




CIE Automotive


Criminal Risk Prevention Manual
- General Part

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I. INTRODUCTION

This Criminal Risk Prevention Manual (the “**Manual**”) establishes the model for classifying, assessing, managing, and controlling criminal-law risks in Spain for CIE Automotive, S.A. and its subsidiaries¹ (“**CIE Automotive**”, the “**Company**”, or the “**Group**”, used in this document without differentiation), based on the system of criminal liability for legal persons established in section 31 *bis* of the Spanish Criminal Code (*Código Penal*).

This Manual has therefore been prepared in order to develop a plan for preventing any commission of criminal offences at the Company, based on a review of the legislative changes that have occurred in relation to criminal law. It compiles the procedures and controls that currently exist for prevention and mitigation of criminal risks, and it updates and implements the Criminal Risk Prevention Model. When preparing this Manual, a detailed analysis was performed regarding the criminal risks that could potentially exist for CIE Automotive’s various areas, bearing in mind the policies and controls that already exist; the sensitivity to criminal risks detected for the specific processes; and the sector in which CIE Automotive operates and the activities it performs.

This Manual is therefore based on the existing control systems and those that have been strengthened or introduced at CIE Automotive based on section 31 *bis* of the Spanish Criminal Code, in order to achieve the objective of preventing and mitigating any commission of criminal offences within the Company.

II. THE SYSTEM OF CRIMINAL LIABILITY FOR LEGAL PERSONS AND HOW IT APPLIES AT THE GROUP

1. Legislative context

Spanish Organic Law 5/2010 (*Ley Orgánica 5/2010*), on restatement of the Criminal Code, entered into force on 23 December 2010. That statute arose in the context of numerous international legal instruments that demanded a clear criminal-law response to delimit that special form of liability, and it governs the criminal liability that commission of certain criminal offences can attract for legal persons, primarily offences where a legal person’s mitigation efforts could be more effective.

Section 31 *bis* of the Spanish Criminal Code states the following regarding that liability for legal persons:


“1. Under the circumstances established in this Code, legal persons shall be criminally liable for:

a) Criminal offences committed for them or on their behalf, and to their direct or indirect benefit, by their legal representatives or by any natural persons who, acting individually or as members of any of the legal person’s bodies, are authorised to take decisions on behalf of the legal person, or who hold authorities of organisation and control in relation to the legal person.

b) Criminal offences committed during the exercise of corporate activities performed for and on behalf of a legal person, and to its direct or indirect benefit, by persons who are subject to the authority of the natural persons described in the previous paragraph, and where the possibility of performing those acts

¹ Companies where CIE Automotive directly or indirectly owns or controls more than 50% of the share capital and/or has appointed more than half the members of the management body.

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has been due to a serious breach by those natural persons of their duties relating to supervision, oversight, and control of the legal person's activities, in view of the specific circumstances of the case.

2. If the criminal offence was committed by any of the persons described in indent (a) of the previous paragraph, the legal person shall be exempt from liability if the following conditions are met:

1st. its governance body has effectively developed and implemented, prior to commission of the criminal offence, organisational and management models that include oversight and control measures suitable for preventing criminal offences of the same nature, or for significantly reducing the risk of their commission;

2nd. oversight of the implemented prevention model's functioning and of compliance with it has been entrusted to a body of the legal person with independent authorities of initiative and control, or that has been lawfully delegated the function of overseeing the effectiveness of the legal person's internal controls;

3rd. the individuals who committed the criminal offence fraudulently evaded the organisational and prevention models[;] and

4th. the body described in the 2nd condition above did not fail to perform its functions of supervision, oversight, and control, or perform them insufficiently.

In any cases where the circumstances described above can be verified only partially, that situation shall be taken into account during sentencing.

(...)

5. The organisation and management models referred to in the 1st condition from subsection 2 and in the previous subsection must meet the following requirements:

1st. They must identify the activities within the scope of which commission of the criminal offences must be prevented.

2nd. They must establish protocols or procedures that specify the process for expressing the legal person's intentions, and for adopting and implementing decisions in relation to those protocols or procedures.

3rd. They must include management models for financial resources that are adequate for preventing commission of the criminal offences that must be prevented.


4th. They must impose an obligation to report any possible risks and non-compliances to the body delegated the task of overseeing the functioning of the prevention model and compliance with it.

5th. They must establish a disciplinary system that appropriately sanctions non-compliances with the measures established in the model.

6th. They must perform periodic verification of the model and any potential need for its modification when material infringements of its provisions become apparent, or when made necessary by changes to the organisation, its control structure, or the activities it performs.

In accordance with all the above, and in order to implement its compliance culture and comply with the statute quoted above, CIE Automotive has implemented a Compliance Management System (CMS)

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throughout the entire Group. That system is partly focused on identifying and preventing criminal risks, and this Manual represents one of the essential elements of that process.

2. CIE Automotive and its organisation

2.1 Structure

CIE Automotive and its subsidiaries form a corporate Group dedicated to the design, manufacture, and sale of components for the automotive industry. All companies in which that parent company owns more than 50.01% of the share capital are included in each financial year's Consolidated Annual Accounts, and that information is available at the Group's corporate website by following the filepath Investors & Shareholders, Economic and Financial Information → [Annual Reports and Accounts](#)

CIE Automotive's registered office is at Alameda Mazarredo 69, 8º piso. C.P. 48009 - Bilbao (Bizkaia), Spain.

2.2 Corporate governance

CIE Automotive's governing bodies perform their functions in conformity with the principles of transparency, diligence, independence, avoidance of conflicts of interest, and access to information.

CIE Automotive therefore has a system of corporate governance that guarantees secure and prudent management, with appropriate distribution of functions within the organisation and prevention of conflicts of interest. CIE Automotive's corporate governance has the following structure:


- ✓ General Shareholders' Meeting
- ✓ Board of Directors
- ✓ Audit and Compliance Committee ("**ACC**")
- ✓ Appointments and Remuneration Committee
- ✓ Environmental, Social and Governance (ESG) Committee

2.3 Lines of activity

CIE Automotive operates in the automotive industry, and its business activities are articulated through an industrial group consisting of various companies that have their principal activities as the design, manufacturing, and sale of parts and assemblies for the global automotive market, using complementary technologies: aluminium injection, machining, forging, stamping and tube forming, plastics, casting, and roof systems, along with various associated processes such as welding, painting, and assembly.

The Group's main facilities are located in Europe, North America (Mexico and the USA), South America (Brazil), India, and the People's Republic of China.

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2.4 Relations with Employees and third-party suppliers

Members of the Board and all of CIE Automotive’s Employees and collaborators, regardless of the type of relationship or contract they have (the “**Employees**”²) represent the cornerstone of its business activities and are one of its most important assets.

As part of developing its professional teams, CIE Automotive fosters continual improvement with regard to equality of opportunities, professional and personal development, teamwork, the work environment, and employee satisfaction.

When selecting and maintaining other companies as its suppliers, the Group considers Environmental, Social, and Governance (ESG) aspects, as well as the fight against corruption, criminal risk prevention, and environmental protection.

3. Purpose of this Manual and control measures implemented


3.1 Purpose of this Manual

As explained above, the Spanish Criminal Code states that in order for a model on organisation, management, and prevention to be effective in terms of mitigating criminal risk, it must:

- ✓ Identify the activities within the scope of which the criminal offences that must be prevented could be committed (map or assessment of the risks (primarily criminal) connected with performance of our activities).
- ✓ Establish protocols or procedures that specify the process for expressing the legal person’s intentions, and for adopting and implementing decisions in relation to those protocols or procedures (established to eliminate or mitigate the risks identified in the risk map or risk assessment as much as possible, or in any event to ensure a proper reaction to their occurrence).
- ✓ Include management models for financial resources that are adequate for preventing commission of the criminal offences that must be prevented. As most of the criminal offences that can currently give rise to liability for legal persons have an economic or financial component, there is a need to ensure proper control over monetary flows, contracting procedures, and supplier selection, among other matters, in order to prevent commission of those offences.
- ✓ Impose an obligation to report any possible risks and non-compliances to the body delegated the task of overseeing the functioning of the prevention model and compliance with it (establishing an internal reporting channel, as governed in Spain by Spanish Law 2/2003 (*Ley 2/2023*), and informing the workers that they have both a right and a duty to report any infringements they become aware of in relation to the Group’s activities).
- ✓ Establish a disciplinary system that adequately sanctions non-compliances with the measures established by the model (all personnel must comply with the instructions and procedures established in the protocols and, especially, in the Code of Professional Conduct).
- ✓ Perform periodic verification of the model and any potential need for its modification when material infringements of its provisions become apparent, or when made necessary by changes to

² The term “**Employees**” is broadly defined in this Manual to refer to all persons who could be acting under CIE Automotive’s authority, under the terms expressed in section 31 *bis* of the Spanish Criminal Code, regardless of whether they have a labour-based and/or commercial relationship. This definition of the term “**Employees**” is specific to this Manual and does not apply in any other contexts.

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the organisation, its control structure, or the activities it performs (the system must be reviewed and evaluated, and the model must be dynamic and subject to continual improvement).

Therefore, the ultimate objectives of this Manual are:

- ✓ To ensure the effectiveness of rules and procedures for control that eliminate, or to the greatest extent possible minimise, the risk of unlawful acts being committed by CIE Automotive's Employees.
- ✓ To allow verification that proper control has been exercised over CIE Automotive's business activities, in order to comply with the requirements set forth in the Criminal Code.

For this purpose, CIE Automotive has established a Criminal Risk Prevention Model, which is defined in:

- a) This **Manual**, which includes the design and structure of the:
 - Model for oversight, monitoring, and verification
 - Oversight body
 - Financial and material resource management system
 - Disciplinary system
 - Ethical Channel (as an internal reporting channel)
 - Training system
 - Controls CIE Automotive has implemented to prevent criminal offences
- b) **Criminal Offences and Controls Matrix:** This is a table that identifies the criminal risks³ that could potentially affect CIE Automotive because of the activities it performs, with details regarding those risks and the control framework used to mitigate them.⁴

This Manual must be understood to be a dynamic document, which means that its scope must be periodically reviewed in relation to the criminal risks that could affect the company, and it must be updated whenever appropriate.

The Criminal Risk Prevention Model has therefore been established by CIE Automotive by implementing the necessary measures on oversight, supervision, and control, to address the risks of criminal offences being committed in connection with the Company as a result of its activities. In this regard, (i) independent initiative and control authorities have been delegated to the ACC as the oversight and control body; and (ii) in addition to other systems, the existence of a disciplinary system has been confirmed, as a means of reacting to any non-compliances detected in relation to the rules established on the subject of criminal risk prevention.


3.2 Methodology and risk analysis

For the specific purpose of establishing proper controls over CIE Automotive's business activities, and in order to prepare this Manual, an in-depth review of the company's existing controls was performed.

³ The types of criminal offences that could generate criminal liability for legal persons, according to the Spanish Criminal Code.

⁴ The list of risks appearing in this Manual's Special Part does not imply that any actual criminal offences have been detected. Instead, it simply lists the risks intrinsic to the types of activities that CIE Automotive performs, and that have therefore been the subject of special study and analysis to allow suitable prevention.

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That review consisted of the following activities, some of which are described in further detail throughout this Manual:

- ✓ The activities, processes, subprocesses, and controls implemented by CIE Automotive have been examined.
- ✓ The risks that could potentially affect CIE Automotive’s various activities have been determined. This included production of an inventory of the criminal risks to which CIE Automotive is exposed because of its activities, with all of those risks added to the Table of Criminal Offences and Controls.
- ✓ CIE Automotive’s most relevant policies, manuals, procedures, and template contracts were reviewed.
- ✓ It was verified that the manuals, procedures, and controls are adequate for effective prevention of criminal risks (and with the appropriate adjustments made where necessary), and that supporting evidence showing effective compliance with the controls is being appropriately maintained.
- ✓ The Board of Directors (“**Board**”) has designated the ACC as a key element for performing oversight of the implementation and continual development of CIE Automotive’s Criminal Offence Prevention Plan and compliance with it.
- ✓ The Board has appointed a Compliance Body, headed by a Chief Compliance Officer and reporting only to the Board (via the ACC). This is the body with the highest level of responsibility for overseeing the effectiveness and continual development of the Criminal Risk Prevention Model, and for that purpose, it has been delegated independent initiative and control authorities and has been (and will be) allocated the appropriate material and human resources.
- ✓ The policies and procedures regarding financial and non-financial information were reviewed, in order to verify that the system for allocating financial resources allows CIE Automotive’s spending to be monitored, as a way of preventing any use of cash flows for unlawful activities.
- ✓ In addition, it was confirmed that the necessary financial and material resources are being allocated to allow for proper and effective functioning of the Criminal Risk Prevention Model.
- ✓ An oversight and monitoring model has been designed, which allows CIE Automotive to monitor the verification process for the controls that cover criminal risk; monitor changes made to the subprocesses, risks, and controls; and propose improvements to the existing controls or create new ones where appropriate, in order to strengthen the risk coverage.
- ✓ A set of rules has been established for the Ethical Channel, which gives CIE Automotive the ability to effectively identify and respond to situations that are potentially unlawful.
- ✓ It has been confirmed that the disciplinary system is applied in cases of non-compliances with the principles and obligations contained in this Manual.
- ✓ Periodic verification has been implemented for the Criminal Risk Prevention Model, and for its potential modification whenever significant infringements of its provisions become apparent, or whenever modifications are necessary because changes have been made to the organisation, oversight structure, or activities performed.

However, this Manual is a dynamic document, which means that it will be subject to revision in order to incorporate, where necessary, new preventive controls, areas of activity, or enterprises that have joined the Company.

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3.3 Objectives of the Manual

The main objective of the Manual is to define the Criminal Risk Prevention Model and control systems implemented at CIE Automotive, along with the policies and rules of action and conduct that govern CIE Automotive’s activities, all for the purpose of preventing the commission of criminal offences established in the Spanish Criminal Code.

To achieve that main purpose, this Manual has the following fundamental objectives:

- ✓ To optimise the Company’s risk management system, and facilitate continual improvement of that system.
- ✓ To establish a structured and consistent prevention and control system, designed to reduce the risk of criminal offences being committed.
- ✓ To inform all Employees about the importance of complying with the Criminal Risk Prevention Model, and with the ethical principles contained in the Code of Professional Conduct.
- ✓ To inform all of CIE Automotive’s Employees and collaborators that infringement of the provisions from this Manual will lead to imposition of disciplinary measures; and to inform all other stakeholders that act for or on behalf of the Company, or in any other way in the interest of the Company, that failure to comply with the Manual could result in termination of their existing relationship.
- ✓ To expressly and publicly state that CIE Automotive fully rejects all forms of unlawful conduct, and also any conduct that is contrary to CIE Automotive’s ethical principles, which have been established as key values for the Company when pursuing its business objectives.
- ✓ To adapt the existing control measures to the processes, in a manner that allows CIE Automotive to prevent the commission of those criminal offences, and to allow immediate intervention in any cases where a criminal offence is committed despite the existence of the controls established.
- ✓ To raise awareness among CIE Automotive’s Employees, and provide training for them, with regard to the importance of legal compliance, and specifically prevention of criminal risks.
- ✓ To perform special oversight for the controls implemented in relation to operations or processes that could potentially generate criminal risks.
- ✓ To oversee the functioning of the system implemented, and this Manual, including their periodic updating in cases where changes are made to CIE Automotive’s organisation or to the legislation in force.

4. Implementation of the Manual by CIE Automotive: scope of application

4.1 Scope of application


This Manual covers analysis of (i) the criminal risks that could affect CIE Automotive as a result of its activities performed both within and outside of Spain; and (ii) the controls established to mitigate those risks.

4.2 Recipients of the Manual: Persons subject to the Manual

This Manual applies to all the Employees of CIE Automotive.

Wherever applicable, CIE Automotive encourages implementation of the appropriate preventive measures with regard to subcontracted or collaborating enterprises and professionals.

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III. ELEMENTS OF THE CRIMINAL RISK PREVENTION MODEL

Based on the review and adjustment work performed as a result of the requirements from the Spanish Criminal Code, this Manual establishes CIE Automotive’s Criminal Risk Prevention Model, which is structured as a General Part (this document) and a Special Part (a separate document). It presents the framework of control implemented by CIE Automotive, in relation to the risks it has identified in relation to the activities performed at each of its locations and facilities.

1. Policies, procedures, and controls

CIE Automotive’s Criminal Risk Prevention Model is part of its Compliance Management System (“CMS”), with prevention of criminal risks being structured via:

- ✓ **General Controls**, established as the basis for risk control and effective mitigation of the general risk of commission of criminal offences.
- ✓ **Specific Controls**, established as specific measures with the purpose of mitigating a specific criminal risk or a specific group of criminal risks, and corresponding to the controls for specific processes.


The controls that form the basis for this Manual allow CIE Automotive’s Criminal Risk Prevention Model to exist as a structured and consistent system for effective prevention and control, which is used to reduce the risk of commission of criminal offences in connection with CIE Automotive’s activities. Those offences are detailed in the Table of Criminal Offences and Controls established for each country where the Group performs its activities.

CIE Automotive’s Criminal Risk Prevention Model is therefore structured around the policies, procedures, and General Controls⁵ detailed below:

- ✓ **Code of Professional Conduct:** CIE Automotive has a Code of Ethical that applies to all its Employees, who all have an obligation to be aware of and comply with the rules of conduct it contains. That Code of Professional Conduct states that when performing their functions within the organisation, the Employees must not only strictly comply with the applicable legislation, but they must also avoid any conduct that is not ethically acceptable under strict criteria of honesty and moral integrity. Any non-compliances with the rules from the Code of Professional Conduct will result in application of the corresponding sanctions, in accordance with the applicable legislation.
In addition, CIE Automotive has a procedure to ensure that the Employees in general are aware of the Company’s Code of Professional Conduct.
- ✓ **System of Internal Control over Financial Reporting (ICFR):** CIE Automotive has a series of specific controls, rules, and principles designed to ensure the reliability of all internally and externally distributed financial information, which must accurately reflect CIE Automotive’s economic and financial realities and the state of its assets and liabilities, in accordance with the generally accepted accounting principles.
- ✓ **System of Internal Control over Non-Financial Reporting (ICNFR):** CIE Automotive has a series of specific controls, rules, and principles designed to ensure the reliability of all internally and

⁵ The policies, procedures, and General Controls must be understood as dynamic and subject to updating.

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externally distributed financial information, which must accurately reflect CIE Automotive’s economic and financial realities and the state of its assets and liabilities, in accordance with the generally accepted accounting principles.

- ✓ **Policy on Information Technologies and Cybersecurity Risks:** the purpose of this policy is to ensure appropriate management of confidential and special data and information. As a result of implementing this policy, CIE Automotive has also established other oversight activities on this subject, such as its Policy on Personal Data Protection and Processing.
- ✓ **Quality and Environmental Policies:** CIE Automotive has established quality, environmental, and occupational risk prevention policies, which contain the Company’s corresponding commitments and objectives, including legislative compliance.
- ✓ **Internal training:** CIE Automotive provides periodic training for its Employees, including instruction regarding the general or specific knowledge they need to properly perform their work.
- ✓ **External certifications:** CIE Automotive has external certifications that pertain to specific subjects (for example, ISO 14001 and ISO 45001).
- ✓ **System for conferral of powers:** CIE Automotive limits the authorities that can be exercised on its behalf, by conferring specific joint or joint-and-several powers that are also subject to a scale of monetary amounts.
- ✓ **Internal reporting system:** An internal reporting system is made available at the Group level, which consists of an Ethical Channel, a Person Responsible for the System, and Ethical Channel Regulation for that channel’s operation.

2. Financial resource management

2.1 Controls related to budgeting and cash management


CIE Automotive has a series of policies, procedures, and controls related to financial information and expenditures that give its system full transparency.

In relation to this, CIE Automotive has a financial information management system with the following fundamental characteristics:

- ✓ The existence of a corporate Controlling & Tax Department and Finance & Treasury Department, which perform economic and financial management tasks.
- ✓ CIE Automotive’s annual accounts are subject to external auditing.
- ✓ Asset management authorities within the company are restricted by conferring specific, limited, jointly exercised powers (for buying, selling, exchanging, assigning, and encumbering all manner of assets, or in any other way acquiring or disposing of them, and for making payments, establishing guarantees, opening and closing bank accounts, etc.).
- ✓ There is budgetary control and monitoring based on expenditure control.
- ✓ There are specific policies to prevent all forms of fraud and corruption.

Those control and management systems are also used to ensure appropriate management of financial resources under the terms required by the Spanish Criminal Code. These systems also have the effect of ensuring that the accounting ledgers, records, and accounts are accurately maintained, along with an adequate system of internal bookkeeping and general financial control.

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2.2 Financial and material resources

CIE Automotive has allocated the pertinent financial and human resources to the Compliance Body, as necessary for proper, effective functioning of the Criminal Risk Prevention Model, as described throughout this Manual and in the rest of the protocols and procedures from the CMS that address these matters.

Each year, CIE Automotive includes a specific budget entry or allocation dedicated to proper and effective compliance with the Criminal Risk Prevention, Organisation and Management Model.

CIE Automotive's Board expressly instructs the CEO to ensure that the necessary financial resources are allocated to the ACC and Compliance Body, to allow them to exercise the functions assigned to them under the CMS.

3. Organisational structure: Oversight and monitoring bodies

Given the Board's commitment to control and prevention of criminal risks, and to compliance with the Spanish Criminal Code by having bodies responsible for overseeing the functioning of the Criminal Risk Prevention Model and compliance with it, the functions and responsibilities of each of the bodies involved in oversight of that Model are detailed below:

3.1 Board of Directors

CIE Automotive' Board has responsibilities that include, among others, creating CIE Automotive's strategy, and as part of this, approving the Criminal Risk Prevention Model to ensure proper performance of the business activities. The Board has the highest level of responsibility for the Model itself, and for approving the measures, controls, and means applied in relation to it.


Therefore, in exercise of that responsibility, and to ensure its sustainability over time, in line with the Group's vision, mission, and values, and as part of the Group's compliance culture as established in the Code of Professional Conduct, the Board (via the ACC) has the following objectives:

- ✓ To convey a message to all the Group's stakeholders that the Board is ensuring that the Group's activities are based on the principle of legal compliance and zero tolerance for crime, and that by implementing the Criminal Risk Prevention Model, the Board is working to ensure that these principles are reflected in specific guidelines that govern not only the conduct of the Employees, but also the processes that define the ways in which the work is performed and decisions are taken.
- ✓ To establish the general contents of the Criminal Risk Prevention Model, which must include the set of measures intended to prevent, detect, and react to events and conduct that could represent criminal offences. Therefore, as required by the Spanish Criminal Code: (i) the Criminal Risk Prevention Model establishes a system of organisation and management that includes oversight and control measures to prevent criminal offences; and (ii) the Compliance Body, which has independent authorities of initiative and control, is responsible for overseeing the functioning of that Model and the effectiveness of the internal controls.

3.2 Compliance Body

The Compliance Body is the body delegated responsibility for fostering a prevention-based compliance culture based on the principle of zero tolerance for criminal offences, and for

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implementing and executing an effective oversight and control model to prevent criminal offences in connection with CIE Automotive.

This body is responsible for a variety of management areas established in the CMS, including among others management of criminal liability on the basis of the Criminal Risk Prevention Model. The membership of the Compliance Body and the rest of its areas of responsibility are defined in detail in the corporate Compliance Management System Manual.

The Compliance Body has been delegated general responsibility for the function of overseeing the functioning of and compliance with that Criminal Risk Prevention Model, which has been implemented by CIE Automotive and approved by the Board (via the ACC), with a special emphasis on the specific functions listed below:

- ✓ Analysing the following subjects, with rigour, independence, autonomy, objectivity, and confidentiality:
 - Communications received via the Ethical Channel, in relation to conduct reported in connection with the Group that could generate a risk of non-compliance with the Criminal Risk Prevention Model implemented.
 - Requests for documentation or information received from the courts, the State Attorney Office, public-sector bodies, regulatory bodies, or law enforcement agencies, regarding the existence of criminal court proceedings initiated based on facts or conduct related to functions performed by CIE Automotive in its various lines of activity, or related to its Employees.
 - Queries presented by CIE Automotive's Employees regarding whether or not any conduct performed for and on behalf of CIE Automotive, or in its interest or to its benefit, could infringe the applicable legislation.
- ✓ Ensuring the Group's enforcement of compliance with the Code of Professional Conduct; promoting and overseeing effective compliance with the values, principles, and rules of conduct established in the Code of Professional Conduct; and performing monitoring to ensure that the system of values implemented in that code remains up-to-date, also proposing any necessary updates and additions.
- ✓ Achieving appropriate day-to-day application of the policies, procedures, etc. included in the Criminal Risk Prevention Model approved by the Board.
- ✓ Ensuring development of the necessary training plans, in collaboration with the Human Resources Department, in relation to (i) the Code of Professional Conduct; and (ii) all other procedures, protocols, policies, and mechanisms established for the purpose of preventing and controlling criminal offences.
- ✓ Requesting review and correction of potential organisational deficiencies whenever there are signs of their existence, with the aim of preventing any associated commission of irregularities.
- ✓ Identifying CIE Automotive's activities that could give rise to the criminal risks that must be prevented and managed, also determining the severity of their consequences and the probability of their occurrence.
- ✓ Developing internal policies, codes, procedures and/or controls related to criminal risk prevention.
- ✓ Distributing the protocols, policies, and procedures, as well as all necessary related information, to CIE Automotive's Employees and to its external collaborators that could be affected by them.
- ✓ Establishing and managing the Ethical Channel that allows reporting of unlawful conduct or non-compliances with CIE Automotive's policies, protocols, or procedures.

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- ✓ Periodically assessing and reviewing the efficacy of CIE Automotive’s protocols, policies, procedures, and mechanisms for controlling and preventing unlawful conduct, and ensuring that any necessary modifications are made to them based on CIE Automotive’s activities or changes to its situation, or based on changes to the applicable legislation.
- ✓ Reporting on an annual basis to CIE Automotive’s Board (via the ACC) regarding the activities performed in relation to the Criminal Risk Prevention Model, and in relation to oversight of that Model. At least once each year, the Compliance Body must report its conclusions to the Board (via the ACC), based on any reports it has received from Internal Audit or from any other sources.
- ✓ Preparing an annual work plan on the subject of oversight of the Criminal Risk Prevention Model.
- ✓ Analysing and approving the plans for periodic review/monitoring/auditing of that Model, and requesting additional revisions if considered necessary.
- ✓ Ensuring that a report is received on an annual basis from each of the entity’s areas (departments responsible for the policies, procedures, and controls), regarding evolution of the criminal risks, the prevention measures implemented, and any additional measures being proposed.

All Employees have a duty to ensure that their activities and decision-making process are based on the highest ethical standards, in compliance with the legislation in force, the contents of this Manual, and all other internal rules that apply to them.

Although the Compliance Body reports hierarchically to the Board (via the ACC), it performs its functions based on independent initiative and control.

To ensure that its respective activities will have maximum effectiveness, the Compliance Body has unrestricted access to all of CIE Automotive’s documentation that could be useful for it. In relation to this, the persons responsible from all areas and departments are obliged to provide the Compliance Body with any information it requests from them, regarding that area or department’s activities related to any possible commission of a criminal offence.


3.3 Senior Management

CIE Automotive’s Senior Management is responsible for compliance with the policies and procedures established in relation to prevention of criminal offences, and for acting in an ethical and responsible manner. Senior Management is therefore in charge of maintaining an effective control environment, performing oversight to ensure that its areas of responsibility are acting in compliance with the applicable legislation and all other applicable internal rules. It will also be responsible for performing monitoring to ensure that the controls are implemented in an optimal way, and for performing oversight to ensure that the various areas are performing those controls correctly.

Based on the above, Senior Management must therefore perform the following functions:

- ✓ Demonstrating its commitment to and support for the Compliance Body in relation to design, development, implementation, maintenance, and improvement of the Criminal Risk Prevention Model, by ensuring that it remains in line with CIE Automotive’s strategic objectives and values and complies with the legislative requirements. Senior Management must therefore perform oversight to ensure alignment between the operational objectives and the obligations regarding compliance. In addition, Senior Management must ensure that the requirements from the Criminal Risk Prevention Model are incorporated into the existing policies and procedures.

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- ✓ Assigning appropriate and sufficient resources in each of the Company's geographical areas and divisions, to ensure proper development, implementation, maintenance, and continual improvement of the Criminal Risk Prevention Model within their respective scopes of activity.
- ✓ Conveying a clear message to the entire Group regarding the obligation to comply with the Criminal Risk Prevention Model.
- ✓ Encouraging use of the Ethical Channel to report any potentially criminal conduct that could affect the Company or its activities. Senior Management will be in charge of ensuring that none of CIE Automotive's Employees are subject to any type of retaliation for good-faith reporting of any type of non-compliance they suspect or have become aware of, or for refusing to participate in any type of criminal activity, even if this causes a loss of business for the company.

3.4 Responsibilities for the controls

The first line of responsibility for day-to-day management of the conduct and events that could generate criminal risks corresponds to the persons responsible from each of the Group's business areas, departments, and business divisions.

These are also the persons responsible for notifying the Compliance Body about the prevention measures implemented, and regarding any incidents identified in relation to the risks under their responsibility.

On an annual basis, they must perform a dynamic self-assessment process that includes information about compliance with the existing policies, procedures, and controls. They must confirm:

- ✓ Monitoring of the policies and procedures related to their department.
- ✓ The ongoing validity of the controls related to their department.
- ✓ Any changes occurring in the control activities.
- ✓ Communication to the appropriate level of all incidents identified and their resolution.

All this must be done in order to confirm the effectiveness of the Criminal Risk Prevention Model.

3.5 Internal Audit


For these purposes, the Internal Audit function is established as an operational team for overseeing and maintaining the Criminal Risk Prevention Model.

The Internal Audit function must determine whether the controls existing within the Company for prevention of criminal offences are sufficient and effective, i.e., whether or not they are reasonably mitigating the risks in accordance with their severity and probability of occurrence. For this purpose, the Internal Audit Department maintains a plan for testing the compliance of the criminal risk prevention controls, based on the restated Spanish Criminal Code.

For this purpose, the internal auditor has a testing plan for each of the auditable controls identified in the Criminal Risk Prevention Model, and that plan is updated each year and included in the approved Audit Plan. The results from the set of all controls assessed are described in a report, along with any deficiencies discovered, and that report must be sent to the Compliance Body and to the ACC for assessment and analysis.

In addition, the Internal Audit Department must collaborate with the Chief Compliance Officer (upon that officer's request) during investigation of potential infringements reported via the Ethical Channel.

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IV. OVERSIGHT AND MONITORING OF THE CRIMINAL RISK PREVENTION MODEL

The primary objective of the model on oversight, monitoring, and verification is to continually validate implementation of CIE Automotive’s Criminal Risk Prevention Model, to allow periodic confirmation of the effectiveness of the existing policies, procedures, and controls, and to assess their evolution. The purpose of this is to ensure that CIE Automotive has a general overview of its Criminal Risk Prevention Model that will allow it to take the necessary actions to ensure its adequacy and effectiveness when the corresponding functions of prevention, management, and control of criminal risks are being performed.

However, to ensure that the Criminal Risk Prevention Model is truly effective, it must be understood as being dynamic and subject to periodic monitoring and assessment, to verify the existing levels of awareness of the model and compliance with it, and to allow updating, correction, expansion and/or improvement of its pertinent aspects whenever necessary.

The role of the Compliance Body is fundamental in relation to this, because the Board (via the ACC) has delegated responsibility for oversight of the Criminal Risk Prevention Model to that body, which it must exercise through various means applied to a variety of scopes.

4.1 Annual Work Plan

During the first quarter of each year, the Compliance Body must define the annual work plan in writing, for monitoring and assessing CIE Automotive’s Criminal Risk Prevention Model (the “**Work Plan**”). The Compliance Body may rely upon external advising for preparation, approval and execution of that Work Plan, and also for assessment and reporting of its final results.

The Annual Work Plan may cover the following primary aspects:

4.1.1 Awareness-raising

Whenever considered necessary, the Compliance Body may establish in the Work Plan one or more awareness-raising actions to be performed with the Employees (for example, regarding the Code of Professional Conduct). This may be done with external collaboration, but always under the supervision of the Compliance Body, which must coordinate the entire process. Specific reminders may also be issued for this purpose, by sending emails, posting notices on the Intranet, etc.


In addition to the above, the Work Plan may include giving a survey (which may be general for the entire organisation, or more specific for certain areas, groups, etc.) in order to measure the level of knowledge and/or internalisation of one or more codes, protocols, procedures, or other elements of the Criminal Risk Prevention Model.

4.1.2 Training

The Work Plan may also include (at the Compliance Body’s discretion) the training required for specific areas or subjects (for the entire organisation and/or for certain groups or departments).

The final training proposal (the “Training Plan”) must be submitted to the ACC, so that it can take any appropriate actions in relation to the plan’s execution, and also to Senior Management for its

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knowledge. Where applicable, external advisors must be commissioned to collaborate with preparing the training sessions and/or teaching them on the scheduled dates.

The Training Plan must have a certain degree of flexibility in relation to the dates scheduled for the sessions (and the means by which the sessions are conducted), and also in relation of the subject matters, because the existence of new (or amended) legal rules, or specific court rulings, for example, might make it appropriate to expand certain sessions or add new ones.

For this purpose, CIE Automotive’s external advisors must notify the Compliance Body regarding any pertinent new legislation or court rulings that have an effect on legal compliance. In turn, the Compliance Body must attend the training sessions, workshops, seminars, or courses on legal compliance, with General Management ensuring that any related costs for this will be appropriately paid.

4.1.3 Annual evaluation of the Criminal Risk Prevention Model

At least once each year, and in collaboration with the external advisors, the Compliance Body must evaluate the need for, or advisability of, modifying the Criminal Risk Prevention Model (any of the codes, protocols, or other internal rules it includes), and in particular, the Table of Criminal Offences and Controls.

It will always be necessary to make the pertinent modifications to that Table of Criminal Offences and Controls when (i) it has become apparent that one or more of the provisions from the Compliance Management System have been infringed; (ii) it has been confirmed that any of those provisions are ineffective; (iii) a new risk is detected that was not previously considered (or only partially considered) in the provisions from the Criminal Risk Prevention Model; or (iv) if made necessary by any relevant changes occurring at the organisation, or to the control structure, or to the activities performed.

The Compliance Body must include that evaluation in the Work Plan, and it may also specify the need for external advising, assistance from specific departments, etc.

4.1.4 Controls

To ensure effective monitoring of the Criminal Risk Prevention Model, the Compliance Body may propose areas in which one or more deficiencies have been detected, and may recommend that these should be audited by the Internal Audit Department.


The internal audits must consist of actions to measure the degree of compliance with the various codes, protocols, procedures, and instructions included in CIE Automotive’s Criminal Risk Prevention Model. Some of those actions can also be focused on verifying compliance with other rules, instructions, or policies that although not expressly included in the Criminal Risk Prevention Model, are connected with CIE Automotive’s compliance culture.

The Internal Audit Department must have full freedom to decide upon and schedule the audits each year, so that the Company will not have advanced knowledge of which audits will be performed, or exactly when, or with what scope, unless that department itself decides to inform the Company.

4.1.5 Other activities

The audits must also include any other activities that the Compliance Body considers relevant in relation to evaluating the Criminal Risk Prevention Model.

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4.2 Annual Report

The Compliance Body must submit an Annual Report on the Criminal Risk Prevention Model (the “**Annual Report**”) to the Board (via the ACC), prior to the meeting that the ACC holds to review the second quarter of the financial year. In that Annual Report, the Compliance Body must inform the ACC regarding all the aspects described above in this Manual, along with any others that the Compliance Body considers relevant in relation to evaluation of the Criminal Risk Prevention Model.

After the Annual Report has been submitted to the Board (via the ACC), it must also be sent to the CEO.

The Annual Report must have the following general **structure**:

Introduction. Presentation of the Annual Work Plan and its degree of execution

This section must present the Annual Work Plan produced by the Compliance Body during the first quarter of the year and describe its degree of execution. If it has not been possible to execute any of the planned measures or actions, the cause for this must be explained (especially in cases where it was due to a lack of cooperation by certain persons or departments).

I. Management of the Ethical Channel

This section of the report must include: (i) summarised information (in compliance with the data protection legislation) regarding the number of reports received via the Ethical Channel and by other means, along with their characteristics and results; and (ii) summarised information about queries received via the Ethical Channel.

All this must be done in conformity with the Ethical Channel Rules.

II. Awareness-raising and training

The Compliance Body must inform the Board (via the ACC) about any actions it considered appropriate to take in relation to awareness-raising or training sessions, along with an assessment of them and any corresponding proposals.

In the Annual Report, the Compliance Body must inform the Board (via the ACC) about any training sessions that were presented during the year, along with their subjects, attendees, instructors, dates, duration, etc.), as well as any external sessions that were attended by the Compliance Body.


III. Annual evaluation of the Compliance System, and the risk map in particular

The Compliance Body must send any proposals to modify, expand and/or update the Table of Criminal Offences and Controls and/or the Criminal Risk Prevention Model to the Board (via the ACC) for approval, and all such changes must be appropriately distributed, with any pertinent training also provided.

IV. Other contents

This section must include all other aspects, incidents, or suggestions that the Compliance Body considers appropriate to submit to the Board (via the ACC).

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V. ETHICAL CHANNEL

CIE Automotive has implemented an Ethical Channel and made it available to all of the Group's Employees, and also to external parties. It can be used by all of them to report, among other matters, any potential non-compliances with the Criminal Risk Prevention Model or infringements of the Spanish Criminal Code. They may opt to do this in a confidential or anonymous manner, with full safeguards applied.

By resolution of the Board (via the ACC), the Chief Compliance Officer has been expressly designated as the Person Responsible for the System of reporting, which means that among other functions, that officer will be responsible for receiving and managing all communications received via the Ethical Channel.

The Ethical Channel Rules are available at the website, and they govern operation of the procedure that must be followed in order to manage the communications received via the Ethical Channel. Those rules also establish the authorities of the Chief Compliance Officer in relation to managing and resolving those communications, and the obligations, rights, and safeguards that must be applied during those procedures in relation to both the persons submitting the reporting and the persons being reported.

CIE Automotive is committed to managing all communications received via the Ethical Channel with maximum confidentiality, in compliance with the legislation on personal data processing and in accordance with the Ethical Channel Rules. This includes protection against retaliation, provided the reporting has been performed in good faith.


The Group must sanction any form of retaliation against persons who have submitted reporting in good faith. However, the prohibition against retaliation will not prevent application of the pertinent disciplinary measures if the internal investigation has determined that information reported through the Ethical Channel is false, and that the person reporting the information knew it was false and acted in bad faith.

VI. DISCIPLINARY PROCEDURE

CIE Automotive may apply labour-related sanctions for any acts or omissions committed by workers or managers in relation to applying the Criminal Risk Prevention Model and, in general, any other document that is part of that model. Those sanctions must be based on the scale of infringements and sanctions established in the collective bargaining agreement that applies to CIE Automotive, and those from the Spanish Workers' Statute (*Estatuto de los Trabajadores*), or as established in the local legislation in the location where those acts or omissions have occurred.

The Compliance Body (and specifically the Chief Compliance Officer designated as the Person Responsible for the System) has authority to investigate any potential infringements of the Criminal Risk Prevention Model, and in general of the codes, procedures, manuals, and guidelines that are part of that model, in conformity with the contents of the Compliance Management System Manual, the Code of Professional Conduct, the Ethical Channel Rules, and all other rules included in the Criminal Risk Prevention Model.

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In cases where disciplinary case files are opened and, where applicable, sanctions are imposed, the procedures followed must be those found in the applicable collective bargaining agreement and the labour legislation in force.

Senior Management, in coordination with the Human Resources Department, will be in charge of imposition of disciplinary sanctions, with that department being in charge of the corresponding procedure and investigation.

VII. INTERNAL DISTRIBUTION AND TRAINING

Implementation of the control measures from this Manual must be accompanied by appropriate distribution and explanation of the Manual to CIE Automotive's Employees. An emphasis must be placed on the importance of compliance with the Manual and on CIE Automotive's implementation of principles and activities intended to prevent criminal offences.

For this purpose, CIE Automotive has implemented the following measures for distribution and training:

- ✓ General and specialised training regarding the Code of Professional Conduct, an annual training plan, and collection of signatures from the people who complete the training.
- ✓ Specialised training on the rest of the protocols, procedures, and policies that are part of the Criminal Risk Prevention Model.
- ✓ Training on the internal reporting system and operation of the Ethical Channel.
- ✓ The Compliance Body is responsible for distribution of this Manual, and must ensure that all its intended recipients are aware of its contents. That awareness must include an emphasis on the importance of compliance and the fact that CIE Automotive is dedicated to applying the principles reflected in the Code of Professional Conduct and in this Manual.

For this reason, CIE Automotive has developed a specific training plan for its key Employees on the subject of criminal risk prevention, and that training plan is managed by the Human Resources Department in collaboration with the Compliance Body.


Attendance at the training courses on the subject of criminal risk prevention is compulsory; and the key Employees must produce written evidence that they have attended and must be given an assessment test regarding the knowledge acquired.

The training plans must include content to ensure that the Employees are aware of the Professional Code of Conduct. After receiving the appropriate training, all personnel must confirm that they have obtained and agree with all the knowledge presented. They must also confirm their commitment to complying with the principles, rules, and procedures contained in this document at all times, when performing any activity in the interest of or to the benefit of CIE Automotive.

VII. FILING AND DOCUMENTATION

The Criminal Risk Prevention Model must generate sufficient documentation to allow its implementation, monitoring, control, oversight, and evaluation, and to verify that the Model is in operation, is being applied, and is being continually improved. Consequently, the Compliance Body must identify, standardise, and ensure safeguarding of the key documentation that demonstrates effective application of the controls designed, along with their results.

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With regard to data or information obtained as part of an investigation procedure for potential non-compliances, the data and information must be filed and safeguarded, in conformity with the contents of the Ethical Channel Rules.

VIII. TERMS AND DEFINITIONS

For purposes of this document, the following terms and definitions will apply:

- Criminal Risk Prevention Manual: a model for organisation, prevention, management, and control of criminal risks at CIE Automotive, S.A. and its subsidiaries, which contains a set of control systems used to achieve the purpose of preventing and mitigating the commission of criminal offences within the Company.
- Criminal Risk Prevention Model: consists of the Criminal Risk Prevention Manual and the Table of Criminal Offences or Criminal Risks.
- Employees: means members of the Board and all of CIE Automotive’s Employees and collaborators, regardless of their type of relationship or contract.
- Company: all persons who are part of CIE Automotive and who have their own functions with responsibilities, authorities, and relationships in order to achieve its objectives.
- Stakeholder: all persons or organisations that can affect, be affected by, or be perceived as being affected by, a decision or activity. For CIE Automotive, the stakeholders are the following: shareholders, staff, clients, suppliers, financiers, public-sector bodies, the industry, analysts and investors, and the community.
- Compliance Body: persons from the Compliance Department with responsibility and authority for operation of the CMS.
- Senior Management: a person or group of persons who manage and control an organisation at the highest level.
- Compliance: means compliance with all of the organisation’s obligations relating to compliance.
- Compliance obligations: all compulsory requirements that an organisation must comply with, plus any that an organisation decides to comply with voluntarily.
- Requirement: an established need or expectation, generally implicit or compulsory.
- Compliance culture: the values, Ethical, beliefs, and conduct that exist at an organisation, and which interact with the organisation’s structures and control systems to produce standards of conduct that result in compliance.
- Compliance Management System (CMS): an organisation’s set of interrelated or interacting elements used to establish policies and objectives, along with the processes used to achieve those objectives.
- Compliance objectives: the internal and external rules used to develop the compliance culture and commitments relating to criminal law, including but not limited to prevention of criminal offences and bribery, environmental protection, and taxation, and any other applicable legislation.
- Risk: the effect that uncertainty has on the objectives.
- Compliance risk: the probability of occurrence and consequences of failure to comply with an organisation’s compliance obligations.
- Risk Management System (RMS): an organisation’s set of interrelated or interacting elements, subject to final approval by the Board of Directors, that provide reasonable assurance that all risks

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included in the defined categories are being prevented, identified, assessed, subjected to ongoing monitoring, and reduced to levels that comply with the defined risk tolerance levels.

- Internal Reporting System: comprehensive set of corporate ethical tools, fully compliant with European Union regulations and the highest standards in this area. This includes, among other aspects, the existence of an internal information channel, known as the Ethical Channel, channeled through the corresponding online platform, and the implementation and dissemination of an Ethical Channel Regulation. These instruments play a fundamental role in promoting an organizational culture based on ethics, integrity and transparency.
- Policy: an organisation’s intentions and instructions as formally expressed by its Senior Management.

IX. APPROVAL

This general part of this Manual was approved by the Board in February 2024 (via the ACC of CIE Automotive).

As the designated body for oversight and control, the Compliance Body may propose modifications to this Manual to the Board (via the ACC), in order to ensure that proper control over CIE Automotive’s activities is being maintained at all times, thereby minimising the risks related to offences.

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