company car.

There are no other types of compensation, such as per diems or payments of pension fund contributions or assistance bonuses.

For 2023, the Board of Directors, with the prior favorable report of the Appointments and Compensation Committee, has approved the following gross compensation for the aforementioned directors, which may be subject to adjustment -upward or downward- for each year, always within the maximum amount that the Ordinary General Meeting of Shareholders approves for the compensation of the directors in their condition as directors for each year:

Director	Fixed compensation amount (€)
Chairman of the Board of Directors	€1,250,000
Independent directors	€100,000

IV. Remuneration policy for executive directors

The remuneration policy of the Directors for the performance of executive functions with full dedication will be similar in structure to the remuneration policy of the Company's management personnel and will include:

(a) Fixed compensation

This part of the compensation must be in line with that paid in the market by comparable companies in terms of capitalization, size, ownership structure and international presence.

Thus, in 2023, the Chief Executive Officer will be entitled to receive a fixed gross annual compensation of 600 thousand euros, and the director

responsible for corporate operations and M&A will be entitled to 220 thousand euros gross per year.

The compensation of executive directors will vary according to the responsibilities and specific characteristics of the functions performed and will be reviewed annually by the Board of Directors at the proposal of the Remuneration Committee.

To this end, the Committee may rely on external advisors to carry out the market studies and analyses it deems appropriate.

(b) Short-term variable compensation

For the Chief Executive Officer, the targets to which his variable compensation will be linked will be reflected in the Annual Directors' Remuneration Report and will be related to parameters such as Net Profit and Gross Operating Profit (EBITDA) approved in the Annual Budget by the Board of Directors.

The amount of short-term variable compensation may not exceed 100% of the fixed compensation.

The Board of Directors, at the proposal of the Appointments and Compensation Committee (which must verify the degree of compliance with the established parameters), will determine the degree of compliance with the short-term variable compensation and its corresponding amount.

(c) Long-term variable compensation

The Chief Executive Officer is expected to receive a long-term variable compensation linked to his permanence in the CIE Automotive Group over the next ten

(10) years and as long as the General Meeting and the Board of Directors decide to maintain him in office.

This long-term variable compensation will be based on the increase in value of the shares of CIE Automotive, S.A. in accordance with the following basic characteristics:

The compensation will consist of the allocation of 1,450,000 units to the Chief Executive Officer, which include a compensation based on the increase in value of the same number of shares of CIE Automotive, S.A. over a period of time, taking as a reference their market value, and which will be paid in cash, in accordance with the following formula:

$$\text{Incentive in each Relevant Period} = 1,450,000 \times (\text{Listed value} - \text{Initial Value})$$

If the General Meeting and the Board of Directors decide not to maintain him in office for whatever circumstances, the Chief Executive Officer is entitled to receive the full amount of such compensation in identical terms to those agreed upon.

The 2018 Annual General Meeting of Shareholders determined the detailed characteristics of the long-term variable compensation, which was subject to approval, in a separate vote. In addition, the Ordinary General Meeting of Shareholders of 2021 has approved certain adjustments to this long-term variable compensation, to adapt such compensation. Likewise, the Ordinary General Meeting of Shareholders of 2023 is expected to approve certain adjustments to the reference value in line with the extraordinary compensation provided for in section VI below.

(d) Non-competition commitment

The Chief Executive Officer may not hold positions in the administrative bodies of companies in the automotive sector or other competing companies or participate, in any other way, in their management or advice during the period of his appointment and during the three (3) years following the termination of his appointment. In compensation for this circumstance, the Chief Executive Officer will receive a net amount of 650 thousand euros per year.

If the General Meeting and the Board of Directors decide not to maintain him in office for whatever circumstances, with the aforementioned undertaking remaining in force, the Chief Executive Officer is entitled to receive the full amount of such compensation in identical terms to those agreed upon.

(e) Tenure

The Chief Executive Officer is entitled to additional compensation conditional upon remaining at the CIE Automotive Group for the next ten (10) years, provided that the Meeting of Shareholders and the Board of Directors decide to retain him in his position. Thus he will receive a net amount of 650 thousand euros per year for each of the next ten years (until the end of 2027). If he voluntarily resigns from his position as Chief Executive Officer during this period, he will not be entitled to receive the unearned amount and must reimburse the amount accrued for this concept.

If the General Meeting and the Board of Directors decide not to maintain him in office for whatever circumstances, the Chief Executive Officer is entitled to receive the full amount of such compensation in identical terms to those agreed upon.

(f) Health care and ancillary benefits

The compensation system for executive directors may be supplemented with health and life insurance in line with market practice for comparable companies in terms of capitalization, size, ownership structure and international presence. In addition, executive directors may receive compensation in kind for the use of the company car.

The Company does not currently have any commitments, either of contribution or defined benefit, to any retirement or long-term savings system for any director.

(g) Claw-back clauses

The Board of Directors, in accordance with the proposal made by the Appointments and Compensation Committee, as the case may be, has the power to claim the return of the compensation already paid in relation to the commitment of permanence and non-competition (claw-back clauses) in the aforementioned circumstances. In addition, additional grievance measures may be taken in special situations such as fraud, serious non-compliance with the law.

(h) Indemnification clauses

The Chief Executive Officer will be entitled to receive the full amount of his long-term variable compensation and the full amount of his tenure and non-competition commitment in the event that the General Meeting and the Board of Directors decide not to retain him in office for any circumstances within the ten (10) year period from January 1, 2018.

In addition to the above, he may be entitled to receive an additional amount (at most, equivalent to two annuities of his fixed and short-term variable compensation) to be included, if applicable, in his contract.

(i) Compensation considerations of the director in charge of corporate operations and M&A

Directors with executive functions related to corporate and M&A transactions will be entitled to receive, in addition to their fixed compensation, an additional compensation consisting of 0.25% of the Enterprise Value of the company effectively acquired in the M&A deal, with a maximum amount in each transaction of 800 thousand euros.

V. Basic terms and conditions of the contract with the Chief Executive Officer and executive officers

(i) Term

The contract is of indefinite duration.

The Chief Executive Officer's contract may be freely terminated at any time by the Company, without prior notice and with the indemnification consequences indicated in section IV(h) and (g) above.

For his part, the Chief Executive Officer may freely terminate the contract and resign from his position at any time, with at least three months' notice and with the consequences indicated in section IV(e) and (g).

(ii) Applicable regulations

The regulations applicable to the contracts of executive directors are those provided for by the legal system in each case.

(iii) Non-competition agreement

In view of his degree of knowledge of the design and execution of the Company's strategy and business plans, the Chief Executive Officer's contract establishes in any case a non-competition obligation in relation to companies and activities of a similar nature during the term of his relationship with the Company and for a subsequent period of three years. In compensation for these commitments, the Chief Executive Officer is entitled to the compensation provided for in section IV(d) above.

(iv) Exclusivity and tenure agreement

The CEO assumes a commitment of exclusivity and tenure. In compensation for these commitments, the Chief Executive Officer is entitled to the compensation provided for in section IV(e) above.

(v) Confidentiality and return of documents

For executive directors, a strict duty of confidentiality is established, both during the term of the contracts and after the termination of the relationship. In addition, upon termination of their relationship with the Company, executive directors must return to the Company the documents and objects related to their activity that are in their possession.

(vi) Deontological duties

Executive directors must conduct themselves within the duties of good faith and loyalty, refraining from participating, directly or indirectly, in situations that could result in a conflict between their personal interests and those of the Company.

VI. Extraordinary compensation measures in the face of exceptional circumstances

The Appointments and Compensation Committee may propose to the Board of Directors adjustments to the amounts, elements, criteria, thresholds and limits of the compensation of executive directors, in the event of exceptional circumstances caused by extraordinary internal or external factors or events. The detail and justification for such adjustments will be included in the corresponding Annual Report on Directors' Remuneration.

Specifically, the Board of Directors' meeting of February 24, 2023, with the

prior favorable report of the Appointments and Compensation Committee, agreed to grant the Chief Executive Officer an extraordinary, non-consolidable compensation in the gross amount of TWENTY MILLION EUROS (€20,000,000).

Almost six years have passed since the terms of the CEO's compensation package were defined, and unfortunately, geostrategic, pandemic and sectoral circumstances have rendered the premises on which the CEO's compensation package was based no longer valid and in force.

On the one hand, the economic crisis caused by (i) the most important health crisis the planet has had to face in more than a century (the Covid-19 pandemic) and (ii) the escalation of war tensions in Europe resulting from Russia's invasion of Ukraine and the war whose first anniversary has just passed. On the other hand, the crisis that the automotive sector -and therefore the automotive component manufacturers sector- has had to face is the result of (i) a paradigm shift linked to electrification and the progressive abandonment of power units associated with combustion; (ii) an unprecedented crisis in the supply and logistics chain; (iii) the impact of the war in Ukraine and the pandemic on the cost of raw materials; (iv) the impact of the semiconductor and chip crisis.

In short, a radical change in the socio-political, socio-economic and geostrategic premises that were taken into account when shaping the CEO's compensation package mentioned above.

In spite of this, or perhaps as a consequence of it, the CEO's performance and ability to react, manage and execute in such a context has been, without doubt, extraordinary. The Company and its Group have been able to weather all the storms and five years after the signing of the Contract, the profitability, leverage, revenue, cash generation and earnings metrics of the Company and its Group are at all-time highs.

These historical highs, however, do not correlate with the performance of CIE Automotive's share price on the capital markets - the cornerstone of the CEO's compensation package - or with its corresponding valuation by the financial markets. CIE Automotive's closing share price on December 31, 2017

was 24.21 euros and on December 31, 2022 it was 24.06 euros. However, as a graphic example, the Group's sales at year-end 2017 were 2.881 billion (automotive) and at year-end 2022 were 3.838 billion (after making the German forging business of MCIE available for sale). EBITDA at year-end 2017, 472 million (automotive); at year-end 2022, 633 million.

As a complement to everything stated in the preceding paragraphs, the Chief Executive Officer has demonstrated his commitment to the CIE Automotive Group by aligning his personal interests with the company's performance, insofar as he has proceeded to acquire in March 2018 shares representing -at the time- 1% of the share capital of CIE Automotive S.A.

At its October 2022 meeting, the Company's Board of Directors instructed the Appointments and Compensation Committee to redefine the basic framework of the Chief Executive Officer's compensation package, considering that the premises on which it was based could not materialize due to the circumstances envisaged. In this context, different variables and different formulas for correcting erroneous assumptions have been analyzed.

After the corresponding deliberations, the Committee proposed to the Board of Directors -who endorsed the proposal and included it in this Directors' remuneration policy for the period until 2026- the granting of an extraordinary and non-consolidable compensation to the Chief Executive Officer, to (i) offset the compensation deficit that he was unable to consolidate in the period; (ii) also to recognize the effort, value and results of the Chief Executive Officer's management in the period and (iii) reward his alignment and personal -and equity- commitment to the interests of the CIE Automotive Group, with which he shares objectives.

This compensation will also entail the need to adjust the minimum value of the long-term variable compensation linked to the evolution of the Company's share price, so that this minimum value assumes in its determination the agreed extraordinary compensation and that the new value is the reference element for future years of this compensation in the scenario of share revaluation between now and December 31, 2027. Thus, and subject to the approval of the Ordinary General Meeting of Shareholders, although to date the trading value at which the Incentive could be exercised was €27.41, from now on the Incentive may only be exercised when the share reaches €34.00.

VII. Review of Directors' compensation

In accordance with Article 217.4 of the Corporate Enterprises Act, which establishes that the compensation of the Directors must in any case be in reasonable proportion to the importance of the Company, its economic situation at any given time and the market standards of comparable companies, the compensation of the Directors will be reviewed or updated periodically.

These changes will be disclosed in the Annual Report on Directors' Remuneration, which will be submitted to a binding vote as a separate item on the agenda at the first General Meeting of Shareholders to be held.

VIII. New appointments

The compensation of any new director will be governed by this Remuneration Policy, considering the candidate's experience and knowledge, their background and their level at the time of appointment.

The Board of Directors will approve the compensation of the new director at the proposal of the Appointments and Compensation Committee.

IX. Adaptation to the situation and context applicable at any given time

The application of this Policy will be suitably adapted to the economic situation and the international context at the proposal of the Appointments and Compensation Committee. Where appropriate, full details and reasons for any adjustments will be provided to shareholders in the next annual report on directors' compensation to be published.

X. Other compensation considerations

The Company has taken out and pays the lump-sum premium for civil liability insurance for directors and executives of CIE Automotive, S.A. and most of the companies belonging to its group which, therefore, also covers all the Board Members, including the executive Board Members for the liabilities that may be demanded of them as a consequence of the performance of the activities inherent to their functions.

In addition to the above-mentioned compensation items referred to previously,

the Chairman of the Board of Directors and the executive directors receive certain compensation in kind, corresponding to the use of a company car and health care.

XI. Term of the Remuneration Policy

The Company will apply this directors' remuneration policy as of the General Meeting of Shareholders of May 4, 2023 and during 2024, 2025 and 2026.

Any modification or substitution of the policy during its term will require the prior approval of the General Meeting of Shareholders in accordance with the provisions of the aforementioned article 529 novodecies of the LSC.

Bilbao, February 24, 2023

**PROPOSED RESOLUTION RELATING TO ITEM EIGHT OF
THE AGENDA**

EIGHT. Approval of modifications to the terms of the long-term variable compensation linked to the evolution of the share of which the Chief Executive Officer is the beneficiary.

In accordance with the Directors' Remuneration Policy subject to approval under item seven of the agenda, and subject to its effective approval by the Ordinary General Meeting of Shareholders, it is resolved to amend certain terms of the long-term incentive based on the increase in value of the shares of CIE Automotive, S.A. in favor of the Chief Executive Officer approved by the General Meeting of Shareholders of April 28, 2018 and amended by the General Meeting of Shareholders of May 5, 2021.

The purpose of the amendments, which are due to the need to adjust the reality of the Chief Executive Officer's long-term incentive to the radical change in the socio-political, socio-economic and geostrategic premises that were taken into account when the Chief Executive Officer's compensation package was configured, is to grant an extraordinary and non-consolidable compensation to the Chief Executive Officer, to offset the compensation deficit that he was unable to consolidate during the period and also to recognize the effort, value and results of the Chief Executive Officer's management during the period.

Likewise, the granting of the extraordinary compensation in question implies the need to adjust the minimum value of the long-term variable compensation referred to the evolution of the Company's share price, in such a way that said reference value for successive years assumes in its determination the agreed extraordinary compensation and that the new value is the reference element for subsequent years of said compensation in the scenario of revaluation of the share from this date to December 31, 2027.

Thus, although to date the share price at which the Incentive could be exercised was €27.41, from now on the Incentive can only be exercised when the share reaches €34.00.

In this context, it is agreed to modify the section "*Determination of the Incentive*" which will have the following content:

"III. Determination of the Incentive.

The Beneficiary will be entitled to receive, on the dates indicated below, a long-term variable compensation consisting of the amount in Euros (€) resulting from the application of the following formula:

Incentive in each Reference Period = 1,450,000 x (Listed value - Initial Value)

where

- *Initial value corresponds to the amount of €34,00 per share.*
- *The share price is equal to the average market price of the CIE Automotive, S.A. share in the period of thirty (30) calendar days that, within each Reference Period, the Chief Executive Officer determines as the calculation period for the purposes of the Incentive.*

For the purposes of the calculation, the average trading value will be calculated by dividing the sum of the cash traded in CIE Automotive shares in the thirty (30) calendar day reference period and the sum of the total number of securities traded on the Bilbao, Madrid, Barcelona and Valencia Stock Exchanges during the aforementioned thirty (30) calendar day reference period.

- *Reference Period corresponds, at the Beneficiary's choice, to the thirty (30) calendar day period referred to above, within the dates between any of (i) April 1, 2023 and September 30, 2023; (ii) January 1, 2024 and June 30, 2024; (iii) October 1, 2024 and March 31, 2025; (iv) July 1, 2025 and December 31, 2025; (v) April 1, 2026 and September 30, 2026 and (vi) January 1, 2027 and December 31, 2027.*

The Beneficiary may, therefore, exercise the Incentive partially and -under the terms indicated below-, within any of the Reference Periods.

For purposes of the exercise of the Incentive in each of the Reference Periods, the following circumstances will apply:

- *In the exercise of the Incentive in each of the Reference Periods subsequent to the first exercise of the Incentive, the Contribution Value taken for the purpose of calculating the Incentive in the previous Reference Period will be taken as the initial Value.*
- *In the event that, at the time of the exercise of the Incentive, the Listing value*

-as defined previously- is lower than the Initial Value (or the exercise value of the Incentive in the previous Reference Period in which the Incentive was partially exercised), the Chief Executive Officer would not be entitled to receive any Incentive in such Reference Period, without prejudice to the possibility of exercising the Incentive in the following Reference Period (this right is not lost due to the fact of not being able to exercise the Incentive in any Reference Period).

**PROPOSAL OF AGREEMENT REGARDING ITEM
NINE OF THE AGENDA**

**NINE. Setting the maximum amount of the compensation of the
directors in their condition as such for the current year.**

The directors' remuneration policy establishes a fixed annual allowance payable exclusively in favor of those non-executive directors who have a special dedication in favor of the Company, that is, (i) the Chairman of the Board of Directors and (ii) the independent directors. In this regard, to set the maximum aggregate amount of this compensation for the year ended December 31, 2023 at 1,600,000 euros.

In accordance with the directors' remuneration policy in force, it will be left to the discretion of the Board of Directors to establish the frequency with which the annual allowance is paid and, except as provided in this section and in the provisions of Article 24 of the Bylaws, respecting the freedom of configuration reserved by law to the Board of Directors. The Board will be responsible for setting the final amount within the maximum amount approved and distributing it among the Chairman and the independent directors as it deems most appropriate in accordance with the provisions of the directors' remuneration policy in force.

It is hereby noted that this proposal has received a favorable report from the Appointments and Compensation Committee.

**PROPOSAL OF AGREEMENT IN RELATION TO ITEM TEN
OF THE AGENDA**

TEN. Submission of the Annual Report on Remuneration of Directors of CIE Automotive, S.A. to the General Meeting of Shareholders on a consultative basis.

The Board of Directors of the Company at its meeting held on February 24, 2023, following a report from the Appointments and Compensation Committee, has prepared the Annual Report on Directors' Remuneration for the purposes laid down in Article 541 of the Corporate Enterprises Act.

In accordance with the aforementioned precept, this Annual Report on Directors' Remuneration is submitted to a vote, on a consultative basis and as a separate item on the agenda.

It is proposed to the Ordinary General Meeting of Shareholders to vote on a consultative basis on the Annual Remuneration Report that has been made available to the shareholders.

**PROPOSAL OF AGREEMENT IN RELATION TO ITEM
ELEVEN OF THE AGENDA**

ELEVEN. Delegation of powers for the enforcement of the foregoing resolutions.

To empower all members of the Board of Directors and, in particular, the Chairman and the Secretary (non-director) of the Board of Directors, with express power of sub-delegation, so that any of them, jointly and severally, may carry out as many acts as may be necessary or appropriate for the enforcement, implementation, effectiveness and successful completion of the decisions adopted and, in particular, for the following acts, without limitation:

- a) to appear before a notary public and execute on behalf of the Company any public deeds as may be necessary or advisable in connection with the decisions adopted by the General Meeting of Shareholders, and may appear, as the case may be, before the corresponding Spanish Mercantile Registry or before any other registries and carry out such acts as may be necessary or advisable for the effective registration of the decisions adopted by the General Meeting of Shareholders;
- b) to clarify, specify, correct and complete the decisions adopted and resolve any doubts or aspects that may arise, correcting and completing any defects or omissions that may prevent or hinder the effectiveness or registration of the corresponding decisions;
- c) to take such resolutions as may be necessary or required for the enforcement and implementation of the decisions adopted, and to execute any public and private documents and carry out any acts, legal transactions, contracts, declarations and operations as may be appropriate for the same purpose; and
- d) to grant any other public or private documents that may be necessary or appropriate for the enforcement, implementation, effectiveness and successful completion of all resolutions adopted by the General Meeting of Shareholders, without any limitation whatsoever.