

Corporate Social Responsibility Report

2024

“Transforming mobility
to improve people’s live”

**FICOSA
INTERNATIONAL
GROUP**



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Letter from the president

Dear all,

I am pleased to share with you our annual report on Corporate Social Responsibility, which attempts to provide an overview of Ficos's performance in the face of the challenges of the automotive sector and describe our actions to integrate the United Nations Global Compact and its principles into our values, culture, business strategy and daily operations.

This has been a very special year for FICOSA. We are excited to share with you that March 2024 was a very special milestone in FICOSA's history: We celebrated our 75th anniversary! This moment fills us with a deep emotion, a wave of feelings floods us as we reflect on our path. It is also a time to look back with gratitude, honouring each PERSON who has been a fundamental part of our success and legacy over the years.

From our modest beginnings in that small workshop dedicated to mechanical cables in 1949, to becoming a global benchmark in the automotive industry, we have overcome challenges, celebrated triumphs, and grown together. Our adventure began 75 years ago on Navas de Tolosa Street in Barcelona, a modest corner that became the epicentre of a journey full of achievements and successes that exceeded all our dreams.

Today, FICOSA has extended its presence to multiple continents, with manufacturing plants and research and development centres proudly standing in Europe, North America, South America, Asia and Africa. In every corner of the world, where we are present, we are passionately dedicated to the constant pursuit of innovation and excellence.

We specialize in the research, development, production, and marketing of high-tech vision, safety, e-mobility, connectivity, and efficiency systems for the automotive and mobility industries. Our portfolio includes pioneering products and more than 720 patents. By fostering technological innovation and maintaining a firm focus on safety, quality, and customer satisfaction, we have consistently aligned with the global trend toward autonomous, more efficient, and connected vehicles. In addition, we have been transforming mobility by improving both our traditional products and developing new ones with cutting-edge technology.

FICOSA places a strong emphasis on attracting the best talent and investing in R+D, resulting in sustained annual growth, such as the 70% increase in camera production and sales exceeding 7 million cameras in the last year. We have also entered market-leading segments, including the In-Cab Monitoring System.

But above all, today, as we contemplate our achievements, we cannot help but feel a deep gratitude for the work, dedication and commitment of each and EVERY ONE OF YOU, as well as all the PEOPLE who have been part of FICOSA at some point in its history. Your talent, passion and commitment are at the heart of our company, and in this very special year, we want to recognize your invaluable contribution.

Over the past 75 years, we've come a long way and shown unwavering resilience, adapting to change and anticipating the future of automotive, striving to find new ways of doing things.

In an ever-evolving world and an increasingly competitive industry, our ability to innovate, collaborate, and persevere has allowed us to remain firm in our mission and in our core values of humility, creativity, teamwork, and entrepreneurship.

For all these reasons, on this 75th anniversary, we want to reaffirm our commitment to all of you, and to the vision of excellence and progress that drives us to achieve new goals. TOGETHER, we continue to transform the mobility of the future to improve people's lives, making it more sustainable, safer and more comfortable. Because, looking ahead, we are filled with optimism and excitement about the opportunities ahead. With the same pioneering spirit that has brought us this far, we are ready to embrace the new opportunities that tomorrow presents, and continue to be protagonists in building the mobility of the future. May this important date remind us not only of the road we have travelled so far, but also of the exciting kilometres that we still have to travel together.

Kind regards

José María Pujol
PRESIDENT

Javier Pujol
CEO, FICOSA



About our report

This Report attempts to provide the reader with a transparent and balanced overview of Ficosa's performance in relation to the sustainability challenges that the company has faced in 2024.

Objective of the Report

Through this report, Ficosa wishes to explain how sustainability risks and challenges are addressed, and the performance of the company's activities in 2024, in order to provide stakeholders with complete and reliable information. The company focuses this report on explaining how environmental, ethical, labour, social, and human rights aspects are being considered during the company's daily activities. It also describes the annual progress made by the company in implementing the Ten Principles of the United Nations Global Compact in terms of human and labour rights, the environment and the fight against corruption. At the same time, the report outlines how our company is making progress on each of the Sustainable Development Goals (SDGs). Our core business determines which of Ficosa's global sustainability goals supports first. In particular, our activities focus on health and safety (SDG 3) and the fight against climate change (SDG 13). In addition, we underline our commitment to sustainable practices including decent work and economic growth (SDG 8), responsible consumption and production (SDG 12), and the promotion of peace and justice (SDG 16).

For the preparation of the information, some standards of the Global Reporting Initiative (GRI) have been selected according to their materiality for the company and their

alignment with the information required by law. Accordingly, in determining the content to be included in this report, we consider relevant developments, initiatives and materiality analysis conducted at the end of 2018. This materiality analysis took as its starting point the Group's CSR diagnosis (gap analysis) and the action plan prepared in 2015, in which the CEO, the members of the Executive Committee and the key Management of our subsidiaries were involved. It was complemented with relevant external sources such as the GRI Pilot version of the Automotive Sector Supplement and the Auto Parts Sustainability Accounting Standard prepared by the SASB (Sustainability Accounting Standards Board).

Other key inputs included the guidelines from Drive Sustainability (the world's largest association of car manufacturers to promote sustainability) embodied in its Automotive Sustainability Guiding Principles, which outline suppliers' expectations on key responsibility issues, including human rights, the environment, working conditions and business ethics.

In addition, EcoVadis CSR assessments requested by several of our OEM (Original Equipment Manufacturer) customers were taken into account. EcoVadis provides a comprehensive corporate social responsibility rating service for companies.

In conclusion, the material points to be highlighted in this report are:

- Customer satisfaction through quality.
- Sustainable innovation and technology.
- Diversity, equity, inclusion and belonging.
- Development, training and knowledge management.
- Occupational health and safety.
- Healthy lives and promotion of well-being.
- Climate change mitigation.
- Commitment to society.
- Responsible sourcing, consumption and production.

Scope

This report covers January 1, 2024 through December 31, 2024. Unless otherwise indicated, the quantitative information presented in this document shows the company's performance at a global level and includes 100% of the facilities and establishments where Ficosa owns the majority and, consequently, responsibility for control and operation. Therefore, the report includes information from our operations in Asia, Africa, Europe, North America, and South America.

To provide a better understanding of the company's performance, data from previous years, if available, has also been included.

The report focuses on the company's main lines of business: research, development, production and sales of high-tech vision solutions, security, energy efficiency and e-mobility.

Biodiversity is not material for this report, as Ficosa's operational sites are not located in protected areas or areas of high biodiversity value. In addition, the impacts of our activities, products and services are not significant on biodiversity.

There are no IUCN Red List species, nor national conservation list species with habitats in areas affected by our organization's operations.

On the other hand, this report does not include the company Tata Ficosa Automotive Systems Ltd, as it is a 50% - 50% Joint Venture.

On the other hand, the indicators related to occupational health, safety and environment are considering only the Ficosa sites where there are manufacturing plants for automotive components due to their materiality. Therefore, the following sites have not been considered in the OHSE indicators: Le Neubourg (France), Rüsselsheim (Germany), Köln (Germany), Hyderabad (India), Venaria Reale (Italy), Detroit (USA) and Tokyo (Japan).



Ficosa at a glance

Group Highlights

The company, headquartered in Barcelona, Spain, generated sales of €1,396.5 million in 2024 and has a team of around 8,000 employees, with manufacturing plants, technology centres and commercial offices located in 15 countries in Europe, North and South America, Africa and Asia. Ficosa has expanded its international presence with the strategy of locating itself close to the decision-making and production centres of the main OEMs in order to offer a more competitive and global service.

- Sale of 1,397 million euros.
- Production plants, technical centres or sales offices in 15 countries, on 4 continents.
- Established in 1949 in Barcelona (Spain)
- 7,805 employees
- Pioneers in high-tech vision, safety, connectivity and efficiency systems for the automotive and mobility sectors.
- 19 manufacturing plants
- 11 technical and R&D centres.



- Barcelona
- Soria
- Sant Guim



- Detroit (Mi)
- Cookeville (TN)
- Shelbyville (KY)



- Salinas-Victoria
- Escobedo (2 plants)



- Sao Paulo



- Porto





Plants



Technical Center



Commercial Office



Research



- Dieuze
- Le Neobourg



- Köln
- Wolfenbüttel



- Dabrowa Gornicza



- Tokyo (office)



- Pune, Sanand, Chennai, Pantnagar (Joint-venture)
- Hyderabad



- Taicang



- Gyeongsangbuk-do (Joint-venture)



- Sala Al Jadida



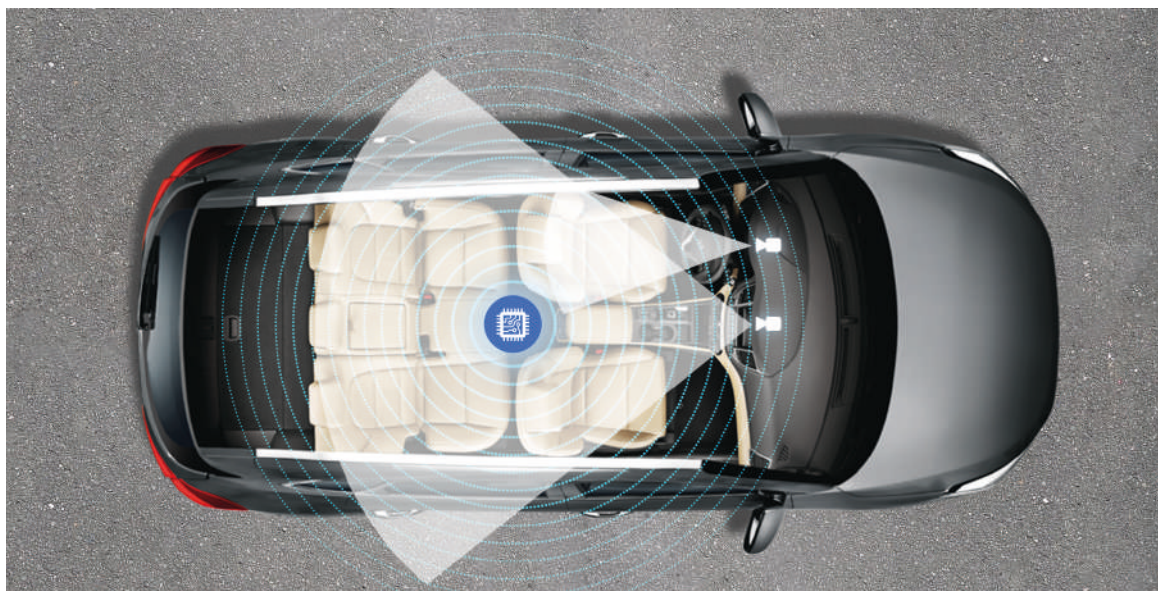
- Venaria Reale
- Morcone



- Bursa
- Gemlik

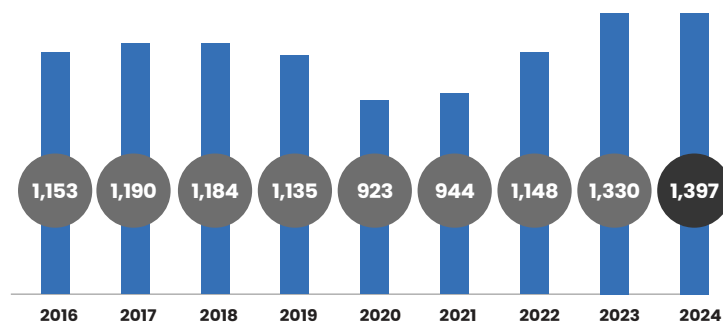


Ficosa is now one of the world's leading global suppliers dedicated to the research, development, manufacture and marketing of high-tech vision, safety, connectivity and efficiency systems for the automotive and mobility sectors.



Evolution of Sales

Ficosa achieved a turnover of 1,397 million euros in 2024, compared to 1,330 million in 2023, which is an all-time sales record.



Sales (€ million)

Sales by region 2024 (€ million, %)

The situation of the automotive sector has changed drastically in the last 12 months worldwide, entering a period of maximum uncertainty and volatility. The China phenomenon, the paralysis of the growth of the electric car, geopolitical threats with persistent wars, problems in the global supply chain, etc. are causing a reduction in growth and a fall in results and profitability in most Western European and American manufacturers. China, which until a few years ago was the market where Western manufacturers had acquired significant market shares, with a very high contribution of their total profit, has become a market where their market shares, sales and results are suffering a sharp reduction in favour of Chinese manufacturers that do not stop growing. This is leading to a market of overcapacity and, consequently, pressure on results for all players; Westerners and Chinese.

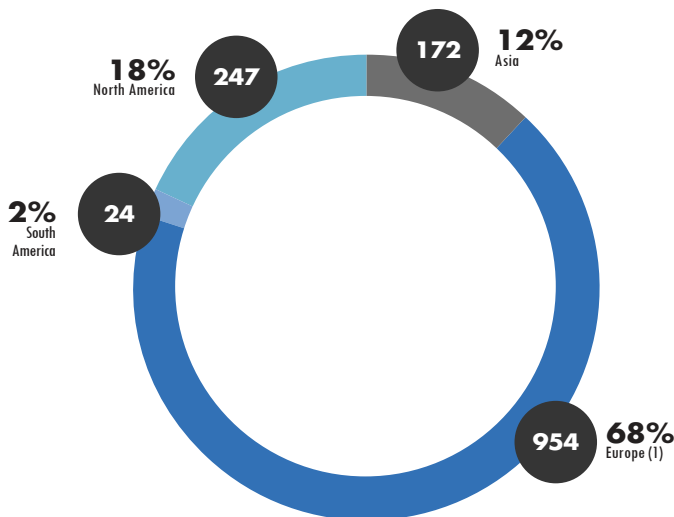
The same thing that is happening at the manufacturer level in China, is happening at the supplier level, with a great impact on Western Tier 1 players. Despite this, it is a market that, due to its size (approx. 30 million cars produced annually, twice as many as the USA and the EU) and the dynamics of transformation at the technological, product, and cost levels make it essential to be in. Ficosa's presence in China dates back to 2002 and this allows Ficosa to be alert and incorporate those trends and capabilities that from China bring greater competitiveness to the Group at a global level; engineering, technology, advanced procurement, alliances are some of the key levers to continue boosting competitiveness in the relevant aspects of the business.

In new technologies, Ficosa continues to consolidate its position and generate knowledge, especially in the ADAS systems unit and the Electric Mobility unit. During 2024, sales of new technologies have increased by 48%, although the market trends indicated above represent a real challenge for the coming years.

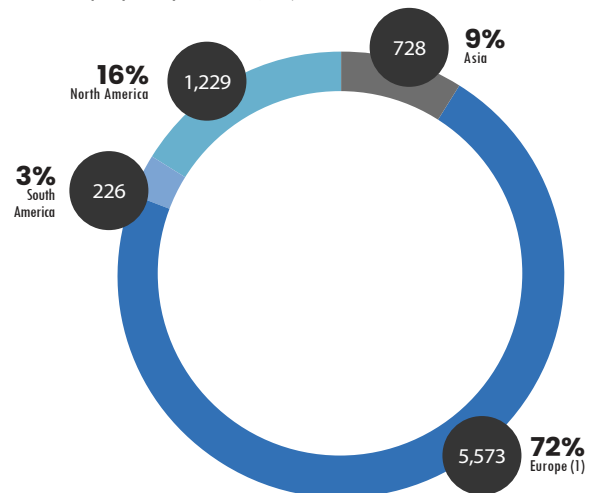
The outlook for 2025 is cautious due to the uncertainty in the markets for the reasons given above. Both Western car manufacturers and suppliers are announcing strong restructuring and drastic reductions in staff to mitigate the negative effects of the slowdown in the level of activity and the vital need to reduce costs.

Ficosa will continue to work on operational improvement and excellence, applying the processes and technologies that allow these changes to accelerate in all areas of the company.

Sales by region 2024 (€ million, %)



Distribution of employees by region 2024
(No. of employees year-end, %)



(1) In the Europe region, employees from Morocco and Turkey are also included.

Structure of Ficosa International

Today, Ficosa is a conglomerate of companies made up of engineering centres, manufacturing plants and commercial offices, distributed all over the world. The group is organized into different business units, most of which are shown below.

01

Rear-view systems:

It develops, produces and markets rear-view mirrors and vision systems - forward, rearward and side - for vehicles

02

Command and control systems:

It develops, produces, and markets systems that interact between the driver and the vehicle, such as shift levers, parking brakes, and transmission cables.

03

Under hood systems

It develops, produces and markets fluid and ventilation systems installed under the hood of vehicles.

04

Electronics Manufacturing Services (EMS)

It develops, tests, manufactures and markets electronic components, products and systems for vehicle manufacturers.

05

Commercial vehicle

It develops, produces and markets Ficosa's entire product portfolio for buses, trucks, and industrial and commercial vehicles.

06

Advanced Driver Assistance systems:

It develops, produces and commercializes systems that assist drivers during the driving process.

07

E-mobility

It develops, produces and markets electric propulsion technologies and connected infrastructures to enable the electric propulsion of vehicles and fleets.

Ficosa is made up of two business groups: Traditional Products and New Technologies products. Within traditional products, we highlight rear-view systems that account for the largest percentage of total sales. Ficosa is one of the world's leading companies in this area.

Ficosa celebrates the success of the first year of its Sustainability Program

At Ficosa, we are proud to have successfully completed the first year of Ficosa's Sustainability Program, a comprehensive global initiative that has had the active participation of ambassadors and leaders committed to sustainability in all our headquarters and functions. This journey has been a collective effort, in which professionals from all departments have worked in a coordinated manner to address the main Environmental, Social and Governance (ESG) challenges.

Thanks to this commitment and valuable contributions, we have built a team of more than 50 sustainability ambassadors. Together, we have achieved significant milestones, cementing this program as a key strategic pillar in Ficosa's commitment to a sustainable future.

Key achievements: A path to sustainability

Throughout the year, the program has addressed a wide range of fundamental ESG concepts, analyzing their impact and application in our operations. Our sustainability trajectory has

been marked by work in three key areas: environmental responsibility, social equity and good governance practices, fundamental axes of our commitment to sustainable growth.

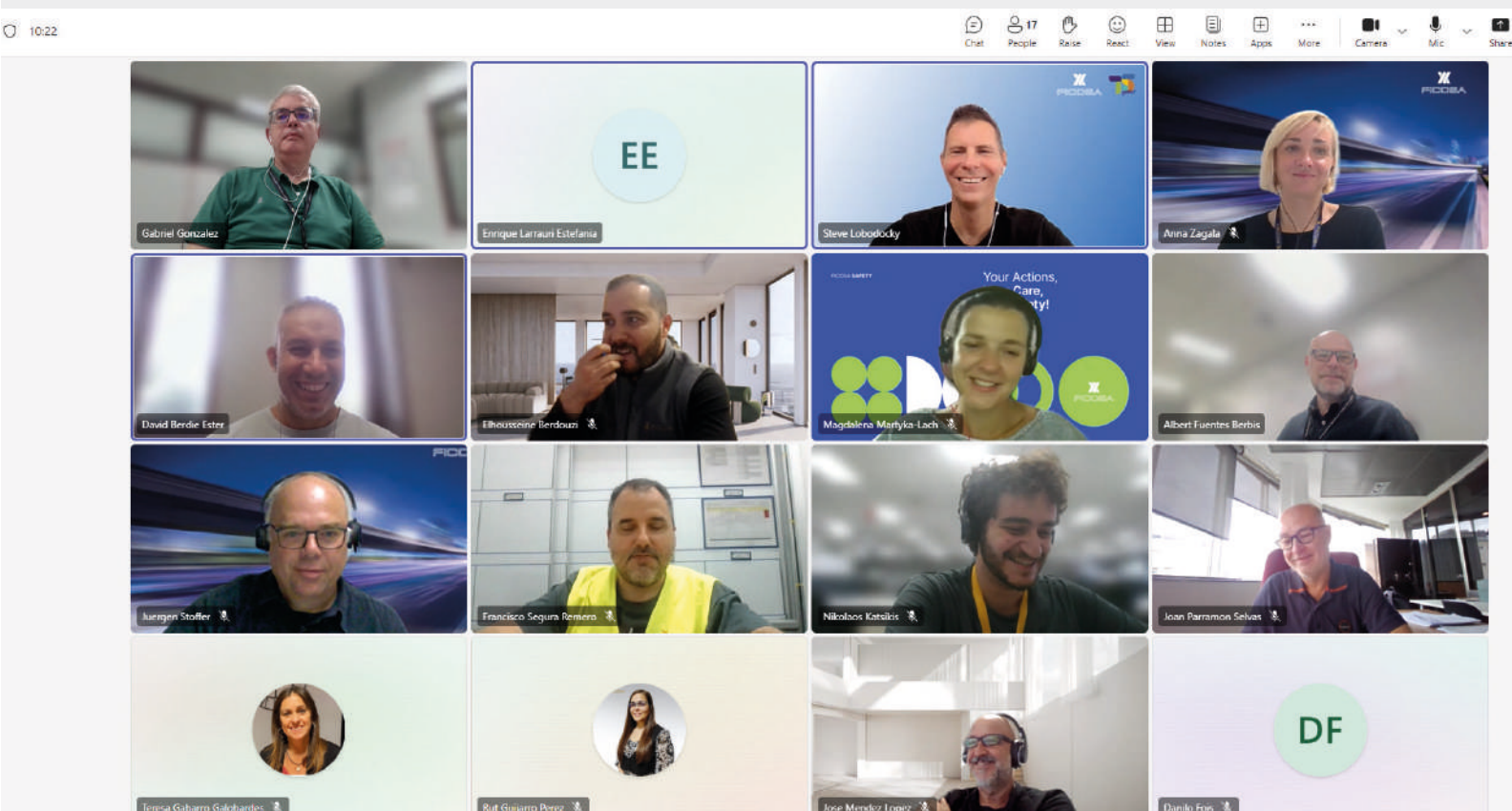
- **Environmental responsibility:** We have reinforced our commitment to reducing carbon emissions, adopting a circular economy model, and meeting global environmental standards. Integrating sustainability into our manufacturing processes has allowed us to minimise waste, optimise energy consumption and reduce our carbon footprint.

- **Social Commitment:** We have actively promoted diversity, equity, inclusion, and Sense of Belonging (DEIB) as key elements to strengthen our corporate culture and improve business performance. We have also promoted initiatives to generate a positive impact on the communities where we operate, improve the well-being of our employees and ensure the integration of social factors into our business strategy.

- **Governance and compliance:** We have strengthened our good corporate governance practices, ensuring alignment with international sustainability standards, including climate regulations and ESG reporting frameworks. Transparency, ethics, compliance and accountability continue to be fundamental principles in the way we operate.

Shared responsibility, global benefits

Ficosa's Sustainability Program is based on the principle of shared responsibility and common benefits. Through collaborative work on a global level, we can generate a lasting positive impact, not only on the environment, but also on our community and the company. Each member of our team plays an essential role in integrating sustainability into our business model, thus contributing to a future where we all benefit from this joint effort.



How do we work?



Purpose

During 2023 we had developed Ficosa's purpose with our employees. At Ficosa, our purpose provides a sense of direction that guides our decision-making and serves as motivation for employees and shareholders. Our purpose encompasses the organization's broader mission, values, and commitment to create value not only for shareholders, but also for employees, customers, and the communities in which we operate.

At Ficosa, having a purpose amplifies our commitment to the organization and the positive change we aim to make in the world. Purpose should inspire everyone to work with passion, while aligning with the person and values and improving job satisfaction.

Our purpose is:
“Transforming mobility to improve people’s lives”

Mission

Our mission is to innovate, develop and create high value-added products that contribute to improving mobility in key aspects of progress such as safety, comfort, communications and the environment, exceeding market and customer expectations.

Vision

Our strength comes from our commitment. For us, success is not measured by size, but by flexibility, speed and creativity, and understanding that being the best means meeting the needs of our employees, customers, communities and stakeholders alike.

Values

Our values and corporate purpose are intrinsically linked. At Ficosa, we believe that success depends on how we live our purpose and values. Purpose encapsulates the “why” of the organization and represents a commitment to certain values, while our values guide our behaviours in alignment with the corporate purpose, goals, and objectives. This alignment is essential for creating a strong and meaningful corporate identity and for building trust with stakeholders.

Living the values at Ficosa

Ficosa's values underpin everything we do and are reflected in our day-to-day lives. To make sure all employees truly understand and live them, we turn them into specific behaviors.

In all sites, values are displayed inside factories and offices to make it clear what matters to us.

The values, pillars of our code of ethics, also provide a framework for ethical and responsible decision-making within the organization. The values that guide our conduct and identify us as a company are the following:

OUR VALUES



Interest in People

People are the core of our business. We prioritize safety, development, diversity and inclusion. Mutual respect and friendly relationships are part of who we are.



Customer Focus

Helping our customers succeed is key to our success. We build relationships based on trust, understanding and anticipating their needs, prioritizing the customer experience.

Teamwork



Leadership

Leading by example and with a high regard for people, we live our values. We believe that being humble, not taking sole credit, trusting and understanding everyone is equally important.



Working together and serving others as One FICOSA Team. We understand that our overall success is based on knowledge sharing, open communication, learning, and collaboration.



Innovation & Creativity

Continuously improving with an entrepreneurial mindset. We thrive to innovate and create new solutions, encouraging everyone to develop and welcome new ways of doing things.

Honesty & Integrity

Our values: our North Star. We act accordingly to our values. We demonstrate honesty, integrity, transparency and ethics in everything we do.



Commitment & Passion for one's work

Leading by example and with a high regard for people, we live our values. We believe that being humble, not taking sole credit, trusting and understanding everyone is equally important.



FICOSA and the Sustainable Development Goals



The company's strengths come from its commitment and understanding that being the best means being able to respond to the needs of our employees, customers, community, and shareholders in the same way. In this sense, Ficosa focuses its efforts on generating shared value among its stakeholders and adding sustainability practices to its strategy and business culture. As a member of the United Nations Global Compact since 2002, we have adopted the Sustainable Development Goals (SDGs). Introduced in 2016, they are an ambitious action plan that defines global sustainable development priorities for 2030, with the aim of eradicating poverty and

promoting decent lives with opportunities for all. There are 17 goals and 169 universal targets that are interconnected, applicable to all nations and peoples, and represent a call to action for governments, civil society, and the private sector. The company has reviewed all the SDGs to identify areas where we can maximise our positive contributions. We focus our sustainability-related activities on those SDGs that greatly influence our business model and value chain and help us achieve real change. This mainly affects the following SDGs and associated sustainability activities:



SDG 3 —

Ensure healthy lives and promote well-being for all at all ages

According to the World Health Organization (WHO), road accidents kill approximately 1.35 million people worldwide each year, which means that around 3,500 people die on the roads every day. Tens of millions of people suffer injuries or disabilities every year. Children, pedestrians, cyclists and the elderly are the most vulnerable road users. If preventive measures are not taken, it is likely that death from traffic accidents will become one of the top five causes of death in the coming years. By collaborating with national and international programs to accelerate the development and standardization of connected cars and autonomous vehicles and through the development of new emergency systems or new tools and products to improve driver vision, helping to prevent collisions or assessing the driver's level of attention, Ficosa is contributing to the health goal of reducing deaths in traffic accidents.

Learn more: [Innovation in our products.](#)



SDG 4 —

Obtaining a quality education is the basis for improving people's lives as well as for sustainable development

Ficosa promotes continuous learning and skills development among its employees, ensuring access to high-quality training programs that boost their professional growth. Through partnerships with academic institutions and training initiatives, we contribute to the creation of a highly qualified workforce prepared to face the challenges of the future.

Learn more: [Commitment to our people/Employee development](#)



SDG 5 —

Gender equality is not only a fundamental human right, but the necessary foundation for a peaceful, prosperous and sustainable world

Ficosa is committed to promoting diversity and inclusion through the implementation of policies that foster gender equality, women's empowerment, and equitable opportunities for professional development. We foster an inclusive work environment that values different perspectives and ensures equal access to leadership roles.

Learn more: [Diversity, Equity, Inclusion and a Belonging](#)



SDG 6 —

Water accessible to all is an essential part of the world we want to live in

Water is a vital resource and, at Ficosa, we implement measures to optimize its responsible use, guaranteeing efficient management in our operations. By reducing our water footprint and improving wastewater treatment, we contribute to global efforts for sustainable water use.

Learn more: [Commitment to the environment](#)



SDG 7 –

Sustainable energy is an opportunity that transforms lives, economies and the planet

Ficosa invests in energy-efficient technologies and renewable energy solutions to minimize its environmental impact. By implementing strategies that improve energy efficiency and support the transition to clean energy, we contribute to climate change mitigation.

Learn more: [Commitment to the environment](#)

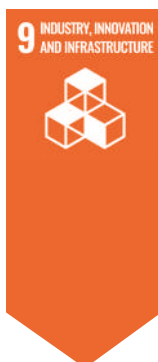


SDG 8 –

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

The company has a team of more than 8,000 employees, with manufacturing plants, technology centers and commercial offices located in 16 countries in Europe, North America, South America, Africa and Asia. In these countries where Ficosa operates, the company builds a safe workplace where employees feel valued, where their rights are respected and diversity, inclusion and integration are encouraged. We foster a responsible work environment that ensures fair labour practices, employee well-being, and safe working conditions. At Ficosa, we promote employee engagement, professional development, and a corporate culture that respects human rights and labour standards.

Learn more: [Commitment to our people](#); [Commitment to health and safety](#); [Diversity, Equity, Inclusion and Belonging](#);



SDG 9 –

Investments in industry, innovation and infrastructure are critical to achieving sustainable development and empowering communities

Innovation is a fundamental pillar of Ficosa's business strategy. We develop advanced mobility solutions that not only meet the highest industry standards, but also integrate environmental and social considerations throughout their lifecycle.

Learn more: [Innovation in our products](#)



SDG 10 –

Economic growth is not enough to reduce poverty if it is not inclusive and does not take into account the three dimensions of sustainable development: economic, social and environmental

Ficosa strives to create a fair and inclusive work environment, ensuring equal opportunities for all employees, regardless of gender, background, or country. In addition, we maintain a strong presence in developing regions, helping to drive economic growth and social inclusion.

Learn more: : [Commitment to our people](#); [Commitment to society](#);



SDG 12 –

Ensuring sustainable consumption and production patterns

Ficosa is designing and manufacturing products through the responsible use of raw materials and natural resources. Among others, the company is working to reduce waste generation throughout the product life cycle. For example, Ficosa is working at some of its operating facilities to increase the recovery of cleaning solvents and other chemicals and to reduce the amounts of these substances emitted by its plants. In addition, one of the company's main objectives is the continuous improvement of quality, reducing the number of defective parts and improving both its processes and the skills of its employees with the aim of achieving zero defects. In addition, the Taicang (China), Maia (Portugal) and Soria (Spain) plants have solar panels for electricity generation and several additional projects are in the study phase. In 2024, Ficosa has managed to increase the percentage of electricity consumption from renewable energies to 92%.

Learn more: [Commitment to the environment](#); [Commitment to quality](#);



SDG 13 —

Take urgent action to combat climate change and its effects

The transport sector is responsible for more than 20% of global greenhouse gas emissions. Reducing transport emissions is therefore an important part of any strategy to combat climate change and its impacts, in line with Sustainable Development Goal 13. The widespread electrification of transport through the adoption of electric vehicles (EVs) is one strategy to reduce GHG emissions. If electric vehicles are charged with electricity from emission-free sources, their adoption can also increase the share of renewables in the global energy mix (target 7.2 – Affordable and clean energy), and contribute to reducing air pollution and related health impacts (target 3.9 – Ensure healthy lives and promote well-being for all at all ages and target 11.6 – Reduce adverse environmental impact per capita of the cities). By investing in research and development to improve efficiency, reduce the complexity of electric vehicles, and develop new generations of battery management systems (BMS) or on-board chargers (OBC), Ficosa contributes to combating climate change and its impact. In addition, Ficosa is working to reduce its CO₂ emissions associated with its manufacturing processes.

Learn more: [Innovation in our products](#); [Commitment to the environment](#);



SDG 16 –

Promoting just, peaceful and inclusive societies

Ficosa is working to ensure that conflict-free minerals are used in the manufacture of its components. Ficosa has an annual evaluation of suppliers to compile from all of them the Standard Survey (EICC/Gesi CMRT template) on conflict minerals. The information collected is processed internally and provides us with useful information to ensure that acquisitions are free of conflict minerals originating in the Democratic Republic of the Congo or adjacent countries. Ficosa is strengthening processes to ensure due diligence in the supply chain and ensure that human rights are respected.

We maintain the highest standards of corporate governance, ethics and compliance through transparent business practices, risk management and anti-corruption measures, reinforcing integrity and trust in all our operations.

Learn more: [Conflict minerals](#); [Compliance and business ethics](#);

Compliance and business ethics



At Ficosa we are committed to meeting the highest ethical standards and complying with all applicable local, national and international laws wherever we do business. Ethical behaviour is essential to establish and maintain legitimate and productive relationships between organizations.

In this regard, the Board of Directors approved a new version of Ficosa's Code of Ethics in 2017. Our Code of Ethics is an extension of our values and defines the standards and responsible behaviours expected of all those associated with the company. We are all responsible for complying with these reference standards, which are essential guidelines to guarantee our management model.

Our Code is available in all FICOSA languages (English, Spanish, French, German, Italian, Portuguese, Polish, Turkish, Chinese and Arabic).

Since then, Ficosa has organized training and awareness campaigns to ensure that employees are aware of Ficosa's commitments and confirm their compliance with the Code of Ethics.

The Code is available to all employees, business partners and collaborators on the company's website and on Ficosa's intranet. It is also included in the welcome packet that is given to new employees to sign on the first business day along with the contract. The 2024 annual control of acceptance and confirmation of compliance with the code shows a 100% for our executives, directors and managers.

In October 2019, the e-learning of our Code of Ethics was launched, to indirect employees, available in Ficosa's 9 languages. This training is interactive and uses graphics, text, and sound, making the training easy to understand and very easy to use. Upon completion, employees must pass a 15-question exam (randomly generated from a sample of 45 questions) following corporate guidelines in training.

Given that employee satisfaction surveys reported a better knowledge of our Code of Ethics on the part of office employees compared to employees in production areas, specific training campaigns for production employees began in 2024. Given the good reception in the pilot Spanish subsidiaries, this initiative will be rolled out to the rest of the group in 2025.

At Ficosa, we have a body called the Ethics

and Compliance Committee responsible for the dissemination and compliance of the Code of Ethics among all the company's employees. To ensure the effective implementation of the regulations and guidelines of this Code, the company has established a whistleblowing channel since 2018 to report any breach of the Code of Ethics.

In addition, Ficosa's policies and procedures, available worldwide, ensure compliance with J-SOX in all activities conducted in Ficosa's day-to-day operations. Controls have been implemented to monitor compliance with these procedures and are regularly evaluated to ensure their effectiveness. Self-assessments, periodic internal and external audits are carried out.

At Ficosa, we are convinced that emphasizing the culture of compliance contributes significantly to ensuring the sustainable success of our company. In this regard, the company has defined a Crime Prevention Model since 2016. The objective is to effectively adopt and implement appropriate measures to prevent and detect criminal risks and ensure ethical practices within the company. These actions are developed as part of a corporate culture whose hallmark has always been the promotion of ethical values at all levels. In addition, its implementation allows Ficosa to comply with the requirements derived from Law 1/2015 of March 30, on the reform of the Spanish Criminal Code.

The model contains ten identified crimes (resulting from a criminal risk analysis), their impact and probability of occurrence were defined, mechanisms for their control and minimization, and responsibilities in their compliance.

Within this framework of action, several regulations, procedures and protocols have been implemented to support the prevention of crime in areas such as money laundering, unfair competition, corruption in business, crimes against the public treasury, social security and subsidy fraud, fraudulent or unfair conduct, gifts and hospitality, intellectual and industrial property, the transportation of people, goods and other related activities. All the different regulations, procedures and protocols focus on the specific risks and priorities of the company and the sector, and cover the establishments where Ficosa has a majority stake and, consequently, the responsibility for operation

and control.

In 2018 we started an Information and Training Program in Compliance to raise awareness in our organization. In addition, in 2019 a specific workshop on competition law was prepared and launched, covering the most sensitive positions in our commercial, purchasing and R+D teams, including examples of real situations. This workshop is repeated every year including new examples and risks detected during the last year.

In 2024, Compliance awareness sessions have been held for the Safety, Health, Environment, Human Resources and Sustainability teams of all the group's subsidiaries, taking advantage of the annual face-to-face meetings at the Viladecavalls plant (Spain). This awareness consisted of reinforcing our values and the key concepts of our Compliance, identifying the Ficosa geographical areas with the highest risk of incidents and ending with a brainstorming of examples related to potential compliance risks in each of the areas and how we should act to avoid them.

As every year, our CEO shared a Compliance awareness message with all Ficosa employees, highlighting FICOSA's and its employees' commitment to regulatory compliance and business ethics as key pillars of our global activity. In a challenging environment, the company maintains integrity, respect and responsibility as fundamental principles. To ensure the highest standards of compliance, the following topics were promoted:

- Compliance with sectoral regulations and the Code of Ethics.
- Continuous training and proactive monitoring of regulatory changes.
- Full collaboration with employees and partners.
- The different confidential speak-up channels for reporting irregularities.

Compliance is a collective effort that reinforces FICOSA's reputation as a benchmark in the automotive industry.



Human Rights

Ficosa wants to be responsible not only for its own decisions and activities, but also wants to ensure that its suppliers and business partners operate in line with the company's sustainability principles, respecting the Universal Declaration of Human Rights and environmental protection.

Suppliers must follow the General Terms and Conditions of Purchase, in addition to all applicable laws and regulations. It is also the supplier's obligation to respect the duties of social responsibility and especially the requirements based on the Universal

Declaration of Human Rights (UDHR) and the conventions of the International Labour Organization (ILO) in which it is proclaimed to respect the rights of employees, age and working hours, etc. Purchase orders submitted by any Ficosa company or any of its affiliates must include the terms and clauses of the General Conditions of Purchase. In 2023, Ficosa launched a Code of Conduct for Business Partners with the aim of strengthening due diligence in our value chain on various issues such as human rights.

Learn more: [Responsible sourcing](#).

In addition, the company carries out an annual control that calculates, through the central employee database, the age of the employee to ensure that all Ficosa employees are above the legal age to work and to ensure that child labour is not allowed. Ficosa is strengthening processes to ensure due diligence in the value chain (internal and external) and to ensure that human rights are respected to a greater extent.



Information security

In 2017, Ficosa strengthened its Information Security Management System (ISMS hereinafter) based on ISO/IEC 27001:2013. A Security Committee was formally appointed, which has the appropriate authority granted by the Board of Directors to govern the ISMS. The Committee is responsible for defining and establishing the information security strategy and management system. Currently, the current scope of ISMS includes the functions of Engineering, Prototyping and Testing.

This includes the areas that deal with the most sensitive information, confidential information shared with customers and information protected by contracts, intellectual and industrial property. The ISMS aims, among others, to improve stakeholder confidence in the information management and security of their information systems.

The ISMS includes the implementation of risk assessment and scenario management based on the MAGERIT methodology (Version 3).

Ficosa has also implemented zoning (S1-S2-S3) where S3 zones are related to

projects classified as confidential and secret. Each area has its own security criteria, controls, alarms, cameras, procedures, training, etc.

As part of the ISMS project, Ficosa has developed and improved a training and awareness programme. Since the beginning of this training, more than 1495 employees have attended the training cycles, including management.

As evidence of the correct functioning of the ISMS implemented, it has already been certified in TISAX in 9 plants of the group (belonging to 6 companies) and we continue to work to increase this number over the next few years. The goal in 2025 is to reach 16 certified plants.

In addition, the company has implemented an incident management procedure to enable employees and stakeholders to report information security issues and prevent recurrences.

In 2019, an e-learning was launched to raise awareness among all employees about the correct use of software licenses, addressing among other topics intellectual property, the purchase and use of

software, examples of cases of illegal use, false beliefs about software licenses and the potential impacts of illicit use. This e-learning has been translated into all Ficosa languages, with the completion rate during 2024 being more than 93.2% (1,684 out of a target of 1,806 employees). In 2025, we will expand the target of eligible jobs to 2,283 employees, with the goal of reaching 100% completion rate.

In 2024, we continue to strengthen internal phishing awareness campaigns with higher levels of demand. The latest results show that 84.1% of our employees have successfully passed them. Phishing is a type of fraud that is generally committed through email, although they can use other means, such as SMS messages (smishing), social networks, instant messaging applications or phone calls (vishing), and whose main objective is to steal confidential information and access credentials. One of the best ways to learn how to identify phishing cyberattacks is to train employees through campaigns specially designed for this purpose, without the risk of compromising confidential information.

Taxonomy



In 2024, Ficosa has worked on the Eligibility Assessment of its economic activities according to the EU Taxonomy.

In order to meet the climate and energy targets proposed by the European Union for 2030 and to achieve the European Green Deal's 2050 net neutrality target, it is essential that investments are directed towards sustainable projects and activities. This ensures that the economy, businesses and society are more resilient to current and future climate and environmental consequences.

To support this purpose, the European Commission has introduced the EU Taxonomy (Regulation (EU) 2020/852), a classification system that defines environmentally sustainable economic activities. Currently, this regulation establishes classification criteria for activities aligned with two environmental objectives: Climate Change Mitigation and Climate Change Adaptation.

On the other hand, after eligibility, for an economic activity to be considered aligned, it must meet the following criteria:

- Contribute substantially to one of the environmental objectives¹.
- Do not cause significant harm (DNSH) to the other environmental objectives.
- Comply with minimum social safeguards, including ILO Fundamental Conventions, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

In addition, companies must report on the most relevant information in relation to regulatory compliance, accounting policies and qualitative details that help contextualize the results of the indicators to be reported.

Ficosa has first carried out an eligibility assessment for all its products and activities, considering the following categories:

- 1.2. Manufacture of electrical and electronic equipment
- 3.18. Manufacture of automotive and mobility components
- 3.4. Battery Manufacturing (Responsible Operations)
- 7.3. Installation, maintenance and repair of energy efficiency equipment
- 7.4. Installation, maintenance and repair of charging stations for electric vehicles
- 7.5. Installation, maintenance and repair of instruments and devices for the measurement, regulation and control of the energy performance of buildings
- 7.6. Installation, maintenance and repair of renewable energy technologies

Following this eligibility assessment, Ficosa has carried out the Do No Significant Harm (DNSH) assessment to ensure that its activities do not have a negative impact on the other environmental objectives set out in the EU Taxonomy. However, to complete the alignment process, it is necessary to carry out an additional recyclability study of all products in accordance with the EN45555:2019 standard, a study that will be completed in 2025 together with the evaluation of the alignment of these economic activities and the calculation of the aligned Sales, Capex and Opex indicators.

¹ The 6 environmental objectives are: Mitigation of climate change, Adaptation to climate change, Sustainable use and protection of water and marine resources, Transition to a circular economy, Prevention and control of pollution, and Protection and restoration of biodiversity and ecosystems.

Commitment to Climate Risk Management

As part of our efforts to address climate change and build a more sustainable future, Ficosa has launched in 2024 the Project for the Implementation of the Climate Law and its Risk Management. This initiative is designed to assess, manage and mitigate climate risks, while identifying opportunities for sustainable growth.

Aligned with international best practices, including the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD) and IFRS S2 standards, the project integrates climate risk management within our corporate governance framework, ensuring that Ficosa remains resilient in the face of environmental challenges.

Key Project Objectives:

- **Identifying Risks and Opportunities:** Assessing climate-related risks and opportunities.
- **Regulatory Compliance:** Ensure alignment with current legislation, the Taxonomy and the European CSRD directive.
- **Development of an Action Plan:** Develop a structured plan to mitigate risks and improve operational resilience.
- **Integration into Corporate Strategy:** Incorporate climate risk management into decision-making processes to strengthen financial and operational performance.

This project has been approached in three phases:

- **Phase I - Identification of Risks and Opportunities:** Collaboration with experts from various departments and stakeholders to identify key climate-related risks and opportunities for our company.
- **Phase II - Financial Impact Assessment:** Analysis of the potential financial consequences of the identified risks and prioritization according to their impact.
- **Phase III - Development of the Action Plan:** Establishment of effective mitigation strategies, definition of Key Performance Indicators (KPIs) and integration into Ficosa's strategic decision-making.

Thermal stress and water scarcity have been identified as chronic Physical Hazards, and cold waves and tornadoes as acute.

As Transition Risks, we have identified emerging regulations associated with changes in global climate policies and the transition to low-emission technologies associated with the management of new technological investments.



On the opportunities side, we have identified the development of sustainable products associated with the promotion of low-carbon products and services, efficiency in the use of resources to improve energy efficiency and the reduction of operating costs and finally the adoption of renewable energies linked to the transition to low-emission energy sources.

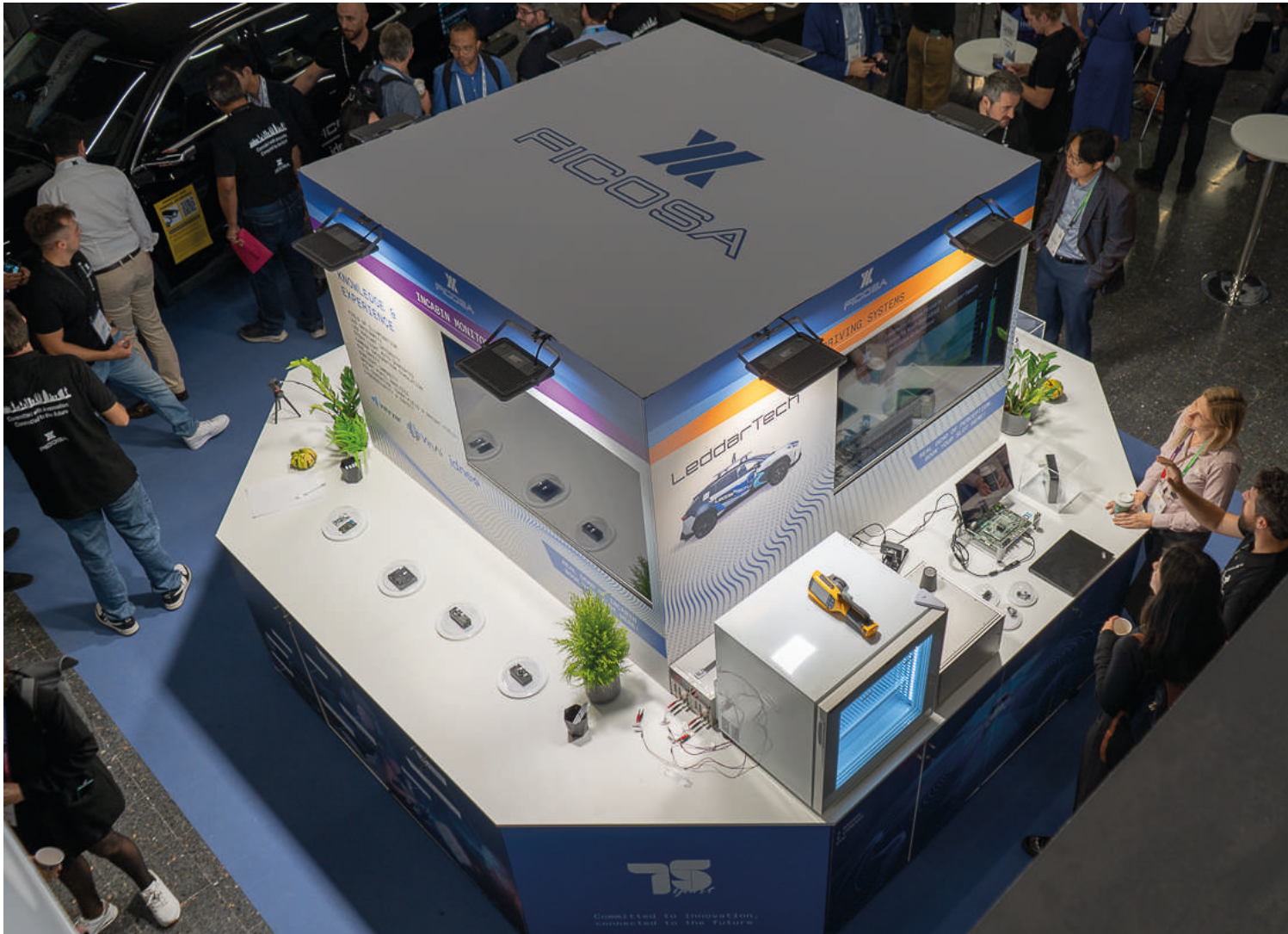
To ensure effective implementation, Ficosa has integrated climate risk management into its Risk Management System and has established a Multidisciplinary Climate Risk Committee. This committee is responsible for overseeing the project and working closely with external stakeholders, including suppliers and regulatory bodies, to achieve our sustainability goals.

With this climate risk management, Ficosa expects to:

- Increased resilience: Increasing their operational and financial resilience to climate risks.
- Improved reputation: Strengthening corporate reputation and stakeholder trust.
- Provide regulatory compliance: Ensure compliance with global sustainability and financial disclosure standards.
- Measurable progress: Clear and measurable tracking of progress on climate targets and KPIs.



Commitment to quality





Policies

A car's rating and an automaker's brand value depend on the customer's quality assessment. In this context, Ficosa believes that the automotive and equipment industry has an important responsibility and constantly provides the best quality to customers at every stage, from new product planning, to development, manufacturing, distribution and sales, to after-sales service.

Since 2009, Ficosa has implemented the 3Q3 Corporate Quality program, which aimed to improve quality three times within three years, thus elevating the business to the top of the automotive sector. The 3Q3 programme is updated annually, accompanied by a specific roadmap and quality targets to ensure that all regions follow best practices in this regard. Through the 3Q3 program, the company conducts more than 100 audits per year to ensure that all sites meet the company's quality requirements.

In 2015, the company implemented stricter standards in the 3Q3 audits of the management system with suppliers, project management and technical centres, using the same criteria as for Ficosa's manufacturing plants. In 2016, the company implemented a new internal process design audit, to certify the design of the production process in Ficosa's work centres (plastic and metal injection, injection moulds, paint shop). The new internal audit is applicable to all of the Company's technical centres and manufacturing plants.

Also in 2016, the company added three new checklists in the 3Q3 Plant Audit to make sure each site follows Ficosa's standard for proactive warranty management. In addition, more stringent rules were added in the 3Q3 audits for

technical centres. The main objectives of the new checklist are to certify that any software developed by Ficosa is aligned with ISO/IEC 15504 guidelines. In addition, these stricter rules have been put in place to ensure that the design and production of safety products meet the highest standards in the automotive industry.

In 2018, the notification period for communication of a 3Q3 Plant Audit start was reduced from 10 to 2 days. The aim is to have a more real picture of the audited centre.

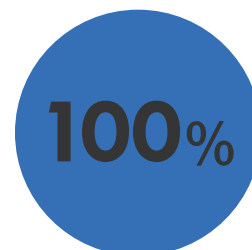
During 2019, the 3Q3 program was carried out, auditing all the company's support centres and manufacturing plants.

During the years 2020 to 2022, the face-to-face audits of 3Q3 could not be carried out, due to travel restrictions due to the pandemic generated by COVID-19, so they were replaced by a self-assessment carried out by each of Ficosa's plants and functions. During these years, the corporate quality team has reviewed the self-evaluations, so that if they find assessments that must be contrasted, they do so with the interested parties.

During 2022, new corporate auditors were trained and a new face-to-face audit plan was established, which was resumed in 2023 and followed normally in the 2024 financial year.

Quality Management

IATF 16949:2016 (replaces ISO/TS 16949:2009) defines quality management system requirements for the design and development, production and, where relevant, installation and service of automotive-related products. It is a specific standard for the automotive industry and is based on the ISO 9001 standard.



**Ficosa operating
facilities certified
IATF 16949 and ISO
9001 (%)**

100% en 2023



Governance

The quality function has as its mission the improvement of Ficosa's performance, ensuring customer satisfaction. To this end, it provides a corporate structure and local quality organizations in the production plants and support centres (technical centres, purchasing, project management, etc.).

The main tool to achieve the mission of the quality function is the quality system, which, deployed from the corporate function, allows compliance with international, national and local standards, and those of customers.

Main Risks and Challenges

Customer guarantees are a relevant issue in our quality management system. In 2018, a new warranty reporting system was launched at all Ficosa manufacturing sites. This system continuously monitors our customers' (OEMs) B2B warranty applications to get a better idea of the current and future condition, which helps us react quickly to any potential incidents before an official warranty analysis request arrives.

The system has been consolidated, with a global warranty indicator, by plant, customer and product, which, through standardized analysis, allows the control and reduction of the number of warranty charges.

In parallel, the collaboration between Design and Manufacturing has been strengthened for the analysis of "No Fault Found (NFF)" to provide faster support to our customers in solving problems.

The company remains focused on improving both our processes and the skills of our employees, using problem-solving, tools and analysis techniques with the aim of achieving zero defects. We monitor customer portals to reduce turnaround time, as we don't have to wait for official notification of defective parts to take action. We continuously monitor any possible warranty incident thanks to better monitoring of our customer portals. In addition, statistics are used to predict any future trends and contrast the effectiveness of our actions. On the other hand, the company focuses its efforts on implementing the Lean Six Sigma methodology in all manufacturing plants and technical centres and on improving communication between production and product design. Finally, the company continuously improves its development system to ensure high-level quality in the design and development of new products in new technologies.

Key results

The quality of the company is managed through the monitoring of KPIs. The company has defined a balanced scorecard system that provides the site monthly values compared to target figures. This monthly report allows the company to immediately identify areas where improvement is needed.

	2023	2024	Target 2024	Target 2025
Customer satisfaction (%)	96.8%	95.0%	95.0%	95.0%
Number of Customer claims due to Suppliers	73	54	69	64
Number of Customer claims	412	385	407	374
Number of defective parts per million delivered to Customer (ppm)	4.18	4.39	5.75	5.70

(*).- In 2024, the suppliers ppm indicator will be changed to supplier QCR (complaints issued from Ficosa's plants to suppliers), this will provide better monitoring of all supplier quality incidents, whether or not they have an impact on Ficosa's customers.

The indicators show that by 2024 the main quality objectives have been achieved.

Quality management goes beyond Ficosa's activities. The company wants to ensure that its suppliers also operate in line with the company's commitment to excellence. All suppliers must have a quality certification (ISO 9001, IATF recommended) and must provide Ficosa with written evidence of the renewal of the most recent certification.

Since 2015, the management system audits with suppliers have used the same criteria as those used in Ficosa's manufacturing plants. In addition, Ficosa reviewed and made more restrictive the criteria used to select its suppliers for its Optimal Purchasing Panel (POP). Starting in 2017, the company has implemented a robust program to reduce the impact of suppliers on customers by complying with strict regulations and consolidating supplier auditing in all countries where the company operates.

Awards and recognition

Chery awarded Ficosa Taicang (China) with the 2024 Excellence Service Supplier Award at a ceremony that will take place on January 9, 2025 at its corporate headquarters in Wuhu, Anhui Province, coinciding with "The Supplier Conference".

Receiving this award means recognition of Ficosa for its outstanding work in terms of quality and its good level of service when selected as a trusted partner.

Continuous improvement (FIT Program)

With the aim of consolidating its position in the market as an automotive manufacturer and strengthening its presence in all markets, Ficosa bases its strategy on the continuous improvement of both the products and all the processes involved in them.

Ficosa understands that continuous improvement is any change of direction to improve processes by eliminating inefficiencies and maintaining constant quality. All Ficosa employees are responsible for continuous improvement, from the first operator to the last manager of the company. Continuous improvement affects all production-related departments, as well as financial-administrative, purchasing, commercial, and research and development departments.



To ensure structured support in continuous improvement, the Ficosa Improvement Transformation (FIT) Programme was launched at the end of 2016. This Continuous Improvement program has the support of senior management and has been implemented in all Ficosa's operational facilities. The project is supported by an action plan aimed at implementing self-sufficient continuous improvement teams in all the countries in which Ficosa operates.

The programme has been divided into 4 main pillars:

		MAIN GOALS	WHAT DID WE DO IN 2017-2023?
CI Structures		Making sure any site has responsible for implementing the FIT program	Continuous improvement structure in every Plant: - CI Managers and experts (YB, GB, BB) in all the facilities, - Regional CI Directors and Corporate CI Director - Local CI Steering Committees held every month Over 1.200 employees trained as Champions, Yellow, Green or Black Belts. Using self-developed Ficosa training materials for YB and GB sessions.
Fighting waste and variation		Implementing and running projects and CI activities	Around 15.500 improvement activities in first 7 years of the FIT Program - including Six Sigma projects, Lean workshops and kaizens. Hundreds of certificated Yellow, Green and Black Belts.
Ideas and opportunities		Gathering suggestion and sharing best practices	e-Suggestion system developed and implemented to collect, analyze and track any suggestion. Spreading a Yakoten culture to share best practices within plants. Last year company has achieved over 0,61 suggestions per employee.
Transparency and Focus		Gathering data to detect any issues	Standardization of a new 5S system to make sure that all the plants are following the same standards and criteria. Implementation of diagnosis tools to find opportunities (ie. VSM, yamazumi) - used already over 3.500 times! Leaders and Managers directly involved in CI activities (ie. Ohno Circles, 5s audits and Lean Six Sigma projects)

The program involves the use of continuous improvement methodologies, such as *Lean Six Sigma*, as well as soft skills that support employees in their daily search for better products and processes. Ficosa allows the development of human resources in its broadest sense, adapting the structures of the organization to the needs of the globalization process.

We have active experts (called *belt belts*) of different levels: *white, yellow, green and black*, sharing a common goal of daily improvements. The new *FIT* program is not only about optimizing the manufacturing process, but also about changing the company culture and developing people to ensure they can make the right decisions every day.

Commitment to our people





Ficosa's commitment to people is at the foundation of the company's culture.

Policies

For Ficosa, being a responsible company involves a series of challenges: training employees, helping them advance in their careers, providing them with fair wages, taking care of their well-being at work, combining operational excellence and personal development, and fostering a comprehensive social dialogue. Ficosa has numerous internal guidelines, policies, and procedures in place to ensure that all establishments follow best practices in recruitment, career management and talent development. The main ones are Remuneration, Recruitment, Performance Evaluation, International Assignments

Management, Training, Onboarding, Talent Review & Succession Planning and the Corporate Company car.

In addition, the company has defined an employee handbook. This handbook includes information on fair business practices at work, our code of ethics, health and safety, training, performance management, prevention of discrimination and promotion of diversity, etc.

Governance

The Chief People Officer, a member of the Executive Committee, is the person responsible for work matters in the workplace. The Corporate Human Resources department is responsible for defining the above guidelines, policies, and procedures. Each establishment has a Human Resources Manager, who is responsible for implementing the policies defined at the corporate level in each country where the company operates.

Main risks and Challenges

At FICOSA, we operate in a highly competitive and demanding industrial environment, continuously exploring new business opportunities into international markets. As we grow, we remain firmly committed to creating high-value jobs across all areas of our organization, with a strong emphasis on technology and innovation.

Attracting, retaining, and developing talent is essential to maintaining our competitive edge, especially as global labor markets become increasingly dynamic. To meet this challenge, we are implementing targeted strategies to nurture our teams, enhance professional development, and recruit top talent while fostering a culture of innovation, collaboration, and inclusion.

Our commitment to our people is reflected specially in the following key areas:

- Safe and Healthy Working Conditions (see “Commitment to Health and Safety”)
- Development, Training, and Knowledge Management
- Open Dialogue and Communication, both internal and external
- Employee Engagement and Recognition
- Health Promotion and Well-being
- Diversity, Equity, Inclusion and Belonging (DEIB)
- Sustainability and Social Responsibility

By prioritizing these areas, we create a work environment where employees feel valued, supported, and empowered to grow, ensuring long-term success and a positive impact on society.

Key results

	2022	2023	2024	Variance from previous year
Average number of employees (FTE)	8,345	8,832	7,805	-8.0%
Number of employees at year end	7,819	8,021	7,756	-3.3%
Non-production Indirect Turnover (%)	11.7%	7.9%	5.70%	-2.2%
Female staff in total (%) *	48.2%	48.6%	48.6%	0.0%
Female staff in executive positions (%) *	18.5%	18.2%	17.7%	-0.5%
Employees with a disability	102	98	87	-11.2%
Dismissals	220	106	369	248.1%

*.- To measure these indicators, the company uses the workforce at the end of the year (7,756 employees).

FTE = hours of work / theoretical working hours for a period of full-time work (including permanent, temporary, interim and external staff).

Workforce by country

	2023 (FTE)	2024 (FTE)	2023 (at year end)	2024 (at year end)
Brazil	206	210	209	226
China	918	860	621	650
France	269	217	217	220
Germany	177	153	173	156
India	98	82	96	75
Italy	264	219	246	241
Japan	4	3	4	3
México	754	628	760	673
Morocco	857	806	865	942
Poland	978	873	695	786
Portugal	932	783	833	815
Spain	1,803	1,774	1,826	1,825
Turkey(1)	783	625	759	588
USA	789	571	717	556
Total	8,832	7,805	8,021	7,756

(1) One employee in UK to support deliveries to this country from Turkey

Group Workforce - age*

	2023	2024
Employees < 30 years	1,537	1,465
30 < Employees < 50 years	4,567	4,287
Employees > 50 years	1,917	2,004

Contract types (2024)*

	Full time	Part time	Total
Permanent	6,619	200	6,819
Temporary	922	15	937
Total	7,541	215	7,756

Group Workforce - job category*

	2023	2024
Senior executives	143	147
Area managers	409	422
Engineers and technicians	1,433	1,375
Administrative personnel	154	135
Direct Production staff	4,398	4,248
Indirect Production staff	1,484	1,429

Contract types (2023)*

	Full time	Part time	Total
Permanent	7,278	218	7,496
Temporary	499	26	525
Total	7,777	244	8,021

*.- To measure these indicators, the company uses the workforce at the end of the year (7,756 employees).

Work schedules are organized in the same way at all production sites depending on the workload. Operations with one/two/three daily shifts (morning, afternoon and night) and the rest of the departments with central shift.

Diversity, Equity, Inclusion & Belonging

At Ficosa, the criteria and procedures for hiring employees include the principle of equality and non-discrimination on the basis of sex, race, national or social origin, social class, birth, religion, disability, sexual orientation, trade union membership, political opinion, age or any other condition.

In addition, our Code of Ethics establishes that Ficosa's management will adopt all appropriate measures to prevent acts of harassment, discrimination or violence within the company. At the same time, the employees undertake not to promote or tolerate situations of abuse, harassment, violence or discrimination in the workplace. These prevention actions are promoted at the local level with specific equality and anti-harassment plans, such as those at the Cookeville, Detroit, Soria, Viladecavalls and India branches.

In addition, all employment agencies that work with us must ensure the equality of gender, origin, ethnicity, political alignment, and personal beliefs, including religion, of all candidates shortlisted for our company.

All managers and middle managers are responsible for ensuring non-discriminatory treatment of employees and collaborators.

After the pandemic, Diversity and Inclusion has become one of the focuses of training at Ficosa. In 2023, we offered the "Being a DEI (Diversity, Equity, and Inclusion) Ally" training globally to further strengthen our commitment to this crucial issue.

In 2024, all Ficosa companies in Spain updated their equality plans, reviewing the measures adopted after a diagnosis of the situation in order to achieve equal treatment and opportunities between women and men in the company and to eliminate potential discrimination based on sex.

Soria collaborates with FADESS (Foundation for Help to People with Disabilities and Mental Patients of Soria) and ASOVICA (Virgen del Camino Association of Relatives of People with Mental Illness) to promote the social inclusion of people with physical and intellectual disabilities by hiring new employees through entities that promote the labour insertion of people with

disabilities. In addition, Soria collaborates with prisons to promote the rehabilitation of former inmates. In addition, collaborations are made with the STEM and SPARTA programs, for the integration, development and promotion of women in the business environment.

Our plant in Dabrowa Gornicza, Poland, has always been committed to the inclusion of people with disabilities in the workplace. In the past, he received a special "Icebreaker" award for his commitment to promoting the inclusion of people with disabilities, given by the Foundation for the Professional Activation of Persons with Disabilities and the Polish Organization of Employers of Persons with Disabilities. One of the site's main goals is to reach six percent of employees with disabilities (in 2024 it reached 4.25%). This centre has also launched a program to promote gender equality in all areas. For example. Starting in 2022, the program has focused on breaking down barriers that may be preventing greater female participation in the logistics and warehouse areas, encouraging women to undertake forklift trainings. By the end of 2024, 10 women had already joined the logistics department. In the same direction, to promote female leadership and support women in this plant, its participation in the international STRADA program, a female leadership development program designed to train emerging leaders in the manufacturing industry, has been promoted.

Brazil has an inclusion program for people with hearing disabilities. The communication tool is Libras, the Brazilian sign language used by deaf people in Brazilian urban centres and legally recognized as a means of communication and expression, becoming the main inclusion tool for this group of people to promote accessibility in communication for deaf and hard of hearing people. The company has trained staff (hierarchical superior and human resources department) in this sign language to support these employees. In this regard, the Taicang plant (China) also supplies hearing aids to promote the inclusion of deaf or hard of hearing employees.

Several of the group's plants (Brazil, Poland, Morocco, Soria and Viladecavalls) have a training programme in Inclusion and Gender





Equity to promote diversity and prevent discrimination in the workplace.

International Women's Day (IWD) is a global day celebrated annually on March 8 as a focal point in the women's rights movement, drawing attention to issues such as gender equality. All Ficosa offices organize various awareness-raising activities on that day to promote Diversity, Equity, Inclusion and Belonging (DEIB) as we are aware that there is still room for improvement in the automotive industry. Highlight the activity carried out by Ficosa India, recognizing and celebrating the extraordinary women who bring their talent, experience and passion to our team. It was a day full of inspiration, empowerment and recognition. Through engaging discussions and presentations, women's achievements in our work environment and beyond were highlighted. It should be noted that we had the special participation of Selina David, Director

of Global Talent Development at Hitachi Digital, who inspired us with her great ability to tell stories and provide advice on how to create opportunities in our careers.

Ficosa Viladecavalls companies participated in the project "Study of gender equality in the automotive sector" promoted by the CIAC cluster and the Generalitat de Catalunya in 2023. The main objectives of this study were: to obtain indicative data on the situation of gender equality in the workplace in the automotive sector and to define proposals that can guide an action plan to continue advancing in equality.

The team from the Viladecavalls plant visited the IES Escola Industrial de Sabadell in 2024, on the occasion of the International Day of Women and Girls in Science and Technology, to give visibility to our company and try to influence young women who have yet to make

the decision about what to study.

All Ficosa employees are covered by local collective agreements, except in those countries where there is no such collective bargaining, as collective labour rights are protected and guaranteed by national laws. This is the case of Ficosa's plants located in the United States, China, India and Morocco. As a result, the percentage of the Group's employees covered by the collective agreement is 71%, which is the same % as the previous year.

Employee development

At FICOSA, we believe that continuous learning and professional growth are key drivers of both individual and organizational success. Our commitment to people development is reflected in a structured and transparent approach, ensuring that every employee has the opportunity to unlock their full potential and contribute meaningfully to our shared success.

Performance Evaluation: A Culture of Continuous Growth

A key component of our talent strategy is our performance evaluation system, which places a strong emphasis on personal and professional development, ensuring that special time is devoted to this topic, especially towards the middle of the year. This structured conversation fosters a culture of continuous improvement, allowing individuals to receive valuable feedback and align their development with company objectives.

Beyond formal evaluations, we actively encourage ongoing development conversations between employees and managers. Employees are invited to create Individual Development Plans (IDPs) at any time. These personalized roadmaps outline development goals, key competencies to strengthen, and concrete actions for career progression. IDPs may include training programs, mentoring, stretch assignments, cross-functional projects, and leadership development opportunities, supporting not only high-potential employees but also those with specialized expertise, leadership capabilities, or unique skills critical to the business.

Through this approach, we empower our people to take ownership of their careers, enhance their skills, and contribute to the company’s long-term success while fostering a culture of growth, engagement, and excellence.

	2023	2024	Variance from previous year
No. of employees with access to performance and career development review (target)	2,135	1,938	-9.2%
% of employees receiving regular performance and career development reviews	81.8%	94.0%	12.2%



Talent Management and Succession Planning: Unlocking Diverse Potential

To ensure long-term growth and leadership continuity, we have implemented a global Talent Review and Succession process across all countries since 2021. This structured process focuses on potential assessment, calibration, and succession planning, allowing us to systematically evaluate employees' skills, aspirations, and growth potential across various dimensions.

At FICOSA, we recognize that talent comes in many forms. Beyond developing high-potential employees, we also focus on nurturing technical specialists, future leaders, and key contributors who play a vital role in our success. By identifying different types of potential, we provide tailored development opportunities, ensuring employees gain the necessary skills and experience to take on new challenges, advance in their careers, or transition into critical roles within the company. This proactive approach strengthens our talent pipeline and aligns development strategies with business needs.

Employee Engagement and Recognition: Fostering a Culture of Appreciation

At FicosA, we understand that engaged and motivated employees are key to driving innovation, collaboration, and long-term success. Beyond learning and development opportunities, we are committed to cultivating an environment where employees feel valued, appreciated, and recognized for their contributions.

We believe that acknowledging efforts, achievements, and dedication enhances motivation and fosters a sense of belonging. At FicosA we count with different recognition programs in different domains such as Safety (Safety Champion), Operations (Formula FicosA), and Process & Product Improvement (FIT Program).

In 2024, we have implemented a specific recognition program to celebrate both individual and team successes, reinforcing our company values and encouraging a culture of excellence.

This **INSPIRING Recognition at FicosA** program includes both peer-to-peer appreciation and manager-driven acknowledgments, ensuring that contributions at all levels are valued and celebrated. Whether recognizing employees for embodying company values, achieving milestones, or through formal expressions of gratitude, we are committed to making recognition a meaningful and consistent practice across all our locations.



By focusing on employee engagement and recognition, FicosA strengthens its commitment to creating a workplace where people feel inspired, empowered, and motivated to reach their full potential while contributing to our collective success.



Onboarding: A Global Approach to Employee Integration

A strong onboarding experience is essential to setting employees up for success. At FICOSA, we have structured onboarding processes in place at all our sites worldwide, ensuring that new employees quickly adapt to our culture, values, and ways of working.

In 2022, we launched a new onboarding process at the Viladecavalls site, designed to enhance the integration of new employees. This initiative, among others, exemplifies our commitment to making every new hire feel welcomed, engaged, and empowered from day one.

Commitment to Talent Development and Excellence

Through performance evaluation, talent management, and onboarding, FICOSA reinforces its dedication to attracting, developing, and retaining diverse talent. By recognizing and developing different types of potential, we ensure that our employees are well-equipped to drive innovation and excellence, securing FICOSA's position as an industry leader.

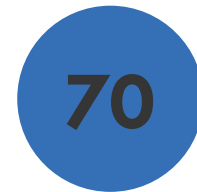
Growing @Ficosa

To further support high-potential employees, we have implemented a development program for potentials called Growing@Ficosa, designed to equip future leaders with the skills and experiences needed to drive innovation and excellence.

Growing@Ficosa is an established global program that has already impacted over 160 employees across different functional areas, levels of responsibility, and countries. As part of our long-term commitment to people development, this initiative reinforces a company-wide culture of learning and professional evolution.

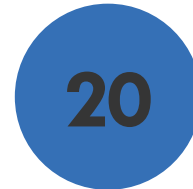
It follows the 70-20-10 development model, balancing experiential learning (70%), mentoring and collaboration (20%), and structured training (10%).

Through Individual Development Plans, participants and their managers with HR support define their growth objectives and track their progress. This program is also supported by coaching, 360° and behavioral KPIs, ensuring a holistic approach to development.



Experimental learning

Work-related collaboration
On-the-job performance support



Social learning

Peer learning and
coaching Mentoring



Formal learning

Learning program support
High potential development

SuccessFactors

Until 2015, the company had different HR systems and tools that supported personnel management processes, requiring a global and integrated solution. To improve efficiency, Ficosa implemented a new HR Information System called SuccessFactors. This new tool is an employee-centric system and allows each employee to complete HR tasks faster and perform strategic HR activities more frequently and agilely, such as their annual goals, performance, development plans, training programs, etc. Since 2019, SuccessFactors has included the company's development module and training program, making it easy to create and track each employee's development plans. In 2021, the Talent Review and Succession process was implemented for all countries and in 2022 a new onboarding process for new employees was implemented at the Viladecavalls site.

Evolving Leadership Skills for a Changing World

As the business landscape evolves, so does Growing@Ficosa. Today, the program focuses mainly on high-potentials and incorporates The Leadership Challenge framework which focuses on five essential leadership practices:

- Model the Way – Lead by example with clear values.
- Inspire a Shared Vision – Motivate others with a compelling future.
- Challenge the Process – Drive innovation and continuous improvement.
- Enable Others to Act – Empower teams through trust and collaboration.
- Encourage the Heart – Recognize and celebrate achievements.

Expanding Our Commitment to Talent Development

In addition, we are actively developing new training and development programs aimed at different groups of people and aligned with evolving business needs.

These initiatives will further strengthen our Talent pipeline, ensuring that our people are not only prepared for their next career step but also empowered to drive innovation and excellence across the organization, preparing the next generation of professionals to meet the evolving challenges of our industry.

Guiding Career Development

Complementing Growing@Ficosa, we have also a mentoring process focused on accelerating the development of key employees. Through this initiative, senior professionals provide guidance, support, and strategic insights to emerging talents, helping them prepare for future leadership roles. This structured mentorship fosters mutual learning, knowledge exchange, and professional growth, reinforcing a culture of collaboration and development.

SuccessFactors

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Training and knowledge management

	2023	2024	Variance from previous year
Total number of training hours provided to employees	160,552	162,665	1.3%
Training investment (€)	949,859	1,089,706	14.7%
Average cost training per employee*	118	140	19.1%
Average training hours per employee*	20	21	4.9%

At Ficosa, our core value of Interest in People reflects our commitment to placing employees at the heart of our organization. We believe that continuous learning is essential for both personal and professional growth, which is why we offer a wide range of programs designed to develop both soft and technical skills.

We recognize that one of the most valuable ways to learn is by leveraging the knowledge and expertise within our own organization. Working alongside some of our most experienced professionals provides employees with hands-on learning opportunities that accelerate their growth. This on-the-job experience is further reinforced by targeted training programs, delivered both by internal experts and leading external institutions.

To ensure a structured and impactful learning approach, each site defines an annual training plan, carefully identifying development needs at the individual, functional, area, and global levels. These plans include a wide range of soft skills development, such as leadership, communication, decision-making, strategic vision, negotiation, conflict management, time management, impactful presentations, financial acumen, etc. as well as

comprehensive technical training programs tailored to different roles and specializations.

To further enhance accessibility and flexibility, we have partnered with three internationally recognized learning platforms: Skillsoft-Percipio, focused on microlearning, allowing employees to learn anytime, anywhere, in short, engaging sessions; Udemy, providing extensive technical training on various industry-relevant topics and Coursera, offering longer training programs leading to certifications and diplomas from prestigious international universities.

By integrating diverse learning methods, from hands-on experience and expert-led training to online, on-demand learning solutions, we empower our employees to continuously enhance their skills, drive innovation, and contribute to the long-term success of Ficosa.

FICOSIANS 'R LEARNERS

IS TIME YOUR WORST ENEMY OR YOUR BEST FRIEND?

Time management refers to the ability to efficiently use the available time to carry out activities in a productive manner. It involves **identifying, organizing** and **prioritizing activities** to achieve set goals within the allotted time. We invite you to discover the **'Maximize Your Productivity by Managing Time and Tasks'** course on your e-learning platform Skillsoft-Percipio.

BENCHMARK SCORE

Not yet tested

100

First of all, test your Time & Priorities Management skills.

Access and check it out!

Improve your efficiency, identify areas for growth, and discover recommended courses to enhance your time management and prioritization abilities.

In this course you will be able to:

- Better organize and prioritize your tasks.
- Identify and minimize time-wasting activities, scheduling your time effectively, and avoiding procrastination.
- Define actionable goals, establish deadlines, and create a roadmap for achieving them.

[Access Training](#)

You can access the **benchmark** through the SuccessFactors-Learning module.

FICOSIANS 'R LEARNERS

Ready for the next steps in your Emotional Intelligence journey?

International Stress Awareness Week is an annual event that focuses on raising awareness about stress and its management.

Have you been able to take the skill benchmark to find out your level of emotional intelligence?

We suggest you go further with this audiobook summary (20 minutes approx.):

'One Second Ahead' by Rasmus Hougaard and Jacqueline Carter explores how mindfulness can promote emotional intelligence:

- It fosters **empathy**, improving workplace relationships.
- It enhances authentic **self-presentation**.
- It boosts **emotional self-awareness**, aiding informed decision-making.

You can access the audio summary through the SuccessFactors-Learning module or directly via the link below:

[Access](#)

Knowledge management

At Ficosa, we continuously evaluate and improve our knowledge management systems to align with emerging trends, digital transformation, and evolving stakeholder expectations. By doing so, we foster a culture of continuous learning, ensuring that knowledge is not just stored but actively used to create lasting social and environmental impact.

Total number of training hours provided to employees*

	2023	2024
Direct employees (operators)	95,304	87,702
Indirect employees (rest)	65,248	74,963
Total general	160,552	162,665

*.- To measure these indicators, the company takes the workforce figures at the end of the year.

Communication & Employee Satisfaction

Internal communication is a powerful tool as it fosters transparency, inclusivity, and engagement across all levels.

Ficosa strives to foster strong and effective communication with its employees to ensure that they understand where the organization is headed and are up to date with key information about the company.

To this end, FICOSA, has developed a robust internal communication structure, including biannual pulse surveys to gather employee feedback, corporate information sessions for directors (which are cascaded to all levels), functional and country-specific committees, and localized communications across various sites. These efforts keep employees informed and engaged, fostering a sense of alignment with the company's goals.

A significant addition to this structure is a multifunctional and international communication committee, created to address global communication requests across functions. This initiative actively involves employees in the company's communication strategy, strengthens their sense of belonging, and expands their understanding of the company's objectives. By allowing employees to contribute to and participate in communication on a global scale, the company not only enhances transparency but also gives employees an enriched scope of work. This committee helps bridge regional gaps, ensuring a unified approach to communication and reinforcing employees' motivation by making them feel like essential contributors to the company's success. There are other local initiatives. In September 2022, the Taicang plant (China) launched a new App with the intention of facilitating Ficosa's culture and reinforcing our value of "interest in people" among all employees at the plant. This platform is divided into six main functions: recognition,

community, attention, news, notice, and events. Through this platform, we have been able to increase communication between the company and employees with an additional channel, improving the satisfaction of our employees. In 2023, this digital platform was improved by adding a new module, a suggestion box to facilitate timely communication on this topic.

In addition, all of the company's workplaces promote and facilitate structured labour relations through local workers' representative bodies and/or unions with regular meetings to discuss and follow up on various labour issues.

Locally, some sites have introduced an employee satisfaction survey in recent years. The results were presented to senior management, including an action plan. In 2018, the Viladecavalls workplace carried out a new employee satisfaction survey and a plan was established to implement it in all centres around the world. Due to the effects of the COVID-19 pandemic, it was not possible to consolidate this initiative until 2023 with OUR VOICE engagement survey.

By regularly involving employees in surveys and feedback mechanisms, the company demonstrates a commitment to listening and responding to employees' perspectives, which builds trust and engagement. Overall, such an internal communication structure not only keeps employees aligned with company goals but also makes them feel like an integral part of the organization, boosting motivation and loyalty.

Employee Satisfaction & Engagement Survey

At Ficosa, we know how effective surveys are in measuring employee engagement. The intention is to keep our strong listening culture active, reinforcing our commitment to feedback from our people.

To gain deeper insights into our employees' experiences, we launched the global OUR VOICE engagement survey in 2023, reaching all employees across Ficosa plants. Today, this survey is an integral part of our processes and culture, guiding Human Resources and managerial actions.

In 2024, we focused on the following topics:

- Engagement
- Follow-up
- Performance
- Learning/Training
- Career/Development
- Resources/Technology
- Values
- Sustainability
- Work Life Balance
- Safety
- Psychological Safety
- Trust in Manager
- Collaboration
- Communication
- Resilience
- Inclusion
- Support

International Assignments

One of our objectives as a company is to promote the development of our people through the creation of a dynamic and attractive environment where there are always opportunities for lateral, vertical, functional and geographical movements. In this sense, international assignments are a key element in the development of people at Ficosa. Employees benefit from gaining international experience, growing personally and professionally; Ficosa also benefits by expanding the distribution of knowledge and skills, expanding technical expertise, and promoting a consistent global culture.

Ficosa defines a specific procedure for the Management of International Assignments to ensure the application of homogeneous practices within all the company's headquarters. In any case, the company guarantees that employees returning to their country of origin have a job with the same classification level as they had before the international assignment and a salary level in the country of origin equivalent to the level of the last position held in the destination of the expatriation.



Workplace health promotion & work-life balance

At Ficosa, we believe that well-being is an essential part of the employee experience and a key driver of engagement, productivity, and overall satisfaction. In 2024, we introduced the Holistic Well-Being Framework, a comprehensive approach that recognizes the multiple factors influencing well-being and how Ficosa can actively contribute to fostering a healthier, more balanced work environment. This framework is built around four key dimensions:

- **Physical Well-Being:** Encouraging healthy habits and promoting a safe, ergonomic work environment.
- **Emotional Well-Being:** Supporting mental health, stress management, and resilience.
- **Financial Well-Being:** Providing resources to help employees feel financially secure and informed.
- **Social Well-Being:** Strengthening workplace connections and fostering a sense of belonging.

Each country is responsible for identifying local initiatives that best align with employee needs and cultural expectations, ensuring a tailored and impactful approach. However, certain global initiatives are designed and implemented company-wide to provide consistent support across all regions.

One such initiative is the Stretching Program, launched globally in 2024 for all employees working at computers. The goal of this initiative is to remind employees to take short stretching breaks, helping to reduce physical strain from prolonged screen time while also offering a mental reset. By integrating simple yet effective actions into the workday, we contribute to both the physical and emotional well-being of our teams.

Through the Holistic Well-Being Framework, Ficosa reinforces its commitment to creating a work environment where employees feel supported, energized, and empowered to thrive both professionally and personally.

Within the Physical dimension, Ficosa works to ensure that all staff undergo an annual medical examination in all the countries in which it operates. Most

sites have a specific health care program for employees. Workplace health promotion and work-life balance initiatives depend on each centre and are led by the Human Resources department.

The company has specific local programs in place to ensure that all facilities implement measures related to workplace health promotion, including formal goals for stress prevention.

Employee absences have a huge impact on results and productivity. Understanding the factors that drive absenteeism and monitoring our employees is key to preventing absenteeism. All of Ficosa's work centres monitor these factors through an integrated absence tracking system together with corporate managers.

The main prevention actions focus on changing employee behaviour through wellness programs to promote healthier lifestyles. Local Safety and Health Committees regularly assess records of absenteeism for work-related reasons in order to put in place measures to counteract it.

On the other hand, although Ficosa has not developed an internal policy establishing the right of employees to digitally disconnect from work, many initiatives have been launched at the local level to ensure that employees' rest time, as well as that of their families, is respected.

The health crisis caused by COVID-19 forced a large part of society to adapt quickly and unexpectedly to teleworking, a practice that was relatively minority in most countries and companies. In this sense, Ficosa promoted balanced teleworking in all its centers and countries as an effective mechanism.

The first Smart Work policy, implemented at the Viladecavalls site, favours a hybrid work model that combines face-to-face work with remote work, thus favouring the reconciliation of workers with the company's requirements.

The Smart Work modality moves towards an organizational work culture based on efficiency and productivity that results in better results within a framework of sustainability and flexibility.

Main local “Commitment to our people” actions:



- Official measures to promote the reconciliation of work and family life
- Smart Work Policy for teleworking
- Guaranteed acceptance of requests for reduced working hours on both maternity and paternity leave
- Flexible Schedule for Employees
- Physiotherapy service
- Shuttle bus to connect with public transport and direct shuttle from the city of Barcelona to the Viladecavalls site
- Flexible Remuneration Options
- Medical and nursing services at major facilities
- Participation in the First Inter-company Olympics in the categories of Football, Basketball, Karting and Adventure Gymkhana.
- Same vacation period and work shifts for couples working at Ficosa
- Christmas drawing contest among the children/relatives of employees for FICOSA institutional cards. All participants received a gift.
- Employee offers/collaborations with gyms, local car dealerships, hotels, etc
- Inclusion of the vegetarian menu in the dining room
- Sports Commission that promotes outdoor and indoor training, paddle tennis, football tournaments, etc
- Collaborative outdoor and indoor spaces to foster workplace well-being and provide places to rest
- Creation of a new digital disconnect policy that guarantees the right of employees to disconnect outside of working hours
- AED (Automated External Defibrillator) training to ensure all employees are covered
- Internal newsletter with regular publications to increase communication



- Health campaigns (women's health, screening for hypertension, glucose, HIV, breast cancer, tetanus vaccination, health talks, visits to optometrists and dentists, etc.).
- Total Wellbeing Program (program offered to our employees through psychologists specialized in emotional intelligence, stress management, etc.)
- Sports promotion campaigns (football and bowling)
- Pilgrimage to the Basilica of Guadalupe
- Wallet card program with school supplies and an anniversary kit for employees' children
- Celebration of Mother's and Father's Day
- Family Day
- Celebration of contests (Mexican skulls, Halloween costumes)
- Employee Retirement Appreciation Ceremonies



- Assembly lines and emergency procedures adapted to accommodate deaf and hard of hearing employees. The company has staff trained in sign language to support these employees.
- Talks on mental health: Conferences with a specialized psychologist, with practical examples.
- Childcare for working mothers until the child is two years old.
- Nutritionally Oriented Cafeteria: Healthy Eating and a Renovated Space in 2024.
- Collective transportation service for employees.
- Annual flu vaccination.



- Mental health courses to help employees achieve a better work-life balance.
- Periodic medical examination for all employees and occupational health examination for special jobs
- The dining room has been renovated to be a more comfortable environment, allowing employees to relax and enjoy their meals in a welcoming environment.
- Sports promotion (participation in Taicang marathon, badminton tournaments, football matches organised with clients or the Taicang Roundtable TRT, etc.)
- On the occasion of International Women's Day, a flower arranging activity was prepared.
- Intercity shuttle bus available to employees
- Improvements to the facilities (renovation of all office toilets)



- Cancer Prevention Campaign
- Christmas drawing contest among employees' children
- Employee brunch to celebrate Christmas
- Organization of Mental Health and Quality of Life Month at Work
- Celebration of Women's Day with active participation of employees sharing reflections on the meaning of this date and the role of women in the automotive industry



- Social club with wellness campaigns (hiking and cycling)
- Drawing contest among the children of our employees
- Employee shuttle service (bus)
- Congratulatory letter to employees on the anniversary of joining the company and cultural event with the new hires
- Symbolic gift for employee's birthday
- Seminar on new approaches in physiotherapy
- 'Iftar Dinner' in each turn on the occasion of Ramadan
- Weekend picnic as Family Day in the Orhangazi Natural Area
- In the summer, we organize the “Day of the Year” and the “Day of Ice Cream” to cool off from the heat.
- Seniority awards ceremony to recognize colleagues who have already completed 10, 15 and 20 years in the company.
- Celebration of Teachers' Day with symbolic gifts to employees who provide training



- Flexible Schedule for Employees
- Telecommuting
- Promotion of sport with offers to employees / collaborations with gyms
- Medical service with voluntary check-ups, flu vaccination campaigns, skin cancer prevention campaigns, healthy back, etc.
- Celebration of Women's Day with active employee participation
- Participation of the Ficosa team in the Beach Days volleyball championship organized by the city of Wolfenbüttel.



- Psychology service for all employees
- Wellness campaigns (promotion of healthy lifestyles)
- Promotion of sport with offers to employees / collaborations with gyms
- Promotion of teleworking
- Assistance initiatives (occupational psychologist and doctor service, medical examinations, campaign against cancer)
- Job rotation for operators
- Regular health and safety campaigns
- Air Quality and Temperature Monitoring
- Blood Drive
- Family day, doors open to relatives



- Flexible Schedule for Employees
- Telecommuting
- Ficosa Espresso Yourself: Monthly communication event held at the head office and offers employees the opportunity to exchange ideas, participate in team-building activities, and foster collaboration.
- Health and well-being initiatives, promoting health awareness programmes, ergonomic improvements and access to health benefits.
- Events of gratitude and recognition for the commitment of our employees.



- Wellness campaigns (flu vaccination, first aid kit, ergonomic audits, hearing and vision protection)
- Sports promotion (Fico volleyball and football team, support for employees by participating in marathons)
- Company transport (bus)
- Flexible remuneration options (sports card, health insurance)
- Promotion of teleworking and flexible working hours
- Family day with open floor plan and activities for employees and their families
- Organic apple campaign: One day a week you can buy fresh seasonal fruit and vegetables from a local farmer
- Organization of Mental Health Awareness Month



- 75th anniversary celebration on Family Day with the factory open and activities for employees and family members.
- Government measures to promote work-life balance
- Flexible Schedule for Employees
- Health prevention campaigns (medical detection of cardiovascular and oncological diseases)



- Badminton Championship between Employee Teams
- Telecommuting
- Health and Wellness Program with Zumba classes, Health Check-ups, Medical Consultation, and training on the use of an automated external defibrillator (AED)
- Celebrating Women's Day with a talk from the Director of Global Talent Development at Hitachi Digital, who inspired the Ficosa team with her strong storytelling skills and advice on how to create opportunities in their careers
- Celebrating Engineer's Day 2024 with a special TECH Day event
- Celebration at the office "Diwali", "Pongal" and "Ganesh Chaturthi" festivals.



- Adapted positions specific to pregnant women
- Training for the management team to manage conflicts and improve well-being at work
- Joint meal of all employees to celebrate the 27th day of Ramadan
- Telecommuting
- Flexible schedules for employees pursuing studies
- Employee shuttle service (bus)
- Achoura Day Celebration by Sharing Nuts with All Employees
- First Aid Workshops and Breast Cancer Awareness Campaigns
- School Supplies Program for Employees' Children
- Football championship among employees
- New Year's drawing contest for employees' children
- Blood Drive



Commitment to health and safety

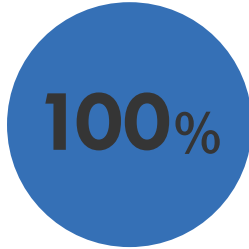


Policies

At FicosA, we believe that all incidents, injuries and occupational illnesses are preventable, and we strive for zero harm through:

- Ensure compliance with legislation and also with FicosA's operational policies and standards.
- Establish measurable health and safety (OHS) objectives and goals, recognizing and celebrating their achievements.
- Identify, assess, and control hazards and impacts, and adopt an approach that strives to eliminate or reduce risk to a residual level.
- Inform employees, contractors, visitors, and the public about these hazards and impacts.
- Identify, implement, monitor, and reinforce the safe behaviours we expect in our business to eliminate unsafe acts and practices.
- Provide adequate occupational health and safety training to employees and contractors.
- Investigate incidents and share lessons learned to prevent them.
- To guarantee the participation and consultation among our workers in aspects related to health and safety.

**Production sites certified
with ISO 45001 (%) in 2024**
100% en 2023



Currently, all Ficosa's production sites have audited and certified the occupational health and safety management system based on the ISO 45001:2018 standard.

In addition, risk assessments are carried out at all production sites and internal health and safety audits are regularly conducted to ensure the highest safety standards throughout our operations.

Since 2016, the "3Q3" corporate quality

We take a common approach across the enterprise to managing health and safety. In addition to strict compliance with legal regulations, we implement our own safety, health and environment policy (hereinafter referred to as OHSE), as well as a set of strict OHS procedures, including hazard identification and risk assessment, worker health monitoring, risk control planning, chemical management, the management of personal protective equipment (hereinafter, PPE) for employees and contractors, etc.

We annually review all policies and procedures, including the improvement options identified during the internal and external audit processes, the new requirements of our clients, as well as the best practices identified within the group. In this way, we guarantee continuous improvement in the performance of all our activities.

audit questionnaire has included OHS topics related to the safe behaviour and safety of equipment.

In addition, OHSE's corporate department is leading the ISO 45001:2018 internal audits at all plants. These audits are carried out at all production sites and are the tool to ensure compliance with uniform safety, health and environmental standards.

Governance

The OHSE corporate team is responsible for developing any new OHS standards and procedures. In addition, the department is responsible for establishing a global system to collect key OHS data from all countries and ensure that each subsidiary complies with internal standards and procedures. Each plant has specialists responsible for implementing the company's health and safety standards and procedures.

Plant managers are responsible for each plant's OHS performance, and all employees are expected to take personal responsibility for their actions and participate in improvement initiatives and in the development and setting of standards. It is important to create an appropriate safety culture in our facilities. It takes strong leadership and active commitment to the safe operations of our workforce.

Despite the continuous reduction in accidents, a line called "Safe Work Environment" was included in the strategic lines for 2022 with the aim of achieving zero accidents at work as soon as possible.

All Ficosa manufacturing plants have local health and safety committees or employee representatives with the aim of promoting safety activities and sharing with management the responsibilities of implementing and monitoring Ficosa's safety program. Its function is to facilitate the exchange of views between the parties, creating a stable forum for orderly dialogue.



Main Risks and Challenges

The main incidents are related to the human factor, followed by the organizational factor and the machine factor.

By type of risk, the main risks are ergonomic, followed by falls, cuts and crushes with mobile equipment. On the technical side, machine-related entrapment accidents that occurred in previous years have decreased due to the impact of new equipment design and purchase procedures implemented in 2022. The safety of our machines is evaluated based on their suitability for their intended use. This means that the company ensures that the machines are used correctly for their designed function and that they fully comply with the safety requirements in that context.

In this sense, the main challenges of the organization also focus on each of the factors and type of risk. For each factor and type of risk, a solid action plan has been defined through the strategic line "Safe Work Environment".

Key Results

	2022	2023	2024	Target 2024	Target 2025
Group - ORIR	0.86	0.54	0.48	0.00	0.00
ORIR - South Europe	1.07	0.83	0.59	0.00	0.00
ORIR - North Europe	0.94	0.62	0.53	0.00	0.00
ORIR - Asia	0.24	0.00	0.22	0.00	0.00
ORIR - NAFTA	0.78	0.13	0.31	0.00	0.00
ORIR - South America	0.54	0.00	0.45	0.00	0.00

The accident rate indicator used by Ficos at the corporate level is the ORIR (OSHA Recordable Incident Rate) and each production site has its own annual target, in addition to setting targets by country, region and group level. ORIR is a measure widely used in the U.S. industry to track injuries on the job. The ORIR in the tables represents the number of Ficos employee injuries per 200,000 hours worked. The lower the number, the closer we are to the goal of our Policy. Each Plant Manager is responsible for successfully achieving annual goals. Our corporate ORIR has been shrinking year after year. While this is encouraging, we continue to focus our efforts on safety to reduce incidents, primarily due to ergonomic issues, potential bumps, cuts, and drops.

Although the result of the ORIR 2024 has exceeded our final goal of 0 accidents, the maximum expression of our commitment, it has shown a notable reduction in the total number of accidents compared to previous periods. This improvement in the accident rate is the result

of a combination of technical improvements and awareness-raising actions aimed at strengthening leadership in safety and promoting safe behaviour. We are committed to continue working towards an ORIR 0 with the firm conviction that all accidents can be avoided.

	2023	2024	Variance from previous year
Group - Injury severity rate ¹	0.11	0.08	-38%
Group - Injury frequency rate ²	2.70	2.40	-12%
Number of fatalities	0	0	-
OHS training (hours)	42,796	40,022	-7%
N° OHS improvement actions	3,556	3,524	-1%

(1) Number of days lost due to accident x 1,000 / Total number of hours worked

(2) Incidence of accidents with more than one day of sick leave per 1,000,000 hours worked

Although there has been a slight decrease in training hours, the positive impact on accident rates, employee satisfaction and our employee motivation continues. We also continue to take improvement actions for risk-free workplaces with the participation of our employees. With regard to the gender distribution of occupational accidents and diseases:

	Men (2023)	Women (2023)	Men (2024)	Women (2024)
Group - Lost time severity rate ¹	0.05	0.16	0.07	0.08
Group - Injury frequency rate ²	2.50	2.91	3.12	1.65
Number of accidents*	20	22	24	12
Number of professional illness	5	28	1	52

(*) Not including accidents in itinere.

As an example, for the prevention of occupational diseases, some affected centres have implemented the following activities:

Dieuze:

To maximise the standardisation of operations in the assembly sector, which is highly exposed to ergonomic risks, several initiatives have been implemented, including:

- Ergonomic work tables adjustable before each shift.
- Automatic screwdriver systems to eliminate manual screw gripping, reducing the risk of tendonitis.
- New standardized anti-fatigue mats to improve comfort.
- Operator training at all workstations on the assembly line to ensure proper workstation rotation every 2 hours, minimizing strain on the same limb.

These measures are aimed at improving worker comfort and reducing the risks of injury.

Soria:

An agreement is maintained with various physiotherapy centres so that employees can visit them under preferential conditions.

As a result of the ergonomic studies, an organizational change was made, reducing the rotation period from 2 hours to 1 hour. This change aims to reduce the ergonomic burden on employees. In addition, practical ergonomic training has been carried out in the area of the Safety Dojo.

Portugal:

Practical ergonomics training has continued at the Safety Dojo. A specific risk assessment has also been carried out on a specific group of workers who exposed the ergonomic risk. on assembly lines, which began in 2022. According to this study, depending on the level of risk of the line, production is adjusted on the lines and rotated every 2 hours.

Local and corporate initiatives to strengthen the commitment towards health and safety

Taking care of people is one of our company's values and ensuring their safety and health is our priority. All our plants work to strengthen a culture of safety in all our activities.

Safe Work Environment Strategic Line

Ficosa's strategic line of Safe Work Environment has been reviewed in 2024 based on the Safety growth project, initiated in 2022, and the Ficosa Care program, with the aim of creating a risk-free workplace and becoming a leading company in terms of safety culture.

The strategic plan consists of three main pillars: safety culture and mindset, technical solutions, and standardization. The objective of each pillar is expressed as:

- A safety culture and mindset is an organizational culture that places a high level of importance on safety beliefs and values, and people within the company or workplace share these attitudes. It could be characterized as "the way we do things around here." A positive safety culture can lead to improved workplace health and safety and improved organizational performance.
- The technical solution is to create a safer and healthier workplace by eliminating the risks that can cause injury to our employees in each of the areas.
- Standardization is the harmonization of procedures, methodologies, and operations in order to create a solid and reliable work model and meet the defined criteria of OHS, Quality, and Efficiency.

In 2024, 94% of the actions have been executed. Examples of these actions include:

OUR VOICE Security Survey

Safety was positively evaluated with a high score by our employees in the 'Our Voice' survey in 2024. According to the survey results, a high percentage of our employees feel confident in reporting their safety concerns, strongly believe that the company is committed to safety programs, and perceive that management is committed to safety.

Safety in our values

Safety is included in the new definition of our value "Interest in People".

"My Safety Declaration"

Members of the Executive Committee and Management Team across the company have established their own Safety Statement that reflects their commitments to health and safety, demonstrating their responsibility and role model on this path.

Behavioral Safety Training

Since unsafe human behaviors are the main factor in our incidents, we launched this project as a pilot in four facilities, and in 2024 we implemented it in 13 more production sites. The aim of these trainings, focused on improving the attitudes of all our workers towards safety-related aspects, is to establish the foundations for safe behaviours. From 2022:

- Perception: 2,987 employees have participated in the training on perception.
- Optical signals / Safe walking: 5,524 employees took part in this training.
- Hand-eye coordination and reflexes: 2,250 employees participated in this training.
- Routine/Safe Work Behavior: 1,596 employees have participated in this training.

In 2025, behavioral training will continue, including the Brazil plant.

Dojo Safety Training

The company is investing in training to make employees aware of the safety and health risks associated with operations. Ficosa's production centres have a Dojo training area. The *Safety Dojo* is a training concept based on "Learning by Doing", through which our employees can safely experience the consequences of different safety failures: entrapment, projections, load handling, etc. Training stations are regularly updated according to our main challenges and risks. In 2024, 5,482 employees were trained in the areas of *Dojo Security*.



World Day for Safety and Health at Work

Last April, the World Day for Safety and Health at Work was enthusiastically celebrated at Ficosa's plants under the slogan "Take Time to Take Care".

This theme marked an important step towards strengthening the safety culture, creating risk-free workplaces and ultimately achieving the goal of "zero accidents". It was emphasized that this objective can only be achieved with the active participation of employees. To increase awareness of the risks, training sessions were organized and each employee signed their own safety pledge, taking responsibility.

Throughout the week, various activities have been carried out at Ficosa's plants. For example, at our plant in Viladecavalls, an event with the slogan "Take care of yourself, watch your back" highlighted ergonomic risks, and the event "Safe driving" emphasised safety when travelling. In addition, virtual reality was used to simulate the risks of working at height.

At our plant in Brazil, a play entitled "Observing" was organized to raise awareness among employees about the risks. In addition, a theatrical performance on Moral and Sexual Harassment was held, along with an interactive conference, where the different types of harassment (vertical, top-down, horizontal, hybrid) were defined. The close relationship between bullying, diversity and inclusion was also discussed, with the aim of raising awareness among employees about these important issues.

All these actions encourage the participation of workers and their involvement in the different areas of occupational safety and well-being at work. With activities such as Safety Day, we contribute to SDG 3 Promote the health and well-being of our team.

Global Safety Culture Leader Recognition

With the aim of fostering a culture of safety and encouraging all Ficosa employees to prioritize safety, this year we have launched the Safety Culture Plant Leader Recognition Program. This program is based on criteria such as local recognition activities at the plant level, initiatives for employee well-being, contributions to increase safety awareness in the community, and efforts to create risk-free work environments, which is our ultimate goal. In this regard, we recognized the Gemlik, Soria and Maia centers in the Southern European region as Safety Culture Leaders for their efforts in 2024. Some of the activities carried out by the plants within this program are:

Celebrating safety; In 2024, the Escobedo plant celebrated 3,000 accident-free days, the Soria team celebrated 365 accident-free days, and the Brazil team celebrated an accident-free year. In addition, 2024 has been an accident-free year for our plants in Gemlik and Morcone.

Raising awareness in society about safety; Portugal hosted university students, provided them with theoretical knowledge on safety and also conducted an on-site visit, which allowed the students to carry out real risk assessments.

Recognition of local security; The plants in Gemlik, Soria, Bursa, Portugal, Poland, Viladecavalls and Rabat recognised and rewarded some of their employees in 2024 for their efforts in occupational safety, the safe behaviours they demonstrated and their contributions to safety.

Initiatives for well-being; During October, Mental Health Awareness Month, activities were held at our plants to raise awareness on topics such as stress management, technostress, nutrition, and physical health.

In Viladecavalls, the psychosocial study was carried out in 2024, a participatory and transversal project, the result of the management's commitment to addressing the mental health of its employees and the organization. Complying not only with a legal requirement and a mandate of the Equality Plan, but also, and above all, with the aim of being a benchmark as a responsible company focused on health and well-being. Work is underway on the action plan based on the results of the study.

Employee Risk Communication

We believe it is important to involve employees in risk assessment or risk finding to create a risk-free workplace, encouraging teams to talk about risks. In 2024, several training courses and activities were organized, reporting 1,684 risks, 96% of them closed in the same year. Risk communication is done through tools such as risk communication forms and the suggestion system or local mobile applications such as the WeCom module that was launched in 2023 at Ficosa Taicang.

Technical and Safety Forum

A Safety Forum is held every month with the participation of all safety specialists from the production sites. Twelve best practices have been shared and one has been selected to standardize in 2024. In addition, in this forum, incidents that occurred in the plants with causes, countermeasures and actions have been discussed.

Safety is integrated into the 2024 Operational Technical Forums, which are held monthly and are led by the Corporate Director, with the participation of all the Area Managers of the production plants. Meetings cover the following functions: Assembly, Process, Supply Chain, Painting and Safety is always the first topic of discussion. The aim is to ensure standardisation across all our plants to prevent incidents from happening again.



Commitment to environment



Policies

The increase in the world's population and the rapid growth of the global economy have complex and diverse connections to the global environment. They also affect the environment in many other ways. At Ficosa, we are committed to providing and delivering safer, more connected and efficient systems for the automotive and mobility sectors, and to reducing our environmental impact in doing so. Our commitment to the **environmental protection and sustainability** extends to our entire business cycle, from research and development to product design to raw material procurement and manufacturing, through the use and disposal of our products. We focus on innovative solutions

that reduce our carbon footprint and contribute to more efficient resource utilization.

In addition to strict compliance with legal regulations, we implement our own OHSEQ⁽¹⁾ policy, which guarantees environmental protection, energy efficiency, climate change mitigation and adaptation, and responsible management of resources and waste. Our actions align with the United Nations Sustainable Development Goals (SDGs), particularly in areas related to responsible production and consumption, clean energy, and climate action.

⁽¹⁾ See Appendix 1 Occupational Health, Safety, Environment and Quality Policy



ISO 14001 certified operating facilities (%) in 2024
100% en 2023

The Group's commitment to protect the environment is clearly demonstrated in our activities through the implementation of an integrated management system in the different centres in which the company operates. Ficosa's environmental management model is based on the international standard ISO 14001:2015. All of the group's production sites are ISO 14001 certified.

In addition to certification audits, the company carries out different follow-up audit processes:

- "3Q3" Corporate Quality Audit that includes environmental aspects related to waste disposal and storage, waste storage, environmental emergency means, spill prevention, industrial hygienic protection of equipment and machines, etc.
- Internal audits of the OHSE management system through which we ensure that all operating facilities follow the same standards of ISO 14001:2015 and ISO 45001:2018. The corporate department leads and conducts ISO 14001:2015 internal audits worldwide.
- An assessment of risks and opportunities related to environmental aspects and climate change mitigation is carried out using a methodology based on the ISO 31000:2018 standard.

Ficosa applies the precautionary criteria introduced by the United Nations in Principle 15 of the 'Rio Declaration on Environment and Development' to prevent environmental degradation. The application of the precautionary principle helps us to reduce or avoid negative impacts on the environment. In order to avoid environmental damage that could be caused by the acquisition of new products and/or processes, and to determine effective actions to counteract such damage, Ficosa has established different internal procedures in relation to the purchase of chemical, production and non-production equipment and the purchase of new industrial facilities. All of the company's investments include verification and approval by OHSE's Corporate Department.

In addition, in 2020, a new category of analysis

was included in the document for the acquisition of new products and/or processes that allows the impact of each purchase to be analysed on the environmental indicators established for each plant by the OHSE Corporate department. These actions are an integral part of our sustainability strategy, ensuring that all investment decisions align with our commitments to environmental protection and responsible resource management.

The purpose of these procedures is to assess in advance, the environmental impacts that may arise from the aforementioned purchases and, therefore, to be able to authorise or reject acquisitions. In the case of authorization, a series of preventive measures are determined, implemented and monitored, ensuring an effective final verification.

Since 2021, new sustainability-related requirements have been established in the supply chain:

- Special requirements for component approval: in relation to legislation and customer requirements.
- Restricted and controlled substances: in relation to legislation, good business practices and environmental protection policies, Ficosa has established the restriction and/or control of raw materials and substances, including conflict minerals.
- Collection of data on the carbon footprint of suppliers: with the aim of monitoring emissions and establishing reduction initiatives in our value chain.
- In 2022, each business unit has a person responsible for sustainability with the aim of including sustainability criteria in the design phase of our products.
- In 2024 Ficosa has strengthened its commitment to sustainability by developing in-house Life Cycle Assessment (LCA) calculation capabilities, responding quickly to the needs of its customers in ensuring decarbonisation. This initiative not only enables the company to offer products with lower emissions, but also drives

innovation, promotes eco-design and reinforces knowledge on sustainable best practices. It also actively contributes to the Sustainable Development Goals (SDGs), especially SDG 9 (Industry, Innovation and Infrastructure) and SDG 13 (Climate Action), aligning with the Paris Agreement and the company's decarbonisation plan.

In addition, a new Corporate Sustainability Manager position was created in 2023, appointing people from each Business Unit as Sustainability Promoters or Champions to ensure that each centre actively involves all groups in development processes, in line with the 1987 report of the World Commission on Environment and Development and the guiding principle that "sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Each of FICOSA's headquarters adopts the principle that sustainable development is intergenerational solidarity, which consists of finding solutions that guarantee continued growth and that allow all groups to actively participate in development processes, while giving them the opportunity to benefit from growth. The concept of sustainable development is not limited to the need to reduce the negative impact of the economy on the environment, but underlines the importance of the three factors of development: respect for the environment, social progress and economic growth.

To ensure long-term success and compliance with global standards, Ficosa continuously monitors and improves its sustainability processes.

The integration of sustainable practices throughout the supply chain allows the company not only to comply with regulatory requirements, but also to create added value for our stakeholders, contributing to environmental and social responsibility.

Our commitment to these initiatives forms the basis of our strategy aimed at achieving sustainable development and ensuring long-term profitability and competitiveness in the market, reinforcing and ensuring the deployment of the main aspects of sustainability and due diligence in our supply chain.

Governance

At FICOSA we work to anticipate and identify the challenges of the sector in order to offer our clients the best solutions on the market. With this desire to anticipate, we have always been convinced that investing in sustainable solutions is synonymous with investing in a better future in all areas.

As a result of this reflection, we have made sustainability a key pillar of our strategic vision, convinced that growth is only possible if it is accompanied by socially responsible actions and behaviours.

Our commitment is based on international agreements with which we are fully aligned. FICOSA has endorsed the Sustainable Development Goals of the Global Compact, of which we have been a signatory member since 2002, as well as the needs of stakeholders. We remain attentive to our environment in order to adapt to the context and to new environmental and social needs.

OHSE's corporate team is responsible for formulating new internal environmental standards and procedures. In addition, the department is responsible for establishing a global system to collect key environmental data from all countries and ensure that each subsidiary complies with internal standards and procedures. Each plant has managers or technicians in charge of implementing the company's instructions, procedures, and environmental systems.

Our actions are focused on the continuous improvement of processes, enabling us to meet the growing demands of the market and our clients' expectations. Through an integrated approach to environmental management, FICOSA aims to minimize the impact of its operations on the environment while increasing efficiency and innovation in every aspect of the business. We believe that only responsible environmental management will allow us to achieve long-term success and provide value for our stakeholders.

In March 2024, we organized a WW OHSE Meeting with the participation of OHSE experts from around the world in Spain. During the meeting, the strategic lines and objectives for the year were presented. Additionally, key initiatives related to sustainable development were discussed, aimed at improving operational efficiency and reducing the environmental impact of operations, in line with global trends and regulations. The forum also served as a platform for sharing best practices among participants, supporting innovative solutions to improve working conditions and environmental protection.

Furthermore, the meeting addressed topics related to waste storage systems, water management, and the communication system for environmental incidents. These discussions were integral to our ongoing efforts to enhance environmental responsibility and ensure effective management of operational risks.

In compliance with current Spanish legislation, it is reported that the costs incurred in the acquisition of systems, equipment, and facilities whose purpose is the elimination, limitation, or control of the possible impacts that the normal development of the company's activity could cause on the environment are considered investments in fixed assets. In 2024, investments amounting to €2.0 million have been made, and in the previous year, the Group also invested €2.0 million. Such investments reflect our continued commitment to sustainable development and our efforts to minimize the environmental impact of our operations, in line with industry best practices and applicable regulations.

All other environment-related expenses, other than those incurred for the acquisition of fixed assets, have been recorded in the consolidated income statement. In 2024, expenses amounting to 4,044 thousand euros were incurred. In the previous year, expenses amounted to 2,129 thousand euros for this item. The 2024 increase is mainly due to the purchase of IRECs, the renewal of environmental licenses and increases in waste management fees.

Ficosa has taken out an environmental liability insurance policy that covers civil liability for personal and material damage caused by polluting events in, on, under or emanating from its insured facilities, as well as the associated cleaning and emergency expenses that it must legally face in, on, under or outside the insured facilities and the expenses derived from damage to natural resources in, on, under, or emanating from secured premises. The total aggregate limit is €15 million per insured period (in 2023, this limit was €10 million).

In the case of the U.S., Ficosa North America Corporation is not included in the corporate program, but has a separate Environmental Liability insurance policy. The aggregate total limit is USD 5 million per insured period, the same amount as in the previous year 2023.

Main Risks and Main Challenges

Local pollution

At Ficosa we carry out our activities with special attention to the protection of the environment and the efficient use of natural resources. Each manufacturing facility identifies and assesses its environmental impacts each year. Painting and injection processes account for most of the environmental impact during the manufacture of Ficosa products in terms of air pollution, energy consumption and waste generation. The painting process is a manufacturing area to be considered due to its Volatile Organic Compound (VOC) emissions. In addition, the injection moulding process is a major energy consumer and actively contributes to carbon dioxide (CO₂) emissions.

In this context, the technology used in paint application and injection moulding machines must meet the highest expectations for quality and profitability, while remaining environmentally responsible.

At Ficosa, we continuously invest in advanced technologies that allow us to optimize production processes, reducing their negative impact on the environment. We increase the energy efficiency of our facilities by implementing innovative solutions in energy management, enabling us to reduce resource consumption and greenhouse gas emissions. We are working towards introducing closed-loop production systems, where waste is recycled or reused, minimizing the amount of waste sent to landfills. We collaborate with our suppliers to jointly implement eco-friendly solutions, both in production and distribution, contributing to the development of a more sustainable economy. Our advanced monitoring system allows us to track and analyse the environmental impact of our processes in real-time, enabling prompt actions if deviations from set environmental standards are detected.

Noise and light pollution

In the environmental impact analysis of each plant, light pollution has not been identified as a relevant material issue. With regard to environmental noise, all Ficosa plants carry out controls with the periodicity established in local legislation to ensure compliance with the limits.

As part of our sustainability efforts, we regularly monitor all aspects of our environmental impact to ensure that we meet the highest ecological standards. Additionally, we continuously improve our production processes to minimize any negative effects on the environment, including light pollution and noise, in compliance with applicable norms and regulations. Ficosa is also committed to ongoing research and innovation to implement the latest technologies, further reducing potential environmental risks and contributing to the creation of an eco-friendlier workplace.

Addressing Climate Change

Ficosa works to reduce CO₂ emissions associated with its manufacturing processes and the entire value chain.

Since 2016, all manufacturing sites have implemented individual reduction targets to reduce their greenhouse gas (GHG) emissions, electricity consumption, water consumption, and waste generation, along with specific action plans to achieve them. These objectives follow the corporate guidelines under the strategic line “Climate change mitigation”, with the aim of reducing Ficosa’s carbon footprint and energy consumption, taking into account the annual historical trend of reduction targets.

In 2021, Ficosa worked to include all Scope 3 categories in the emissions calculation with the aim of defining a roadmap for indirect emissions reduction.

In addition, in 2021 Ficosa participated in the Climate Ambition Accelerator learning program promoted by the United Nations Global Compact Spain. It’s a six-month apprenticeship program where companies expand their knowledge and learn the skills they need to help halve global emissions by 2030 and reach net zero by 2050 by setting science-based targets.

The initiative included a series of capacity-building sessions, access to best practices, peer-to-peer learning opportunities, roundtables and events to help companies set ambitious science-based targets and take business action to achieve the global goal of keeping global warming below 1.5°C.

Throughout the development of the programme, the Global Compact has had the support at the global level from partners such as Science

Based Target and the World Resources Institute and, at the national level, from partners such as Comunidad por el Clima and the Spanish Office for Climate Change, which collaborate with the United Nations Global Compact Spain and the companies adhering to the initiative at the local level.

Once the full emissions inventory was ready and the Climate Ambition Accelerator program was finalized, the next challenge was to join the SBTi initiative in January 2022, with 2019 as the base year.

In February 2023, FICOSA’s targets were validated by SBTi, confirming their consistency with the 1.5°C trajectory. SBTi welcomes FICOSA’s ambitious 1.5°C-aligned target, which is currently the most ambitious target available in the SBTi process. As a result of the efforts and actions described, since 2023 the SBTi initiative has confirmed and supported Ficosa’s reduction targets for scopes 1, 2 and 3 by 2030. In line with the SBTi initiative, we aim to reduce emissions in scopes 1 and 2 by 46% and scope 3 by 27.5% by 2030.

The Director of Corporate Sustainability and the Corporate Sustainability Manager together with the Corporate Health and Safety Department, carried out several communication and awareness sessions around the world with FICOSA employees from different departments, including Regional Directors, Country Managers, Plant Managers, Human Resources Managers, Logistics, Research and Development, Commercial and Environmental Technicians at the production sites.

Ficosa continuously reviews and enhances its sustainability strategies to ensure the long-term effectiveness of its environmental goals and their alignment with global climate objectives. The company is committed to fostering a culture of sustainability, where all employees, stakeholders, and partners actively contribute to minimizing environmental impact while driving innovation for a more sustainable future.

Key results

Reducing local pollution

One of the current challenges is to reduce volatile organic compounds (VOCs), which evaporate easily and produce gas in the atmosphere. VOCs are carbon-based materials that can be toxic and create adverse health and environmental impacts. The company has implemented different control systems and standards in its manufacturing plants with paint process to monitor and reduce the amount of air pollutants emitted during their operation.

In Taicang (China), Cookeville (USA), Soria (Spain) and Dabrowa Gornicza (Poland), the company installed a catalytic burner (RTO – Regenerative Thermal Oxidizer) to reduce volatile organic compounds (VOCs) present in paint shops. RTO destroys VOC emissions by creating a chemical reaction within the air pollutant and oxygen at elevated temperatures. This reaction destroys the VOC emissions in the air stream by converting them into gas, water, and heat. In addition, the recovered heat is used to adjust temperature values within the painting process itself, as was done at the production plant in Poland. Thanks to RTOs, VOC emissions have been reduced by 92-95%.

The Taicang plant (China) has a real-time VOC monitoring system, which allows the plant to react immediately to any unforeseen event.

As of 2018, the Carbon Footprint (CFP) analysis has included air conditioning and refrigerant emissions from climatic chambers in order to control and prevent any leaks. Ficosa advocates the use of refrigerant gases with zero ozone depletion potential and fully supports the use of refrigerants with lower global warming potential (GWP). These refrigerants are mandatory in all related investments.

In addition, the company is working on several initiatives to optimize the transportation and distribution of products purchased or sold by the company:

- Sea Container Consolidation: Shipments to the U.S. from Barcelona are consolidated at the port and no shipment is made until the container is full. Ficosa has a similar initiative in Mexico and China. In China, containers also have to be filled before being sent to manufacturing plants in Viladecavalls and Soria (Spain).
- The manufacturing plants in Dabrowa Gornicza (Poland) and Rabat (Morocco), import their moulds from Asian suppliers via containers by train.
- Most of Ficosa's manufacturing plants have implemented a milk run delivery method. Instead of each supplier sending a vehicle each week to meet Ficosa's needs, a vehicle visits each supplier on a weekly basis and picks up the products purchased for Ficosa. In this way, each load of vehicles meets all of Ficosa's weekly needs from each supplier, minimizing kilometers and associated logistics.
- The Group's intercompany sales seek to optimize routes between production plants, delivering at an agreed point where the other Ficosa plant has a regular route.

In addition to these transportation-focused initiatives, Ficosa has also implemented a packaging optimization initiative to reduce packaging waste across its supply chain. The company uses recyclable materials and minimizes the use of plastic and other materials that are difficult to

process. Packaging consolidation practices have also been introduced to reduce transportation volume, leading to less fuel consumption and reduced greenhouse gas emissions during product transport. Ficosa collaborates with suppliers to innovate in packaging, ensuring that all packaging meets sustainability standards while maintaining product safety and quality. As well, the use of returnable packaging is a widespread practice in the automotive industry.

Through these efforts, Ficosa continues to reduce its environmental footprint, advancing its commitment to sustainable development both internally and across its entire supply chain.

Noise and light pollution

Ambient noise measurements are regularly carried out at all the group's production plants, and all plants comply with the limits set out in local regulations. Thanks to systematic reviews and actions aimed at reducing noise emissions, no exceedances of permissible noise levels have been identified. These efforts include implementing appropriate protective measures for equipment such as cooling water pumps and adopting solutions to minimize noise emissions in the production processes.

Fighting climate change

Since 2016, we have defined a guideline to reduce our greenhouse gas (GHG) emissions annually at the production plant level. Each production site must reduce the intensity of its GHG emissions by a certain percentage based on the previous year's performance. Each plant manager is responsible for successfully achieving the goal. Since 2018, the company has worked to improve the collection and consolidation of the carbon footprint, by implementing a more robust internal tool that ensures that each operational facility reports data in accordance with the standards and criteria used by Ficosa. The tool has enabled the company to increase reporting of GHG emissions across its value chain and products.

Since 2021, in line with the main international environmental commitments, the company has improved the CO₂ emissions inventory to include all Scope 3 categories from 2019, making this year the base year. Our goal, aligned with the SBTi initiative, is to reduce emissions at Scope 1 and 2 levels by 46% and Scope 3 emissions by 27.5% by 2030.

To achieve the scope 1 and 2 emissions reduction target, all our plants have developed a decarbonisation plan through different actions:

1. Energy efficiency measures: Reducing the energy we use is key to success in reducing emissions. By optimizing energy consumption across all operations, we not only lower our environmental impact but also enhance operational cost-effectiveness, contributing to long-term sustainability and profitability.

2. Photovoltaic panels: the plants in Taicang (China), Maia (Portugal) and Soria (Spain) currently have rooftop photovoltaic installations, which produce a total of 3% of the company's total demand in 2024 (compared to 2% in the previous year). Other plants in the group will soon have similar facilities up and running. These installations are part of Ficosa's ongoing commitment to sustainability and reducing its carbon footprint. Furthermore, work is underway to implement similar renewable energy solutions, which will further support the achievement of the company's environmental goals.

3. Green energy procurement: 15 of our plants currently use electricity from 100% renewable energy sources, accounting for 92% (82% in 2023) of the company's total consumption. Our goal is to reach 100% by 2030. This move aligns with our long-term sustainability strategy to reduce environmental impact and support the transition to a greener future.

4. In addition, in 2023 the Soria production plant was connected to a local heat network from renewable sources (biomass). This action is part of Ficosa's global strategy to reach 100% renewable energy consumption by 2030.

To achieve the scope 3 emissions reduction target set in 2021, Ficosa has implemented sustainability commitments across its supply chain. We ensure that our suppliers meet the reference standards for the absence of conflict minerals and restricted or prohibited substances. In addition, we assess their environmental performance and emissions, and encourage them to set carbon footprint reduction targets.

Ficosa's carbon neutral plan aims to reduce emissions across its supply chain by engaging and influencing suppliers to adopt decarbonization practices. The initiative includes evaluating suppliers based on their alignment with Ficosa's sustainability goals, promoting actions to reduce Scope 3 emissions in line with SBTi (-27.5% by 2030 from a 2019 baseline), and fostering collaboration to achieve shared environmental objectives. This target will be allocated among countries based on their proportional contribution to the global goal, with a focus on activities and follow-up for suppliers with the highest turnover.

Greenhouse gas (GHG) emissions by source type

We have an inventory of GHG emissions according to the Greenhouse Gas Protocol.

(In t of CO ₂ e)	2019 base year	2023*	2024	Variance from previous year
Scope 1, direct GHG emissions	10,062	8,216	7,171	-13%
From refrigerant and other	1,662	649	599	-8%
From fossil fuels	8,357	7,523	6,538	-13%
From owned vehicles	43	44	34	-23%
Scope 2, indirect GHG emissions				
Location-based emissions from electricity consumption ²	49,128	43,625	41,737	-4%
Market-based emissions from electricity consumption ²	37,896	7,762	4,857	-37%
Total GHG emissions (Scope 1 & 2)¹				
Total market-based GHG emissions	47,959	15,978	12,028	-25%
Total location-based GHG emissions	59,190	51,841	48,908	-6%
Total location-based GHG emissions per sales (tCO ₂ e/MEur)	42	12	9	-28%

*-This year, the values for 2023 have been recalculated due to an improvement in the calculation methodology and the obtaining of better primary data. The data reported in this report for the 2023 financial year for Scope 1 and 2 emissions are as follows (t CO₂ equivalent):

*Scope 1, direct GHG emissions (8,256). Refrigerants and others (649). Fossil fuels (7,564). Own vehicles (43).
 *Scope 2, indirect GHG emissions. Emissions based on the location method (40,635). Emissions based on the market method (7,741).
 *Total GHG emissions (Scope 1 & 2). Total GHG emissions method-market (15,997). Total GHG emissions method-location (48,891). Total GHG emissions market method over sales (12).

1 Total emission generated have been calculated using the Greenhouse Gas Protocol Initiative (GHG Protocol) methodology. The emission factors used have been extracted from internationally recognized sources, such as the Intergovernmental Panel on Climate Change (IPCC AR5) and the ECOINVENT database.

In addition, relevant national databases have been considered, such as those provided by local agencies such as MITECO, U.S. EPA, DEFRA, the International Energy Agency (IEA), among others.

2 The base-local emissions associated with electricity consumption have been calculated using the most recent emission factors provided by the International Energy Agency (IEA) for the year 2024, covering all the countries in which Ficosa operates, with the exception of facilities in Spain, for which data from the Ministry for the Ecological Transition and the Demographic Challenge (MITECO) for the year 2024 have been used.

In relation to the market emissions taken into account by the electricity retailer, the emission factors supplied by the energy retailers were applied, with the exception of installations in Spain, which have guarantees of origin (OOG). In addition, for plants located in Brazil, China, Turkey, Poland, Mexico, Morocco and the United States, IREC certificates were used to certify that all energy used comes from renewable sources.

In 2024, Ficosa has reduced its CO₂ emissions by 25% in absolute scope 1 and 2 values at market level. This reduction is the result of Ficosa's effort and commitment to the materialization of all the actions that each of the group's plants has established in its greenhouse gas emission reduction plans.

Compared to the 2019 baseline, Ficosa has reduced its emissions by 77%, already reaching the SBTi 2023 commitment by 2030. This overall decrease is mainly due to the decrease in fugitive emissions as a result of better maintenance provided to the plants and aligned with the new regulations and the steady growth of electricity consumption from renewable sources.

Greenhouse gas (GHG) emissions by region in 2024

(In t of CO ₂ e)	South Europe	North Europe	Nafta	Asia	South America
Total location-based GHG emissions (Scope 1 & 2)	16,289	14,402	10,075	7,860	281
Total market-based GHG emissions (Scope 1 & 2)	2,670	5,373	3,185	789	11
Scope 1, direct GHG emissions	2,176	3,106	1,089	789	11
From refrigerant and other	22	313	0	262	2
From fossil fuels	2,122	2,793	1,089	527	7
From owned vehicles	32	0	0	0	2
Scope 2, indirect GHG emissions					
Location-based emissions from electricity consumption	14,113	11,296	8,986	7,072	270
Market-based emissions from electricity consumption	493	2,267	2,096	0	0

Each country has to reduce its local GHG emissions by reference on parts produced annually. By 2025, all production plants will need to reduce their emissions in absolute terms, between -58% and -90% (compared to scopes 1 and 2 in 2019) to meet Ficosa's 2030 decarbonization target and significantly exceed SBTi's medium-term targets.

The different absolute CO₂ reduction ranges for each plant have been determined according to the production processes carried out in each plant and the technological capabilities that are expected to be implemented by 2024. FICOSA's overall absolute CO₂ reduction target for 2025 is -75% (compared to scopes 1 and 2 in 2019).

Ficosa has been working on the calculation of scope 3 emissions (t CO₂e) of all those categories relevant to the group. The following table shows the emissions since 2019 (base year) and their evolution until 2024 compared to the base year.

In 2024, FICOSA achieved a -19% reduction in scope 3 emissions compared to the base year, marking a significant milestone in our sustainability strategy. This achievement, together with a 5% increase in

turnover, demonstrates the effectiveness of our efforts to reduce our carbon footprint throughout the value chain. This evolution is the result of continuous optimization initiatives, technological innovations, and close collaboration with our suppliers and business partners. We remain committed to further reducing emissions by improving process efficiency, using more sustainable materials, and implementing low-impact environmental solutions. The increase in the "Waste generated in operations" category is mainly due to the one-off removals of obsolete machinery. On the other hand, the increase in the category "Leased assets" is due to the increase in the rental of transport vehicles for shipments.

These results highlight FICOSA's dedication to its ESG strategy and its contribution to global climate goals. We will continue to drive initiatives aimed at further minimizing emissions and ensuring the sustainable growth of our organization.

Scope 3, indirect GHG emissions in the value chain (In t of CO ₂ e)	2019	2023 reassessed*	2024	Variation 2024 vs base year (% vs 2019)
Goods and services purchased	647.879	507.685*	536.839	-17%
Capital Goods	25.618	13.158	17.589	-31%
Activities related to fuel consumption	13.003	12.374*	11.318	-13%
Upstream Transportation and Distribution	10.074	9.084	8.906	-12%
Waste generated in operations	1.129	7.246	9.945	781%
Business Travel	2.334	1.108	768	-67%
Employee commuting	57.795	11.068	9.542	-83%
Upstream leased assets	239	143	2.106	782%
Downstream Transportation and Distribution	9.126	7.150	6.286	-31%
Processing of products sold	26.979	19.305	10.278	-62%
Use of Sold Products	85.703	91.775	98.067	14%
Final disposal of the products sold	480	241	198	-59%
Downstream leased assets	3	17	1	-64%
Franchises	-	-	-	-
Investments	-	-	-	-
Total scope 3 GHG emissions (tCO₂e)	880.362	680.354	711.842	-19%

*-This year, the values for 2023 have been reassessed due to an improvement in the calculation methodology and the obtaining of better primary data.

The data reported in this report for the 2023 financial year for Scope 3 emissions are as follows (t CO₂ equivalent):

1. Goods and services purchased (627,467)

2. Activities related to fuel consumption (12,287)

Energy efficiency and renewable energy

The reduction of greenhouse gas (GHG) emissions at Ficosa is mainly related to the reduction of energy consumption. In this regard, the company is committed to mitigating its impact on climate change through a solid energy strategy based on increasing the use of renewable energies, energy production through photovoltaic solar panels and energy efficiency. Increased use of renewable energy is critical to the transition to a low-carbon economy.

As of March 2016, 100% of the electricity in all sites in Spain (Viladecavalls, Soria and Sant Guim) already came from renewable sources or high-efficiency cogeneration.

In addition, in 2021, the plants acquired renewable energy certificates (IREC) for their electricity consumption, with renewable energies accounting for 33% of the total electricity consumed by Ficosa. In 2024, Ficosa has increased its renewable energy consumption by +10% compared to the previous year.

In 2024, more Ficosa production plants have been added to the purchase of renewable energy, thus increasing the company's renewable energy ratio from 82% in 2023 to 92% in 2024.

At the end of 2017, the manufacturing plant in Taicang, China, installed 6,160 solar panels on its roof with an expected annual generation of 275Wh per panel. This action has allowed the company to actively contribute to climate change mitigation, in addition to reducing grid

electricity consumption by 1.62 GWh during 2024.

At the end of 2019, the manufacturing plant in Maia, Portugal, installed 644 solar panels on its roof with an expected annual generation of 270Wh per panel.

The installation of photovoltaic panels has allowed the company to actively contribute to climate change mitigation, reaching a ratio of 3.1% of the group's photovoltaic energy to the total energy consumed in 2024.

At the end of 2023, the production plant in Soria, Spain, installed photovoltaic panels on its roof. These panels are expected to generate 1,750 MWh of energy per year, covering approximately 13% of the facility's annual electricity demand. In 2024, the installed photovoltaic panels contributed nearly 12% of the total electricity consumed at the Soria facility.

Since 2021, OHSE's corporate department has promoted a cross-cutting action for all the company's production centres, providing them with a guide with different energy efficiency actions by type of installation, as well as an energy saving calculator to assess the effectiveness and return of each of the possible actions. With this tool, each of the plants has identified and planned energy efficiency actions whose impact has been incorporated into their decarbonisation plan. The results in terms of energy consumption are shown in the table below:

	2019 Base year	2023	2024	Variance from previous year
Electricity consumption (MWh)	129,980	114,768	110,553	-4%
Electricity consumption in kWh per sales (kWh/MEur)	115	87	79	-9%
Electricity from renewables in Spain (MWh)	33,306	29,503	28,837	-2%
Electricity from renewables in China (MWh)	1,586	9,549	11,942	25%
Electricity from renewables in Portugal (MWh)	28	7,520	7,384	-2%
Electricity from renewables in Turkey (MWh)	0	5,582	4,908	-12%
Electricity from renewables in Brazil (MWh)	0	3,409	3,627	6%
Electricity from renewables in NAFTA (MWh)	0	14,400	19,387	35%
Electricity from renewables in Italy (MWh)	0	2,414	2,237	-7%
Electricity from renewables in France (MWh)	0	5,286	4,608	-13%
Electricity from renewables in Germany (MWh)	0	1,382	1,259	-9%
Electricity from renewables in Poland (MWh)	0	11,000	13,500	23%
Electricity from renewables in Morocco (MWh)	0	3,727	3,800	2%
Electricity consumption from renewables FICOSA (MWh)	34,920	93,772	101,489	8%
Ratio of renewables vs. total consumption	27%	82%	92%	10%

Total electricity consumption in absolute terms has decreased by more than 4% compared to last year. Energy efficiency measures implemented in production plants, employee awareness initiatives and increased turnover have all contributed to achieving the target of reducing intensity by 8%. These results reflect the company's strong commitment to sustainability and continuous improvement in energy management.

Most of Ficosa's production processes run on electricity, in addition to the fact that several plants use natural gas, diesel and propane for general uses not associated with production.

	2019 Base year	2023	2024	Variance from previous year
Propane gas consumption (Kg)	21,101	27,899	12,624	-55%*
Butane gas consumption (Kg)	63,068	66,522	35,444	-47%
Diesel fuel consumption (l)	340,054	176,540	152,882	-13%
Natural gas consumption (MWh)	36,709	34,883	29,179	-16%

(*) The significant reduction in propane gas consumption is attributed to the move of operations from the Shelbyville plant to the Cookeville plant in the U.S. with a different consumption mix.

Water management

Most of Ficosa's manufacturing plants are not considered to be large consumers of water, as they do not use water for industrial processes. However, all plants must reduce their water consumption intensity (m3/employees) by between 2% and 4% depending on the results obtained in the previous year. In 2020, the intensity indicator was modified by replacing net sales in the denominator with the number of employees.

The water used in all of Ficosa's plants comes from the municipal network, with the exception of the water used in the plants in Sao Paulo (Brazil) and Salinas (Mexico), which use well water. A significant part of our manufacturing plants uses water in cooling towers, in the painting process or in die casting. In most cases, manufacturing plants use enclosed refrigeration systems. The company is dedicated to implementing new technologies to decrease water consumption and increase the use of recycled water in the painting process. In addition, it aims to reduce the amount of water used in the die casting process by implementing special nozzles with spray heads.

Ficosa's plants in Soria (Spain) and Bursa (Turkey) with paint facilities are distilling used paint into pure solvent, which can be used as an interior cleaning agent. The plants in Salinas (Mexico) and Dąbrowa Górnicza (Poland) recover the used solvent through an external supplier and reuse it in the cleaning of the paint tanks, floors and pumps of the paint plant. In Viladecavalls (Spain) since 2020, all water used for irrigation is 100% recycled. These actions are part of the group's contribution to the circular economy.

To optimize water management, Ficosa is implementing initiatives aimed to enhance efficiency, reduce unnecessary water use, and align with industry best practices to improve monitoring and control of water consumption across its facilities.

	2019 Base year	2023	2024	Variance from previous year
Water consumption in m³	229,217	209,715	211,848	1%
Water consumption in m ³ per sales (m ³ /MEur)	202.0	158.2	151.8	-4%
Water consumption in m ³ per employees* (m ³ /employees)	23.8	24.5	25.7	5%

(*) Employees of manufacturing plants

Although during 2024 water consumption in absolute terms has increased by approximately +1% compared to the previous year, the ratios of intensity to sales and employees show a reduction of -4% and +4% respectively as turnover has increased by more than +5%.

Waste management

In 2024, Ficosa's production centres have monitored the production and management of waste according to hazard criteria and the final treatment applied.

Waste generation

	2023	2023%	2024	2024%	Variance from previous year %
Waste generation (Kg/K€ net sales)	8,8		7,7		-12%
Total waste generated (t)*	11,680		10,772		-8%
Non Hazardous waste (NHW) generated (t)	8,736	75%	8,064	76%	1%
Quantity with other recovery operations (t)	6,959	60%	5,645	53%	-7%
Quantity disposed of in landfill (t)	1,448	12%	1,275	12%	0%
Quantity incinerated without energy recovery (t)	0	0%	0	0%	0%
Quantity incinerated with energy recovery (t)	329	3%	1,144	11%	8%
Hazardous waste (HW) generated (t)	2,944	25%	2,708	24%	-1%
Quantity with other recovery operations (t)	2,177	19%	2,098	19%	0%
Quantity disposed of in landfill (t)	194	2%	158	1%	-1%
Quantity incinerated without energy recovery (t)	76	1%	0	0%	-1%
Quantity incinerated with energy recovery (t)	497	4%	452	4%	0%

It should be noted that only 13% of the waste generated in the company is deposited in landfills (14% in 2023). The rest is treated in a variety of ways, including incineration with energy recovery. The company's goal is to reduce the percentage of waste landfilled by increasing the recovery rate at each plant. In 2024, a -12% reduction in waste generation over sales was achieved.

Recovery ratio (%) by plant

	2019	2023	2024	Variance from previous year
Morcone (Italy)	100%	100%	100%	0%
Dabrowa (Poland)	99%	100%	100%	0%
Bursa (Turkey)	96%	97%	99%	2%
Gemlik (Turkey)	95%	96%	96%	0%
Maia (Portugal)	95%	99%	99%	0%
Viladecavalls (Spain)	94%	100%	100%	0%
Wofenbüttel (Germany)	93%	100%	100%	0%
Taicang (China)	90%	99%	100%	1%
Cookeville (USA)	83%	66%	63%	-3%
Rabat (Morocco)	76%	97%	83%	-14%
Escobedo & Salinas (México)	79%	85%	84%	-1%
Sao Paulo (Brazil)	76%	94%	95%	1%
Dieuze (France)	44%	70%	81%	11%
Sant Guim (Spain)	71%	91%	52%	-39%
Soria (Spain)	63%	65%	72%	7%
Shelbyville (USA)	51%	67%	54%	-13%
Average Total FICOSA	83,30%	85%	87%	2%

Ficosa's plants have waste containers in all areas, including production, to separate waste by type and character. This facilitates targeted treatment in the future. Ficosa is working to increase the recovery of cleaning solvents and other chemicals and reduce the amounts of these substances emitted by its plants. In addition, all manufacturing plants organise awareness campaigns for workers in order to reduce packaging waste and promote separate waste collection. Ficosa recognises the importance of worker participation in waste reduction. These actions have resulted in a 1.5% increase in the recovery rate in 2024.

To further improve waste management, Ficosa continuously evaluates and optimizes waste segregation processes and encourages the adoption of best practices across all plants.

An individualized recovery target has been set for each plant in 2025 according to the table below. The goal depends on the previous year's result.

	2024 Result	Target 2025 (% of improvement)
0 - 50%		9.0%
50-90%		5.0%
90-99%		1.0%
>99%		0.5%

CDP Report

CDP Global is an international non-profit organization comprised of CDP Worldwide Group and CDP North America, Inc. CDP has regional offices and local partners covering more than 50 countries. Currently, companies, cities, states, and regions in more than 90 countries report annually through CDP.

CDP Global's vision and mission is to aspire to see a thriving economy that works for people and the planet in the long term. CDP Global focuses investors, businesses and cities on taking action to build a truly sustainable economy by measuring and understanding their environmental impact. By driving transparency and accountability, CDP Global empowers organizations to make informed decisions that not only mitigate environmental risks but also unlock new opportunities for long-term growth and resilience. Now the paragraph emphasizes CDP Global's role in driving both transparency and informed decision-making, as well as its contribution to creating new opportunities. Let me know if you'd like to adjust anything.

The CDP Scorecard allows companies to understand their score and indicate which categories require attention to reach higher levels. This allows companies to move towards environmental stewardship through benchmarking and comparison with their peers, in order to continuously improve their climate governance.

Ficosa adheres to this initiative. During the 2024 evaluation, Ficosa received a B score, which is in the Management band. This is the same as Europe's regional average of B, and higher than the average of the motorized machinery sector of C. This result is consistent with the previous period, demonstrating the company's strong commitment to environmental protection. However, it also highlights the scope for further action.

Ficosa also adheres to the CDP initiative on water management. This module gathers information on our organization's water-related quantitative and qualitative goals to demonstrate commitment to progress in water management and security by improving water management.

During the 2024 evaluation, Ficosa received a C score that is in the Awareness band. This is the same as the European regional average of C, and the same as the average of the motorized machinery sector of C. This indicator clearly encourages us to work in the direction of reducing our water footprint.

As part of our ongoing commitment, Ficosa is focused on implementing targeted actions that will elevate our performance in water management

to a higher band in future assessments. We are committed to investing in innovative solutions and improving internal processes to reduce water usage across all facilities. Collaboration with local and regional stakeholders will be essential to enhance the effectiveness of our water conservation efforts. Additionally, we will continue to monitor and report on our progress to ensure transparency and demonstrate our ongoing dedication to environmental stewardship.

Local initiatives to protect the environment

In our quest to achieve excellence in all our areas of work, including sustainability, we always seek to create synergies with key partners that allow us to build strategic alliances to continue generating value. Ficosa was the first Spanish company to join Air France-KLM's SAF (Sustainable Aviation Fuel) program. A clear example of these alliances and our commitment to sustainability, as it allows us to contribute to solutions to global challenges such as decarbonization.

SAF is a sustainable aviation fuel made from renewable sources, such as used cooking oil. In this case, the SAF program has given us the opportunity to actively participate in reducing CO₂ emissions in the aviation sector and, of course, to reduce our own emissions, as emissions from business

travel are part of our carbon footprint. In 2024, Ficosa has contributed to the purchase of 4.2 tonnes of sustainable fuel, thus demonstrating its contribution to SDG 13 and reducing its carbon footprint (Scope 3) by at least 12.2 metric tonnes (Mt) of CO₂. Thanks to its collaboration in this project, Ficosa received the Business Travel Award from the IBTA (Iberian Business Travel Association) in 2022 in the category of "Best Sustainability Practices in Air Transport".

In 2024, the Group's subsidiaries have managed several initiatives to raise awareness and promote their employees' commitment to the environment. The main initiatives are:

Viladecavalls - Shuttle buses

In line with the United Nations Global Compact and its commitment to reduce its CO₂ footprint, the Viladecavalls plant offered employees the use of shuttle buses to reduce the impact of travel on our carbon footprint. In 2024, this service has been extended with a bus that runs the daily route Barcelona - Viladecavalls Plant in order to promote sustainable mobility among employees. In addition, thanks to this project, the bus company has planted trees on behalf of Ficosa, crediting the compensation of 54 tons of CO₂ over the next 50 years. This is one of our ways to contribute to the achievement of SDG 13.

Brazil - C.M.R. ITAPEVI Collaboration

The plant in Brazil collaborates with the C.M.R. ITAPEVI cooperative, which is responsible for the daily selective collection of waste in the municipality of Itapevi, in the Greater São Paulo region. The aim is to minimise the impact of waste generated by the city and dumped into nature, as well as to generate work and income for more than 20 vulnerable families. This is one of our ways to contribute to SDG 12.

Dąbrowa Górnicza (Poland) – Employee Shuttle Buses

As part of our ongoing efforts to reduce CO₂ emissions, Ficosa's plant in Dąbrowa Górnicza has been promoting the use of employee shuttle buses since 2007. The primary goal of this initiative is to reduce the environmental impact of employee travel and lower our carbon footprint. These shuttle buses provide employees with convenient transportation options from various production areas to the plant, available in multiple configurations tailored to operational needs.

The implementation of the shuttle bus system is a key component of our commitment to reducing CO₂ emissions and aligns with global sustainability objectives. This initiative not only enables our employees to travel in an environmentally friendly manner but also contributes to the achievement of SDG 13 – Climate Action. Ficosa remains dedicated to exploring and adopting solutions that minimize our environmental impact. Initiatives like the employee shuttle bus program are integral to our broader strategy for sustainable transportation and environmental responsibility.

World Environment Day

All FICOSA plants took part in celebrating World Environment Day, emphasizing the importance of environmental protection. This was accomplished by minimizing waste production, opting for reusable tableware over single-use plastics, planting trees and flowers that support pollinators, upgrading old energy-intensive electronics with energy-efficient models, and raising awareness about the value of preserving ecosystems to support SDG 13.

Poland, Morocco, Germany, United States - World Water Day

At Ficosa we celebrate World Water Day with different initiatives to raise awareness among our employees about the responsible use of water. The plants that participated in 2025 were Poland, Morocco, Germany and United States. Thanks to initiatives like this, every year we make our employees more aware of the importance of rationalizing water consumption. In addition, at our headquarters in Viladecavalls, 100% of irrigation water is recycled, contributing to SDG 6.

Turkey, United States, Mexico, Italy, Poland, and Spain - CO₂ Reduction Day

In 2024, Turkey, United States, Mexico, Italy, Poland, and Spain collectively celebrated “CO₂ Reduction Day,” which marked the culmination of various local initiatives aimed at reducing carbon dioxide emissions. Prior to this day, a range of activities were organized, including educational workshops, tree planting campaigns, promoting public transportation, and encouraging changes in consumption habits to raise environmental awareness and engage communities in the fight against climate change. These initiatives align with the achievement of the Sustainable Development Goals (SDGs), particularly Goal 13 (Climate Action) and Goal 12 (Responsible Consumption and Production), supporting global efforts toward sustainable development and environmental protection.



China – Offset project

At the FICOSA plant in China, 750 carbon credits were purchased to offset CO₂ emissions from Scope 1 activities. This action reflects the company's commitment to reducing its environmental footprint and actively addressing climate change. By investing in carbon credits, FICOSA is contributing to the achievement of the Sustainable Development Goals (SDGs), particularly Goal 13 (Climate Action), which emphasizes the importance of mitigating climate change and reducing greenhouse gas emissions. This initiative supports the company's broader sustainability efforts and commitment to environmental responsibility.

Turkey – Environment Taboo Game

In Turkey, the “Environment Taboo Game” has been introduced in factories to raise awareness among employees about environmental protection and environmental goals. This interactive game encourages participants to discuss eco-friendly practices and sustainable development. The initiative aligns with global Sustainable Development Goals (SDGs), particularly Goal 12 (Responsible Consumption and Production) and Goal 13 (Climate Action). Through such actions, the factories in Turkey are promoting the importance of protecting our planet.

Turkey - Reusable Water Cups

In Turkey, plastic cups have been replaced with reusable containers, significantly reducing the amount of waste generated. This initiative not only minimizes environmental impact but also promotes more sustainable practices within the company. By making this change, we are contributing to the achievement of the Sustainable Development Goals (SDGs), specifically Goal 12 (Responsible Consumption and Production) and Goal 13 (Climate Action), by reducing waste and supporting a circular economy. This effort reflects our commitment to environmental responsibility and long-term sustainability.

World Wide OHSE Meeting

In 2024 March, we organized a WW OHSE Meeting with the participation of OHSE experts from around the world in Spain. Our goals were to enhance our technical knowledge, improve our soft skills, stay informed about the updates in our OHSE management system, and take our safety culture to the next level. Additionally, we aimed to strengthen team spirit within the group and inspire participants with a boost of motivation.

Mexico - Adopt a Tree Campaign

The plant in Mexico, with the aim of contributing to the care of the environment, has launched a tree adoption activity among its employees. This activity promotes the culture of reforestation of endemic trees in the state of Nuevo León, helping to prolong endemic species and preventing the spread of invasive species.

Portugal - Reusable Water Cups & Bottles

In 2024, Ficosa Portugal delivered a reusable cup and water bottle to all employees in order to reduce plastic waste. With this action, the weekly consumption of plastic cups was eliminated, promoting the circular economy and contributing to SDG 12. Additionally, this initiative encourages a shift towards more sustainable consumption patterns within the organization, fostering a greater sense of environmental responsibility among employees. By reducing single-use plastic, Ficosa is taking meaningful steps towards minimizing its environmental footprint while actively supporting broader global sustainability goals.

Responsible sourcing



Policies

Ficosa works with two types of suppliers:

- **Productive suppliers:** suppliers for the supply of raw materials and components that are assembled in the products that Ficosa supplies to its customers. Ficosa's purchases are aimed at specialising in product families, which are divided into three main areas: electrical and electronics (batteries, connectors, semiconductors, PCBs, pumps, etc.), chemicals (painted parts, chrome parts, blow moulding, etc.) and metals (zamak, aluminium parts, tubes, cables, etc.).
- **Indirect suppliers:** suppliers who supply products and services of a general nature, not directly related to manufacturing, such as office supplies, paper, computer consumables, maintenance, travel, training, temporary employment agencies, consulting, energy, legal services, insurance, etc.

Our production processes demand optimal levels of quality and service, as well as competitive prices in the purchase of the materials used to supply our production lines. In this context, the company has developed its own quality standards and processes that regulate the company's purchasing activity.

Ficosa's Purchasing Policy and Procedures and segregation of duties ensure compliance with J-SOX and all applicable laws. Likewise, the General Terms and Conditions of Purchase establish the relationship between Ficosa and its suppliers. Purchase orders sent to suppliers by any company or subsidiary of the Ficosa group must be accepted in accordance with these terms and conditions. The Supplier and any products or services supplied by it shall comply with all laws and regulations applicable to the destination countries where the product will be produced and/or used, or related to the production, labelling, transportation, import, export, approval and certification of products or services, including, but not limited to, those related to environmental issues, the ELV Directive, REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), CLP/GHS (Classification, Labelling and Packaging of Substances and Mixtures) and the Dodd-Frank Act with respect to Conflict Minerals (gold, tin, tantalum and tungsten coming from conflict regions such as the Democratic Republic of Congo and adjacent

countries), labour laws in general, working hours and conditions of employment, workers' rights, employment benefits, selection of subcontractors, vehicle and facility safety, etc. In addition to all applicable laws and regulations that must be observed by suppliers, it is also their obligation to respect social responsibilities and duties, especially but not limited to the requirements based on the conventions of the Universal Declaration of Human Rights and the International Labour Organization (ILO) proclaimed to respect the rights of employees, age and working hours, etc.

At the beginning of 2019, the general conditions of purchase were updated, including a business ethics and anti-corruption provision requiring the supplier to carry out its activity in accordance with the highest standards of integrity, ethical conduct and compliance with current law and to comply with all relevant regulations and standards, especially with local and international anti-corruption laws, in addition to Ficosa's Code of Ethics.

In addition, the company has a Supplier Quality Manual that details the main procedures and systems used for supplier selection, business assignment, component approval, performance monitoring and supplier development. The Quality Manual for Suppliers specifies that all suppliers who want to be included in Ficosa's Supplier Panel must base their code of conduct on the ten principles of the United Nations (Global Compact) in the areas of human rights, labour, environment and anti-corruption. This manual is available on the Ficosa website.

To reinforce the commitment and due diligence of our supply chain, a Code of Conduct for Business Partners has been implemented in 2023 derived from the requirements of Human Rights, environmental protection, and code of ethics applied by FICOSA. This Code of Conduct covers FICOSA's expectations and requirements with its suppliers based on the principles of the ILO (International Labour Organization) and the OECD (Organization for Economic Cooperation and Development).

In 2024, we have revised our Responsible Sourcing Policy to ensure that practices within our supply chain are ethical, sustainable and consistent with our values. The policy focuses on the responsible procurement of materials and products, with the aim of minimizing environmental impact, respecting human rights, and promoting fair labor practices.

Finally, the company has other standards and procedures in place to improve communication and simplify processes for a better supply chain.

Governance

The Corporate Team is composed of the Chief Purchasing Officer, the Commodities and Project Directors, as well as the support and consulting teams such as the Quality, Human Resources, Logistics and Management Control functions that coordinate all purchasing activities worldwide. Each country has a local purchasing team led by an LPD (Local Purchasing Director), who reports to the Corporate Purchasing Director and Regional Directors. The LPD coordinates the country’s procurement functions (commodity buyers, procurement project leaders, and STAs).

Key results

To become a new supplier of Ficosa components, it is mandatory to have the ISO/TS IATF 16949 certification. All suppliers must provide Ficosa with written proof of the most recent certification renewal. Ficosa especially appreciates and promotes the IATF 16949, OSHAS 18001 and ISO 14001 certifications of its suppliers.

	2023	2024	Variance from previous year
Suppliers certified ISO 9001* (%)	100%	100%	0%
Suppliers certified ISO/TS 16949* (%)	68%	71%	+3%

(*) Productive suppliers

In addition, any new supplier must take a self-assessment specific to their company and be approved by Ficosa’s audit process. The objective is to examine the suitability of the supplier through the use of specific indicators, including financial and quality criteria, as well as general corporate aspects.

Once included in the supplier panel, Ficosa regularly monitors the performance of its suppliers and evaluates them to confirm their compliance with the defined objectives. These assessments allow the company to track the improvement of its suppliers and determine the potential support they may need from Ficosa. In 2019, the supplier audit (known as 3Q3) was revised with a new specific CSR section including questions on compliance with the REACH Authorization regulation, conflict minerals, reporting with the IMDS system, commitment to compliance and adherence to the principles of the Ficosa Code of Ethics and good practices in terms of Occupational Health and Safety and respect for the Environment. This section of the audit ends with the identification of the degree of requirement of these same concepts to the sub-suppliers or value chain. This new section is part of the supplier’s final score, a score that involves, depending on the value obtained, corrective action plans, proposals for specific improvements or recognition of the good work done by the supplier.

Main risks and challenges

Our production processes demand optimal levels of innovation, technology, quality and service, as well as competitive prices, always ensuring the responsible sourcing of our supply chain.

The supplier selection process is key to ensuring the quality and sustainability levels of our supply chain. We focus on working as a team with our suppliers to achieve the highest standards in business integrity and social and environmental performance. We are reinforcing the processes of identification and continuous management of these risks, both for the company own operations and for its value chain, with a special emphasis on ensuring due diligence in Human Rights and the Environment, this process will also help us to align with the new requirements of the future European Corporate Sustainability Due Diligence Directive (CSDDD) in due diligence in the supply chain.

In this context, ensuring that Ficosa is not using minerals that come from conflict zones is also a significant risk for our organization and our customers.

In 2024, 257 audits were carried out on our suppliers, as indicated in the table below. The objective of the T1 (System) audits is to check to what extent the Quality System of the potential supplier can meet our Quality requirements. The T2 (Process) aims to approve a new component or process change, reviewing the entire process and the T3 (Non-conformities) seek to close the identified non-conformities. It should be noted that audits are also carried out on suppliers under the criteria provided by certain customers. In 2024 these audits were 83.

Ficosa has developed an Internet platform for suppliers called FPSS (Ficosa Purchasing System Software) that is used for the different purchasing processes: supplier registration, certifications, offers, assignments, quality and incident management and supplier development.

The platform includes all relevant documents for each supplier (REACH declaration, conflict minerals declaration, certifications, etc.). This platform is a fast, preferential and clear communication channel linked to the Purchasing Department, which allows Ficosa to manage the purchases of all materials. All productive suppliers must be registered with the FPSS and the company hopes to increase the scope and include indirect suppliers as well.

In 2024, the new sustainability-related requirements for the supply chain were completed, reinforcing an internal procedure that establishes the information that must be required of all suppliers focused on:

- Special requirements for raw material approval
- Restricted and controlled substances
- Collection of data on the carbon footprint of our suppliers
- Reporting of emissions generated by the supplier that are modeled with input/output tables by the SBTi methodology
- Emission reduction targets (scope 1, 2 and 3) aligned with FICOSA's decarbonisation targets validated by SBTi

In this way, we ensure the deployment of the main aspects of environmental sustainability in our supply chain.

In 2024, we launched a survey of suppliers to evaluate their environmental performance and learn about the emissions generated. At the same time, to develop the capabilities of our suppliers in environmental issues, we carry out training focused on reducing CO₂ emissions. In 2024, a target

was set according to which 70% of the total volume of purchases should have CO₂ reduction targets by 2030. To achieve this, a new survey was launched to all our direct suppliers in which they were asked for their emission reduction targets. The result obtained shows that 72.6% of the value of purchases in 2024 meets this objective.

These actions help us to raise awareness, encourage and encourage our suppliers to set carbon footprint reduction targets in the coming years.

In parallel, we have implemented an ESG self-assessment questionnaire for suppliers, which covers questions on ethical, social and environmental issues, and which is integrated into the process of accepting new suppliers.

On the other hand, Ficosa's customers (OEMs) encourage and support the use of sustainable and renewable natural resources, while reducing waste and increasing reuse and recycling. In this sense, the raw materials used by Ficosa follow the customer's technical requirements or belong to its list of certified materials. On the other hand, to promote reuse, most customer references are sent through returnable packaging.

Conflict Minerals

In recent years, there has been a growing international focus on "conflict minerals" that are sourced from mining operations in the Democratic Republic of Congo (DRC) and adjacent countries. Armed groups involved in mining operations in this region subject workers and indigenous people to serious human rights abuses and are using proceeds from the sale of conflict minerals to fund regional conflicts.

On August 22, 2012, in response to these concerns, the U.S. Securities and Exchange Commission (SEC) adopted a final rule to implement the reporting and disclosure requirements related to "conflict minerals." The "conflict minerals" are cassiterite (tin), columbite-tantalite (tantalum), gold, and wolframite (tungsten), as well as their derivatives and other minerals that the U.S. Secretary of State may designate in the future (Dodd-Frank Section 1502).

Tin, tungsten, tantalum and gold (3TG) are used in some Ficosa automotive parts and components, such as circuit boards or various terminals. That's why we have the due diligence to investigate the origin of conflict minerals in our products. Our goal is to work with productive suppliers free of conflict minerals. To this end, Ficosa implemented an annual supplier consultation and collects the Standard Survey (EICC-Gesi CMRT template) on conflict minerals from all its suppliers. The information collected is processed internally and provides useful information to monitor suppliers and inform customers about the company's mineral use at each plant.

In recent years, there has been a growing international focus on another mineral called mica. Mainly coming from Madagascar and India, where a variety of factors contribute to poor working conditions, including the use of child labour.

Mica is used in various applications in the automotive supply chain. In paints and coatings, mica creates a pearlescent visual effect. Plastics for vehicle bumpers, mirror housings and insulation materials use mica as a filler.

Ficosa launched a process to identify processes or purchased parts or components, which use mica. Natural mica was found only in paintings, but it came from reliable sources that had already implemented a series of supervision mechanisms (monitoring, audits, inspections, etc.) in previous years. These providers confirm that they take these matters very seriously. Most of them are members of the "Responsible Mica Initiative" (RMI) that was formed in Paris on January 31, 2017 with the aim of sharing resources to implement responsible sourcing practices and eradicate child labor, improving the livelihoods of communities within the supply chain in India in the next 5 years.

During 2024, Ficosa has been working on the implementation of the new CBAM Regulation (Carbon Border Adjustment Mechanism) and the EUDR (European Union Deforestation Regulation). Both regulations seek to ensure sustainability in global supply chains by assessing the impact of carbon emissions and deforestation on imported materials, in accordance with the criteria established by the European Commission. This process includes a thorough analysis of the designated materials, ensuring consistency and compliance with European environmental regulations, all within the established deadlines.

	2023	2024	Variance from previous year
% of productive suppliers and materials for which conflict mineral information is available	100%	100%	0%

Commitment to society



At FICOSA, our commitment to society is deeply rooted in our core values of interest in People, Teamwork and Innovation, among others. As a global leader in the automotive sector, we recognize our role in shaping a better future, not just through our products but also through meaningful social initiatives.

Across our worldwide sites, we actively support communities by promoting education, road safety, and environmental awareness. From partnerships with local institutions to technical training programs that empower future generations, we invest in knowledge and skills development. Our teams

also engage in volunteering efforts, social mobility projects, and support for underprivileged groups, fostering inclusion and well-being in the regions where we operate.

Through these initiatives, we strive to drive positive change and create lasting value for society while staying true to our purpose of “Transforming Mobility to Improve People’s Lives”.

Factory Visits

Annually, the manufacturing plants in Dieuze (France), Salinas and Escobedo (Mexico), Dabrowa (Poland), Cookeville (USA), Taicang (China), Gemlik and Bursa (Turkey), Maia (Portugal), Rabat (Morocco), Morcone (Italy), Soria and Viladecavalls (Spain) organizes factory tours for students, relatives

of employees or local companies to explain the main characteristics of their production processes. These visits allow the company to attract new candidates and demonstrate the strength of its manufacturing capabilities.

Ficosa and the Polytechnic University of Catalonia (UPC)

Ficosa has designed, together with the Escola Tècnica Superior d'Enginyeria de Telecomunicació de Barcelona of the Universitat Politècnica de Catalunya, (ETSETB UPC), the Automotive Embedded Systems course aimed at students of the Master's Degree in Telecommunications Engineering, Electronics and the Master's Degree in Advanced Telecommunications Technologies

After detecting the need to offer a specialization to all those engineers interested in the development of electronic communications systems for the automotive sector, Ficosa, the ETSETB-UPC and CARNET (academic-industrial consortium to support the new mobility) created and launched the first pilot test of this training at the beginning of 2018. Due to the great success of the first editions, the UPC decided to keep this course in its academic program.

The main contents include AUTOSAR, ASPICE, Communications, Telematics, Embedded Software, Functional Safety and Verification and Validation. The course was updated in 2020 to include an Advanced Driver Assistance Systems (ADAS) module and is conducted annually.

Ficosa, whose specialists teach part of this course, offers the possibility of joining the company once the course has ended. In this way, the company strengthens its ties with the university and fulfils the objective of training and attracting new talent in electronics, communications and telematics for the automotive industry, a key field for the mobility of the future.

Ficosa do Brasil – C.M.R. ITAPEVI

Ficosa Brazil collaborates with the C.M.R. ITAPEVI cooperative, which specializes in daily selective waste collection in the municipality of Itapevi, in the Greater São Paulo region. The objective is to minimize the impact of the generation of waste generated by the city and thrown into nature, in addition to generating work and income for more than 20 families through its cooperative members.

In March 2021, through a letter of alliance C.M.R. ITAPEVI with FICOSA DO BRASIL, the weekly withdrawal of various recyclable materials by the cooperative, such as polystyrene, paper, cardboard, plastics and scrap metal, began.

With this measure, Ficosa do Brazil reaffirms its commitment to the preservation of the environment and help the most disadvantaged groups.



Socially Responsible Company Award for Ficosa North America (Mexico)

The Mexican Centre for Philanthropy (Cemefi) and the Alliance for Corporate Social Responsibility (AliaRSE) awarded, for the fourth consecutive year, the ESR® Distinction to Ficosa North America (Mexico).

In Mexico, this is the main business distinction that recognizes the work carried out by companies in the field of CSR in the country. and that they

have a direct and positive impact on the internal environment of their companies and on their social environment.

The recognition granted to Ficosa highlights the existing commitment in the management of the business to the real and sustainable development of its environment.

Socially Responsible Company Distinction for Ficomirrors France

Ficomirrors France has been honoured with the Corporate Social Responsibility (CSR) Commitment Charter by the Union des Industries et Métiers de la Métallurgie (UIMM). This national recognition underscores the company's dedication to integrating social, social and environmental considerations into its operations, aligning with UIMM's goal of positioning the metals sector as a leader in sustainable and responsible business practices.

The CSR Commitment Charter assesses companies on five key dimensions, covering 25 specific areas:

- **Governance and strategy:** Evaluate the integration of CSR into the company's overall strategic framework.
- **Social and Human Resources:** Evaluation of policies related to employee well-being, diversity, and development.
- **Product, market and service development:** Focusing on sustainable innovation and market approaches.
- **Production and Environmental Impact:** Examining ecological production processes and environmental stewardship.
- **Company ecosystem:** Consider relationships with stakeholders, including suppliers, customers, and the community at large.

The success of Ficomirrors France's audit in these dimensions reflects its broad commitment to the principles of CSR. The certification is valid for three years, with a subsequent audit scheduled to ensure continuous compliance and improvement.

To reinforce its commitment, Ficomirrors France actively participates in CSR initiatives in the metallurgical sector. In particular, a CSR commission has been established within the Metallurgy Branch to define and guide CSR guidelines for the industry. A representative of Ficomirrors France is a member of this commission, which meets quarterly, ensuring the company's active role in shaping and promoting responsible practices within the sector.

This award not only reinforces Ficomirrors France's dedication to sustainable development, but also enhances its competitiveness and attractiveness in the sector. By aligning economic performance with social responsibility, the company exemplifies how industrial entities can thrive while contributing positively to society and the environment.

Ficosa social initiatives worldwide

The group's subsidiaries manage local charity projects, donations and other social initiatives. Social initiatives depend on the specific challenges of each establishment and are led by the local Human Resources department.

Examples of Ficosa's social initiatives in places where the company operates:



Spain – Soria

- Participation and collaboration with entities that promote the employment of people with disabilities (Fadess, Asovica).
- Sponsorship of sports activities and organizations.
- Collaborations in marches to raise funds for solidarity purposes.
- Agreements with Universities and Vocational Training Centres so that their students can carry out internships.
- Granting scholarships to students for internships and final degree projects.
- Working with correctional institutions to promote the rehabilitation of prisoners.
- Agreement with the Chamber of Commerce of Soria and the Caja Rural for the creation of a gift card system to encourage employees and promote commerce in local establishments.
- Organization of guided tours for students of training centres.

Spain – Viladecavalls

- Contracting of entities that promote the employment of people with disabilities in services such as water fountains, office supplies and the management of business trips.
- Celebration of Sant Jordi's day with the collaboration of Boscana, a foundation focused on the accompaniment of people with intellectual disabilities to promote their social and professional development.
- Blood Drive.
- Attendance at 2 technological forums of universities and research centres, where Ficosa has the opportunity to talk to students and attract talent.
- Collaboration with the Multiple Sclerosis Foundation.
- Collaboration with the Red Cross.
- We attended two university job fairs: Universitat Autònoma de Barcelona and the ESEIAAT Faculty of the UPC and we organized two talent assessments at our facilities to fill various positions with student interns.



México

- Adoption of trees and plants by employees to promote reforestation and plant care.
- "Little Citizens" elementary school student training aid program.
- Volunteering and help campaign with vulnerable groups and inclusive associations.
- Collection of PET plastic to donate it to charity, promoting recycling.
- Visit to the senior centre for social activities.



USA

- "Ficosa Cares" initiative. This program encourages employees to participate in social responsibility initiatives through volunteer opportunities, donation campaigns and mentoring programs to collaborate with the local community.
- Donation of "Best Day" boxes for vulnerable children. Initiative to help children who for economic reasons cannot celebrate their birthday with their family. These boxes prepared by our employees contain a celebration kit.
- Donations of school supplies and cleaning supplies to local schools.
- Collaboration with Sleep in Heavenly Peace (SHP) for the construction and donation of beds for children in vulnerable situations.
- Food Drive to help local families in need.
- Donations from our employees, contributing essential supplies and contributions to support a local pregnancy centre, helping expectant mothers and families in need.
- Cookeville Regional Medical Centre Children's Toy Drive.
- Participation in job fairs at local colleges helping students with information about career opportunities in the manufacturing and automotive sectors.
- Plant visits such as TCAT (Tennessee College of Applied Technology): Students visit our facilities allowing them to know our operations and learn more about their potential career paths in engineering and manufacturing.



Brazil

- Young Apprentices Program, an initiative designed to offer first employment opportunities to young people in situations of social vulnerability.
- Collaboration with the C.M.R. Itapevi cooperative. Specialising in the daily selective collection of waste with the aim of minimising the impact on the environment and generating work for the most disadvantaged groups.
- Campaigns for the inclusion of people with disabilities.





Portugal

- Blood Drive
- Granting scholarships to students for internships



Germany

- Collaboration for the start-up of a hospice in Wolfenbüttel.
- Sponsorship of sports activities.



France

- Factory visits and collaborations with local universities and institutes (for interns and teachers)
- Participation in a work forum in the district of Dieuze to attract talent and promote company-institute collaboration programs.



Marruecos

- Blood drive among employees.
- Social event in favour of the Children's Hospital.
- Aid for the schooling of orphaned girls or girls from precarious social environments by offering them backpacks at the beginning of the school year.
- Participation in two job fairs organised by the International University of Rabat and the HEM Business School.
- Sponsorship of sports activities (Ficosa Football Championship).



Poland

- In-kind and financial donations to local institutions or events (charity with the Centre for Special Education and Child Care) and employees in difficult living situations.
- Collaboration with the Silesian University of Technology in dual studies. Every year several students carry out 6-month internships in our company.
- Local campaign to promote and encourage employees to authorize the donation of 1.5% of their taxes to charities in their annual income tax return.
- Sponsorship of sports activities.



Turkey

- Agreements with Universities and Vocational Training Centres so that their students can carry out internships and the final degree project. 37 students in 2024.
- Collection of toys and books among employees to donate to children in need in collaboration with the Turkish Quality Association (KALDER).



India

- Collaboration in the local UDAAN project that aims to train 9,000 seasonal migrant workers from Odisha working in brick kilns in Ranga Reddy province (Telangana state), providing their children with access to a quality education in their native language. Through the creation of a Migration Resource Centre, the education needs of migrant workers children will be addressed. Ficosa employees also visited the area giving gifts to the children.



Italy

- Donations to Local Cancer Organizations - LILT
- Collaboration project with universities and schools through guides organized within the establishment.



China

- Sponsorship of sports activities
- Cooperation with universities, schools and local governments for learning, training and recruitment. In 2024, in cooperation with the local employment department, graduates from disadvantaged areas were recruited to promote employment.

These social initiatives are Ficosa's most relevant in the places where the company operates. Contributions to non-profit entities in 2024 have not been material or relevant, as in 2023. Regarding association or sponsorship actions, it should be noted that Ficosa is a member of the Spanish Association of Automotive Suppliers (Sernauto).

Innovation in our products

Ficosa's vision of innovation is based on a commitment to the most advanced technology. In this sense, the company invests in the research and development of products and solutions based on the fields of connectivity, safety and efficiency to maintain its leadership position and anticipate the needs of the mobility industry.

The company has become a technology partner to the vast majority of car companies around the world and is looking for new ways to achieve greater optimization and contribution to sustainable mobility.

As well, FICOSA participates in various publicly-funded initiatives that combined with the internal research and development resources allow the company to collaborate in large-scale pilots with a wide range of stakeholders in the field of mobility.

For its disruptive innovation strategy, FICOSA was selected by the local government as one of the 30 most innovative companies in Catalonia for 2024, among more than 200 companies (Catalonia Exponential Leader 2024).





R+D Capabilities

With a clearly global approach, we have created a strong network of R&D centres in Europe, North America, South America and Asia. They are divided into centres of excellence focused on specific product families/technologies and local engineering centres located near our customers' main design centres.

The Viladecavalls Technology Centre (Spain) acts as a driving force for the group's global research efforts and feeds the other 10 development centres that Ficosa has around the world. This facility is a benchmark in electronics, SW development and electromechanical technology for the development of new solutions in safety, vision and energy efficiency, as well as in test and prototype laboratories.

Capabilities

This strong commitment to innovation implies the creation of high value-added jobs. Ficosa is convinced that it needs and has an excellent and experienced engineering team to face the company's new challenges. The engineering team supporting these tasks was more than 500 employees in 2024.



Collaborations

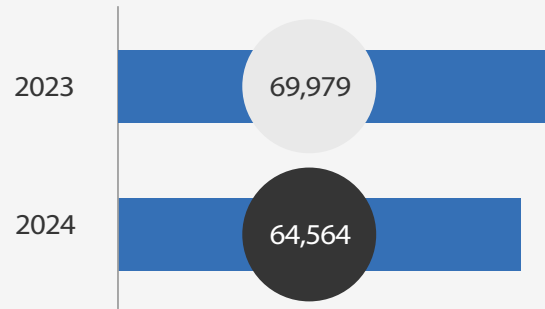
We also collaborate, both nationally and internationally, with other companies, engineering centres, universities and technical academic centres, advisory services, technology transfers, validations, tests, etc. that allow us to meet more demanding marketing deadlines and with much more complex systems. New technologies require a much higher level of open innovation than traditional electromechanical products.

R&D Expenditure

During the 2024 financial year, the FICOSA INTERNATIONAL GROUP has carried out Research and Development activities amounting to 64,564 thousand Euros (69,979 thousand Euros in 2023) to provide its customers with the most innovative solutions that anticipate the challenges of an ever-changing industry.

R&D Expenditure

Total R&D Expenditure (thousand €)



This figure means that the company has invested 5% of its annual sales in R+D to offer its customers the most innovative solutions possible. Ficosa currently has 724 active patents and is one of the Spanish companies with the highest patent activity in Spain.

- Research centers

 — Viladecavalls

 — Wolfenbüttel

 — Porto

 — Bursa

 — Whaseong-Gun

 — Tokyo

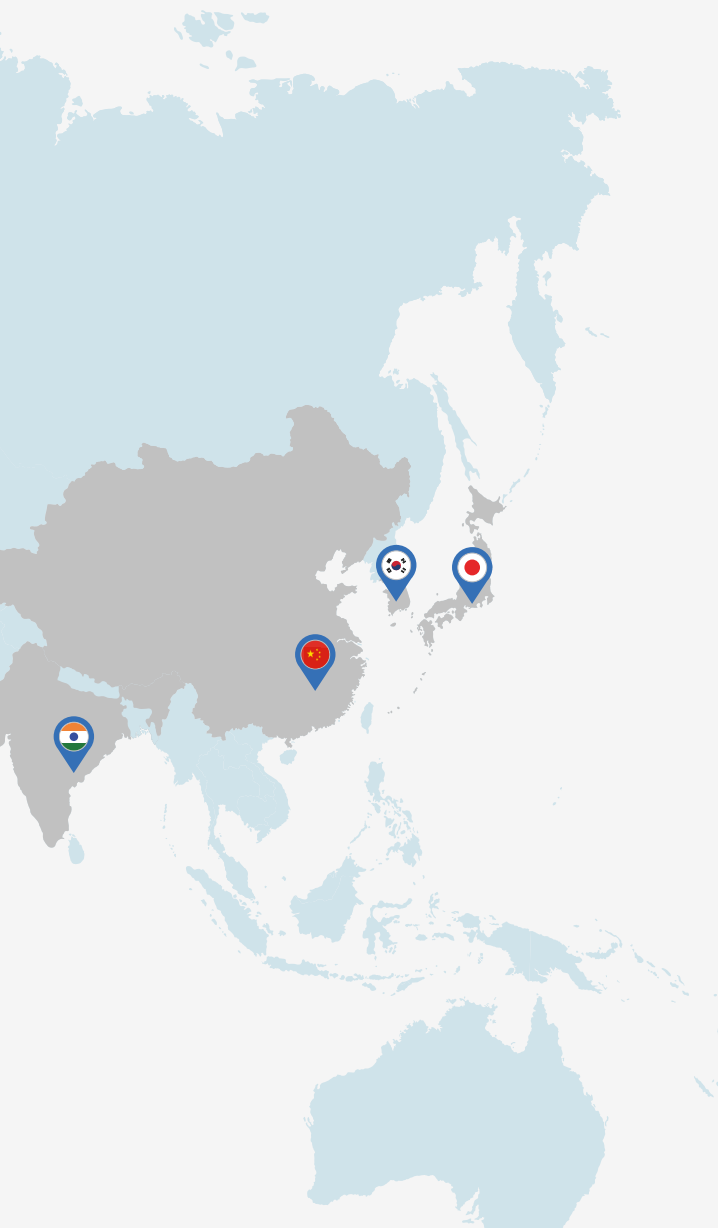
 — Taicang

 — Hyderabad / Pune

 — Sao Paulo

 — Detroit

 — Salinas-Victoria



Innovation in high-value products

Ficosa is convinced that its success and future are founded on innovative products that benefit our society, providing safer, more efficient, sustainable and comfortable ways of mobility.

SAFETY

The challenge

According to the World Health Organization (WHO), every year the lives of approximately 1.3 million people are cut short as a result of a road traffic crash. About 50 million more people suffer non-fatal injuries, with many incurring a disability as a result of their injury.

Road traffic injuries cause considerable economic losses to individuals, their families, and to nations as a whole. These losses arise from the cost of treatment as well as lost productivity for those killed or disabled by their injuries, and for family members who need to take time off work or school to care for the injured. Road traffic crashes cost most countries 3% of their gross domestic product.

There has been a significant rise in the use of electronics in vehicles. Vehicles today have shifted from being conventional vehicles to intelligent vehicles empowered by AI and equipped with communication systems that alert or assist the driver in case of a potential accident. Nevertheless, there is still work to do to achieve the ambitious road safety target of halving the global number of deaths and injuries from road traffic crashes adopted by the UN 2030 Agenda for Sustainable Development.

Collaboration with national and international programmes

ESTIBA

ESTIBA project ended in 2023. Its main goal was to advance in the provision of strategic technologies that bring us closer to the Smart port of the future and satisfies the growing demand on efficiency, economy, security and environmental sustainability according to the "Industry 4.0" concept. This will be achieved through high levels of automation integrating different automated ground transport vehicles (GVs) in port operations.



FICOSA designed and validated, in a real operational environment, an in-cabin camera adapted to the detection of laser patterns projected on the driver's chest to extract the respiratory signal. Our company further developed a driving monitoring system (DMS) based on camera and radar technologies to monitor the driver's state. The developed technology will allow greater robustness in detecting driver states that are unsuitable for driving by means of non-intrusive sensing.

MOVILIDAD 2030

Movilidad 2030 was a national collaborative project funded by CDTI, which aimed to advance key enabling technologies for smart mobility, contributing to the overall sustainability goal for 2030, both at the national and international level.

The project focused on four main pillars, namely: embedded systems for the deployment of Connected and Automated Vehicles (CAVs) on a large scale, design of the sustainable mobility model of the future, infrastructure technologies, and regulation and business models for future of mobility.

The project ended in June 2024 and FICOSA successfully demonstrated novel ADAS functions based on its multi-camera vehicle perception system and fusion with other sensors (LiDAR, GPS), with a focus on safety of vulnerable road users and vehicle energy efficiency.



INPERCEPT

INPERCEPT was a national collaborative project funded by CDTI and coordinated by FICOSA. The project aimed to advance key enabling technologies for autonomous driving. In 2023, INPERCEPT was selected as one of the 27 most impactful projects in the European Union for Cooperative, Connected and Automated Mobility (CCAM). Consequently, it was presented at the EUCAD 2023 conference.

The project ended in June 2024. FICOSA led a consortium of eight companies in development of technologies for vehicle autonomy, safety and connectivity, with a focus on Smart Cities and Fleet Management applications. The technical role of FICOSA was to advance the vehicle perception system providing a vehicle surround view with a prediction of road users behaviour and enhanced situational awareness. The focus was on the safety of vulnerable road users using vehicle perception and connectivity (cooperative perception), especially under challenging environmental conditions.



SELFY

SELFY is a collaborative project funded by the Horizon Europe programme. Its main objective is to develop a toolbox for self-management of the security and resilience of the highly automated vehicles. The project focuses on four pillars:

- Improved situational awareness
- Data exchange with malicious event detection and decision making
- Resilience to cyber-threats and cyber-attacks
- User confidence, acceptance and adoption of CCAM services and solutions.

FICOSA's main role in the project is development of an advanced AI-based vision system for an improved situational awareness and protection of user data privacy.



AWARE2ALL

AWARE2ALL is a collaborative project funded by the Horizon Europe programme. Its main objective is to address new safety challenges arising from the introduction of highly autonomous vehicles in mixed road traffic. This is being achieved through the development of inclusive and innovative passive and active vehicle safety and new internal and external human-vehicle- interaction modalities that will consider a variety of road users.

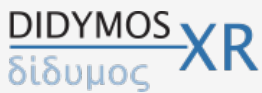
FICOSA's main role in the project is development of an advanced vehicle perception system based on cameras for an improved pedestrian detection and movement tracking, as well as understanding of pedestrian behaviour, such as attention and intention. Moreover, FICOSA has developed an AI-based vision system that allows detection of pedestrians with reduced mobility, improving the safety of this most vulnerable group of road users.



DIDYMOS-XR

DIDYMOS-XR is a collaborative project funded by the Horizon Europe programme. The vision of DIDYMOS-XR is to advance technologies for creation of large-scale digital twins, such as city digital twins, and enable advanced, more realistic and more dynamic extended reality (XR) applications, powered through artificial intelligence. DIDYMOS-XR will research and develop methods for reconstruction and mapping from heterogeneous stationary and mobile sensors, using AI-based data fusion, scene understanding and rendering.

FICOSA's role in the project is development of a vehicle perception system that will allow deployment of scalable and high-fidelity methods for generation of a city digital twin while protecting privacy of road users' personal information. Furthermore, FICOSA's research team developed methods for sensor synchronisation and calibration that is necessary for future deployment of ADAS and autonomous driving functions.



6GTWINROAD

6GTWINROAD was a collaborative project funded by the Next Generation EU programme that ended in December 2024. The project built on the results of the DIDYMOS-XR project incorporating vehicle 3D sensing and 6G communication technologies to empower the real-time creation of digital twins for cooperative, connected and automated mobility (CCAM).

FICOSA's role was the integration of the vehicle and infrastructure vision systems and their connectivity, including the execution of the trials and the final demo. The project provided a platform for a feasibility evaluation of the advanced vehicle sensing and connectivity technologies in the creation of future city digital twins, which will contribute to the overall traffic safety and an efficient urban mobility management.

FABULOUS

FABULOUS is a collaborative project funded by the Horizon Europe programme. The project aims to develop an industrial surface coating technology based on high resolution 3D meta-surfaces. The technological advances from the project will enable development of new type of optical lenses with anti-fog and anti-glare features. FABULOUS will contribute to improvement of lens coatings performance and reduced product environmental footprint.

FICOSA's role in the project is the validation of the new type of lens coatings on a series of in-house developed automotive cameras, which will allow a more sustainable development of future advanced vehicle perception systems.

CulturalRoad

CulturalRoad is a collaborative project funded by the Horizon Europe programme. The project tackles a crucial challenge of developing sustainable and widely adopted deployment strategies for Cooperative, Connected, and Automated Mobility (CCAM) services. CulturalRoad will develop sustainable and citizen-wide accepted deployment plans for CCAM services and new guidelines for CCAM implementation that consider diversity in all its aspects. This will be achieved by combining participatory planning with a novel Five-Pointed Star Rating system to capture both cultural and geographical diversity of the European mobility.

FICOSA's main role is the pilot deployment in Spain that aims to provide necessary insights into road users behaviour in traffic and the overall user acceptance of automated driving technologies.



ADAS10GIA

ADAS10GIA is a national collaborative project funded by CDTI and coordinated by FICOSA. The project aims to advance onboard vehicle high-speed communication through fibre optics.

FICOSA leads a consortium of three companies in a development of an integrated vehicle perception system consisting of a novel driver monitoring system and a vehicle exterior perception system, which through high-speed communication and multi-sensor data fusion is able to improve the overall vehicle safety. The major improvement consists in correlating the state of the driver with the safety-critical events in traffic and providing a timely support to the driver in situations of distraction.

HMOVE

HMOVE is a national collaborative project funded by CDTI, which aims to advance prediction of road users behaviour using an onboard vehicle perception system.

The project builds on the results of the previous projects that developed pedestrian detection and tracking technologies, improving the prediction window thus allowing for a timelier automated warning and decision-making by the vehicle. The project developments are focused on public transport vehicles that will integrate exterior perception, driver monitoring and vehicle connectivity to reduce the risks in safety-critical events in traffic.



What we are offering our customers

Vision systems

As leading company developing, manufacturing and marketing rear-view mirrors, FICOSA is constantly improving the performance and safety of its products, with a particular focus on sustainability to help achieve both company and industry targets and commitments in this area.

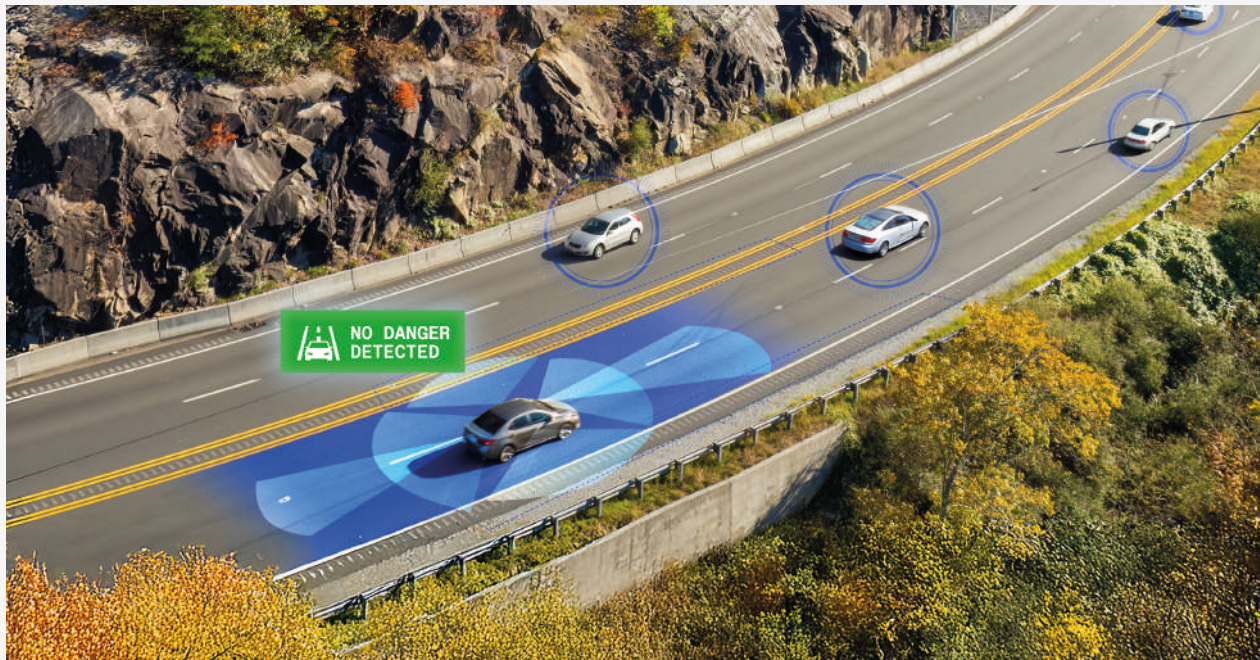
In the case of rear-view mirrors, this means integrating in the preliminary stages of product design the use of recycled materials, as well as some methods of assembly and fixing of components that allow easier disassembly of parts at the end of their service life, as well as a modular repair method in case of failure during service life.

During 2024 FICOSA has enlarged the portfolio of validated raw materials used for Outside Mirrors, both for structural components (mirror brackets) and for cosmetic parts (aesthetical components), allowing to offer to the OEM's a high-level percentage of recycled materials during quotation and development phases.

In continuation of the deployment of the Aero Frameless Mirror, FICOSA has been starting production of two relevant programs during 2024 and awarded for two new projects based on this concept, with immediate impact of improving its aerodynamic drag of the car, that in case of EV cars can bring to enlarge the vehicle autonomy by some extra Kms by charge.

On the other hand, most aggressive projections estimate that 10% of vehicles will be autonomous by 2030, and vision systems will keep being one

of the most significant pillars in our business, either through traditional mirrors systems with added functionality or through the emerging smart digital view systems where FicosA is also taking a leading position (CMS, surround view, parking cameras, etc). The company is developing state-of-the-art vision systems based on cameras, fusion with other sensors (LiDAR, GPS, radar, etc.) and AI models that perform detection, tracking and prediction of road users in the vehicle surroundings. Moreover, these technologies improve overall vehicle situational awareness and enable development of novel ADAS for higher safety, energy efficiency and connectivity. Internal research efforts and collaborative projects put FICOSA at the forefront of the science and technology behind the vehicle perception for ADAS.



Rear-view mirror that incorporates electronic toll function

The interior rear-view mirror incorporating a Panasonic electronic toll function is deployed from 2019 in all the carlines of a major European manufacturer, extending this device to next upcoming models. This device allows the automatic payment of motorway & urban tolls without having to stop the vehicle, keeping driver attention to a safe and effective driving.

Sensors and Camera Cleaning

After a successful launch and deployment of the LIDAR Cleaning System in the last years, applied now in seven carlines of a premium German carmaker, Ficosa is achieving the development of a complete portfolio of Sensor Cleaning devices.

Those components, applying for the cleaning of all sensors up to level five autonomous cars, ensuring that all sensing elements function, quality and integrity are safe during driving, are integrated in a full "Sensor Cleaning System" including the in-house developed "Electronic Control Unit" managing automatically all cleaning and wetting operation decisions.

During 2024, this "system approach" has been successfully tested during some pre-development projects for two key OEMs foreseeing the launch of level four and five autonomous cars, focusing in the best balance between product efficiency and water consumption reduction at any speed and weather conditions.



Driver Monitoring Systems

In 2017, the company developed a driver monitoring system in order to estimate the capability of the driver in adverse situations, such as fatigue. Today, Ficosa has two different lines of products that detect unsafe driver behaviour:

Somnoalert® Driver Behaviour

The system studies the driver's gradual worsening over a predetermined time period.

Somnoalert® Contactless

The system analyses respiratory data in real time to estimate the driver's degree of awareness.

Driving monitoring system (cameras + radar)

Ficosa is constantly improving its line of products by adding new sensors that can improve detection of driver state and of the other occupants in the vehicle.

DMS (Driver Monitoring Systems)

IR cameras including illumination, designed to monitor the driver awareness, user recognition, impairment driving that will help in next future autonomous driving human handover control and comply with upcoming GSR normative.

OMS (Occupant Monitoring Systems)

IR+RGB cameras, covering both visible and IR spectrum, adding new functionalities to the passengers of the vehicle as videoconferencing, occupant detection, Seat Belt Reminder, gesture recognition, etc.

Child presence detection (CPD, radar based)

To reduce the heat stroke fatalities worldwide, especially affecting young age deaths, Ficosa is incorporating a child presence detection system based on radar.

The system detects life through subtle change in wave frequencies and hence can distinguish between inanimate objects or children.

Ficosa's CPD does not require line of sight, so children can be covered by a blanket, or be on the footwell or facing backwards with the same system performance.

Camera Monitor System (CMS)

In 2015, the company started to develop an electronic mirror composed of cameras and displays which represents an alternative option to the exterior rear-view car mirrors. This pioneering system, also known as CMS, is a true revolution for the automotive industry as well as important progress towards the autonomous car. The electronic mirror offers a new, safer, and more comfortable driving experience through the inclusion in the vision systems of Advanced Systems Driver Assistance (ADAS), such as the traffic detection function, which provides information to the driver about the vehicles around it. This first version of the product came to reality on September 2018. Currently, Ficosa is working with several Original Equipment Manufacturer (OEM) on the integration of different CMS concepts, customizing it according to their requirements. In this sense, Ficosa has already achieved important nominations in the second generation of these CMS systems, a strategic product for the company, as in the medium term it is the evolution of rear-view systems and a key element for the future autonomous car.

Surround View System (SVS)

Ficosa cameras are small and have low power consumption, which facilitates their integration into a multi-camera system. Ficosa's Surround View System (SVS) provides a 360° view of the vehicle surrounding, a necessity for development of vehicle autonomy in dynamic urban driving environment. These systems incorporate the state-of-the-art machine vision features such as occlusion detection, online and offline calibration, and object detection. Fusion with other sensors and vehicle connectivity allow development of cooperative perception, thus extending the visibility beyond the one provided by the on-board sensors.

Shift-by-wire systems and Gear Box Actuators

Back into 2015 Ficosa started the development of its first transmission actuators, being able to offer a full Shift-by-Wire system. In 2020, Ficosa made ready the next generation of Shift-by-Wire systems with smart actuators, which can be easily integrated in CAN Base architectures, fulfilling the highest requirements in terms of functional safety and cybersecurity, ensuring reliability in all conditions.

This product line has been deployed for Internal Combustion Engine, Hybrid Electrical and pure Electrical Vehicles. Besides fuel efficiency enabled by the combination of engine nature and robotized transmissions, Shift-by-Wire technologies also enables to add into vehicle strategy safety features avoiding hazard conditions due to human errors.

In the Human interface, Ficosa is also bringing the latest technology, to make Shift-by-Wire shifter intuitive and fool proof, defining and co-designing functional patterns and fault tolerance strategies with our customers. As well, the current designs take into consideration sustainability drivers to address both company and industry targets and commitments in this area.

In this case, this means, among others, identifying materials with less CO₂ impact, introducing sustainability guidelines in our design procedures or defining standard solutions to facilitate disassembly, recovery and/or segregation of materials for recycling.

In the era of becoming a mobility partner rather than a conventional automotive supplier, Ficosa is making one step forward with the recent collaboration with one of the most technologically advanced vehicle manufacturers developing together a centre console device for the first vehicle which will contain a flying module.

EFFICIENCY

The challenge

One of the toughest environmental challenges of our time is managing the mobility of people and goods. By 2030, passenger traffic will exceed 80,000 billion passenger-kilometres, a fifty percent increase, and freight volume will grow by 70 percent globally. The number of vehicles on the road is globally expected to double by 2050.

The reduction in greenhouse gas emissions, the progress in the decarbonisation economy and the expected growth in mobility in the upcoming years highlight the need for efficient and environmentally sustainable vehicle technologies. The widespread electrification of transport through the adoption of electric vehicles (EVs) is one strategy to reduce GHG emissions. Furthermore, energy availability becomes a key aspect for novel mobility systems; in this sense, Ficosa is working in systems that transform the vehicle not only in a net energy consumer but in an active grid energy storage. Also, to make this appealing to the customer novel methods of ultra-fast charge are being explored within our activities.

Collaboration with national and international programmes

Electromobility Hub

In 2018, the company opened a Technological Electromobility Hub with 120 people and 1,200 square metres, dedicated to the company's different products in Hybrid and Electric vehicles (HEV/ BEV). During 2019 these facilities were extended with additional 300 m2 and in 2020 a second 400 m2 area have been added. The e-Mobility Hub has become a global benchmark in the development of electric mobility technology, driving Ficosa's leadership forward in an area that is key for the mobility of the future. In this sense it plays a strategic role, as it has become a driving force in electromobility solutions for the whole group on an international level.

The deployment of all these HEV/BEV products is a constituent part of the company's long-term strategy. This strategy deployment is planned in a series of phases. During these phases, Ficosa is focusing mainly on the following products:

- **Battery Management Systems (BMS):** Devices to control the HV Battery pack, usually split between a main Battery Management Controller (BMC) and several Cells Management Controllers (CMCs). The BMC has the embedded algorithm to control the state of the battery (charge, health, temperature) and to manage the different actuators needed to permit battery to charge or vehicle to drive while gathering the sensing from the CMCs. BMC may be included in Battery Junction Box and CMC in Cell Contacting System.
- **Multi-sensing Box:** Electronic device to monitor variables related to battery thermal runaway events, such as Current, Temperature, Pressure, Acceleration and/or CO/CO₂/H₂ gas presence.
- **Battery Junction Box:** Device that route the battery energy flow depending on charging or discharging scenarios, providing protection mechanisms to isolate the battery from the rest of the vehicle when needed. May include BMC and Multi-sensing Box.
- **Cell Contacting System (CCS):** An electro-mechanical device that couples (weldless) cell-to-cell electrical connections with a (wireless) CMC and cell sensors. This product can be easily adapted to different cell geometries and battery architectures (cell-module-pack, cell-to-pack and cell-to-chassis).
- **Smart Automated Charging Port (SACP):** Intelligent Charging Port of EV and PHEV vehicles in order to enhance user experience by eliminating manual handling, improving the vehicle aesthetics with a sleek design and enabling advanced Autonomous Driving (Charging) features. May include EVCC.
- **EV Charge Controller (EVCC):** Electronic device that provides communication between the vehicle and the charging station, allowing the actual charging activity as efficient as possible, as well as payment information exchange. May be included in the SACP.
- **Rotary Dial HMI:** Rotational mechanism to allow human-vehicle multi-functional interfaces from the cockpit (e.g., Shift-by-Wire or HVAC and other commands).

MARBEL

Design, manufacturing and validation of the next generation of battery packs for the automotive mass-market. A circular economy approach in EV battery packs.

This project develops an innovative and competitive lightweight battery with increased energy density and shorter recharging times with the objective to accelerate the mass market take-up of electric vehicles.

The project innovation is based on the following main pillars:

- Advanced battery packaging using a Design for Assembly (DfA) and Disassembly (DfD) methodology.
- Lightweight and sustainable Battery Packaging.
- Solutions and processes for the sustainable dismantling and 2nd life
- Flexible advanced battery management systems.
- Ultra-Fast Charging strategies and enhanced thermal management
- Procedures for characterisation and validation of future performance and safety

Ficosa e-Mobility is co-leading the working packages related to Ultra-Fast Charge, EVSE Communication, Power-circuit Dimensioning, BMS Functional Safety and Sensor Selection. The consortium of the Marbel project is formed by 16 partners from 7 European countries.



IBATTMAN

Smart, Connected and Secure Battery Management System Enhanced by NextGeneration Edge and Cloud Computing, Sensors and Interoperable Architecture

In this project, leading European universities, research centers, and companies within the battery supply chain are bringing their expertise and innovations together to create the next-generation BMS platform able to overcome critical challenges limiting the performance of the existing solutions. iBattMan aims to design an innovative, modular and scalable BMS, for a wide range of vehicles, from small passenger cars to e-busses and electric trucks, with improved performance, connectivity, security and reliability to enhance battery performance and reduce total cost of ownership in EV applications and smart battery use for grid support and in 2nd life applications, based on a holistic design of an interoperable architecture and supported by a suite of advanced sensors and edge- and cloud-computational resources.

iBATTMAN will represent an outstanding step forward in the EU battery development roadmap and enable accelerated market adoption of smart batteries to bring to market world-leading class Li-ion technologies to improve the cost-effectiveness, circularity, and sustainability of the EU battery industry by 2030-2035. It will support the integration of more renewables on the grid based on new concepts such as Smart Cities and Net Zero Buildings to benefit EV car manufacturers and complementary markets like urban mobility, 2nd life application for stationary storage, batteries, and battery recycling.

FICOSA is not only leading the development of this wireless BMS modular platform adaptable for 2nd life, but also providing the EVCC for an efficient V2X and the multi-sensing box, key in EV safety monitoring.



ARISE

Advanced Battery Integration for Next-Generation Electric Vehicles.

The ARISE project (Affordable, Reliable, Innovative, Sustainable Electrification) pioneers the seamless integration of Generation 4 solid-state batteries (SSBs) into compact electric vehicles. Using the Fiat 500e as a demonstration platform, ARISE addresses the technical and structural challenges of embedding SSBs into the vehicle chassis, delivering an all-in-one solution that enhances safety, efficiency, and sustainability. The project targets compliance with upcoming EU safety and circularity regulations while reducing manufacturing complexity and lifecycle emissions. Key Technological Objectives and Innovations:

Next-Gen Battery Architecture:

- Embeds Gen4 SSB cells directly into the load-bearing structure to reduce packaging volume and increase energy density
- Focuses on 3D cell-to-pack integration for improved crashworthiness and simplified manufacturing



FCEVLDTRUCK

Ficosa is participating together with four other companies (Ajusa, BonArea, Avia Ingeniería and CIE Automotive) and research centers and universities such as Tecnalia, CMT (UPV) and CITCEA (UPC), in a project called "Industrial research into a solution for hydrogen propulsion in light and semi-heavy duty electric vehicles with fuel cell", with the acronym FCEVLDTRUCK.

The objective is the development of a new type of fuel cell electric vehicle and the implementation of a fuel cell that converts hydrogen gas into an electric current inside the fuel cell. This electrical energy will be used to power the electric motor.

Thermal Management & Structural Safety:

- Develops an advanced two-phase cooling system and uses fire-retardant materials to manage thermal runaway risk
- Integrates multifunctional composite panels for impact absorption, structural rigidity, and heat insulation

Smart Energy Management & Validation:

- Employs AI-powered Battery Management Systems (BMS) for real-time diagnostics and predictive energy control
- Validates through full digital twin simulations, crash testing, and vehicle-level road trials under varying climate conditions

Ficosa's contribution to ARISE focuses on the development of an intelligent system for the connection, monitoring, and balancing of cells in electric vehicle batteries, with a special emphasis on Generation 4 (Gen4) cells. The company is also working on the implementation of wireless technologies for real-time monitoring and control, ensuring safety and energy efficiency.

This project is structured in five activities, three of them aimed at industrial research and two at experimental development and implementation. An interdisciplinary approach will be used to combine the capabilities of each of the partners, creating synergies and overcoming current technological barriers.

Ficosa's role in this project is in cooperation with its partners to develop the different Electronic components embedded into the Ajusa fuel cell to control it and also to control the voltage conversion from the Fuel Cell to the High Voltage battery.

EGVIA for 2Zero

The “Towards zero emission road transport” (2Zero) partnership is part of the new framework program of the EU: Horizon Europe. It is the continuation and extension of the European Green Vehicles Initiative. Building upon the success of previous initiatives (Green Cars and Green Vehicles), the 2Zero partnership will address the challenge of decarbonization of road transport in a systemic way. Involving a wide range of stakeholders, the 2Zero partnership will make a key contribution to achieve the Green Deal objectives and help the EU to have the first climate-neutral road transport system by 2050.

The following items as main pillars will be approached under the scope of the 2Zero partnership:

- Vehicle technologies and vehicle propulsion solutions for BEV and FCEV
- Integration of battery electric vehicles into the energy system and related charging infrastructure

• Innovative concepts and services for the zero emission mobility of people and goods

• LCA approaches and circular economy aspects for sustainable and innovative road mobility solutions

Ficosa is actively involved in the 2025-2027 European program definition through the different call drafting teams coordinated by 2ZERO.



CIAC

The Automotive Industry Cluster of Catalonia (CIAC) is a non-profit association open to companies operating in the automotive industry, that are based in Catalonia, and pursue R&D+i activities. Over 190 companies linked to the industry have joined the Catalan automotive cluster since it was established. This group of companies has a turnover of more than €20,000 million and provides employment for over 40,000 people.

The main aim of the association is to boost the competitiveness of the automotive industry as the driving force behind the Catalan economy. To achieve this, a strategic plan has been designed, with a series of short, medium, and long-term objectives that guarantee its development in the new industrial global framework.



CAR-NET (Cooperative Automotive Research Network)

The Cooperative Automotive Research Network, initiated by SEAT, Volkswagen Group Research and Universitat Politècnica de Catalunya (UPC), is an open hub for industrial and academic partners from the areas of automotive and mobility research & innovation. Ficosa is a member of this knowledge hub for automotive science and technology, focused on urban mobility, and based in Barcelona. Its ambition is to become a benchmark in this area, in close alliance with European counterparts. CARNET is a cooperation platform for the mobility industry, local universities and institutional partners that has the following strategic goals:

- Organizing urban mobility activities in Barcelona
- Contributing to strengthening the automotive sector in Spain, and Catalonia in particular
- Recruiting proactively for the automotive industry
- Networking to seek international research funding (in cooperation with international partners)



What we are offering our customers

Battery Management Systems

Ficosa has been developing jointly with main OEMs the new generation of Battery Management Systems. The focus areas of the e-mobility lay mainly in accurate, efficient and reliable high-voltage energy control. To do so, Ficosa combines its deep industrial knowledge with the last trends in machine learning and physics modelling within its advanced development projects.

Battery Junction Boxes

The battery junction box is a core component devoted to commute current from the batteries to the active vehicle parts and provide passenger protection mechanisms. Year after year, this component is integrating more technology and adapting to different vehicle architecture (low-sized cost-savvy for low-range urban cars or modular for high-range cars with ultra-fast charge capabilities).

EV Charge Controllers

Ficosa develops technologies, that residing inside the vehicle, interface with the charging infrastructure with the objective of managing all the charging variables like available grid power, charging rate accepted by the vehicle, vehicle and user authentication and related billing processes, among others; while being robust against potential cyber-threats that may arise any time during the product life.

Multi-sensing Boxes

Safety is one of the key-points in Electric Vehicles and thus a proper monitoring of battery Current, Temperature, Pressure, Acceleration and CO/CO₂/H₂ gas presence is of paramount importance to either avoid possible thermal runaway scenarios or to warn the users as soon as possible so they can flee the vehicle. Ficosa is developing tailored battery multi-sensing boxes.

Cell Contacting Systems

Ficosa is developing an electro-mechanical device that couples (weldless) cell-to-cell electrical connections with a (wireless) CMC and cell sensors that can be easily adapted to different cell geometries and battery architectures (cell-module-pack, cell-to-pack and cell-to-chassis).

Smart Automated Charging Port

Intelligent Charging Port of EV and PHEV vehicles in order to enhance user experience by eliminating manual handling, improving the vehicle aesthetics with a sleek design and enabling advanced Autonomous Driving (Charging) features.

Rotary Multi-functional Dials & Shift-by-Wire

Rotational mechanism to allow human-vehicle multi-functional interfaces from the cockpit (e.g. Shift-by-Wire or HVAC and other commands). Ficosa is bringing the latest technology, to make HVAC or Shift-by-Wire intuitive and fool proof, defining and co-designing functional patterns and fault tolerance strategies with our customers.

In all products, Ficosa is always identifying materials with less CO₂ impact, introducing sustainability guidelines in our design procedures or defining standard solutions to facilitate disassembly, recovery and/or segregation of materials for recycling.

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Appendix 1 – OHSEQ Policy

Our integrated management policy is based on the commitment of Senior Management and the participation and consultation of all staff, and their representatives when they exist, for the permanent improvement of their work. It must be communicated, understood by the entire organization, and reviewed periodically. It must be available to interested parties. It must be appropriate to the nature of our Company (activities, products and services).

In this regard, the Management affirms its commitment and responsibility to the implementation, maintenance and continuous improvement of an integrated management system, based on the:

1. The values and philosophy with which our organization operates, clearly established in the MISSION, are the guiding path for each of us who make up FICOSA.
2. It is FICOSA's permanent thought that each project and product developed for our clients meets and exceeds their expectations of time, quality, safety and cost.
3. We firmly believe that excellence in each project and product is achieved with the participation of the entire team that makes up FICOSA. Maintaining daily enthusiasm and imposing challenges of permanent improvement are key to this purpose and responsibility of each leader.
4. Occupational Health and Safety is a fundamental part of our work. Our commitment to the prevention of accidents and occupational diseases focuses our efforts on ensuring safe and healthy work environments, prioritizing the elimination of hazards and the minimization of risks.
5. The development of our organization must be based on continuous improvement in terms of Occupational Health and Safety, environmental quality and energy efficiency. It is our obligation to continuously improve the effectiveness of our integrated system (occupational health and safety, quality and environment).
6. Respect for nature and the observance of the universally declared principles of pollution prevention and control will be maintained as a frame of reference for the development of our activities. The development of our organization can and should go hand in hand with the preservation of the environment and the mitigation and adaptation to climate change, as well as towards energy management.
7. Environmental issues are a common problem, therefore, each of the internal members (workers and collaborators) and external members (suppliers and subcontractors) have the right and moral obligation to participate in its implementation and collaborate in its maintenance.
8. FICOSA has a framework where the establishment of objectives and goals for occupational safety and health, quality, environment and energy efficiency, as well as the availability of information, resources, acquisition of efficient products and services. The periodic review of these objectives is a priority function in our development as a Company. These objectives should be based on the requirements of the stakeholders, as set out in the MISSION.
9. It is essential for FICOSA to comply with current legislation and regulations on occupational health and safety, quality, and environment, energy and other requirements.
10. Compliance with all customer-specific requirements affecting our products.





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