HUMAN RIGHTS POLICY

HORSE POWERTRAIN LTD

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1 Introduction

Horse Powertrain Ltd is committed to respecting the human rights recognized in international frameworks, This commitment is reflected in the Code of Business Ethics and ESG Policy, which establish the standards of conduct that all employees, managers and directors must comply with, as well as the principles that guide Horse Powertrain's business activities.

2 Who this policy applies to

This Human Rights Policy (the "policy") was adopted by the CEO 24-07-2026 and applies to all Horse Powertrain[1] employees[2].

3 Our approach

Horse Powertrain's goal is to fully integrate due diligence into all decision-making processes, including supplier relations, product design and international operations.

Our human rights commitments are embodied in due diligence as an ongoing process we undertake at Horse Powertrain to identify, prevent, mitigate and account for adverse human rights impacts that the company may cause or contribute to through its own activities, or that may be directly related to the company's products, operations or services.

Identify and assess adverse impacts

Horse Powertrain identifies and assesses the actual and potential human rights impacts it may cause or contribute to, arising from its own activities, those of its subsidiaries and those of its business partners when they are related to Horse Powertrain's chain of activities.

The identification of impacts uses both internal information from all Horse Powertrain's activities and subsidiaries, as well as external sources to determine specific impacts by country or product. The specific groups covered and analysed during the impact identification process include Horse Powertrain's employees, local communities and indigenous people, migrant workers, and third-party employees such as external workers and subcontractors.

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[1] "Horse Powertrain" means Horse Powertrain Ltd and its subsidiaries (i.e. all persons and entities directly or indirectly controlled by Horse Powertrain Ltd, where control may be by management authority, equity interest or otherwise).

[2] For purposes of this policy, the notion of "employees" includes:

- all Horse Powertrain employees, regardless of function, position or location, whether working full-time or part- time, under a permanent contract or on a temporary basis, as well as
- consultants and agency personnel who work at Horse Powertrain premises or under the direction of Horse Powertrain (who usually have a Horse Powertrain identification – or CDSID – and/or a Horse Powertrain email address) – note that this policy shall not be construed as an employment contract and does not give consultants or agency personnel any right to continued employment by Horse Powertrain; and
- the members of the Board of Directors of any Horse Powertrain entity.

Once the inherent impacts have been identified, they are evaluated according to their severity and probability, prioritizing severity over probability. When it is not possible to simultaneously carry out all impact prevention, mitigation and elimination measures, Horse Powertrain prioritizes the identified impacts according to their severity and probability.

Controls to cease, prevent or mitigate adverse impacts

Horse Powertrain identifies and evaluates existing prevention and mitigation measures for each potential impact, both for its own activities and for its subsidiaries and business partners. This assessment makes it possible to determine whether adequate measures are in place or whether additional prevention and mitigation plans need to be developed and implemented.

Monitoring implementation and results

Horse Powertrain carries out monitoring activities for the supervision of the due diligence model. These activities are aimed firstly at identifying new potential or actual human rights impacts, and secondly at assessing the effectiveness of the prevention and mitigation measures adopted.

Communicate how impacts are addressed

Horse Powertrain publicly reports information on due diligence processes regarding impacts, and actions taken to prevent, mitigate or remediate human right risks.

Remediation of adverse effects

Horse Powertrain is committed to remedying any actual impacts it has caused, either alone or jointly, seeking to restore the affected persons. Such remediation will be carried out in accordance with the company's involvement in the adverse impact. Remedies may consist of financial or non-financial compensation.

Additionally, Horse Powertrain maintains constructive collaboration with stakeholders in the impact identification and assessment, in the development of preventive action plans and corrective action plans and, where appropriate, for remediation of actual adverse effects.

4 Human rights commitments

Horse Powertrain is committed to respecting and promoting human rights that may be directly or indirectly impacted by its operations.

Human rights related to working conditions

Child labor: Horse Powertrain rejects all forms of child labor, not employing anyone under the obligation to attend school or under the age of 15 years for light work or under the age of 18 years for work overnight or that can be dangerous or impact health.

The company works to ensure that all ILO (International Labour Organization) conventions regarding minimum working age are complied with in activities throughout its value chain.

Forced labor: Horse Powertrain rejects any form of forced labor, modern slavery, restriction of freedom of movement, excessive overtime, hiring employees against their will or under threat, including the use of violence or intimidation, withholding of wages, forced debt, abusive working and living conditions, retention of identity documents, or threats of reporting to the authorities.

Any employee must be free to terminate the employment relationship at any time, subject to the stipulated notice period, without incurring penalties or wage deductions.

If disciplinary measures are applied, they will be free from any form of violence, physical punishment, humiliation, and treatment contrary to human dignity.

Human trafficking: Horse Powertrain strictly prohibits all forms of human trafficking. The company is committed to identifying, preventing, and addressing any risks of human trafficking within its operations and supply chain. The company expects all employees, suppliers and business partners to uphold this commitment and to act in accordance with international standards and applicable laws aimed at eradicating human trafficking.

Health and safety: Horse Powertrain ensures that employees and subcontractors are not exposed to severe occupational health and safety hazards and is committed to implementing effective health and safety measures that are tailored to the job and based on prevention. The company seeks to prevent and avoid workplace accidents at all its workplaces. To this end, the company implements action plans, protective measures, and training, as well as commitments applicable to all employees and subcontractors. It is committed to monitoring all measures implemented.

The company provides employees with adequate ventilation, light and temperature levels, and acceptable levels of noise and dust/air pollution, as well as with resting and eating areas, toilet facilities, dining areas with potable water and access to first-aid supplies.

Non-discrimination and equality commitment: Horse Powertrain rejects any type of discrimination based on race, ethnicity or caste, religion, ideology, age, nationality, sexual orientation, gender, marital or family status, social origin, disability, opinion, trade union activities or for any other reason. The company strongly rejects any behavior that creates an offensive, hostile or intimidating work environment, as well as all forms of harassment.

The company is committed to equal treatment and equal opportunities in any working aspect such as recruitment, promotion, assessment, training, wages, assignment of duties, disciplinary measures, dismissal or retirement.

In the case of hiring migrant workers, Horse Powertrain ensures decent working conditions and decent accommodation conditions.

Freedom of association and collective bargaining: Horse Powertrain recognizes the right of workers' freedom of association, collective bargaining and social dialogue based on the laws of each country without any form of retaliation or discrimination.

In countries where local law sets restrictions on the right to freedom of association and collective bargaining, employees may hold regular meetings to freely discuss issues related to working conditions.

Fair and equal wages and benefits: Horse Powertrain seeks to provide employees with a living wage, which is a salary equal to or higher than the legal minimum wage, guaranteeing a fair wage which enables employees to cover their basic needs. The company is committed to ensuring that all employees receive equal pay for work of equal value, avoiding any

sort of discrimination based on gender or any other status. The company regularly reviews its compensation practices to identify and address any unjustified pay gaps and to promote transparency and equity in remuneration.

Working hours: Horse Powertrain complies with mandatory labor laws and regulations regarding working hours in all jurisdictions where it operates. The company adopts appropriate working hour systems based on job nature and local legal requirements, ensuring employees' rest and leave rights are protected. Overtime work, where applicable, is conducted in accordance with local statutory provisions on approval procedures, duration limits and compensation standards.

Work-life balance: Horse Powertrain supports work-life balance by respecting employees' rights to statutory and company-provided leave, including sick leave and parental leave, as well as the right to disconnect.

Human rights related to local communities

Rights of local communities: Horse Powertrain is committed to protecting the rights of the local communities where it operates. These commitments translate into respecting their right to access basic services such as water, energy, food, freedom of movement, housing, property, land use, health and education. Special attention is given to the rights of native, Aboriginal and Indigenous peoples. In addition, Horse Powertrain takes these issues into account when acquiring land where a factory is to be built.

Human rights related to customers and end-users

Quality of product and services: Horse Powertrain is committed to implementing and complying with the highest quality standards in relation to product health and safety, including environmental impacts. The company is dedicated to ensuring that all products and services are safe for customers and do not pose any health risks throughout their lifecycle. Horse Powertrain aims to proactively identify and mitigate any potential negative health and safety impacts associated with its offerings.

Human rights related to a healthy environment

Healthy environment: Horse Powertrain is committed to implementing measures to minimize its impact on the environment, including the emission of air pollutants, the deterioration of surface water quality and water pollution, the generation of hazardous waste and the alteration of landscapes and habitats.

Human rights related to other topics

Use of private security forces: Horse Powertrain ensures any use of private security forces is in full compliance with all applicable laws and regulations, and that any private security force we use does not abuse its power or violates human rights.

5 How to report a violation

If you notice any activity or conduct that may result in a violation of this policy, you are expected to report the issue promptly to either your direct manager or your local Human Resources representative. If for some reason you are not comfortable with this reporting procedure, you can also contact another manager or Legal & Compliance or report via the whistleblowing reporting line[3]. For more information about reporting, please refer to the Internal Reporting Policy.

Horse Powertrain will ensure that there are no adverse work-related consequences for any employee who, in good faith, alerts management to possible violations of this policy. Note that in accordance with the Internal Reporting Policy, employees are required to report any violation of this policy and failure to do so may result in disciplinary action, up to and including dismissal, within the limits of applicable laws.

6 References

This Human Rights Policy establishes the principles of action that inspire Horse Powertrain's commitment to respecting human rights in accordance with the following instruments on human rights and fundamental freedoms. Horse Powertrain and its business partners commit to complying with these principles:

- The Universal Declaration of Human Rights of 1948 and the principles laid down within the framework of the Declaration of the International Labour Organization (ILO) of 1998, relating to the basic principles and rights at work, and ILO Convention N° 155 on Occupational Safety and Health
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Rights of the Child
- Basic and fundamental conventions of the International Labor Organization:
    - Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
    - Right to Organize and Collective Bargaining Convention, 1949 (No. 98)
    - Forced Labor Convention, 1930 (No. 29) and its Protocol of 2014
    - Abolition of Forced Labor Convention, 1957 (No. 105)
    - Minimum Age Convention, 1973 (No. 138)
    - Worst Forms of Child Labor Convention, 1999 (No. 182)

In countries where local regulations are less stringent, Horse Powertrain will strive to align its practices with these international benchmarks, ensuring respect for human rights without contravening applicable local laws.

3 Note that in some countries there can be legal restrictions on what can and cannot be reported through the whistleblowing reporting line. Details of these restrictions are presented when accessing the system. If you wish to report concerns about wrongdoing or malpractice, please refer to our Internal Reporting Policy, which contains full details of how to raise a concern, including the reporting channels and further guidance

