

Advancing without limits

ANNUAL REPORT 2024



Chairman and CEO's statement

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About this report

CHAIRMAN AND CEO'S STATEMENT

**We are
advancing on
our strategy,
delivering
on our
commitments
and raising
our limits**



Antón Pradera
Chairman



Jesús Mª Herrera
CEO

Dear friends of CIE Automotive:

We ended 2024 surer than ever about our ability to overcome challenging business environments. Against the backdrop of global automotive industry contraction and transformation, marked by major decarbonisation and sustainability challenges, at CIE Automotive we continued to advance towards the ambitious commitments set down in our 2025 Strategic Plan. For us, it is a privilege to share our key achievements in 2024 and the enabling strategies in this year's Annual Report.

Despite the macroeconomic, regulatory and geopolitical uncertainty, which led to a 1% contraction in global sector production, CIE Automotive managed to lift its revenue to €3.96 billion and post a record profit of €325.7 million, underpinned by margin expansion (specifically an EBITDA margin of 18.4%), disciplined investments and our sound financial and tax policies.

Our strong performance in 2024 cements our position as one of the sector's most profitable players and evidences our ability to generate value in a sustained and balanced manner. As a result, although the mature and emerging automotive markets fared differently in 2024, at CIE Automotive we were able to post similar - double digit - EBITDA margins in all of our geographic operating regions: Europe (17.5%), North America (18.8%), Brazil (19.8%) and Asia (18.5%).

These achievements are by no means random. They are the product of a robust business model which combines geographical, customer and technological diversification with ironclad financial discipline and decentralised management so as to adapt for the idiosyncrasies of each market, with all decisions framed by strict environmental, social and governance (ESG) standards.

Under this model, our priority in 2024 was to convert two-thirds (66%) of our EBITDA into cash, allowing us to reduce our adjusted net debt to €987.5 million, 1.34 times our EBITDA, a record low for us.

Throughout the year, we continued to advance on our key operating lines: electrification, international expansion, industry 4.0 and comfort. This holistic approach enabled us to meet our targets for the year and places us in an ideal position for tackling the challenges that lie in store.

Keeping a close eye on the trends that are shaping the sector, in 2024, we acquired AKT Plásticos, a firm specialised in thermoplastic injection moulding that reinforces our position in plastic injection technology, essential for electric vehicles by facilitating the manufacture of lighter parts.

In parallel, we continued to advance on our key ESG lines of initiative: CIE culture, ethical commitment, eco-efficiency and active listening, which we have translated into clear targets with well-defined deadlines. We are pleased to tell you that, thanks to the progress made in 2024, we have been honoured with Merco's ESG Responsibility Seal.

Among the advances made, I would like to highlight the reduction of our environmental footprint, underpinned by decarbonisation projects, rationalised use of energy and the integration of eco-design criteria into our products. Validation of our climate targets by the Science Based Targets initiative (SBTi) further endorses our environmental strategy, which was also borne out by achievement of B scores for climate change and water management in our 2024 CDP assessment.

Innovation has been essential to reduce our environmental impact but also to encourage sustainable mobility, unlocking technology solutions that are helping our customers to adapt for the energy transition. Indeed, almost 15% of our revenues were generated by environmentally-sustainable lines and over 80% by parts and systems that are suitable for all kinds of vehicles. Our RDI effort was acknowledged in the form of the Vodafone DEIA Innovation Sariaak award for leadership in technological innovation.

These achievements would not have been possible without the support of our stakeholders.

The impetus to keep growing comes from our shareholders and their support for our strategy. In exchange for their loyalty and true to our commitment to pay out one-third of our net profit to investors, we distributed nearly €108 million in dividends in 2024.

The impact of our activities is evident in our business communities. Aside from the economic progress implied by the jobs we create, the goods and services we purchase

Employees

>24,000

Revenue

€3.96 billion

Net profit

€325.7 million

from suppliers and the taxes we pay - €507 million in 2024 -, last year, we earmarked close to €1 million to community investment programmes.

However, the real engine here at CIE Automotive is our global team of more than 24,000 professionals. We want to thank them all sincerely for their talent, hard work and dedication in overcoming the challenges we face.

The situation is not easy but after this year of achievements, we feel ready to tackle whatever new challenges the future holds in store. Today, I can assure you that we will deliver the targets set down in our 2025 Strategic Plan and continue to strengthen our business, innovating and collaborating with our stakeholders to assume new challenges. We will continue to advance without limits.

Thank you to every one for making it possible,

Antón Pradera
Chairman

Jesús M^a Herrera
CEO



**Our mission, vision,
and values reflect
over 25 years of
commitment to
quality, innovation,
and sustainability**

Who we are, what drives us

- ▶ Profile
- ▶ Mission, vision and values
- ▶ Our stakeholders



Global

Diversified

Decentralised

Responsible

We are a global supplier of parts, assemblies and subassemblies for the automotive industry. Since our foundation in 1996, we have achieved sustained and profitable growth, consolidating our presence on four continents, building a multi-technology platform and positioning ourselves as one of the sector's reference suppliers. On this path towards excellence, we have set ourselves apart for our firm commitment to sustainability.

Profile Global footprint

>24,000

employees

>80

OEM and Tier-1 customers

109

manufacturing facilities

>7,000

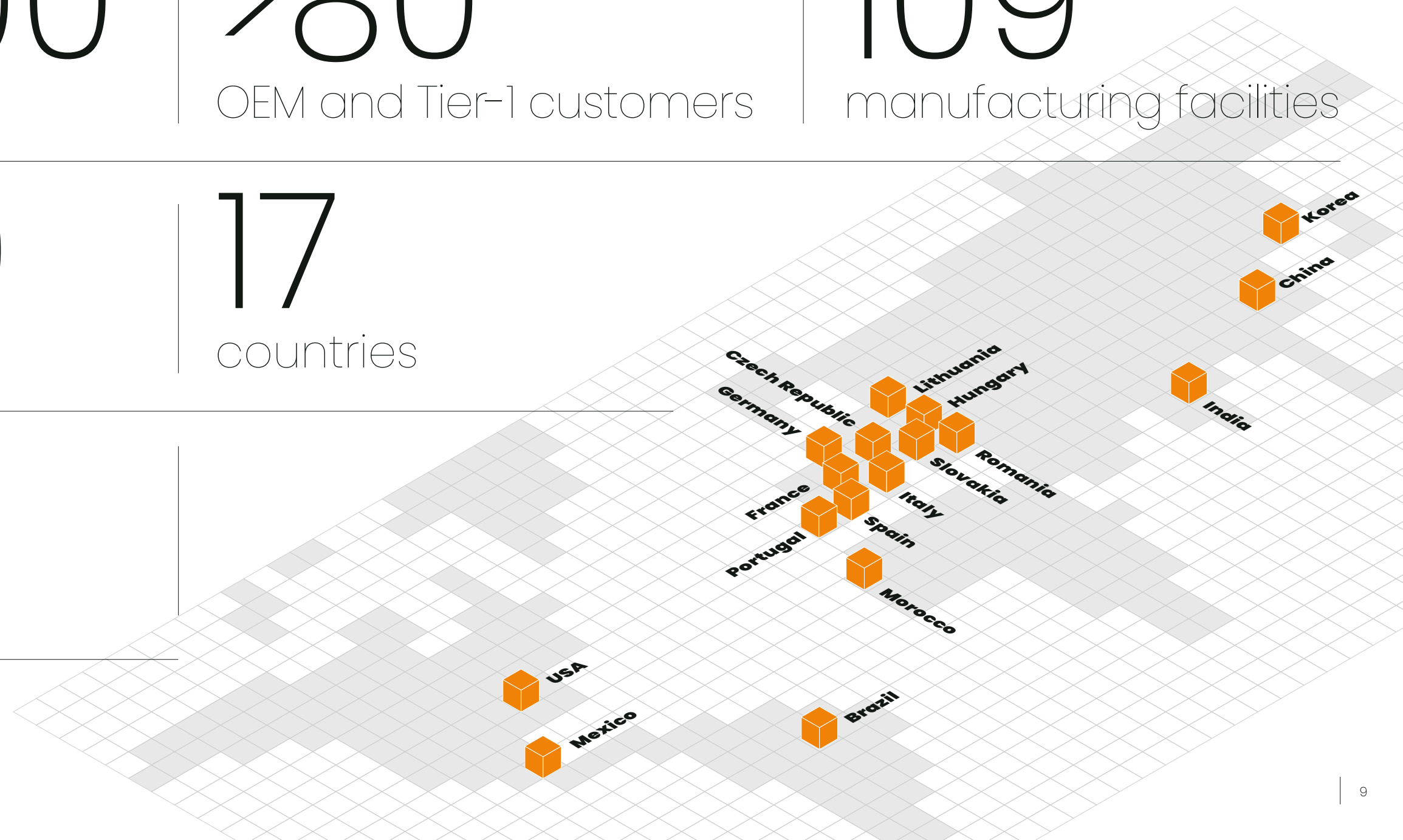
SKUs

17

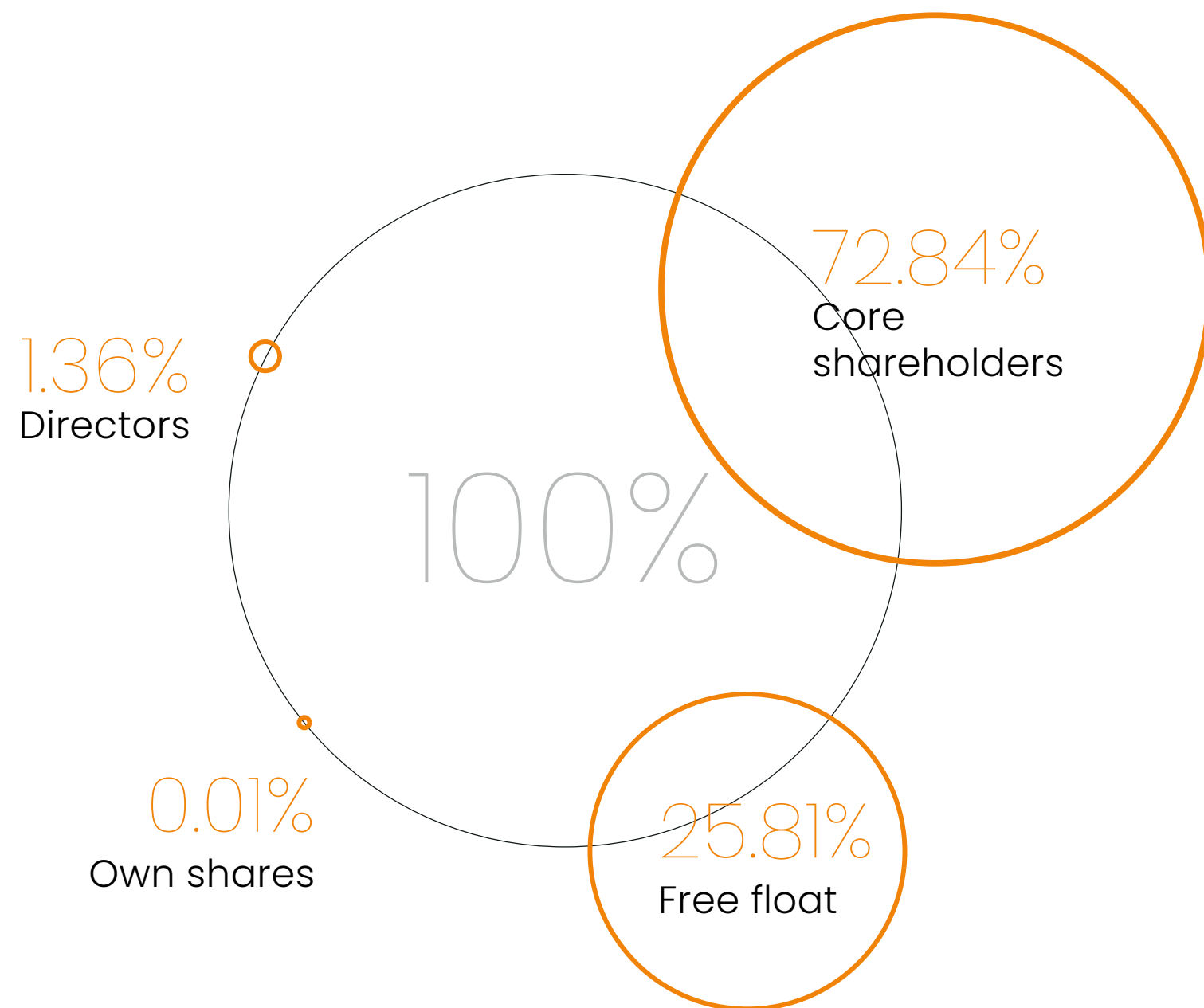
countries

10

R&D centres



Profile Ownership structure



Shares traded in
Spain and India

Stable core
shareholders

Dividend payout:
33% of net profit

Membership of diverse
ESG related stock indices



Mission, vision and values

Our mission, vision and values reflect more than 25 years committed to quality, innovation and sustainability. These principles guide our activities as a global and multi-technology supplier, championing a responsible future for mobility.

Mission



We are a committed team with an automotive story that has been growing steadily for more than 25 years.

- We are a **global and multi-technology** supplier:
 - **4 continents**
 - **7 technologies**
- We create **value** for all of our **stakeholders**
- We guarantee **quality and service**
- As a team, **we join in and innovate**:
 - Every person is an **entrepreneur**
 - We are **proud** to belong to CIE Automotive
- We care for our **planet**:
 - We help improve our **surroundings**
 - We minimise our **environmental impact**

Vision



To provide the best solutions for the mobility of tomorrow while being:

- Climate **neutral**:
 - Maximum resource **circularity**
 - **Zero net** emissions
- **Value chain** drivers:
 - **End-to-end** approach
 - Committed to **local economies**
- A benchmark for **society**:
 - We guarantee **everyone's ethical conduct, health and safety**
 - We **listen, communicate and act**
- Excellent in **management**:
 - **Transparency and integrity**
 - **Value** creation

Values

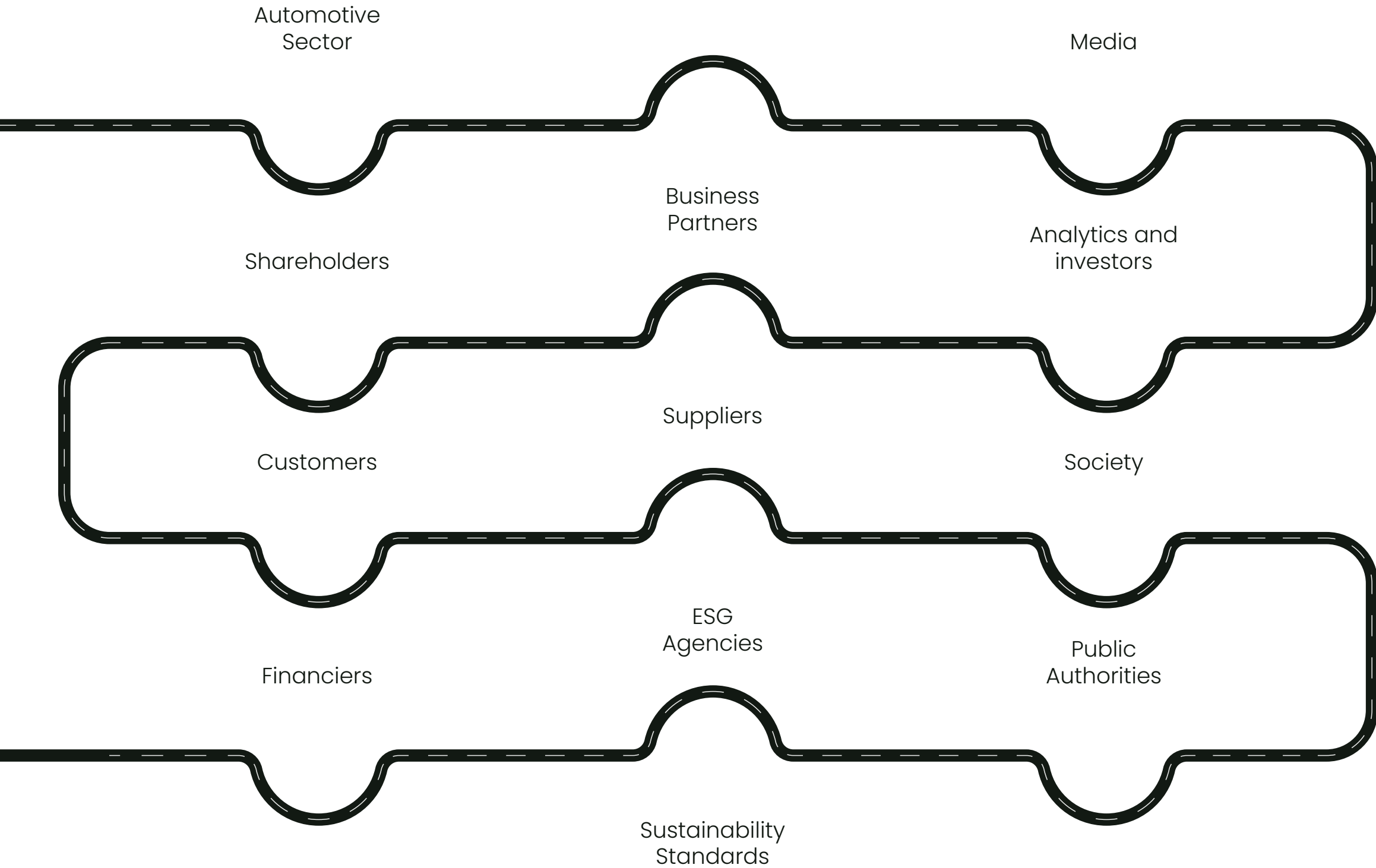


- **Committed** to a job well done
- **Innovation** as the response to any challenge
- **Focus on people**, their families and their surroundings
- **Diversity, equality and inclusion**
- **Sustainable and profitable growth**
- **Ethical and honest** conduct
- **Self-criticism and recognition**
- **Climate action**
- Compliance with the **law**



Our stakeholders

At CIE Automotive, we build and base our stakeholder relations on partnership and mutual interest. Through open communication channels we foster dialogue and recognise their contribution to shared progress, inviting them to work together towards a future in which success is measured not only in financial terms but also in terms of their positive impact on society.



**Gold Medal from
*Informe Reporta***

Every year we publish an Annual Report to provide an account of our performance, evidencing our commitment to transparency. In 2024, that report achieved a genuine milestone when it was awarded, alongside Banco Santander, the Gold Medal from *Informe Reporta*, a prestigious ranking which assesses the quality of the reporting efforts of the companies traded on the Madrid stock exchange.

CIE Automotive's 2023 Annual Report earned that accolade having scored 1.5 points more than the year before, at 86 points, catching up with the leader for the last three years. Moreover, the company is also leader in the Basic Materials, Industry and Construction sector and topped two of the four categories analysed: relevance and accessibility. Lastly, it was the best-performing Ibex-35 company.

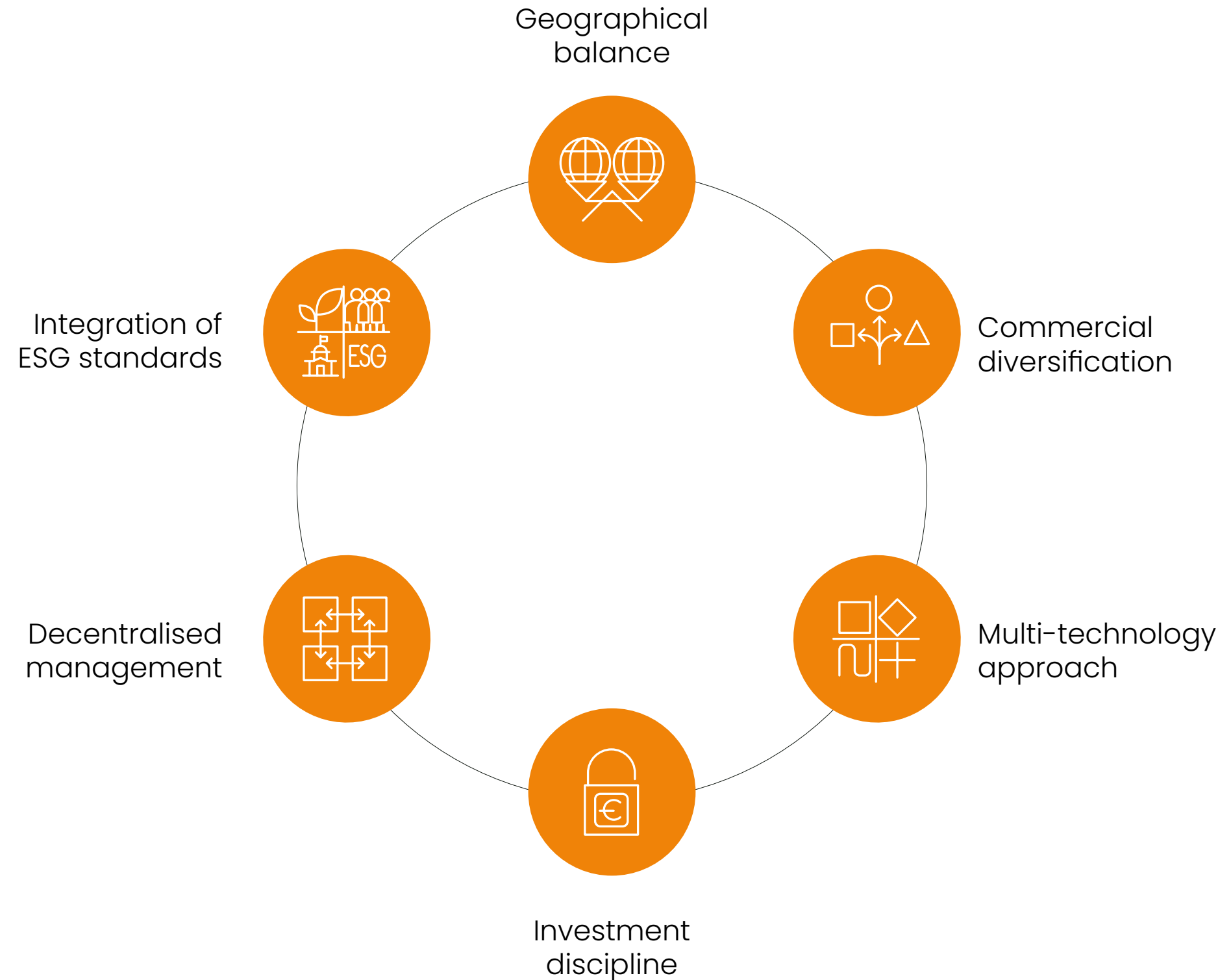
Our proven model

- ▶ Geographical balance
- ▶ Commercial diversification
- ▶ Multi-technology approach
- ▶ Investment discipline
- ▶ Decentralised management
- ▶ Integration of ESG standards



Our business model is our main competitive advantage. It has allowed us to grow profitably, adapt to automotive sector transformation and overcome the successive challenges posed by a complex global environment.

The six cornerstones of the business model





Geographical balance

109

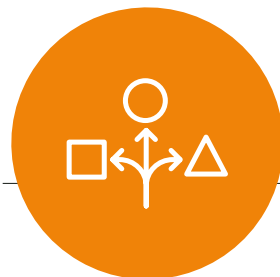
manufacturing facilities
(including 3 multi-technology factories)

10

R&D
centres

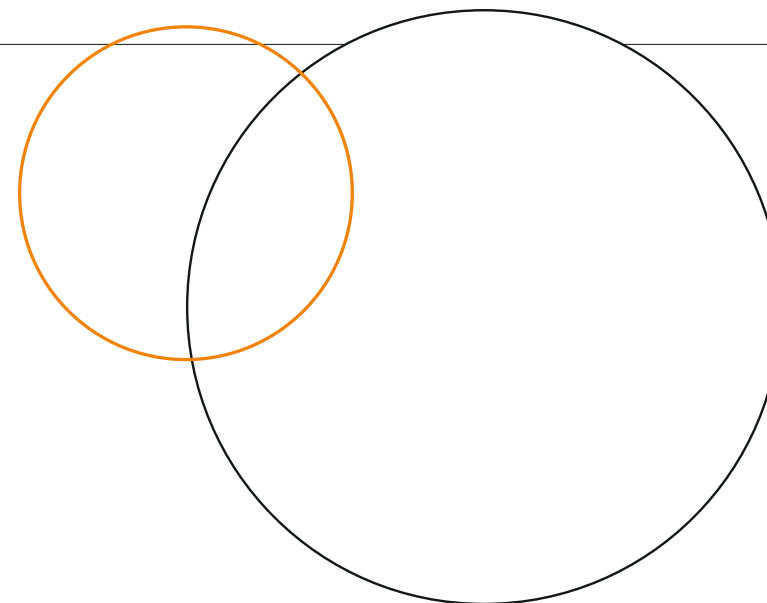
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countries

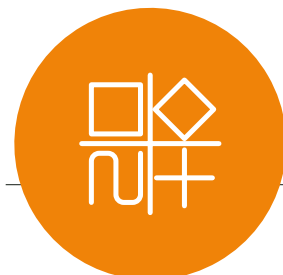


Commercial diversification

25% TIER 1
SUPPLIERS

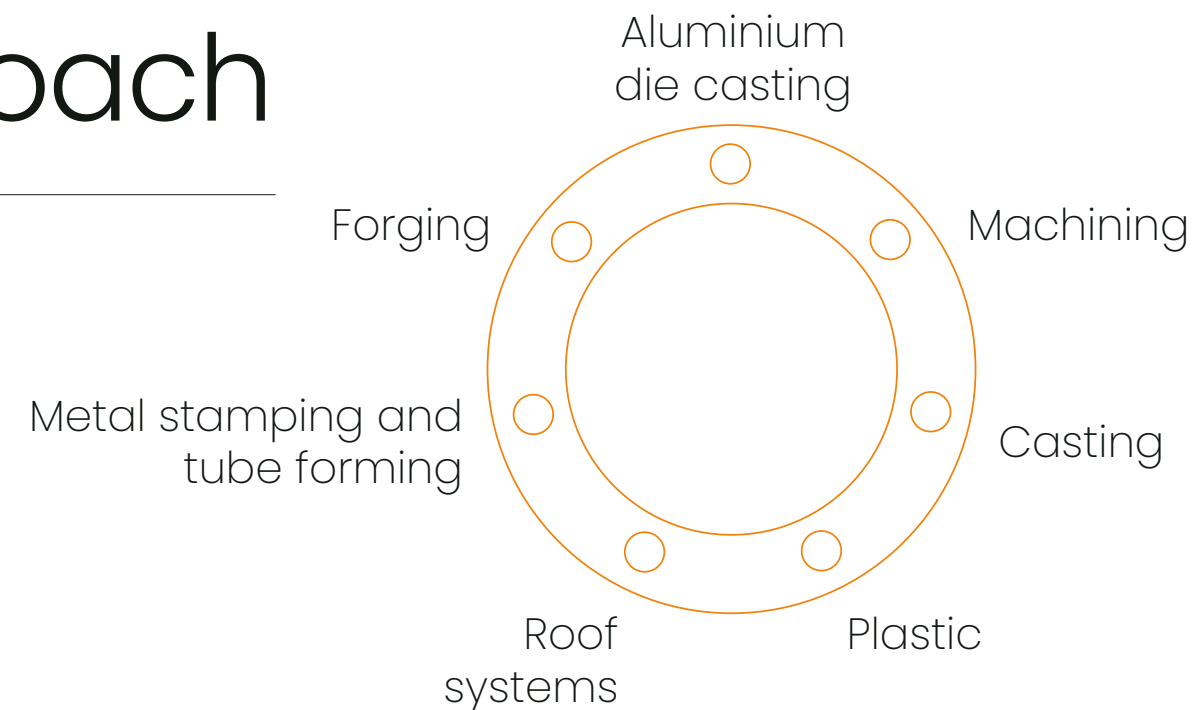


75% OEMs
(car manufacturers)



Multi-technology approach

7 technologies:

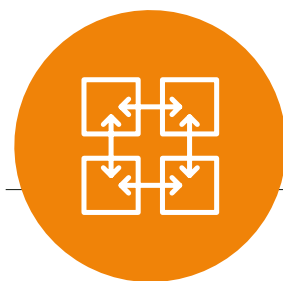


Investment discipline

Flexible standard
machinery

High returns on
investments

High EBITDA-to-cash
conversion ratio



Decentralised management

4 autonomous
geographic regions

1 corporate network to
support the regions



Integration of ESG standards

Adherence
to the Global
Compact

Gradual
implementation of ESG
criteria since 2015

ESG commitments
embedded into 2025
Strategic Plan

Geographical balance

CIE Automotive locates its productive facilities close to its customers. Since 1996, in response to the gradual globalisation of the automotive sector, we have been increasing our presence in Europe, Asia and the Americas, building ourselves up into a global supplier with 10 research centres and 109 factories across 17 countries.

Geographic diversification delivers balanced sales and earnings across our various regions, minimising our reliance on a single market, helping us to manage the risks derived from adverse economic cycles, regulatory developments or technological advances that impact specific regions. It also allows us to take advantage of opportunities in emerging markets.

Commercial diversification

Commercial diversification is a strategic pillar for CIE Automotive. We boast a balanced base of over 80 customers, including leading multinational car makers (the OEMs | 75%) and Tier-1 suppliers (25%).

This approach locks in a diversified revenue stream. By keeping our customer base diversified, we minimise credit concentration risk. This brings us not only stability,

but also more power to negotiate prices and defend our margins.

Lastly, by not relying on a small number of customers, we are free to select our investments on the basis of expected long-term returns rather than in response to customer demands motivated by short-term concerns.

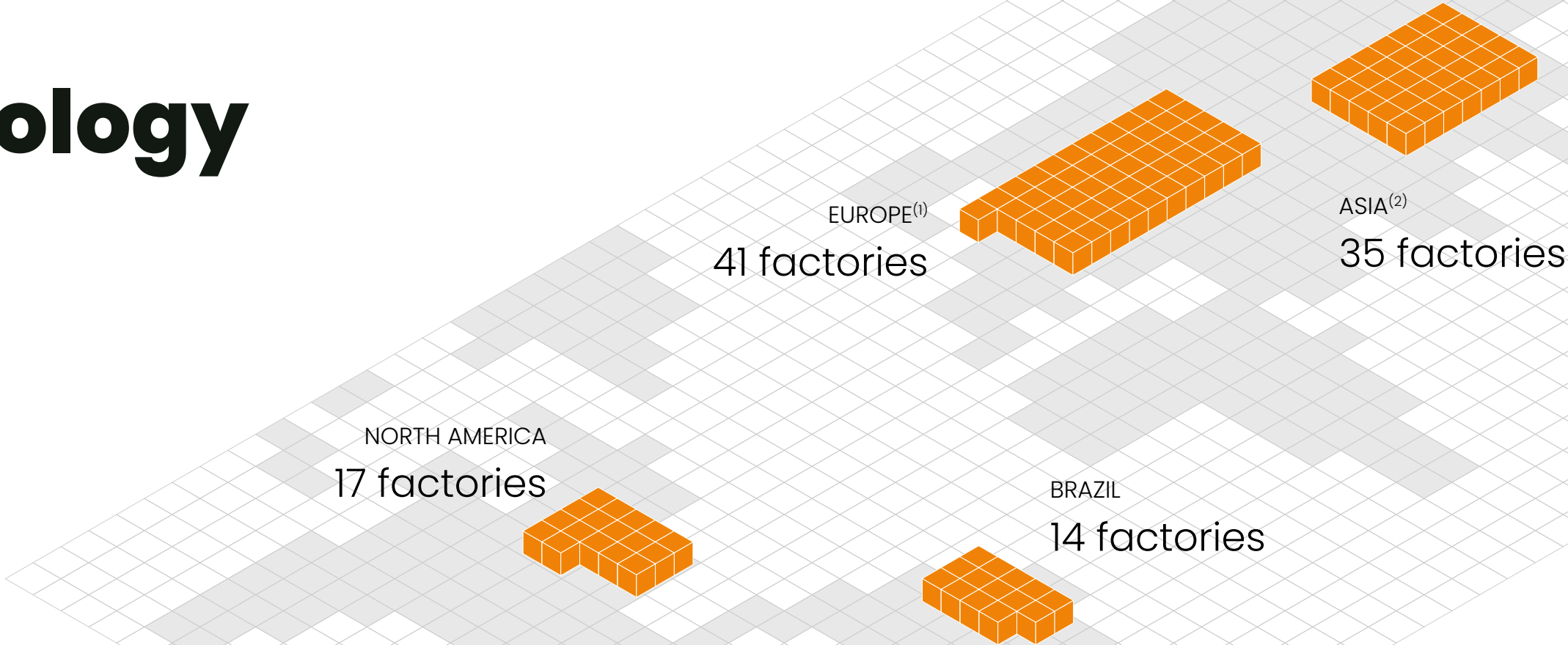


Multi-technology approach

At CIE Automotive we offer an extensive product range, including over 7,000 SKUs between automotive parts and subassemblies, manufactured using seven core technologies: aluminium die casting, forging, metal stamping and tube forming, machining, plastic, casting and roof systems.

Our mastery of these seven technologies allows us to propose different technical solutions for a given part or manufacture complex subassemblies using a combination of processes. This multi-technology approach adds value to our offering and simplifies our customers' supply chains, providing them with quality and cost-efficiency.

We are currently focusing our investments on the technologies in greatest demand in the market, many of which are related with comfort, making vehicles lighter and electrification. Indeed, more than 80% of the parts and subassemblies we produce are 'agnostic', suitable for vehicles with any type of engine.



Factories	TOTAL	Aluminium die casting (5)	Forging	Metal Stamp. & Tube Forming (3)	Machining	Plastic (4)	Casting	Roof systems
Europe (1)	41	4	3	5	16	7	-	6
North America	17	1	2	4	6	2	-	2
Brazil	14	1	1	4	1	6	1	-
Asia (China, India & Korea) (2)	37	3	9	7	3	1	2	12
TOTAL	109	9	15	20	26	16	3	20

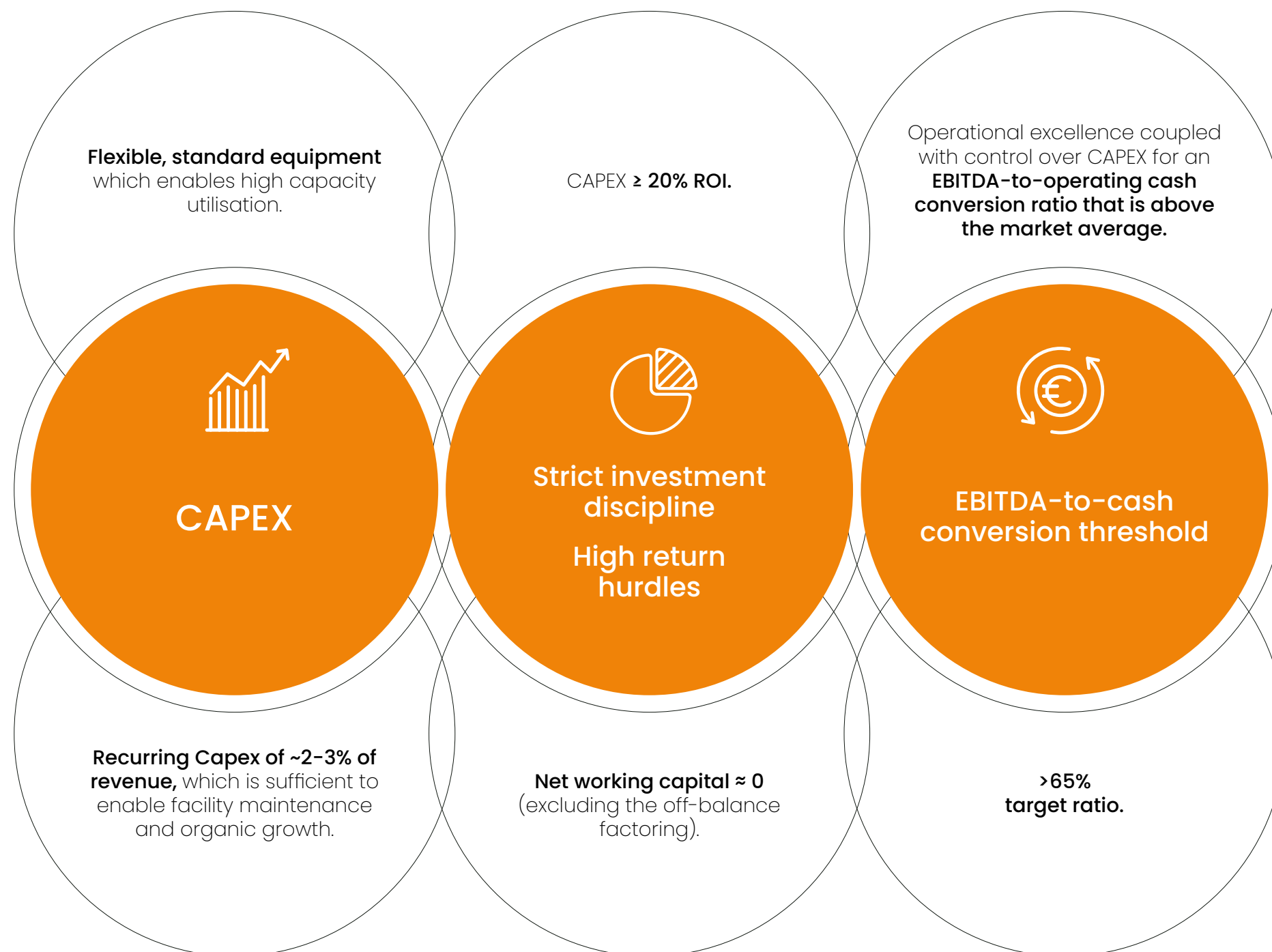
(1) Includes the CIE Maroc factory in Morocco.
(2) Includes one multi-technology factory (CIE Automotive Parts Shanghai).
(3) Includes three multi-technology factories (CIE Celaya, CIE Automotive Parts Shanghai and CIE Autometal Diadema).
(4) Includes one multi-technology factory (CIE Autometal Diadema), as well as one facility in India and one in USA that use composites technology.
(5) Includes one multi-technology factory (CIE Celaya).
(6) Includes the magnets factory in India.

Investment discipline

Our investment strategy is underpinned by rigorous financial discipline geared towards cash generation. We also earmark funding to expanding our productive capacity and optimising our facilities, framed at all times by strict hurdles designed to deliver high returns.

ESG criteria have been fully embedded into our investment process since 2023. Now, every investment decision considers environmental aspects such as the reduction of energy consumption, minimisation of waste, impact on the health and safety of our employees and compliance with local regulations. We also analyse industrial and climate risks before making any new investments and require all of our suppliers to endorse our Corporate Social Responsibility Commitment.

PILLARS OF INVESTMENT DISCIPLINE



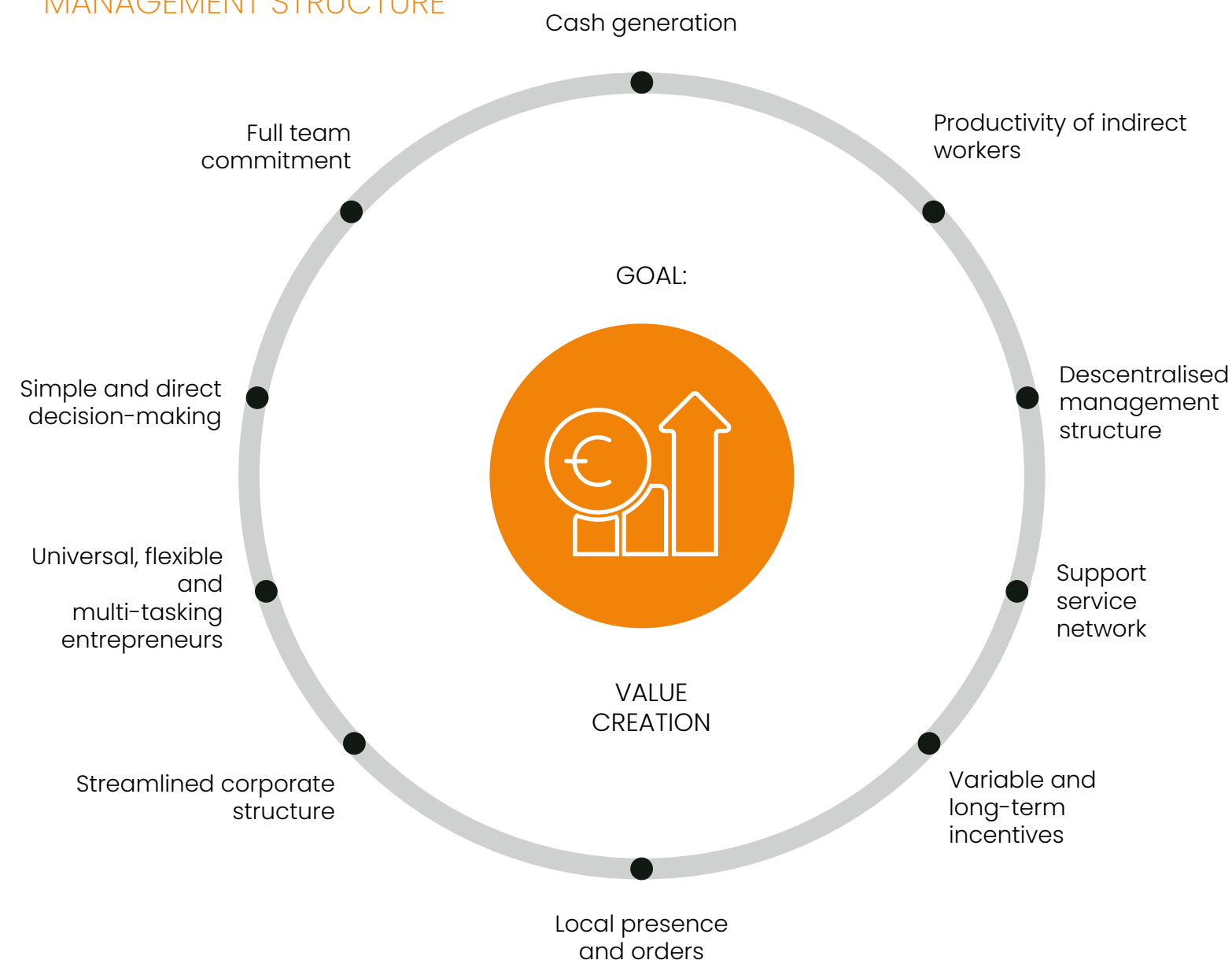
Decentralised management

Our decentralised management approach gives us the flexibility we need to stand out in the global competitive market. Our lean structure, characterised by its simplicity, optimisation and efficiency, speeds up decision-making, a valuable asset in challenging times.

Each of our regions and divisions has the autonomy to take decisions tailored for their individual circumstances, framed by the shared overarching goal of generating value. This decentralised model aligns decisions with each market's operating reality, improving the ability to respond and adapt to local idiosyncrasies.

To ensure the necessary consistency and support, these units are assisted by several horizontal Corporate Areas (Corporate Development, Control & Tax, ESG & Compliance and Finance & Treasury) and a series of Network Services vested with a group-wide remit (Sales, Procurements, Engineering, Quality & Environment, R&D and Human Resources).

CHARACTERISTICS OF THE DECENTRALISED MANAGEMENT STRUCTURE



Integration of ESG standards

We integrate environmental, social and governance (ESG) criteria into all of our strategic and operating decisions, ensuring that our activity is sustainable, aligned with what society expects of us and compliant with prevailing regulations, geared towards profitable growth in the long term and the generation of value for our stakeholders.

Since we signed the United Nations Global Compact in 2015, we have been spearheading the sector's sustainability transformation through specific initiatives that contribute to delivery of the Sustainable Development Goals on which we can have a bigger impact.

THE SDGs CIE AUTOMOTIVE IS WORKING ACTIVELY ON



3. GOOD HEALTH AND WELLBEING
Ensure healthy lives and promote well-being for all at all ages.



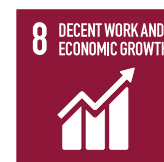
4. QUALITY EDUCATION
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



5. GENDER EQUALITY
Achieve gender equality and empower all women and girls.



7. AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, safe, reliable and modern energy for all.



8. DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.



9. INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation.



10. REDUCED INEQUALITIES
Ensure equal opportunity and reduce inequalities of outcome; maintain a presence in less developed countries.



12. RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns.



13. CLIMATE ACTION
Take urgent action to combat climate change and its impacts.



16. PEACE, JUSTICE AND STRONG INSTITUTIONS
Promote just, peaceful and inclusive societies.



17. PARTNERSHIPS FOR THE GOALS
Strengthen the means of implementation and revitalise the global partnership for sustainable development.

To ensure that sustainability is incorporated into our day-to-day activities, our employees receive specific ESG training. 100% of our executives participate in that training effort. The training is complemented by a range of events related with ESG topics, such as our Compliance Days in China and our Supplier Days in India.

As a sector leader, we share our best practices at different forums, like the Responsible Business Committee of Sernauto, the Spanish association of automotive parts manufacturers. We are also members of Forética, where we participate in clusters with relevance for ESG matters: Transparency and Good Governance, Climate Change and Social Impact. In keeping with our collaborative spirit, in 2024, we hosted Sernauto's Responsible Business Committee at our facilities in Bilbao, sharing our sustainability vision and milestones, focusing particularly on matters related with decarbonisation and due diligence.

Merco ESG Responsibility Seal

The commitment to ESG demonstrated in 2024 has earned us Merco's ESG Responsibility Seal. This is the first time our company has been included in this ranking, in which we actually topped the industrial category. This study, compiled on the basis of 63,786 surveys and using 26 sources of information, analyses the environmental impact (E), social responsibility (S) and governance (G) of companies in Spain.

Milestones

FEBRUARY

Updated body of rules and regulations and global training to reinforce ethics commitment.

MARCH

Implement AI tools to manage supplier

APRIL

Acquisition of AKT Plásticos, a firm specialised in thermoplastic injection moulding.

MAY

Provision of a profit-part Basquevolt, the Basque initiative.

Compliance Day in China

Gold Medal in *Informe* recognition of the qual

SEPTEMBER

Supplier Conference in India addressing sustainability.

Institutional Investor Awards for our IR effort.

JUNE

€36 million loan from the EIB to fund innovation in technology and sustainability.

OCTOBER

Fourth edition of the Ulysses Programme with students from Mexico, Brazil, India and Lithuania.

Environmental Days in India including a supplier conference under the slogan “ESG – Engage with the Future”.

NOVEMBER

Vodafone DEIA Innovation Sariaik Prize for leadership in technological innovation.

Environmental Days in Brazil, Europe and Mexico.

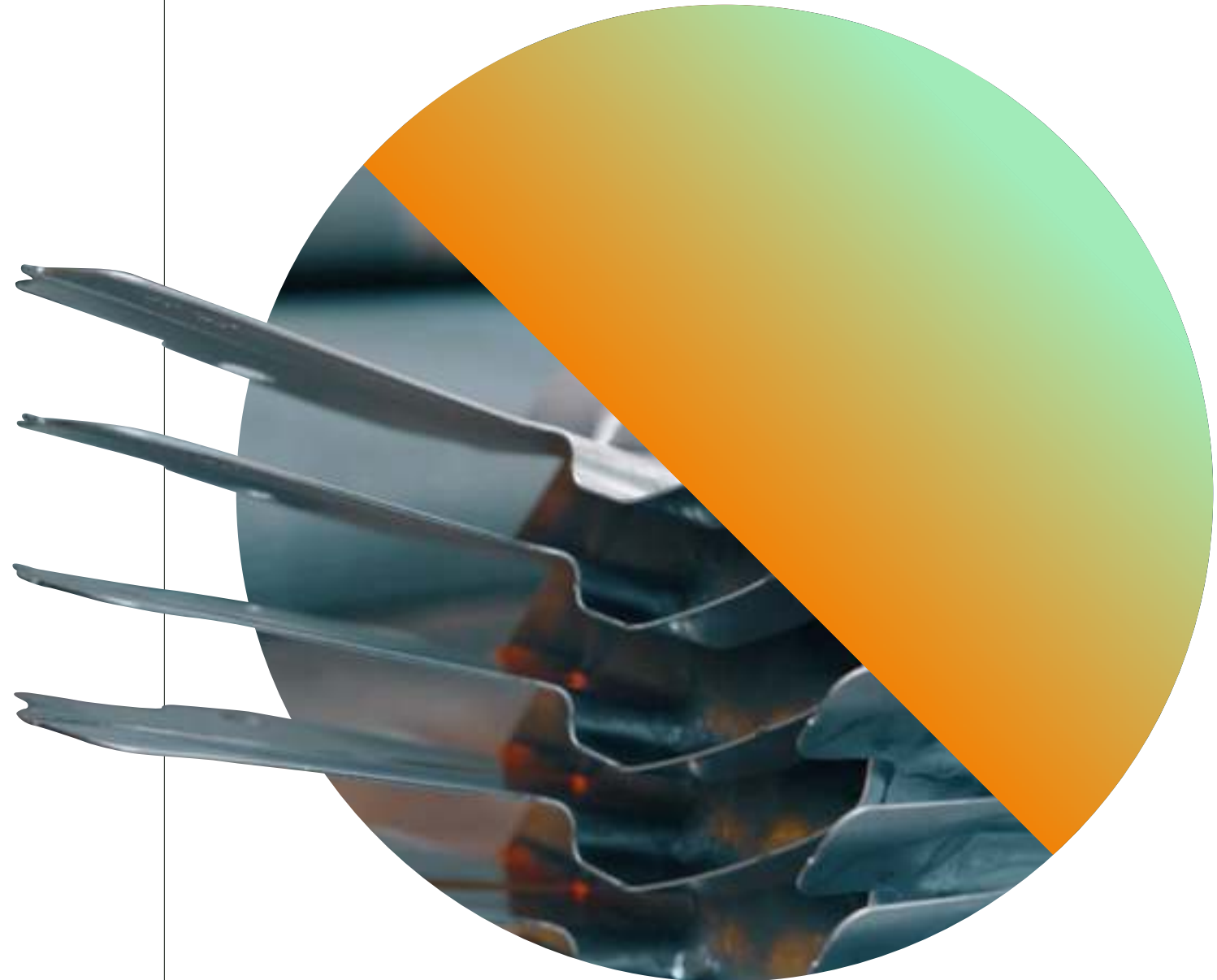
DECEMBER

Completion of the rollout of the Compliance Model implemented during the year in Portugal, Lithuania, Hungary, Morocco and South Korea.

Validation of our short-term, medium-term and net-zero targets by the Science Based Targets initiative (SBTi).

Financial performance

- ▶ Complex sector environment
- ▶ Economic performance
- ▶ Contribution by region
- ▶ Solid financial position
- ▶ Share price performance
- ▶ Shareholder return



In a challenging global environment, we continued to push out our limits, posting a net profit of €326 million, mirroring our solid and astute business model. Our ability to generate value translated into noteworthy profit margins, solid cash generation and growing returns for our shareholders.

Economic milestones

Revenue

€3.96

billion

+1.1%

vs 2023 in constant exchange rate

+2.2pp

vs the market

EBITDA

€727.9

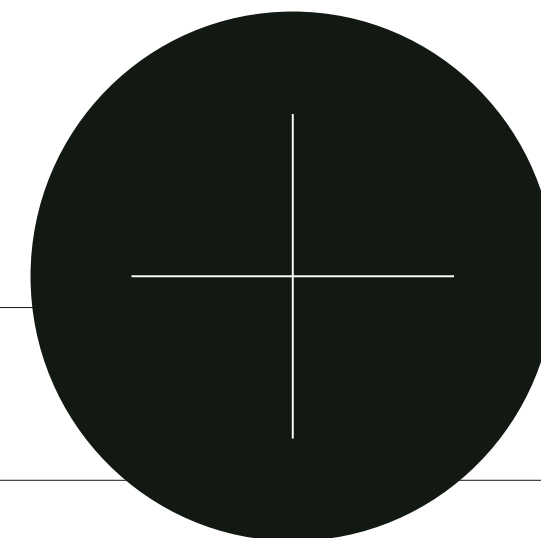
million

+2.1%

vs 2023

18.4%

margin



Net profit

€325.7
million

+1.7%
vs 2023

Cash flow from operations

€463.3
million

66.1%
of EBITDA

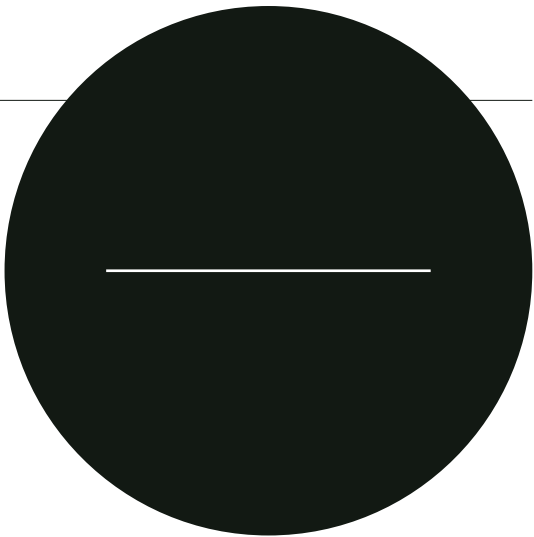


Adjusted net debt

€987.5
million

-12.3%
vs 2023

1.34X
NFD/EBITDA



Complex sector context

The automotive sector had its ups and downs in 2024. Emerging markets such as Brazil, Mexico and India were remarkably strong, whereas Europe, and the US to a lesser degree, were sluggish. Although global production contracted a little, sales continued to grow. Electrification was clearly the main engine of transformation in a sector that was very uneven and is expected to stage a modest recovery in 2025.

In 2024, global vehicle production totalled 89.5 million units, down 1.1% from 2023. The contraction was shaped by lower manufacturing in Europe and the US, which pared back production in the face of slower demand. The contraction in these two markets was not fully offset by the moderate growth in production in China, the world's largest producer, or the vigorous growth observed in emerging markets.

As for demand, global sales registered growth of 1.8%, to 88.3 million units. That growth was unlocked by momentum across emerging economies, normalised chip supplies, incentives for the purchase of vehicles (mainly electric vehicles in China) and easier access to credit in Asia and Latin America.

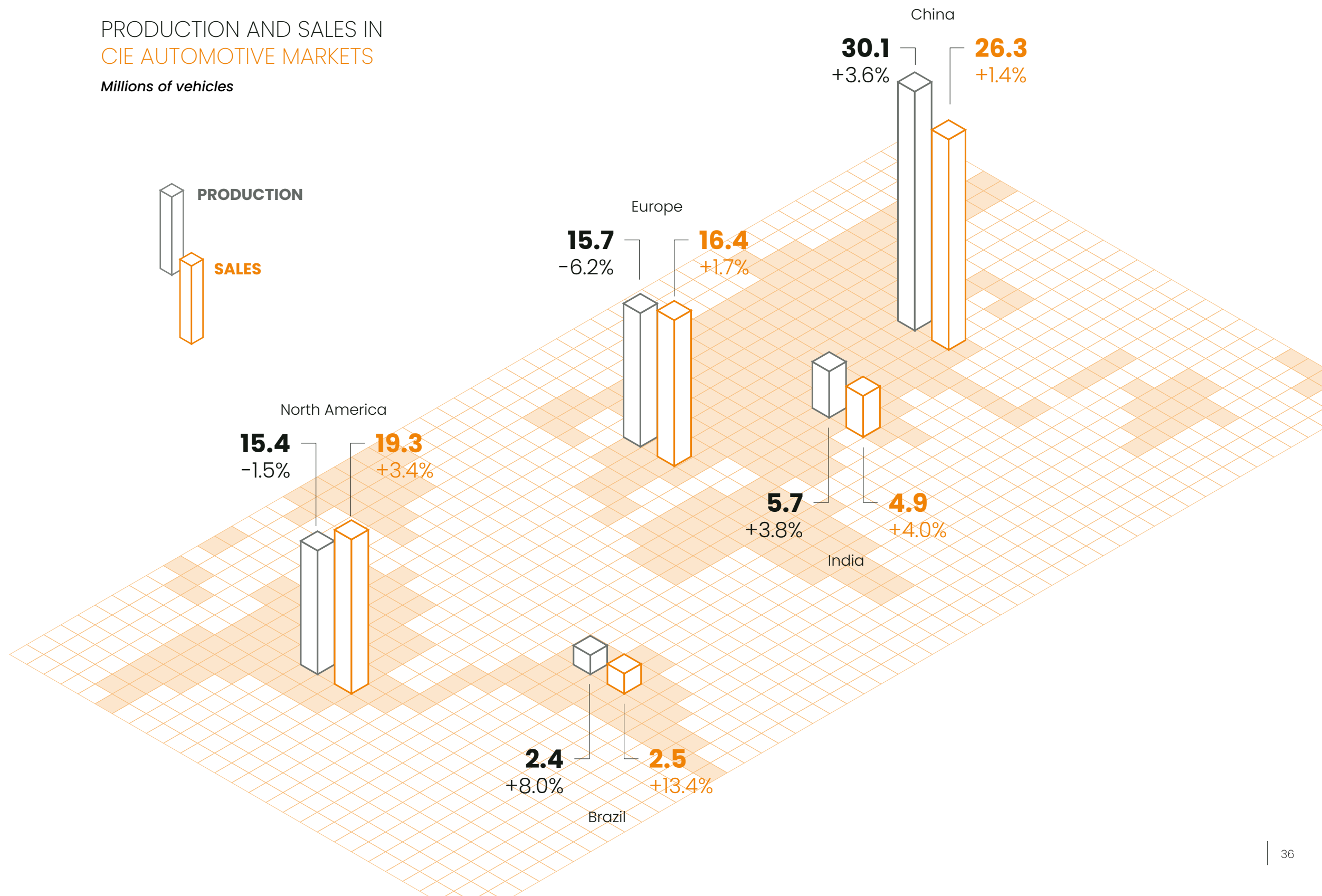
Vehicle electrification is both the biggest opportunity and the main challenge facing the automotive industry. In 2024, manufacturers and suppliers bore tremendous pressure to adapt technologically, compete with emerging brands and adapt for different policies in each country. However, high costs, consumer concerns

around EV autonomy and maintenance and insufficient charging infrastructure impeded faster acceleration towards sustainable mobility, which remains very uneven from one region to the next.

Beyond electrification, other transformational trends remained influential throughout 2024. Comfort, safety and connectivity are priorities for today's drivers who are looking for roof systems, assisted diving and smart infrastructure. Growing complexity around safety is reinforcing the use of multi-technology solutions, whereas the advances in autonomous driving and connectivity are spurring alliances with technology companies.

Performance across CIE Automotive's markets

PRODUCTION AND SALES IN
CIE AUTOMOTIVE MARKETS
Millions of vehicles



The markets where CIE Automotive operates presented a mixed performance in 2024, marked generally by opportunities in emerging markets and challenges in developed economies.

North America

The US and Mexican markets posted contrasting performances.

The US car industry was affected by high borrowing costs for a mature market where the penetration rate stands at 77% and the average vehicle age is an advanced 13 years. The top three OEMs continued to pursue a strategy of reducing their inventories, triggering a contraction in production. The electrification transition continued, stimulated by government incentives and policies, but high sales prices and a shortage of charging infrastructure weighed on purchases.

Mexico consolidated its position as the region's production hub, attracting investment from global OEMs, especially in the electric vehicle segment, and continuing to benefit from its strategic position in the regional supply chain. Beyond its exports, the domestic market is proving dynamic and presents significant upside considering the fact that the vehicle penetration rate is currently only 25%.

Europe

The European automotive market was affected by growing economic and regulatory uncertainty. Restrictive regulations in the European Union related with the energy transition, banning sales of vehicles with internal combustion engines from 2035, coupled with the fines announced for OEMs that fail to meet emissions targets from 2025, generated tension in the sector.

This uncertainty, which made buyers hold back from buying electric vehicles, coupled with the withdrawal of incentives for the purchase of electric cars in Germany and competition from imported Chinese vehicles, drove a correction in vehicle production in a mature market, where vehicle penetration stands at 56% and production has yet to revisit pre-pandemic levels.

The main consequence of this scenario is surplus in all links of the supply chain, idle capacity estimated at 35% or the equivalent of around 8 million vehicles.

Looking to the future, although the advanced age of the stock of European vehicles - 12.5 years on average - could represent an opportunity, the economic barriers and growing competition from Chinese carmakers suggest that the industry will remain challenging and plagued by uncertainty. Clear and consensual measures are needed to ensure the industry's sustainability and competitiveness.

India

Sustained economic growth, a burgeoning middle class and low vehicle penetration make India one of the most dynamic and high-potential markets in the world.

In 2024, the preference for SUVs and the launch of new models, accompanied by aggressive discounts and promotions, underpinned healthy growth in domestic sales. Sales of small-sized passenger vehicles (hatchbacks and sedans) also continued to register growth, especially among medium and low income buyers. Elsewhere, light commercial vehicles (LCV) proved essential to covering the growing demand for logistics and transportation. Although electrification is at an early stage in this market, the country has made progress on policies to encourage the use of electric vehicles, especially in urban areas.

In parallel, India reinforced its position as an automotive export hub, taking advantage of global strategies like 'friendshoring', whereby international OEMs are moving their supply chains to countries with competitive costs and low geopolitical risk.

China

The Asian giant remained the largest producer of vehicles, at over 30 million, and continued to set the trend for the sustainable mobility transition: 47% of vehicles produced in China are already new energy vehicles.

The domestic market held up thanks to government incentives for vehicle scrapping and the discounts applied to 227 car models. In parallel, China cemented its position as the world's biggest car exporter, with foreign sales increasing by 20% last year. However, Chinese exports could become constrained by tighter regulations and tariffs.

Brazil emerged as the world's fastest-growing market in 2024, fuelled by falling unemployment, the renewal of corporate fleets and interest rate cuts in a market in which 70% of all vehicles are financed. These conditions, coupled with the promotions on offer to make up for high inflation, made Brazil the eighth-largest producer in the world and one of the markets set to register the highest growth in 2025 and beyond.

Economic performance

CIE Automotive recorded revenue of €3.96 billion and a record net profit of €325.7 million, up 1.7% from 2023. These earnings, obtained in a contracting automotive market, cement our position as one of the most profitable and resilient companies in the sector.

2024 EARNINGS

(€ m)	2023	2024	Var. %
Revenue	3,959.5	3,960.6	+1.1% ⁽²⁾
EBITDA	713.2	727.9	+2.1%
EBITDA margin % ⁽¹⁾	18.0%	18.4%	
EBIT	527.7	538.4	+2.0%
EBIT margin % ⁽¹⁾	13.3%	13.6%	
Net profit	320.2	325.7	+1.7%

⁽¹⁾ EBITDA: earnings before interest, tax, depreciation and amortisation; EBIT: earnings before interest and tax; Net profit: Profit attributable to owners of the Parent Company. ⁽²⁾ In constant currencies.

In 2024, CIE Automotive's revenue growth in constant currencies outperformed global vehicle production by 2.2 percentage points (production contracted by 1.1% last year). This exceptional performance, sustained throughout the challenging post-pandemic market environment, reflects the structural solidity of our business model, which is capable of delivering profitable growth irrespective of the sector's performance.

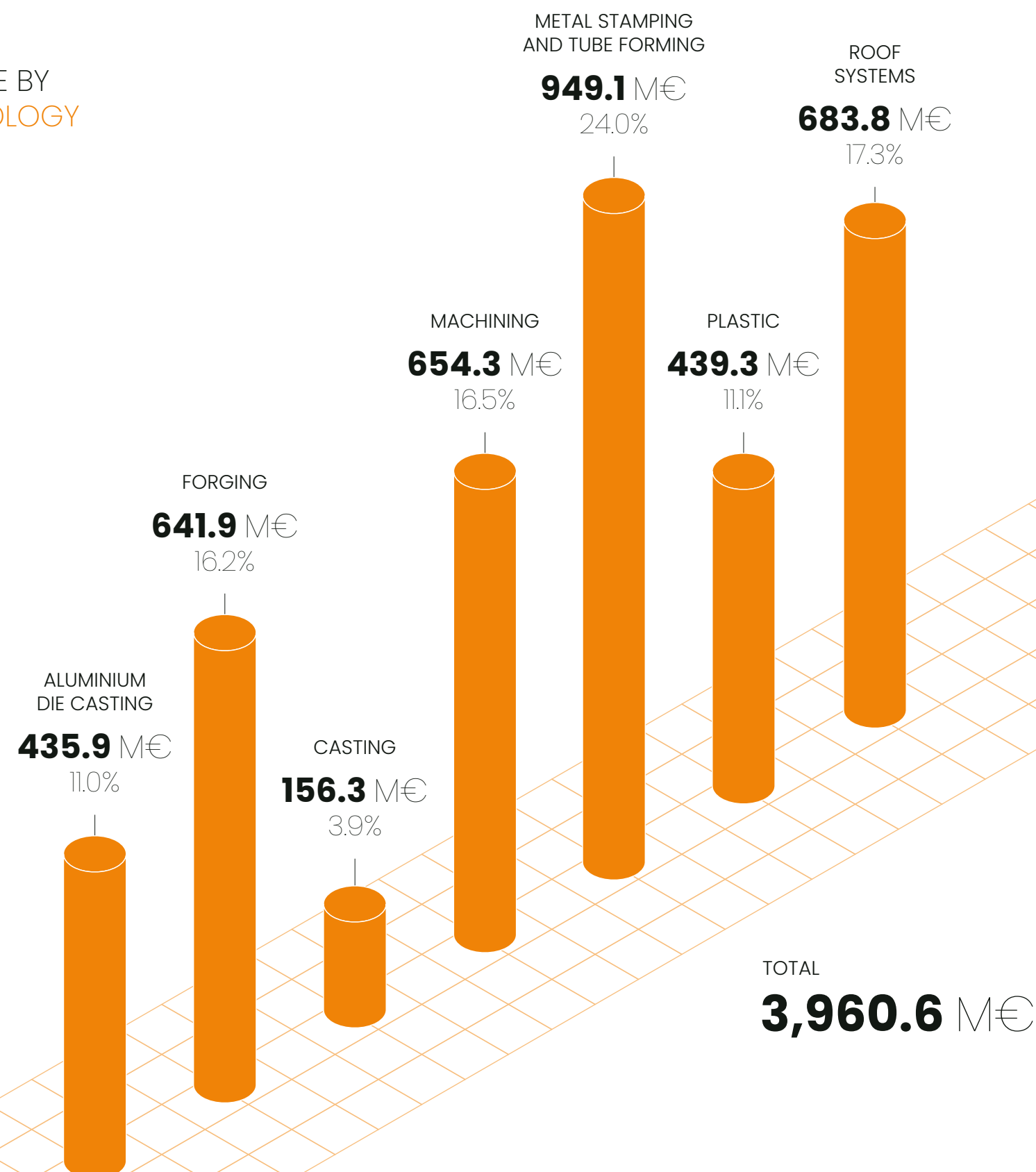
The growth in revenue, coupled with efficient spending, drove widespread margin expansion. The EBITDA margin came in at 18.4% and the EBIT margin was 13.6%, both new milestones for the company.

Capital expenditure

Throughout the year we continued to strengthen our global presence, building a new factory from scratch in Northern Mexico with a view to adding new production capacity in that market. This strategic investment is designed to tap growing demand in North America and consolidate our position as a key supplier to the region's OEMs.

In Spain, we acquired in April AKT Plásticos, a company specialised in thermoplastic injection moulding for the automotive sector. This transaction will increase CIE Automotive's capacity in the plastic segment and should be seen against the backdrop of consolidation among parts suppliers in view of sector complexity.

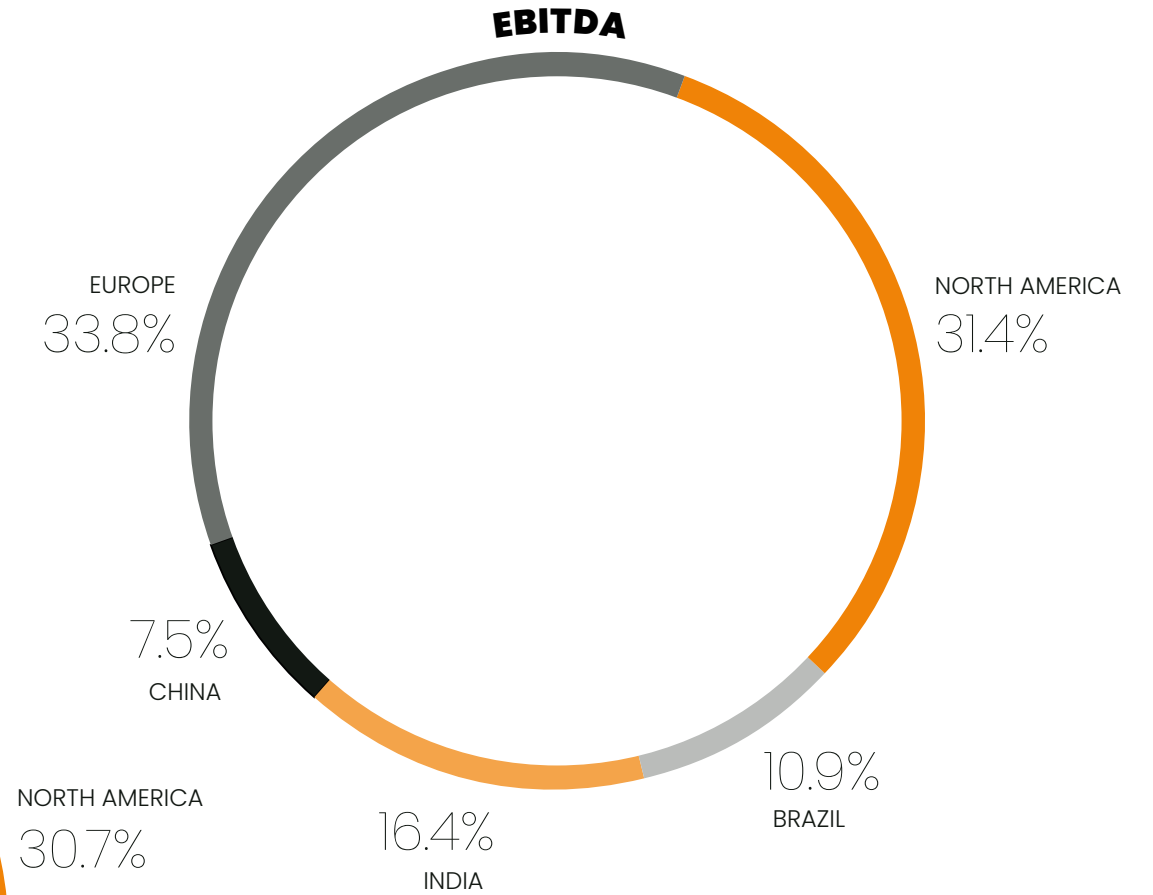
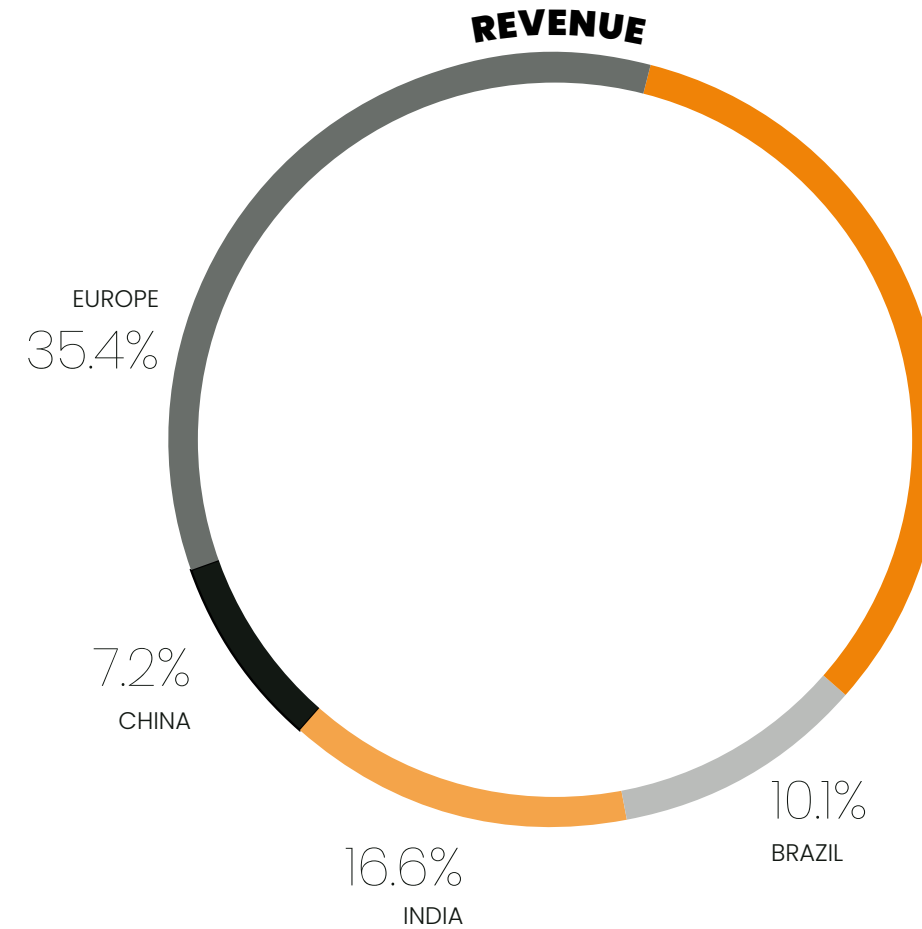
REVENUE BY TECHNOLOGY



Contribution by region

All operating regions made positive contributions last year. These results evidence our ability to adapt for the sector's transformation and maximise our margins in all geographies.

CONTRIBUTION
BY GEOGRAPHY



In a global market characterised by noteworthy differences and imbalances across regions, we managed to keep our margins in the double digits, all close to each other and close to our consolidated margins in all of our regional markets.

EUROPE

Revenue	€1.4 billion -1.7% vs 2023	MARKET -6.2%
EBITDA margin	17.5% EBITDA: €245.6 million	
EBIT margin	11.8% EBIT: €165.3 million	

NORTH AMERICA

Revenue	€1.22 billion -1.3 % vs 2023	MARKET -1.5%
EBITDA margin	18.8% EBITDA: €228.7 million	
EBIT margin	14.2% EBIT: €172.5 million	

BRAZIL

Revenue	€401.4 million +11.4% vs 2023	MARKET +8.0%
EBITDA margin	19.8% EBITDA: €79.6 million	
EBIT margin	16.4% EBIT: €66.0 million	

INDIA

Revenue	€656.1 million +6.3% vs 2023	MARKET +3.8%
EBITDA margin	18.2% EBITDA: €119.3 million	
EBIT margin	14.4% EBIT: €94.6 million	

CHINA

Revenue	€283.9 million -11.9% vs 2023	MARKET +3.6%
EBITDA margin	19.3% EBITDA: €54.8 million	
EBIT margin	14.1% EBIT: €40.1 million	

Solid financial position

We reinforced our financial position thanks to solid cash flows from operations and significant deleveraging, bringing our debt to historically low levels. This situation positions us to tackle strategic growth investments.

In 2024, we converted over 66% of our EBITDA into operating cash flow, having generated €463.3 million of cash.

Despite significant investments in 2024, the acquisition completed in Spain and the payment of two dividends totalling €107.8 million and of dividends to non-controlling interests in the amount of €13.5 million, we managed to reduce our net debt by nearly €130 million to end 2024 at €1,005.1 million.

Our net debt/EBITDA ratio hit a record low of 1.34x, well below our comfort zone of 2.0x, positioning us ideally to pursue new investment opportunities in the years to come.

BALANCE SHEET AT YEAR-END 2024

(€ m)	2023	2024
Fixed assets	3,541.4	3,683.9
Net working capital	(469.7)	(473.8)
Total net assets	3,071.7	3,210.1
Equity	1,661.2	1,913.9
Net debt	1,134.7	1,005.1
Other (Net)	275.8	291.1
Total equity and liabilities	3,071.7	3,210.1

FINANCIAL
RATIOS

	2023	2024
Adjusted net debt/EBITDA	1.6	1.3
Net debt/Equity	0.7	0.5
Leverage ratio	0.4	0.3

Diversification and sustainability

We work with a number of banks to finance our activities. As a result, our credit risk is not concentrated. At year-end 2024, CIE Automotive had undrawn credit lines totalling €191.7 million (total limit under these facilities: €753.5 million).

We remained faithful to our sustainable financing strategy in 2024: 100% of our net debt is tied to ESG criteria. Since we arranged our first sustainable financing in 2019, we have integrated ESG criteria into all our transactions, so that delivery of our ESG targets, as certified by independent agencies like Moody's, are rewarded with better borrowing terms and conditions.



FINANCIAL DEBT
STRUCTURE

<i>In millions</i>	2019	2020	2021	2022	2023	2024	Maturity	Characteristics
Syndicated loan	480.0	345.0	300.0	340.0	3100	430.0	apr-29	Loan in euros
EIB	113.0	139.0	121.0	108.0	95.0	118.0	jun-34	Loan in euros
IFC EDC	133.7	122.3	121.1	103.1	81.5	0,0	jun-28	Loan in US dollars prepaid
Non-current loan (Private Placement)	77.0	68.0	68.0	68.0	68.0	68.0	jul-28	Loan in euros
North America	212.1	167.2	127.6	105.2	77.4	86.4	Several	Loans in US dollars
Other	1,105.0	1,406.5	1,442,2	1,416.8	1,537.4	1,514.2		
DFB	2,121.0	2,248.0	2,179.8	2,141.1	2,169.4	2,216.6		

DEBT MATURITY
PROFILE

(€ m)	2023	2024
Within one year	511.7	642.9
Between 1 and 2 years	315.7	395.6
Between 3 and 5 years	1,266.3	1,093.9
More than 5 years	75.9	84.2
Total borrowings	2,169.0	2,216.6

EIB financing for innovation and technological developments

In June 2024, CIE Automotive and the European Investment Bank (EIB) agreed a €36 million loan to finance research, development and innovation (RDI) activities.

This new loan reinforces our partnership with the EIB, which dates back over 15 years and is part of our financial diversification strategy, devised to tackle the challenges thrown up by a sector in the midst of transformation.

This funding, which will be used in our facilities in Spain, Germany, France and Italy, will allow us to fortify our global competitiveness and contribute to the creation of value-added employment in Europe.



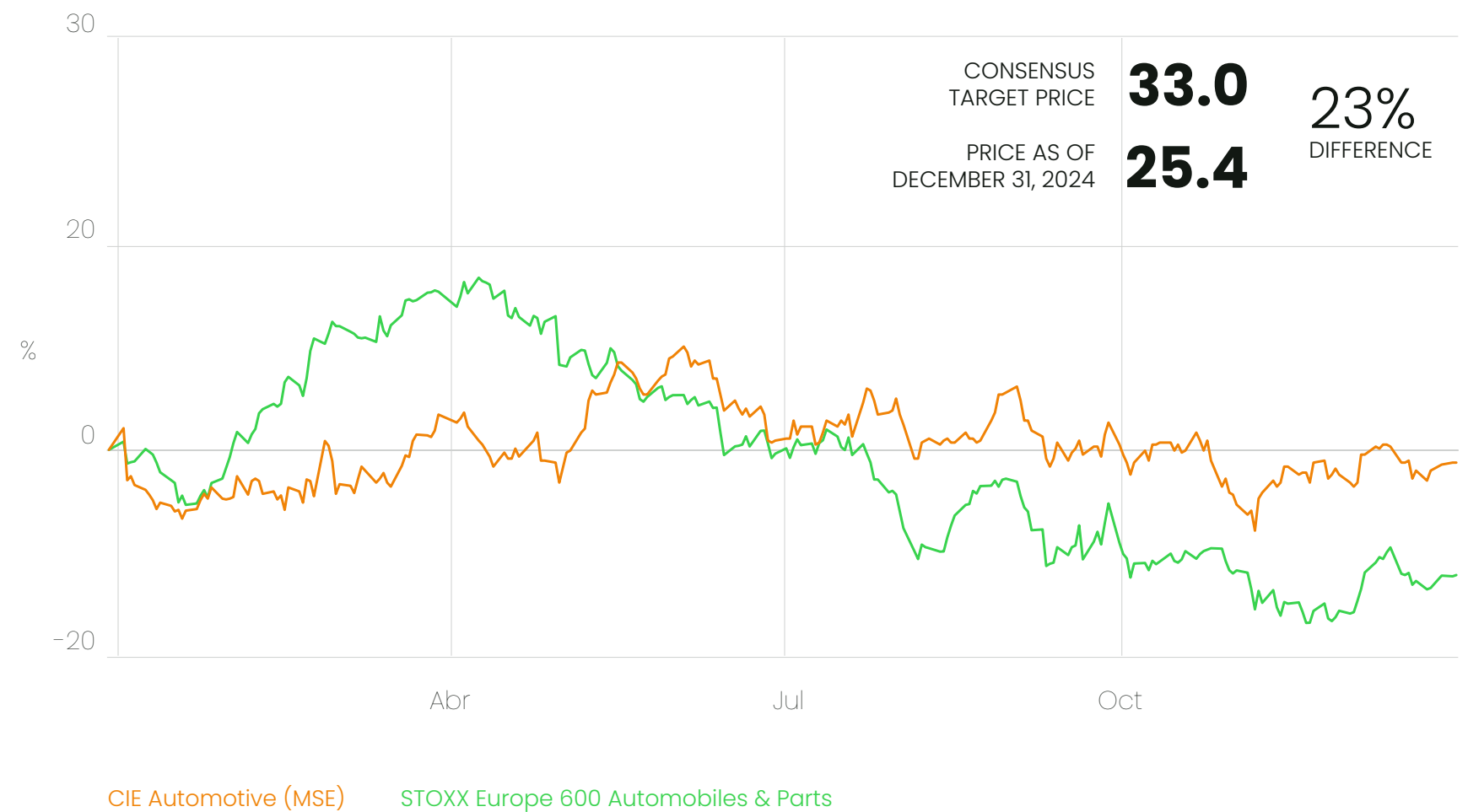
In June 2024, CIE Automotive and the European Investment Bank (EIB) signed a €36 million loan for R&D activities at facilities in Spain, Germany, France, and Italy

Share price performance

The market failed to reflect CIE Automotive's solid earnings performance or promising future prospects. In 2024, our share price corrected a slight 1.2% to €25.40, marking a discount of 23% to the analyst community's consensus target price.

This performance should be seen against the backdrop of a very adverse market climate for automotive stocks. Indeed, the European STOXX Europe 600 Automobiles & Parts index, which encompasses the main automotive sector players, sustained a pronounced correction, of 12.2%.

SHARE PRICE PERFORMANCE IN 2024



Prizes for relations with analysts
and investors

The research analysts following CIE Automotive had an average target price of €33.0 at year-end. This – positive – consensus is largely attributable to the excellent communication and transparency of our Investor Relations (IR) Department. This department was singled out for its ability to provide clear, detailed and consistent information, reinforcing the market's confidence in the company's strategy and performance. The quality of its conferences, roadshows and financial disclosures has been applauded by investment professionals, contributing to a favourable perception in the equities business.

Proof of this strong communication with the market is CIE Automotive's success at the Institutional Investor Awards, where it picked up the most prizes in the Small & Midcaps Automotive category. Specifically, it won Best CEO, Best IR Professional, Best IR Team, Best Investor/Analyst Day and Best IR Program, also ranking second in Best ESG Program. And it shared the podium with Ferrari and Renault in the Best IR Professional and Best IR Team categories in the global automotive sector ranking.

CONSENSUS TARGET PRICES
AT YEAR END

Company	Analyst	Recommendation	Price	Last update
Alantra Equities	Álvaro Lenze	Buy	33.9€	oct-24
Bankinter	Esther Gutiérrez	Buy	33.2€	aug-24
Bestinver Securities	Enrique Yáñez	Buy	35.1€	oct-24
Caixabank BPI	Bruno Filipe Bessa	Buy	33.0€	nov-24
Exane BNP Paribas	Francisco Ruiz	Hold	26.0€	jul-24
Gaesco Valores	Iñigo Recio	Buy	35.0€	feb-24
Intermoney Valores	Virginia Pérez	Buy	33.0€	jul-24
JB Capital Markets	Alberto Espelosín	Buy	34.5€	oct-24
Kepler Cheuvreux	Alexandre Raverdy	Buy	30.0€	oct-24
Norbolsa	Nikola Egia	Buy	35.1€	jun-24
Oddo BHF	Anthony Dick	Outperform	33.0€	jul-24
Renta 4	Álvaro Aristegui	Outperform	35.0€	jul-24
Sabadell	Ignacio Romero	Outperform	33.5€	jun-24
Santander	Robert Jackson	Outperform	31.5€	nov-24
Consensus			33.0€	



CIE India's
share price
performance

The shares of CIE Automotive India Limited are traded on India's two main stock exchanges: the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE). The share price ended the year flat at INR 470.05, having peaked at INR 628.45 during the year.

CIE INDIA'S SHARE
PRICE PERFORMANCE

	2019	2020	2021	2022	2023	2024
No. of shares at year-end (millions)	379.0	379.0	379.1	379.1	379.1	379.1
Share price at year-end on BSE (INR)	164.8	171.8	235.0	343.9	470.7	470.1
Share price at year-end on NSE (INR)	164.8	172.0	234.2	346.5	470.7	470.8
High for the year on BSE (INR)	258.3	179.1	311.7	347.2	549.3	628.5
Low for the year on BSE (INR)	135.6	59.1	148.3	164.0	334.9	420.0
Market capitalisation at year-end on BSE (INR millions)	62,442	65,114	89,068	131,606	178,400	178,451
Average trading volume on BSE (shares)	47,831	16,302	76,125	153,726	153,108	37,870
Average trading volume on NSE (shares)	185,060	207,911	498,953	884,430	1,088,363	459,028
Earnings per share (INR)	9.4	2.8	10.4*	18.8*	21.0*	21.6
P/E multiple	17.6	61.1	23.5*	18.5*	22.4*	21.8

(*) Including continuing operations only, i.e., excluding the earnings of CIE Forgings Germany, which was classified as held for sale.

Shareholder return

Despite a modest performance on the Spanish stock exchange, our total shareholder return continued to increase in 2024. This metric, which combines the share price gain and dividend payments, reached an annualised rate of 2.3% in 2024. This return reflects our commitment to earmarking one third of our annual profits to our shareholders.

In 2024, we paid out €107.8 million of dividends from 2023 profits, a first payment of €0.45 per share (before withholdings) on 3 January and a second payment of €0.45 per share on 4 July.

In line with our remuneration policy, our Board of Directors agreed on 12 December 2024 to pay an interim dividend against 2024 profits of €0.46 per share, year-on-year growth of 2.2%. That dividend was paid out on 8 January 2025.

SHAREHOLDER REMUNERATION

	2020	2021	2022	2023	2024
Ordinary EPS (€)	1.5	2.2	2.5	2.7	2.6
Pay out ⁽¹⁾	33%	33%	33%	33%	33%
Accrued dividend per share (€) ⁽²⁾	0.5	0.7	0.8	0.9	0.9
Dividend paid during the year (€ m)	93.9	61.3	87.2	99.2	107.8

(1) Pay out: percentage of profit paid out to shareholders.

(2) Estimate for 2024 as of the date of publication of this document.

One step closer to our targets

- ▶ Lines of the 2025 Strategic Plan
- ▶ Delivery of the operational lines of the 2025 Strategic Plan
- ▶ Delivery of the ESG lines of the 2025 Strategic Plan



In 2024, we consolidated our progress towards delivery of the ambitious targets set down in our 2025 Strategic Plan, demonstrating that, even in a complex sector environment, we are able to stay on the sustainable growth track. The plan establishes clear targets for the key operational and ESG lines, coordination of which is essential to ensuring sustainable profitability in the long term.

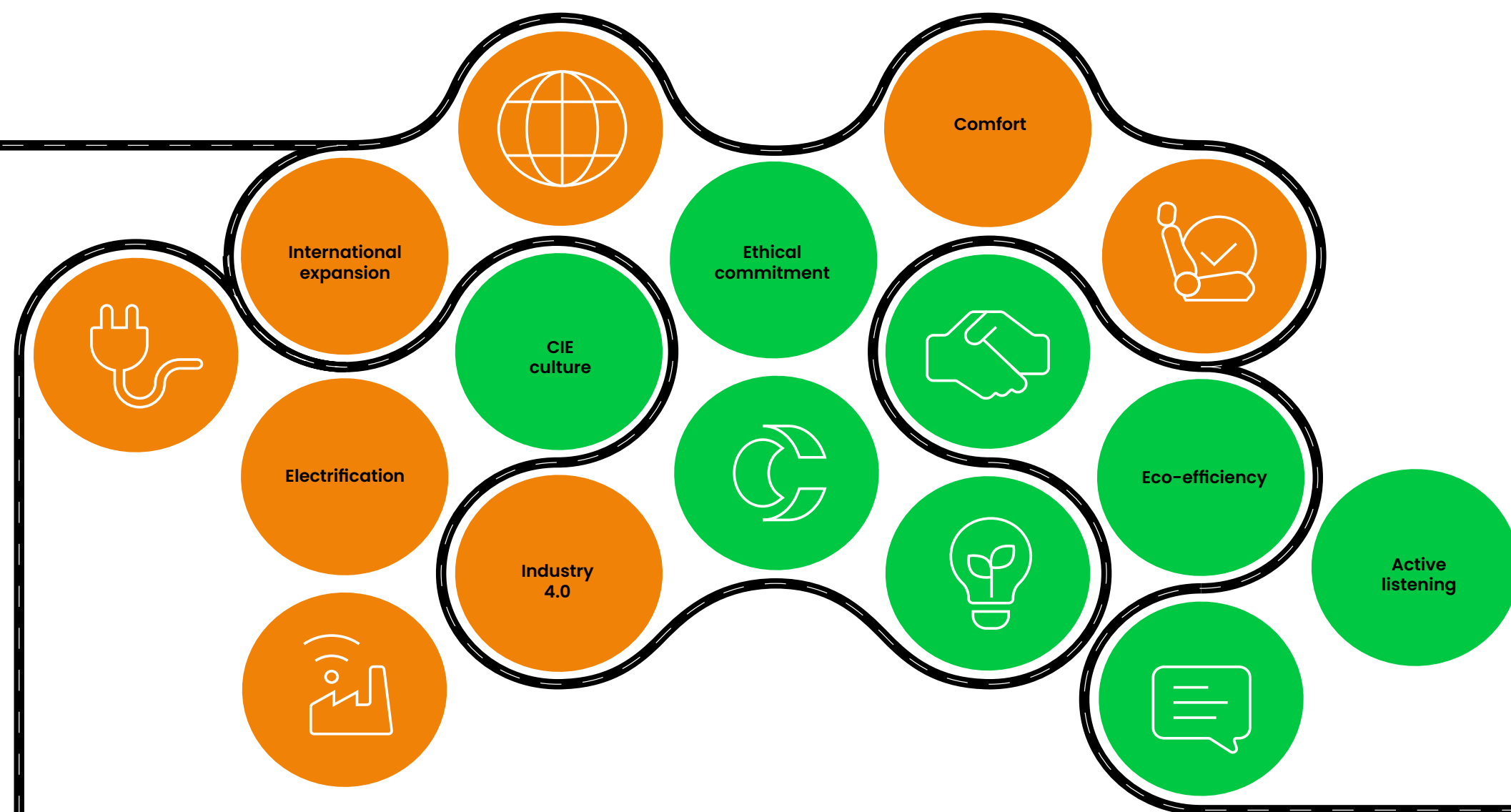
Unstoppa**ble**

Lines of the 2025 Strategic Plan

KEY OPERATIONAL
LINES

KEY ESG
LINES

The complex situation in the automotive sector did not deviate CIE Automotive from the path set down in our Strategic Plan. In 2024, we advanced, unstoppable, towards the ambitious financial and sustainability targets set for 2025, guided by the lines of initiative designed in response to the key prevailing trends. Once again this year we are proud to say that we delivered all of our operating and ESG targets.



Delivery of our operational commitments

Our business strategy is focused on cash generation, which enables us to deleverage and gives us investment capacity.

In light of the progress made in 2024, we are in a position to affirm that we will meet our operational commitments in 2025.

DELIVERY OF OUR ORGANIC OPERATIONAL COMMITMENTS

Operational commitments 2025

Revenue growth ≈ 20 percentage points above market growth over the five-year period

An EBITDA over turnover margin exceeding **19%** in **2025**

CAPEX $\approx$ **€1 billion** over the five-year period, $\approx 5\%$ of revenue per year

Annual **income tax payment** $\approx 2\%$ of revenue

Sustained generation of cash from operations equivalent to $\approx 65\%$ of EBITDA, implying $\approx$ **€500 million** starting in 2025

Progress in 2021-2024

100% of goal achieved, thanks to **strong growth organic** in all geographies

$\approx 90\%$ of goal **achieved**, despite **the impact of inflation** on our cost base

In line with the goal, having invested an average of $\approx 5\%$ of **sales** in these 4 years

In line with the goal, having paid corporate income tax $\approx 2\%$ of **sales** in these four years

$\approx 90\%$ of goal **achieved**, having already generated $\approx$ **€460 million** of operating cash in 2024

Delivery of our ESG commitments

The Strategic Plan rolled out in 2021 introduced high-level ESG targets for the first time, measured by means of 79 specific KPIs which have been integrated into all of our factory management plans and strategic decision-making. In 2024, we delivered all of the targets set for the year and moved closer to meeting our strategic commitments for 2025. Once we complete our 2025 Strategic Plan, we will formulate a new strategic plan on the basis of the results of the double materiality assessment undertaken this year.

We update our KPIs as a function of our context analysis, considering sector trends, the demands of our stakeholders and prevailing legislation.

Each centre reports regularly on its performance and those inputs are uploaded into the global dashboard which is supervised by the ESG Committee and the CEO, who delegates its oversight in the Cross-Group ESG Committee, a working group made up of executives from different areas of the company whose mission is to integrate, coordinate and supervise the ESG strategy in all areas of the Group.

- 3 Health and wellbeing
- 4 Quality education
- 5 Gender equality
- 7 Affordable and clean energy
- 8 Decent work and economic growth
- 9 Industrialisation, innovation and infrastructure
- 10 Reduced inequalities
- 12 Responsible consumption and production
- 13 Climate action
- 16 Peace, justice and strong institutions
- 17 Partnerships for the goals

ENVIRONMENTAL AREA

SDG	KPI	Target	Deadline	2024
91213	Reduction of energy consumption (kWh/value added)	2% annual average	2025	✓
91213	Reduction of direct GHG emissions (Scope 1) (MT CO ₂ e/value added)	2% annual average	2025	✓
91213	Reduction of indirect GHG emissions produced via the generation of energy (Scope 2) (MT CO ₂ e)	5% annual average	2025	✓
91213	Reduction of emissions intensity (MT CO ₂ e/value added)	3% annual average	2025	✓

SUPPLY CHAIN AREA

SDG	KPI	Target	Deadline	2024
810	No. of countries to have embedded ESG criteria into their purchasing processes / Total number of markets in which the group operates	100%	2021	✓
81013	% Local suppliers / Total suppliers over total expenditure during the period	>70%	2023	✓
810	No. of suppliers with annual purchasing volumes of >€1m that have been audited and/or self-assessed along ESG criteria during the Plan horizon	25%	2022	✓

HUMAN RESOURCES AREA

SDG	KPI	Target	Deadline	2024
510	No. of factories to have completed diversity assessment / Total group factories	100%	2025	✓
38	% of plants with ISO 45001 certification considering scope at the start of the 2025 Strategic Plan	100%	2025	98%
38	No. of people trained / Total no. of people to be trained on ESG matters	100%	2025	✓

COMPLIANCE AREA

SDG	KPI	Target	Deadline	2024
3816	Employees trained on Code of Conduct	>95%	2021	✓
3816	Organisation of ESG workshops	100%	2025	✓
4816	Global rollout of Criminal Risk Management Model	100%	2025	✓

ENGINEERING AREA

SDG	KPI	Target	Deadline	2024
9 12 13	No. of production lines to have implemented Industry 4.0 technology initiatives by division or technology	Europe: 3 Asia: 1 America: 1	2024	✓ ✓ ✓
9 12 13	Introduction of circular economy projects to enhance energy consumption (#)	Development of a circular economy project in Europe and extension to another region	2024	✓
9 12 13	% improvement in the gross to net weight ratio	Europe: 3% improvement in 2 significant products across 3 technologies Rest of world : 3% improvement in 3 significant products across 3 technologies	2025	✓ ✓

SALES AREA

SDG	KPI	Target	Deadline	2024
17	No. of factories self-assessed in NQC with a score of over 80%	75%	2021	✓
17	Determine which platforms each factory uses with its customers for ESG self-assessment purposes	100%	2021	✓
17	No. of salespeople to have received training / Total number of salespeople	80%	2021	✓

M&A AREA

SDG	KPI	Target	Deadline	2024
3 8	New acquirees to have implemented the ESG Manual / Total new acquirees	100%	2021	✓

FINANCE AREA

SDG	KPI	Target	Deadline	2024
8	Compliance with the requirements stipulated in the first sustainable finance issue until repayment (%)	100%	2021	✓
8	ESG financing agreements published (%)	100%	2023	✓
8	Gross sustainable borrowings / Gross group borrowings	>50%	2025	✓

INVESTOR RELATIONS AREA

SDG	KPI	Target	Deadline	2024
8	No. of key ESG analysts answered / Total key ESG analysts to have contacted CIE Automotive	100%	2021	✓
8	Publication of the ESG Plan on the corporate website and intranet	100%	2021	✓

In 2024, CIE Automotive met the commitments made in its 2025 ESG Strategic Plan

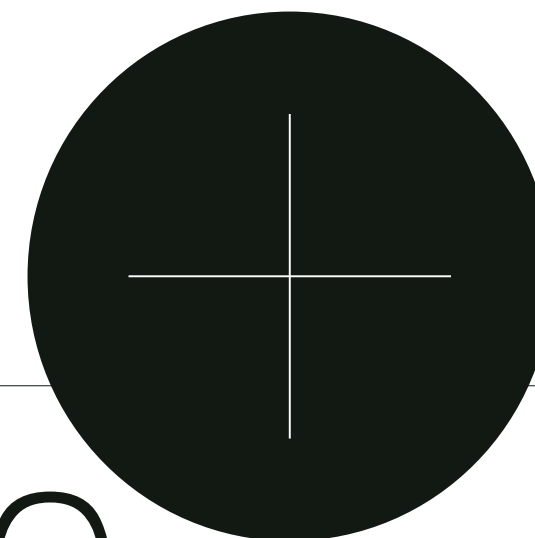
Social advances all along the value chain

- ▶ We are investing in an exceptional workforce
- ▶ We are helping our customers with their transition
- ▶ We are aligning our suppliers with our targets
- ▶ We are expanding our positive impact on society



Our success is owed to the people who make up CIE Automotive, the customers who place their trust in us and the suppliers who help us deliver in each market. In 2024, we reinforced this vision with initiatives that foster the development, sustainability and innovation in each stage in our value chain.

Social advances



DIVERSITY
AND
INCLUSION

>190 measures
in 70 factories

SUPPORT
MEASURES
FOR WORKERS
AND
EMPLOYEES

>€40
million

QUALITY
FOR OUR
CUSTOMERS

108 factories
boast certified

SUSTAINABLE
PROCUREMENT

ISO
recertification

CONTROL OVER THE
SUPPLY CHAIN

>15,000

suppliers
monitored daily

INVESTMENT IN THE SUSTAINABLE
MOBILITY TRANSITION

€750,000

of shareholder loan
to Basquevolt

We are investing in an exceptional workforce

We believe that investing in our workforce means betting in a sustainable and profitable future. To that end, we promote a stimulating and inclusive work environment where each individual brings an unique value. In 2024, we reinforced our commitment to our employees by means of over 190 measures specifically designed to foster inclusion, developing talent through training and advancing towards our zero accident target.



Diversity, equality and inclusion

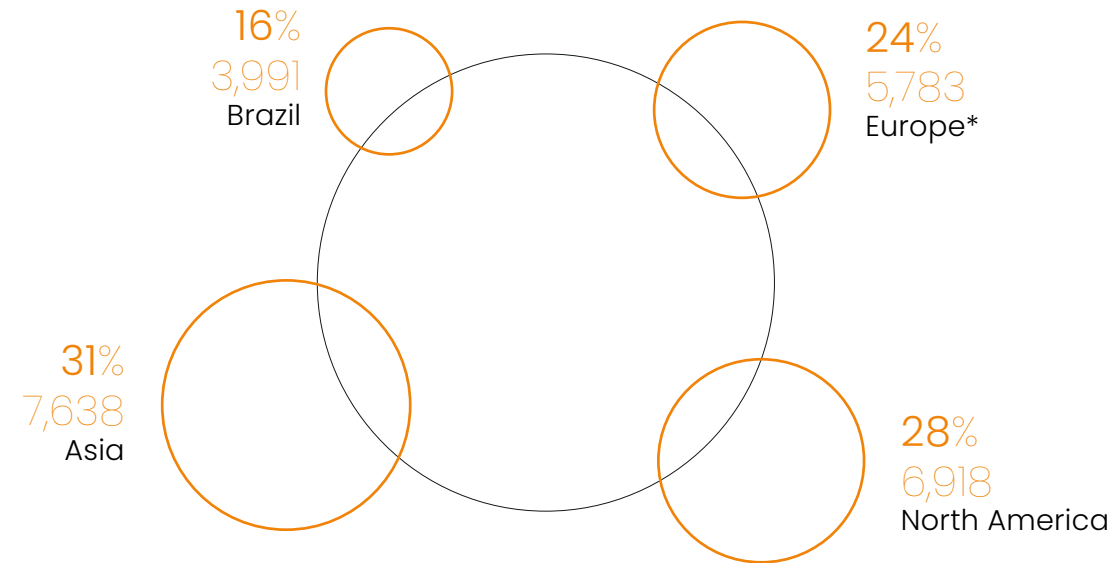
Our activity was underpinned by a team of 24,330 employees distributed across 19 countries (17 countries with a productive and R&D presence) and four continents as of the end of 2024. This diversity is a true reflection of our commitment to an inclusive work climate which values different cultures, genders, generation and abilities.

Framed by this approach, last year we completed our diversity and inclusion assessments at all of our factories. Based on the outcome of those assessments, our work centres voluntarily created their own action plans, whose execution is monitored at the factory level but also by the Corporate Human Resources Department. In total, more than 170 specific measures were implemented to address the gaps identified and included initiatives for increasing female representation and including people with differing capabilities.

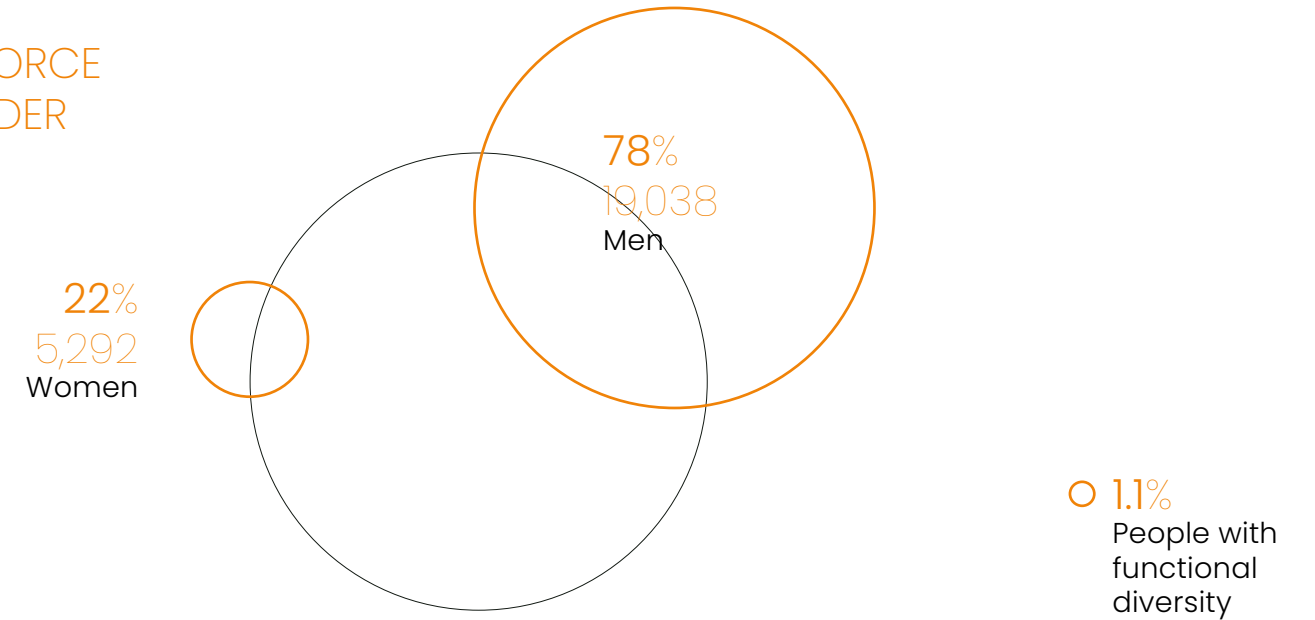
In addition, gender diversity at the company continued to improve despite the specific challenges encountered in the manufacturing sector. In 2023, female representation topped 20% for the first time and in 2024 it rose to 22%.

It is also worth highlighting the successful integration of 280 employees who joined CIE Automotive's plastic division in Spain from AKT Plásticos, aligning their management with the Group's standards and values.

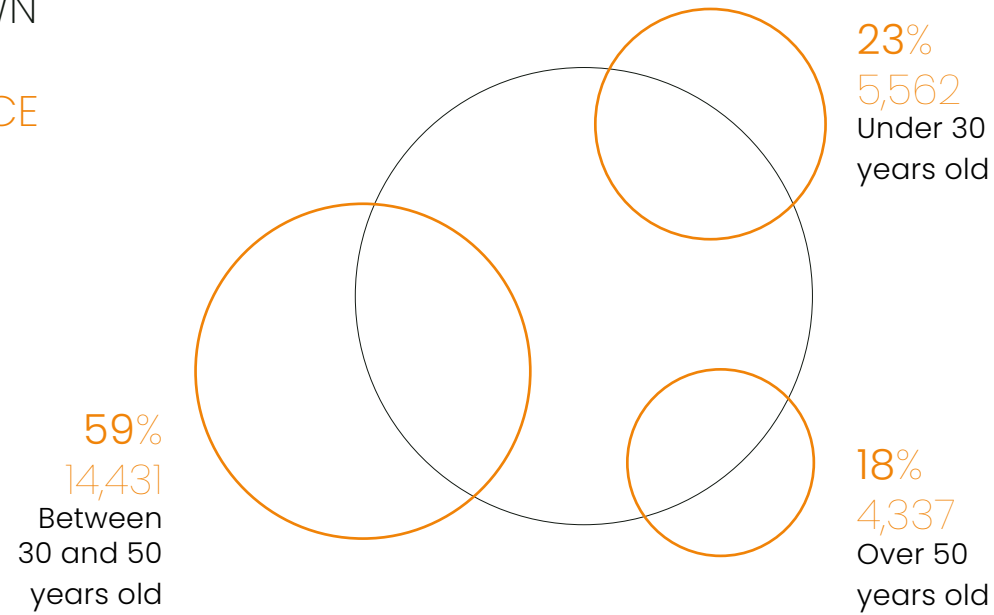
BREAKDOWN OF THE WORKFORCE BY REGION



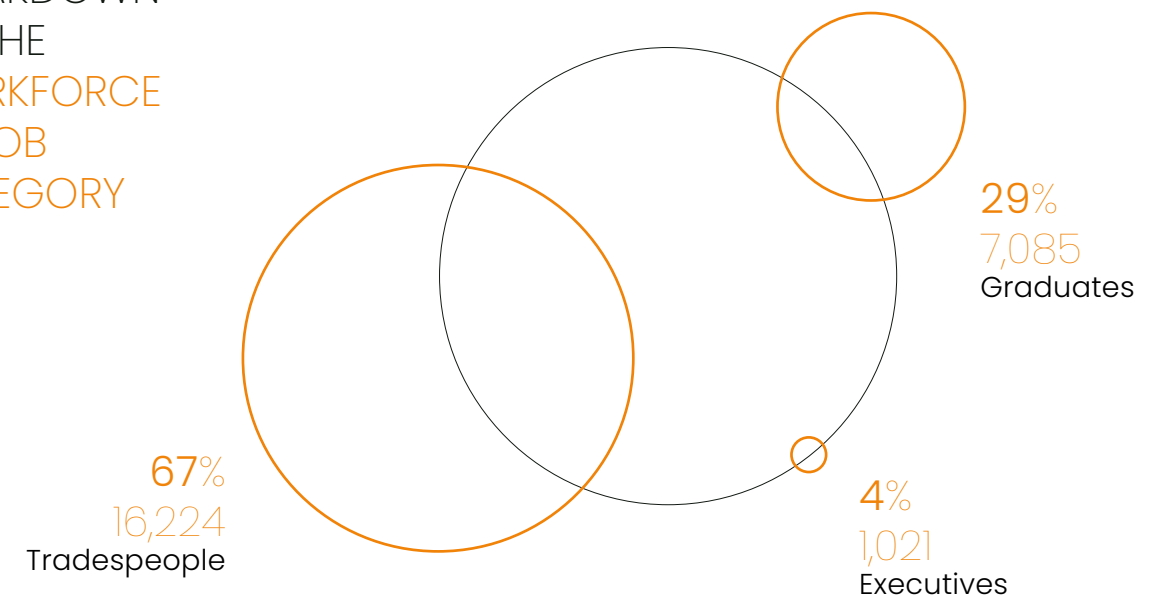
BREAKDOWN OF THE WORKFORCE BY GENDER



BREAKDOWN OF THE WORKFORCE BY AGE



BREAKDOWN OF THE WORKFORCE BY JOB CATEGORY

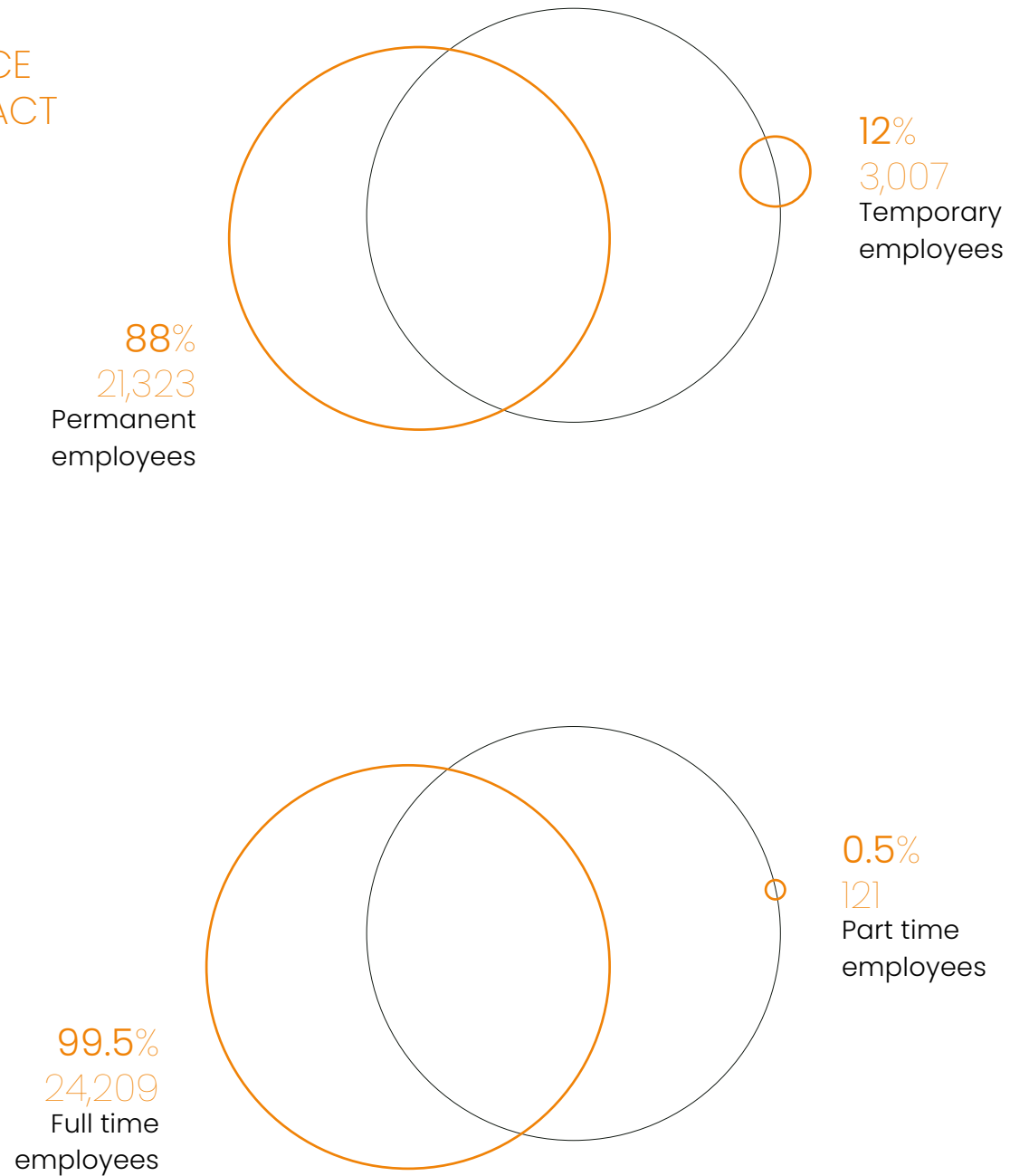


(*) Includes 61 employees located in Morocco

Fair working conditions

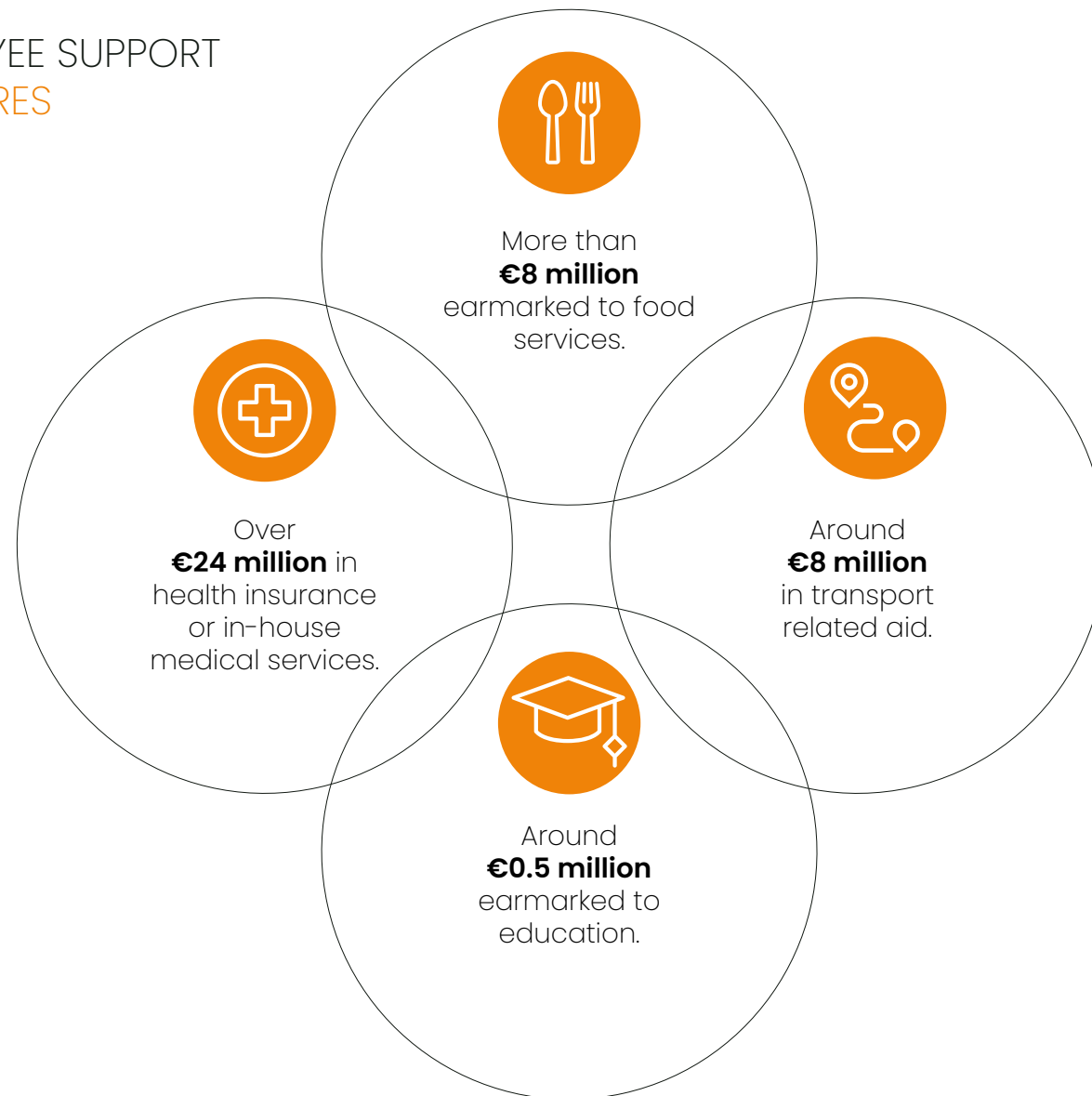
We are committed to providing a living wage to all our employees, regardless of where they work. With 87.6% of permanent employees and almost all of our workforce, we are committed to job stability, creating greater security for workers and contributing to a more predictable work environment, ensuring operational continuity.

BREAKDOWN OF THE WORKFORCE BY CONTRACT TYPE



Aside from wages, the company supports its employees with a series of company benefits which enhance their and their families' life quality and generate a sense of belonging. These support measures entailed an investment of over €40 million in 2024.

EMPLOYEE SUPPORT MEASURES



Improvements wrought by employee dialogue

At CIE Automotive, we constantly reach out to our workers. To learn more about their opinions and concerns, every two years we undertake workplace climate surveys at our factories. In 2024, we conducted 38 surveys, obtaining a score of 7.6 out of 10, indicating a positive general level of satisfaction but revealing areas for improvement. Based on the results of those surveys, in 2024 we have put together action plans in a number of countries:

- Spain: Training on time, stress and meeting management. Reinforcement in the prevention of occupational hazards and hiring of indefinite relief staff.
- India: Optimisation of the workload, more flexible working hours and a new referrals policy to encourage employee involvement in hiring processes.
- United States: Improved internal communication through newsletters and pay reviews to ensure competitiveness.
- Brazil: Inspections and improvements to working climate, upgrade of the resting areas, replenishment of hygiene products and training around leadership and internal relations to strengthen teamwork.

Collective bargaining

In 2024, 62% of the Group's employees were covered by collective bargaining agreements. Over the course of the year, the company entered into 34 collective bargaining agreements (regional, sectoral and some factory-specific) at a number of facilities in the following countries: Mexico, Brazil, Spain, Germany, the Czech Republic, Romania and India.

Training and career development

Continuous learning is essential at CIE Automotive by upskilling our employees and bolstering our productivity, efficiency and innovation in a competitive environment. In 2024, we provided over 800,000 hours of training, similar to the volume of 2023, which benefitted more than 20,800 people.

We also reinforced sustainability and governance related training, providing 250,000 hours of ESG training, ensuring that all of our executives and middle management are well grounded in these topics.

TRAINING IN 2024

	Men	Women	Total
Hours	584,775	222,318	807,093
Employees trained	16,106	4,716	20,822
CIE Automotive employees	19,038	5,292	24,330
Hours per employee trained	36.3	47.1	38.8
Hours of training per employee	30.7	42.0	33.2



Performance assessment

To measure each employee’s individual performance, foster career development and identify strengths and areas for improvement, we carry out performance assessments. In 2024, these assessments encompassed 45% of our employees. By gender, 50% of female employees were assessed, compared to 44% of our male employees.

Ulysses
Programme

The fourth edition of the Ulysses Programme – CIE Automotive’s young talent training and development platform – got underway in October 2024. For two months, 15 participants from Mexico, Brazil, India and Lithuania received intensive training in metalworking, leadership,

innovation and entrepreneurship at the Leartiker Technology Centre, with the involvement of corporate directors who share their strategic vision. After this initial phase, the programme continues for another six months on-the-job training at iconic CIE Automotive factories.

Since its creation, Ulysses has trained more than 50 youths from five countries, linking about 20 plants of origin and 15 plants of destination. This programme embodies CIE Automotive’s commitment to young talent, strengthening global collaboration and integration of its corporate values.



Health, safety and wellbeing at work

At CIE Automotive, we strive to provide safe and healthy places of work for all our employees, framed by our Health and Safety Policy. Thanks to this commitment, we managed to keep our injury rates below the sector average and have accumulated several years without any fatalities.

98% of our factories, where 95% of our workforce works, are ISO 45001-certified. In addition, all of the factories fill out the CIE SAFETY questionnaire and have to score at least 85 points or formulate an action plan for improving their indicators so as to reach that threshold.



INJURY METRICS

	2023	2024
Lost-time injuries ⁽¹⁾	345	361
Work-related illnesses	27	23
Injury frequency rate ⁽²⁾	6.19	6.74
Injury severity rate ⁽³⁾	0.11	0.14
Absenteeism ⁽⁴⁾	5%	5%

(1) Injury: an accident occurring at work that causes at least one lost day.
(2) Frequency: injuries per million hours worked.
(3) Severity: days lost due to injuries per thousand hours worked, excluding absenteeism.
(4) Absenteeism: absences not substantiated by holidays or other leave.

We raise employee awareness around safety through training, our compliance effort and our continuous improvement approach, based on measurable targets. Groupwide, in line with the previous year, 190,000 hours were devoted to health and safety training in 2024, with over 13,000 employees participating.

In addition to our emergency and self-protection plans, in 2024 we made progress on a number of health and safety initiatives to be consolidated in coming years.

We organise events related with health to increase employee wellbeing and their sense of belonging.

INITIATIVES RELATED WITH SAFETY

Hot work risk controls.

Self-inspections for fire prevention.

Digitalisation of Business Activity Coordination.

INITIATIVES RELATED WITH HEALTH AND WELLBEING

Pink October event for the prevention of breast cancer at CIE Autometal Pernambuco.

Halloween for CIE Golde Puebla employees and their relatives.

Twenty-fifth anniversary celebration at CIE Unitools Press.



We are helping our customers with their transition

We provide our +80 customers with innovative and quality solutions that respond to the challenges of the mobility of the future. Our ability to anticipate market needs and help our customers with their transition, has made us a key partner in vehicle electrification and safety. With our diverse and flexible portfolio, we work closely with our customers in all our regions to overcome technological challenges and ensure a positive impact on a sector in the midst of transformation.

Total quality model

We provide our customers with what they need, when and where they need it, adding value through our range of more than 7,000 product SKUs made using seven different technologies. To ensure their satisfaction, we are committed to total quality and provide impeccable service, under the scope of the Group's Quality Policy.

Our reputation is based on the continuous improvement of our products and processes by means of prevention, systematic revision, training and know-how sharing. We comply with the international IATF 16949 quality standard, which is specific to the automotive industry and harmonises the various assessment and certification systems in the supply chain, taking a life cycle approach to ensure the excellence and quality of the products delivered not only to our customers but also to end users. Moreover, we are also working to obtain environmental management (ISO 14001) and occupational health and safety management (ISO 45001) certification at all of our factories.

We uphold the benchmark international standards around data protection (ISO 27001, ISO 27005 and ISO/IEC 27002/2005), which is essential to safeguard the confidentiality of our customers' information. CIE Automotive's Engineering Centre in Spain, back in 2021 and extended to 2024 in the different geographical zones, obtained the TISAX Label. We recertified under TISAX in 2024 and started the process of certifying our management systems under ISO 50001.

GLOBAL CERTIFICATION SNAPSHOT AS OF YEAR-END 2024

	CERTIFIABLE FACTORIES		CERTIFIED FACTORIES											
	TOTAL		IATF 16949				ISO 14001				ISO 45001			
	2023	2024	2023		2024		2023		2024		2023		2024	
	N	N	N	%	N	%	N	%	N	%	N	%	N	%
Asia	34	35	32	32%	35	100%	32	94%	35	100%	32	94%	32	91%
Europe (*)	40	42	39	39%	42	100%	39	98%	42	100%	35	88%	40	95%
North America	16	18	16	16%	18	100%	15	94%	17	94%	15	94%	16	89%
Brazil	13	13	12	12%	12	92%	12	92%	12	92%	12	92%	11	85%
Total	103	108	99	99%	107	99%	98	95%	106	98%	94	91%	99	92%

(*) Includes the CIE Maroc factory in Morocco.

Prizes
for quality

Year after year, we introduce new requirements so as to achieve zero defects, working to identify and prioritise risks in each step of the process, from design to manufacturing, formulating action plans for minimising errors and ensuring product safety and customer satisfaction.

The excellence of our products and service has been recognised from leading OEMs in the market.

CIE AUTOMOTIVE PRIZES IN 2024

CIE Forgings	India	Maruti Suzuki	Special contribution to surpassing the two million vehicles barrier
Golde Shanghai	China	General Motors	GM Supplier Quality Excellence Award
CIE Nakayone	Brazil	Volkswagen	Nomination as Best Supplier
CIE Autometal Diadema	Brazil	Volkswagen	Short-listed for the VW "The One" Prizes
CIE Bill Forge	India	JIPM	JIPM Excellence Category- A Award
CIE Newcor	USA	General Motors	Prize for Excellent Supplier Quality from GM
CIE Automotive India	India	Mahindra & Mahindra	Special distinction for Scorpion and the NOVO Platform

Allies in our customers' transition

At CIE Automotive, our commitment to sustainability and innovation positions us as a key ally for our customers and their transition towards electric and sustainable mobility. In 2024, almost 15% of the parts we sold went into 100%-electric vehicles and we are contributing actively to the decarbonisation of transportation by designing specific solutions for electric vehicles.

Moreover, over 80% of our products are sufficiently flexible to allow their adaptation to different propulsion technologies, allowing our customers to use them indistinctly for their electric vehicles or their combustion engine cars.

To facilitate our customers' transition, we are reconverting factories that are highly dependent on traditional technologies to more sustainable processes, such as aluminium casting for electric vehicle parts. In parallel, we are adapting to the demands prevailing in each market, prolonging the useful lives of combustion projects in specific factories if necessary.

Better designed, better safety

At CIE Automotive, we want to make cars safer by researching ways to more accurately predict how parts and systems will behave during their life cycles under different scenarios. We are improving our designs in two key areas:

- Noise and vibrations: We are analysing frequency characteristics to minimise these discomforts during the development phase.
- Impact resistance: We are refining how we model joints and interactions between parts to improve safety in the event of accidents.

Implementation of these strong designs not only improves passenger protection in the event of accidents, reducing the severity of potential injuries, but also boosts end user confidence in our customers' brands, improving their reputation and positioning in the market.

In addition to considering these product safety variables during product development, recycling and repairability criteria are also

considered. We embed eco-design criteria into the earliest stages of the product development process, criteria which will be more relevant in the case of new regulation, such as

(EU) 2024/1781, which relies on eco-design requirements for sustainable products, and the digital product passport. Both efforts target the following product performance features:



New mobility solutions

We are developing solutions for improving the user experience, such as advanced roof systems featuring photochromatic glass and panoramic screens, as well as innovative lighting and shading systems. These technologies not only improve comfort, but they also optimise the interior space and reduce vehicle weight, contributing to their energy efficiency and sustainability.

Acknowledgement in the Vodafone DEIA Innovation Sariak Awards

Our strategic commitment to innovation was acknowledged in the tenth edition of the Vodafone DEIA Innovation Sariak Awards, where we were honoured for our commitment to development and continuous improvement. In a special event organised in Azkuna Zentroa in Bilbao, our Corporate Development Manager, Lorea Aristizabal, underlined that “even in complex times, we continue to advance and innovate for our customers, while we share this award with our suppliers, who are a fundamental part of our progress”.



Business milestones by region

In 2024, we gained market share thanks to the hard work of our sales teams, which expanded our reach in all our markets.

North America

2024 was a year of crucial growth in North America with the launch and assembly of the new CIE Metal Norte in Mexico, a strategic milestone in the development of next-generation vehicles. This new facility will allow us to cater a growing demand from multiple customers, consolidating the company's presence in this sector and reinforcing commitment to innovation and sustainability in the automotive sector.

Europe

Growth in Europe was driven by the launch of gears for electric vehicles in the machining segment, a key product developed in response to strong demand from our customers. This initiative reinforces the company's presence in the sustainable mobility segment and evidences its commitment to developing innovative solutions in response to sector trends.

Brazil

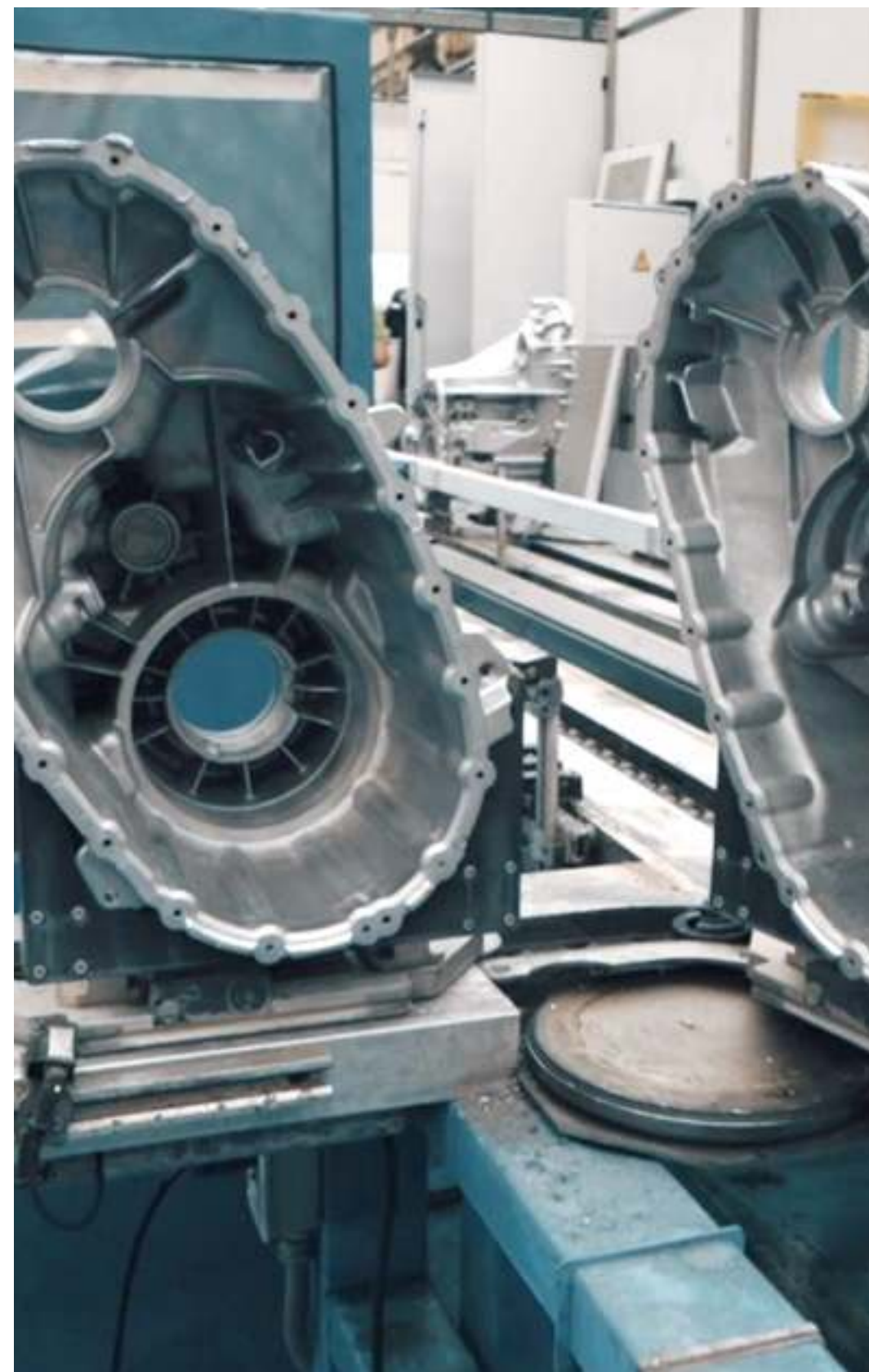
In Brazil, 2024 was marked by the consolidation of CIE Salto within CIE Automotive, strengthening our operating and sales structure in the region. This has also led to improve production efficiency and expand the company's capabilities, bolstering our leadership in this market and our ability to offer local customers solid and competitive service.

Asia

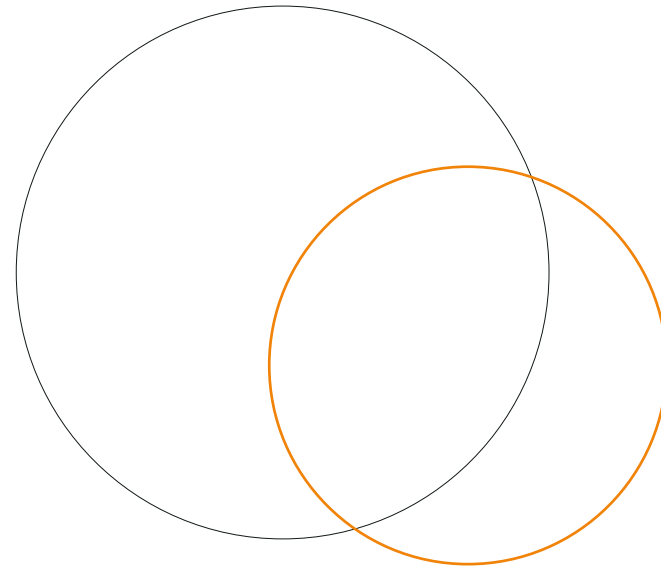
In Asia, last year was marked by the consolidation and growth of the roof system business in India, fortifying our productive capacity and growth potential in a strategic market. This progress has increased the company's competitiveness in the region, responding to growing demand and increasing its presence in the Asian automotive market.

We are aligning our suppliers with our targets

At CIE Automotive, we follow a Glocal procurement model which combines the strengths of global management with the flexibility of local execution. This decentralised approach, headed up by the corporate procurement function, prioritises the use of local and regional suppliers, generating community value, reducing logistics costs and tariffs, mitigating exchange rate risk and facilitating flows by surmounting cultural, linguistic and time zone differences. In parallel it favours sustainable procurement by reducing carbon dioxide emissions derived from transportation.



PERCENTAGE
OF
PURCHASES
TO LOCAL
SUPPLIERS

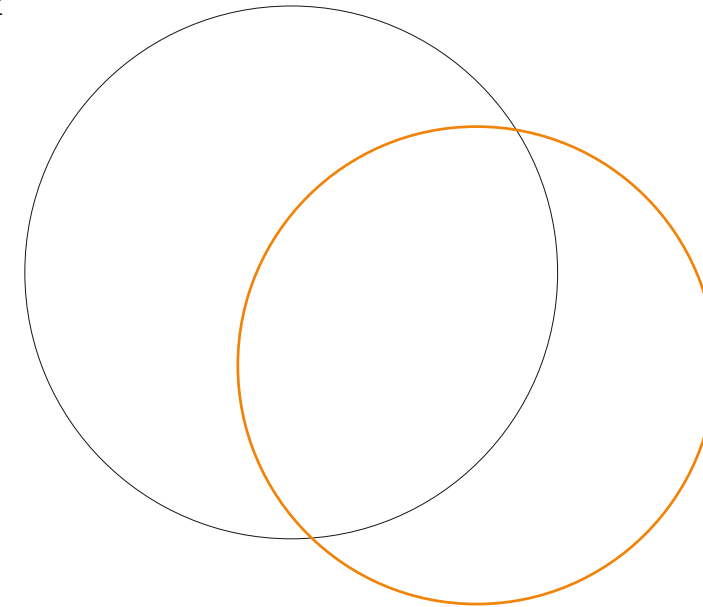


~€2,880
million

77,0%

of purchases to
local suppliers

PERCENTAGE
OF LOCAL
SUPPLIERS



23,000
Suppliers

92,0%

Local suppliers



In 2024, this model was crucial to align our supply chain with our ESG commitments, meet our customers' and other stakeholders' expectations and ensure that the supply chain contributes to sustainable development in line with the European due diligence directive.

A new framework for a sustainable supply chain

In 2024, we thoroughly reviewed our procurement rules and regulations, implementing a new Sustainable Procurement Policy aligned with international sustainability standards and emerging European regulations.

The new policy, approved by the Board of Directors, introduced new requirements around environmental matters and human rights, focusing in particular on the violation of workers’ rights, the identification, notification and remedy of breaches and the articulation of whistleblowing channels.

SUSTAINABLE PROCUREMENT POLICY PRINCIPLES AND COMMITMENTS

Supply chain workers

- The core component of this policy is the defence of the labour rights and wellbeing of supply chain workers, promoting best practices in human rights all along the value chain.

Breach remediation mechanism

- It sets out processes and resources for reporting any potential breach and establishes the steps to be followed to identify and report them, as well as the procedures for addressing breaches and the consequences of failing to do so.

Whistleblowing channels

- Precise instructions as to how any value chain worker can report or present suspicions of human or environmental rights breaches of any kind.

Internal management procedures and value chain requirements

- As part of our strategy, we revise and update our main management documents regularly including new regulatory requirements and the expectations of society and other CIE Automotive stakeholders. In this sense, the key documents are the Global Supply Chain Manual (GSCM), the Supplier Commitment and Code of Conduct and the General Purchasing Terms and Conditions, essential to the early identification of risks.

Measures to reinforce CIE Automotive’s commitment to upholding workers’ rights

- Requirement on human rights risk and a breach detection systems for suppliers. This procedure seeks not only to identify anomalies at an early stage but also to detect potential breaches on the part of our suppliers’ partners, expanding the control to as much of the supply chain as possible.
- CIE Automotive’s unilateral right to carry out physical audits at supplier facilities in the event it suspects or identifies a risk of non-performance with respect to human and/or environmental rights. This allows the company to act swiftly and verify improprieties without having to rely on a third party.
- CIE Automotive’s right to end the business relationship without having to provide compensation in the event it detects a breach of human or environmental rights that is not remedied.

“Excellent” scoring on our Sustainable Procurement Certification ISO 20400

ISO 20400 certification reinforces our sustainability policies by extending them to the entire supply chain and laying the groundwork for making further progress in ESG by:

- Ensuring supply chain security.
- Preventing human and labour rights, financial, environmental and reputational risks.
- Instilling confidence among investors, consumers and other stakeholders.
- Fostering employee wellbeing and contributing to opening new markets for products and services.
- Preparing for delivery of the decarbonisation targets.



Framed by this approach, we identify risks through an impact matrix system. This year have carried out out a double materiality assessment with the aim of identifying possible ESG disruptions and detecting vulnerabilities in specific geographies or procurement product families. Next is a description of both assessments:



Geopolitical matrix + NatCat (extreme events caused by nature or man that could damage our physical assets or people): We analysed the locations of our productive facilities worldwide and their suppliers. Relying on third-party statistics and data, we concluded that none of our locations poses a material risk of ESG breaches.



ESG compliance matrix by product procurement family, designed to tailor risk assessment for the specific impacts of the different types of goods purchased. This matrix tells us that the suppliers of productive products and services (core business) have been working on ESG compliance and investing in sustainability for longer. At the same time, the non-core product families are reporting the most significant progress year after year. We did not identify any specific family where compliance is lower or in jeopardy.



Impacts, risks and opportunities (IRO) matrix, which identifies ESG risks and opportunities under our ESG Plan. The factors analysed included the Carbon Border Adjustment Mechanism (CBAM) requirements, the business strategy and the Directive on corporate sustainability due diligence, among others.

ISO 20400 certification reinforces our sustainability policies by extending them to the entire supply chain

The Group's policies and procedures apply to all 11 procurement families and span the search for alternatives, supplier selection, negotiations, project adjudication and the purchase of services and products.

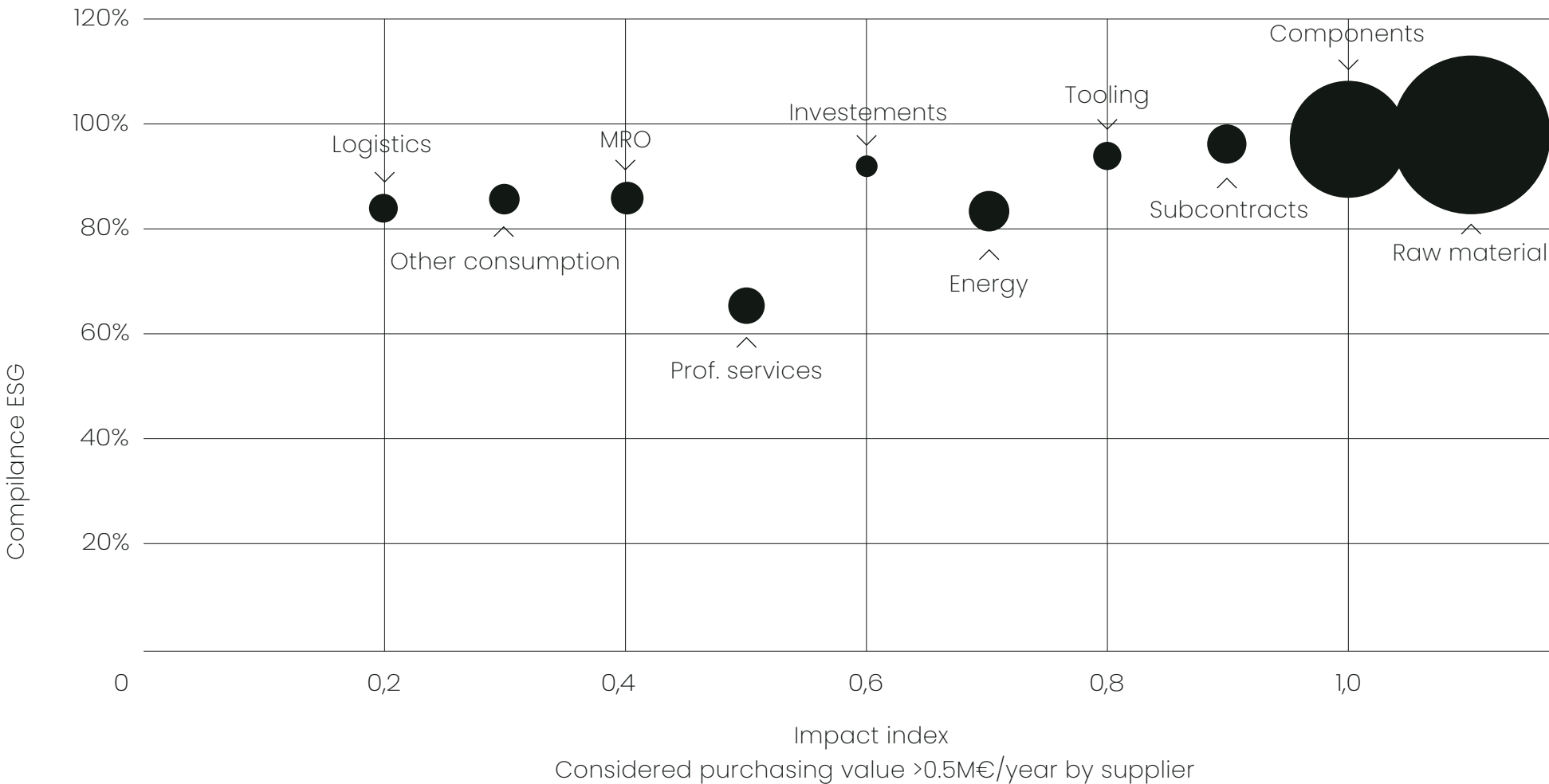
All group purchases are classified using a common language that allows the identification of synergies, the maximization of opportunities, and reducing risks.

PROCUREMENT FAMILIES

PRODUCTIVE PURCHASE			NON PRODUCTIVE PURCHASE		
Raw material	Components	Subcontraction	MRO	Environment	Professional Services
- Steel - Aluminum - Plastic - Alloying materials - Raw material tools	- Bar-turning - Stamping - Forging - Foundry - Motor components - Sintering - Thermoforming - Tissue - Injection & Overinjection - Electrical components - Mechanical components - Glass - Mechanical and traction systems - Panels	- HT - Superficial coating - Foundry - Forging - Stamping - Machining - Inspection & assembly - Cutting - Welding	- Pneumatic - Hydraulic - Mechanical - Electrical - Electronics - Technical service - Fire extinction - General maintenance	- Waste procesing - Sanitary - Environmental consumables	- Consulting - Audit - Industrial design - Insurance - Data procesing - Communication - Cleaning - Medical service - Travelling - Human resources - Security services - Marketing
			Energy - Water - Electricity - Gas - Fuels	Other consumptions - Chemical - Packaging - Cutting tools - Industrial supply - Welding - Office consumables - Ppes&clothes - Industrial gas - Hardware & software	
OTHER PURCHASES (these families can be considered productive or non-productive depending on the case)					
Tooling			Self-managed logistics		Investments
- Control and verification - Machining - HT & welding	- Stamping tooling - Moulds - Tube forming	- Spare parts - Repairing & modifications	- Transport - Storage		- Machinery - Equipments - Buildings - Others

The Group is observing improved ESG performance across its indirect suppliers, as well as consolidation of direct material suppliers

ESG RISK MATRIX



To prevent and mitigate potential risks, CIE Automotive updates its supply chain ESG risk impact matrix annually. Companies that supply raw materials, components, subcontracting, and tooling—the productive purchasing groups—are those with the greatest demonstrated commitment. The group expects positive ESG performance from indirect suppliers in 2024.

Promoting the ESG Suppliers' Day event: India

As in prior years in Mexico, China and Europe, in September 2024, we organised supplier seminars focused on ESG topics. In India, we held our annual supplier event under the slogan "ESG - Engage with the Future" at CIE Pune. The event gathered representatives from seven divisions in India: forging iron, casting, aluminium casting, machining (gears), stamping, magnetic products and composites, along with over 200 suppliers.

During the journey, we reinforced our commitment to ESG principles, highlighting their role as essential drivers of sustainability and responsible growth. We tackled key pillars such as ethical procurement, energy efficiency and supply chain digitalisation, reinforcing our ambition to build a more sustainable future together with our strategic partners. We also acknowledged best ESG initiatives, providing the top performers with awards.

Driving ESG training in the value chain

As part of our ESG commitments for our supply chain, in 2024 we executed a training strategy at two levels:

Internal training

We carry out annual roadshows, in-person or online, in order to provide continuous training to all our buyer teams, adapting the content of the programme to the latest corporate, regulatory and business requirements. To ensure this training reaches all of our productive facilities, we monitor the level of training provided at each factory, reaching a training and an educational coverage of 100%.

External training

We continue to provide our suppliers with ESG training at the local level in the form of specific sessions and meetings, while encouraging them to endorse the United Nations Global Compact in order to foster sustainable purchasing among CIE Automotive's SME suppliers worldwide. Thanks to this programme, we address all of the material impacts, risks and opportunities (IROs) identified in the double materiality assessment, including working conditions such as the freedom to unionise, health and safety, equal opportunities and treatment and respect for other fundamental labour rights, including the eradication of compulsory and child labour.



More control, more transparency

REQUIREMENTS FOR BECOMING A CIE AUTOMOTIVE SUPPLIER

Our engagement with the value chain is based on transparency and is aligned with our requirements under the European Directive on corporate sustainability due diligence. Framed by this approach, we select our suppliers based on criteria designed to ensure the quality and sustainability of supply. Furthermore, over 90% of our suppliers or productive goods account with international certifications such as IATF 16949 or ISO 9001. We particularly value companies that can evidence their commitment to environmental and safety management in the form of ISO 14001 or ISO 45001 certification.

For those who do not yet have these certifications, we give them the opportunity, over an agreed timeframe, to come up with a plan for obtaining them or presenting third-party accreditation demonstrating that they meet our standards.

COMMITMENT TO ETHICS

- Supplier conduct must be aligned with the Code of Conduct and the firms must apply equivalent ethics standards, including anti-corruption, bribery and conflicts of interest.

FINANCIAL HEALTH

- Track record of financial stability; no credit risk

CIE Automotive SUPPLIER



ESG STANDARDS

- Registration in the ESG Suppliers Portal
- Compliance with the ESG standards required by CIE Automotive



COMPLIANCE

- Compliance with the legislation prevailing in the supplier's market



QUALITY

- ISO 9001: Certificate required for suppliers of productive material.
- Quality audits



Last year we tightened our controls for guaranteeing the quality and sustainability of our supply chain:

We carried out 10% more audits

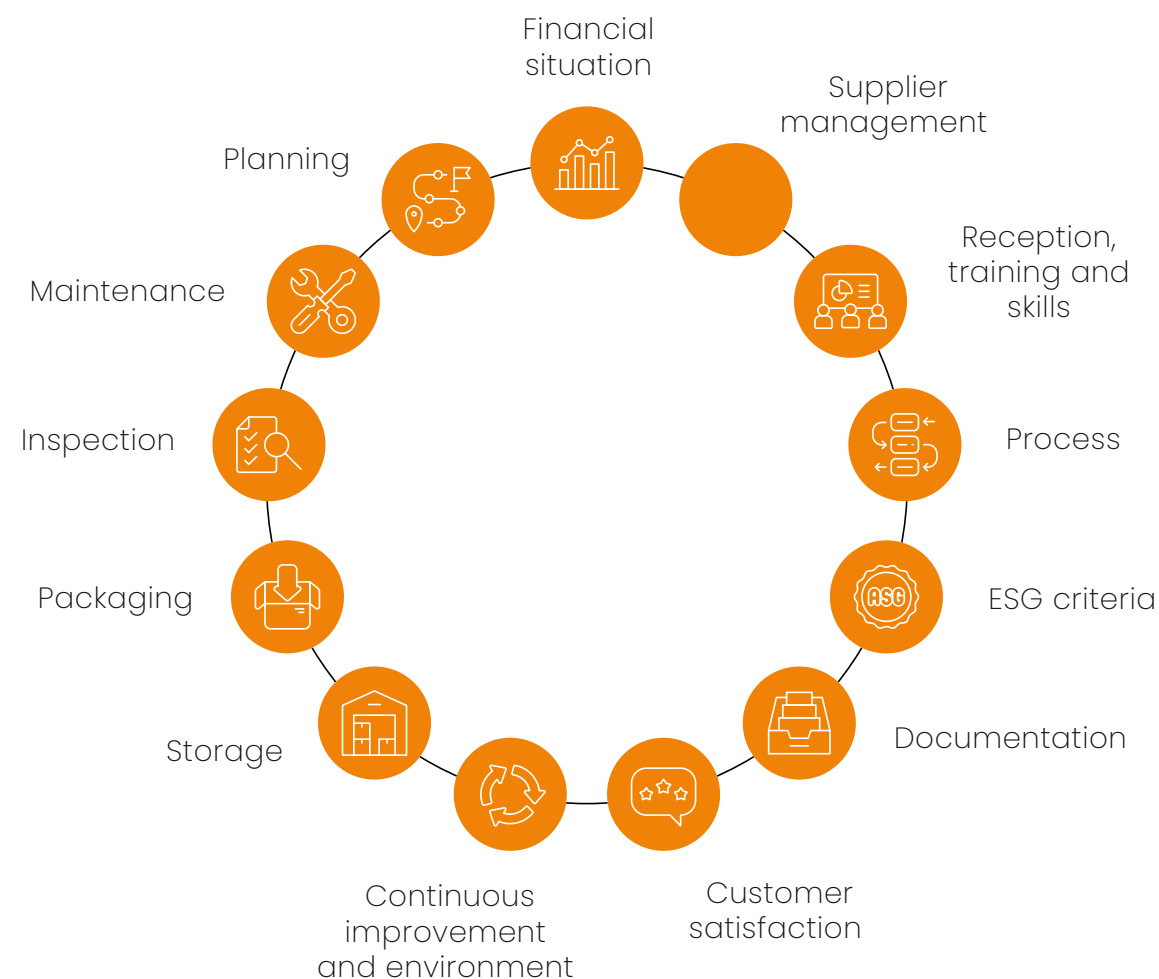
In 2024, CIE Automotive carried out 10% more supplier audits than in 2023, 772 in total.

CIE Automotive attempts to anticipate potential risks and detect opportunities (both financial and supply chain management) by implementing transparent procedures and carrying out regular supplier audits, in which ESG matters are of growing importance.

The results of the audits may be shared with the supplier, which will conduct a self-assessment then corroborated by a self-assessment which is then corroborated by qualified CIE Automotive professionals.

Over 50% of our main suppliers (considering purchase volumes) have undergone a sustainability audit and/or had their ESG performance assessed and certified via internal procedures such as the Supplier ESG Portal or the ESG Health expert. This information is verified by an external auditor for the granting of ISO 20400.

ESG CONSIDERATIONS ADDRESSED IN SUPPLIER AUDITS



In 2024, the number of supplier audits increased by 10% to 772

Optimization of the ESG Supplier Portal

To ensure that all of our suppliers meet our customers' expectations and requirements, as well as increasingly stringent regulations around sustainability, in 2024 we fine-tuned our ESG Supplier Portal. Initially designed to manage the higher-volume and higher-risk direct material suppliers, we expanded its scope to include suppliers of non-productive materials. We introduced a single ESG questionnaire for indirect suppliers that allows us to objectively assess all of our suppliers in sustainability terms.

Daily monitoring of over 15,000 suppliers, 95% of purchase volume

In 2024, we went a step further by contracting the Moody's Analytics platform, which continuously monitors more than 15,000 global suppliers, so verifying over 95% of our procurement volume. Thanks to this external verification tool, we can identify early warning signals (red flags) regarding ESG matters.

KEY TOPICS IN EXTERNAL VERIFICATION AND MONITORING OF ESG ALERTS

KEY TOPICS

- Local and international fines and penalties
- Risks of human rights violations
- Breaches related to environmental issues
- Business conduct
- Corporate governance standards

THE PLATFORM DETECTS

- Default risks or bankruptcy
- Notices of legal breaches
- Alerts related with bribery and corruption.

Environmental management: Supply Chain Race2Zero project

To reduce the carbon footprint of our activities, we are collaborating closely with our suppliers, as over 80% of our greenhouse gas emissions are Scope 3 emissions and, they originate in our supply chain.

This effort is articulated around our Supply Chain Race2Zero, an initiative designed to tackle the challenge of reducing these emissions by involving our suppliers in our mission of attaining Net Zero along the entire value chain by 2050.

2024 was marked by significant progress on this programme: we interviewed our top 20 suppliers whose materials, which are supplied to our facilities all around the world, account for the largest percentage of our Scope 3 emissions.

The ultimate goal of this project is to identify, measure and monitor annually performance around sustainability commitments in the value chain, collaborating closely to achieve the interim milestones defined by the SBTi and attain carbon neutrality in 2050.

Compliance with the CBAM Regulation

Last year, we adapted to the CBAM Regulation, under which importers must report the emissions associated with the products they import into Europe. However, this regulation has a limited impact on CIE Automotive in light of our strategic commitment to local suppliers.

More than 80% of our greenhouse gas emissions come from our supply chain, Scope 3



Other initiatives undertaken by the corporate procurement area

The work of the corporate procurement area has been extended to other areas that strengthen global operations. Notably:

PURCHASE OF GREEN ENERGY

Progress on the purchase of green energy significantly reduced the carbon footprint of our own operations. This achievement complements the goals set out in the 2025 Strategic Plan. The effort to reduce emissions includes the purchase of renewable energy to fuel our facilities in as many markets as possible. Already, 100% of the power consumed in Spain, Portugal and Lithuania is green. Thanks to this effort, in 2024, CIE Automotive forwent emissions equivalent to 205,206.4 metric tonnes of CO₂ equivalent.

RISK MITIGATION PROJECT

Targeting two aspects:

Facilities and assets

Through audits carried out with the help of the Group's insurance broker, in 2024 we identified and mitigated risks in our factories reinforcing our operational resilience and making CIE Automotive a safer place to work for both our employees and the third parties that carry out activities inside our facilities around the world. Taking care of our value chain workers is a top priority for CIE Automotive.

Cybersecurity

With the collaboration of the Group's broker, have carried out detailed analysis of the potential level of exposure and defined action plans for minimising or eliminating the identified risks.

These audits are exhaustive inspections of the physical state of the infrastructure comprising our industrial facilities with the aim of detecting possible damage, wear and tear or issues that could jeopardise their safety or operations. As a result, these audits are a key tool for preventing accidents and boosting our performance. These studies focus on industrial maintenance, assessing the wear and tear of the structural materials so as to design preventive maintenance plans. The results of the audits allow us to optimise use of our resources and prioritise the interventions needed, avoiding emergency repairs and reducing unanticipated costs.

Progress in green energy procurement has had a significant impact on reducing the carbon footprint of operations



We are expanding our positive impact on society

At CIE Automotive we are spearheading the mobility transformation of the automotive parts industry towards sustainable mobility, partnering with a number of associations and participating in strategic projects in the technological innovation and decarbonisation fields. In parallel, we contribute to social development by means of our transparent tax contribution and participation in local community projects.

Value generated and distributed to society

At CIE we embrace our corporate responsibility to create and distribute value for and to our stakeholders. In 2024, we distributed €3,547.4 million (89.6% of revenues) to society in the form of employee remuneration, supplier payments, shareholder dividends and taxes.

VALUE GENERATED AND DISTRIBUTED

€ m	2023	2024
Revenue	3,959.5	3,960.6
Economic value distributed		3,547.4
To shareholders (dividends)*	99.2	107.8
To employees (employee benefits expense)	652.0	659.3
To suppliers (consumption of raw materials and auxiliary materials)	2,332.3	2,273.2
To society (total tax contribution)	497.2	507.1

Benchmark in tax transparency

Our commitment to our communities is reflected in compliance with all of our tax obligations in all of the jurisdictions in which we are present. In this manner, we actively contribute to financing the public expenditure and services that benefit citizens.

In Spain, where we are headquartered, we have endorsed the Spanish tax authority's Code of Good Tax Practices and each year we publish a Tax Contribution Report. Our concerted effort to be transparent around taxation was recognised, for the second year in a row, by the Haz Foundation's 't for transparency' seal, picking up the highest rating possible: three stars.



(*) Dividend distributed during the year.

Community work

Aside from the taxes we pay, in 2024, we earmarked €957,634 to community investment programmes, mobilising over 5,000 employees who volunteered more than 7,000 effective working hours. This community work was channelled in three main ways: ad-hoc donations to NGOs, sponsorship and patronage of initiatives aligned with our corporate values and sustained investments designed to deliver long-term community benefits.

More than 90% of our initiatives were put forward by our factory workers, who identify and propose the most appropriate ways of helping depending on local needs.

COMMUNITY WORK: KEY PERFORMANCE INDICATORS

	2023	2024
Total (€)	1,042,854	957,634
No. of employees volunteering	5,017	5,142
Estimated no. of beneficiaries	39,423	62,542
No. of work hours devoted to community work	12,304	7,212

Key initiatives

Two community work initiatives stand out: CIE STEAM PLANET and our partnership with *Acción contra el Hambre*.

- CIE STEM PLANET: We are encouraging primary and secondary school students to study STEM subjects and acquire digital skills across schools in the Basque region. Under this programme, we provide the participating schools with advanced technology, such as educational robots and a digital platform, which provides the teaching staff with training and ongoing support. Thanks to these resources, over 2,000 students are benefitting from tailored learning experiences. The platform is also able to measure and demonstrate the students' progress on digital skills.
- Partnership with *Acción contra el Hambre*: In November, CIE Automotive partnered with *Acción contra el Hambre* on a charity initiative conducted on the United Heroes app. Participating employees turned their steps and physical activities into points which translated into donations.

COMMUNITY WORK BY REGION

	Total €	No. of employees who participated	No. of work hours devoted
Europe	560,988	987	580
North America	44,627	849	996
Brazil	271,782	1,012	359
Asia	80,237	2,294	5,278

Our contribution to the new mobility

Aside from our contribution to economic and social progress, we are helping to design the mobility of the future by participating in sector forums and associations like Sernauto, where we advocate for automotive decarbonisation and digitalisation strategies. Among other forums, we have participated in the following events:

- The “Supply Chain Management Strategy” seminar organised by ACICAE.
- The “Industrial challenges, environmental innovation and green taxonomy” seminar, organised by PwC Spain and Birziplastik.
- The Net Zero Tech event organised by IESE MOBILIT.
- “The sustainability agenda in the transportation, shipping and logistics sector in 2024” seminar, organised by Deusto Business Alumni.
- Talk on quality at CIE Nugar Puebla, organised by Volkswagen.

As a leading supplier, we have also cemented our position as a core ally for OEMs and Tier-1 suppliers and their decarbonisation efforts. We are acting proactively, seeking out innovative solutions for tackling mobility challenges and investing in initiatives that are pushing sector innovation, such as the Basque Eco-design Center and Basquevolt.

We are also active in the so-called Industrial Defence Group, which brings together productive institutions and sectors to design strategies for protecting Basque industry in the face of growing global of growing protectionism and global instability.

Our strategic commitment to Basquevolt

CIE Automotive is a founding shareholder of Basquevolt, the Basque initiative spearheading solid-state battery technology. In 2024, we upped our financial commitment to this project by extending a bridge loan of €750,000 as part of a shareholder loan totalling €12 million.

In 2024, Basquevolt managed to produce its first 20Ah cells and expects to make 80Ah cells before the end of this year. With the goal of building 10 GWh of capacity by 2027, Basquevolt aspires to become a European benchmark in battery technology. Although its main focus is the automotive industry, it is diversifying its strategy towards emerging sectors such as electric scooters, garden machinery and drones with multiple applications.



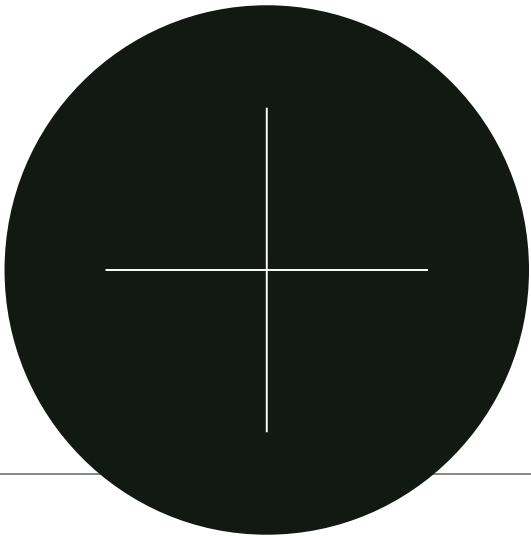
Environmental advances

- ▶ Environmental strategy
- ▶ Reduction of our environmental footprint
- ▶ Towards a circular economy
- ▶ Risk anticipation and management



At CIE Automotive, we renewed our commitment to sustainability in 2024 with a new Environmental Policy and validation of our ambitious climate targets by the Science Based Targets initiative (SBTi), in line with the Paris Agreement. Over the year we worked to reduce our environmental footprint through decarbonisation projects and the development of global tools for managing the stringent sustainability information required under the Corporate Sustainability Reporting Directive (CSRD). In parallel, we reinforced our circular economy strategy, integrating eco-design criteria into our processes and prioritising the recyclability, repairability and durability of our products.

Environmental milestones



EMISSIONS FOREGONE THANKS
TO SELF-GENERATION OF POWER
FROM RENEWABLE SOURCES

546.0

Ton CO₂e

MORE VALUE GENERATED
PER KILOGRAM OF CO₂E
EMITTED

+0.2%

value added
per Kg CO₂e

RENEWABLE
ELECTRICITY
CONSUMED

58.8%

+5.76%
vs 2023

EMISSIONS (SCOPE 1 + SCOPE 2 EMISSIONS INTENSITY)

–0.2% vs 2023

85.2 Kg CO₂e/k€

EMISSIONS FOREGONE THANKS TO THE USE OF RENEWABLE ENERGY

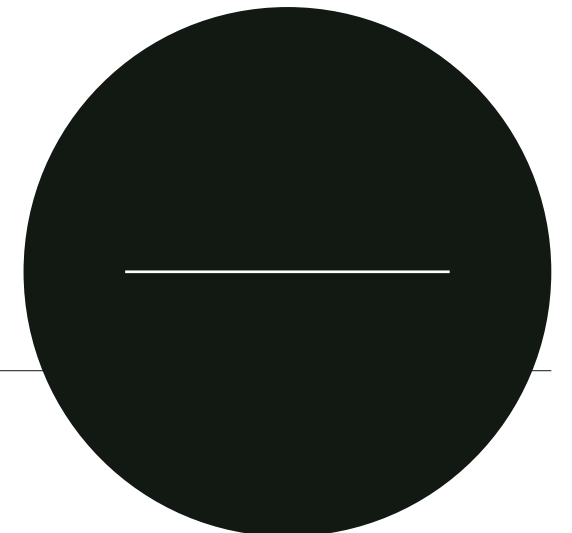
205,752.4

Ton CO₂e in 2024

WASTE

–5.8% vs 2023

357,869.2 Tonnes



Environmental strategy

In December 2024, the Board of Directors of CIE Automotive approved the company's Environmental Policy which sets down our commitment to sustainable development and climate action. This document guides all of CIE Automotive's activities towards Net Zero emissions by 2025. As we do every year, the Environmental Plan was revised, this time paying particular attention to environmental governance and analysis of linkages with respect to Impacts, Risks and Opportunities (IROs).

ENVIRONMENTAL POLICY PRINCIPLES AND COMMITMENTS

Regulatory and voluntary compliance:

- Comply with applicable environmental regulations and voluntary commitments.

Climate action:

- Implement mitigation and adaptation strategies.

Environmental protection:

- Prevent pollution (soil, air, and water) and reduce noise.
- Locate factories to prevent deforestation and impacts on biodiversity.

Energy efficiency and emissions abatement:

- Grow the use of renewable sources of energy and reduce greenhouse gas emissions.

Resource and waste management:

- Prioritize recycled and sustainable materials.
- Implement circular economy practices.

Sustainable design:

- Use light and recyclable materials.
- Design products to facilitate repair, recycling, and reuse.

Protection of biodiversity and responsible use of water:

- Reduce consumption and pollution of water, ensuring the quality of wastewater.

People Engagement:

- Involve employees and stakeholders in the environmental effort.

Emergency prevention and management:

- Mitigate adverse impacts on people and the environment.

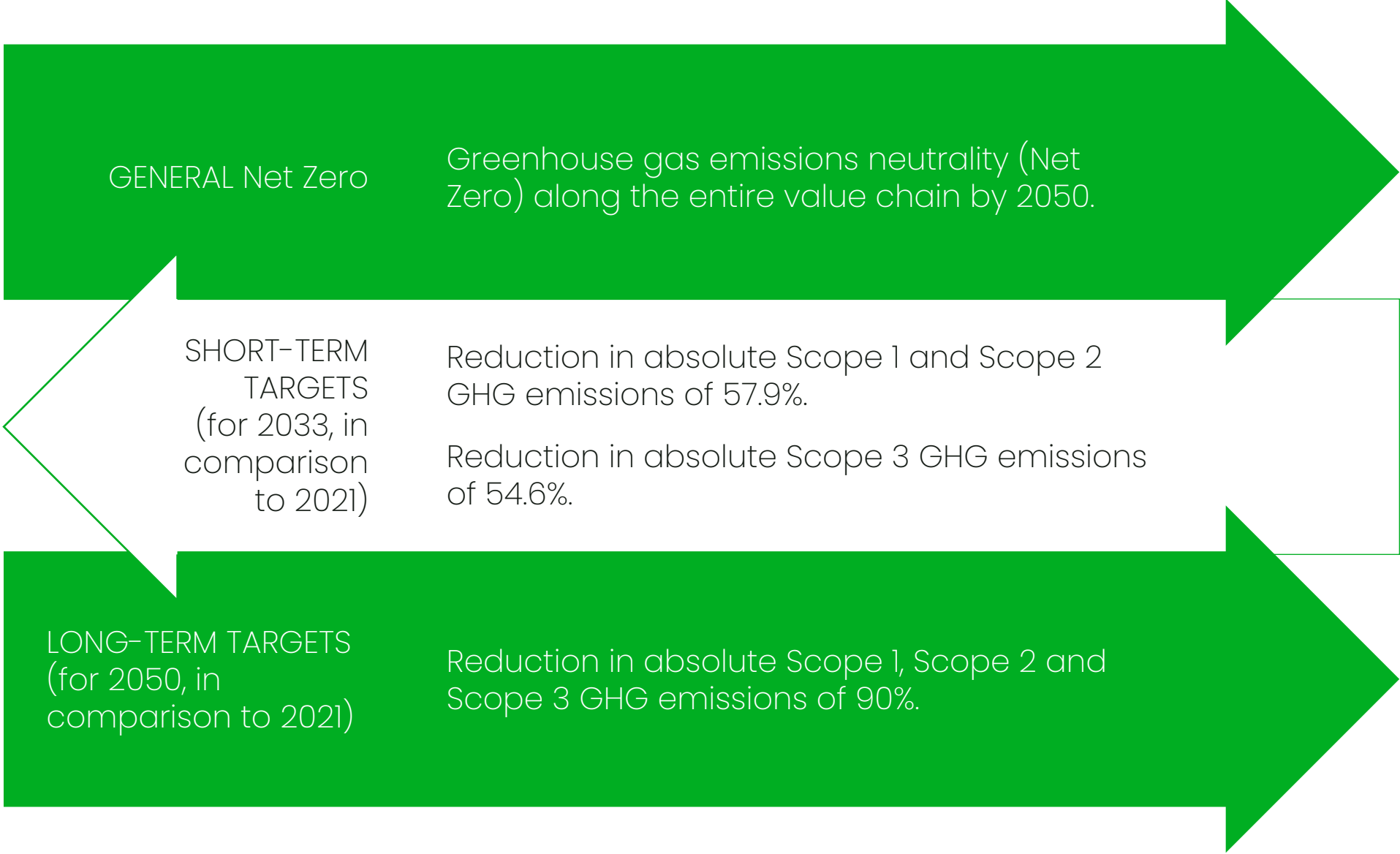
Transparency and reporting:

- Report annually in line with the CSRD.
- Establish clear KPIs for monitoring environmental performance.

Target validation by the SBTi

The interim targets related with our Net Zero pathway were officially validated by the SBTi in November, marking an important step forward in our climate commitments. As of 11 December 2024, of the 234 companies in the automotive and parts sector with SBTi-approved targets, just 35 had targets aligned with the 1.5°C and Net Zero ambitions set down in the Paris Agreement.

CIE AUTOMOTIVE TARGETS VALIDATED BY THE SBTi



Delivery of the Strategic
Plan targets

In addition to these targets, CIE Automotive continued to make progress on its ESG Strategic Plan ending in 2025.

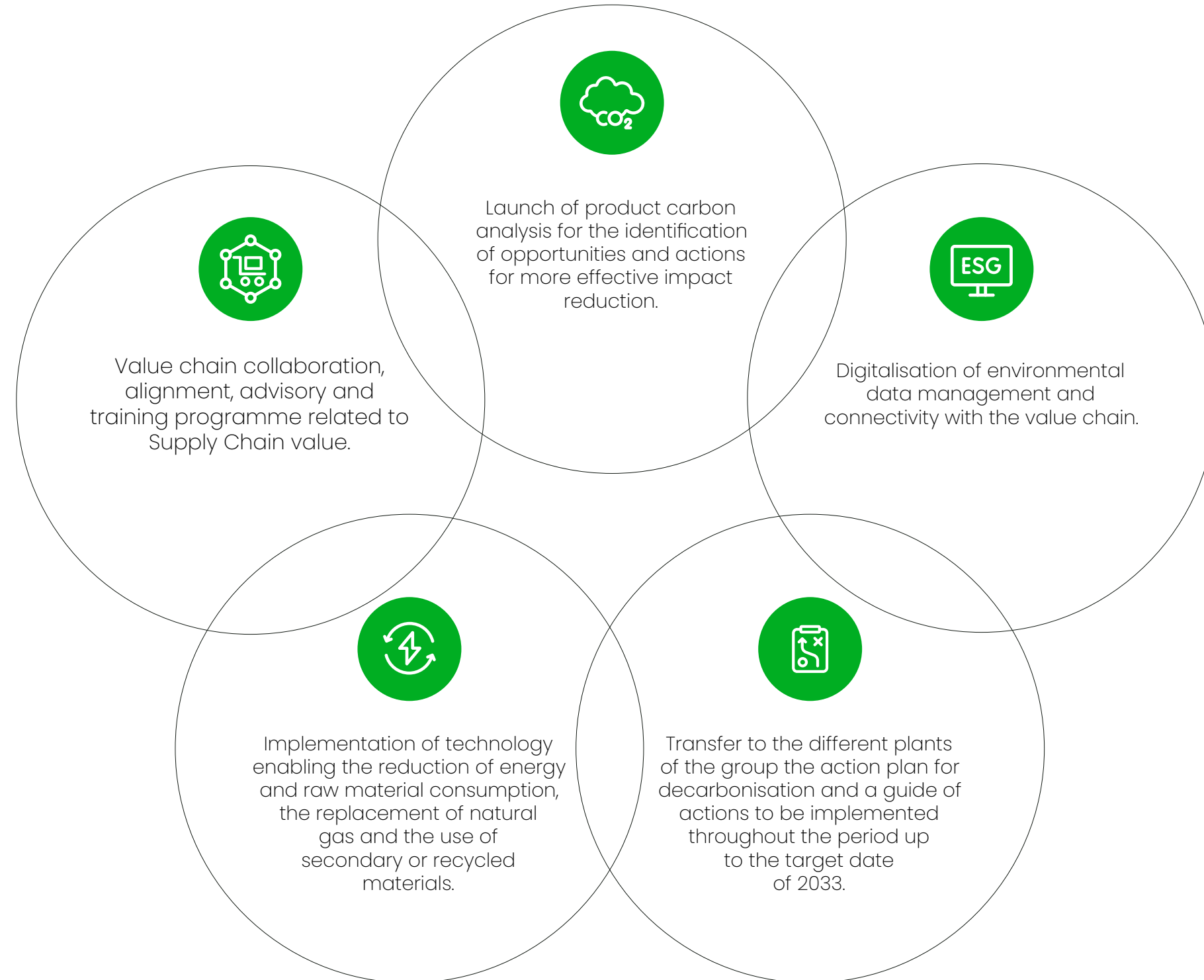
In 2025, environmental advances have been demonstrated by obtaining a “B” score for both climate change and water management in CDP evaluation, the highest standard of environmental reporting.

DELIVERY OF THE TARGETS SET IN STRATEGIC PLAN

	Target Cumulative 2021-2025	Evolution 2024 vs 2023	Cumulative delivery 2021-2024
Reduction in energy intensity within the organisation	-8.2%	2.5%	-15.4%
Reduction in energy consumption (electricity)	n.a.	2.0%	n.a.
Reduction in energy consumption (gas)	n.a.	5.3%	n.a.
Reduction in direct GHG emissions (Scope 1)	-8.2%	5.7%	-8.8%
Reduction of indirect GHG emissions from energy generation (Scope 2)	-21.6%	-2.6%	-40.3%
Reduction in direct and indirect GHG emissions intensity (Scope 1 + 2)	-12.6%	-0.2%	-44.8%
Reduction in the total volume of waste generated but not recycled	-21.6%	17.3%	-18.9%
Reduction in water withdrawal intensity	-8.2%	2.8%	-13.7%

2024 Environmental Management Plan

To facilitate target management, we have an Environmental Management Plan included on our Strategic Plan 2025. This plan, which we revised in 2024 in the areas of environmental governance and IRO linkage analysis, identifies levers and key projects for attaining our goals and targets:



Reduction of our environmental footprint

We are working to minimise the environmental impact of our entire value chain, aided by our ISO 14001-certified Environmental Management System. Among the milestones attained in 2024, we implemented a new global tool for the management of environmental data and the progress of new decarbonisation projects, which implements specific programmes for the reduction of emissions in industrial processes.

In 2024 we tackled the challenge of implementing a tool for managing the data required by the Corporate Sustainability Reporting Directive (CSRD) across all our operating regions. This directive requires a very detailed analysis covering aspects such as GHG emissions, energy consumption, waste, biodiversity and environmental risks, among others.

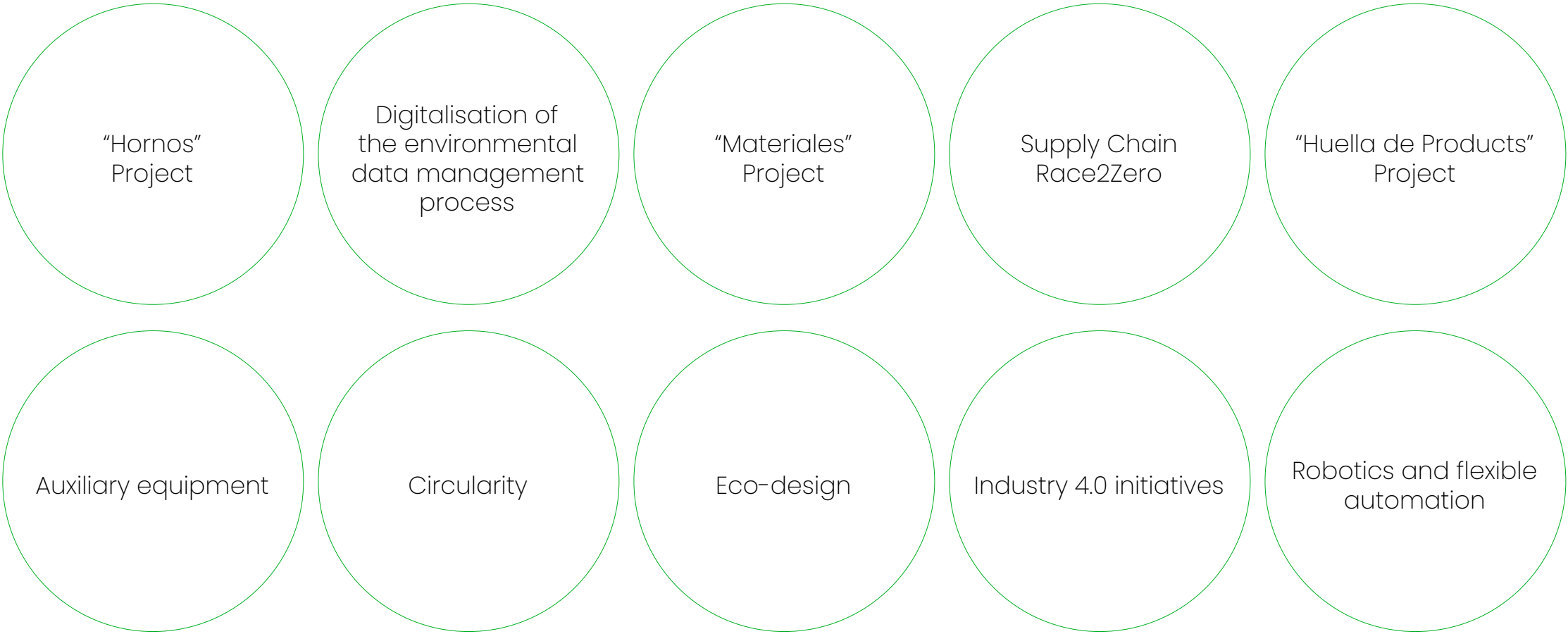
The information gathering effort was extended along the value chain through the Supply Chain Race2Zero Project, our initiative for rallying our suppliers around our 2050 Net Zero target.

For further information, refer to chapter We are aligning our suppliers with our targets.

Decarbonisation projects

In 2024, we made progress on a number of projects that are driving our decarbonisation effort. Some of the lines of this initiative, particularly those related with data management, automation and the use of innovative materials to reduce emissions associated with our productive processes, have been financed by the European Investment Bank (EIB).

DECARBONISATION PROJECTS CARRIED OUT IN 2024



These projects complement other initiatives such as the self-generation of energy from renewable sources and transition to cleaner sources at our factories around the world. In 2024, our emissions were reduced by 205,752.37 tonnes of CO₂e thanks to the use of renewable energy.

Emissions reduction

Our efforts to rationalise energy consumption translated into a 25.4% reduction in GHG emissions, made up of a 5.7% increase in Scope 1 emissions, a 2.6% decrease in Scope 2 emissions and a 26.6% reduction in Scope 3 emissions.

GROSS EMISSIONS

MT CO ₂	2023	2024
Direct emissions (Scope 1)	99,072.8	104,709.5
Indirect emissions (Scope 2)	238,864.9	232,718.2
TOTAL Scope 1 and 2 emissions	337,937.7	337,427.7
Other indirect emissions (Scope 3)	7,396,237.6	5,430,942.5
TOTAL Scope 1, 2 and 3 emissions	7,734,175.3	5,768,370.2

Towards a circular economy

We are pursuing a circular production model based on eco-design and efficiency with the goal of reducing waste and maximising the repairability, disassembly and recyclability of our products.

At CIE Automotive we integrate sustainability all along the life cycle of our products, from raw material selection to waste management. We also monitor the circularity indicators established in our 2025 Strategic Plan, which are aligned with the World Business Council for Sustainable Development (WBCSD) Circular Transition Indicators.

Over the course of the year we reinforced our commitment to product design focused on product recyclability, repairability and durability, specifically embedding eco-design criteria into Process 3 of our internal new project development process. In the last year, new design concepts have been integrated to the process check list, which required the development of different tools related with eco-design.

We also drew up eco-design manuals to take advantage of the opportunities to reduce our products' environmental impact all along the development chain. This approach allows us to optimise our products' life cycle by reducing their environmental impact from design to end of life.

Consumption of water and material resources

We count with advanced water recirculation and waste water treatment systems to minimise discharges and ensure sustainability. This way, we recirculate water in our refrigeration circuits and collaborate on projects like dry machining in a bid to rationalise its usage. This has enabled us to continue to reduce our water consumption and withdrawal. In 2024, we used 1,671,250.76 m³ of water, of which 56,011,406.72 m³ was recycled and reused water.

WATER CONSUMPTION AND WITHDRAWAL

m³/ year	2022	2023	2024
Surface water	243,200.0	238,183.3	264,840.0
Underground water	361,348.6	354,171.0	366,015.4
Rainwater	10,278.0	10,849.0	5,551.0
Municipal networks	1,042,342.6	1,022,043.4	1,026,634.7
TOTAL	1,657,169.2	1,625,246.7	1,663,041.1

Consumption of raw materials

Rationalising our use of plastic, aluminium and steel is an essential component of our circular strategy. We use recycled materials in 35% of our operations and we are working on projects with our customers to reduce plastic packaging through the use of returnable boxes and reusable containers in our logistics chains. In our injection moulding and machining processes we reuse remains such as sprue and shavings, whereas non-recyclable materials are managed externally to ensure their reuse.

CONSUMO DE MATERIALES

Kg	2022	2023	2024
Raw materials used	1,230,298,192.7	1,532,506,681.7	1,750,074,022.7
Raw materials recovered	551,193,852.4	417,722,719.8	385,009,503.6

Waste management

Our internal recycling system allows us to reuse large volumes of production waste. In 2024, we generated 357,869.23 tonnes of waste, of which 301,416.88 tonnes were sent off for recycling and 0.02% underwent other recovery operations. Only 15.76% of our waste was not recycled. This approach, in addition to reducing the volume of waste generated, streamlines the consumption of energy and resources, contributing to our long-term decarbonisation and sustainability goals.

MANAGED WASTE

Tons	Hazardous	Non-hazardous
Reuse	4,021.0	35,511.0
Recycling	7,006.3	254,878.6
Other recovery operations	58.1	0.0
Total waste diverted from disposal	11,085.3	290,389.6

UNMANAGED WASTE

Tons	Hazardous	Non-hazardous
Incineration	4,192.6	47,139.4
Landfilling	1,329.5	1,184.4
Other disposal operations	2,367.5	181.0
Total waste directed to disposal	7,889.6	48,504.7

TOTAL WASTE

Tons	
Total waste generated	357,869.2

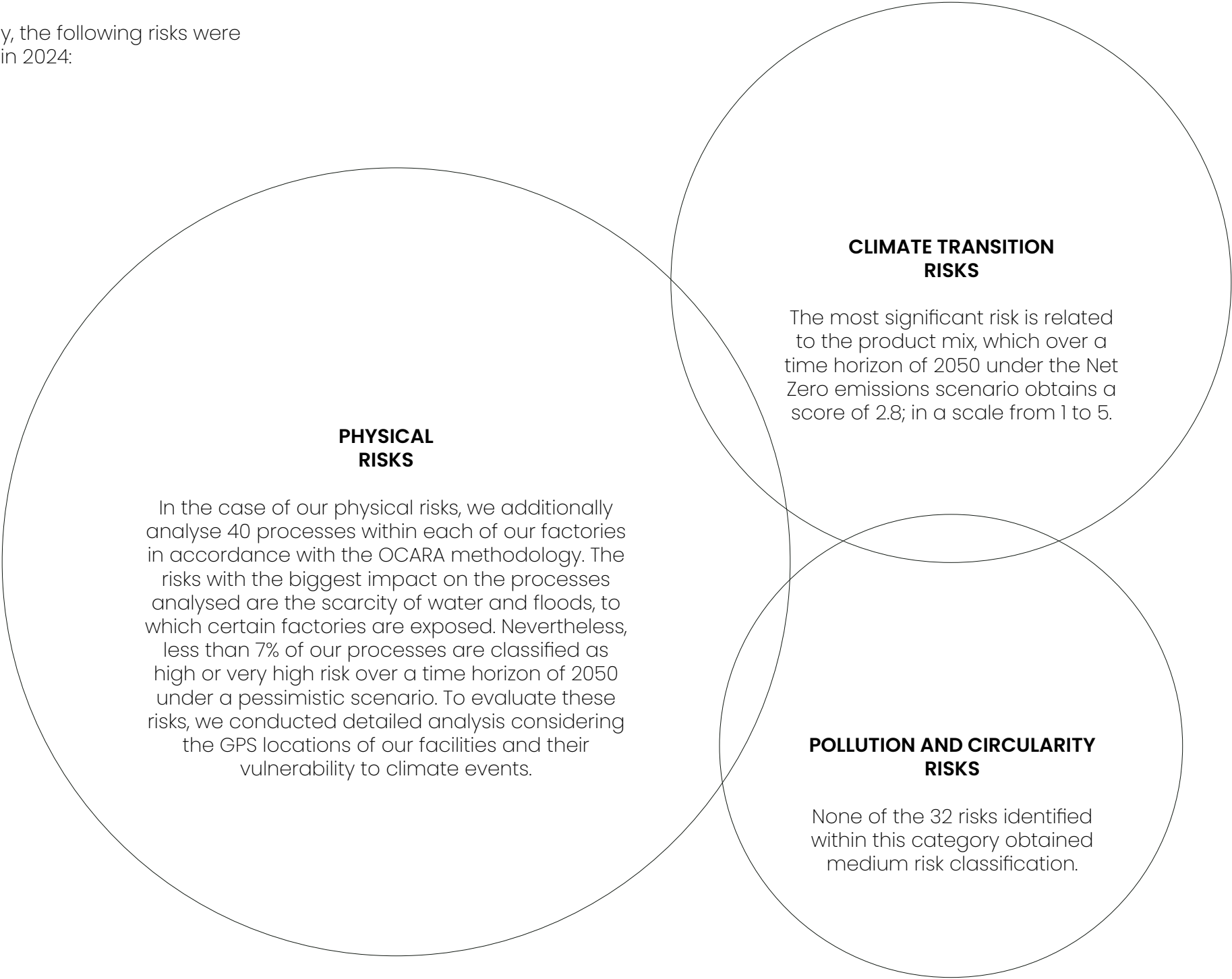
Risk anticipation and management

In line with the 2025 Strategic Plan and in response to demands from our stakeholders, we update our Climate Risk Map annually. We take an integrated approach to analyse our resilience and our Impacts, Risks and Opportunities (IROs), looking both at climate change and other environmental aspects. In 2024, none of the risks assessed ranked as a material concern at the Group level, indicating the absence of severe risks.

We take a proactive approach to risk analysis, using vulnerability and sensitivity assessment tools, and we implement adaptation plans. This process, which is constantly evolving, has been reinforced in 2024 by the addition of new climate scenarios and time horizons so as to model our risks with greater precision.

The risk assessment is fully integrated into our organisational structure, including from the Shareholders at the Annual General Meeting to the business units.

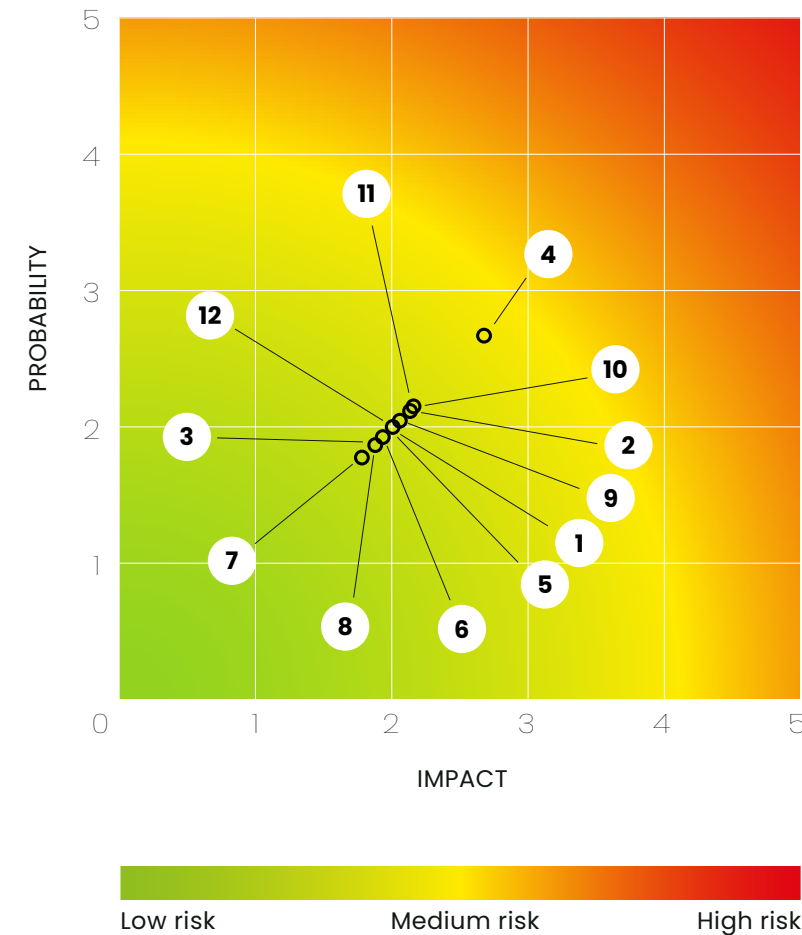
By tipology, the following risks were analysed in 2024:



In order to mitigate the risks identified, at CIE Automotive we implement financial, technical and organisational measures, which include the diversification of our product portfolio, to reduce our exposure to market risks. Moreover, we remain focused on eco-efficiency and circularity, impulsing the use of recycled materials and reduction of carbon emissions. In parallel, we are reinforcing our ability to adapt by means of technological innovation and supply chain optimisation strategies.

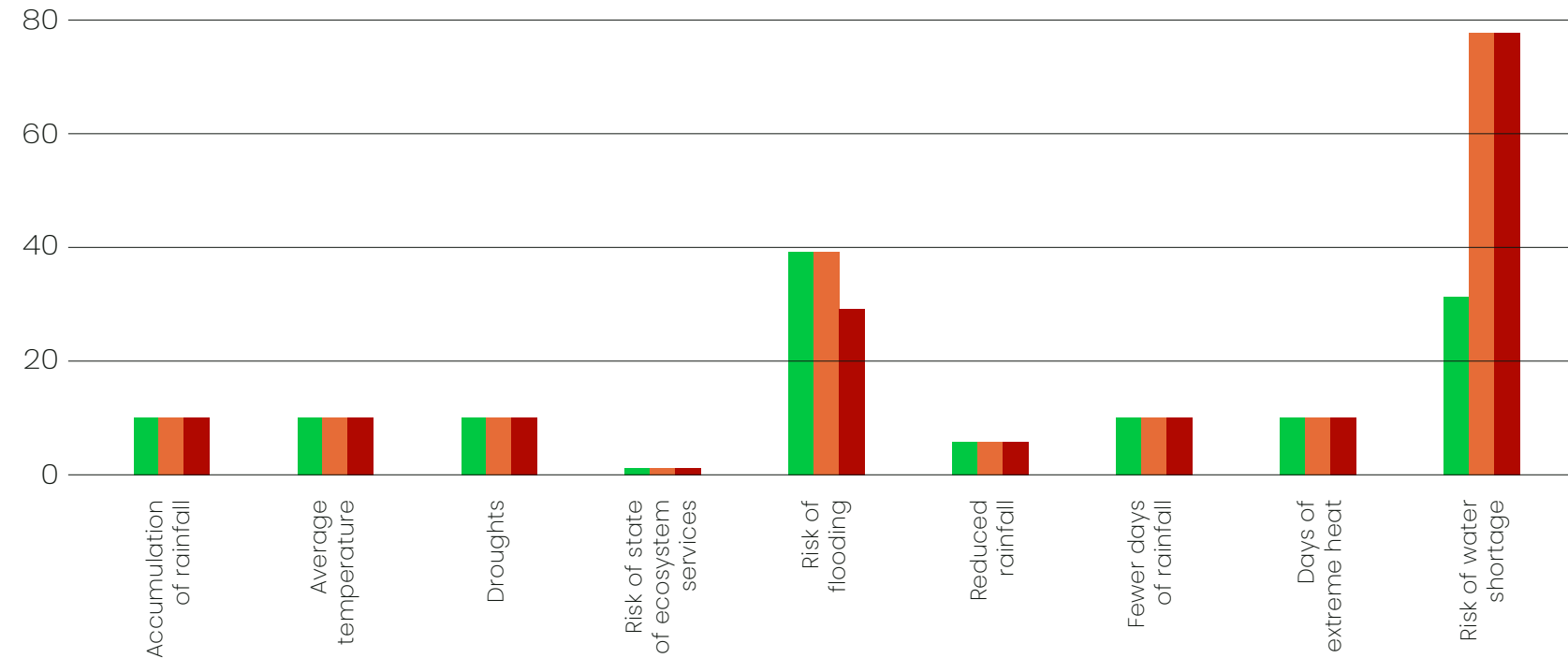
The most significant risk is related with the product mix, which over a time horizon of 2050 **under the Net Zero emissions scenario obtains a score of 2.8**

TRANSITION RISKS MAP



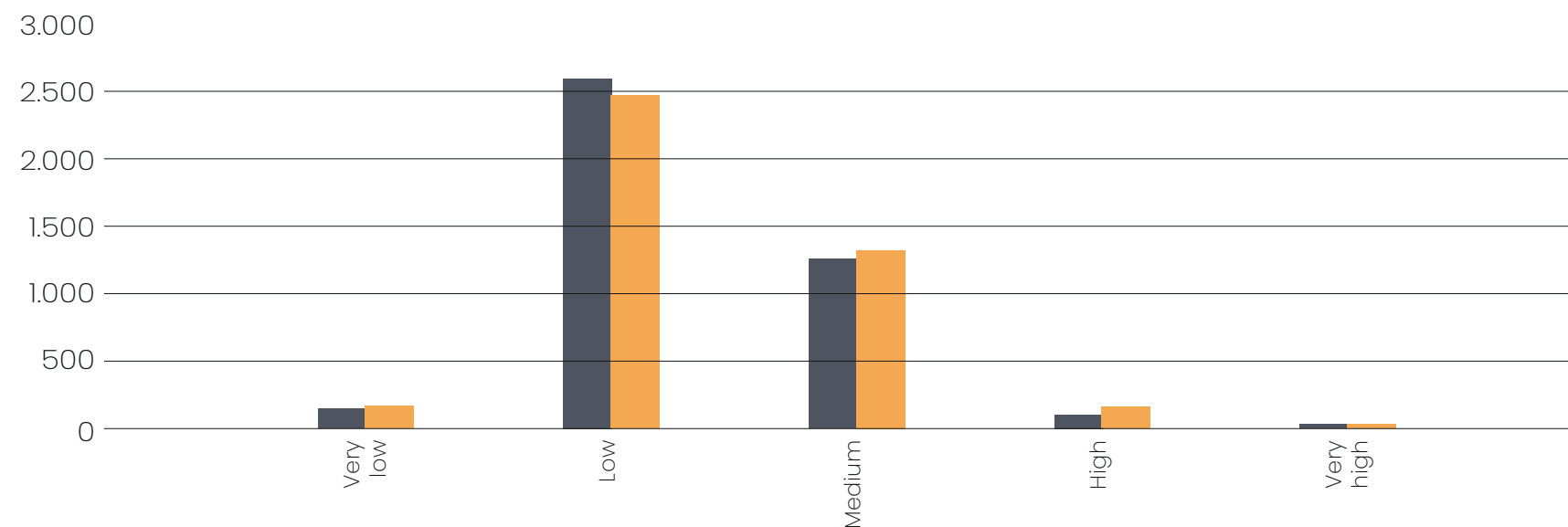
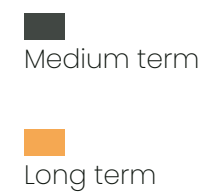
PHYSICAL RISKS

PROCESSES WITH HIGH OR VERY HIGH RISK IN THE 2050 HORIZON



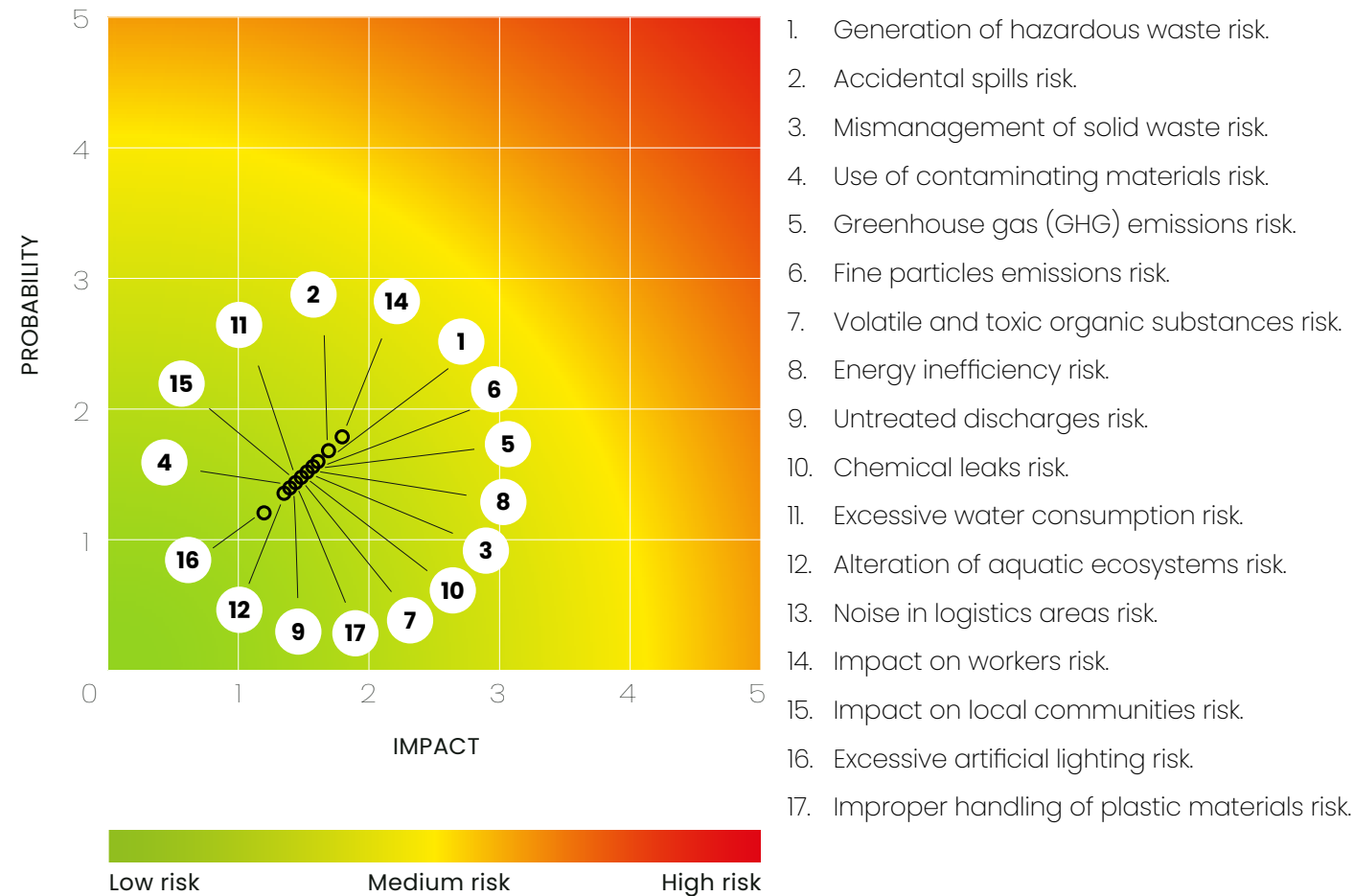
The physical risks with a bigger impact on the processes analysed are the risks of flooding and water shortages over a time horizon of 2050.

PROCESSES WITH HIGH OR VERY HIGH RISK IN A PESSIMISTIC SCENARIO

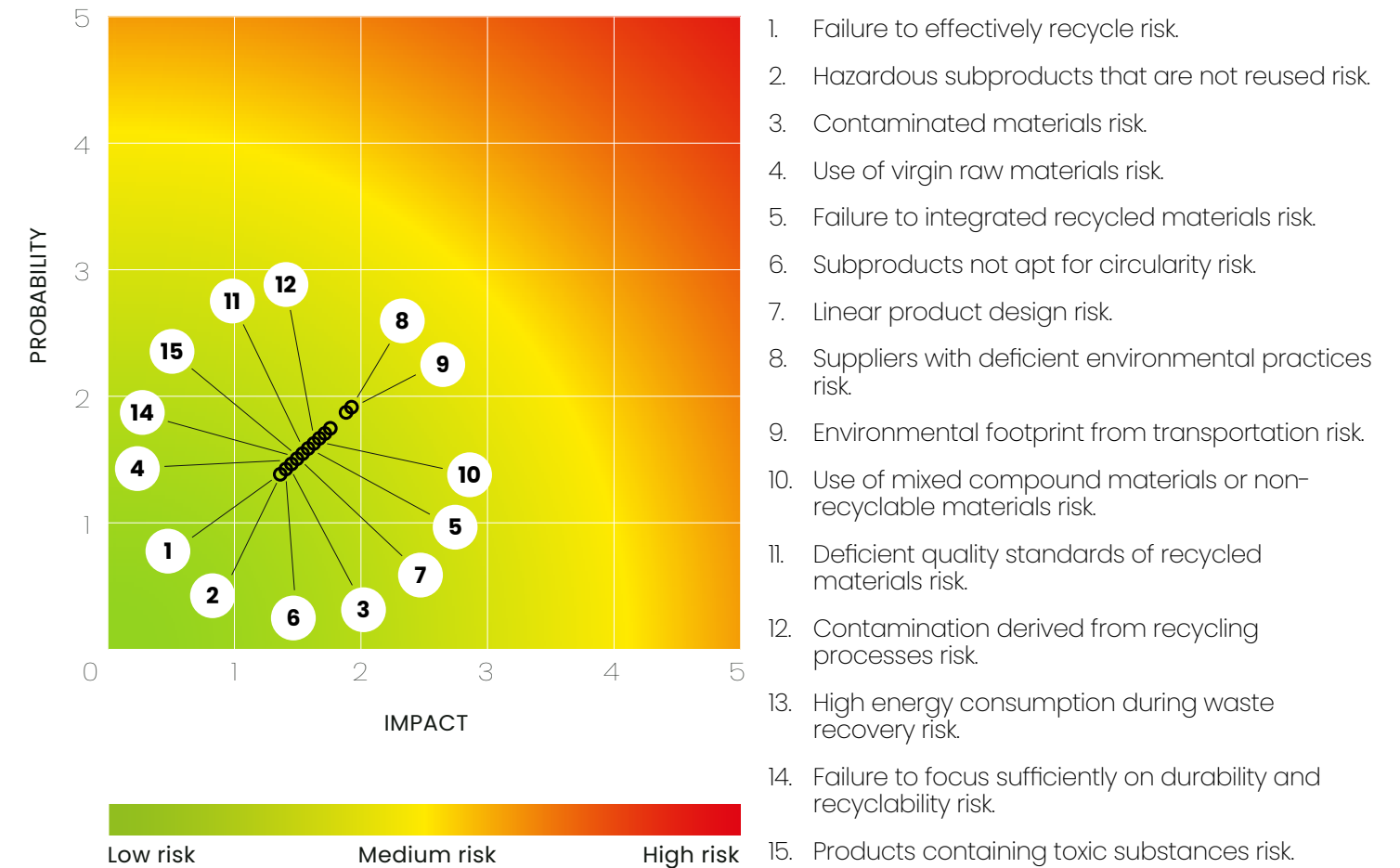


In the 2050 horizon and in the pessimistic scenario, fewer than 7% of our factory processes or locations present high or very high risk.

POLLUTION RISKS MAP



CIRCULARITY RISKS MAP



Advances on governance

- ▶ Advances in our governance model
- ▶ Risk management
- ▶ Board of Directors



At CIE Automotive, we believe that solid corporate governance is the basis for building an ethical, transparent and resilient company. In 2024, we took an important step to consolidate our governance model by updating our rules and regulations and strengthening our capacity to manage risks in a dynamic and challenging global environment.

Advances on governance

Rules and regulations updated

Internal controls

Updates to our
ethical and
regulatory framework

New Professional
Code of
Conduct

Process
mining
project

Risk monitoring

Global risk
management

>300
people involved in the risk assessment

Updates to our governance model

In February 2024, the Board of Directors approved the updated Corporate Governance Model. The update included a review of our Code of Professional Conduct and of most of our corporate policies, as well as the creation of new policies aligned with recently assumed commitments and new requirements.



The project, carried out in collaboration with the Cuatrecasas law firm, included the improvement of our Compliance Management System, the adaptation of the internal complaints system and channel, adapting it, among others, to the requirements of Law 2/2023, and the implementation of a common regulatory body for all group companies, allowing local specificities through annexes.

We also enriched our international governance framework by introducing the CIE Automotive Compliance Risk Map in five new markets (Portugal, Lithuania, Hungary, Morocco and South Korea), lifting coverage to all of the countries where we have a manufacturing presence.

Each country has its own local Corporate Crime Prevention Manual, which is aligned with the corporate version. In addition, every time the Compliance Risk Map is introduced to a new market, specific training about the company's policies and procedures is provided, reinforcing factory knowledge of applicable local legislation. In 2024, in line with local legislation update in countries where the company is present, new or revised offences were added to the maps as necessary.

Our updated model can be retrieved from our corporate website.

<https://cieautomotive.com/en/web/investors-website/corporate-governance>

Ethics training for every worker

The updated Code of Professional Conduct was accompanied by a comprehensive training plan which combined online and face-to-face sessions. As of year-end 2024, over 95% of the Group's factories had launched this training initiative.

This training plan involved the preparation of documents and videos for distribution groupwide, translated into the languages of all of the countries where we have manufacturing facilities. Top executives from the company participated in those videos, including the Chairman, Antón Pradera; the CEO, Jesús Mª Herrera; the Board Secretary, José Ramón Berecibar; the Managing Director of Compliance and Sustainability, Susana Molinuevo; and the Manager of Compliance, Iker Hernández.

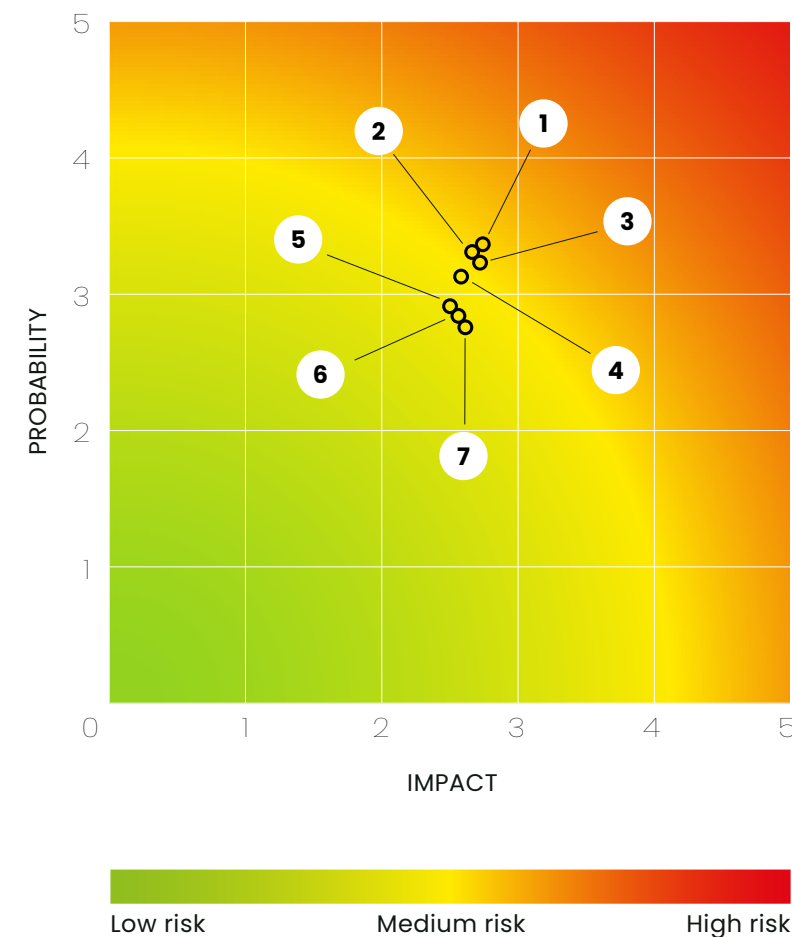
These leaders' involvement evidences the Group's commitment to the promotion of the highest standards of ethics all across the organisation.



Risk management

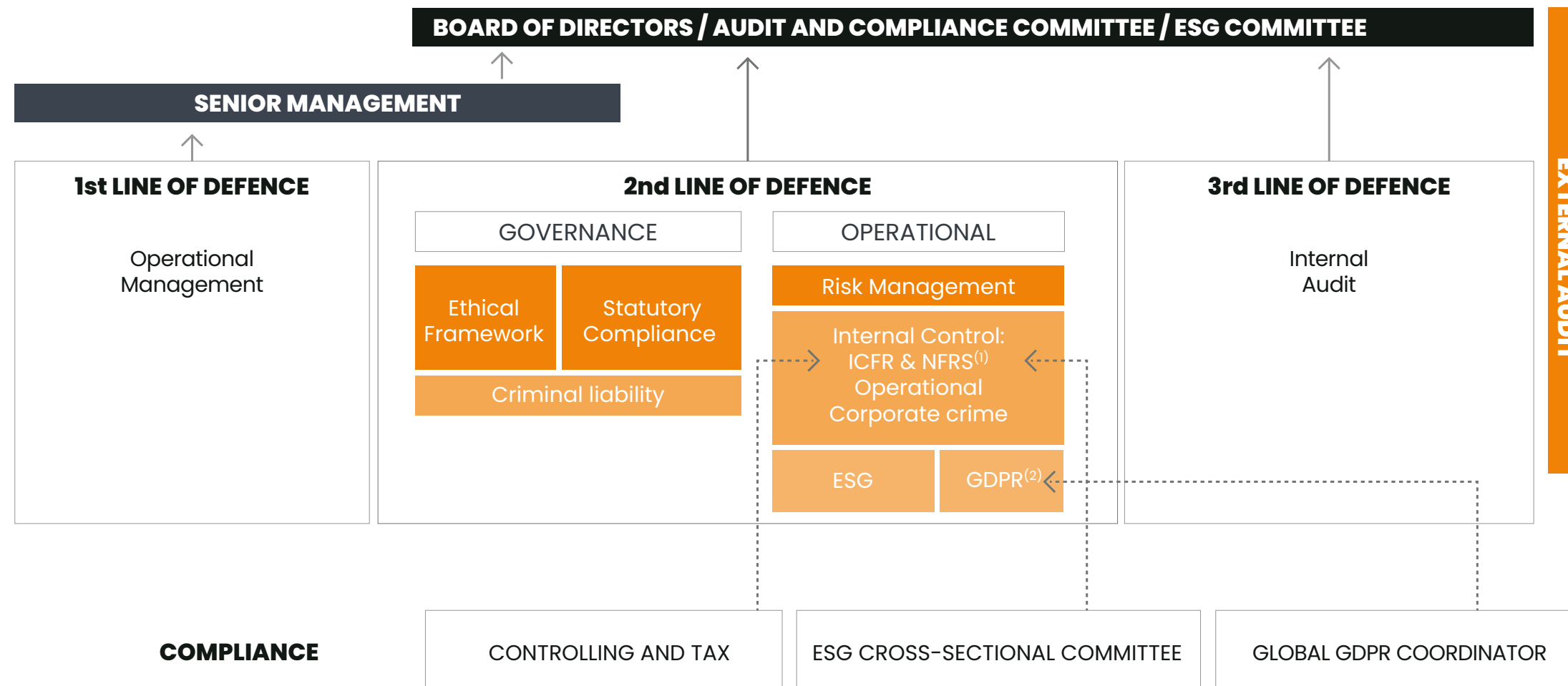
As annually, in 2024 we updated our Risk Map, analysing 20 risks, including strategic, operational, financial, compliance and sustainability risks, through an assessment that involved over 300 people, coordinated by the Compliance body.

2024 RISKS MAP



1. Change in market trends
2. Geopolitical risk
3. Cybersecurity
4. Sustainable supply chain
5. Attraction and retention of talent
6. Human resources for growth
7. Reliability of sustainability reports

LINES OF DEFENCE



Three lines of defence system

Our Risk Control and Management Policy is articulated around three lines of defence. Internally, we manage and supervise our risks through the Risk Management and Process Control modules of SAP GRC, which are operational in all of our productive facilities, irrespective of the ERP they use.

For each risk, we establish specific controls, many of which are automatic, assign managers and design traceable action plans in the event of incidents. As a result, we supervise more than 250 controls across our factories, business divisions and corporate offices, addressing both financial and non-financial information.

..... Areas managed with more cross-functional departments

⁽¹⁾ ICFR & NFRS : Internal Control over Financial and Non-Financial Reporting.

⁽²⁾ GDPR: General Data Protection Regulation.

Double materiality assessment

One of the key milestones of the year has been the effort made to adapt ourselves to our new reporting requirements under the CSRD. In order to meet those new demands, we carried out a far-reaching project articulated around a double assessment, a fundamental step in this adaptation process, in which we have studied different impacts, risks and opportunities (IROs).

This entire process allowed us to feed this information back into our management mechanisms and take more informed decisions, better aligned with our sustainability commitments. The material topics identified will be addressed in the course of preparing our next ESG Plan.



A key milestone of the year refers to our efforts to adapt ourselves to the requirements of the EU Directive on Corporate Sustainability Reporting



The work of the Compliance Department was recognised at the **Expansión Compliance Awards** and the **ASCOM Awards**

Process mining project

Throughout the year, we have also reinforced our Internal Control System thanks to our data mining project, which allows us to optimise our business processes and better control our compliance performance.

In 2024, we completed the process of rolling out the project across the vast majority of countries and the goal for 2025 is to extend the project, not only from the corporate internal control and audit areas, but also to the corporate procurement and controller departments, as well as to the business itself.

Recognition of our compliance effort

The work done by our Compliance Department to cement an organisational culture rooted in ethics, responsibility and compliance was acknowledged by two important prizes: the Expansión Compliance Awards and the ASCOM Awards. Both prizes recognised the international rollout of the compliance model and the use of data mining.

Board of Directors

CIE Automotive's highest governing body is its Board of Directors, made up of 13 members, three of whom independent. All of the company's directors are renowned professionals in different areas of expertise.



BOARD COMPOSITION AT YEAR-END



CHAIRMAN
**ANTONIO MARÍA
PRADERA JAUREGUI**
Proprietary director



VICE-CHAIRMAN
**FERMÍN DEL RÍO
SANZ DE ACEDO**
Executive director



CHIEF EXECUTIVE OFFICER
**JESÚS MARÍA
HERRERA BARANDIARAN**
Executive director

MEMBERS



**ARANTZA ESTEFANÍA
LARRAÑAGA**
Independent director



**MARÍA EUGENIA
GIRÓN DÁVILA**
Independent director



**ELENA MARÍA
ORBEGOZO LABORDE**
Independent director



**ÍÑIGO
BAREA EGAÑA**
Proprietary director



**JAVIER FERNÁNDEZ
ALONSO**
Proprietary director



**DON JOSÉ
RAMÓN
BERCIBAR
MUTIOZABAL**

NON-MEMBER SECRETARY



**ABANTI
SANKARANARAYANAN**
Proprietary director



**FRANCISCO JOSÉ
RIBERAS MERA**
Proprietary director



**JON RIBERAS
MERA**
Proprietary director



**SHRIPRAKASH
SHUKLA**
Proprietary director

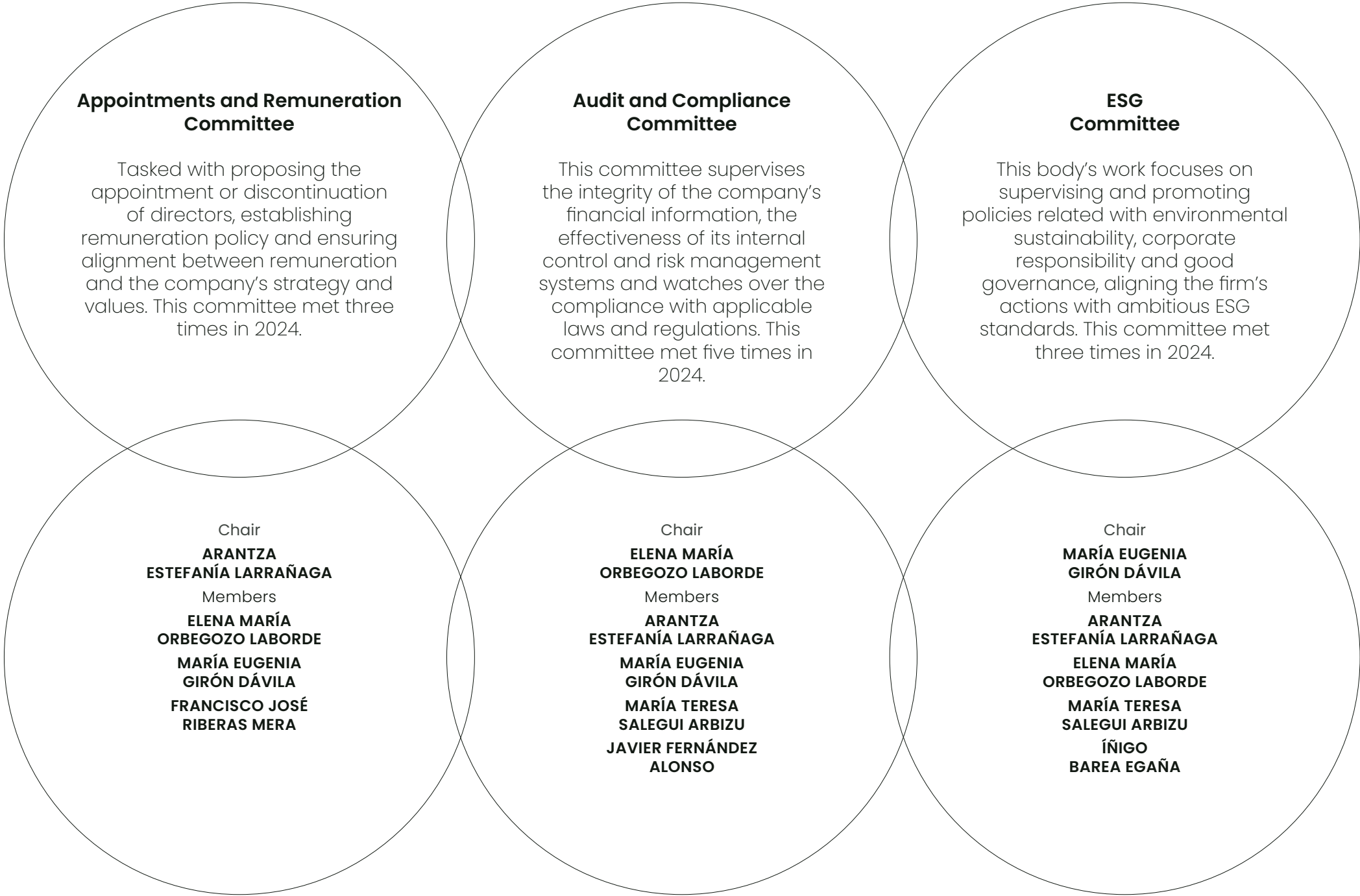


**MARÍA TERESA
SALEGUI ARBIZU**
Proprietary director

In 2024, CIE Automotive’s Board of Directors met on seven occasions and all the meetings were attended by its Chairman.

To optimise its efficiency, the Board of Directors organises itself around three committees.

BOARD OF DIRECTORS



About this report

This Annual Report aims to summarise the activities and advances of CIE Automotive S.A. and its subsidiaries along the economic, social and governance dimensions in 2024. By doing so, we attempt to offer our stakeholders transparency, sharing the Group's most relevant financial and operating information.

For more information about the Group's activities in 2024, a number of other statutory reports are available for download on the corporate website:

[Annual consolidated financial statements](#)

[Annual separate financial statements](#)

[Statement of Non-Financial Information and Sustainability Information](#)

[Annual Corporate Governance Report](#)

[Annual Report on Director Remuneration](#)

You can also find additional information in our corporate presentations.





Let's keep advancing together

ANNUAL REPORT 2024

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