




CIE Automotive


Policy on Candidate Selection and
Diversity for the Board of Directors

	<p>POLICY ON CANDIDATE SELECTION AND DIVERSITY FOR THE BOARD OF DIRECTORS</p>	Code:	CIE CO CP PO 10
		Version:	02
		Page:	2 of 4

Contents

1. Scope of application	3
2. Selection objectives.....	3
3. Characteristics of the candidates	3
4. Diversity of the Board’s membership.....	4
5. Monitoring.....	4
6. Public availability	4
7. Approval	4

<p>Issued and reviewed: Appointments and Remuneration Committee</p>	<p>Approved: Board of Directors</p>	<p>Date: February 2024</p>
--	--	---------------------------------------

	POLICY ON CANDIDATE SELECTION AND DIVERSITY FOR THE BOARD OF DIRECTORS	Code:	CIE CO CP PO 10
		Version:	02
		Page:	3 of 4

The Board of Directors (“**Board**”) of CIE Automotive, S.A. (“**CIE Automotive**” the “**Company**” and its subsidiaries¹, the “**Group**”) recognises transparency as a key element of its corporate governance strategy for all of its activities, and this includes the process of selecting candidates for appointment to its Board.

The Board has therefore approved this policy on selection and diversity of candidates for appointment as Directors (the “**Policy**”), which is public, specific, and verifiable. It ensures that proposals for appointment of the Company’s Directors are based on a prior analysis of the Board’s needs, and it ensures that the Board members will have a diversity of capabilities, knowledge, experiences, origins, nationalities, ages, and genders.

1. Scope of application

This Policy will apply to the selection of natural person candidates for appointment to the Company’s Board as Directors, and when those candidates are legal persons, it will also apply to their natural person representatives.

2. Selection objectives

When candidates for potential appointment as Directors are being selected, the process must begin with an analysis by the Board regarding the Company’s needs. The Board must be supported during this process by the Appointments and Remuneration Committee (the “**Committee**”), including by its submission of a report in advance.

A search must also be performed for candidates who meet the conditions described in the sections below, and whose appointment to the Board would promote a diversity of capabilities, knowledge, experiences, origins, nationalities, ages, and genders.

3. Characteristics of the candidates


When Directors are being selected, the candidates must be evaluated based on the following criteria:

- ✓ When identifying candidates for appointment as a Director or Executive Director, consideration must first be given to the senior managers who have already had connections with the Company or with other companies from the Group.
- ✓ When selecting candidates for appointment as an Independent Director, consideration must be given to candidates with knowledge and experience in the main countries and sectors in which the Group performs (or will be performing) its activities, or in any subjects that the Committee considers relevant for managing the Group’s challenges and needs.
- ✓ When identifying Nominee Directors, the shareholder must be encouraged to make a proposal that complies as much as possible with the principles found in this Policy, in relation to the characteristics of the Directors and the principles of diversity indicated.

All candidates for appointment as one of the Company’s Directors must be honourable, suitable, reputable, responsible, competent, experienced, qualified, educated, available, and committed

¹ With the subsidiaries being the companies where CIE Automotive, S.A. directly or indirectly owns more than 50% of the share capital and/or has appointed more than half the members of the management body.

Issued and reviewed: Appointments and Remuneration Committee	Approved: Board of Directors	Date: February 2024
--	--	-------------------------------

	<p>POLICY ON CANDIDATE SELECTION AND DIVERSITY FOR THE BOARD OF DIRECTORS</p>	Code:	CIE CO CP PO 10
		Version:	02
		Page:	4 of 4

to their duties. They must also have sufficient knowledge of the English language to allow performance of their duties.

Any persons who are subject to any legal disqualification for holding the office must not be accepted as candidates for appointment as Directors, or any who do not meet the requirements established in the Board’s Regulation.

The results of the analysis performed in advance regarding the competencies and other circumstances required by the Board must be included in the Committee’s explanatory report, which is publicised with the notice of meeting for the General Shareholders’ Meeting that must vote on ratification, appointment, or re-election of each Director.

4. Diversity of the Board’s membership

It must be ensured that the process for selecting candidates achieves a diverse and balanced membership for the Board as a whole, which enriches decision-making and provides a plurality of perspectives for deliberation on the matters under the Board’s authority.

In relation to this, the Board assumes a commitment to promoting diversity in its membership, and for that purpose, when candidates for potential appointment as Directors are being selected, it must consider the value of candidates whose appointment would give the Board’s members a diversity of capabilities, knowledge, experiences, origins, nationalities, ages, and genders.

The criteria on diversity must be selected in view of the nature and complexity of the Group’s business activities, as well as the social and geographical context of the locations where the Group has a presence. Other criteria may also be taken into consideration, based upon the Board’s needs. During the process of selecting candidates, any type of bias that could imply any form of discrimination must be avoided, including discrimination based on factors including, but not limited to, sex, ethnic origin, age, or disability.

5. Monitoring

The Committee must verify compliance with this Policy on an annual basis, and especially the percentage of female Directors existing at any given time, in order to evaluate the degree of compliance with the corporate governance recommendations regarding the presence of women on the Board. In addition, the Annual Corporate Governance Report must include a detailed description of this Policy and information about the degree of compliance with it, along with the objectives established and results obtained.

6. Public availability

This Policy on selection of candidates for appointment as Directors must remain available at the Company’s corporate website at all times.

7. Approval

This Policy was approved by the Board and entered into force on that same date. It may only be modified by means of a new resolution expressly passed by that management body, which will be responsible for the necessary distribution.

<p>Issued and reviewed: Appointments and Remuneration Committee</p>	<p>Approved: Board of Directors</p>	<p>Date: February 2024</p>
--	--	---------------------------------------