



2025 ANNUAL REPORT

Non-Financial Information Statement

Horse Technologies,
a division of Horse Powertrain

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CEO's letter

Patrice Haettel, CEO Horse Technologies, a division of Horse Powertrain:

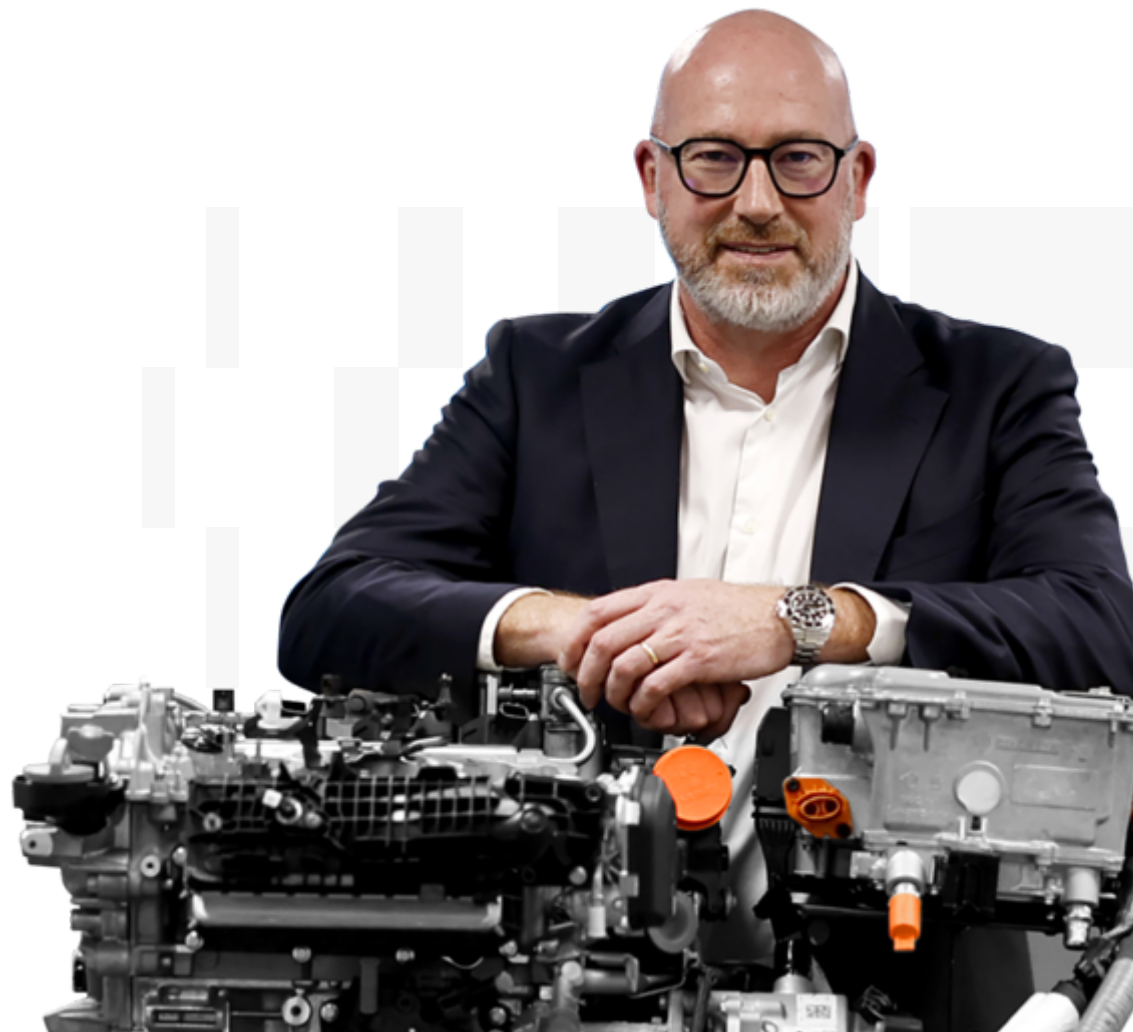
2025 was a pivotal year for Horse Technologies division within the global ecosystem of Horse Powertrain. We strengthened our position as a strategic industrial division, fully integrated into a global company with a clear ambition: to design and deliver efficient and competitive powertrain solutions in an increasingly demanding regulatory and market environment.

Throughout the year, Horse Technologies division collaborated with our colleagues in Aurobay Technologies division in China and Sweden to come together as one company. Our origins are diverse – which ultimately enriches the company – but our vision is the same. Over the past months, we have aligned processes, governance, industrial standards and strategic priorities under a single operational vision and mission.

As both the CEO of Horse Technologies and the COO of Horse Powertrain, I am convinced that integration cannot be purely operational, it must also encapsulate culture and ways of working. We share a common roadmap, and my challenge is to ensure that through operations and processes, Quality, Procurement, ESG and Artificial Intelligence, our two divisions operate together, with scale, discipline and a strong focus on business performance.

Turning data into competitive advantage with kAIros

Looking to the future, I firmly believe that our competitive advantage will not depend solely on what we produce and how we manufacture it, but also on how we learn and improve on what we produce. The key in our industry is not data, but how we interpret it, using artificial intelligence (AI). For this reason, one of the most significant milestones at Horse Technologies this year has been the launch of kAIros. kAIros is our industrial transformation program, designed to embed AI, advanced analytics and digital twins into our daily operations. It provides a structured method to convert operational data into real-time decisions, predictive capabilities and measurable performance gains.



Innovating with intelligence and pragmatism

Today, tomorrow and well beyond that, our true driver will remain our technology and our products. At IAA Mobility 2025 in Munich, Horse Technologies reinforced our technological commitment by presenting the HORSE C15: a revolutionary range extender system that generated significant interest. Developed at our R&D center in Valladolid, and designed to overcome barriers related to range, size, cost and efficiency, the HORSE C15 embodies our vision of pragmatic and intelligent electrification. There should not be a single pathway to net zero, but rather a combination of technologies that accelerate decarbonization and facilitate an inclusive energy transition. Ultimately, the enemy is CO₂, not technology.

Alongside this, we presented our hydrogen combustion engine HORSE M20 as well as our next-generation transmission: the HORSE 4DHT120, a new dedicated hybrid transmission. We also launched the HORSE H12 LPG in Romania – the first engine on the market to combine LPG with direct injection – demonstrating our ability to innovate for markets where LPG remains a strategic solution. Together, these technologies form part of a portfolio designed to respond to diverse regulatory frameworks and regional market needs.

Regulatory adaptation has also driven our innovation. The transition towards Euro 6e/6e-bis and preparation for Euro 7 in Europe, together with the specific regulatory frameworks of Latin America and India among others, require both technical agility and strong industrial discipline. Our global structure enables us to anticipate these changes and transform regulation into a competitive advantage rather than a constraint.

Expanding our reach with strategic partnerships

A number of strategic partnerships and commercial agreements agreed in 2025 will enable us to showcase our technology in new environments. Together with the Caterham Academy, through the HORSE H13 engine, Horse

Technologies will demonstrate our performance, reliability and adaptability in motorsport. Our HORSE H10 REX powertrain, fitted to a Marcopolo Volare Attack 9 Hybrid microbus, can extend its range to 450km. And through our agreement with Hybdor, we can showcase the versatility and adaptability of our powertrain solutions in the marine sector.

Reinforcing our business with culture and responsibility

During the year, Horse Technologies completed the rollout of our new operational vision and mission, and our new values, which are aligned with our global culture: Caring, Collaborating and Creating Excellence. This was also the year when our ESG plan reached a new level of maturity. We strengthened our commitments in environmental, social and governance responsibility, achieving S&P Global CSA, CDP and EcoVadis ratings above the sector average. In parallel, we implemented new management policies across both divisions that reinforce consistency in compliance, responsible sourcing, talent management and industrial standards.

All of this has been made possible by our teams. Their technical expertise, adaptability and commitment to rigorous execution remain our most important competitive advantage.

Today, Horse Technologies is a robust and innovative industrial division, ready to compete in demanding regulatory environments and across diverse markets, with global scale, industrial discipline and innovation.

At a time when the mobility industry is undergoing a profound transformation, our ambition is to become the global benchmark for efficient, low-emission powertrain solutions. And in 2025, we took decisive steps in that direction.

Patrice Haettel

CEO, Horse Technologies, a division of Horse Powertrain

01

HORSE VALUE PROPOSITION

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Economic impact

Market positioning



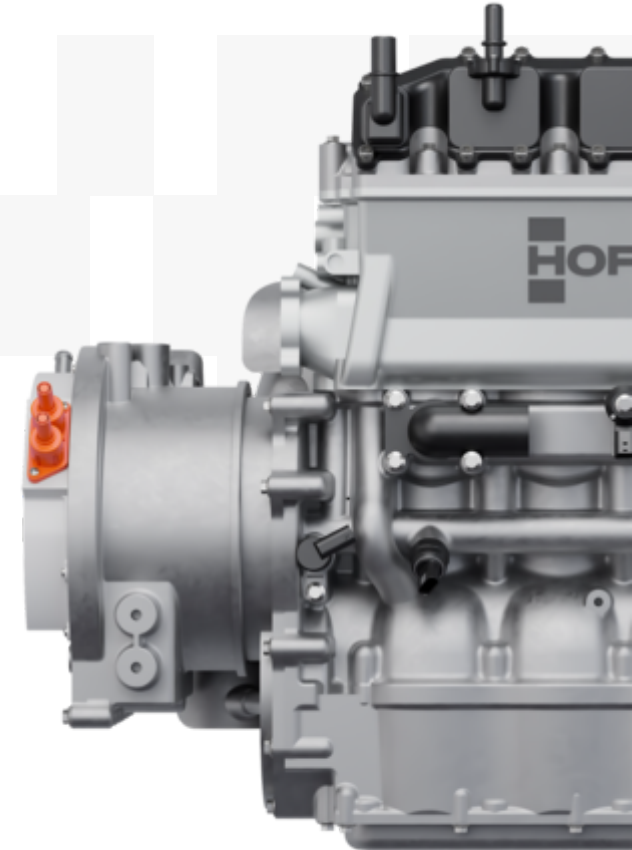
About Horse Technologies

Horse Technologies, led by Patrice Haettel, is a division of Horse Powertrain, led by Matias Giannini. Horse Powertrain is an independent powertrain technology leader, built on 125 years of heritage from Renault and Geely. We bring together expertise, innovation and global reach to offer innovative ICE and hybrid powertrain solutions for OEMs around the world.

We design and deliver highly efficient integrated powertrain systems and standalone powertrain products, from engines to transmissions to electric motors. With 19,000 people, 18 plants and 5 R&D facilities on 3 continents, we're equipped to serve global OEMs at scale. At the end of 2025, we had around 20 automotive customers globally, including Renault Group, Geely Auto, Volvo Cars, Proton, Nissan, and Mitsubishi Motors Corporation.

Our vision is to revolutionize motion for all. At least half the global vehicle fleet will still be powered by hybrid and combustion engines by 2040. As the world recognizes the continued need for highly efficient combustion engines, our goal is to provide powertrains that are scalable and diverse enough to suit the needs of different regions—and deliverable in the real world.

With our combustion engines, hybrid systems and range extenders, we can serve the needs of almost every customer, across every region, every fuel type, and every kind of vehicle. We aim to give OEMs the powertrain technology to cut emissions now and at scale—and help build a better world for the many, not the few.





Vision

Revolutionizing motion for all.



Mission

We will become the global leader in highly efficient ICE and hybrid powertrains, pioneering innovative solutions that make sustainable mobility accessible to all



Values

Caring

We are committed to our mission and we take responsibility for our actions and their outcomes. We take care of our people, society and the planet.

Collaborating

Stronger as one, we are dedicated to building integrity-driven relationships with each other, our shareholders, our customers and the industry.

Creating Excellence

We are bold, customer-focused entrepreneurs, who never stop learning and never stop innovating to drive performance.

Activity and products

At Horse Technologies we design, develop, manufacture and market a full range of components for propulsion systems, including internal combustion engines, hybrid systems, transmissions, batteries and power electronics.

We focus on advanced technologies to make mobility more sustainable, in particular next-generation hybrid propulsion solutions and the engines that can be powered by synthetic fuels and hydrogen.

Horse Technologies product range

| Product categories | 2024 | | 2025 | | |
|------------------------------------|---------------------------------------|------------------------------|--------------------------|------------------------------|--------|
| | No. of products produced | Total weight of products (t) | No. of products produced | Total weight of products (t) | |
| Internal combustion engines | Diesel engines | 238,866 | 33,919 | 220,874 | 31,364 |
| | Gasoline engines | 803,499 | 71,539 | 820,087 | 74,814 |
| | Hybrid engines | 417,867 | 43,043 | 488,577 | 49,936 |
| | Flex fuel engines | 66,189 | 5,995 | 61,416 | 5,712 |
| | LPG (Liquefied Petroleum Gas) engines | 676,597 | 57,511 | 637,298 | 54,171 |
| Transmission systems | Manual transmissions | 1,399,968 | 49,194 | 1,383,575 | 48,279 |
| | Hybrid transmissions | 403,159 | 38,703 | 505,970 | 48,571 |
| | Electric vehicle transmissions | 53,394 | 1,338 | 0 | 0 |
| Total | 4,059,539 | 301,242 | 4,117,797 | 312,846 | |

*Figures for revenue per product not included for confidentiality reasons

CURRENT LINE-UP



Transmission systems

- Manual transmissions
- Automatic transmissions



Engines

- Diesel engines
- Gasoline engines
- Hybrid systems



Power electronics

- Battery development (not manufacture)
- Power Electronic Box (PEB)
- eMotor



Engineering services

- Conception
- Development
- Prototypes
- Testing
- Adaptations
- Commissioning

The production process and development of new products in Horse Technologies

At Horse Technologies we have implemented a comprehensive process to drive continuous improvements relating to time to market, efficiency, cost reductions and customer focus. This end-to-end approach is possible thanks to our decades-long experience in R&D in industrial processes, bringing together highly qualified –technical and human – teams and sophisticated and cutting-edge technological programs and platforms.

This combination positions us as the ideal partner for any company seeking tailored turnkey products as it promotes efficiency, sustainability and technological excellence.

An end-to-end process involves owning and being responsible for every decision in each phase of the project, from conception and initial design, through industrialization and manufacturing, to after-sales service. All with a well-defined goal: to become a strategic partner to our customers.

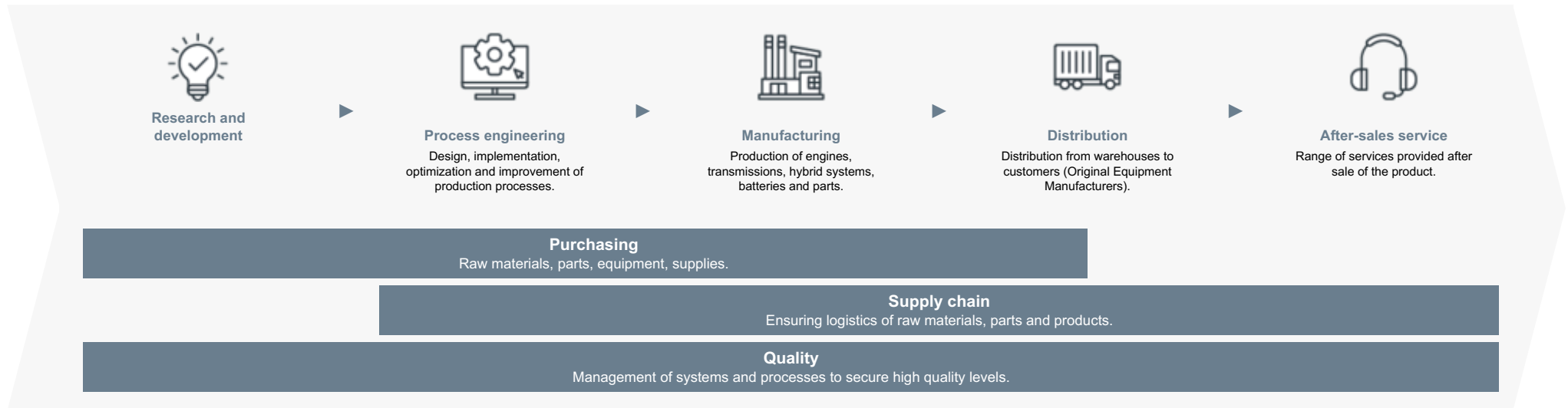
- **Research and development:** We design our solutions using numerical simulations and virtual mock-ups to guarantee reliability and performance. We validate the list of materials and perform quality testing at every stage. We also develop and calibrate software with up to 80,000 tags, using advanced tools such as the V cycle. At this phase, we also perform laboratory and field testing, including climate and pressure tests, optimizing efficiency and sustainability. Our trial and extreme test tracks in locations such as Granada and Sweden help ensure that our products will meet the customer's expectations.
- **Process engineering:** During the prototyping stage, we use advanced technologies such as simulations and virtual reality to refine our engineering before mass production. Our structure includes high-precision measurement systems and hybrid manufacturing, which permits total traceability and exact replicability. We collaborate with suppliers that have a long track record, ensuring timely delivery and high quality. These tools allow us to optimize processes and promote sustainability at every step.
- **Manufacture:** We have eight factories in seven countries, equipped with cutting-edge technology. From aluminum casting to final assembly, we produce key components for powertrains such as engine blocks, cylinder heads, crankshafts, rods and camshafts, in the case of engines, and pinion systems, shafts and power electronics in our transmission systems. This approach positions us as leaders in efficiency and adaptability to market needs.

Our goal is to become a strategic partner to our customers

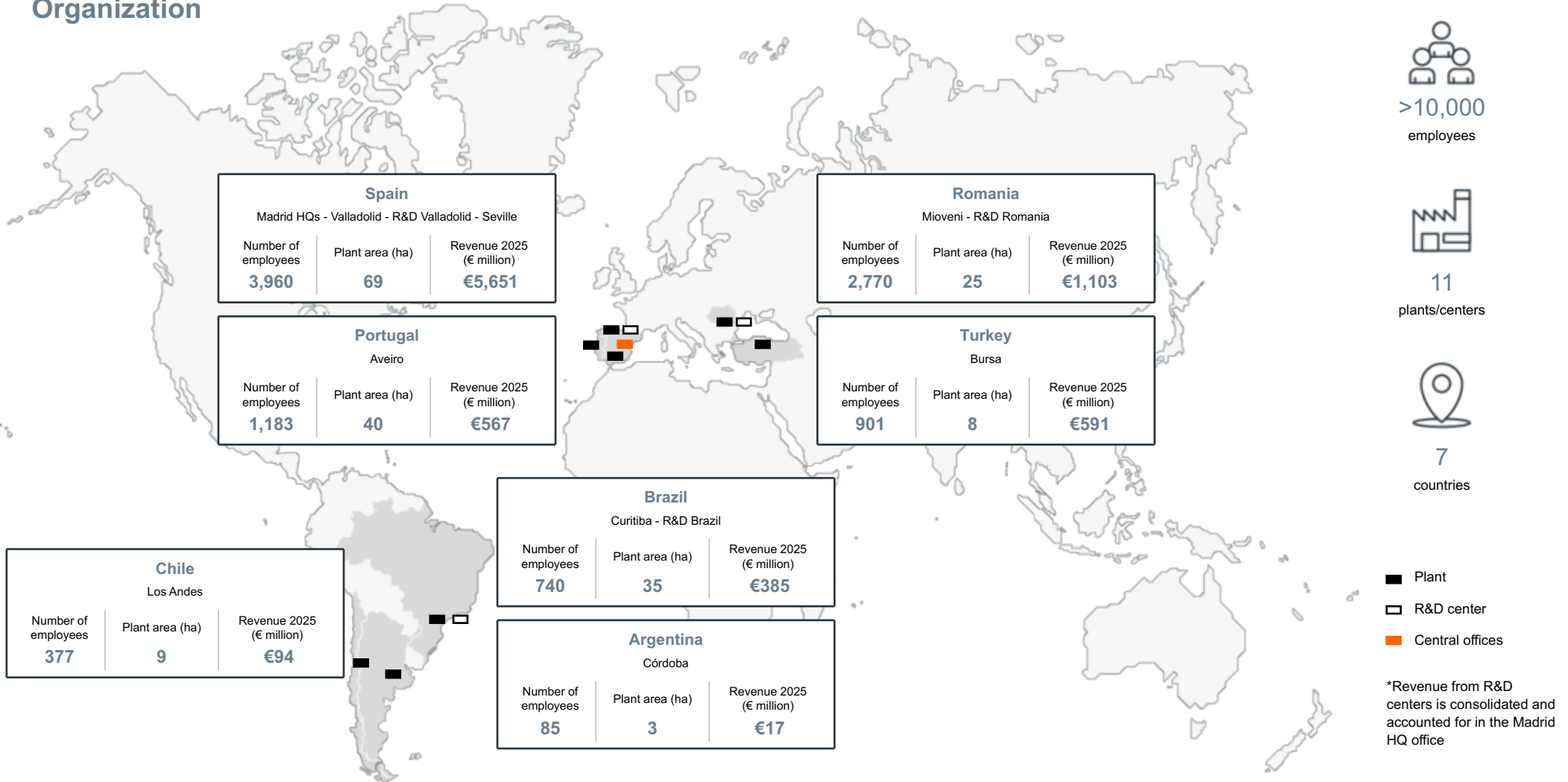
- **Distribution:** We secure fast and reliable distribution thanks to our efficient planning. From manufacturing to the point of delivery, we manage logistics with precision, ensuring that our products are delivered on time and in optimal conditions. To ensure we can respond to market demand, Procurement remains involved.
- **After-sales service:** Our commitment to customers does not end with delivery. Our After-Sales Department assures operational continuity for our customers through specialized technical support and supply of parts for 15 years after the end of production. Efficient logistics and close collaboration guarantee fast and effective solutions. This approach lets us build lasting relationships based on trust and continuing satisfaction.

In addition, we have three cross-cutting phases throughout the process: "Purchasing" to ensure the correct acquisition of high-quality materials; "Supply chain", which runs from the engineering phase to after-sales service, ensuring the availability and efficient delivery of products; and "Quality", throughout the value chain, ensuring that each phase meets high standards, and that after-sales service is optimal, including for any incidents or complaints.

THE HORSE TECHNOLOGIES VALUE CHAIN



Organization



Main activities by site



Spain

Madrid HQ

Central Services

Valladolid

Diesel engines, gasoline engines, hybrid engines

R&D Valladolid

Project management, design, testing, fine-tuning, and calibration, as well as certification or mass production for hybrid and diesel powertrains, hydrogen, and e-fuels

Seville

Manual, hybrid and electric transmission systems



Turkey

Bursa

Gasoline engines, hybrid engines, manual transmission systems



Brazil

Curitiba

Gasoline engines, hybrid engines, flex-fuel engines

R&D Brazil

Specialized center for flex-fuel technologies and laboratory engine testing.



Portugal

Aveiro

Manual transmission systems



Argentina

Córdoba

High-pressure die-cast aluminum parts for gearboxes and engines, clutch housing, mechanism housing, and timing cover.



Romania

Mioveni

Gasoline engines, LPG engines, manual transmission systems

R&D Romania

Development of engines, gearboxes, and software, as well as calibration and testing facilities.



Chile

Los Andes

Manual transmission systems

Our management structure at Horse Technologies is a global matrix with functional reporting lines. It is led by CEO Patrice Haettel and designed to integrate key functions between central offices and production centers, while also coordinating activities across technological centers and countries. This structure also supports close collaborate with Aurobay Technologies, as well as Geely and Aramco. The CEO also coordinates the Horse Technologies operations team, which includes the plant directors.



Patrice Haettel
Chief Executive Officer

HORSE TECHNOLOGIES LEADERSHIP TEAM



Caroline Mechai
Chief Sales & Business Development Officer



Rafael Vázquez
Global Metaverse & Ind. Excellence Director



Julien Faure
Chief Technology Officer



Isabelle Landrot
Chief Financial Officer



Juan Ferrera
Chief Human Resources Officer



Ana Sampelayo
Global CEO Office & ESG Director

HORSE OPERATIONS TEAM



Wesley Palma
Seville Plant Operations Director



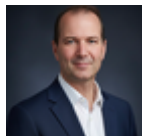
Giuliano Eichmann
Brazil Plant Operations Director



Gokhan Deniz
Oyak Plant Operations Director



Diego Cufre
Chile Plant Operations Director



Miguel Valle
Chief Manufacturing Officer



Juan Jacobo Bregante
Global Quality Director



Edouard Simon
Chief Information Officer



Antonio Vaz
Chief Process Engineering Officer



Roberto Soto
Chief Purchasing Officer



Marlon Fonsaka
Global Supply Chain Officer



Clémence Auray
Chief Legal Officer



Alberto de los Ojos
Valladolid Plant Operations Director



Raynald Joly
Aveiro Plant Operations Director



Gabriel Vieru
Romania Plant Operations Director



Andrés Pavone
Argentina Plant Operations Director

Creation of a unified and scalable global organization

In 2025, we made significant progress in integrating the entities that make up Horse Powertrain Limited, consolidating under the principle of One Company, One Brand. This has allowed us to strengthen our global identity and articulate a shared vision and roadmap to 2035, alongside a single five-year business plan covering all regions, technologies and customer segments. This shared framework provides greater strategic alignment, stronger industrial discipline and the capacity to execute effectively on a global scale.

As part of the evolution, we moved towards a customer-centric regional model, with each region taking direct responsibility for economic performance while strengthening coordination with our parent companies. This design supports faster decision-making and responsiveness to our customers, and boosts expansion into new markets, with a special focus on the USA and India, where the combined legacy capabilities create a stronger competitive advantage.

At the same time, we strengthened operational excellence by harmonizing our industrial, logistics, and quality processes. Aligning methods, standards and operational interfaces reduces duplication, improves efficiency and moves us closer to a truly global operating model built on common processes and a shared operating rhythm throughout the organization.

As a result of this process, key synergies have been identified that will mark our progress in 2026 and subsequent years:



Finance

- Consolidation of purchase and supply volumes.
- Interoperable industrial footprint that facilitates load optimization between plants.
- Unified operating standards and efficiency programs that generate economies of scale.



Technology and engineering

- Joint leveraging of capacities of both divisions to accelerate the modular platform strategy.
- Coordinated development of hybrid and traditional combustion technologies, with a single technological roadmap.
- Reduction of duplications, faster development cycles and greater efficiency in time-to-market.



Operations

- Common planning, warehouse, supply chain and quality processes.
- Convergence of industrialization methodologies in all centers.
- Resource optimization through dual structures (for examples combined COO/CTO–Division CEO Division roles), reducing silos and standardizing global operating rhythm.

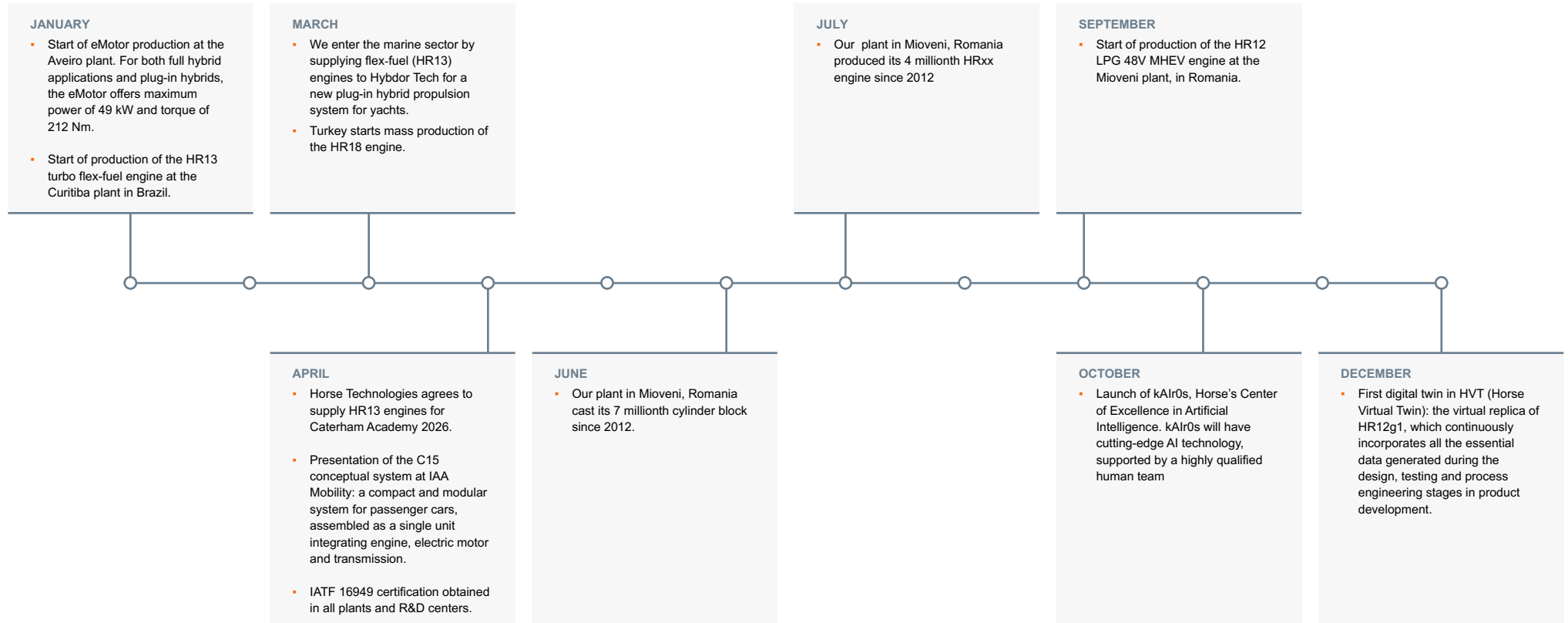


Commercial and customers

- A single commercial approach to external OEMs.
- JV more attractive in purchasing processes thanks to the combined portfolio and an expanded technological proposition.
- Strengthened position in India and the USA due to the complementary nature of the divisions.

These measures and synergies allow us to move towards a more integrated, efficient and competitive organization, fully prepared to respond to the needs of our customers, accelerate our presence in strategic markets and build on stronger foundations, for the global future of Horse Powertrain.

Milestones 2025



Participation in trade fairs and events

Throughout 2025, we participated in several key events to reinforce our position in the market and increase our profile in relation to different stakeholders. As guests, participants or exhibitors, we attended trade fairs and congresses for the automotive industry, sustainability and new technologies, including:



Shanghai Motor Show
China



IAA Mobility
Germany



Busworld
Belgium



Agritechnica
Germany



NISE
Spain



ACT Expo USA
USA



Energy Summit
Brazil



International Symposium
Automotive and Engine
Technology
Stuttgart



SIA Pwt Congress
France

Awards and recognition

Although we are just two years old, we have received recognition in different fields and geographical locations, mostly due to our commitment to and investment in innovation and technology:



Investment in innovation of the year award

[Chambre Officielle de Commerce d'Espagne de France - COCE](#)



Best future of operations project Best digital transformation project

[Portugal Digital Transformation Awards](#)



Best innovative project in engines, Spain

[FACYL - Cluster de Automoción y Movilidad de Castilla y León](#)



Aveiro matrix flow project

[Robotics & Automation Awards](#)

Economic impact

Financial strategy and organization

At Horse Technologies, our financial strategy is designed to guarantee the company's long-term stability, profitability and growth, aligned with our mission to lead the development of new low-emission technologies to facilitate the energy transition and decarbonization. And, of course, it supports the corporate and strategic objectives driven by the CEO and the management team.

Organization structure

The Finance Department of Horse Technologies is organized as a corporate department with decentralized financial teams in the seven countries where we operate.

In turn, the corporate department acts under the strategic guidelines of Horse Powertrain's Finance Department. This three-level structure guarantees strategic consistency and, at the same time, maintains the necessary operational flexibility so that Horse Technologies can respond effectively to both global objectives and local challenges.



Finance Department of Horse Powertrain

The Finance Department of the joint venture, led by its CFO, establishes the strategic guidelines for the three divisions that make up the JV.



Corporate Finance Department of Horse Technologies

Led by the CFO of Horse Technologies, this team defines the financial strategy, including the capital structure, cash management, cost control, risk management and regulatory compliance.



Local Financial Teams

Present in each country, these teams implement the corporate strategy, oversee daily operations and assure that all financial activities comply with local laws and regulations.

Innovation through investment in new technological developments is a fundamental part of the Horse Technologies financial strategy

Strategic objectives for 2030

The financial strategy of Horse Technologies is guided by five key pillars, designed to provide a solid base for the company's long-term ambitions:

1. **Stable capital structure:** Guaranteeing financial stability through responsible capital allocation and investment decisions.
2. **Secure cash generation:** Prioritizing liquidity and efficient cash flow management to support strategic operations and initiatives.
3. **Efficient cost control:** Maintain profitability by optimizing resources and through operational efficiency.
4. **Proactive risk management:** Anticipating and mitigating financial risks through comprehensive information, daily supervision and strategic alliances.
5. **Financial compliance:** Guaranteeing adherence to global standards in taxes, customs, accounting, audits and internal controls.

By 2030, Horse Technologies aspires to consolidate its position as a financially resilient organization that backs innovation and sustainable growth.

Carve-out

The financial framework of Horse Technologies was established through the Renault Group carve-out process in July 2023. Between 2022 and 2023, Renault Group restructured its combustion and hybrid powertrain business, encompassing the production of engines and gearboxes and the development of batteries and power electronics to optimize hybrid systems. This reorganization involved the divestiture of mixed subsidiaries, the transfer of assets and eventual contribution or sale of shares to Horse Technologies Powertrain Solutions SLU, a Spanish holding company owned by Renault SAS.

Accordingly, the carve-out included:

- **Mixed subsidiaries:** Operations in Brazil, Romania, Spain and Turkey that were split off from Renault Group's broader activities, requiring complex divestitures.
- **Dedicated subsidiaries:** Existing operations in Argentina, Chile and Portugal, which were integrated directly into Horse Technologies, as they were exclusively part of the powertrain business.

2025 – A paradigm shift

2025 was a key year of transformation in our financial paradigm:

- First year without the financial model based on guaranteed margin, which had been in force from the carve-out until the end of 2024, requiring adaptation to a more marked-focused approach.
- Advancing in digital transformation, with the first placement in operation of the SAP S/4HANA system in the plant in Portugal and first trials of AI-based financial consolidation tools.
- Reinforcing expansion support, assuring that the financial structures back Horse Technologies' growth in new markets and segments.
- Start of ESG integration in planning and financial reporting, assuring alignment with the company's global sustainability goals.

2026 – Digital transformation and strong processes

Looking ahead to 2026, we will focus our efforts on addressing new challenges and taking advantage of emerging opportunities:

- Driving digital transportation, advancing in the rollout of SAP S/4HANA in the different entities and incorporating advanced analytics tools and AI-based solutions to improve forecasting, decision-making and cost control.
- Managing market volatility, by adopting predictive models and enhanced risk management frameworks to anticipate economic changes and mitigate their impact.
- Supporting expansion, assuring that the financial structures continue to provide a solid basis for growth in new markets and sectors.
- Making further progress in sustainability alignment, with increased integration of ESG criteria in planning and financial reporting, in line with the company's strategic sustainability goals.

Driving resilience through finance

Horse Technologies' financial strategy is not limited to managing resources – it is about enabling the organization to navigate a tremendously complex shifting environment and, at the same time, drive innovation by investing in new technological developments. The carve-out was a significant step in the evolution of Horse Technologies, establishing the bases for a self-sufficient financial model.

With a clear vision of the future, a sound organizational structure and a commitment to excellence and financial ethics, the Finance Department is placed to be a fundamental pillar of Horse Technologies' continued success. Through our financial experience, we are laying the foundations to drive a resilient, innovative and sustainable future.

Financial results

In the automotive sector, financial strength is a fundamental pillar to guarantee sustainable development, technological innovation and the capacity to respond to a highly-competitive market. Although only recently established, Horse Technologies is proud to present our second Annual Report, which reflects not only operational performance but also our consolidation in a demanding and constantly evolving sector.

Analysis of the main financial metrics, broken down by products and group companies, is set out below, highlighting our current position and the bases we are building for the future.

Total revenue this year amount to €7,006 million, while our EBITDA totaled €773 million, showing a strong generation of operating resources. In turn, we closed the year with earnings before meeting our financial and tax obligations of €248 million.

Our earnings before taxes totaled €208 million. The balance of financial debt was €1,056 million, while cast totalled €423 million, which reinforces our capacity to meet financial commitments and maintain adequate liquidity.

Capital expenditure totaled €447 million, mainly (R&D) development projects amounting to €174 million and investments in property, plant and equipment amounting to €273 million. It should be noted that, among the main investments made, €9 million were invested in low-carbon technologies (alternative fuels, hydrogen and electrification).

Key financial indicators (million euros)

| | 2024 | 2025 |
|-----------------------------|--------|--------|
| Revenue | €7,189 | €7,006 |
| EBITDA ¹ | €642 | €773 |
| EBIT ² | €187 | €248 |
| Earnings before taxes | €143 | €208 |
| Financial debt | €1,186 | €1,056 |
| Capital expenditure (CAPEX) | €387 | €447 |

¹ Earnings before interest, taxes, depreciation and amortization

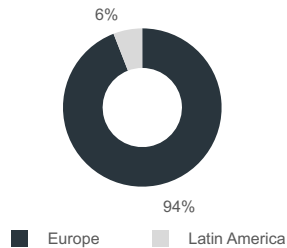
² Earnings before interest and taxes



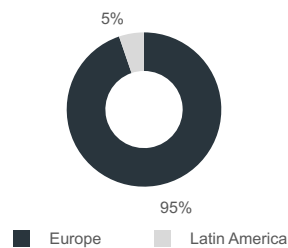
Financial results by geography

At geographical level, the differentiated performance between Europe (Spain, Portugal, Romania and Turkey) and Latin America (Brazil, Chile and Argentina) – key regions for our operations – is noteworthy. In terms of earnings, Europe represents 94% of the total, while Latin America contributed 6%. These figures bear a logical relationship to the company's size in each region. For example, Europe makes up 88% of the group's employees. This European leadership is also reflected in the generation of EBIT, with a contribution of 95% compared to 5% by Latin America.

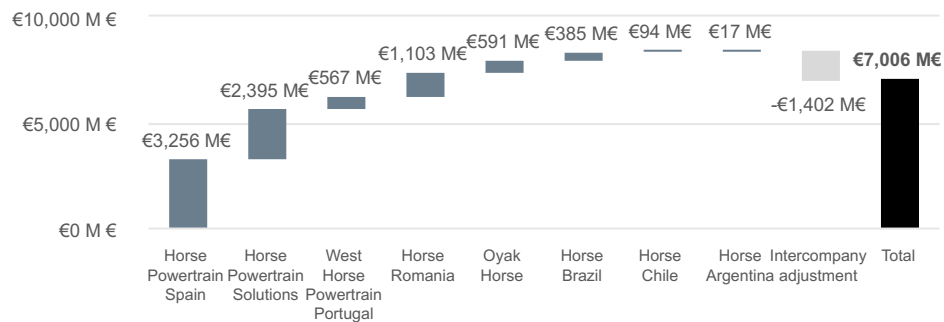
Earnings by geographical area



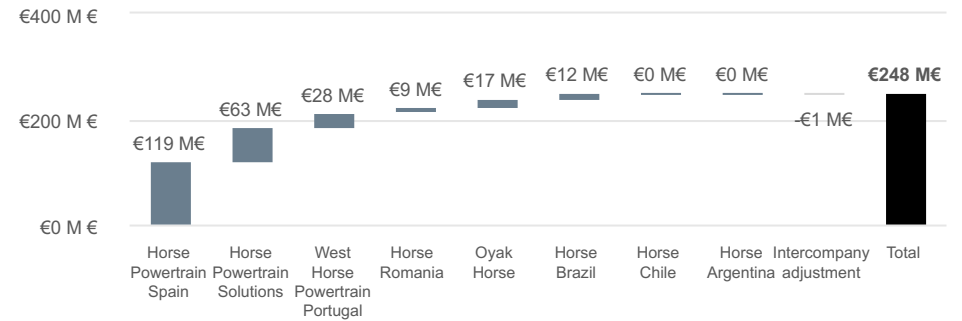
EBIT by geographical area



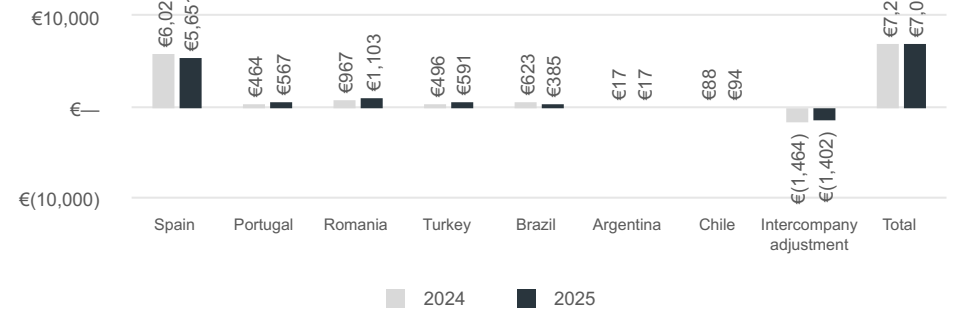
Earnings by group company (million euros)



EBIT by group company (million euros)



Earnings by company - annual comparison (million euros)



These results by geography reflect the importance of diversifying our operations between mature and emerging regions, balancing the contributions of earnings and profitability to guarantee the company's sustainable growth.

Tax strategy

At Horse Technologies, we have formally adopted and implemented a global tax policy in 2025 for the entire company, which defines our strategy for the administration of and compliance with our tax obligations, including the tax principles that govern all our activities. Tax administration encompasses both accurate and timely filing of tax returns and payment of tax obligations. This policy is backed by the CEO and the Board of Directors of Horse Powertrain Limited and is aligned with our commercial and financial strategies, and with the values and principles established in our Code of Business Ethics and other internal policies. Oversight of the tax policy is the responsibility of the CFO of Horse Powertrain, who delegates its implementation to the global tax department.

Several international bodies (including the OECD, and trade associations) and tax authorities (UK, Australia, Spain, etc.) provide best practices and recommendations on developing and implementing tax control frameworks and tax strategies and policies. These best practices have been assessed and taken into account in preparing Horse Powertrain's tax policy. Furthermore, this policy is reviewed annually to guarantee its effectiveness to adapt to best practice, market trends, the expectations of stakeholders - such as institutional investors- and extended regulatory frameworks, including those related to sustainability. The policy will also be updated in the event of regulatory changes, or when other relevant circumstances occur.

This policy applies to all entities that form Horse Powertrain, including those over which Horse Technologies has effective control and covers all tax obligations in the jurisdictions where we operate. If local entities develop their own tax policies, these must be aligned and consistent with the global tax policy.

During 2025, Horse Technologies reinforced the implementation of this policy in all the geographies where it operates, ensuring that it is applied consistently throughout the division and consolidating a responsible and consistent tax approach at global level.

We act proactively, responsible and efficiently, always with integrity, honesty and transparency. This commitment, reflected in our tax administration approach, reinforces our sound, credible and reliable attitude towards all our stakeholders

Tax principles of Horse Technologies

The following principles guide Horse Powertrain's tax conduct and must be observed in all the activities in which we are involved:

- Tax compliance and tax planning
 - We are committed to complying with both the spirit and the letter of local and international tax laws and regulations in the countries where we operate.
 - We pay the right amount of taxes at the right time, according to the value created in the normal course of our commercial activities.
 - Our transactions are based on genuine commercial and economic activities. Accordingly, we do not use artificial structures to evade taxes and we do not carry out aggressive tax planning.
 - We benefit from lawful tax incentives and deductions, always in line with the applicable legislation and in a transparent manner.
 - We apply the arm's-length principle in accordance with OECD transfer pricing guidelines, ensuring results that are aligned with international standards and best practice.
 - All related-party transactions are carried out in accordance with the arm's-length principle and comply with the applicable transfer pricing regulations.
 - We manage our intangible assets in a responsible manner, avoiding the use or generation of such assets exclusively for tax purposes.

• Tax risks and governance

- We adopt a conservative approach to tax risk, with the Board of Directors of the Joint Venture responsible for establishing the tax strategy. Daily management of tax risk lies with the Global Head of Tax, supported by the Horse Powertrain's tax and financial teams.
- We have a formalized governance framework for managing tax risk and assuring compliance with tax requirements.
- We implement a sound internal control and risk management system to identify, assess and handle tax risks. The roles, approval levels and lines of communication are clearly defined.
- We strictly observe the tax governance frameworks required by the jurisdictions where we operate, such as the policy of zero tolerance of tax evasion and the facilitation thereof.
- The tax teams report to the Board of Directors at least annually on tax compliance, risks, policies and adherence to the tax strategy.
- The members of our tax and financial teams have the necessary knowledge and skills, and have the support of external tax experts when necessary.
- We operate an anonymous Whistleblowing Channel so that employees can confidentially report any conduct that breaches our internal regulations or ruling law, including in respect of tax matters.

• Relationship with the tax authorities

- We build open and transparent relationships with the tax authorities, promoting a proactive and constructive dialogue that makes it possible to resolve issues in a timely manner.
- We file our tax returns and make payments accurately and on time.
- We commit to making relevant representations and disclosures to the tax authorities on time and in the proper form whenever significant issues arise.
- When appropriate, we seek clarifications or rulings from the tax authorities on important transactions or legal interpretations.

• Relationship with stakeholders

- We provide regular information to our stakeholders including investors, policy makers, employees, civil society and the public in general, on our tax compliance approach.
- We promote a constructive debate with stakeholders to foster responsible tax practices. We support initiatives to strengthen the capabilities of tax authorities when so requested.

Taxes accrued by country (euros)

| Country | 2024 | 2025 |
|--------------|---------------------|--------------------|
| Spain | -€27,780,000 | €40,029,563 |
| Portugal | €1,011,000 | €503,885 |
| Romania | €1,217,000 | -€2,526,661 |
| Türkiye | €5,814,000 | -€15,831,871 |
| Brazil | €4,323,000 | €79,738 |
| Argentina | €210,000 | -€1,072,253 |
| Chile | €596,000 | €568,692 |
| Total | -€14,609,000 | €21,751,093 |

Subsidies received by country (euros)

| Country | 2024 | 2025 |
|--------------|----------------|-------------------|
| Spain | €75,796 | €8,880,774 |
| Portugal | €0 | €719,294 |
| Romania | €0 | €0 |
| Türkiye | €0 | €0 |
| Brazil | €0 | €0 |
| Argentina | €0 | €0 |
| Chile | €0 | €0 |
| Total | €75,796 | €9,600,069 |

Taxes paid (euros)³

| Country | 2025 |
|--------------|--------------------|
| Spain | €41,923,190 |
| Portugal | €409 |
| Romania | €7,614,350 |
| Türkiye | €81,787 |
| Brazil | €0 |
| Argentina | €0 |
| Chile | €512 |
| Total | €49,620,248 |

³ The information on taxes paid does not offer a comparative figure from the previous year, as 2025 is the first year in which it has been possible to obtain the calculation. In successive reports, the comparative historical information will be expanded.

Sustainable finance

The company's sustainable growth requires a balanced capital structure, capable of combining own resources with external financing. In this framework, debt aligned with corporate strategy is an essential tool to accelerate investments, expand production capacity and capture new market opportunities.

In 2024 and 2025, efforts were made to restructure debt as a fundamental step to ensure the financial robustness necessary in a context of technological transformation and transition towards more sustainable solutions. This process has allowed us to reduce the cost of financing, adjust maturities, optimize the repayment profile and improve visibility on future cash flows, boosting our capacity to meet financial and operational commitments.

At the same time, sustainable finance has become consolidated as a central driver in industrial transformation, directly influencing the allocation of capital and the prioritization of strategic technologies. Financial institutions are increasingly integrating environmental, social and governance criteria into their credit assessments, identifying projects capable of generating long-term value and minimizing the associated ESG risks.

In this context, our technologies play a fundamental role in enabling cleaner production processes, reducing greenhouse gas emissions and supporting the transition to low-carbon, more resilient and competitive mobility. Along these lines, 64% of the amount of loans is linked to the achievement of sustainability objectives related to decarbonization.

Looking ahead to 2026, at Horse Technologies we will take further steps by carrying out the first identification and classification exercise of our environmentally sustainable economic activity, according to the criteria of the European Union Taxonomy. This process will begin with eligibility analysis, mapping our activities and identifying those that may be included in the Taxonomy definitions, and calculating their contribution to turnover, CapEx and OpEx. Subsequently, alignment analysis will be carried out, verifying that these activities meet the established technical and environmental requirements. The results of the exercise will be published in the 2026 Annual Report.



Market positioning

The global automotive market is transforming, driven by the need to reduce carbon emissions and improve energy efficiency. In this context, hybrid technology has emerged as a key solution to more sustainable mobility, combining internal combustion engines with electric systems to optimize fuel consumption and reduce emissions. Despite the strong regulatory and strategic boost that the European Union has given to electric vehicles, the adoption of hybrid technologies and the persistent relevance of internal combustion engines continue to predominate in many markets, due to economic, infrastructure and regulatory constraints.

In this evolving landscape, technological innovation plays a fundamental role in the transition. Alongside vehicle electrification of vehicles, complementary solutions are continuing to develop. Trends such as the expansion of compressed natural gas in Asia, the growth of hybrid in Latin America, and the advance in renewable and synthetic fuels are shaping a new balance between technologies. Similarly, synthetic fuels (e-fuels), produced from renewable sources, also make it possible to reduce the carbon footprint without the need for immediate replacement of the existing vehicle and refueling infrastructure.

At Horse Technologies, we approach our market positioning through a strategy focused on the current and future global market, with special focus on emerging trends. In a competitive and constantly changing environment, understanding the market dynamics and anticipating manufacturers' needs is essential in order to offer sustainable advantages in the automotive industry.



NEW TECHNOLOGIES

Hydrogen and e-fuels are emerging as complementary solutions in advancing towards mobility with less environmental impact, together with high-performance engines and low-carbon fuels.



RANGE EXTENDERS

Solutions to extend the autonomy of electric vehicles, designed to improve energy efficiency and offer greater operating flexibility and reliability in contexts of limited infrastructure.



EMERGING MARKETS

Latin America and India present major opportunities, with specific regulatory paths and a growing demand for efficient technologies adapted to their particular circumstances.

Understanding trends is essential to anticipate market dynamics and consolidate sustainable advantages in the automotive industry

Business development strategy

At Horse Technologies, our commercial and business development strategy is well defined and remains stable, despite the uncertainty the automotive sector is experiencing. This context affects Europe particularly because of regulatory requirements and the entry of new players in the sector.

Our position as a global player in the energy transition continued to be strengthened in 2025, through a deeper understanding of the dynamics of each region and the real needs of our customers, which allowed us to adapt our value proposition more precisely.

Electric vehicle

16%

The global market share of electric vehicles in 2025 increased to 16%, driven by government incentives and technological advances, in markets such as China, Europe and the USA.

Hybrid

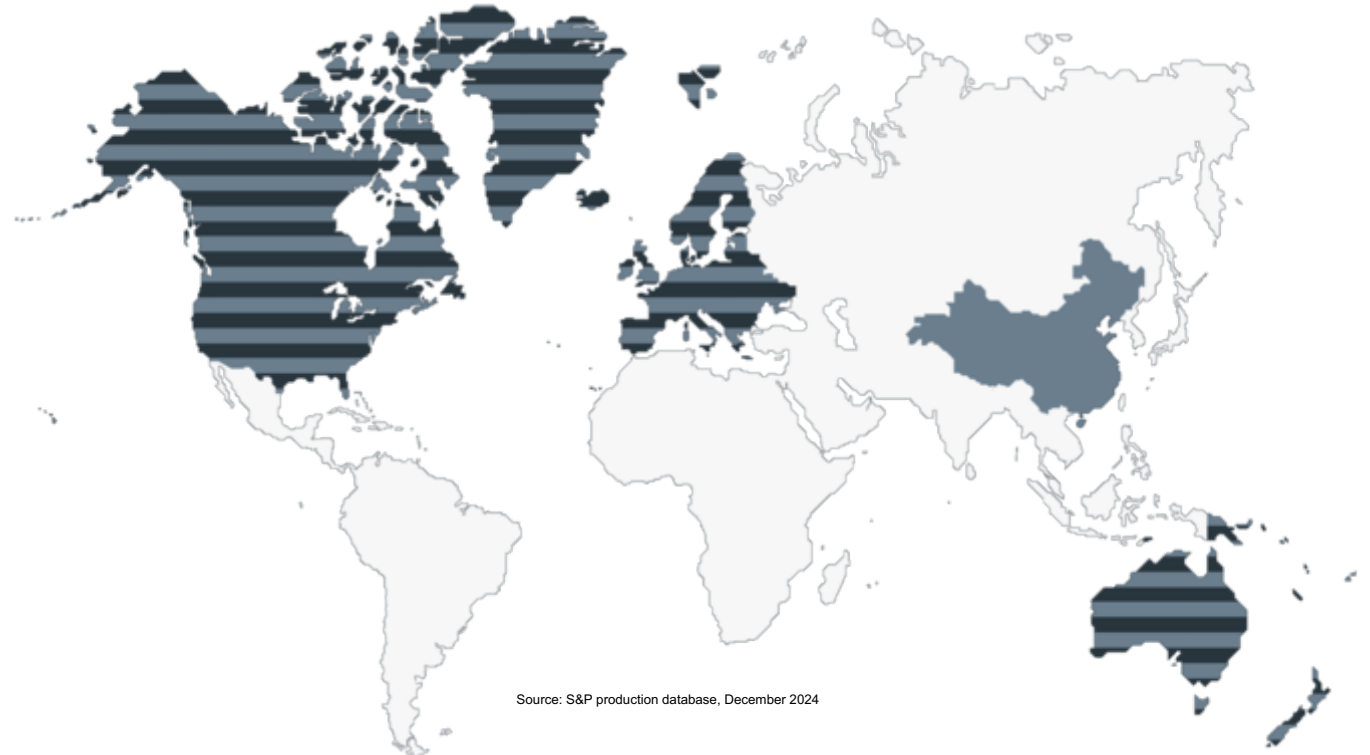
26%

Hybrid vehicles maintain an upward trend and consolidate their place as an efficient transitional solution in regions such as Europe and North America, reaching a share of 26% of the global market in 2025.

Internal combustion engine

58%

Although in decline in developed markets due to strict regulations, it is still dominant in regions such as Latin America, Africa and South East Asia, reaching a market share of 58% in 2025, due to the limited electrification infrastructure.



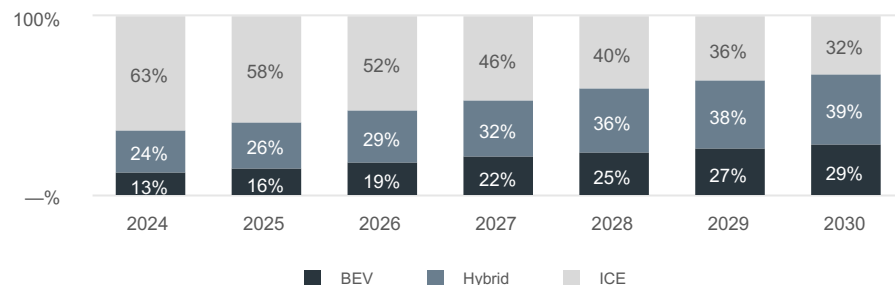
Source: S&P production database, December 2024

Hybrid as the vehicle of the future

At a global level, hybrid vehicles are emerging as the best option for the transition towards sustainable mobility. Backed by data published by Standard & Poor's, the share of global production is expected to grow from 26% in 2025 to 39% by 2030. While the production of battery electric vehicles (BEV) is expected to grow notably in the coming years, it will not be sufficient to offset the anticipated reduction in internal combustion engine (ICE) vehicles.

In this context, the need to extend and consolidate the production of hybrid vehicles is seen as the best option for this transition, anticipating a future in which hybrid vehicles and electric vehicles will have equal shares of the market.

Distribution of global production

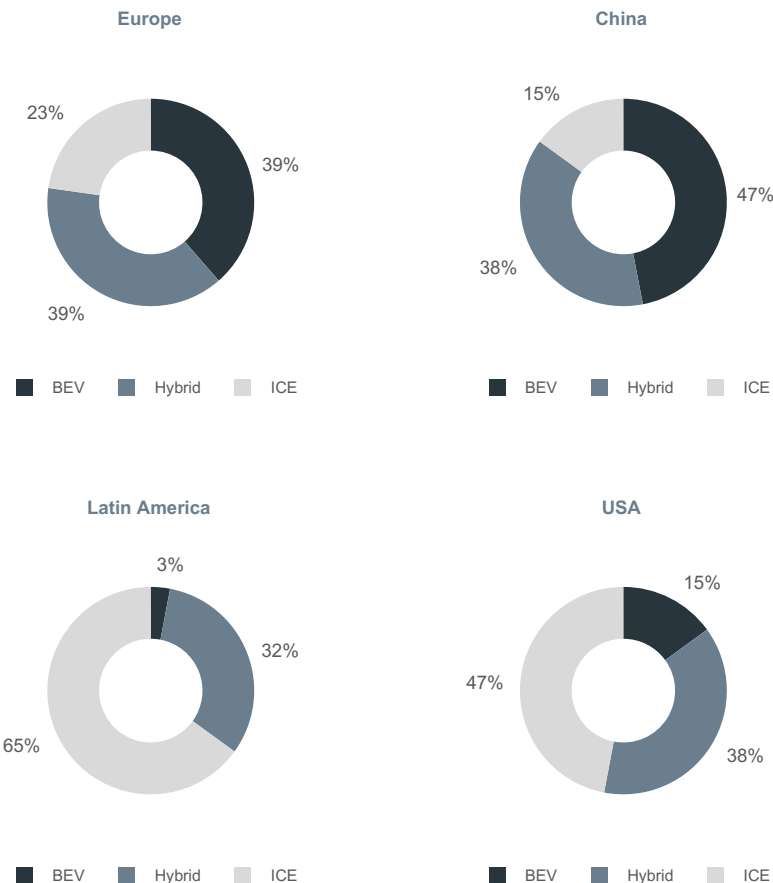


At regional level, the transition towards sustainable mobility by 2030 is expected to show significant differences. Although hybrids will be key globally, their share will vary according to the economic and regulatory conditions of each market.

China will lead production of electric vehicles (BEV) with a share of 47%, although hybrids will represent 38%, reflecting a strategy of gradual transition. In Latin America, electric vehicles will only reach a market share of 3%, while hybrids will represent 32%, consolidating their position as the best alternative, compared to 65% for ICE. The lack of infrastructure and the high costs of electric vehicles will slow their adoption. In Europe, BEV will have a market share of 39%, driven by strict regulations. However, hybrids will still play an important role with 39%, while ICE will drop to 23%.

In the USA, BEV will reach a market share of 15% and hybrids 38%, reflecting a gradual adoption. ICE vehicles will remain steady at 47%, reflecting resilience to total electrification.

Forecast global vehicle production mix in 2030 by regions



Horse Technologies strategic vision

Our focus on advanced propulsion systems, research and technologies compatible with next-generation fuels and the development of range extender solutions allows us to address the specific needs of our customers in very diverse markets. In 2025, this approach reflected a clear understanding that in large parts of the globe – especially in the southern hemisphere – adoption of electric vehicles is still limited and uneven, requiring alternatives to total electrification that are pragmatic, affordable and scalable.

Accordingly, our strategy in 2025 is built on three complementary pillars, that show an evolution from the consolidation of our portfolio to diversification and market expansion.

1. Keeping the performance and cost of our current portfolio competitive

In 2025, the strength and maturity of our product portfolio continued to be a key competitive advantage competitive in an environment where performance, cost optimization and industrial efficiency are determining factors. To ensure we are still competitive, we dedicated technical and engineering resources to continuously improve our current technologies, ensuring their relevance throughout the energy transition. This approach is reflected in powertrain solutions equipped with the HR18 engine or DB45 transmission, and the different versions of the HR12 engine developed for HEV and PHEV applications. As they share common architectures and application ranges, these technologies allow us to continuously improve performance, efficiency and cost competitiveness, while maximizing industrial synergies.

At IAA Mobility, in Munich, we presented the latest evolution of the DB45 transmission, the 4DHT120, with a more compact design, greater efficiency and better affordability. This new generation of hybrid transmissions demonstrates our ability to further optimize proven technologies and adapt them to increasingly demanding market and regulatory requirements.

At the same time, we also presented the C15 Range Extender, one of the flattest inline four-cylinder engines on the market. Designed to integrate naturally into electrified architectures, this system exemplifies our commitment to pragmatic and scalable electrification solutions, capable of extending the vehicle's range while maintaining flexibility and cost efficiency.

As they share the same application range, these technologies allow us to significantly increase efficiency, industrial synergies and competitiveness, reducing the need for developing solutions from scratch. This disciplined approach assures the delivery of highly optimized, robust solutions adapted to the realities of the global market.

2. Exploring new applications for our portfolio outside the automotive sector

In 2025, we accelerated the expansion of our technologies beyond the automotive sector. Our accumulated expertise in propulsion systems allows us to adapt our solutions to adjacent sectors, driving the diversification of the business and generating new growth opportunities.

Fields such as energy generation, the marine sector, drones or industrial machinery can benefit from our experience in thermal efficiency, emissions reduction and compatibility with alternative fuels. This diversification boosts the resilience of our business model and expands our contribution to the energy transition in multiple industries.

For example, at Busworld Europe, in conjunction with Marcopolo, we presented our Flex Fuel Range Extender solution for buses, showing the industrial maturity of pragmatic electrification propositions for public transport.

We also reinforced our diversification with the formalization of a contract in the lightweight marine segment with Hypdor, confirming the relevance of our propulsion technologies in applications beyond the automobile.

3. Growth in new markets through strategic partnerships

Our growth strategy in 2025 is underpinned by a detailed understanding of the different regional electrification rates and pathways, as well as the development of strong strategic partnerships. Collaboration with local and international partners, suppliers and customers allows us to adapt our solutions to the specific needs of each market and accelerate their rollout.

Through these partnerships, we demonstrate that our products evolve in line with the specific demands of each region, optimizing the balance between electrification, hybridization and alternative fuels. This approach supports our expansion into markets where electric vehicles have a lower penetration and reinforces our value proposition in regions with more diversified transitions.

Compared to the advances made the previous year, 2025 was a period of consolidation and execution, taking advantage of our best-in-class catalog, strengthening partnerships and proven industrial capabilities to enhance our competitiveness, and consolidating our position as a key enabler of a pragmatic and inclusive energy transition.

Competitiveness through innovation

At Horse Technologies, innovation sits at the center of our product development strategy. In 2025, this principle was reflected in a disciplined approach to adapting to a rapidly evolving automotive landscape, where electrification and decarbonization are advancing at different rates across regions, customer needs and infrastructure readiness. In response, we follow a pragmatic and neutral technological roadmap that combines the continuing optimization of our current platforms with disruptive developments wherever they contribute clear value for our customers.

Our global strategy combines internal development with strategic partnerships that allow us to accelerate innovation and manage technical, industrial and market risks better. In 2025, our technological roadmap and our R&D plan remained focused on improving efficiency, reducing emissions and expanding to new markets and applications, assuring our long-term competitiveness and profitability through to 2035.

Internal combustion engine



Efficiency of internal combustions engines

In 2025 we focused our internal combustion engine developments on high-efficiency combustion strategies and overall system optimization. This included advanced cycles, high EGR levels, reduced friction and improvements in thermal management, together with greater compatibility with alternative fuels to respond to the different regional energy pathways. Our roadmap is aimed at obtaining new advances in thermal efficiency in key engine families, including HR18 and HR12, with clearly defined progressive improvements towards their next evolutions.

An example of this is the HR18 engine family, whose roadmap focuses on continuous improvements in efficiency by adopting advanced strategies, such as Atkinson/Miller cycles, and new efficiency goals. This approach strengthens our ability to deliver additional CO₂ reductions from proven engine platforms, without the need for new architectures.



Hydrogen internal combustion engines (H2 ICE)

In 2025, our developments in hydrogen-powered internal combustion engines continued to be an essential pillar in our portfolio of low-carbon technologies. They offer a cost-competitive alternative for applications where battery-only solutions present limitations, such as load carrying, refueling times, use cycles or infrastructure availability.

Our main approach is focused on advancing hydrogen combustion, taking advantage of elements of an existing 2.0L diesel platform, at the same time redesigning critical subsystems — combustions, intake and post-treatment system— to comply with the specific performance and durability requirements of hydrogen.

Our 2025-2028 program is aimed at ultra-lean high-efficiency combustion and the structured development of demonstration models, including multiple iterations and joint-testing. This collaborative approach is designed to accelerate learning cycles and reduce risks, combining our experience in engine integration and industrialization with our partners' capabilities in combustion, post-treatment, techno-economic analysis and LCA, including joint intellectual property initiatives.

Innovative technologies



Low-carbon fuels (e-fuels, biofuels, ethanol blends and low-carbon gases)

In 2025, we continued to advance the compatibility of our propulsion systems with low-carbon fuels, as part of a diversified decarbonization pathway. Our roadmap explicitly includes ethanol as one of the main market vectors and maintains e-fuels as a clear line of development, supporting both current and future technologies.

This approach complements our efforts in efficiency and electrification, reducing the CO₂ impact by evolving fuel roadmaps wherever relevant.

New markets (beyond the traditional automotive sector)



In 2025, we continued to expand our presence beyond traditional automotive markets, using our experience in propulsion to address the challenges of sustainability, efficiency and emissions in adjacent sectors.

Our approach covers applications such as the maritime sector, off-road vehicles – including, mining, construction and agriculture – as well as stationary applications, where the limitations of electrification and operating conditions require specific solutions.

For the maritime sector and other fields, we explored both hybrid and electric solutions as well as options based on alternative fuels, including hydrogen and synthetic fuels. In this way, we align our diversification strategy with the decarbonization needs of multiple industries and extend our scope beyond the traditional automotive sector.

Adapting to the current automotive landscape, in particular the shift towards electrification and decarbonization, guides our innovation strategy

Hybrid vehicle



Hybrid systems

In 2025, we continued to develop hybrid systems adapted to diverse vehicle types and market needs, prioritizing optimized energy distribution, fluid transitions between energy sources and advanced energy management systems. Our roadmap for hybrids is closely linked to integration in the platform, aiming to reduce mass and volume at the same time as improving the efficiency of the system and its production capacity.



Improved XHEV (extended hybrid electric vehicle)

We anticipate that improved XHEV solutions will continue to be fundamental in many markets over the next decade, driven by the different maturity of recharging infrastructure and constraints in terms of affordability. In 2025, this scenario steered our R&D efforts towards more efficient electric machines and power electronics, improved software and energy management, and an integration of more robust systems to reduce CO₂ emissions and total ownership cost. A clear example of this approach is the third-generation hybrid evolution based on 4DHT120, presented as a 5-in-1 architecture that integrates key electrification functions, and focuses on greater compactness and efficiency compared to the previous generation.

Improved autonomy



Electric motor and power electronic box

In 2025, we continued to invest in high-efficiency electric motors and in advanced power electronics, with the aim of increasing power density, improving thermal management and optimizing control strategies. Our roadmap places particular emphasis on a deeper integration of electrified components – including new power electronics integration concepts— with the aim of reducing complexity, mass and cost, while improving the overall performance of the system.



Batteries for hybrids and plug-in hybrids

Our roadmap for batteries for HEV and PHEV applications in 2025 continued to be focused on reducing costs and increasing energy density, while taking into account industrial demands, such as next-generation cooling concepts. We are also driving an evolution towards new chemistries and architectures that will provide more affordable and more efficient electrification pathways in the coming years.



Range extenders

In 2025, we placed Range Extender (REX) technologies as a pragmatic approach to making electric mobility possible under real use conditions, especially where charging infrastructure, cost and operating predictability are still limiting factors. Our strategy in REX is based on modularity, compactness, efficiency and preparing for integration, making it easier for manufacturers to roll out architectures for EV with extended autonomy on diverse platforms and applications.

1) Pathway for passenger cars and light commercial vehicles: ultracompact modular REX (C15)

A core element of this strategy is the C15 Range Extender, designed as an ultracompact, modular and configurable solution, specifically optimized for range extension functions. Its design prioritizes integration flexibility, the principles of integration at system level and NVH behavior compatible with electric vehicle use.

This approach allows manufacturers to integrate it in very diverse platforms, at the same time guaranteeing the possibility of configuring the system according to the needs of each application.

The development of the C15 is also focused on assuring scalability for multiple markets, addressing approval and certification requirements through a design aligned with demanding regulatory frameworks and simplified certification processes for manufacturers.

2) Pathway for commercial vehicles and buses: portfolio approach and industrial validation

At the same time, our REX 2025 strategy incorporates a portfolio approach for more demanding work cycles, reflecting the reality that public transport and commercial applications frequently required extended autonomy and high operational flexibility. Our technological proposition for the bus sector highlight multiple REX solutions designed for scaling according to the different use cases – from compact versions to more powerful systems – showing how we can support electrification in real and demanding operating profiles.

3) System integration: the REX as part of hybrid and electrified architecture

Finally, we treat REX like a system solution, not an engine. It is an integral part of our roadmap for hybridization and electrification, including next-generation hybrid architectures and component integration principles.

This approach allows us to shorten time-to-market, reduce integration effort, and improve affordability, all of which are key factors in accelerating adoption in many regions.

Horse Technologies and Repsol – Strategic alliance

Horse Technologies and Repsol have established a structured R&D collaboration focused on the role of low-carbon fuels and high-efficiency internal combustion engines as pragmatic solutions to make progress in decarbonization. This collaboration is regulated by a formal R&D Collaboration Agreement, signed in September 2025, which defines the joint research activities, deliverables and governance model.

High-efficiency engine demonstration specimen

One of the central pillars of the alliance is the HR12 EVO high-efficiency demonstration specimen, developed by Horse Technologies. The project combines advanced engine architecture, combustion optimization strategies and vehicle-level integration criteria to demonstrate the potential of the next generation of internal combustion engines.

In 2025, the program successfully achieved validation on the test bench, exceeding 44% thermal efficiency at brake, with formal validation of both full-load operation and thermodynamic acceptance.

The demonstration specimen also includes vehicle integration and aerodynamic optimization work, confirming that advances in engine efficiency translate into significant reductions in fuel consumption in real-world conditions when combined with overall system optimization.

Compatibility with e-fuels and low-carbon fuels

At the same time, the collaboration with Repsol, together with Aramco, addresses the compatibility of high-efficiency engines with e-fuels and other low-carbon fuels. This work supports the goal of reducing CO₂ emissions over the entire life cycle, while making use of existing platforms and vehicle infrastructures.

The HR12 EVO demonstration specimen acts as a technical platform to evaluate how advanced combustion concepts and the properties of new fuels can be combined to maximize efficiency and reduce emissions.

Strategic relevance

Together, these projects reflect the shared belief of Horse Technologies and Repsol that high-efficiency engines powered by low-carbon fuels can play a relevant role in the energy transition, especially in those regions and applications where full electrification remains a challenge.

This collaboration contributes both to technological development and to informed dialog on regulatory frameworks and potential decarbonization pathways.



Innovation in figures

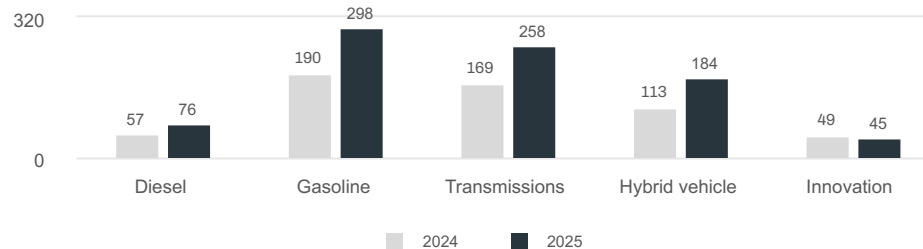
Our commitment to innovation is reflected in our R&D investment of €305 million, driven in part by the help from subsidies, which represent 1.97% of the total. For this we have a team of 1,166 professionals dedicated to research and development, working on advanced solutions for energy efficiency and emission reductions.

Thanks to these efforts, the revenues generated by products designed to improve fuel efficiency or reduce emissions totaled €33 million, compared to €25 million in 2024. We also applied €9 million specifically to the development of low-emission engines, consolidating our leadership in the transition towards more sustainable technologies. Our innovative capacity is also reflected in the number of global patents published in motor engineering, which in 2025 increased by 162, giving a current total of 1,924.

The following classification groups R&D projects according to their technological focus and main objective. These initiatives seek to improve efficiency, reduce emissions and develop innovative solutions for the mobility of the future. The main project categories are:

- Diesel:** In 2025, we continued to focus our efforts on reducing emissions for 1.5L and 2.0L diesel engines. Activities centered on compliance with Euro 6e-bis – reduction in NOx, number and mass of particles and durability – and starting on Euro7 developments, with stricter limits and more demanding test conditions.
- Gasoline:** In gasoline engines, the priority continued to be improving driving performance and fuel consumption efficiency, including the adaptation of a 1.2L turbo engine to LPG technology. Regulatory work focused on NOx reduction and on compliance with stricter CO and HC limits in real driving conditions, in line with Euro 6e-bis and LEV8.x for Latin America.
- Transmissions:** We continued advancing the adaptation of our manual and automatic transmission families to support the engine portfolio, optimizing the driving experience, fuel efficiency and general performance of the system.
- Hybrid vehicle (HEV & PHEV):** Hybrid technology continued to be key in meeting CO₂ goals. In 2025, we extended our range of hybrid products offered with the mass production of more efficient Full Hybrid E-TECH transmission, combined with a new 1.2L turbo engine and a 1.8L naturally aspirated engine, boosting the competitiveness of our HEV and PHEV portfolio.
- Innovation:** In 2025 we advanced our high thermal efficiency, low-carbon fuel and electrification technologies, essential for a more sustainable industry. We completed work on HR12 and HR18 high efficiency engines, continued work on our 2.0L H₂ ICE engine, and made progress in the new 4DHT120 hybrid transmission, in range extender technologies and in developments related to e-fuels and other alternative fuels.

Number and type of ongoing research projects



Beyond the vehicle

We have diversified our approach beyond the automotive industry to meet the needs of key sectors such as the maritime and off-road sectors (including mining, construction and agriculture), and stationary applications. These markets share common challenges related to sustainability, energy efficiency and emission reduction, which allows us to use our experience in advanced propulsion systems and low-emission technologies to offer tailored solutions. In 2025, we expanded this scope with the study of applications for drones.



Maritime

We explored hybrid and electric propulsion systems adapted to boats, paying special attention to the transition to alternative fuels such as hydrogen and synthetic fuels.



Off-road

In sectors such as mining, construction and agriculture, we developed propulsion systems designed to operate in extreme conditions, focusing on hybrid and electric solutions.



Stationary

We also focused on stationary applications, such as renewable energy generators and systems, which can benefit from technologies based on hydrogen and sustainable energy sources.



Drones

We started to explore adapting our portfolio to drone flight conditions, with the aim of supporting a fast-growing market and assessing the compatibility of our technologies with light aerial applications.

Opening up new horizons. Conquering new markets

Our philosophy as a business consists of offering mobility solutions that favor decarbonization for all. And that means not only citizens as end users, but also vehicle manufacturers who, especially in Europe, have resolutely committed – for regulatory reasons – to electric vehicles. In this context, we come in as a strategic ally of OEMs, so that they can maintain their investment and business plans, focusing their efforts on developing electric technology, while we act as the supplier of other technologies, offering tailored solutions and technological support in key areas .

This approach has led to our first commercial agreements with companies such as Habas, Dumarey Group, Lecar and Marcopolo. The agreements are based on our product catalog and innovative technological developments, such as the Range Extender. This technology, developed together with WEG, extends the autonomy of electric vehicles and allows them to exceed charging infrastructure limitations.

A growing market focused on Brazil

Latin America continues to represent a strategic opportunity, with a market in expansions and a growing adopting of low-emission technologies, mainly for two reasons:

- The increase in hybrid vehicles or the influence of policies such as PROCONVE L8⁴ offer a favorable landscape for the transition towards more sustainable cars.
- The MOVER program, which will invest R\$19 billion between 2024 and 2028, and which will provide economic support to both manufacturers and consumers for the transition towards hybrid and electric vehicles.

The Latin America region has shown continuous growth in the automotive sector, with projected sales of passenger vehicles that will experience compound annual growth of 4.9%. In the light commercial vehicle segment, an increase of 4.7% is forecast.

Brazil is the key market in Latin America, representing approximately 60% of the region's total sales and 80% of its production, thanks to its strong production capacity, which limits its dependence on imports to less than 10%. Other markets – such as Argentina and Chile – also have significant relevance, although they are more dependent on imports due to their smaller volumes of local production.

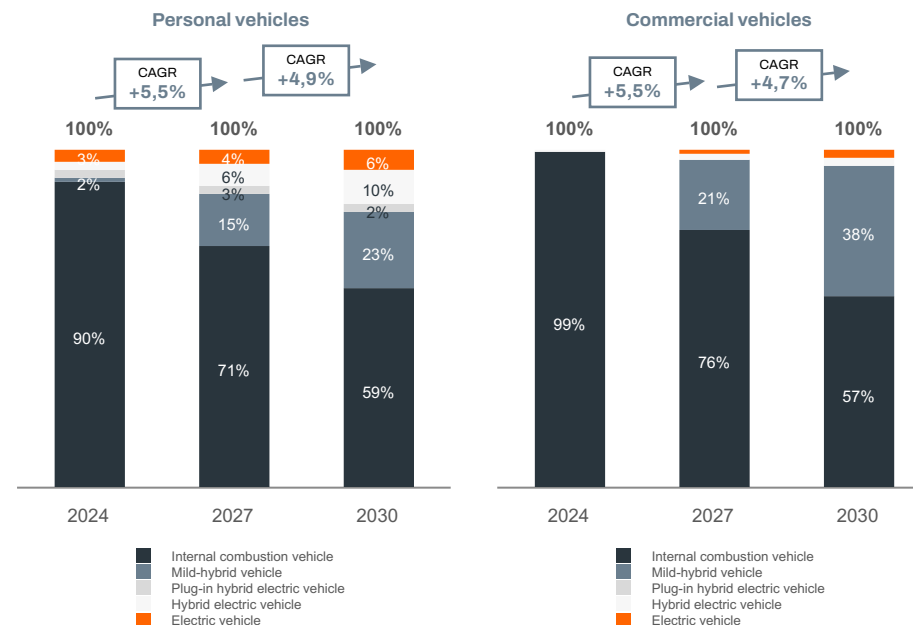
In 2025, internal combustion engines maintained their market dominance, representing 90% of passenger vehicle sales and 93% of sales of light commercial vehicles. However, the share of hybrid technologies is growing at a fast rate:

- For personal vehicles, hybrids will increase from 7% in 2025 to 35-40% by 2030, mainly with mild hybrid technology.

- The presence of 100% electric vehicles will still be limited, with less than 10% forecast in 2030.
- For light commercial vehicles, hybrids will reach 30–35% by 2030, while electric vehicles will remain below 5%.

The lack of charging infrastructure and high initial costs of 100% electric vehicles continue to be the main obstacles to expansion.

Projected distribution of sales in Latin America 2024-2030 (million units)



⁴ Brazilian legislation that establishes limits and technical requirements for emissions of polluting gases and particles from new light vehicles sold in Brazil. It is part of the Program for Control of Air Pollution from Motor Vehicles (PROCONVE), a set of regulations that seeks to reduce the environmental impact of vehicles in the country.

India – Scaling up local production

India is consolidating its position as one of the automotive markets with the highest growth, with passenger vehicle sales forecast to increase from 4.2 million to more than 9.3 million units by 2040, with strong growth in commercial vehicles too. The country combines volume, economic expansion and an increasingly demanding regulatory framework, which is accelerating the transition towards technologies with lower emissions.

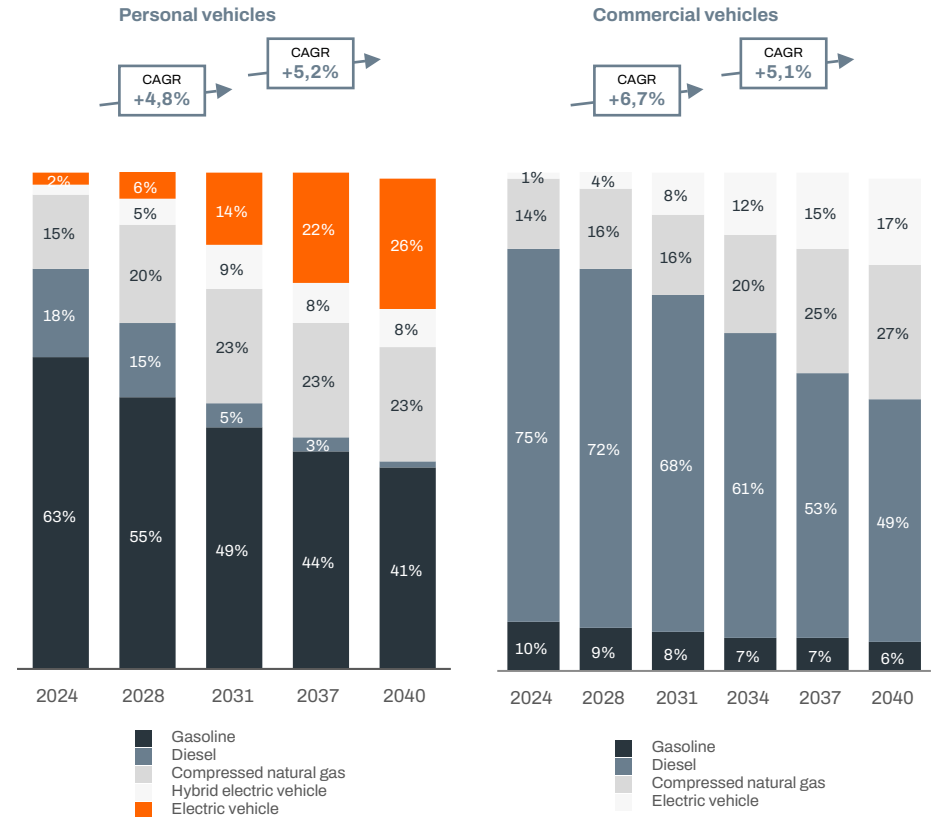
Compressed natural gas (CNG) is gaining importance as an affordable low-emission alternative, forecast to reach a share of around 23% of the passenger vehicle market in the next decade. At the same time, diesel engines are losing ground, forecast to drop up to 1% of the passenger vehicle market. Hybrid technologies represent an intermediate pathway, although uptake is currently concentrated in high-range models and is offered by only four or five OEMs.

The electric vehicle is moving more slowly due to its 20-35% cost overrun compared to an equivalent ICE and the slow expansion of charging infrastructure, which limits its expected penetration to approximately 26% in 2040.

New regulations – CAFE 3.0, which requires a 35% reduction in CO₂ by 2030, and Bharat Stage 7, which will increase ICE costs by 7-9% – are forcing manufacturers to adopt more efficient engines, hybridization and electrification strategies.

In this context, Horse Technologies brings a portfolio that is particularly aligned with the needs of the Indian market, combining highly-efficient and future-proof combustion engines with hybrid solutions and technologies that facilitate progressive electrification, such as the Range Extender, which support the BEV even in areas with limited infrastructure. We are therefore placed as a key partner for local manufacturers in their transition to cleaner and more affordable mobility.

Projected distribution of sales in India 2024-2030 (million units)



CAGR: Compound Annual Growth Rate

02

EXCELLENCE AND QUALITY

CONTENTS

Industrial excellence

Quality management

INDUSTRIAL EXCELLENCE

At Horse, we promote Industrial Excellence to execute our strategy with discipline to continuously improve and strengthen competitiveness in our operations. Our approach is based on three complementary levers: a common monitoring system (TQM – Total Quality Management), data-driven management (Data Centric) and the practical use of Artificial Intelligence (AI) to support people and anticipate deviations.

We measure, we learn and we improve: a more consistent way of working, based on evidence and aimed at taking action



TQM

Clear goals and regular review to drive improvements.



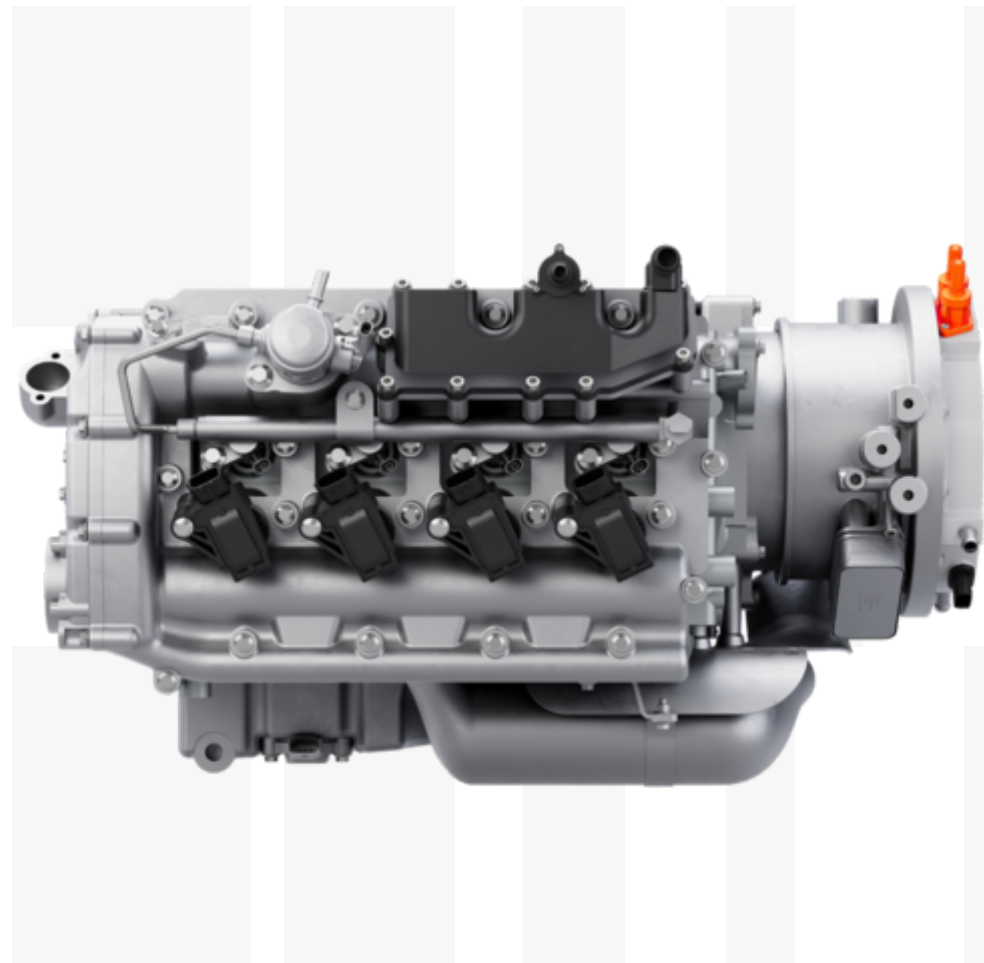
Data-centric management

From data to decisions: more speed and better coordination.



Applied AI

Support to people, automation and early detection of deviations.





Total Quality Management

At Horse Technologies we use Total Quality Management (TQM) as a common system to monitor the execution of our strategy and measure the evolution of industrial performance consistently across all plants and areas. In practice, TQM helps us to turn strategic priorities into clear goals, perform regular monitoring and drive improvements when we detect deviations.

Monitoring is carried out through a structured monthly review: each team analyzes the progress of their goals, reviews the evolution of indicators and, when a deviation is identified, defines specific actions and who is responsible for them. To facilitate ease of reading and comparability, we use a standardized visual presentation (for example, traffic lights and trends) and common communication goals.

What indicators do we track?

We monitor indicators groups in major blocks that reflect industrial performance and the execution of our goals:

With TQM, every month we can see whether we are in line with our goals and what actions we need to take to improve



Quality

Results and prevention of incidents



Efficiency and productivity

Resource use and process performance



Cost

Control and optimization



Time/flow

Compliance, logistics and operational stability



People and safety

Work safety and organization



Environment and energy

When applicable, for impact on operations



ESG

Attainment of ESG strategic plan

Phases of TQM - Continuous improvement cycle

TQM is built on a simple four-stage cycle that is easy to understand at all levels:



New developments and improvements 2025

In 2025 we reinforced the system to make it more consistent and useful in all locations:

1. Greater overall standardization of monthly tracking and of the way results are viewed.
2. Clarity in defining indicators, with descriptions that help to ensure the same measurement everywhere (what is measured, how it is measured and how often).
3. Better reading of evolutions, incorporating recent trends and status of action plans in a more systematic way, so that we can anticipate problems and act sooner.

In 2025 we reinforced TQM consistency: better defined indicators, more structured monthly review and greater focus on trends and action plans



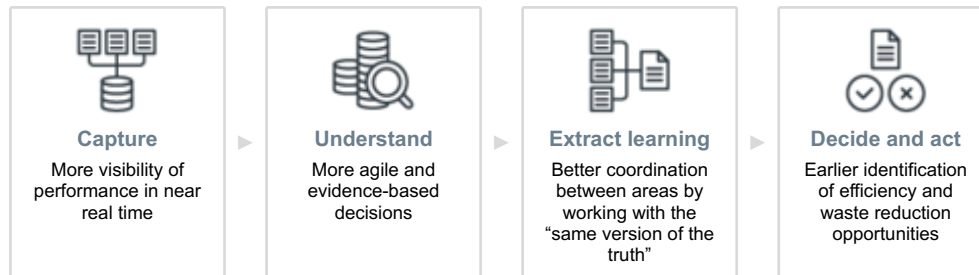
Data-centric management

At Horse Technologies we promote a data-centric approach to make faster and more precise decisions, based on the data from our processes and reducing our dependency on manual reporting. This combines technology, organization and people, with the aim of improving efficiency and anticipating deviations.

Our approach is supported by a clear pathway that results in more visibility of performance in near real time, more agile evidence-based decisions, better coordination between areas by working with the “same version of the truth”, and earlier identification of efficiency opportunities.

A key part of this is guaranteeing digital continuity, ensuring that information flows consistently from the idea and the design to the appropriate process, manufacturing and operation. On the way, we encounter frequent challenges, such as the coexistence of different systems and the need to ensure data consistency and quality, as well as managing implementation times and costs.

What we achieve with the data-centric approach



When data are collected appropriately and understood in context, continuous improvement stops depending on intuition and is transformed into faster and more objective decision-making

Governance and monitoring

We roll out the strategy through a recurring governance model, with monthly meetings to review progress, blockages and priorities, aligning plants, corporation functions and teams from the technological area. In 2025 we evolved from sporadic digitalizations to process-oriented use cases, increasing the centralization of information and laying the groundwork for more advanced analytics. This tracking helped to reduce activities with no value, improve the quality of operational meetings, speed up decision-making and boost traceability in areas such as quality, safety and maintenance.

Goal for 2026 – Data-Centric Strategy

In 2026 we will focus on scaling and standardizing data and use cases, reinforcing data governance and quality, and advancing towards more predictive analytics, consolidating their use in daily operations and developing internal capabilities. Alongside this, we will continue progressing in the gradual and governed application of artificial intelligence, prioritizing use cases with a real impact.

Artificial intelligence applied to industrial excellence

At Horse Technologies we are promoting Artificial Intelligence (AI) projects as a lever to improve industrial competitiveness. We use AI as a practical tool to support people, automate repetitive tasks, and boost the ability to detect deviations before they become quality, cost, or timeline issues. Applications include:

Productivity in technical environments: we develop solutions that help reduce the number of operations with low added value and accelerate analysis and preparation activities, freeing up time for tasks that have a greater impact. We also explore AI-based tools to solve industrial needs during process integration and fine-tuning.

Early detection of deviations: we analyze process data to identify patterns that may indicate deviations in the product and in the industrial system, so we can act sooner and more precisely. This capability is boosted when combined with digital models of processes or facilities (so-called "digital twins", virtual representations connected to real data) to support decision-making in near real time.

AI helps us switch from correcting to anticipating: detecting emerging issues, prioritizing actions and improving the response before the impact grows

We are also applying these technologies in specific spheres of operations, such as maintenance support (for example, digital assistance for diagnosis and prevention) and improving energy performance, focusing at all times on operational usefulness.



Productivity and automation of repetitive tasks



Detection of deviations in processes and equipment



Support to maintenance (diagnosis and prevention)



Optimization of operational and energy performance

kAIrOs Our program for scaling industrial AI

In 2025 we launched KAIrOs as a cross-cutting initiative to accelerate the rollout of artificial intelligence at Horse Technologies, from design and engineering to manufacture and operational support. With KAIrOs we are seeking to consolidate a more "industrial" way of working: practice use cases, with measurable impact, and with governance that will facilitate scaling what works to different centers.



A common benchmark

We are promoting a Center of Excellence in AI that acts as a hub for capabilities, coordination and support for plants and functions.



AI where it brings value

We prioritize uses aimed at productivity (reducing repetitive tasks that do not add value), quality (inspection and early detection of deviations), maintenance (support to diagnosis and prevention) and logistics (better visibility and decision making).



Hybrid and responsible model

We combine internal capabilities with scalable solutions to facilitate access, protection information and respond quickly to operational needs.



First milestones in 2025

Startup of the program, animation of workshops and kick-off of the first use cases to take AI to real business situations.

Kairos boosts our transition from correcting to anticipating: more focus on prevention, quicker decision-making and continuous improvement supported by data and AI

Quality management

Quality is much more than complying with regulations or ensuring that a product works according to specifications. Quality is a comprehensive promise, which encompasses product durability, the sustainability of their manufacture and, above all, consistency throughout our range. Quality is more than a department, or a function. It is a mindset underpinned by excellence. At Horse Technologies we do not settle for compliance. We seek to exceed expectations.

As established in our corporate strategy, our commitment to excellence is focused:



Strategic vision focused on quality

Our medium and long-term strategy has a starting point and a target: the customer. Every decision we make, from initial conception and design through industrialization to manufacturing, is based on improving the customer experience in pursuit of the future success of the business by addressing emerging challenges, adapting to new technologies and satisfying the needs of new markets.

Our Quality Strategy aims to position Horse Technologies as quality leader in the global automotive industry by 2030, consolidating our status as Tier 1 partner and reinforcing excellent, consistent and transparent execution.

It is underpinned by three strategic pillars that drive excellence in all operations:



Customer focus

Reaching 100% customer satisfaction through proactive measures, robust products and processes, flawless launches and approaches adapted to multi-customer environments, balancing speed-to-market with quality supplier risk mitigation.



Zero-defect Culture

Continuous improvement in reducing defects, with a focus on electronic and software reliability, effective problem solving, improvement in supplier performance and reduction in warranty costs, addressing the "cost of non-quality" to boost operational resilience.



Data intelligence

Digitalization and promotion of AI for data-based decision-making; creation of a unified database, audit management optimization, AI tools for efficiency and real-time data access for customers, increasing transparency and response capacity.

How we do it

Our improvement process is based on consolidated Quality culture methodologies, to achieve sustainable results through compliance with global standards, raising awareness and commitment in people, continuous improvement and innovation, and professional and talent development.



Strategic actions

Innovating is not just creating something new, but ensuring that the new solution is of better quality and meets the customer's expectations. To meet these goals, we address the challenge of integrating quality management into all stages, from product development to supplier processes and production, assuring effective end-to-end use of knowledge. At Horse Technologies, as a business with a data-centric approach that integrates cutting-edge technologies in data management, we discover unknown patterns, identify opportunities, mitigate potential risks, and therefore ensure that our products exceed expectations in performance and efficiency and, most especially, in sustainability.

To assure future success and deal with these challenges, we have established fundamental strategic actions:

- Promote a data-centered quality system, underpinned by digitization and artificial intelligence (AI) and a unified database, that will reinforce decision-making and the efficiency of the global rollout, improving transparency and consolidating traceability and speed of response.
- Standardize and reinforce global governance of supplier performance (qualification, audits, incident monitoring and action plans), extending quality preventive methodologies based on the PBOR (*Process Book of Requirements*) and on "lessons learnt", to reduce risks, increase robustness of the supply chain and boost collaboration between local and central teams.
- Standardize and reinforce global governance of supplier performance (qualification, audits, incident monitoring and action plans), reducing risk and increasing the robustness of the supply chain.
- Strengthen product management and the robustness of milestones, supporting the timely fulfillment of the agreed commitments and quality in launches.
- Accelerate continuous improvement of plant performance through standards, process audit, defect analysis and QRQC (Quick Response Quality Control), five Whys and 8D methodologies.
- Reduce warranty costs by automating the unit cost calculation, continuous improvement of repair methods and a more precise management of provisions and recovery of costs from suppliers.
- Start a global assessment of environmental integration, align plant and R&D operations with the environmental management system to ensure consistency and effective rollout.

These actions strengthen the foundations of our Quality Department, foster innovation and assure our competitiveness in a landscape constantly evolving to meet the challenges of sustainable mobility. In this way, we will be better placed to meet the demands of new technologies and our customers' expectations, assuring long-term success.

Quality management system

To secure appropriate control and improvement in our processes, at Horse Technologies we have established a Quality Management System (QMS) that allows us to prove our capacity to provide products and services that meet both internal and customer expectations and specific safety requirements; as well as complying with all applicable regulatory requirements for the activities and in the places where we deliver our products. These requirements are integrated in the standards applied in the design of new processes and products and are verified throughout the manufacturing cycle. QMS now rests on a solid basis built on the experience of ISO 9001 and IATF 16949, consolidating a global framework that is better suited to quick decision-making and continuous improvement.

In a record time of a year and a half, IATF 16949 certification was obtained in 100% of our plants

Quality organization

Our Quality Department plays a crucial role throughout the value chain, ensuring that each process and product meets high standards. To this end, we have Quality teams at each of our manufacturing plants, comprising managers, technicians and operatives. In total, there are 450 people dedicated to Quality at Horse Technologies.

Their customer-focused approach establishes sound governance frameworks and performance targets. It also helps us manage "kilometer zero" processes correctly:

- the processes to address defects detected before the product is delivered to the customer, so that it arrives in optimal condition -
- the processes to address warranty claims, concerning defects occurring during use of the product within the term of the warranty.

The Quality Department defines Quality goals for projects and ensures the robustness of each milestone, securing successful execution. It leads supplier quality management throughout the entire product lifecycle and oversees the company's QMS, including certifications and digital transformation initiatives for continuous improvement. The Department also ensures rigorous control in manufacturing processes, validating industrial developments to assure consistent quality in production.

The Quality organization is articulated in global governance that reinforces customer focus, prevention and consistent execution in all plants, integrating specialized functions and a cross-cutting digitalization layer to accelerated data-based decision-making.

Global Quality Management

- Cross-cutting oversight of all Quality activities and definition of the global strategy
- Governance of key performance indicators and corporate standards
- Comparison with best practice in the sector and optimization of the cost of non-quality, aligning the organization with international standards.

Functions:

- **Supplier Quality:** manages supplier performance through qualification, audits, incident monitoring and corrective action plans, ensuring that components comply with specifications and regulatory requirements
- **Customer Quality (Control Tower):** globally monitors the quality perceived by the customer, analyzes incidents, coordinates countermeasures, manages complaints and reduces warranty cost by improving durability
- **Produce Quality Engineering:** assures quality in design and development, validating specifications, performing risk analysis and providing support with quick response methodologies (QRQC), including timely compliance with committed milestones
- **Process Quality Engineering:** controls and improves industrial processes through the implementation of standards, process audits and defect analysis, with engineering support for robustness and efficiency
- **Manufacturing Quality:** assures quality in the plant (production control, inspections, management of non-conformities) and applies quick response (QRQC) methodologies, the "five whys" and 8D methodology for continuous improvement of operations
- **Warranty and After-Sales Cost:** monitors and reduces warranty costs, manages provisions and recovery of costs from the supplier when applicable, boosting the efficiency of the after-sales activity
- **Quality Management System (QMS):** develops and maintains the system, assures regulatory compliance, coordinates internal audits, manages documentations and promotes continuous improvement of the system
- **Digital Transformation Manager:** leadership of quality process digitalization: data-centric tools, automation of reporting, predictive analytics and digital transformation projects.

Quality certifications

At Horse Technologies, our commitment to Quality and search for excellence in our products is reflected in the internationally-known certifications we have obtained, including ISO 9001, which assures a strong Quality Management System, whatever the industry.

Building on these foundations, we have taken a step further to respond to the specific demands of the automotive sector, achieving IATF 16949 certification in 100% of our plants and R&D centers. This standard, developed by the International Automotive Task Force (IATF), provides a framework to establish, implement and maintain a Quality Management System focused on meeting the strict requirements of the automotive industry. It also reinforces the principles of ISO 9001, which we have obtained in 82% of our plants, as it includes additional elements that are specific to our industry, such as risk management in the supply chain, traceability and the prevention of product defects.

With the main objectives of fostering continuous improvement, the focus on defect prevention and waste reduction, this certification offers several advantages, especially in the automotive industry:



Improved Quality

The certification helps improve the quality of products and processes, reducing defects and waste.



Global Recognition

IATF 16949 is recognized worldwide, which can help access new markets and customers.



Customer Satisfaction

Shows our commitment to quality and safety, increasing customer trust and satisfaction



Operational Efficiency

Implementing the requirements of the standards may lead to a more efficient use of resources and simplified processes.



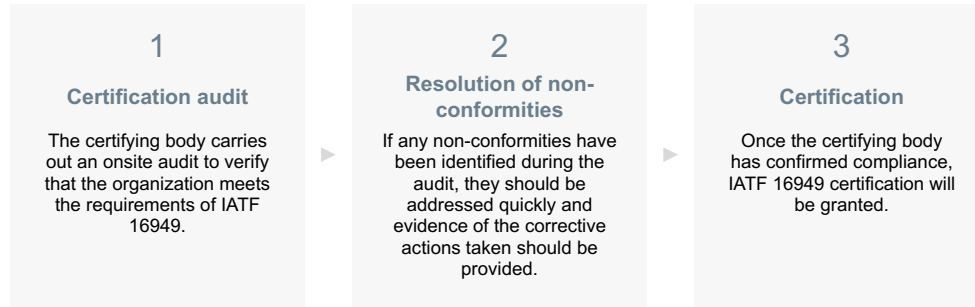
Competitive Advantage

Being certified can set the company apart from the competition, highlighting the commitment to excellence and continuous improvement.

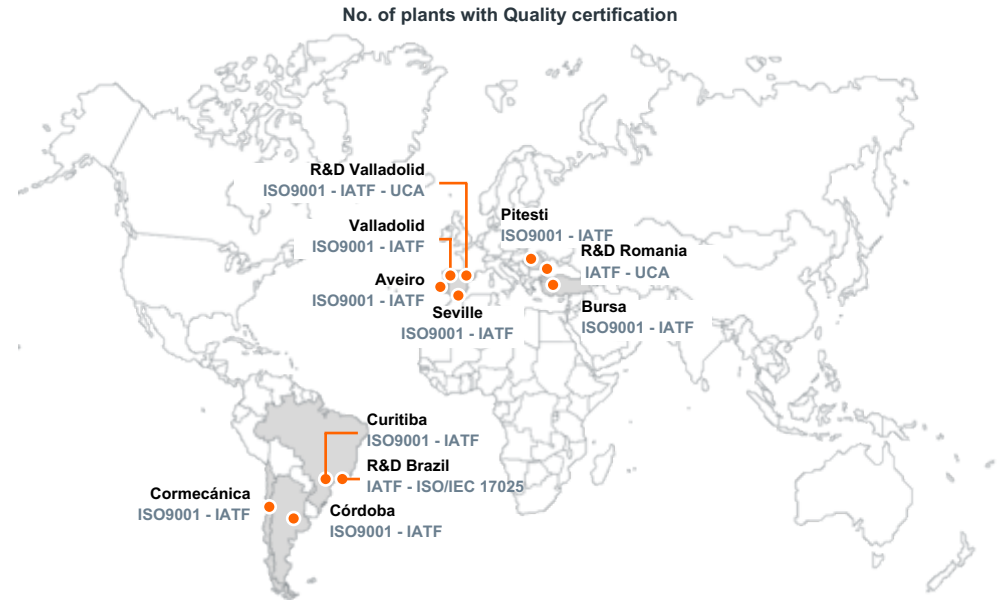


Horse Technologies has IATF 16949 certification in 100% of its plants and R&D centers and ISO 9001 in 82% of them.

In 2023, we started the IATF certification process, which follows the steps shown below:



By the end of 2025 we had achieved the following certifications for our plants:



Commitment to customers

Our medium and long-term strategy has a single starting point and a target: the customer. Every decision we make, from initial conception and design through industrialization to manufacturing, is based on improving the customer experience. We strive to assure the future success of the business by addressing emerging challenges, adapting to new technologies and satisfying the needs of new markets.

Any complaint is an opportunity to improve because it provides valuable information to learn from. We have therefore established a daily procedure that identifies, oversees and solves any failing in the end product. Accordingly, if we notice a problem in a part or a product, whether delivered or not, we firstly inform the customer of the problem, its solution and any possible delay in delivery of the parts.

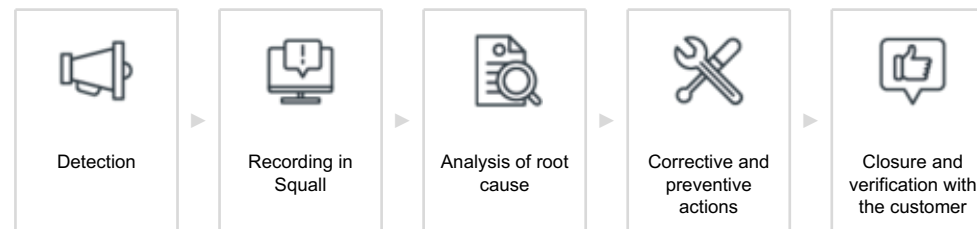
In the event that a non-conformity is detected at our customer's plant, we consider it essential, before any compliant is reported, that the customer conduct an initial investigation to identify the cause of and responsibility for the problem. When necessary, this investigation should be carried out jointly with one of our representatives.

At Horse Technologies, we undertake to define a solution whenever the fault is caused by quality issues attributable to us. The formal communication method to deal with the problem will conform to each customer's specific requirements, to guarantee a transparent and efficient process. We will work in good faith with our customers to agree on the necessary actions that both parties must take. Our goal will be to manage the problem in the best way possible, minimize any impact on the customer's production and carefully analyze the financial implications for both parties. Once the actions to be undertaken have been defined, we will make sure that the agreements reached are communicated to the corresponding commercial representatives both of our organization and the customer's organization.

Incident management system

Our incident management system is supported on the *Squall* platform, which assures a solid, structured and fully traceable process for all reported incidents. The platform allows for detailed and continuous monitoring of each case, direct and transparent interaction with the customer and full traceability from detection until closure, facilitating the analysis of the root cause and the implementation of corrective and preventive actions.

How we handle an incident



During 2025, the significant increase in the number of claims is explained by the direct relationship between Renault, as the customer, and Horse Technologies, as the supplier, which has resulted in greater traceability and formalization of non-conformity management through the official portal implemented by Renault for this purpose. In the case of kilometer-zero incidents, the increase has also been notable, in parallel with the introduction of warranty-related claims through the same portal during this past year.

In quantitative terms, between 1 January and 31 December 2025, 386 OEM customer complaints were recorded. There were 68 warranty claims. We follow up the complaints, according to the stage they are at, reinforcing our capacity to prioritize, resolve and close incidents with fully traceability and continuous communication with the customer.

The formal communication method for handling complaints from our customers is through computer tools, supplemented with computerized follow-up when applicable. Through the platform, Horse Technologies responds to each reported incident, documenting causes and actions, and completing the different stages involved in solving it until it is closed, in line with the specific requirements of each customer.

Breakdown of the number of complaints received

| | 2024 | 2025 |
|--------------|------------|------------|
| Closed | 49 | 269 |
| Confirmed | 44 | 65 |
| Recognized | 18 | 52 |
| Total | 111 | 386 |

Audit systems

At Horse Technologies, we establish strict criteria for internal audits with the aim of assuring continuous improvement and compliance with the established standards. These criteria include:

Internal audit criteria

- Compliance with regulations and standards: Internal audits should verify compliance with standard IATF 16949, encompassing all its components. This includes the use of key tools developed by the Automotive Industry Action Group (AIAG), the organization that promotes standards and best practice in the automotive industry.
- Effectiveness of processes: we assess the effectiveness of our internal processes, procedures and practices to make sure that they comply with the required standards and contribute effectively to continuous improvement.
- Regulatory requirements: We verify compliance with all applicable legal and regulatory requirements, consolidating our responsibility to customers and the pertinent authorities.

Teams involved

- Internal auditors: these are qualified professionals responsible for planning and conducting the audits. Their role is fundamental in order to identify gaps and assure compliance. They have in-depth knowledge of the applicable regulations, a process- and risk-based approach, and analytical and communication skills to present findings clearly. They are also committed to continuous learning to keep up to date.
- Process managers: they play an essential role by providing information and assuring that the necessary corrective actions are implemented. They bring a deep understanding of their processes, ensure regulatory compliance, address non-conformities and work in a collaborative manner with the auditors.
- Senior management: reviews the results of the audits, ensures that the necessary resources are assigned for corrective actions and supports continuous improvement initiatives. Its commitment reinforces our customer-focused quality philosophy.

Priority matters

Our internal audit efforts are focused on three key areas:

Our internal audit efforts are focused on three key areas



Quality Management System audit

This includes a comprehensive review of the entire system, encompassing the main manufacturing site, support functions and remote locations.



Manufacturing process audit

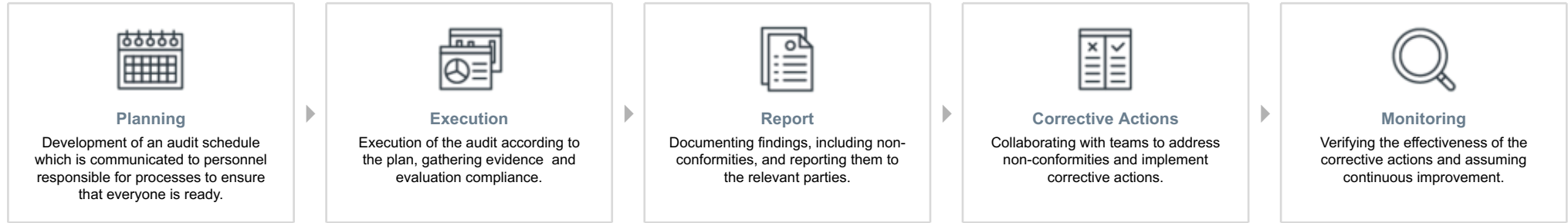
Aimed at production activities in all shifts, also evaluating consistency in shift handovers. This audit considers key outcomes such as the risk analyses and control plans established during advanced quality planning.



Product audit

We verify that the end products meet the specified requirements, including aspects such as packaging and labelling.

Steps in the internal audit process



In relation to our suppliers, we conduct initial audits, pre-production audits and specific audits to resolve quality problems, evaluating key aspects such as IATF standards and quality controls. Our teams are in charge of ensuring both the immediate resolution of incidents and the long-term development of suppliers. We also conduct an annual review of our suppliers' performance, applying preventive measures to maintain excellence in our supply chain.

Results of supplier audits

Supplier Quality Management guarantees that suppliers of Purchased Parts (Direct Suppliers) support a continuous quality policy and have quality governance in all their plants. At the same time, it ensures that suppliers deliver the expected level of quality in a constant and lasting manner.

We work in close collaboration with our suppliers to assure quality from the start of the process all the way to mass production

This mission starts before the supplier is appointed, with an initial assessment that includes preparatory audits and is maintained with continuous assessment throughout the mass production process, through regular audits and annual reviews.

On a voluntary basis, we have set ourselves the goal of ensuring that our suppliers are aligned with IATF standards, establishing a robust quality management system in all stages.

The audits are carried out at three key moments:

1. At the appointment phase: the suppliers prepare requested information before they receive a visit from our auditors, who travel in person to evaluate the processes for a first audit.
2. At the approval phase: once the supplier has been appointed for a project, a second audit is carried out before the product goes on to the market. This audit verifies that the supplier has all the necessary quality controls, that there are no bottlenecks that could compromise production, and that everything meets the standards defined in the manual. Only after successfully completing this audit is mass production authorized.
3. At the production phase: if quality problems arise during production, a third specific audit is carried out to address the incidents detected. After implementing the corrective action plan, an auditor from Horse Technologies reviews onsite that the actions have been carried out correctly, thus assuring that the problems have been solved.

Additionally, every year we review the suppliers' score to evaluate their general performance. In cases where, after a risk analysis, it is detected that a supplier might compromise quality, prevention actions are implemented such as analyses of FMEA risks, quality management system audits or process evaluations. These actions are defined at the start of the year with the aim of anticipating and preventing potential weaknesses in supplier quality, assuring continuous excellence in our supply chain.

These tasks, which target excellence in our processes and products, are carried out by two main teams. For this purpose we have 23 certified supplier quality auditors who send suppliers a reference document in advance which includes a series of specific concepts.

- Supplier Quality Assurance (SQA) Team: this team carries out its activities at the Horse Technologies plants and establishes the immediate corrective actions necessary to protect customers and restore the situation as quickly as possible.
- Specialist Supplier Development (SSD) Team: this team assures the long-term quality of suppliers, validates the supplier process before production starts and performs audits at their facilities.

Thanks to the exhaustive and organized supplier audit system, we can assure the quality of our service to the customer. In 2025 we carried out a total of 271 supplier audits (see below).

Number of quality audits performed by type

| | 2024 | 2025 |
|-----------------|------------|------------|
| Preventive | 107 | 153 |
| System | 36 | 32 |
| Process | 18 | 54 |
| Corrective (8D) | 11 | 32 |
| Total | 172 | 271 |

With regard to the audit results, a total of 197 received a satisfactory rating, 46 received an unsatisfactory rating, and 28 were classified as risky.

The preventive audit consists of an additional phase, within the production phases, where the quality status of the supplier being audited is reviewed. The system audit involves auditing a plant or factory at the level of its Quality Management System with respect to the different departments, such as production, laboratory, maintenance, warehouse and projects. The process audit is focused on auditing a specific manufacturing line with regard to its process and product controls. Finally, the corrective audit (8D) is carried out in response to a customer complaint about a specific manufacturing line, such as a component with an internal problem.

03

ESG STRATEGY FOR MORE SUSTAINABLE MOBILITY

CONTENTS

ESG Governance

ESG Strategic vision



ESG Governance

At Horse Technologies, ESG management is a strategic pillar for the company, allowing us to anticipate and mitigate risks, identify opportunities that strengthen our competitive advantage, and move beyond mere regulatory compliance toward a more resilient and sustainable business model.

For this reason, since the company's inception, a robust and well-defined ESG governance structure has been established, comprising a series of internal bodies that ensure that the ESG 2030 Plan, its objectives, and its initiatives have the necessary support, leadership, and resources to be successfully approved and implemented at all levels of the organization.

Our ESG governance model is designed to ensure that every aspect of this commitment is translated into concrete and measurable actions. Specifically, it is structured as follows:



Leadership from senior management

The ESG department depends on and reports to the company CEO, who provides ESG leadership and assures that it is integrated into the management of Horse Technologies' global strategy. From this position, the CEO not only ensures that the ESG department has the necessary resources, but also provides the sustainability vision that inspires and guides the whole organization.



ESG management with a cross-cutting approach

ESG Management, as a key part of our structure, works across all areas of the organization. Its principal mission is to guarantee that environmental, social and business ethics aspects are considered and integrated in all processes and decisions. This department not only designs the ESG strategy, but also acts as a catalyst and coordinator so that the work teams can meet the goals set.



Continuous monitoring and tracking of objectives

ESG objectives are rolled out internally through annual plans and monthly reviews that allow real-time monitoring at both corporate and operations level. This rigorous approach lets us identify opportunities for improvement, correct possible deviations and guarantee sustained progress towards our short-, medium- and long-term goals.



ESG committee

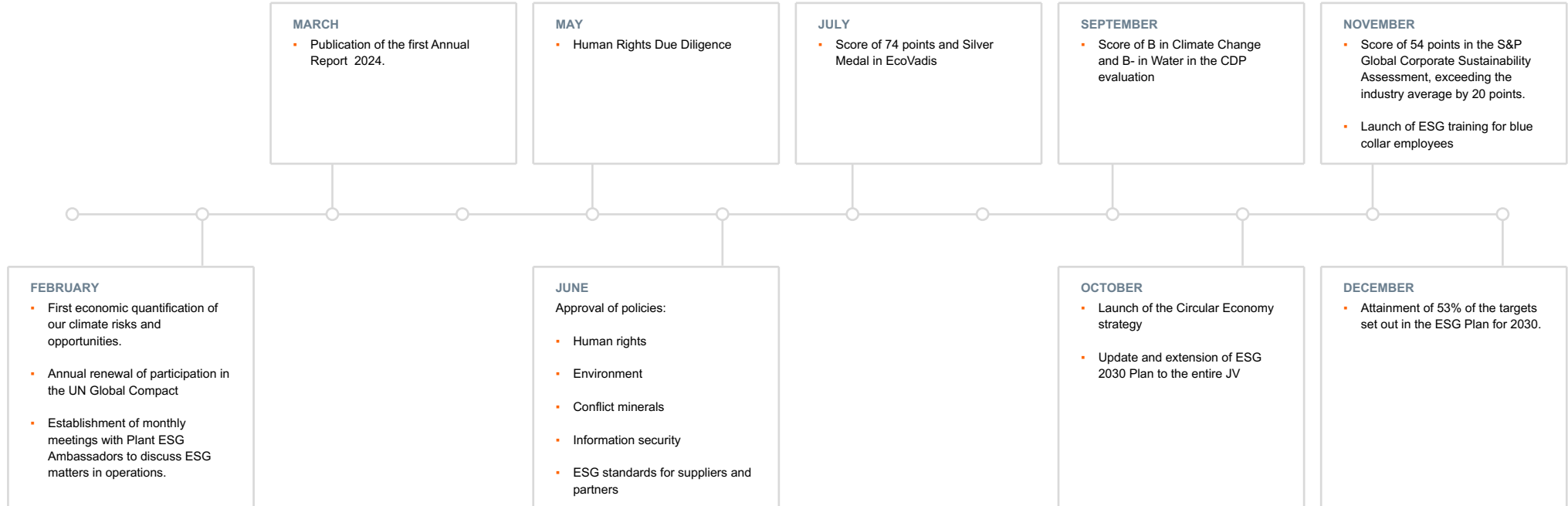
We have established an ESG Committee made up of high-level representatives of the corporate departments and delegates from all our manufacturing plants, known as ESG Ambassadors. This committee meets on a monthly basis to assure that the ESG Plan 2030 is rolled out effectively in all departments and reaches every corner of the organization, from offices to production lines. Its work ensures complete alignment between the central strategy and operational activities, promoting total integration of ESG principles in our day-to-day business.



Operational and multidisciplinary working groups

To guarantee that the plan's initiatives and measures are implemented successfully, we have created specific operational working groups, most of them multidisciplinary. These teams are made up of professionals from various areas for the purpose of executing the specific initiatives to fulfill the goals of the plan. Their practical and collaborative approach ensures that the actions designed will be effective, relevant and adapted to the realities of our operations.

ESG Milestones 2025



ESG Strategic vision

At Horse Technologies, we position ourselves as a global company capable of offering solutions for the transition to more sustainable, decarbonized, responsible and inclusive mobility. That is why, in our first two years of operations, we ensured that ESG strategy forms part of the company's value proposition.



We are committed to the OECD Guidelines for Multinational Enterprises and we uphold the 10 principles of the United Nations Global Compact.

We approved an ESG policy that serves as a framework for establishing our priorities and our principles of action in the area of sustainability through the following basic lines:

- Contribution to sustainable mobility and the Sustainable Development Goals
- Management of positive and negative impacts and ESG risks and opportunities
- Eligibility for sustainable financing

Specifically, the policy describes how we respond to the main ESG challenges facing companies:

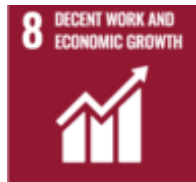
- Climate change, resource scarcity, and biodiversity loss – climate change mitigation and adaptation, promotion of the circular economy, and protection of biodiversity.
- Inequalities and protection of labor and human rights – employment, talent attraction and retention, assuring human and labor rights and health and safety, and social contribution in the communities where we operate.
- Guaranteeing ethical principles in all activities – through legal compliance, transparency, and responsible management of our supply chain.

We position ourselves as a global company committed to more sustainable, decarbonized, and inclusive mobility, integrating ESG strategy into our value proposition from the very first year



Contribution to the SDGs

We contribute to the United Nations 2030 Agenda for Sustainable Development, focusing on the Sustainable Development Goals most relevant to our business activities. To this end, we have followed the United Nations SDG Compass, selecting the goals and targets related to economic growth, innovation, sustainable communities, responsible consumption, climate action, and partnerships.



SDG 8: Decent work and economic growth

We promote the creation of decent and stable jobs, ensuring respect for human rights and the safety of our employees. We also work to generate economic growth in the countries and communities where we operate.



SDG 9: Industry, innovation and infrastructure

We drive innovation in the automotive industry by developing cutting-edge technological infrastructures for the development of more efficient and sustainable engines and transmission systems.



SDG 11: Sustainable cities and communities

We contribute to urban sustainability by designing technologies that reduce vehicle emissions, promoting the transition of our cities towards cleaner and healthier communities.



SDG 12: Responsible consumption and production

We optimize our production processes to minimize waste, using sustainable materials and promoting responsible practices throughout the supply chain.



SDG 13: Climate action

We improve the energy efficiency of our engines and transmission systems, contributing to the reduction of carbon emissions and supporting action to combat climate change.



SDG 17: Partnerships for the goals

We collaborate with strategic partners, industry associations, and international organizations to develop innovative solutions that promote and contribute to the transition to sustainable mobility.

Double materiality

The Corporate Sustainability Reporting Directive (CSRD) establishes new disclosure requirements that compel companies to report in greater detail on their environmental, social and governance performance. This approach aims not only to ensure corporate accountability but also to equip investors, consumers, and other stakeholders with key information for decision-making.

For Horse Technologies, the implementation of the CSRD represents a significant change in how we manage and report on our ESG initiatives. As a company committed to sustainability, we approach this new regulation with the certainty that it not only requires adaptation in terms of regulatory compliance, but also opens up opportunities to strengthen our position in the sector.

Although we are not required to report information in accordance with the CSRD until 2027 (following the publication of the Omnibus Directive), in 2024 we conducted our first double materiality analysis with the help of an external consultant. In 2025, we updated this analysis with the following objectives:

- Identify the main sustainability impacts, risks and opportunities (IROs) for the company following the latest EFRAG (European Financial Reporting Advisory Group) recommendations and align them with our sustainability strategy.
- Prepare in advance for the reporting requirements resulting from the new standards and indicators linked to the identified IROs.

To update the study, we have relied on the company's different key areas through the following phases:



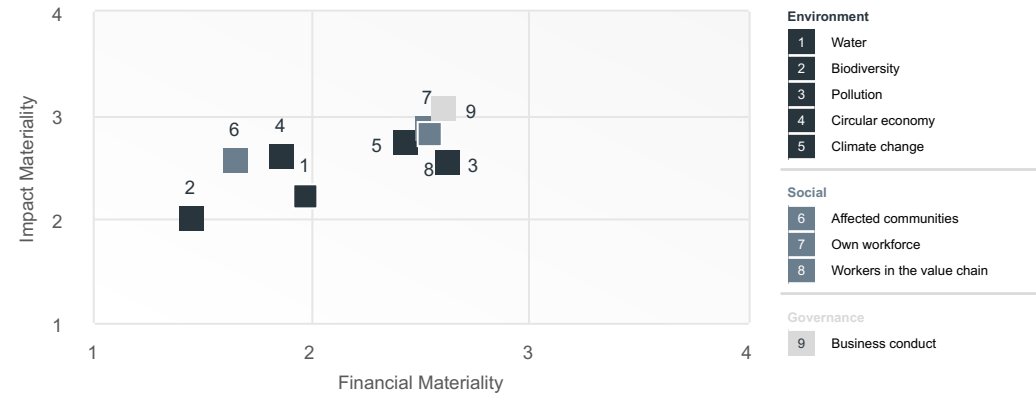
The analysis will be updated at least every two years, or sooner if there are significant changes in the regulatory environment or in our business model. The results will be progressively integrated into our enterprise risk management (ERM) system, strengthening the identification and management of ESG risks.

As a result of this year's exercise, we have identified seven material topics:

- Four of them are material from both an impact and financial standpoint: climate change, circular economy, business conduct, and pollution.
- Three of them are material on account of impact materiality: own workforce, workers in the value chain, and affected communities.

In addition, we have three non-material topics, two of which were not identified as material after the assessment (water and biodiversity), and one of which was discarded because it was not applicable to Horse Technologies (consumers and end users). The matrix below shows the results discussed above regarding our material topics and their prioritization based on their degree of materiality in terms of impact and financial materiality:

Double Materiality Matrix by topic



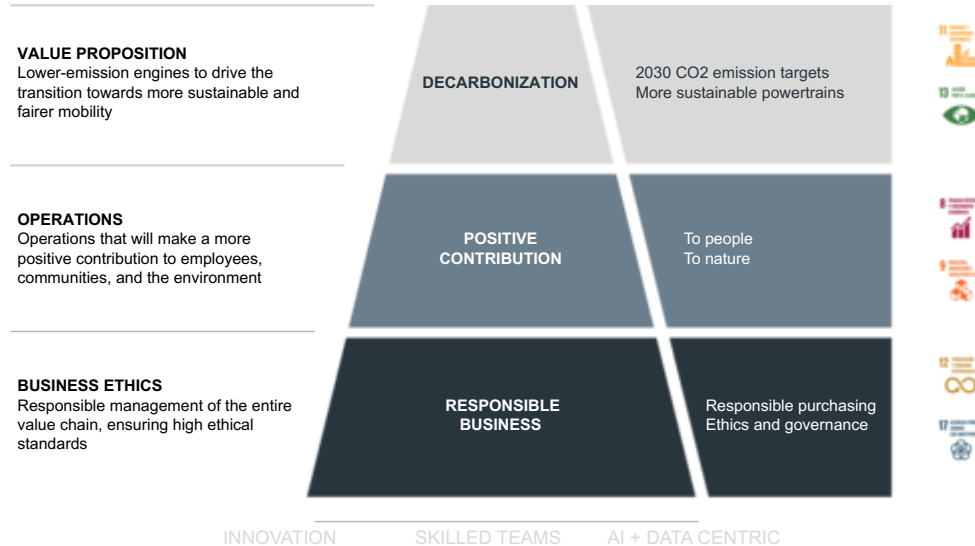
Additionally, throughout each chapter of this report, the 53 impacts, risks and opportunities identified as material will be presented.

ESG Plan 2030

Through the ESG Plan approved in 2024, we seek to pursue opportunities that drive operational efficiency, innovation, and sustainable value creation.

The plan was drawn up to guide the business toward responsible growth, aligned with the expectations of our stakeholders, and to position the company as a benchmark for sustainability within its sector.

This plan takes into account the major global challenges and objectives of the 2030 Agenda to which the company wishes to contribute, the Horse Technologies value chain, environmental, social, and governance frameworks and regulations, and the expectations of stakeholders such as customers, investors, lenders and employees.



During 2025, work was carried out to extend the ESG Plan to all of Horse Powertrain, with consolidated targets for the entire joint venture and specific targets for each business division. This consolidated strategy was approved in October 2025 by the Board of Directors, resulting in the update and/or introduction of new targets for 2030.



Goals of the ESG 2030 Plan

Decarbonization



Towards Net Zero

- 42% reduction in our Scope 1 and 2 emissions (aligned with the 1.5°C scenario)
- ★ 35% reduction in Scope 3 emissions from purchased goods and services (28% reduction per engine)
- 25% reduction in Scope 3 emissions from sold products (aligned with the well below 2°C - WB2C scenario) (16% reduction per engine)



More sustainable powertrains

- ↑ 72% sales from engines with better CO₂ performance¹



At Horse Technologies, we are also committed to a Net Zero emissions target for 2050, validated by SBTi.

More positive contribution



To people

- Obtain and maintain global certification that recognizes our focus on people, equality, and strong alignment with our values.
- Zero accidents commitment:
 - 100% of plants certified under ISO 45001
- ★ 17% reduction in Lost Time Case Ratio (LTCR)
- ★ Equality plan implemented
- Two social action initiatives per site per year on preserving nature and supporting education in the ..



To nature

- Circular economy:
 - 73% recycled aluminum content in parts.
 - 100% of renewable electricity.
- ↑ Biodiversity protection approach across the supply chain.

Responsible business



Responsible purchasing

- 100% acceptance of ESG Requirements by suppliers.
- ↑ 90% of suppliers score higher than ESG evaluation threshold.
- ↑ 95% of critical ESG suppliers with an action plan implemented



Ethics and governance

- Global compliance program 100% implemented.
- ★ Global corporate policies and statements approved.
- Human rights due diligence implemented.

- ★ New goal included
- ↑ Increased ambition of the goal

¹ E100, GPL, HEV, PHEV, E20, HEV GPL, E85, CNG

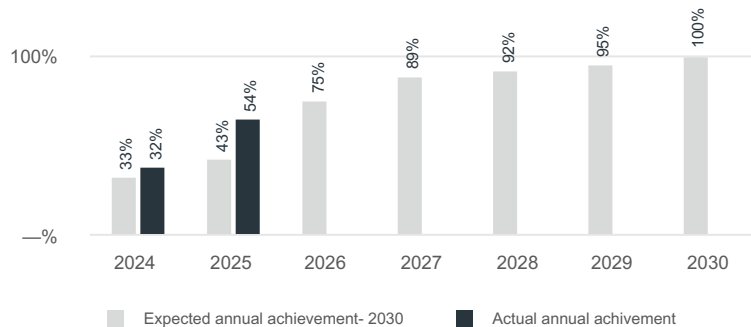
Status in 2025 and goals for 2026

The Horse Technologies ESG Committee conducts monthly monitoring of each of its goals, and the HLT monitors the achievement of the ESG Plan on a monthly basis. This frequency of monitoring allows for the rapid detection of deviations and a prompt response to implement corrective measures. The following table shows the degree of achievement of the ESG 2030 Plan objectives. In 2024, 32% of the objectives set for 2030² had been achieved. In 2025, the total achievement of the Plan for 2030 was 54%³.

For the goals not achieved in 2025, an action plan has been established to be developed during the first quarter of 2026.

By the end of 2025, we had achieved 54% of the ESG 2030 Plan

Percentage achievement of the ESG 2030 Plan



| GOALS | GOAL FOR 2025 | ACHIEVEMENT 2025 | GOAL FOR 2026 | GOAL FOR 2030 |
|---|---------------|------------------|---------------|---------------|
| DECARBONIZATION | | | | |
| Reduction of Scope 1 and 2 emissions | -12 % | -36 % | -18 % | -42 % |
| Reduction of Scope 3 emissions from purchased products and services | | | | |
| Absolute target | -25 % | -20 % | -32 % | -35 % |
| Intensity target per engine | -11 % | -18 % | -26 % | -28 % |
| Reduction of Scope 3 emissions from the use of sold products | | | | |
| Absolute target | -9 % | -12 % | -12 % | -25 % |
| Intensity target per engine | 9 % | -10 % | -4 % | -16 % |
| Sales from engines with better CO ₂ performance | 31 % | 42 % | 51 % | 72 % |
| POSITIVE CONTRIBUTION | | | | |
| Global certification that recognizes our focus on people, equality and strong alignment with our values | 85 % | 85 % | 100 % | 100 % |
| Plants certified with ISO45001 | 50 % | 63 % | 100 % | 100 % |
| Reduction in Lost Time Case Ratio | -3 % | -67 % | -6 % | -17 % |
| Equality plan implemented | 25 % | 23 % | 55 % | 100 % |
| Two social action initiatives per center per year on education and nature conservation | 100 % | 100 % | 100 % | 100 % |
| Recycled aluminum content in parts | 70 % | 77 % | 70 % | 73 % |
| Electricity from renewable sources | 82 % | 85 % | 84 % | 100 % |
| Centers with biodiversity assessment conducted | 100 % | 100 % | 100 % | 100 % |
| Nature impact study following the TNFD framework | 0 % | 0 % | 0 % | 100 % |
| RESPONSIBLE BUSINESS | | | | |
| Acceptance of ESG requirements by suppliers | 90 % | 91 % | 90 % | 100 % |
| Suppliers above an ESG assessment threshold | 70 % | 85 % | 75 % | 90 % |
| Critical ESG suppliers with action plan implemented | 25 % | 23 % | 60 % | 95 % |
| Compliance program implemented | 10 % | 29 % | 86 % | 100 % |
| Global corporate policies and statements approved | 75 % | 59 % | 100 % | 100 % |
| Human Rights Due Diligence implemented | 0 % | 50 % | 100 % | 100 % |

² The percentage achievement shown for 2024 is calculated based on the Plan's previous targets. These have been updated in 2025 (as reflected on the previous page), by including new targets or increasing the ambition of others.

³ Percentage achievement of the ESG 2030 Plan: calculated as the arithmetic mean of the percentage achievement in the current year vs. 2030 of the 19 indicators that make up the Plan. The achievement of each indicator has a ceiling of 120%, so that the overachievement of an objective does not distort the final percentage and reflects a true picture of all the Plan's objectives.

ESG Ratings

At Horse Technologies, we see ESG Ratings as a key tool for enhancing transparency, comparing ourselves against the market, and meeting the expectations of customers, investors, and business partners. In 2025, we applied for the first time to three of the most internationally recognized ratings – CDP, EcoVadis, and S&P Global – and the results obtained in this first year validate our work, as well as helping us prioritize improvements for future years.

First year of participation in ESG Ratings: strong and competitive results, with performance above market benchmarks

CDP – Climate change and water

In CDP, we obtained a B rating in the Climate Change questionnaire and a B- rating in the Water questionnaire. CDP is one of the most globally recognized ESG ratings specializing in climate change and the environment, and participating in it is particularly important to respond to customer requests and strengthen transparency in the management of environmental risks and opportunities. These results reinforce the strength of our approach in key areas such as climate strategy and water management.

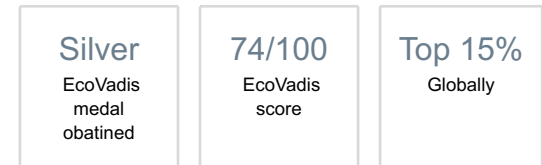


Why is it strategic?

- Global recognition in climate and environment.
- Enhances transparency and comparability for the market and customers.

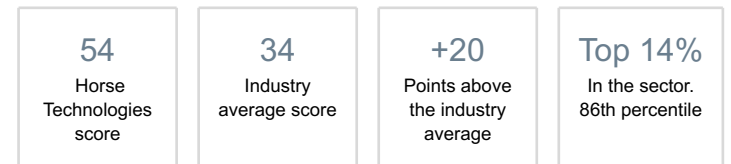
EcoVadis

In EcoVadis, we obtained the Silver medal, with a score of 74/100, placing us in the top 15% of companies globally across all industries evaluated. EcoVadis is a benchmark in supplier assessment and sustainable supply chain management, so this result has direct strategic value – it strengthens our position as a responsible partner and supports the integration of ESG criteria in purchasing.



S&P Global – CSA

In S&P Global's CSA (Corporate Sustainability Assessment) questionnaire, we scored 54/100, exceeding the industry average (34/100) by 20 points. We ranked in the 86th percentile, indicating that only 14% of companies in the sector scored higher. This questionnaire is particularly relevant due to its comprehensive approach, as it evaluates companies' ESG performance from a complete perspective – economic, corporate governance, environmental, and social – and is widely recognized by the market and investors. This result reinforces our credibility with analysts and provides us with a comparative framework for continued improvement.



Stakeholders

Actively considering stakeholders allows us to understand comprehensively the positive and negative impacts we generate and the expectations that should guide our sustainable performance. Listening to and engaging with employees, customers, suppliers, communities, investors and regulators allows us to anticipate market trends, respond to emerging demands and design sustainable mobility solutions.

We regard it as fundamental to understand the impacts that our operations have on our stakeholders and how our operations are influenced by them. We therefore establish communication channels to ensure that we integrate their expectations.

| Stakeholder | Communication channels | Contribution to expectations | Key indicators |
|--|---|---|--|
| EMPLOYEES | Intranet Email Team meetings Employee surveys Instant messaging platforms HR portals Whistleblowing channel | <ul style="list-style-type: none"> Implementation of harmonized policies on flexible working, digital disconnection and shared parental responsibility. Launch of ESG training course for blue collar workers and expansion of technical and safety training. Reduction of Lost Time Case Ratio (LTCR) by 67%, thanks to improvement in standards and implementation of preventive management systems. Global rollout of the new vision, mission and values (Caring, Collaborating, Creating Excellence). | <ul style="list-style-type: none"> 10,016 employees 88% permanent contracts 0 fatal accidents |
| SUPPLIERS | Supplier platform Audits Meetings | <ul style="list-style-type: none"> Approval of ESG Standards for suppliers and partners (new policy 2025). Substantial increase in supplier audits. Consolidated methodology for mandatory carbon footprint reporting for new sourcing and critical suppliers. | <ul style="list-style-type: none"> 343 suppliers €4,896 M expenditure on suppliers 88 ESG-assessed suppliers |
| CUSTOMERS | Regular contact with corporate and plant sales departments Customer platforms Audits | <ul style="list-style-type: none"> Launch of the Center of Excellence in Artificial Intelligence – kAIr0s – for greater reliability, predictability and industrial efficiency. IATF 16949 certification obtained in 100% of plants and R&D centers. Reinforcement of global incident management system, improving traceability and response times. Expansion of the portfolio with new technologies presented in 2025 at IAA and Busworld. | <ul style="list-style-type: none"> 77% recycled aluminum 98% of products sold are recyclable |
| FINANCIAL INSTITUTIONS | Specific meetings and calls | <ul style="list-style-type: none"> Sustainability-linked loans Debt restructuring, improving financial stability and the amortization profile First submission to international ESG ratings (CDP, EcoVadis, S&P Global) with above-industry-average results Progress in integrating ESG criteria into financial planning and reporting | <ul style="list-style-type: none"> 64% of loans linked to sustainability SBTi seal obtained for decarbonization targets |
| ASSOCIATIONS AND REGULATORS | Events Lobbying Conferences Meetings | <ul style="list-style-type: none"> Publication of the first Annual Report 2024. Performance of the first exercise in economic quantification of a risk and a climate opportunity. Establishment of monthly meetings of Plant ESG Ambassadors to reinforce compliance and unify criteria. Approval of new global corporate policies: Environment, Information Security, Conflict Minerals, Human Rights. | <ul style="list-style-type: none"> 208,017 € financial contribution to association and sponsorship actions |
| LOCAL COMMUNITIES | Plant communication department Whistleblowing channel | <ul style="list-style-type: none"> Approval of a new global social contribution program (2025-2030) with more than 3 M€ set aside. Implementation of initiatives aligned with education, nature conservation and local contribution in all plants. Completion of the Human Rights Due Diligence project. | <ul style="list-style-type: none"> €412,404 investment in social action initiatives 2,547 employee volunteers 7,592 hours dedicated to volunteering |
| JOINT VENTURE (Renault Group, Geely and Aramco) | Executive Management Team Working groups to create synergies | <ul style="list-style-type: none"> Convergence towards One Company, One Brand with a global identity, vision for 2035 and unified five-year business plan. Reorganization towards a customer-focused regional model with economic responsibility by region. Activation of technological, financial, operational and commercial synergies detailed in the integration chapter. Extension of the ESG 2030 Plan to all of Horse Powertrain and approval by the Board in October 2025. | <ul style="list-style-type: none"> Organization of 8 working groups to take advantage of synergies within the JV |

04

CLIMATE CHANGE

CONTENTS

Climate change governance

Climate change strategy and risk management

Metrics and targets



Horse Technologies' business proposition is based on offering solutions that contribute to the decarbonization of the sector and to sustainable mobility. For this reason, Horse Technologies is committed to achieving Net Zero by 2050 and the short-term decarbonization targets included in its ESG Plan by 2030.

As a result of the first double materiality study, we present below the impacts, risks, and opportunities identified for ESRS E1 – Climate Change:



Impact materiality

Positive impacts

Reduction of CO₂ emissions from engines resulting from improved thermal efficiency of combustion engines, the development of hybrid solutions, the use of efficient batteries, gearboxes, power electronics, electronic fuels, and hydrogen.

Negative impacts

- Impact on the environment due to the emission of large amounts of CO₂ and other greenhouse gases resulting from the processes used to obtain raw materials.
- Impact on the environment due to the emission of large amounts of CO₂ and other greenhouse gases resulting from vehicle use.
- Impact on the environment from excessive use of traditional energy sources (i.e. fossil fuels) in operations and the supply chain.

Financial materiality

Risks

- Disruptions in the supply of raw materials caused by extreme weather events affecting suppliers' operations, especially in regions where critical materials are produced.
- Risk derived from the failure to reorganize or adapt manufacturing facilities that could be affected by extreme weather events due to climate change.
- Increased insurance policy costs resulting from damage or destruction of manufacturing facilities due to extreme weather events.
- Reduction in revenue from the production of internal combustion engines.
- Loss of market share due to restrictive regulations that only consider 100% electric vehicles to be sustainable.

Opportunities

- Increased sales share with the production of plug-in hybrid engines/range extenders and new markets in low-emission mobility
- Reduction of operating costs through more efficient and less carbon-intensive technological innovations (energy management systems, better thermal insulation, or solar panels)

Decarbonization goals

At Horse Technologies, we have validated our short- and long-term emission reduction targets, establishing 2023 as the base year and ultimately obtaining the Science Based Targets initiative (SBTi) seal.



Aware that greenhouse gas emissions from energy use in road transport account for 12% of global emissions, we must establish a long-term commitment in line with the Paris Agreement to limit the temperature increase to 1.5°C compared to pre-industrial levels.

To reinforce our commitment, we have set the following goals for 2030:

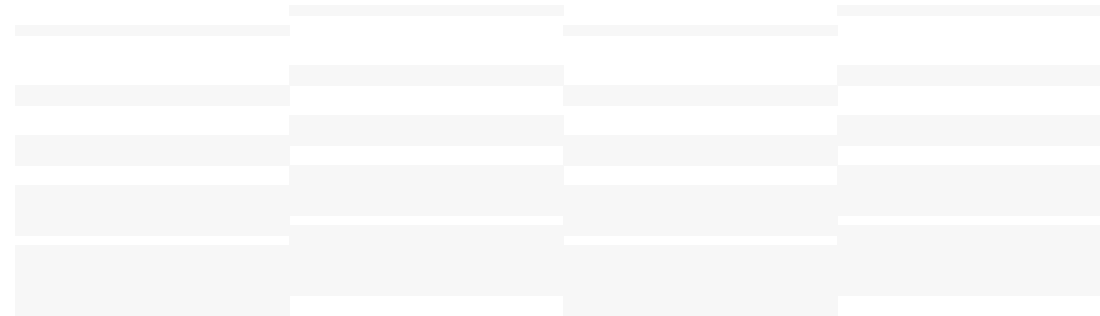
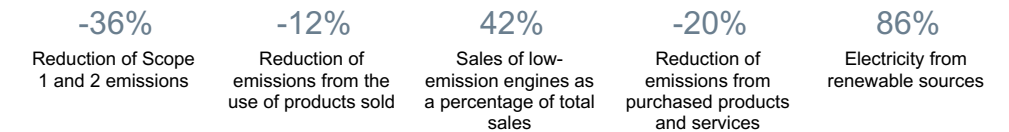
- **Towards Net Zero**
 - Reduce direct and indirect emissions under our control (Scopes 1 and 2) in our production processes by 42% under the 1.5°C scenario.
 - Reduce our principal emissions, which come from the use of engines sold, by 29% over the lifetime of the vehicle, under a WB2C scenario as established by the new SBTi guidance for transportation.
- **Sustainable Powertrain**
 - 60% of sales will come from low-emission products and alternative fuels.

Therefore, Horse Technologies will be Net Zero by 2050.

Additionally, in 2025 we approved a new decarbonization goal for our ESG 2030 Plan: a 35% reduction in Scope 3 emissions from purchased products and services (28% reduction per engine)

Results of the ESG 2030 Plan during 2025

The first pillar of our ESG Plan sets annual decarbonization targets to achieve those proposed for 2030. In 2025, the five proposed decarbonization targets were achieved, reaching a total achievement rate of over 100%:



Climate change governance

At Horse Technologies, we have established a governance and organizational structure that ensures that climate change mitigation and adaptation and the decarbonization strategy are addressed from the highest level of the company down to each of its production processes.

The leadership team, led by the CEO of Horse Technologies and made up of the company's senior management, approves decarbonization targets and emission reduction measures, ensuring that all necessary resources are put in place to achieve them.

The various internal bodies and their functions are detailed below:

ESG Committee

This group, led by ESG Management, is responsible for overseeing the company's ESG goals and initiatives, including decarbonization. This Committee is made up of representatives from each of the corporate departments, as well as ESG ambassadors from all production plants.

ESG Management

Reporting directly to the CEO, this department is responsible for calculating the corporate carbon footprint and the carbon footprint of products, defining the strategy to combat climate change, and coordinating decarbonization measures with other departments involved.

Purchasing department

Department responsible for coordinating and supervising decarbonization measures through relationships with product suppliers and service providers.

Decarbonization Working Group

One of the groups created under the ESG 2030 Plan to share knowledge on climate change, establish common frameworks and calculation methodologies, and promote decarbonization measures across all departments and plants.

Production plants

Responsible for establishing measures to reduce direct and indirect emissions under the company's control, such as purchasing renewable electricity or implementing energy efficiency measures.

R&D department

Department responsible for developing powertrain systems with a lower carbon footprint during use.



Climate change strategy and risk management

Climate risks and opportunities

Due to Horse Technologies' activity and positioning (as explained in previous chapters of this report), it is essential for us to identify, assess, and prioritize long-term climate risks and opportunities and the financial consequences they may have on the organization.

Taking a 2030 horizon and based on climate scenarios, we have an plan in place to identify and assess climate risks and opportunities, supported by a leading consulting firm. In the first half of 2026, this analysis will be reviewed and updated to include the measurement of the financial impacts of physical risks that may affect our production plants.

For this analysis, the following have been taken into account:

| | | |
|---|---|---|
|  <p>Physical risks</p> <p>Risks that occur as a result of acute or chronic climate impacts such as floods, droughts, tornadoes, or rising temperatures.</p> |  <p>Transition risks</p> <p>Regulatory, market, technological, or reputational risks arising from the transition to a low-carbon economy.</p> |  <p>Climate opportunities</p> <p>Derived from the transition to a low-carbon economy, such as cost reduction, resilience, or competitive advantage.</p> |
|---|---|---|

Climate scenarios and methodology

Scenarios for Physical risks

For the identification and analysis of physical risks, two scenarios from the IPCC (Intergovernmental Panel on Climate Change) 2100 horizon have been taken:

- SSP5-8.5: a temperature increase of 4.4°C compared to pre-industrial levels, assuming that no significant efforts have been made to reduce greenhouse gases.
- SSP1-2.6: a temperature increase of 1.8°C compared to pre-industrial levels, assuming that greenhouse gas emissions have been limited so as not to exceed 2°C.

Scenarios for Transition risks

In terms of transition risks, a NGFS Net Zero 2050 scenario has been adopted, which expects a temperature increase of 1.5°C above pre-industrial levels, through strict climate policies and innovation, rapid technology development, and high CO₂ removals.

The following steps have been taken to identify climate risks and opportunities:

1. Study of the company's value chain from the perspective of climate change and data collection.
2. Analysis of the exposure of the company's assets to the consequences of climate change, including databases, specific tools, sector benchmarks, and internal workshops.
3. Mapping climate risks and opportunities across the Horse Technologies value chain based on likelihood (of climate hazards and transition levers occurring) and magnitude (criticality, sensitivity, and adaptability).

The results obtained from this initial analysis are as follows:

| CLIMATE RISKS | | | | | |
|--|----------------------|---|--|-----------|--|
| Physical risks | Type of risk | Main impact | Likelihood | Magnitude | |
| Direct activities | Temperature increase | Chronic | Increase in air-conditioning costs | | |
| | Water stress | Chronic | Reduction in plant productivity | | |
| | Fires | Acute | Damage to the building and machinery | | |
| | Heavy rainfall | Acute | Damage to the building | | |
| | Floods | Acute | Reduction in revenue due to lower productivity | | |
| Supply chain | Tornados* | Acute | Reduction in plant productivity affecting Horse Technologies supply | | |
| | Temperature increase | Chronic | Increase in purchase prices due to the transfer of refrigeration costs | | |
| | Water stress | Chronic | Reduction in plant productivity affecting Horse Technologies supply | | |
| | Landslide* | Acute | Reduction in plant productivity affecting Horse Technologies supply | | |
| | Floods* | Acute | Reduction in plant productivity affecting Horse Technologies supply | | |
| Transition risks | Type of risk | Main impact | Likelihood | Magnitude | |
| Regulation of existing products and services | Regulatory and legal | Increase in operating and research and development costs; Decrease in sales. | | | |
| Changes in consumption patterns | Market | Increase in operating and research and development costs; Decrease in sales. | | | |
| Regulatory mechanisms on carbon pricing | Regulatory and legal | In the long term, a possible carbon tax to pay for industrial combustion or other company activities. | | | |
| Increases in the prices or availability of raw materials | Market | Increased costs and disruption to operations | | | |

| CLIMATE OPPORTUNITIES | | | | |
|---|-----------------------|--|------------|-----------|
| Opportunity | Type of opportunity | Main impact | Likelihood | Magnitude |
| Development and/or expansion of low-emission products | Products and services | <ul style="list-style-type: none"> Increase in sales and revenues. Protection against market changes and legislation. Cost reduction; | | |
| | | <ul style="list-style-type: none"> Reputation enhancement. Business continuity. | | |
| Use of more efficient production and distribution processes | Resource efficiency | <ul style="list-style-type: none"> Lower costs and Protection against material shortages | | |
| | | <ul style="list-style-type: none"> Reputation enhancement. Business continuity. | | |
| Use of recycled materials | Resource efficiency | <ul style="list-style-type: none"> Lower costs and Protection against material shortages | | |

*Highly localized risks: uncertainty regarding likelihood and magnitude for the supply chain is high

Risk management

Climate risk management is key to ensuring business resilience and sustainability in a constantly changing environment. At Horse Technologies, this approach allows us to identify and assess threats related to climate change, ensuring that strategic decisions incorporate preventive and adaptive measures.

This commitment is reflected in robust governance, rigorous analysis processes, and the integration of risks into the company's overall planning. In this way, we promote actions that mitigate potential impacts and strengthen our ability to respond to current and future challenges.

Climate risk management governance

Climate risk management is integrated into our corporate governance, ensuring a coordinated and effective approach. The ESG Department leads the identification and assessment of these risks, in collaboration with members of the ESG Committee, which includes key departments such as finance, sales, purchasing, R&D, legal, and operations. The results of the analysis are presented to the Horse Leadership Team (HLT), headed by the CEO. The departments affected by the identified risks are responsible for implementing the necessary measures to manage them, thus ensuring an effective response that is aligned with business objectives.

Identification and assessment of climate risks

We consider risk management to be an essential tool for achieving our business objectives and responding to the consequences of climate change on business. In 2024, we conducted a detailed analysis of climate risks and opportunities as a first step in addressing both physical and transition risks that could affect our operations. Risks were identified by analyzing the location of production centers, conducting internal interviews, and consulting specialized databases. To assess them, factors such as likelihood of occurrence and magnitude of impact were prioritized, considering vulnerability, exposure, and the degree of potential impact on our activities.

Integration of climate risk management into overall company strategies

Climate risks are part of our overall risk management and are addressed by the departments responsible for the affected areas. This cross-cutting approach allows us to implement specific measures to mitigate risks and reduce their impact. These actions include:

- Insurance coverage for extreme weather events and natural disasters.
- Improvement of ventilation systems in production plants in response to temperature increases.
- Diversification of suppliers to minimize the risk of supply chain disruptions.
- Adaptation and development of new products that respond to market demands arising from climate change.
- Design of commercial strategies aligned with current and future regulatory standards.

Metrics and targets

Corporate carbon footprint

To guarantee adequate management of our main climate change metrics, Horse Technologies considers robust measurement and monitoring fundamental. In 2023, we calculated our corporate carbon footprint for the first time. In 2024, we focused on setting decarbonization targets in order to obtain Science-based Targets initiative (SBTi) validation. In 2025, we conducted the pertinent monitoring of achievement of the targets, as well as the design and implementation of emission reduction measures.

Our carbon footprint data are set out below, broken down by scope, and calculated using the Greenhouse Gas (GHG) Protocol methodology. In addition, we carried out the calculation according to the methodology required to obtain SBTi validation. The information on the calculation according to SBTi is included in the Appendix - [Tables and additional information](#).

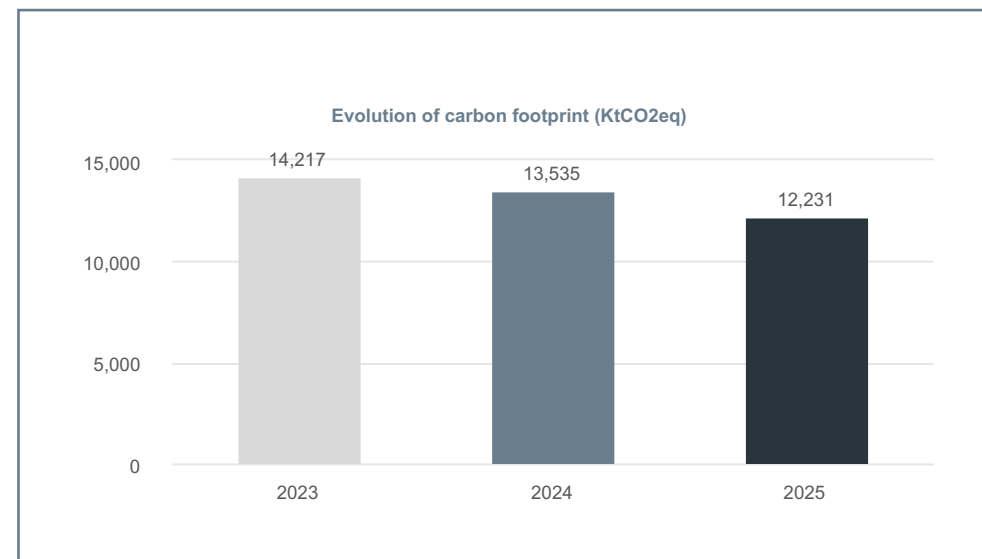
The main difference between the GHG Protocol and SBTi when it comes to calculating the CO₂ footprint is found in category 11 – Use of sold products – of Scope 3. GHG Protocol assigns the emissions to the powertrain (propulsion system) according to its contribution to the total weight of the vehicle. In our case, we have a weighting of 10.6% of the vehicle weight. By contrast, SBTi considers total emissions without considering the weight – e.g. 100% of the vehicle's emissions are assigned to the powertrain. In terms of data, these methodological differences lead to the following results:

- According to GHG Protocol:
 - The corporate footprint is 12,231 KtCO₂eq, compared to 13,535 KtCO₂eq in 2024, which represents a 14% reduction with respect to 2023.
 - Category 11 is 9,805 KtCO₂eq, representing 80% of the total.
- According to SBTi:
 - The corporate footprint is 93,764 KtCO₂eq, compared to 101,652 KtCO₂eq in 2024.
 - Category 11 is 91,337 KtCO₂eq, compared to 98,912 KtCO₂eq in 2024, representing 97% of the total.

We also carried out monitoring of the footprint according to both methodologies:

- GHG Protocol, as this was the criterion adopted initially, to keep documentation and reporting consistent; and the information contributed by our peers.
- SBTi, as it is the entity that validated our 2030 target.

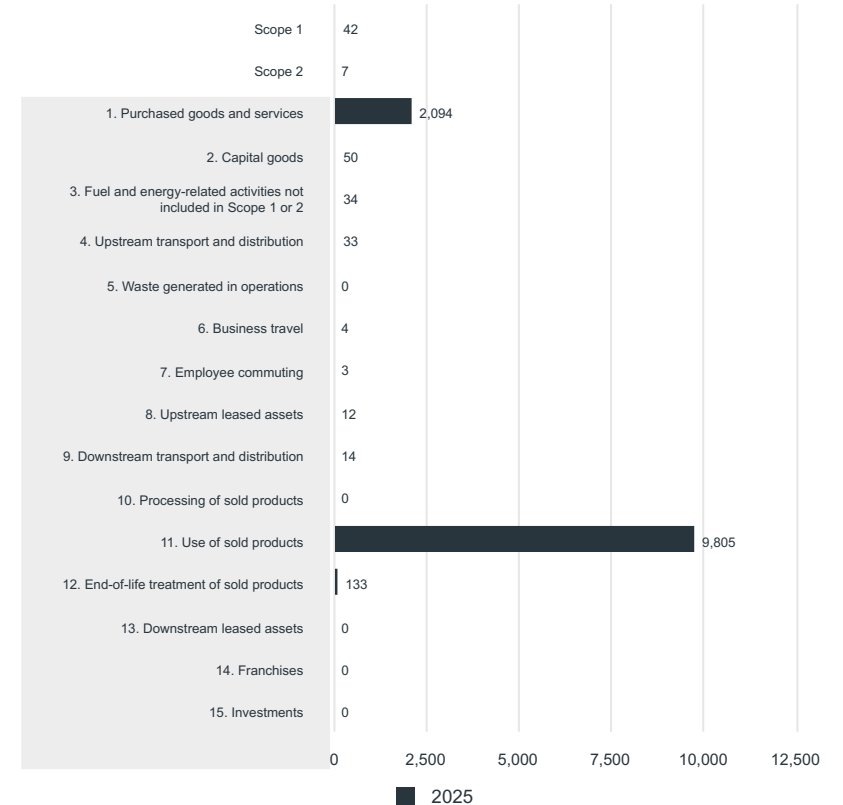
Both values are updated simultaneously in our calculation tool.



In 2025, we obtained ISO 14064 carbon footprint certification, according to the GHG Protocol methodology, and are in the process of obtaining ISO 14067 in the first quarter of 2026

CO₂ by scope (thousand metric tons of CO₂eq – GHG Protocol)

| | | 2023 | 2024 | 2025 | Variation vs. base year (2023) | Percentage of the total (2025) |
|------------------------------|--|-----------------|-----------------|-----------------|--------------------------------|--------------------------------|
| Scope 1 | Total - Scope 1 (KtCO₂eq) | 47.8 | 40.5 | 41.7 | -12.7% | 0.3% |
| | Natural gas | 45.4 | 35.9 | 37.3 | -18.0% | 0.3% |
| | Biomethane | 0.0 | 0.0 | 0.0 | - | —% |
| | LPG | 0.0 | 0.1 | 1.1 | - | —% |
| | Diesel | 0.0 | 0.6 | 2.5 | - | —% |
| | Gasoline | 1.7 | 1.1 | 8.5 | 410.7% | 0.1% |
| | Refrigerants | 0.7 | 2.9 | 2.0 | 172.6% ⁴ | —% |
| Scope 2 | Total - Scope 2 (KtCO₂eq) | 29.7 | 26.5 | 7.2 | -75.6% | 0.1% |
| Scope 3 | Total - Scope 3 (KtCO₂eq) | 14,139.8 | 13,467.5 | 12,182.3 | -13.8% | 99.6% |
| Upstream activities | 1. Purchased goods and services | 2,617.5 | 2,338.1 | 2,093.7 | -20.0% | 17.1% |
| | 2. Capital goods | 95.3 | 92.1 | 50.3 | -47.3% | 0.4% |
| | 3. Fuel and energy-related activities not included in Scope 1 or 2 | 42.3 | 37.2 | 34.1 | -19.4% | 0.3% |
| | 4. Upstream transport and distribution | 26.0 | 28.5 | 32.9 | 26.4% | 0.3% |
| | 5. Waste generated in operations | 4.2 | 0.4 | 0.3 | -92.3% | —% |
| | 6. Business travel | 0.8 | 0.9 | 4.1 | 387.8% | —% |
| | 7. Employee commuting | 4.9 | 3.1 | 3.0 | -38.5% | —% |
| | 8. Upstream leased assets | 18.4 | 18.7 | 11.8 | -35.9% | 0.1% |
| Downstream activities | 9. Downstream transport and distribution | 16.0 | 11.9 | 14.4 | -9.8% | 0.1% |
| | 10. Processing of sold products | 0.5 | 0.1 | 0.1 | -80.0% | —% |
| | 11. Use of sold products | 11,147.1 | 10,794.5 | 9,804.7 | -12.0% | 80.2% |
| | 12. End-of-life treatment of sold products | 166.7 | 142.0 | 132.7 | -20.4% | 1.1% |
| | 13. Downstream leased assets | 0.1 | 0.1 | 0.2 | 33.1% | —% |
| | 14. Franchises | 0.0 | 0.0 | 0.0 | - | —% |
| | 15. Investments | 0.0 | 0.0 | 0.0 | - | —% |
| TOTAL (Scopes 1+2+3) | | 14,217.4 | 13,534.6 | 12,231.3 | -13.97% | 100.00% |

Corporate carbon footprint (KtCO₂eq)


⁴ Data on emissions due to recharging of refrigerants for 2023 was based on estimates based using data received from Renault Group. In reporting the data for 2024 and 2025, the calculation was carried out using actual consumption data. As a result, there is a significant increase with respect to the base year.

Emissions in the value chain

Purchased goods and services

Emissions from the first category of Scope 3, according to the GHG Protocol, represent indirect emissions deriving from the acquisition of goods and services by a company. Purchased goods and services represent 17% of the emissions of our value chain, which makes it the second most important category of emissions. Within this category, emissions in aluminum, especially primary, and the steel parts of our products represent most of the emissions in this category. The CO₂ emissions associated to both aluminum and steel occur mainly in the casting process.

In relation to management and future targets, in 2024 the Purchasing Department made the commitment and drew up the roadmap to reduce carbon emissions by at least 10% from 2023 to 2030. In 2025, a more ambitious target was set, with our commitment to an absolute reduction of 35% and a 28% reduction in intensity per engine by 2030.

All our new supplies are accompanied by a Carbon Footprint Report which allows us to guarantee the emissions roadmap, and are led by a working group that includes experts in decarbonization, product engineering and heads of purchasing. In this declarative file, the supplier shares its action plan to reduce the carbon footprint and allows our decarbonization teams to advise them on carbon footprint improvements. Our current direct material suppliers who represent the largest contribution to our carbon footprint are also asked for this statement, based on secondary data to provide a precise calculation and roadmap.

Use of sold products

Emissions corresponding to category 11 of Scope 3 of the GHG Protocol represent indirect emissions deriving from the use of our products, which constitutes 80% of the total footprint of our value chain, making it the most significant category in terms of impact.

Additionally, all new product developments will be backed by a detailed carbon footprint analysis that will guarantee compliance with our decarbonization roadmap. This approach allows us to continue leading the transition towards cleaner technologies, reducing not only the emissions associated to manufacture, but also the emissions deriving from the use of our products, to the benefit of our customers and the environment.

Other emissions

In addition to CO₂ emissions, other emissions from our production process include nitrogen oxides, sulfur oxides and volatile organic compounds

The origin of the CO, NOx and SOx emissions is from two different sources:

- Melting furnaces and thermal treatments, for which direct measurements in stack are taken periodically.
- Use of fuels in our test benches and own vehicles.

The emissions from direct sources are measured directly at the smoke vent. It should be noted that, in our production process, no emissions of VOCs (Volatile Organic Compounds) occur, as these come mainly from the incineration of solvents, an activity which is not carried out at Horse Technologies.

Specifically, the table below reflects a breakdown of direct emissions of these gases during the last year:

Other significant emissions into the air (metric tons)

| | 2024 | 2025 |
|-----------------------------------|--------|--------|
| CO (Carbon monoxide) | 569.25 | 610.45 |
| NOx (Nitrogen oxides) | 38.99 | 45.52 |
| SOx (Sulfur oxides) | 0.50 | 2.20 |
| VOCs (Volatile organic compounds) | 0.00 | 0.00 |
| PM10 | 8.93 | 65.89 |
| PM2.5 | 6.80 | 2.48 |

Carbon footprint of products

The calculation of the carbon footprint of our products is a part of the product life cycle assessment (LCA). This analysis covers all the phases of the product's life, from extraction of the raw materials necessary to manufacture it to the recycling or end-of-life process, with a cradle-to-grave scope.

In 2025, we made significant progress in drawing up the carbon footprint sheets for the main products in each technology, in which we analyze the emissions associated with each phase of the lifecycle – from materials and manufacture to use and end of life.

These sheets include a detailed breakdown of the component and specifically indicate those that contribute to the greatest extent to the total footprint, allowing us to prioritize reduction actions and steer more sustainable design decisions.

The software we use is UMBERTO, associated to the most recent version of the ECOINVENT secondary database.

The six main phases to be studied that constitute the product carbon footprint are as follows:

- Raw materials: taking the Bill of Material (BOM) as the starting point, which consists of the list of materials and components that form part of the product, using primary and secondary data.
- Transport: considering the number of components of each product and the emissions due to their transportation to each plant.
- Manufacture: taking into account emissions due to energy consumption and waste generation per product.
- Distribution: considering the emissions associated with transportation of the end product to the customer.
- Use phase: obtaining information and fuel consumption and emissions from vehicle approval tests and secondary data for the fuels used.
- End of life: taking into account the materials present in the different products and their end-of-life treatment.

Carbon footprint of products – Sample of 4 products (metric tons of CO₂eq per product)

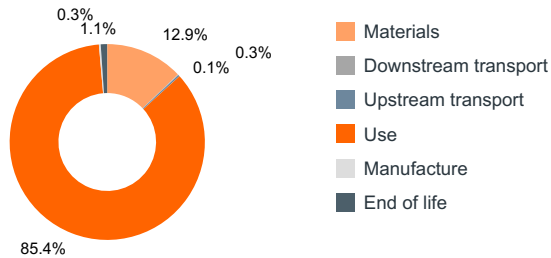
| Lifecycle phases | Hybrid engine (H18) | Bioethanol engine (S1) | Automatic transmission (4DTH120) | Manual transmission (MT6) |
|---------------------|------------------------|---------------------------|--|---------------------------------|
| Raw material | 0.442 | 0.339 | 0.512 | 0.104 |
| Transport | 0.009 | 0.009 | 0.013 | 0.005 |
| Manufacture | 0.015 | 0.024 | 0.012 | 0.020 |
| Distribution | 0.004 | 0.004 | 0.004 | 0.004 |
| Use | 2.888 | 2.312 | 0.000 | 0.000 |
| Well-to-Tank (WtT) | 2.321 | -0.338 | 0.000 | 0.000 |
| Tank-to-Wheel (TiW) | 0.568 | 2.650 | 0.000 | 0.000 |
| End of life | 0.036 | 0.023 | 0.013 | 0.004 |
| Total | 3.394 | 2.711 | 0.554 | 0.137 |

In the first quarter of 2026, we will work to obtain ISO 14067 certification that guarantees that our product carbon footprint analysis incorporates all the stages required by the standard throughout the lifecycle, that the data used are true and traceable, and that the uncertainties associated with the calculations have been appropriately evaluated. An example of a specific product footprint sheet for the H18 hybrid engine is shown on the following page.

Example of a product sheet

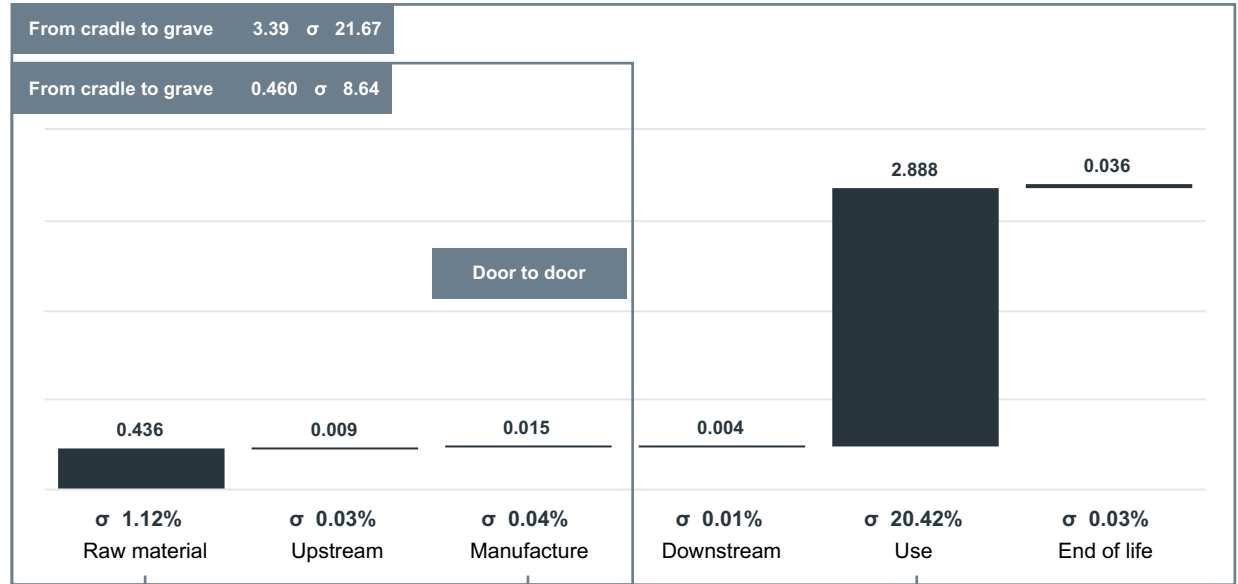
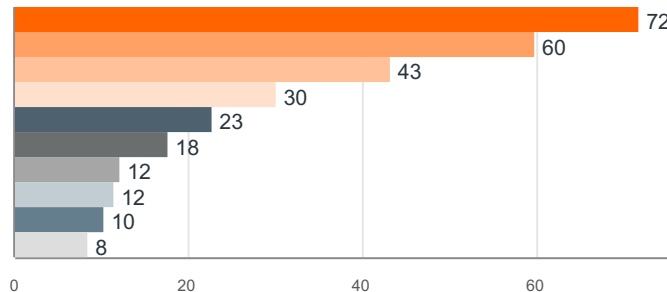


From cradle to grave (%)

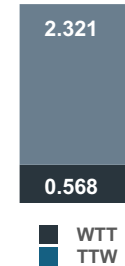


Most relevant components (kg CO2e)

- Cylinder head
- Catalytic converter
- Cylinder block
- Intake manifold
- Steering wheel
- Crankshaft
- Set of crankshaft bearing caps
- Cylinder head cover
- Electric pump for engine cooling
- Cylinder block base



| | |
|----------------|---------|
| Gas & Fuel | 0.00897 |
| Electricity | 0.00000 |
| WTT/T&D energy | 0.00584 |
| Waste | 0.00008 |



Legend
 σ: Uncertainty
 WTT: Well to tank
 TTW: Tank to wheel

Energy consumption

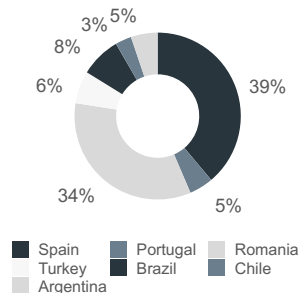
The energy consumed in our plants is varied according to the plant location, but is summarized in the following groups:

- Electricity:** used in process machinery (machine tools, coolers, furnaces in certain locations), in climate control equipment in cases in which heat pumps are used, in lighting and electric forklifts. Its origin is diverse and depends on the location. In plants where renewable electricity is used, its origin is photovoltaic, wind, hydraulic or produced by biofuels in a smaller number of cases – either bioethanol or biogas.
- Natural gas:** used in heating and the manufacturing process. In manufacturing it is mainly used in melting furnaces, thermal treatments, heating of cutting fluids or similar uses.
- Other minority fuels:**
 - Propane:** in some locations it is used in thermal treatments (Bursa)
 - Gasoline/Diesel:** with a higher or lower percentage of bioethanol in engine testing, internal vehicles or forklifts
 - Liquefied Petroleum Gas (LPG):** in test benches and own vehicles

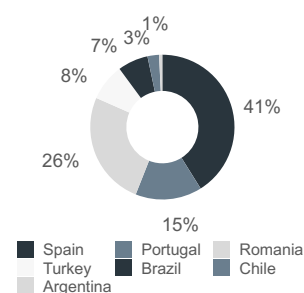
In 2025, a total of 215,801 MWh of fuel was consumed, of which the main source is natural gas, representing 94%. As for electricity, a total of 520,805 MWh was consumed, of which 82% corresponds to Spain, Portugal and Romania.

In 2025, there was an increase in energy consumption, both of natural gas and electricity, associated with the 15% increase in sales of hybrid engines compared to 2024. A significant part of the components of these engines is manufactured in-house in the company's foundries, which leads to a greater use of natural gas. This growth has also boosted sales of hybrid gearboxes, increasing the production of the corresponding electric motors and, consequently, electricity consumption in the plants where they are manufactured. In general terms, this increase has resulted in an average increase of 2.5% in natural gas consumption and 5% in electricity consumption per product. However, this higher consumption has not had a negative impact on total emissions, as a portion of emissions have shifted from Scope 3 – by producing previously externally purchased parts internally – to Scopes 1 and 2, and because a growing number of plants now have electricity supply with guarantees of renewable origin.

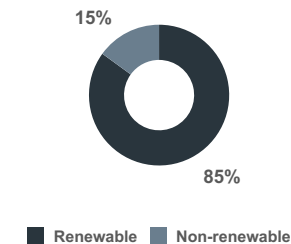
Fuel consumption by country



Electricity consumption by country



Distribution of electricity consumption



Fuel consumption (MWh)

| | 2024 | 2025 |
|--------------|----------------|----------------|
| Natural Gas | 196,045 | 203,735 |
| Diesel | 2,359 | 2,456 |
| Gasoline | 5,656 | 8,546 |
| LPG | 510 | 1,065 |
| Total | 204,570 | 215,801 |

Electricity consumption (MWh)

| Type of electricity | 2024 | 2025 |
|-----------------------------------|----------------|----------------|
| Non-renewable electricity | 115,789 | 70,561 |
| Renewable electricity | 372,705 | 450,244 |
| Purchased electricity | | |
| Wind | — | — |
| Solar | 244,552 | 249,666 |
| Hydroelectric | 128,153 | 133,172 |
| Guarantee of origin certificate | — | 60,249 |
| Solar | — | 7,157 |
| Self-generated electricity | | |
| Wind | — | — |
| Hydroelectric | — | — |
| Total | 488,494 | 520,805 |

Emission reduction measures

Energy efficiency has become a fundamental pillar to reduce resource consumption, lower greenhouse gas emissions and promote sustainable development. Aware of its importance, and in line with the targets set in our ESG 2030 Plan, below we present a set of strategies and practices designed to optimize the use of energy in different plants. Implementing energy efficiency measures not only contributes to caring for the environment, but also allows us to reduce operating costs, improve systems performance and foster technological innovation.

Scope 1 and 2 reduction measures

From the beginning of Horse Technologies, one of the main tasks and commitments has been the reduction of energy consumption in our plants. To this end, every year we launch an energy efficiency plan for all the manufacturing plants, which consists of proposals of greater or lesser complexity and cost that pursue a reduction in energy consumption, independently of the source used (electricity, fuels, etc.).

In 2025, €1 M was invested to obtain a reduction in energy consumption of 13,250 MWh, achieving a total of 1,052 tCO₂eq avoided emissions. In 2026, the investment of €1 M is expected to be maintained to achieve a further reduction of 13,000 MWh in energy consumption in all our plants.

In relation to Scope 2, in 2025 the company has consolidated the use of green certificates in plants that have difficulties in accessing renewable power purchasing agreements, so that demand is covered with guarantees of origin and reinforcing the associated reduction in emissions. A milestone for the year was a renewable power purchasing agreement signed for Portugal, which came into effect in January 2026. With these actions, steady progress is being made towards incorporating renewable energy at the rest of the plants by 2030.

Notable initiatives include AI-based systems in the Seville and Valladolid plants to optimize energy consumption of climate control systems. These systems integrate variables such as production data, building occupancy levels, outside temperatures and historical records, enabling a more efficient use of resources.

In the Aveiro plant, a heat pump system has been installed aimed at partially replacing the consumption of gas associated with thermal treatments. This measure will allow us to improve energy efficiency and reduce Scope 1 and 2 emissions starting from 2026, when the plant will have a power purchasing agreement with guarantees of origin.

Several plants have also introduced systems to optimize the production of compressed air, based on the analysis of instant demand, the operational status of the compressors and their capacity to modulate the load, contributing to a more efficiency management of energy consumption.



Scope 3 reduction measures

To reduce indirect Scope 3 emissions, we have introduced several initiatives aimed at minimizing the environmental impact associated with purchased goods and services, as well as the use of sold products. The following measures we have implemented represent avoided emissions of 1,234 KtCO₂eq in 2025.

Category 1 – Purchased goods and services

To reduce emissions deriving from purchased raw materials, the methodology for obtaining primary data, both current and future, from suppliers has been consolidated in 2025, which enables us to assess and compare the environmental impact of key materials. We currently have primary data on suppliers for 70% of the product weight. Emission factors have also been updated, using advanced tools such as the UMBERTO life cycle analysis software and reference databases such as Ecoinvent, ensuring a precise standard-aligned evaluation. In addition, component assignments have been optimized, for example by relocating loose parts to guarantee efficient assembly in vehicles. The update of catalyst data and correction of errors in material assignments also contribute to a more reliable calculation of emissions.

Category 11 – Use of sold products

For emissions generated during the use of sold products, results are starting to materialize from our strategies to reflect more accurately changes in consumption habits and vehicle characteristics. In terms of management and future targets, we have agreed with the Science Based Targets (SBTi) initiative to reduce the emissions in this category by 25% by 2030. To meet this goal, we have designed a roadmap based on an optimized production mix, where existing low-emission products, such as hybrid engines, plug-in hybrids, LPG applications and flex fuel engines such as E100, will gain importance in our offering.

The contribution of this change in production mix is reflected in a 6% improvement in sales of more efficient engines, from 36% in 2024 to 42% in 2025

Furthermore, the proportion of high-powered diesel engines and high-emission gasoline engines will be reduced, aligning our offering with more efficient and sustainable technologies. In 2025, sales of flex-fuel and LPG engines have remained stable, while diesel and gasoline engines have shown a downward trend, with a reduction of 21% and 2%, respectively.

Specific emission factors, such as LPG, have been updated after identifying that more than 90% of users use the gas mode. The consumptions and emissions associated to different technologies have also been updated, taking into account the new production mix. This guarantees that the data reflect real conditions of use, contributing to a more efficient planning of future emissions

The development of new applications such as Range Extenders will also bring innovative solutions to minimize even more the environmental impact associated with the use of our products. It should be noted that in 2025 two specific models were presented.

Planned measures for 2026

Looking ahead to 2026, the company will continue to update emission factors to guarantee alignment with new regulations and technological advances. This will ensure reported metrics are accurate and comparable. We will also continue to promote a more favorable production mix, prioritizing vehicles and solutions with a lower environmental impact, which will help us reduce consumption and emissions associated with the entire product range.

As an additional measure for the future will be the introduction of internal carbon pricing, a further step in the management of value chain emissions. This tool will make it possible to integrate climate cost into decision-making processes, promote purchases with a lower carbon footprint and accelerate the transition to more sustainable suppliers and materials.

05

POSITIVE CONTRIBUTION TO NATURE

CONTENT

Environmental policy and systems

Circular economy

Position on biodiversity



ENVIRONMENTAL POLICY AND SYSTEMS

Environmental system

When it comes to environmental management, our responsibility goes beyond metrics and standards. We do not simply comply with regulatory requirements to avoid penalties, but act on our belief that responsible conduct ensures the long-term sustainability of our resources and operations. Responsible management reduces costs through greater energy efficiency and optimized resource use, while also strengthening our reputation among stakeholders, who increasingly value companies with strong environmental responsibility.

As a result of the updated double materiality study, we present below the impacts, risks, and opportunities identified for ESRS E2 – Pollution:

| Impact materiality | |
|---|--|
| <p>Positive impacts</p> <ul style="list-style-type: none"> Contribution to the protection of water, soil, and air quality through the implementation of an environmental management system | <p>Negative impacts</p> <ul style="list-style-type: none"> Spills or leaks of lubricants, fuels, or chemicals during production or transport can pollute the soil, affecting its fertility and plant growth, and potentially causing long-term environmental degradation. The release of pollutants that contaminate the soil surrounding manufacturing facilities stems from a lack of proper waste management. |
| Financial materiality | |
| <p>Risks</p> <ul style="list-style-type: none"> Lower revenues or losses resulting from investment in remediation technologies to combat polluted soil at legacy manufacturing facilities. | <p>Opportunities</p> <p>(No material opportunities have been identified for the subtopic of Pollution)</p> |



Environmental Policy

The foundation of our Environmental Policy at Horse Technologies is a firm commitment to sustainability and clear objectives to prevent and reduce our environmental footprint through proactive and responsible practices in the design, manufacture, and operation of our products. The scope of this policy covers Horse Technologies Division and all its subsidiaries over which the company exercises financial and operational control, with no geographical or technological exceptions. This policy is based on the following principles:

- 1 **Commitment to sustainability and environmental performance:** We guide our practices to protect the environment and move toward a fair transition to mobility, proactively reducing our footprint in the design, manufacture, and operation of our products.
- 2 **Environmental compliance and governance:** We are committed to complying with regulations and other applicable requirements (local, national, and international) in areas such as soil, water, and air quality, as well as the protection of natural resources and ecosystems, allocating human and material resources to improve performance and risk planning toward continuous improvement.
- 3 **Carbon footprint reduction and energy efficiency:** We prioritize reducing our carbon footprint through improved energy use and efficiency, seeking measurable reductions in greenhouse gas emissions across the supply chain, manufacturing processes, and product lifecycle, in line with the Net Zero commitment outlined in our ESG Policy.
- 4 **Water and biodiversity:** As part of our climate change adaptation and resilience strategy, we strive to minimize water consumption in our manufacturing processes – especially in areas with water scarcity – preserving ecosystems and reducing our impact on biodiversity throughout the value chain.
- 5 **Sustainable product design and circularity:** We promote R&D investments geared towards the circular economy, designing and manufacturing engines with a lower carbon footprint that reduce resource consumption and emissions and improve energy efficiency throughout their lifecycle. We are also committed to using less hazardous and more sustainable raw materials, considering disassembly to improve recyclability, and avoiding substances of very high concern.
- 6 **Waste, reuse, and recycling:** We promote waste reduction, reuse, and recycling strategies in our operations, encouraging the reuse and recycling of parts, materials, and packaging both in production and at the end of the product's useful life.
- 7 **Responsible supply chain, transparency, and environmental culture:** We work in collaboration with suppliers who share our environmental commitment and regularly evaluate the supply chain to ensure responsible and sustainable sourcing, reducing environmental impact and waste. We are also committed to communicating our progress and challenges transparently and engaging stakeholders by fostering a culture of awareness, responsibility, and innovation

Organizational structure for environmental management

Our organizational structure for environmental management integrates a top-down oversight approach with regular participation at the global and plant levels. In 2025, we structured this governance into four hierarchical levels, combining operational and corporate committees with global coordination that is implemented in each factory. This model allows us to systematically integrate sustainability and manufacturing priorities into decision making and ensure continuous monitoring of environmental performance throughout the organization.

Level 1 – Regional/functional operations committees

Through these committees, senior management oversees environmental initiatives, supervised by the CEO and meeting on an ad hoc basis. This first level ensures that environmental and manufacturing priorities are integrated into corporate strategy and rolled out consistently across all regions.

Level 2 – Corporate manufacturing committee

The Manufacturing Committee, which meets quarterly and is led by the Chief Manufacturing Officer, and other corporate committees ensure proper alignment between global functions and operations. This second level drives strategic decision making and facilitates the consistent implementation of environmental policies throughout the organization.

Level 3 – Global coordination and plant management

Weekly meetings of the Plant Management Committee, chaired by the Plant Manager, are combined with monthly meetings of the Global Committee, led by Global Management. Both forums play an essential role in the periodic review of environmental performance, the transmission of operational guidelines, and consistency among production centers.

Level 4 – Governance at plant level

Each factory has an environmental leader who is responsible for implementing environmental policy and maintaining the management system. In addition, all centers hold a monthly committee meeting, chaired by the plant's Environmental Manager. This fourth level ensures close monitoring, the correct application of environmental regulations, and ongoing coordination between local needs and global objectives.



Environmental management system

We design our management approach to adapt to the unique characteristics of each factory or workplace in each country and, therefore, the regulations in force in each region. We promote good environmental practices through education, innovation in clean technology, and continuous monitoring of key indicators. Our environmental management is based on a comprehensive system that encompasses four pillars:

Waste management

- 1 We implement processes for waste reduction, reuse, and recycling. All waste is collected and treated by duly authorized external waste management companies, which also submit the corresponding periodic reports to the authorities.

Energy efficiency

- 2 At Horse Technologies, we have a long-term strategy to implement low-consumption technologies and practices that optimize energy use, such as installing LED lighting, consumption monitoring systems, and incorporating renewable energy sources, such as solar panels. This not only reduces greenhouse gas emissions, but also lowers operating costs.

Water management

- 3 We implement measures to optimize water use, such as installing wastewater recycling and treatment systems, as well as reducing consumption through best practices in production processes.

Emissions control

- 4 We control the emission of pollutants into the atmosphere by using filters when necessary. We also carry out regular monitoring in accordance with legal requirements as part of our continuous improvement projects for existing production lines, particularly when new production lines are implemented or substantial changes are made to existing ones.

ISO14001 certified in 100% of our production plants and R&D centers



We take our environmental responsibility seriously with a preventive approach, especially in situations where there is uncertainty about the potential impacts of our activities. We apply the precautionary principle by making decisions that prioritize environmental protection, carefully assessing risks and avoiding actions that could cause irreversible damage, even when scientific evidence is inconclusive. We adopt safe technologies and practices that minimize adverse effects, ensuring that our environmental management is proactive and responsible.

To support these actions, we have a global budget managed by the Environment Department, which works closely with our plants to define the appropriate measures and, when necessary, works with specialized consultants who provide us with expertise in this area.

To ensure compliance with environmental regulations, at Horse Technologies we have established the following mechanisms:

Some of our plants are approximately 50 years old, and in some cases there is pollution from past activity. Part of the due diligence process prior to the establishment of the joint venture was an initial assessment of each plant by an external consultant. Considering the materiality of the negative impact of soil pollution, a 10-year investment plan has been established to remedy the deficiencies. We have set aside budgetary reserves for this purpose, while also initiating remediation studies at all affected plants.

As part of this philosophy of prevention, at Horse Technologies we have various resources, both financial and human, dedicated to environmental management. All of this is aimed at anticipating risks and ensuring their proper management, as well as preventing possible regulatory penalties.

€15.8 M

Spending related to environmental issues in 2025.

30

In total, there are 30 people in the organization dedicated to environmental functions.

0 penalties

During 2024 and 2025, no environmental penalties were imposed.

In addition to provisions related to environmental issues, Horse Technologies has insurance that covers environmental liability for damage both on and off site, as well as civil liability for pollution, with a limit of €10 M.

Regulatory monitoring

We collaborate with an external consulting firm responsible for regulatory monitoring, having access to its IT platform, as well as receiving regular newsletters with relevant changes.

Internal and external audits

External audits are conducted at all plants on legal compliance every three years. Internally, every three months, each plant conducts a self-assessment of regulatory changes, with the global environmental team consolidating the results.

Specific budgets

In annual environmental budgets, investments related to legal compliance are priority investments.

Environmental impact and risk management

In our operations, we proactively identify and manage the environmental impacts associated with our activities at all our plants and R&D centers. We apply robust environmental management systems, aligned with the ISO 14001:2015 standard, and develop specific programs to mitigate risks, comply with regulations, and advance toward sustainability. Below, we highlight the main environmental impacts and our management strategies, grouped by topic:

Main impacts identified



1. Consumption of natural resources

The sustainable use of resources such as water, energy, and materials is a cross-cutting priority at our facilities. Efficient management of these resources includes implementing programs to reduce industrial water and energy consumption, adopting key indicators to monitor progress, and promoting continuous improvement. At some facilities, such as our headquarters, sustainable building standards have been adopted, such as LEED certification, which ensure a lower environmental impact through efficient building design and operation. In one notable case, at our plants in Valladolid and Pitesti, we have significantly optimized water and energy consumption through advanced monitoring and preventive maintenance systems. These initiatives have led to measurable improvements in efficiency and reduced associated emissions.

In 2025, plants reinforced this line of work with specific initiatives, such as the use of osmosis reject water in Seville and the connection to real-time water consumption monitoring systems in Portugal. In Turkey, taps with sensors and digital alarm systems were installed to prevent overflow, while in Brazil, equipment modernization was combined with strict process control to reduce losses and extend water use cycles. Plants in Chile made progress in reusing process water through evaporators, and in Argentina, they focused on awareness campaigns and preventive maintenance to prevent leaks and unnecessary consumption.



2. Waste management

The generation of waste, both hazardous and non-hazardous, is one of the most significant environmental aspects of our operations. We implement management systems that ensure segregation at source, recycling where possible, and the proper management of hazardous waste through authorized processes and managers.

In 2025, the plants reinforced this approach with specific initiatives. Valladolid made progress in standardizing segregation flows and reincorporating non-compliant aluminum into circular economy schemes, as well as reducing waste associated with the use of glycol. Seville optimized metal waste management and reduced liquid waste through evaporators. Portugal improved separation at source, while Turkey promoted reduction workshops, audits, and improvement actions. Brazil strengthened control through ISO 14001-based management and cross-checking of operational, regulatory, and financial data. Chile promoted the reduction of hazardous liquid waste and its traceability, and Argentina reinforced segregation and reduction at source through training and collaboration with suppliers.



3. Pollution prevention

Preventing soil, water, and air pollution is a key focus of our environmental strategy. We have specific programs in place to prevent chemical leaks and spills, conduct regular atmospheric emission checks, and ensure the safe management of industrial and sanitary wastewater. These actions include periodic internal and external audits, as well as comprehensive reviews of management plans.

We highlight the preventive actions implemented at our plant in Bursa, Turkey, where field inspections and continuous monitoring are carried out to prevent soil pollution from the misuse of chemicals. These measures have not only mitigated environmental risks, but also improved operational resilience in the face of potential incidents.



4. Emissions and noise management

Controlling greenhouse gas emissions, particulate matter, and environmental noise is essential at our facilities. We regularly monitor emissions, install advanced filters in chimneys, and implement preventive maintenance plans to reduce the impact of our operations on the atmosphere. With regard to noise, we carry out periodic measurements and apply corrective measures in critical areas to protect both our workers and neighboring communities.

In particular, at our plant in Aveiro, Portugal, we have led emission reduction projects by optimizing processes and adopting cleaner technologies. These actions have yielded concrete results, significantly reducing CO₂ emissions and other pollutants associated with our industrial activities.

Environmental risk management

We manage the environmental risks associated with our industrial activity with a preventive approach, combining technical controls, procedures, and continuous improvements to reduce impacts and strengthen the resilience of our operations. These risks are aligned with those identified in the double materiality analysis, but deal in greater depth with environmental aspects that are more specific and directly linked to our industrial activity. This approach allows us to prioritize the areas of greatest exposure and apply mitigation measures proportionate to the risk, integrating the environment into decision-making.

Our approach is based on identifying the main environmental risks, applying specific controls to prevent or mitigate them, and ensuring clear resources and responsibilities in all centers

Main environmental risks associated with our activity

The environmental risks associated with our activity are mainly concentrated in areas linked to industrial operations and our value chain. At our facilities, we pay special attention to preventing soil and groundwater pollution by hydrocarbons, as well as controlling particle emissions in aluminum smelting processes and managing noise emissions, together with the environmental risks associated with primary aluminum extraction (mining and refining) in previous phases of the supply chain.

Identification, assessment, and management: how we control them

To manage these risks, we apply a preventive approach that combines procedures, technical measures, and investments aimed at reducing impacts and strengthening control.

- In preventing soil pollution, we have specific procedures and investment plans in place to minimize the likelihood of incidents.
- In the case of particle emissions in foundries, we use control solutions such as baghouse filters.
- For noise pollution, we implement procedures and improvement measures aimed at noise prevention and mitigation.
- And, in relation to the risks associated with primary aluminum, we are working on initiatives such as circular economy projects and sustainable purchasing strategies, with the aim of reducing environmental impacts in the value chain, as explained later in this report.

In addition, we apply the precautionary principle by incorporating environmental impact assessment procedures prior to project development and a corporate procedure to evaluate the environmental aspects of all projects in our portfolio. This allows us to identify potential impacts in advance and select implementation alternatives that reduce environmental impact.

Case study: project at the Valladolid plant

The new engine cylinder head project at our Valladolid plant included a preliminary Environmental Impact Assessment Report and a project to comply with the Integrated Pollution Prevention and Control framework, in accordance with the Industrial Emissions Directive. In this case, the best implementation alternative was selected considering relevant impacts – for example, sand waste management (30 kt/year) – and prioritizing recycling over landfill disposal.

Circular economy

At Horse Technologies, we see the circular economy as a system in which the use of raw materials, water, and energy is reduced, materials never become waste, and nature regenerates itself.

In a circular economy, products and materials are kept in circulation through processes such as maintenance, reuse, refurbishment, remanufacturing, recycling, and composting. With this aspirational vision in mind, we began to measure our consumption of materials and the percentage that currently comes from recycled sources, as well as our consumption of water and energy and the amounts of waste generated, as a basis on which to build our circular economy strategy.

As a result of the first double materiality study, we present below the impacts, risks, and opportunities identified for ESR5 E5 – Circular Economy:

Impact materiality

Positive impacts

- Reduction in the consumption of natural resources resulting from the use of aluminum and steel from recycled content.
- Reduce resource consumption through the circular economy, with efficient management from the design stage.
- Promoting the circular economy by using old or recycled parts in the manufacture of new products, such as engines, gearboxes, and batteries.

Negative impacts

- Production of hazardous waste generated by the lack of recyclability of steel and aluminum in engines, which could generate more waste and affect the environment.
- Contribution to resource depletion through the use of raw materials in our products that cannot be replaced by sustainable materials.
- Waste production due to the disposal of used oil, filters, and worn parts used for regular maintenance of combustion engines and gearboxes.
- Accumulation of waste due to improper management of engines and gearboxes at the end of their useful life, which end up in landfills.

Financial materiality

Risks

- Difficulty in obtaining recycled steel due to limited availability and the complexity of recycling waste materials from traditional production processes within the steel industry.
- Disruption of the supply chain due to long-term resource shortages.

Opportunities

- Stand out in the market by incorporating digital passports into all products, facilitating traceability and recyclability.

Results of the ESG 2030 Plan during 2025

With the aim of contributing to the circular economy and generating a positive impact on nature, the ESG Plan includes a specific target aimed at increasing recycled content in aluminum. This year, 100% of the annual target has been achieved:

77%

Recycled aluminum content in our products

Circular economy strategy

In 2025, we designed and began implementing our first Circular Economy Strategy with the aim of reducing raw material consumption, keeping materials in use for as long as possible, and closing material cycles throughout the entire value chain: design, purchasing, manufacturing, logistics, use, and end of life.

Approach and principles applied

The strategy is structured around six circular principles that are already being integrated into industrial processes and decisions:



Design for circularity

We design products to last longer and be more recyclable, using more recycled material and avoiding materials with ESG risks.



Close cycles

We reintroduce recovered materials into our processes and collaborate with key partners to reduce raw material consumption.



Maintain materials and products in use

We extend the life of parts and assemblies through correction, repair, and reconditioning, relying on collaborations.



Energy efficiency in operations

We develop efficiency initiatives to minimize electricity and fuel consumption.



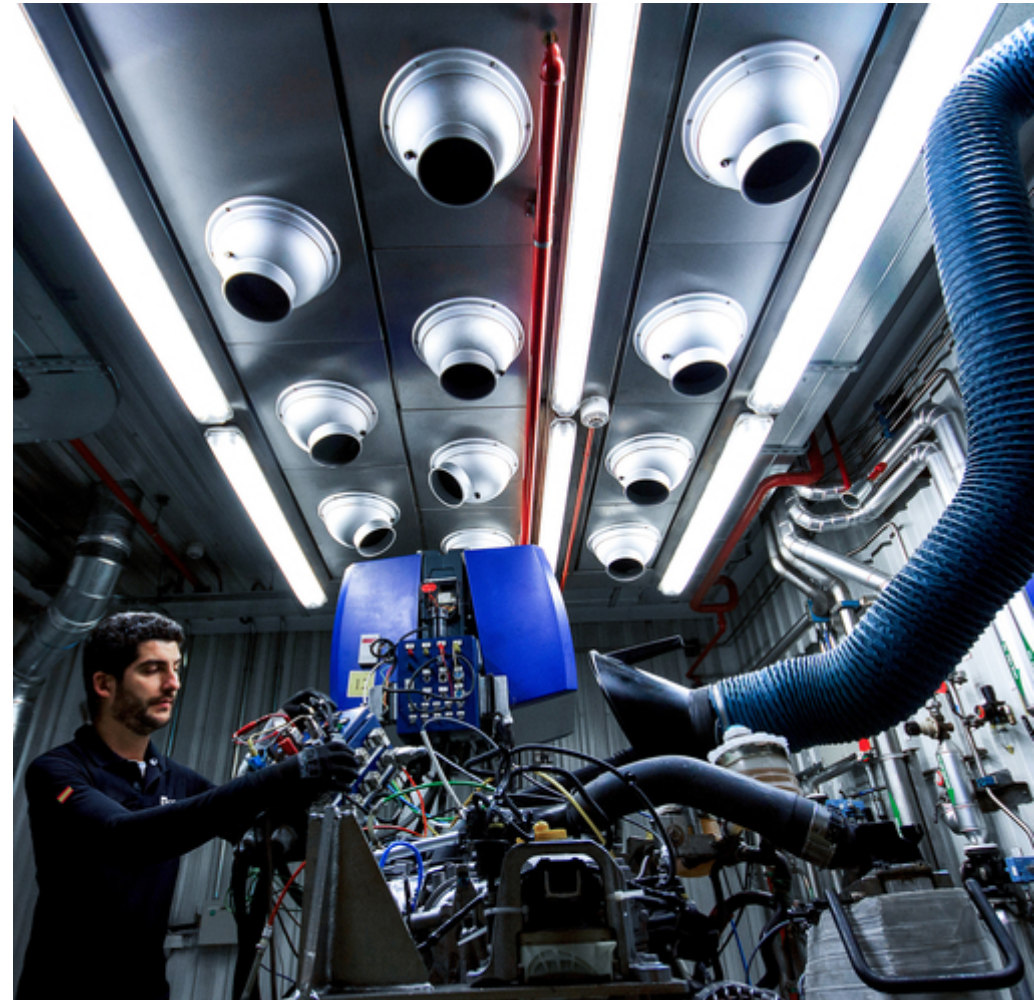
Recover and regenerate resources

We recover and treat fluids and process water for reuse, reducing water consumption and waste generation.



Circular logistics and packaging

We reduce waste in transportation through reusable/returnable packaging and optimization of loads and routes.



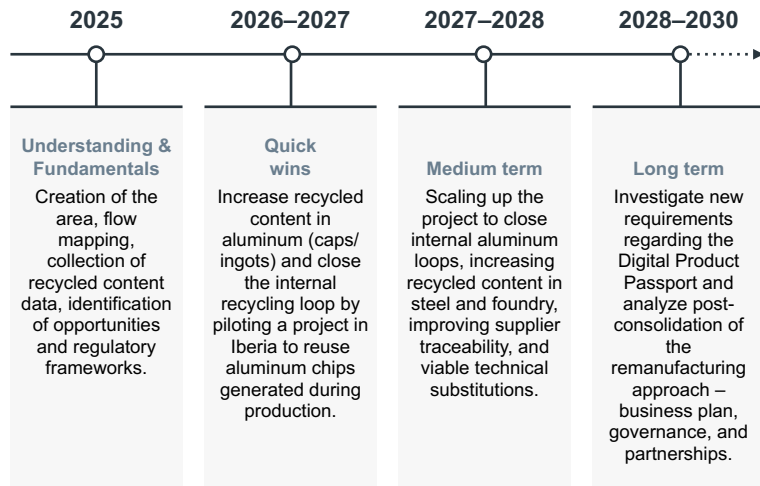
Governance and progress made in 2025

To launch the strategy, the following actions were implemented in 2025, enabling the transition from diagnosis to implementation:

- Creation of the Circular Economy area within the ESG department.
- Understanding and mapping material flows (prioritizing aluminum and steel) to identify inefficiencies, opportunities to close loops, and savings levers.
- Collection and structuring of recycled content data with a calculation approach by plant/product/supplier and progressive improvement of data coverage.
- Identification of short- and medium-term opportunities in aluminum and ferrous materials, and preliminary analysis of risks, legal requirements, and investment needs.

2025–2030 Roadmap

The strategy is implemented in stages:



Strategic pillars



Circularity of aluminum

Aluminum is the priority focus due to its weight in the product and its high recycling potential. In 2025, we achieved 80% recycled content in aluminum and we are focusing our actions on continuing to increase this percentage through two levers: more recycled content in parts and ingots and more internal scrap recovery.

We would like to highlight a key project in Spain, where we are setting up a pilot project to recover around 3,000 metric tons of aluminum per year from shavings. We estimate this will generate potential annual savings of €1.9 million, with an initial investment of €2.15 million and an estimated return period of one year.



Circularity of steel and cast iron

For ferrous materials (steel and cast iron), the strategy focuses on progressively improving recycled content and data traceability in the supply chain. As a reference, we estimate that we currently have an average recycled content of 43% in ferrous materials, with room for improvement in categories and suppliers with lower levels.

Our work in 2026 will focus on improving the transparency of recycled content data received from our business partners and driving improvements where we find the greatest potential impact.



Circular design and end-of-life preparation

The strategy focuses on analyzing new product design processes to try to reinforce circularity criteria from early stages: materials with greater recyclability potential, fewer materials with ESG risks, and designs that facilitate the separation of materials at the end of their life.



Extension of useful life and reconditioning

In later phases, we will seek to keep materials in use for as long as possible through corrective actions, repairs, and reconditioning of parts and assemblies, relying on specific collaborations when necessary.

In addition, there is a cooperation framework with Renault for reconditioned parts equivalent to original specifications: Renault currently leads the program, and Horse Technologies contributes by providing parts/subassemblies and technical information to ensure compliance with requirements.



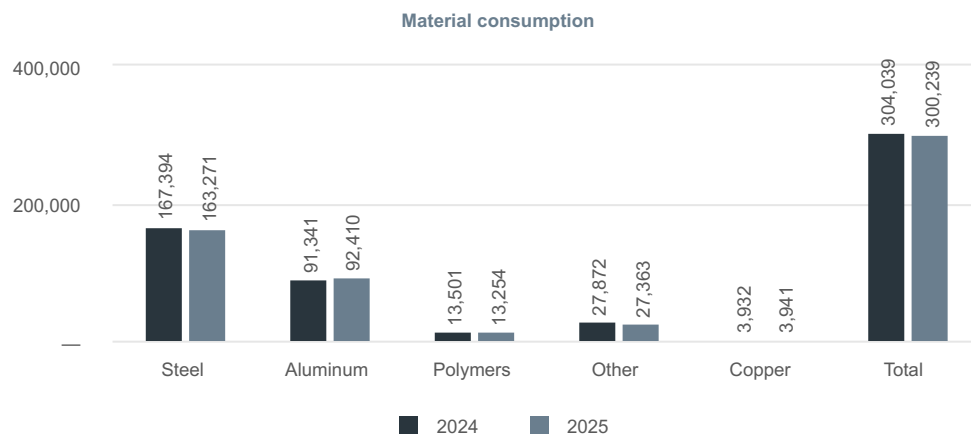
Circular resources and logistics

The strategy includes actions to reduce consumption and waste through the recovery and reuse of process resources (such as fluids and water) and the reduction of logistics waste through reusable or returnable packaging and the optimization of loads and routes.

Materials consumption

Material consumption is a key lever in the circular economy strategy and in reducing our environmental footprint. Therefore, the actions carried out in 2025 were aimed at reducing the use of virgin raw materials, keeping materials in use for as long as possible, and closing cycles throughout the value chain.

In our industrial activity, a wide variety of different materials are consumed in the various parts that make up our engines and gearboxes.



Breakdown of the main materials contained in our products (metric tons)

| Type of material (metric tons) | 2024 | 2025 |
|--|----------------|----------------|
| Aluminum | 91,341 | 92,410 |
| Secondary aluminum | 68,798 | 70,226 |
| Primary aluminum | 22,543 | 22,185 |
| Steel | 167,394 | 163,271 |
| Cast iron (lamellar + spheroidal) | 50,986 | 48,269 |
| Flat steel | 34,082 | 30,115 |
| Long steel | 73,176 | 76,119 |
| Stainless steel | 9,149 | 8,768 |
| Copper | 3,932 | 3,941 |
| Polymers | 13,501 | 13,254 |
| Other materials | 27,872 | 27,363 |
| Various metals (chromium, tin, lead, gold, silver, lead, nickel) | 10,790 | 10,465 |
| Fluids (95% lubricants) | 10,787 | 10,512 |
| Elastomers | 2,905 | 2,757 |
| Minerals (including glass) | 998 | 1,044 |
| Electronics | 779 | 921 |
| Organic (in leather) | 586 | 512 |
| Adhesives, paints, sealants | 335 | 371 |
| Magnets | 460 | 551 |
| Zinc alloys | 145 | 145 |
| Mixed materials | 78 | 76 |
| Platinum group metals (PGM) | 10 | 8 |
| Total | 304,039 | 300,239 |

The two main types of materials used were steel, accounting for 54% of the total, and aluminum, accounting for 31% of the total. The latter is a priority material for us, as aluminum ingots are the main raw material used in our foundries.

Likewise, a significant part of our material consumption is concentrated in plants with high smelting intensity and in components such as blocks, cylinder heads, and housings, which reinforces the need to improve the efficiency and circularity of these flows.

As explained in the previous chapter, in order to move towards a more efficient use of materials, we monitor consumption based on operational indicators and promote measures that combine reduction at source and greater circularity, including:

- Closing internal material cycles, increasing the recovery and reintegration of process waste (e.g. machining chips) in our own operations where feasible.
- Improving the efficiency of industrial processes, reducing waste and increasing material yield, especially in smelting operations.
- Design for circularity, incorporating criteria such as weight reduction and increased recycled content, and progressively preparing material traceability for future product requirements.
- Working with suppliers to increase the recycled content of the materials supplied and improve scrap segregation, promoting recyclability and reuse.

To this end, we monitor recycled aluminum content on a monthly basis and are preparing equivalent monitoring for ferrous materials (steel and cast iron) as data availability and traceability are consolidated.

It is also important to consider the appropriate management of critical materials and conflict minerals. In this regard, in 2025 we approved the Conflict Minerals Policy and are in the process of monitoring the origin of these materials in the supply chain, among other measures. For more information on this issue, full details can be found in the section [Critical raw materials and conflict minerals](#).

Furthermore, we see circularity as an end-to-end process, from obtaining raw materials to waste management. Therefore, 98% of our manufactured products can be recycled at the end of their useful life⁵.

Recycled material content in our products (metric tons and percentage)

| Type of material | Concept | Unit | 2024 | 2025 |
|------------------|---------------------------------------|-------------|--------|--------|
| Steel | Recycled steel content | Metric tons | 74,489 | 78,708 |
| | | % | 44 % | 48 % |
| | Recycled cast iron content | Metric tons | 25,318 | 27,451 |
| | | % | 50 % | 57 % |
| | Recycled flat steel content | Metric tons | 5,329 | 5,283 |
| | | % | 16 % | 18 % |
| | Recycled long steel content | Metric tons | 42,857 | 44,742 |
| | | % | 59 % | 59 % |
| | Recycled stainless steel content | Metric tons | 985 | 1,232 |
| | | % | 11 % | 14 % |
| Aluminum | Recycled aluminum content | Metric tons | 69,978 | 73,984 |
| | | % | 77 % | 77 % |
| | Closed-loop reusable aluminum content | Metric tons | 15,108 | 16,559 |
| | | % | 17 % | 18 % |

Recyclable products sold (metric tons and percentage)

| | Unit | 2024 | 2025 |
|-----------------------------------|-------------|---------|---------|
| Products sold that are recyclable | Metric tons | 291,022 | 293,647 |
| | % | 96 % | 98 % |

48% of the steel and 77% of the aluminum we use is recycled. In addition, 98% of the materials contained in our products are recyclable


⁵ To determine the percentage of recyclable products, we identify and add up all recyclable materials and calculate their percentage of the total volume of materials used. This calculation is linked to the Design for Recycling 00-10-060 standard and complies with the requirements of the ELV (End-of-Life Vehicle) Directive. Secondary aluminum comes from the remelting of recycled scrap, while clean scrap reused within the same process is considered part of the circular economy. The recycled content is obtained by subtracting this internal scrap from the total secondary aluminum. For steel, the recycling percentages are based on data provided by Renault and verified with technical documentation.

Water consumption and treatment

Proper water management is crucial, especially in geographic regions where we operate and where it is a scarce natural resource. Efficient management not only ensures the availability of this resource for operations, but also minimizes environmental impact and helps mitigate risks associated with scarcity.

As part of our commitment to sustainability and resource optimization, efficient water management is a priority in our industrial operations. We implement various measures to monitor, control, and reduce consumption of this resource, while ensuring that discharges are carried out responsibly and in accordance with applicable environmental regulations.

We use water in different applications throughout the production process, such as:

| | | |
|--|--|--|
|  Demineralized water Oil filtration plants, cutting fluids, phosphating, and other general uses such as cleaning |  Chilled water Heat treatment processes, compressed air compressors, induction treatment, cooling exchangers |  Overheated water Parts washing processes, climate control |
|--|--|--|

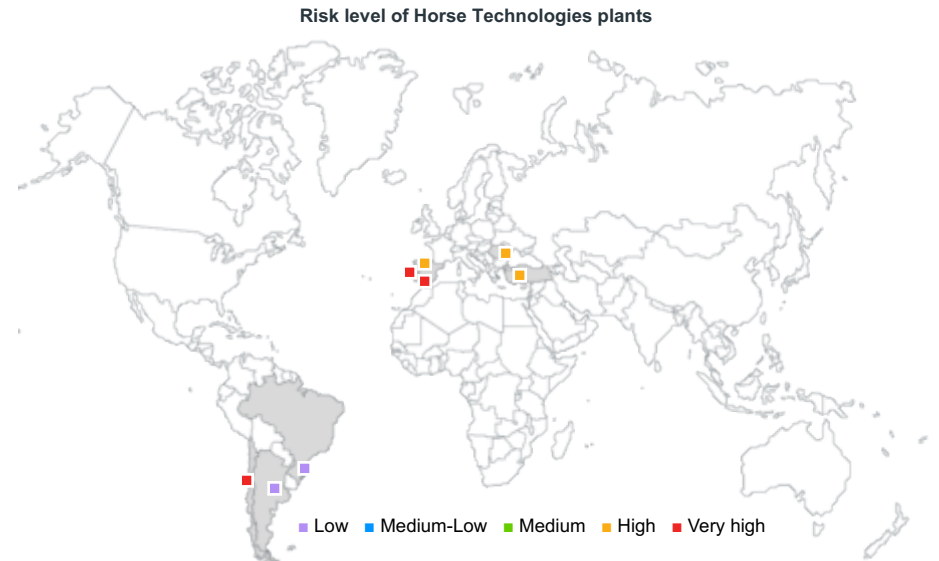
Main consumption and water management

Accurate consumption monitoring is essential to identify opportunities for improvement and prevent inefficient use and losses. We use meter systems distributed at key points in our facilities to record and analyze both industrial and drinking water use, as well as to identify possible leaks. Production processes are designed to use as little clean water as possible, prioritizing recirculation or the use of recycled water. At several locations, digital platforms enable real-time monitoring, facilitating the detection of anomalies and the rapid implementation of solutions. Regular consumption checks are also carried out, comparing it with production levels to ensure efficient management.

With the aim of minimizing water consumption, Horse Technologies has adopted a variety of measures that include the reuse of industrial water, the installation of automatic control systems, and the implementation of good operating practices. Employee awareness also plays a key role, promoting responsible use of the resource in all areas.

By 2025, the plants have set a common goal of reducing water consumption by 5%, supported by efficiency measures and operational monitoring

The plants in Chile, Portugal, Seville (Spain), as well as the headquarters in Madrid, are located in areas of very high risk of water stress. To determine the level of water stress, we have carried out an analysis using the [Aqueduct Water Risk Atlas](#) tool, developed by the World Resources Institute. This tool categorizes water stress zones into the following five levels: Low, Medium-low, Medium, High, and Very high.



Results of our water usage management

This year, we have expanded the breakdown of information to facilitate the interpretation of consumption by source, water stress levels, and wastewater treatment, maintaining consistency with the environmental management of each site and the expectations of our stakeholders.

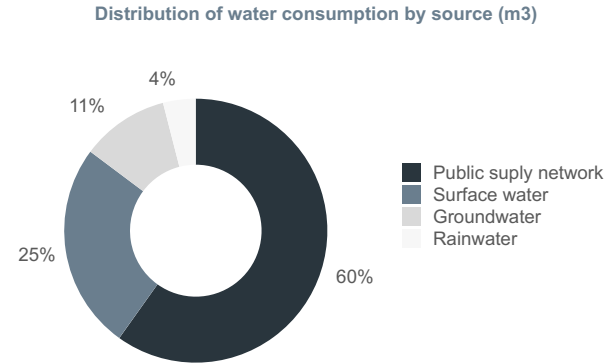
Our water management efforts are already showing significant progress in identifying opportunities for improvement and optimizing resource use. This approach underscores our commitment to sustainability and reinforces our role as responsible agents in protecting the environment.

In terms of consumption, water consumption has increased by 16% mainly due to an increase in temperatures at certain times, which means more intensive use of water for industrial cooling.

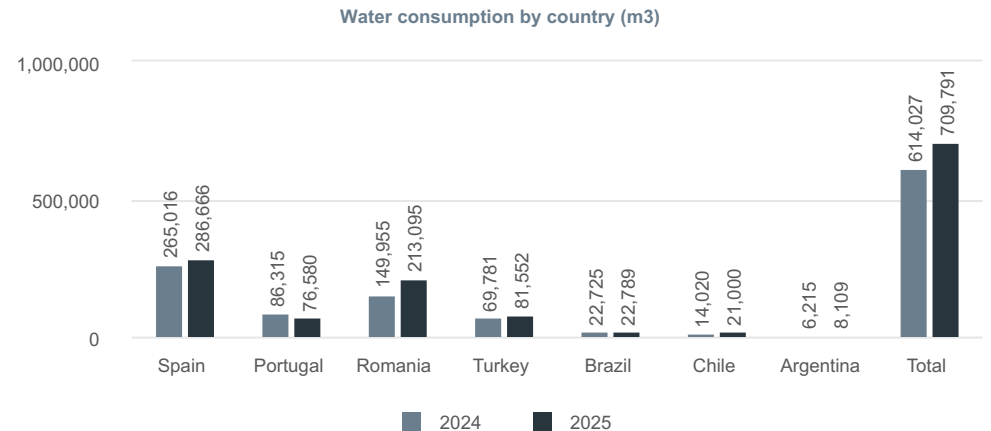
Of total water consumption 26% comes from areas of very high water stress. In terms of geographical distribution, most consumption comes from Spain, Portugal, and Romania, which account for 81% of the total.

Water withdrawals come from three main sources: the public network, surface water, and groundwater. The main source of water is water consumed from the public network, which accounts for 60% of total consumption.

Distribution of water consumption by source (m³)



Water consumption by country (m³)



Water consumption by country and source (m³)

| Plant | Water stress analysis | | Water consumption by source (m ³) | | | | | | | | | |
|--|--------------------------|----------------|---|----------------|---------------|---------------|----------------|----------------|----------------|---------------|---------------|----------------|
| | | | 2024 | | | 2025 | | | | | | |
| | Water stress level (1-5) | Public network | Surface | Groundwater | Rainwater | Total | Public network | Surface | Groundwater | Rainwater | Total | |
| Spain | High | 4.5 | 70,161 | 180,421 | 14,434 | 0 | 265,016 | 91,937 | 179,904 | 14,825 | 0 | 286,666 |
| Valladolid | High | 4.0 | 0 | 180,421 | 3,526 | 0 | 183,947 | 4,842 | 179,904 | 6,410 | 0 | 191,156 |
| R&D Valladolid | High | 4.0 | 8,148 | 0 | 2,938 | 0 | 11,086 | 9,244 | 0 | 1,785 | 0 | 11,029 |
| Seville | Very high | 5.0 | 61,554 | 0 | 7,970 | 0 | 69,524 | 76,746 | 0 | 6,630 | 0 | 83,376 |
| Madrid | Very high | 5.0 | 459 | 0 | 0 | 0 | 459 | 1,105 | 0 | 0 | 0 | 1,105 |
| Portugal | Very high | 5.0 | 16,610 | 0 | 69,705 | 0 | 86,315 | 19,457 | 0 | 57,123 | 0 | 76,580 |
| Romania | High | 4.0 | 127,503 | 0 | 5,669 | 16,783 | 149,955 | 196,367 | 0 | 2,559 | 14,169 | 213,095 |
| Turkey | High | 4.0 | 55,640 | 0 | 7,561 | 6,580 | 69,781 | 65,407 | 0 | 1,943 | 14,202 | 81,552 |
| Brazil | Low | 1.0 | 22,725 | 0 | 0 | 0 | 22,725 | 22,789 | 0 | 0 | 0 | 22,789 |
| Chile | Very high | 5.0 | 14,020 | 0 | 0 | 0 | 14,020 | 21,000 | 0 | 0 | 0 | 21,000 |
| Argentina | Low | 1.0 | 6,215 | 0 | 0 | 0 | 6,215 | 8,109 | 0 | 0 | 0 | 8,109 |
| Total | | | 312,874 | 180,421 | 97,369 | 23,363 | 614,027 | 425,066 | 179,904 | 76,450 | 28,371 | 709,791 |
| Total - Water consumed in areas of very high stress | | | 92,643 | 0 | 77,675 | 0 | 170,318 | 118,308 | 0 | 63,753 | 0 | 182,061 |

At Horse Technologies, we recognize the importance of conserving water resources and act accordingly in our operations. We estimate that 25% of the water used in our plants is recirculated, which represented 110,146 m³ in 2025. Recirculated water is defined as the volume of water that is reused after use within the same facility, replacing new water withdrawals.

Water recycling processes are minimal at present, accounting for only 1% of water consumption at the Chile plant. Recycled water is water that, after internal treatment, is reused within the same facility – it does not include untreated recirculation or supplies of reclaimed water from third parties.

Recirculated water per plant (m³)

| Plant | 2024 | 2025 |
|------------------|--------------------|--------------------|
| | Recirculated water | Recirculated water |
| Spain | 30,056 | 40,382 |
| Valladolid | 25,139 | 34,074 |
| R&D Valladolid | 1,024 | 772 |
| Seville | 3,750 | 5,281 |
| Madrid | 144 | 256 |
| Portugal | 11,454 | 11,448 |
| Romania | 33,039 | 41,632 |
| Turkey | 12,670 | 12,006 |
| Brazil | 2,861 | 2,990 |
| Chile | 2,571 | 1,622 |
| Argentina | 0 | 65 |
| Total | 92,651 | 110,146 |

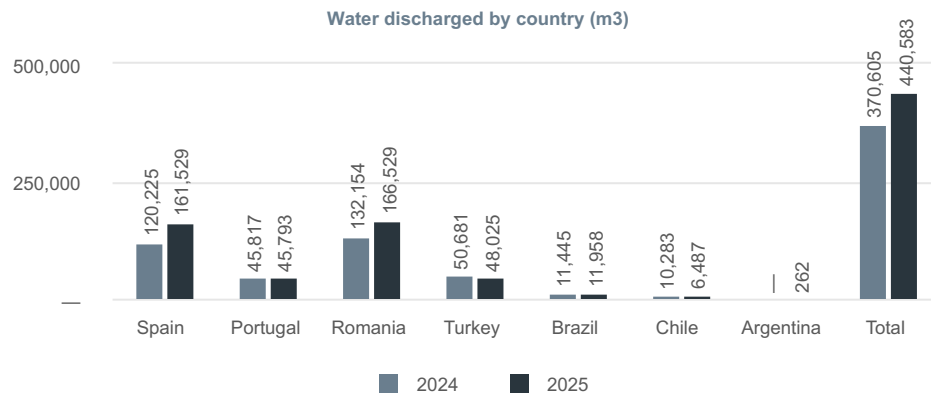
Waste management and wastewater treatment

Wastewater is rigorously managed to ensure compliance with local regulations and contribute to environmental protection. At most of our facilities, wastewater undergoes physical-chemical and biological treatment before being discharged into the municipal system. In 2025, all plants, except those in Chile and Argentina, have a treatment plant in the final stages of construction on site. During 2026, progress will be made to ensure that all plants have this mechanism in place. In Chile and Argentina, industrial discharges are sent to specialized treatment plants, ensuring the removal of pollutants and the safe reuse of water.

Depending on the size of the plant, our treatment plants can be chemical and/or biological. At certain sites (e.g. Portugal), wastewater goes to an industrial park treatment plant before being discharged into the public sewer system, just as wastewater that cannot be treated in treatment plants is deposited in containers to be treated by specialized managers.

Similarly, in Chile, industrial effluents are treated at a dedicated station before discharge, complying with strict quality controls and monthly checks to ensure environmental compliance.

Additionally, the difference between water consumed and water discharged is explained by internal uses with no return: irrigation of green areas, where water is absorbed into the soil and vegetation and lost through evapotranspiration; the filling, replenishment, and testing of fire protection systems, which are retained or dispersed; and losses due to evaporation (and, to a lesser extent, carry-over) from industrial cooling towers and equipment. These consumptions do not generate liquid discharge and, therefore, are not reflected in the volumes discharged..



Amount of water discharged per plant and destination (m³)

| Plant | 2024 | | | | 2025 | | | |
|------------------|---------------|----------------------------|--|----------------|---------------|----------------------------|--|----------------|
| | Surface water | Groundwater (infiltration) | Public sewerage system and/or external third party | Total | Surface water | Groundwater (infiltration) | Public sewerage system and/or external third party | Total |
| Spain | 0 | 0 | 120,225 | 120,225 | 0 | 0 | 161,529 | 161,529 |
| Valladolid | 0 | 0 | 100,556 | 100,556 | 0 | 0 | 136,295 | 136,295 |
| R&D Valladolid | 0 | 0 | 4,096 | 4,096 | 0 | 0 | 3,087 | 3,087 |
| Seville | 0 | 0 | 14,998 | 14,998 | 0 | 0 | 21,125 | 21,125 |
| Madrid | 0 | 0 | 575 | 575 | 0 | 0 | 1,022 | 1,022 |
| Portugal | 0 | 0 | 45,817 | 45,817 | 0 | 0 | 45,793 | 45,793 |
| Romania | 0 | 0 | 132,154 | 132,154 | 0 | 0 | 166,529 | 166,529 |
| Turkey | 0 | 0 | 50,681 | 50,681 | 0 | 0 | 48,025 | 48,025 |
| Brazil | 0 | 0 | 11,445 | 11,445 | 0 | 0 | 11,958 | 11,958 |
| Chile | 0 | 0 | 10,283 | 10,283 | 0 | 0 | 6,487 | 6,487 |
| Argentina | 0 | 0 | 0 | 0 | 0 | 0 | 262 | 262 |
| Total | 0 | 0 | 370,605 | 370,605 | 0 | 0 | 440,583 | 440,583 |

For wastewater treatment, we distinguish between:

- Primary treatment: consists of the physical separation of suspended solids and floating materials (e.g. through screening and sedimentation).
- Secondary treatment: incorporates a biological process to reduce organic matter and, where applicable, contribute to nutrient reduction.
- Tertiary treatment: adds an additional stage to remove remaining contaminants (such as nutrients or other substances) through complementary processes.

In addition, we reflect the volumes sent for treatment in municipal infrastructure when purification is carried out outside the facility.

Overall, the breakdown by treatment helps us prioritize continuous improvement in efficiency and discharge control, maintaining compliance with applicable requirements and strengthening the monitoring of our main operating centers.

Amount of water discharged per plant and type of treatment (m³)

| Plant | 2024 | | | | | 2025 | | | | |
|------------------|----------------------|----------------|---------------|----------|----------------|----------------------|----------------|---------------|----------|----------------|
| | Municipal wastewater | Primary | Secondary | Tertiary | Total | Municipal wastewater | Primary | Secondary | Tertiary | Total |
| Spain | 19,669 | 100,556 | 0 | 0 | 120,225 | 25,234 | 136,295 | 0 | 0 | 161,529 |
| Valladolid | 0 | 100,556 | 0 | 0 | 100,556 | 0 | 136,295 | 0 | 0 | 136,295 |
| R&D Valladolid | 4,096 | 0 | 0 | 0 | 4,096 | 3,087 | 0 | 0 | 0 | 3,087 |
| Seville | 14,998 | 0 | 0 | 0 | 14,998 | 21,125 | 0 | 0 | 0 | 21,125 |
| Madrid | 575 | 0 | 0 | 0 | 575 | 1,022 | 0 | 0 | 0 | 1,022 |
| Portugal | 16,610 | 0 | 29,207 | 0 | 45,817 | 19,457 | 0 | 26,336 | 0 | 45,793 |
| Romania | 132,154 | 0 | 0 | 0 | 132,154 | 166,529 | 0 | 0 | 0 | 166,529 |
| Turkey | 0 | 0 | 50,681 | 0 | 50,681 | 0 | 0 | 48,025 | 0 | 48,025 |
| Brazil | 11,445 | 0 | 0 | 0 | 11,445 | 11,958 | 0 | 0 | 0 | 11,958 |
| Chile | 10,283 | 0 | 0 | 0 | 10,283 | 6,487 | 0 | 0 | 0 | 6,487 |
| Argentina | 0 | 0 | 0 | 0 | 0 | 262 | 0 | 0 | 0 | 262 |
| Total | 190,161 | 100,556 | 79,888 | 0 | 370,605 | 229,927 | 136,295 | 74,361 | 0 | 440,583 |

The quality of the water discharged is a key aspect of our environmental management. We monitor the main control parameters to verify that discharges are managed responsibly and in accordance with the requirements applicable at each location. This monitoring allows us to identify deviations, prioritize improvement actions, and strengthen the performance of our facilities. Measurements are taken at varying intervals at each plant, and their average values are presented in the following table.

Average quality of discharged water

| Indicator | Unit | 2024 | 2025 |
|----------------------------------|------|-------|-------|
| pH | N/A | 7.3 | 6.6 |
| Biochemical Oxygen Demand - BOD | mg/L | 155.5 | 200.8 |
| Chemical Oxygen Demand - COD | mg/L | 553.7 | 483.3 |
| Total Suspended Solids - TSS | mg/L | 53.7 | 72.5 |
| Nitrates | mg/L | 44.9 | 32.4 |
| Phosphates | mg/L | 1.4 | 3.0 |
| Pesticides / Priority Substances | mg/L | 0.0 | 0.0 |
| Temperature | °C | 15.0 | 18.1 |

Waste management

We focus on preventive waste management, implementing solutions so that our processes generate as little waste as possible. In an industry like ours, it is physically and materially impossible to avoid generating some type of waste, so our efforts are focused on reducing its impact. We always try to segregate waste at the source of production, reinforcing classification in accordance with legal codes (LER) and, where applicable, through chemical analysis for correct allocation. Ongoing training and awareness for employees plays a key role.

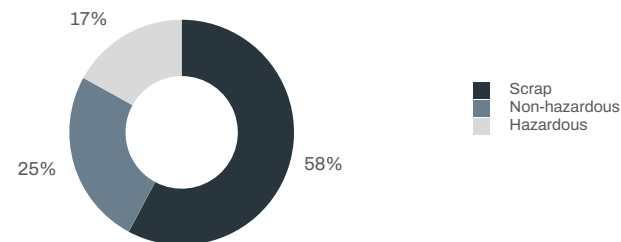
Waste generation by production process

Due to our production process, a variety of waste – both hazardous and non-hazardous – is produced, which needs to be categorized to ensure its proper management. Depending on the production phase in question, the following categories of waste are generated:

- Parts machining and assembly: non-hazardous waste such as shavings, metal, cardboard, and plastic is produced, as well as hazardous waste associated with the use of fluids and chemicals in the process, such as used oils, emulsions, solvents, and contaminated rags.
- Smelting: slag, hazardous and non-hazardous metal modules, ferrous dust, and wet dust removal sludge are produced.
- Oil filtration: this process generates waste in the form of shavings, filters, oils, sludge, etc. Its recovery is promoted by prioritizing the recovery of shavings and extending the useful life of fluids through filtration systems and return to the process.
- Logistics: Most of the waste produced is non-hazardous and non-metallic, such as cardboard, plastic, and wood. We optimize waste separation to maximize recycling and minimize landfill disposal in accordance with the waste hierarchy (reduce–reuse–recycle).

In relation to waste generation during 2025, our activity produced a total of 55,650 metric tons of non-hazardous waste, representing 83% of the total, compared to 11,361 metric tons of hazardous waste, equivalent to 17% of the total waste generated. It should also be noted that the main item of non-hazardous waste is non-recycled scrap metal, with a total of 38,750 metric tons, representing 58% of the total.

Distribution of waste generated



Hazardous and non-hazardous waste generated (tons)

| Non-hazardous | | | Hazardous | | |
|---|---------------|---------------|--|---------------|---------------|
| Type | 2024 | 2025 | Type | 2024 | 2025 |
| Scrap metal (non-recycled) | 36,262 | 38,750 | Chemicals | 2,543 | 3,289 |
| Construction, demolition, and maintenance waste | 3,075 | 4,741 | Oils | 2,192 | 2,396 |
| Paper/cardboard | 3,835 | 3,946 | Construction, dismantling, and maintenance waste | 2,289 | 2,076 |
| Wood | 2,405 | 2,463 | Sludge | 5,386 | 1,938 |
| Packaging | 2,033 | 2,432 | Cutting fluid | 947 | 816 |
| Other | 1,285 | 1,809 | Contaminated packaging | 199 | 294 |
| Municipal solid waste | 1,015 | 1,119 | Metal waste | 94 | 276 |
| Chemicals | 222 | 303 | Wastewater | 756 | 253 |
| Non-hazardous sludge | 0 | 87 | Electronic, office, and sanitary waste | 23 | 25 |
| Total | 50,131 | 55,650 | Total | 14,430 | 11,361 |

Management of waste generated

Proper management of waste generated is a fundamental pillar for minimizing the environmental impact of industrial activities and ensuring, through recycling, reuse, or recovery, the promotion of the circular economy in our operations.

All facilities promote proper segregation at source, waste reduction, and recycling through efficient processes, in line with our Environmental Policy, ISO 14001 certification, and, in Brazil, Zero Waste certifications, with a unified approach that includes awareness, training, and compliance with international regulations.

One of the main strategies implemented is segregation at source, supported by the standardization of waste bins, containers, and recycling points, ensuring that waste is correctly classified from the moment it is generated. In Portugal, this practice is complemented by the use of clearly identified recycling points for proper separation and volume reduction through centrifugation to remove oils, reducing the frequency of waste transport.

Specific projects have been carried out to optimize resources and reduce waste generation in critical areas. For example, in Valladolid, segregation flows and containers have been standardized, recycling circuits have been established for non-compliant aluminum parts (circular economy), and glycol consumption control has been reinforced with automatic pumping, preventive alerts, and leak control, which has minimized waste in technical processes. In Seville, metal waste is managed by authorized waste managers and evaporators have been installed to treat drilling fluids and phosphating water, significantly reducing the volume of industrial liquid waste.

Recycling plays a central role in our materials management model and is applied to all metal waste generated in our production processes. This waste mainly consists of machining chips and scrap pieces of ferrous alloys (steel and cast iron) and aluminum, as well as slag from aluminum smelting operations.

Ferrous alloy waste is managed by authorized treatment companies, which send it for recycling so that it can be reincorporated into the production cycle as secondary raw material.

In the case of aluminum, in addition to its management by specialized operators, we operate closed loops with strategic suppliers at our plants in Valladolid (Spain) and Pitești (Romania). In these cases, chips, scrap pieces, and slag are delivered for treatment and remelting, subsequently returning in the form of ingots suitable for smelting, which allows the material cycle to be closed and circularity to be maximized.

Environmental management is strengthened with comprehensive systems that include the evaluation of segregation points, adjustments to container distribution, and the installation of specific areas for the separation of recyclables and production waste. In Brazil, these actions include the construction of specific sorting areas for recyclables and materials derived from production.

In addition, awareness raising and training play a key role. In Turkey, workshops on waste reduction and separation have been organized, accompanied by environmental communication campaigns and the creation of dojo areas in departments to reinforce good practices. In Chile, proper segregation at source is encouraged, along with specific action plans for the reduction of hazardous liquid waste.

To complement this, work is being done in collaboration with suppliers to explore sustainable alternatives for waste disposal and reduce waste generation. In Argentina, selective collection is being strengthened through training, collection points and container distribution are being optimized, and reduction at source is being promoted through collaboration with suppliers and improved packaging, prioritizing responsible final treatment options that comply with applicable regulations.

These joint actions reflect a global commitment to responsible waste management, minimizing environmental impact and fostering an organizational culture oriented toward sustainability and the efficient use of resources.

The results of the various measures we have implemented mean that 79% of waste is sent for recycling, 7% for energy recovery, and 1% for reuse. As a result, the total amount of waste sent directly to landfill has been reduced to just 13%.

Final destination of waste generated (tons)

| | 2024 | 2025 |
|-----------------|---------------|---------------|
| Recycling | 52,588 | 58,211 |
| Landfill | 6,992 | 9,215 |
| Energy recovery | 4,747 | 5,462 |
| Reuse | 233 | 771 |
| Total | 64,561 | 73,659 |

We work exclusively with authorized managers, verifying legal compliance in each country through internal and external audits, and ensuring complete traceability of flows to their final destination

Commitment to the elimination and substitution of hazardous substances

We have made a specific commitment to identify, reduce, and, where feasible, eliminate hazardous substances from our products and components. With this goal in mind, we have analyzed our portfolio of substances regulated by REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and the Persistent Organic Pollutants Regulation and found that we had no exposure to these substances in 2025, covering 100% of products in terms of revenue.

To advance this commitment, we allocate specific R&D resources to the search for safer alternatives and collaborate with industry associations and technical experts to accelerate innovation and standardize best practices in the responsible use of chemicals.

Currently, the scope of this commitment covers all relevant hazardous substances that could be present in our product portfolio, reinforcing our preventive approach and our ambition to move towards safer and more sustainable solutions throughout the value chain.



Position on biodiversity

We want to contribute to a positive impact on nature, which is why we have included biodiversity as one of the pillars of our ESG strategy. We are aware that our sustainability impacts come from our entire value chain, not just our direct production activities. We recognize that we still have a long way to go in this regard. We already have a biodiversity assessment in place at each plant, and by 2025, we will have made progress in preparing a project to carry out an impact study in accordance with the TNFD. As a first step, we have met our 2024 goal of having a biodiversity assessment in place at all our plants.

During 2025, we reinforced our commitment to biodiversity by collaborating with Bosquia to reforest degraded areas. This initiative contributes to the regeneration of local ecosystems and complements our commitment to zero deforestation, which applies to both our direct operations and our supply chain.

Results of the ESG 2030 Plan during the year 2025

Biodiversity protection guides our goals to make a positive impact on nature. In 2025, we have set the following goals:

- 100% of centers with biodiversity assessment completed
- Preparation for conducting the nature impact assessment following the TNFD framework

100%

Conducting a biodiversity assessment at 100% of the plants and implementing a biodiversity plan at one (Aveiro).

Location and environmental sensitivity

We operate plants in Europe and Latin America, none of which are located within protected areas. Some facilities are located near sensitive ecosystems (e.g. rivers, agricultural areas, or biodiversity corridors), so we maintain enhanced monitoring of the environment.

Potential impacts include water consumption and discharge (possible impact on water bodies), atmospheric emissions linked to smelting processes, noise (environment and wildlife), and waste management (risk of soil or water pollution if not managed properly). To mitigate these impacts, we have impact assessments and regulatory compliance, effluent treatment and monitoring programs, emission control systems (filters, dust collection, and continuous monitoring), acoustic measures (insulation, operational restrictions, and preventive maintenance), strict hazardous waste protocols, spill prevention and emergency plans, as well as periodic environmental audits and monitoring.

Assessments by plant

To gain a better understanding of our relationship with the ecosystem, we began by analyzing our direct impacts on biodiversity resulting from the manufacture of our products. In 2024, we conducted assessments for the first time at all our plants, including an area of 2-5 km adapted to the nature of our activities and their locations. The studies led to the following conclusions:

| Country | Plant | Distance to protected area | Study findings |
|-----------|------------|---|---|
| Spain | Valladolid | > 2.5 Km | The studies do not reveal any particular ecological problems. Natural heritage areas are distant and unconnected to the study area. |
| | Seville | There is a Natura 2000 network area within 2-2.5 km of the plant. | |
| Portugal | Aveiro | There is a Natura 2000 network area less than 1 km away. | |
| Romania | Pitesti | > 2.5 Km | |
| Turkey | Bursa | > 2.5 Km | |
| Chile | Los Andes | >5 Km | |
| Argentina | Córdoba | >5 Km | |
| Brazil | Curitiba | > 2.5 km | |

Management principles

During 2025, we consolidated a common framework that combines operational control, responsible purchasing, and collaboration with specialized managers, with the aim of preventing impacts and contributing to conservation wherever we operate:

- Strict compliance with environmental permits (emissions, discharges, noise), with regular monitoring and controls to prevent impacts on nearby ecosystems.
- Responsible purchasing: implementation of policies and risk assessments for materials with a potential link to deforestation or ecosystem degradation (natural rubber, wood, metals, and minerals), strengthening traceability.
- Responsible management of waste and hazardous substances, in collaboration with authorized operators, ensuring the proper handling of oils, refrigerants, and hazardous materials to prevent soil and water contamination.

Integrating care for nature into strategy

In 2025, we launched a key project to advance our environmental management: the assessment of nature-related impacts, dependencies, and risks according to the international TNFD (*Taskforce on Nature-related Financial Disclosures*) framework.

The main objective is to understand how our operations and value chain interact with ecosystems, identify potential risks (such as water stress, availability of raw materials, or future regulatory requirements), and define a roadmap that allows us to integrate nature into strategic decision-making. The project includes the following within its scope:

- Our plants, their environments, and the natural resources on which they depend.
- Our supply chain, especially relevant materials such as aluminum, steel, rubber, or minerals.
- How environmental changes (water, ecosystems, climate) can affect our activities.
- Opportunities to reduce impacts and strengthen circularity and efficiency.

The project has a specific organization within Horse Technologies, with a corporate coordination team and the direct participation of ESG, Environment, Purchasing, R&D, and plant representatives, ensuring a comprehensive view of the entire value chain.

This project will enable us to anticipate regulatory requirements, strengthen natural resource management, and align with international standards on biodiversity and natural capital, contributing to a more sustainable and resilient industry.

06

POSITIVE CONTRIBUTION TO PEOPLE

CONTENTS

Our workforce

Health and safety

Social contribution

At Horse Technologies, we prioritize the well-being, inclusion, and development of people in our organization and communities. We ensure high standards of safety and health, encourage diversity and equal opportunities, and promote an inclusive environment. In addition, we actively work to contribute to social progress and positively impact our environment.

As a result of the first double materiality study, we present below the impacts, risks, and opportunities identified for ESRs S1 – Own Workforce:

| Impact materiality | | Financial materiality | |
|--|--|--|--|
| Positive impacts | Negative impacts | Risks | Opportunities |
| <ul style="list-style-type: none"> Employee satisfaction with good practices in working conditions, through the implementation of initiatives to address employees' needs in their work environment. Ensure employee satisfaction and development through skills development, responsible management practices, strengthening social ties among employees, training employees in new ways of working, and maintaining employer attractiveness. Promoting equality between men and women by guaranteeing equal opportunities for professional development. Physical wellbeing of employees, resulting from investment in an ergonomic management system in all workplaces. Increase employee satisfaction by establishing strong relationships with unions, works councils, etc., so that employee concerns are taken into account and working conditions are improved. Promote stable, high-quality jobs by supporting a fair transition that ensures workforce security and mitigates the risk of divestment in non-electric automotive operations. | <ul style="list-style-type: none"> Failure to ensure equal pay for men and women, as the average salary for women is lower than the average salary for men. Possible staff reductions and restrictions on salary increases, promotions, and variable remuneration due to rising costs and higher raw material prices. Possible health and safety incidents among employees. | <ul style="list-style-type: none"> Risk of health and safety incidents during the production phase. Risk of being unable to attract or retain the talent needed to fulfill strategic ambitions or for transformation due to an ambitious and competitive labor market. Risk of losing key private company information due to cybersecurity or privacy breaches. Risk of being penalized or fined for failing to meet minimum gender ratio or equal pay standards due to a high gender pay gap. | <ul style="list-style-type: none"> Greater productivity and good results for the company thanks to investment in training staff with the necessary skills and knowledge that will enable them to work more efficiently. |

Our workforce

Importance of job creation

At Horse Technologies, job creation, as well as attracting and retaining talent, are essential levers that directly impact our operations and determine our long-term sustainable success. In a changing and disruptive environment, we understand that it is people, together with technology, who will help us achieve the business goals we have set for ourselves. Analyzing the environment and adapting our value proposition to market trends are key elements in building a highly qualified and competitive team.

Our selection, performance evaluation, training, and workplace wellbeing policies are designed to establish a framework that promotes continuous improvement, commitment to company values, responsibility, and work-life balance for our employees.

Key milestones for the Human Resources (HR) department in 2025

Throughout 2025, the most significant milestones have been focused on launching core projects to empower our employees throughout the annual cycle:

Attraction and selection

- We implemented Teamtailor as an applicant tracking system (ATS), standardizing recruitment processes and reinforcing more data-driven decision-making throughout the talent acquisition cycle. This advancement contributes to improving the candidate experience and reinforces transparency and compliance, laying a scalable foundation for attracting internal and external talent.

Onboarding and new hire experience:

- We introduced structured onboarding materials and launched onboarding surveys to systematically measure and improve the onboarding experience. These initiatives strengthen early engagement, accelerate time to productivity, and provide actionable insights for continuous improvement in development and retention.

Culture and values

- We launched our new corporate values – Caring, Collaborating, and Creating Excellence – aligned with our mission, vision, and strategic objectives, to reinforce our culture and guide behaviors.

Internal development and mobility

- We established Career Committees to identify and discuss potential candidates for key positions, connecting career aspirations with business needs and supporting people's development.

Preparing for the challenges of 2026

The challenges – or opportunities – facing the HR function are global and do not differ greatly from those of any other function in a company. They are related to the technological, demographic, economic, and cultural changes of our era. Undoubtedly, the development of new technologies associated with Artificial Intelligence, virtual reality, robotics, and automation will require new skills and the adoption of advanced tools in talent management. Data-driven decision-making and the promotion of a strong and resilient organizational culture will be essential to aligning people's goals with organizational strategy, creating an attractive and adaptable work environment.

Looking ahead to 2026 and the 2030 horizon, we are proactively preparing ourselves through initiatives aimed at securing critical capabilities and leadership through the development of the talent pipeline and succession plans. We are strengthening our talent pipeline through a rigorous talent management methodology, aimed at identifying and preparing candidates for key positions. We have deployed global succession planning to build this pipeline with both internal and external talent, monitoring it through a traffic light system (red-amber-green) in leadership positions and specific action plans to close the gaps identified, especially in cases classified as red (highest criticality).

Organizational structure of the HR Department

We organize the Human Resources (HR) function with a matrix structure that combines a local approach by country with global strategic support and technical expertise. This model allows us to respond to the specific needs of each geography, ensure local regulatory compliance, and at the same time maintain consistency in processes and standards at the corporate level.

Departments by country: each country has its own HR department, with a delegation to manage human resources processes in accordance with local needs and applicable regulations, ensuring proximity to the business and agility in execution.

Global business partners (HRBP): responsible for covering all global functions, providing strategic support in HR matters and ensuring the alignment of practices across different regions and functions.

Centers of expertise:

- **Talent management:** We provide leaders with tools, processes, and information to connect professional aspirations with business needs, promoting development and internal mobility.
- **HRIS & Digital:** We manage HR information systems and digital initiatives to simplify processes, improve the employee experience, and increase efficiency.
- **Attracting talent:** We lead recruitment and hiring to ensure that we attract and onboard the necessary talent.

Key HR policies and practices

We manage the employee lifecycle with a set of policies and practices aimed at attracting talent, developing skills, driving performance, and fostering a positive and balanced work environment.

Talent selection and attraction process:

- We implement a rigorous selection process, with structured interviews and competency assessments, to ensure that candidates align with our values and business needs.

Performance assessment

- **Regular conversations:** We promote ongoing dialogue through check-ins and feedback sessions throughout the year, ensuring alignment on goals, behaviors, and development priorities.

- **Evaluation criteria:** we evaluate performance using a balanced approach that combines the achievement of individual objectives ("what") with the demonstration of professional behaviors ("how"), promoting sustainable results and collaboration.
- **Development paths:** we design personalized development plans based on conversations and evaluations to strengthen skills, boost careers, and support long-term business success.

Learning and development

- We are committed to a culture of continuous learning to ensure that our people have the skills and support they need in a rapidly changing environment.
- **Experiential learning:** we reinforce on-the-job development through real challenges and practical experiences.
- **Collaborative learning:** we encourage interaction, knowledge sharing, and cross-functional learning between teams and roles.
- **Training resources:** we provide access to a digital learning platform with over 20,000 pieces of content, along with technical training and interpersonal skills programs to boost adaptability and growth.

Benefits and compensation

- We offer a competitive package that may include health insurance, pension plans, and bonuses, tailored to the local context.

Positive work environment

- We promote an inclusive and collaborative environment where people feel valued and motivated to contribute.

Work-life balance

- We implement flexible policies, including remote working options and flexible working hours, to facilitate the balance between work and personal responsibilities.

Management approach and needs assessment

Every year, we conduct a needs analysis of the future roles required by the business. The HR Department assesses and measures these needs together with leaders, estimating the impact on staffing and labor costs, with the aim of ensuring viability and consistent planning. Our global People managers and country teams work continuously with leaders to update job descriptions, identify risks, and, when necessary, redistribute tasks. For urgent projects or specific needs, we activate task forces that allow us to divide and coordinate key activities in an agile manner.

Working time is monitored using time and attendance control tools, which facilitate compliance with applicable regulations on working hours and breaks. At the same time, we promote wellbeing in accordance with the cultural context of each country, based on absenteeism analysis and preventive plans. In 2025, for example, prevention initiatives have been promoted, such as early cancer detection campaigns in Turkey and Spain, focusing on breast and prostate cancer, aimed at raising awareness and promoting preventive health.

Main risks to wellbeing and work organization

We identify and manage risks related to work organization and wellbeing, including absenteeism, potential situations of overload and burnout, and perceptions related to work-life balance and equality. To do this, we review absenteeism data on a monthly basis with the leadership of People and key stakeholders, building and updating an action plan with preventive measures. This analysis is segmented by center, age ranges, and other relevant categories to identify trends. At the local level, each case is monitored with the support of occupational medicine and healthcare professionals. In addition, absenteeism is reviewed on a recurring basis in leadership and People meetings in each country, with a special focus on the lines or teams with the highest levels. To mitigate these risks, we implement measures such as:

- Regular medical monitoring of cases of absenteeism
- Specific monitoring of equipment/controls in areas with higher absenteeism
- Weekly coordination with Operations
- Ergonomic plans and case follow-up
- Anticipation and planning of medical interventions when possible
- Rollout of wellness plans
- Mental health training for leaders

For further details, see section [Health and safety of workers](#).



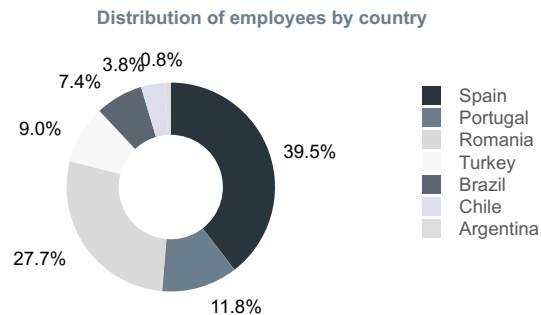
Horse Technologies employees

Workforce classification

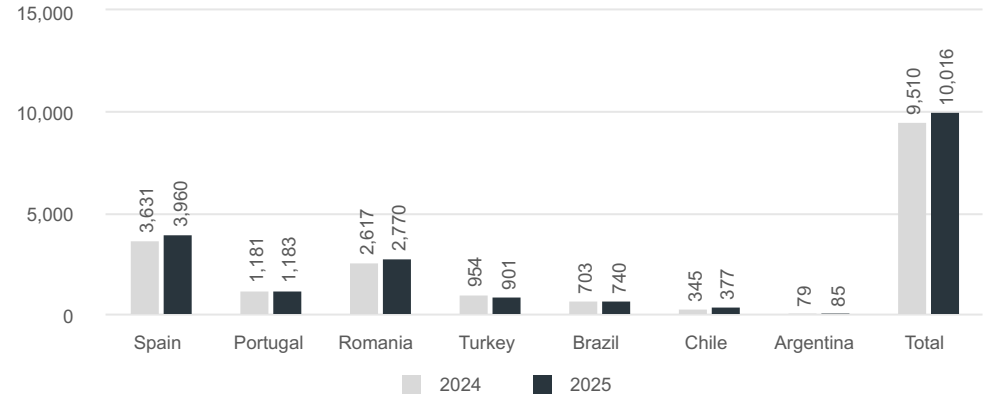
As of 31 December 2025, our global workforce consisted of a total of 10,016 employees, compared to 9,510 in 2024, representing an increase of 5.3%. These employees comprise a total of 8,044 men and 1,972 women. In terms of the geographical distribution of our workforce, we have employees in a total of seven countries, four of which are in Europe (Spain, Portugal, Romania, and Turkey) and three in Latin America (Brazil, Chile, and Argentina). Most of our workforce is located in Europe, representing 88% of our total employees.

Distribution of employees by gender and country

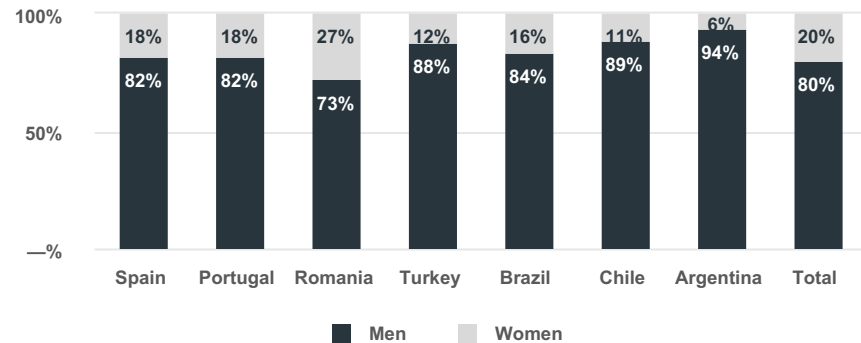
| | 2024 | | | 2025 | | |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 3,035 | 596 | 3,631 | 3,233 | 727 | 3,960 |
| Portugal | 973 | 208 | 1,181 | 970 | 213 | 1,183 |
| Romania | 1,908 | 709 | 2,617 | 2,010 | 760 | 2,770 |
| Turkey | 862 | 92 | 954 | 796 | 105 | 901 |
| Brazil | 604 | 99 | 703 | 621 | 119 | 740 |
| Chile | 294 | 51 | 345 | 334 | 43 | 377 |
| Argentina | 75 | 4 | 79 | 80 | 5 | 85 |
| Total | 7,751 | 1,759 | 9,510 | 8,044 | 1,972 | 10,016 |



Distribution of employees by country

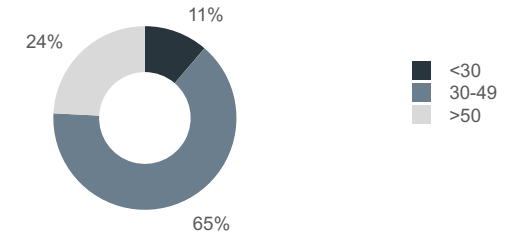


Distribution of employees by gender and country



At Horse Technologies, we believe that combining young and experienced talent is the key to generating the right workplace synergies and fostering an enriching work environment for our staff. That is why the majority of our employees are between the ages of 30 and 49, representing 65% of the total workforce. We are also gradually incorporating younger employees, who in 2025 accounted for 11% of the workforce, contributing their vision, spirit of learning, and desire to develop and grow with us. Finally, those with more experience represented 24% of our employees.

Employees by age



Distribution of employees by age group and country

| | 2024 | | | | | | | | | | | | 2025 | | | | | | | | | | | |
|--------------|------------|--------------|--------------|--------------|------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|--------------|------------|--------------|------------|--------------|--------------|--------------|--------------|---------------|
| | Men | | | | Women | | | | Total | | | | Men | | | | Women | | | | Total | | | |
| | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total |
| Spain | 227 | 2,165 | 643 | 3,035 | 63 | 455 | 78 | 596 | 290 | 2,620 | 721 | 3,631 | 300 | 2,125 | 808 | 3,233 | 94 | 517 | 116 | 727 | 394 | 2,642 | 924 | 3,960 |
| Portugal | 107 | 672 | 194 | 973 | 39 | 150 | 19 | 208 | 146 | 822 | 213 | 1,181 | 88 | 666 | 216 | 970 | 28 | 160 | 25 | 213 | 116 | 826 | 241 | 1,183 |
| Romania | 199 | 1,050 | 659 | 1,908 | 46 | 345 | 318 | 709 | 245 | 1,395 | 977 | 2,617 | 201 | 1,108 | 701 | 2,010 | 52 | 377 | 331 | 760 | 253 | 1,485 | 1,032 | 2,770 |
| Turkey | 193 | 645 | 24 | 862 | 33 | 58 | 1 | 92 | 226 | 703 | 25 | 954 | 144 | 637 | 15 | 796 | 35 | 69 | 1 | 105 | 179 | 706 | 16 | 901 |
| Brazil | 30 | 500 | 74 | 604 | 23 | 69 | 7 | 99 | 53 | 569 | 81 | 703 | 35 | 499 | 87 | 621 | 26 | 85 | 8 | 119 | 61 | 584 | 95 | 740 |
| Chile | 72 | 150 | 72 | 294 | 26 | 23 | 2 | 51 | 98 | 173 | 74 | 345 | 108 | 156 | 70 | 334 | 20 | 20 | 3 | 43 | 128 | 176 | 73 | 377 |
| Argentina | 0 | 34 | 41 | 75 | 0 | 4 | 0 | 4 | 0 | 38 | 41 | 79 | 1 | 38 | 41 | 80 | 0 | 5 | 0 | 5 | 1 | 43 | 41 | 85 |
| Total | 828 | 5,216 | 1,707 | 7,751 | 230 | 1,104 | 425 | 1,759 | 1,058 | 6,320 | 2,132 | 9,510 | 877 | 5,229 | 1,938 | 8,044 | 255 | 1,233 | 484 | 1,972 | 1,132 | 6,462 | 2,422 | 10,016 |

Organization of our workforce by category

In terms of the organization of professional categories, we distinguish between three main groups:

- 1 **Horse Leadership Team (HLT):** made up of senior management, whose members report directly to the CEO and are responsible for leading key strategic decisions within their area of supervision.
- 2 **Manager:** employees located both in production plants and at the head office who are in charge of people and teams
- 3 **White collar:** employees located both in production plants and at the head office in Madrid who provide direct support to the production process from different areas and departments.
- 4 **Blue collar:** employees located in the plants who are directly involved in the transformation of raw materials and the manufacture of our product range.

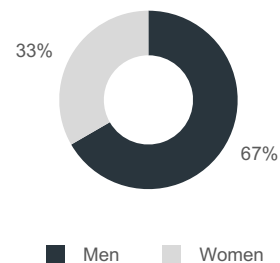
We closed the 2025 financial year with a total of 965 managers, 2,957 white collar employees, and 6,079 blue collar employees. Similarly, the Horse Leadership Team (HLT) has 15 members, comprising 10 men and 5 women.

Due to our business model, it is crucial to have people directly present on the factory floor throughout the entire manufacturing chain. As a result, the majority of our workforce is concentrated in the blue collar category, representing 61% of the total, and 39% in other categories.

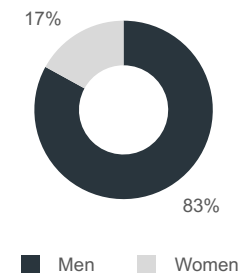
Number of employees by professional category and gender

| | 2024 | | | 2025 | | |
|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | Men | Women | Total | Men | Women | Total |
| HLT | 11 | 4 | 15 | 10 | 5 | 15 |
| Manager | 737 | 140 | 877 | 801 | 164 | 965 |
| White collar | 2,170 | 645 | 2,815 | 2,215 | 742 | 2,957 |
| Blue collar | 4,833 | 970 | 5,803 | 5,018 | 1,061 | 6,079 |
| Total | 7,751 | 1,759 | 9,510 | 8,044 | 1,972 | 10,016 |

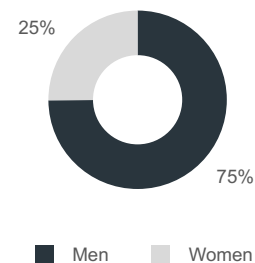
Distribution by gender: HLT



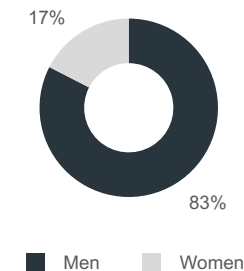
Distribution by gender: Manager



Distribution by gender: White collar

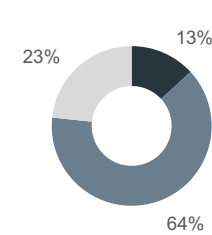
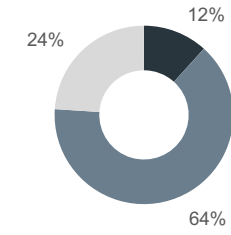


Distribution by gender: Blue collar

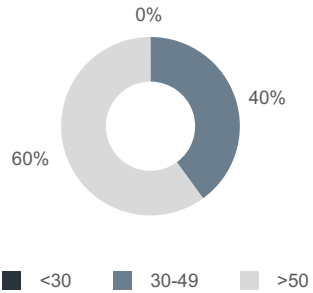
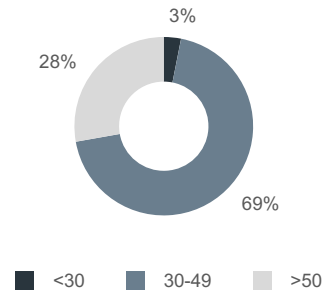
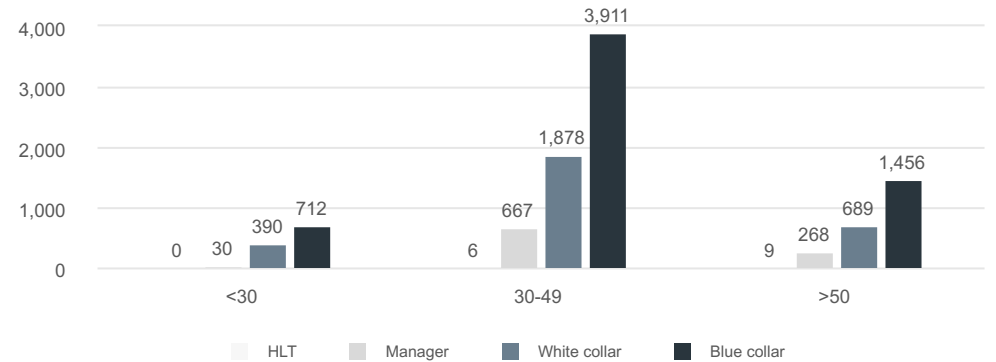


Distribution of employees by professional category, gender, and age group

| | 2024 | | | | 2025 | | | |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total |
| HLT | 0 | 7 | 8 | 15 | 0 | 6 | 9 | 15 |
| Manager | 35 | 622 | 220 | 877 | 30 | 667 | 268 | 965 |
| White collar | 342 | 1,819 | 654 | 2,815 | 390 | 1,878 | 689 | 2,957 |
| Blue collar | 681 | 3,872 | 1,250 | 5,803 | 712 | 3,911 | 1,456 | 6,079 |
| Total | 1,058 | 6,320 | 2,132 | 9,510 | 1,132 | 6,462 | 2,422 | 10,016 |

Employees by age: White collar

Employees by age: Blue collar


<30
 30-49
 >50

Employees by age: HLT

Employees by age: Manager

Distribution of employees by gender and age group


Classification by type of contract

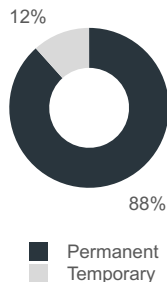
We focus on creating jobs based on the principles of safety, stability, and quality as the foundation for the professional and personal development of everyone who is part of the company. This commitment is reflected in our efforts to offer working conditions that promote long-term stability and respond to the needs of our staff. Our priority has been to consolidate permanent employment, which represents a significant part of the total. Specifically, throughout 2025, of the 10,016 employees who form part of our workforce, 88% have permanent contracts.

88% of our workforce has permanent contracts, reflecting our commitment to creating stable, quality employment

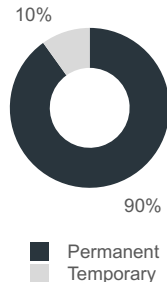
Distribution of employees by contract type, gender, and country

| | 2024 | | | | | | 2025 | | | | | |
|------------------|--------------|--------------|--------------|------------|------------|------------|--------------|--------------|--------------|------------|------------|--------------|
| | Permanent | | | Temporary | | | Permanent | | | Temporary | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2,814 | 481 | 3,295 | 221 | 115 | 336 | 2,905 | 540 | 3,445 | 328 | 187 | 515 |
| Portugal | 884 | 158 | 1,042 | 89 | 50 | 139 | 889 | 164 | 1,053 | 81 | 49 | 130 |
| Romania | 1,759 | 632 | 2,391 | 149 | 77 | 226 | 1,847 | 675 | 2,522 | 163 | 85 | 248 |
| Turkey | 774 | 75 | 849 | 88 | 17 | 105 | 760 | 94 | 854 | 36 | 11 | 47 |
| Brazil | 546 | 94 | 640 | 58 | 5 | 63 | 560 | 112 | 672 | 61 | 7 | 68 |
| Chile | 223 | 13 | 236 | 71 | 38 | 109 | 207 | 12 | 219 | 127 | 31 | 158 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 80 | 5 | 85 | 0 | 0 | 0 |
| Total | 7,075 | 1,457 | 8,532 | 676 | 302 | 978 | 7,248 | 1,602 | 8,850 | 796 | 370 | 1,166 |

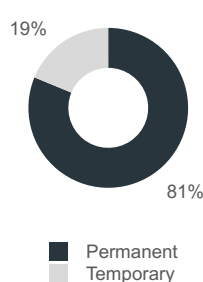
Distribution by type of contract- Total



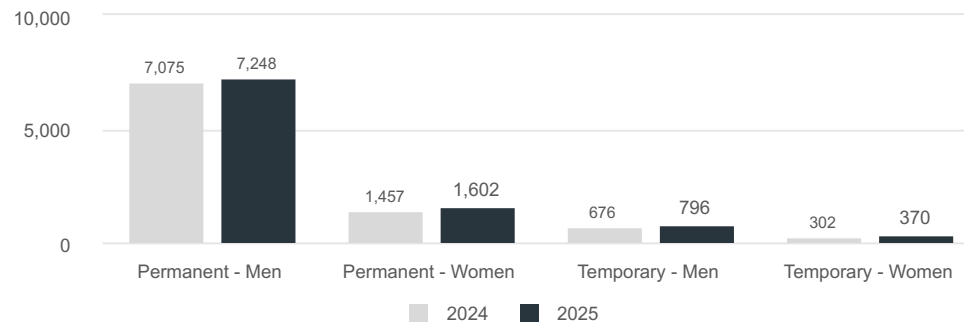
Distribution by type of contract- Men



Distribution by type of contract- Women



Distribution of employees by type of contract and gender



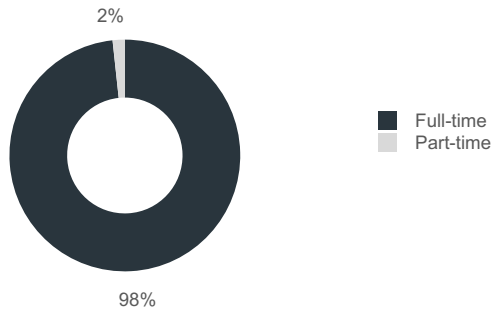
Classification by type of working day

We also recognize the importance of flexible working arrangements to adapt to the personal and professional circumstances of our employees, with part-time working hours that facilitate work-life balance. In 2025, the distribution of full-time contracts was 98%.

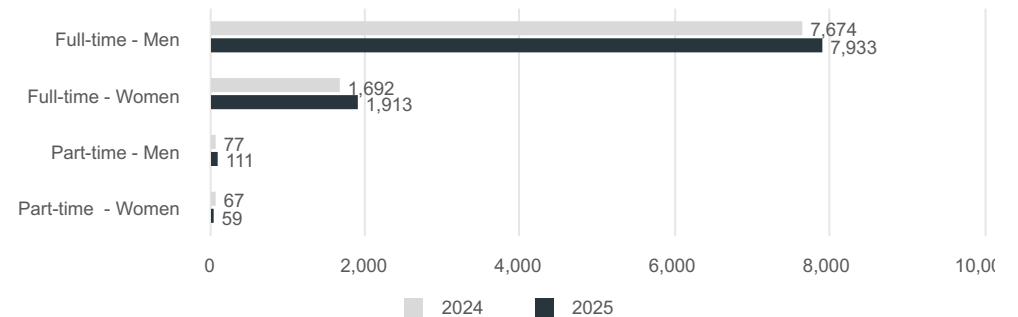
Distribution of employees by type of workday, gender, and country

| | 2024 | | | | | | 2025 | | | | | |
|------------------|--------------|--------------|--------------|-----------|-----------|------------|--------------|--------------|--------------|------------|-----------|------------|
| | Full-time | | | Part-time | | | Full-time | | | Part-time | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2,983 | 535 | 3,518 | 52 | 61 | 113 | 3,176 | 671 | 3,847 | 57 | 56 | 113 |
| Portugal | 972 | 207 | 1,179 | 1 | 1 | 2 | 970 | 212 | 1,182 | 0 | 1 | 1 |
| Romania | 1,889 | 704 | 2,593 | 19 | 5 | 24 | 1,960 | 758 | 2,718 | 50 | 2 | 52 |
| Turkey | 862 | 92 | 954 | 0 | 0 | 0 | 796 | 105 | 901 | 0 | 0 | 0 |
| Brazil | 599 | 99 | 698 | 5 | 0 | 5 | 617 | 119 | 736 | 4 | 0 | 4 |
| Chile | 294 | 51 | 345 | 0 | 0 | 0 | 334 | 43 | 377 | 0 | 0 | 0 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 80 | 5 | 85 | 0 | 0 | 0 |
| Total | 7,674 | 1,692 | 9,366 | 77 | 67 | 144 | 7,933 | 1,913 | 9,846 | 111 | 59 | 170 |

Distribution by type of working day and gender



Distribution of employees by type of working day and gender

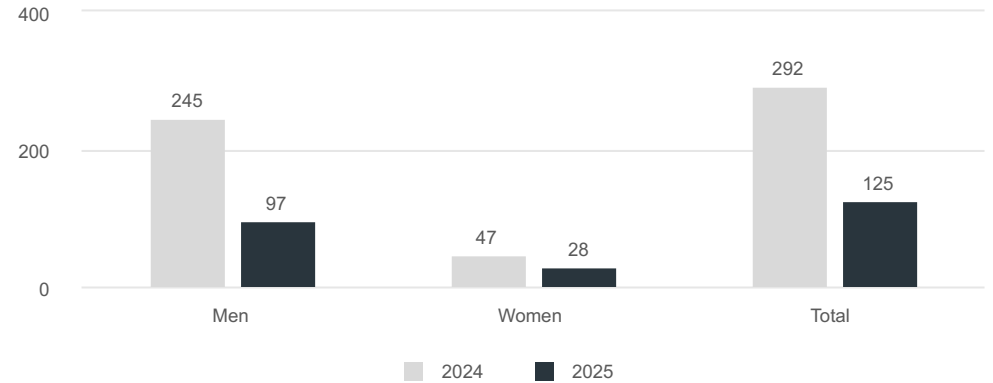


Employee turnover

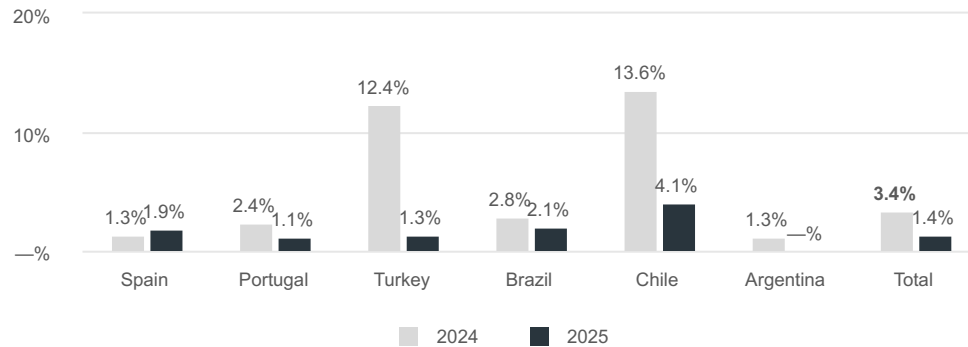
We value human talent as a fundamental pillar of our success and constantly strive to create an environment in which people can develop their full potential. Below is information regarding employee turnover, including voluntary turnover rate, departures, and new hires.

The voluntary turnover rate reflects the percentage of employees who decided to leave the company on their own initiative. This indicator allows us to measure the level of satisfaction and commitment of our workforce. In 2025, a total of 125 employees chose to end their employment with us, compared to 292 in 2024. As a result, our voluntary turnover rate has fallen from 3.4% to 1.4%.

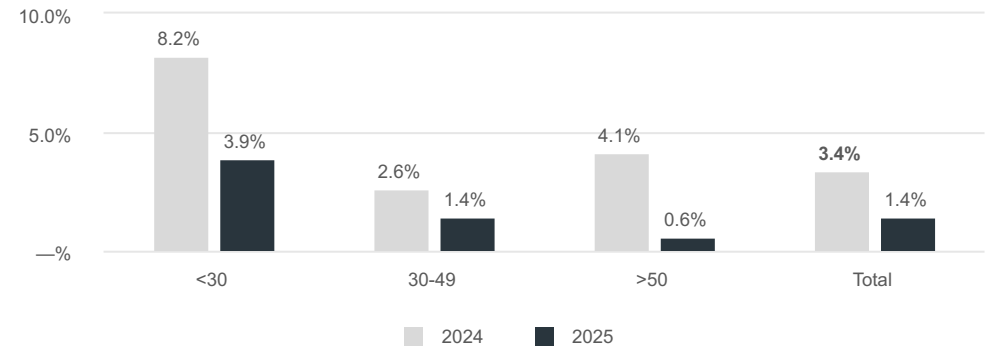
Voluntary departures by gender



Voluntary turnover rate by country



Voluntary turnover rate by age group



In addition to voluntary departures, we also monitor other reasons for contract termination, such as dismissals, of which there were a total of 535 in 2025.

Due to a change in the People team's IT systems, it is not possible to provide a comparison with 2024. During 2025, the migration from the Workday system to Successfactors was prepared, so certain classification criteria have changed and it has not been possible to recalculate the 2024 data using the same methodology. We will work to correct this discrepancy over the next year to try to recalculate the 2024 dismissal data in a comparable way.

The complete breakdown of the number of dismissals is included in the following table:

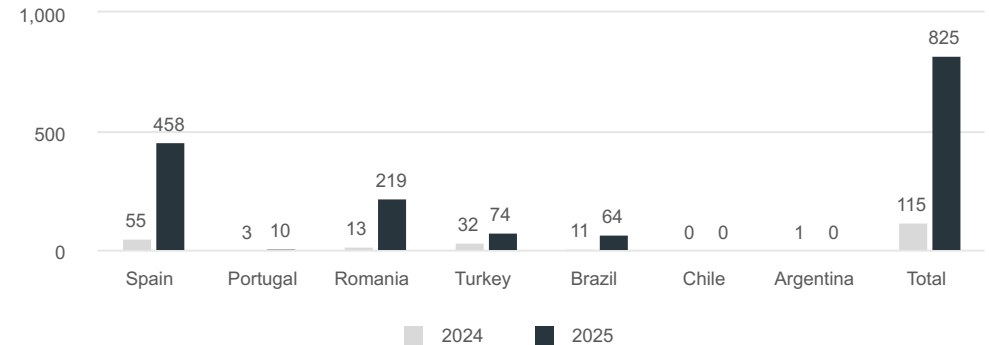
Number of layoffs by gender, age, and professional category

| | | 2025 |
|-----------------------|--------------|------------|
| Gender | Men | 363 |
| | Women | 172 |
| Age | <30 | 174 |
| | 30-49 | 302 |
| | >50 | 59 |
| Professional category | HLT | 0 |
| | Manager | 10 |
| | White collar | 38 |
| | Blue | 487 |
| Total | | 535 |

During 2025, we hired a total of 825 new employees, demonstrating our commitment to continuing to build a strong, diverse workforce that is aligned with our strategic goals. It should be noted that the considerable increase in new hires during 2025 is due to new positions created during the year as a result of new processes implemented in our company.

On a consolidated basis, the costs associated with talent acquisition amounted to €1.85 million, compared to €1.31 million in 2024. These additions not only strengthen our operational capacity, but also enrich our team with new perspectives and skills that are essential for responding to a changing and competitive environment, especially in the automotive sector.

Total number of new hires by country



Communication channels with employees

At Horse Technologies, we believe that informing employees is just as important as listening to them. We believe in and promote a conversational model in which employees are free to express themselves clearly and the company is committed to truly listening. This is a basic and essential principle for ensuring healthy transparency, which builds trust and a positive work environment. To this end, we have a broad ecosystem of channels for engaging with our employees and promoting a strong connection at all levels. For specific information on social dialogue, see the section [Social dialog and labor rights](#).



Intranet

Functions as a centralized hub for all internal communications, providing access to announcements, corporate news, policies, and relevant resources.



Email

Used for formal communications, including management updates, policy changes, and important announcements, ensuring that all employees receive critical information directly.



Team meetings

- General meetings
- Team meetings
- One to ones
- Focus groups



Employee surveys

We conduct surveys to gather opinions on various aspects of the work experience, using this feedback to inform decisions and improve work practices.



Instant messaging platforms

Tools such as Microsoft Teams facilitate quick and informal communication, enabling real-time collaboration and keeping teams connected.



HR portals

They provide access to personal information, HR-related benefits and services, as well as a communication channel for relevant announcements and updates.



Whistleblowing portal

This secure and confidential channel allows employees to report unethical behavior, violations of corporate policies, or other concerns, ensuring that they can raise their concerns without fear of retaliation and that the company can address these situations in a timely manner.

Employee satisfaction and commitment

Our organization highly values employee satisfaction and commitment, aware that a motivated and satisfied team is essential to achieving our business objectives. We emphasize not only the “what” – quantitative objectives – but also the “how” – qualitative objectives.

Therefore, with the aim of creating an inclusive and motivating environment, we work on policies geared toward active listening, conducting periodic performance evaluations, and promoting an open-door policy to address concerns and suggestions. We also establish an incentive system that pursues excellence in performance and professional development with clear paths for growth. And, of course, we promote work-life balance with flexible hours and remote work options, adapted to the regulations of each country or location.

Great Place to Work certification

At Horse Technologies, we place great value on actions, not just words. With the development of our first ESG 2030 Plan, we set ourselves the goal of achieving Great Place to Work Certification in all our countries by 2026.

Great Place to Work is a globally recognized standard of excellence in workplace culture. It is based on employee feedback and a comprehensive assessment of our workplace practices and policies.

During the 2024-2025, we have come significantly closer to full compliance, with certification in six of the countries where we operate. We are currently working to achieve certification in Portugal by 2026.



Great Place to Work Survey Results

Strengths

- Safe workplace
- Trust in management.
- Contribution to the community.
- Pride in work.
- Fair treatment regardless of race and gender.

Areas for Improvement

- Sharing in financial benefits.
- Special recognition.
- Psychological and emotional well-being.
- Avoiding favoritism.
- Work-life balance.

Actions taken in 2025 following Great Place to Work certification

Over the past year, the available results and lessons learned were translated into action plans at the country level, with each local organization defining initiatives aligned with its priorities, culture, and operating context. Across the board, actions were aimed at strengthening leadership skills, improving the work environment, increasing communication and transparency, and reinforcing recognition and commitment.

Spain

Focus on commitment and leadership; focus groups and breakfast meetings with plant management committees; training for managers in conflict management and mental health; reinforcement of Teamtailor as a lever for transparency for internal and external opportunities.

Portugal

Focus on dialogue, leadership behaviors, and wellbeing; recognition and celebrations; artistic commission with local participation; facility improvements; manager training and specific work on attitudes and behaviors; expanded access to the online training catalog; and reinforcement of medical service campaigns.

Romania

Strengthening dialogue and transparent communication; informal “coffee with leaders” sessions for white-collar and blue-collar profiles; family events (open days); additional investment in facilities; strengthening recruitment with Teamtailor and local communication of opportunities.

Turkey

Focus on clarity, development, and purpose; launch of Teamtailor and information sessions on HR processes and professional development; recognition initiatives linked to sustainability and team activities; recognition of seniority; sports activities and meetings with management.

Brazil

Strong commitment to leadership development and learning; training of front-line leaders (business, quality, leadership, communication, and feedback); renovation of the work environment and new classrooms for the Horse Academy; bimonthly recognition event.

Chile

Focus on development and internalization of opportunities; internal recruitment procedure; recognition program and structured leadership training plan.

Argentina

Improvement of the physical environment with a new break room for workers; implementation of internal recruitment procedures and launch of a local recognition program.

Organization of working time

We organize working time by combining industrial operations (shifts and organization based on production needs) with flexible measures when the nature of the position allows it. Our goal is to ensure operational continuity and regulatory compliance, while promoting work-life balance. Working time management is supported by time recording and control tools, which allow us to monitor the working day, facilitate compliance with legal limits, and manage adjustments in an orderly manner.

Based on shared responsibility and mutual trust, we have established policies in areas such as digital disconnection, remote work, and concepts such as flexi-working or shift systems, in roles that do not require physical presence and provided that they ensure continuous operations.

General structure

- Shift work in operational and plant functions, with rotations and/or fixed shifts depending on industrial needs and local agreements.
- Standard working hours in support and non-operational roles, with some flexibility in certain countries.
- Overtime regulated and limited by regulations and/or agreements, used as a temporary rather than structural tool.
- Hybrid or remote working arrangements for eligible positions (mainly office roles), subject to internal policies and defined attendance requirements.

The organization of working time is regulated through collective agreements and/or national labor frameworks, supplemented by internal rules (e.g. internal regulations) and, where applicable, specific work-from-home policies.

In some countries, the labor framework introduces progressive changes (e.g. gradual reductions in maximum working hours), which require planning and social dialog for their implementation.

Policies for managing absenteeism

- **Clear attendance policies:** Well-defined attendance policies are established that specify expectations and procedures for reporting absences.
- **Supportive sick leave:** We provide adequate sick leave to ensure that employees can recover without the pressure to return to work before they are ready.
- **Return-to-work programs:** We implement return-to-work programs to support employees in their transition back to work after a prolonged absence.

In 2025, absenteeism hours were reduced by (37)%, from 838,572 in 2024 to 532,110 in the current year.

Hours of absenteeism by country

| | 2024 | 2025 |
|--------------|----------------|----------------|
| Spain | 473,236 | 275,364 |
| Portugal | 102,771 | 97,837 |
| Romania | 145,520 | 81,716 |
| Turkey | 31,384 | 22,289 |
| Brazil | 46,514 | 18,717 |
| Chile | 37,712 | 33,468 |
| Argentina | 1,434 | 2,719 |
| Total | 838,572 | 532,110 |

Measures to facilitate work-life balance

We recognize and promote the right to disconnect from digital devices in line with the applicable regulations in each country and with our work-life balance principles. As a general rule, we encourage reasonable use of digital tools, avoiding work-related communications outside of working hours and during periods of rest (vacations, holidays, leave, or sick leave), except in urgent or exceptional situations that are duly justified.

In some countries, disconnection is explicitly included in legislation. In others, it is applied through internal best practices or by reference to the general principles of separation between work time and rest time. The policy is rolled out through internal communications or information campaigns and, where applicable, is included in internal documentation (e.g. internal regulations, teleworking policies) and is supported by managers and HR teams for monitoring purposes.

We also consider the right to shared parental responsibility and family care to be particularly important and worthy of protection, which is why we have developed specific measures in this area:

- **Equal parental leave:** We ensure equitable parental leave benefits for both parents.
- **Flexible work for parents:** We offer flexible work options for parents, including part-time work and job sharing.
- **Childcare support:** We provide access to childcare services or subsidies to help parents balance their work and family responsibilities.
- Paid and unpaid leave for childcare and family care, in accordance with local legislation.
- Additional benefits related to family welfare (depending on the country), such as health insurance or other assistance.

As for measures aimed at facilitating work-life balance for parents, in 2025, 62 people – 44 men and 18 women – took maternity/paternity leave, of whom a total of 41 returned to work. The return-to-work rate was 66%.

Employees who took paternity/maternity leave

| | 2024 | | | 2025 | | |
|---|------|-------|-------|------|-------|-------|
| | Men | Women | Total | Men | Women | Total |
| Employees entitled to maternity/paternity leave | 263 | 327 | 590 | 27 | 44 | 71 |
| Employees who took maternity/paternity leave | 265 | 327 | 592 | 18 | 44 | 62 |
| Employees who returned to work after taking leave | 125 | 25 | 150 | 18 | 23 | 41 |



Talent development

Talent development policies

We promote the professional and personal growth of our employees at all levels of the organization, fostering a dynamic and accessible learning environment. We encourage internal mobility, continuous feedback, and collaborative learning through experiences, exposure, and structured training in accordance with the 70-20-10 model.

Our values of Caring, Collaborating, and Creating Excellence guide all development initiatives, ensuring that each person can reach their full potential and actively contribute to the company's strategic objectives. We promote a culture of continuous learning supported by advanced technological tools, partnerships with training entities, and programs designed to strengthen current and future capabilities.

Performance management

- **Regular evaluations:** We conduct performance evaluations on an annual basis, including goal setting, mid-year reviews, and final evaluations. This process combines the assessment of results ("what") with professional behaviors ("how") and forms the basis for feedback and decision-making regarding development.
- **Development plans:** Based on performance evaluations, individual development plans are drawn up that integrate training, exposure to new challenges, manager support, and learning activities aimed at strengthening key skills and preparing employees for future opportunities.

Professional development

- **Career development:** We have a professional development framework that connects different roles with clear career paths and opportunities for internal growth. Career Committees and talent review processes allow us to identify successors for critical roles and align opportunities with organizational priorities.
- **Mentoring and experiential learning:** We have mentoring programs, cross-functional exposure initiatives, and participation in strategic projects that allow employees to strengthen their technical, behavioral, and leadership skills.
- **Identification of training needs:** Training needs are collected annually through a global campaign channeled through the LMS. Business areas identify critical and strategic needs, which are validated with managers and the Learning & Development team to configure the annual Training Plan.
- **Global training catalog:** We offer training in soft skills, technical skills, regulatory compliance, corporate values, inclusive culture, and digital skills. The programs combine internal trainers, specialized external providers, face-to-face, virtual, and e-learning modalities, available in both English and local languages.

- **Digitization and recording of training:** The LMS platform consolidates all training activity, allowing each employee to view pending, in-progress, and completed courses, facilitating the management and analysis of learning.
- **Training impact assessment:** We assess the effectiveness of training through satisfaction (Level 1), knowledge acquisition (Level 2), and job application through deferred assessments for strategic programs (Level 3).

Professional growth and mobility

- **Career conversations:** Career conversations, integrated into the annual performance cycle, align individual aspirations with business priorities. These conversations allow us to identify mobility interests, discuss growth paths, and define personalized development actions.
- **Internal mobility:** We encourage mobility within the organization as a key tool for development. The combination of training, exposure to different environments, and management support allows employees to advance within their area or explore new roles.

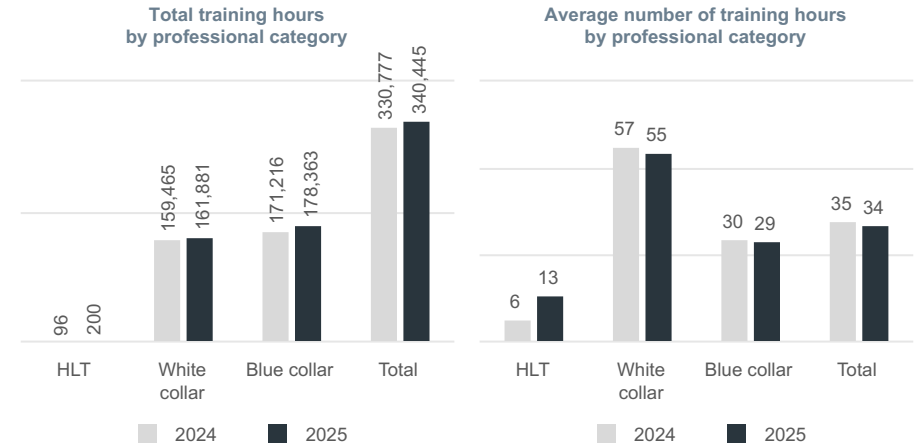
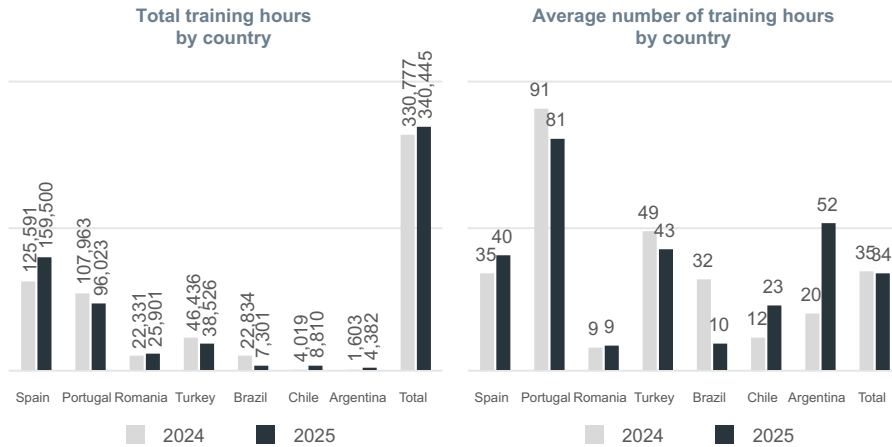
This year, we have continued to evolve our professional development processes, strengthening our talent planning system and the quality of career discussions between managers and employees. The percentage of staff with active individual development plans remains stable compared to the previous year (62%).

Employee training

In 2025, we devoted a total of 340,445 hours to training our employees, distributed across different countries and professional categories. On average, each employee received a total of 34 hours of training. This effort reaffirms our commitment to the comprehensive development of our workforce, ensuring that every employee has access to the tools necessary to reach their full potential.

The breakdown by country allows us to identify the regions where we have focused most resources, showing how we tailor our training initiatives to the specific needs of each location.

By professional category, we analyzed how we distributed training hours to meet the specific needs of each role within the organization, from operational positions to more strategic functions. Of the total 340,445 training hours, 52% corresponded to blue collar employees and 48% to white collar.

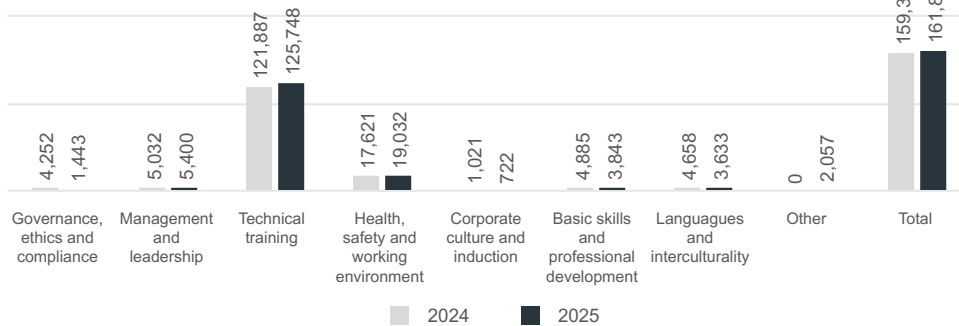


Both factory and office roles are important to our company, so we offer different training plans. Due to the diversity of our workforce's needs, they are based on professional categories:

▪ **White collar:**

- **Governance, ethics, and compliance:** aimed at reinforcing ethical behavior and regulatory compliance, as well as control, audit, risk management, and related legal systems.
- **Management and leadership:** aimed at developing leadership, management, and leadership skills, including planning and strategy, team management, executive communication, and decision-making.
- **Technical training:** provides the technical or functional knowledge and skills necessary to perform specific business and corporate roles (e.g. operations, engineering, quality, supply chain, purchasing, sales, finance, technology, or human resources).
- **Health, safety, and work environment:** aimed at preventing risks and promoting safe and healthy working conditions, including occupational health and safety, ergonomics, the environment, and the safety of the work environment and facilities.
- **Corporate culture and induction:** aimed at facilitating integration and cultural alignment, including induction to the company and the country, corporate values, and ways of working.
- **Languages and interculturality:** aimed at improving language skills and effective collaboration in multicultural environments.
- **Basic skills and professional development:** cross-cutting skills, knowledge, and behaviors to contribute effectively to the organization, including communication, general digital skills, change management, project management, and personal efficiency.
- **Other:** training that, due to its nature or lack of information, cannot be clearly assigned to the above categories.

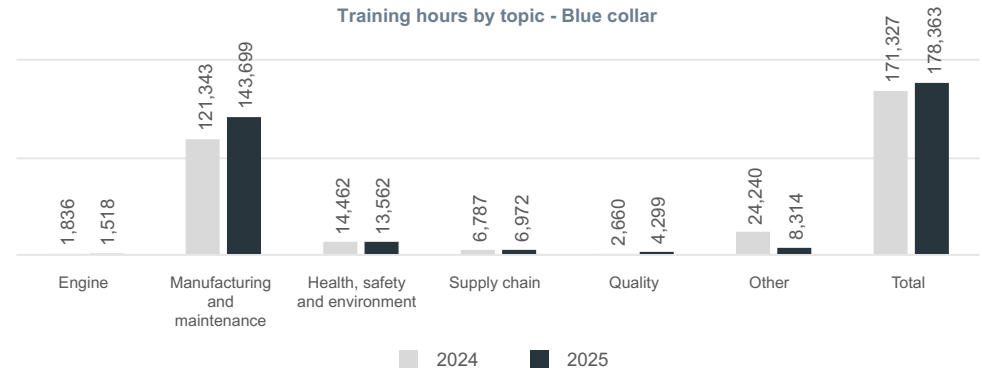
Training hours by topic - White collar



▪ **Blue collar:**

- **Engine:** Training in the design, development, and optimization of engines and transmission systems.
- **Manufacturing and maintenance:** Training in production processes, continuous improvement, and inspection, repair, and optimization of industrial equipment.
- **Health, safety, and environment:** Programs on regulations and practices to ensure safe, healthy, and sustainable work environments.
- **Supply chain:** Training in logistics, inventory management, and optimization of material and product flow.
- **Quality:** Training in quality control, regulations, and process improvement to ensure compliant products.
- **Other:** Training in talent management, professional development, safety, infrastructure maintenance, and procurement strategies.

Training hours by topic - Blue collar



Human Capital Return on Investment

Human Capital Return on Investment (HCROI) is an indicator that allows organizations to evaluate their ability to generate economic value from their investment in their workforce. This ratio provides an integrated view of financial performance and talent management by linking economic results to the resources allocated to people.

HCROI analysis facilitates understanding of how investment in salaries, benefits, and professional development contributes to the creation of business value. It thus becomes a relevant tool for evaluating operational efficiency and supporting decision-making in the area of people planning and management.

The following financial figures are used to determine it:

- **Total revenue:** total amount of revenue generated by the company before applying any deductions.
- **Operating expenses (OPEX):** the expenses arising from the company's ordinary activities, in line with the items included in the income statement.
- **Employee-related expenses:** costs directly associated with employees. This includes not only salaries, but also social benefits, pensions, training and development programs, as well as costs related to hiring and managing personnel.

HCROI results

| Concept | Unit | 2024 | 2025 |
|--------------------------------|-------|----------------|----------------|
| (A) Total revenue | Euros | €7,189,000,000 | €7,006,293,850 |
| (B) Operating expenses | Euros | €7,022,098,000 | €6,758,210,000 |
| (C) Employee-related expenses | Euros | €426,231,000 | €469,167,000 |
| HC ROI (A - (B - C))/C) | - | 1.39 | 1.53 |

Additional training

Leadership development

- **Leadership training:** We will offer specialized training programs for current and aspiring leaders, focused on developing leadership skills, including strategic thinking, team management, and effective communication.
- **Succession planning:** Succession planning is an integral part of our talent development strategy. We identify high-potential employees and prepare them for future leadership roles through specific development initiatives.



ESG training

Additionally, as part of our ESG 2030 Plan and our commitment to raising awareness about sustainable development, we maintain our goal of having ESG training available to 100% of employees by 2026. After developing our first sustainability training in video format in 2024, with content such as decarbonization, the circular economy, responsible purchasing, and human rights, in 2025 we took a significant step toward extending and adapting this content to the entire organization. We created a specific course for blue collar employees and organized viewing sessions that reached 100% of this professional category. During these sessions, both the general video and the new course on how operations can contribute to ESG performance were shown. As a result, in 2025 it is now available to 100% of the entire workforce, and the viewing rate has reached 84% of all employees.

Powering Talent Program

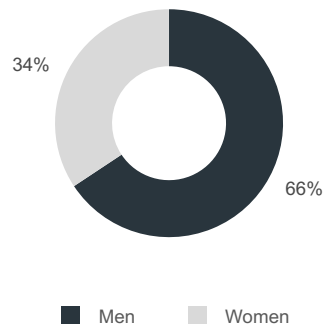
Through the “Powering Talent” training program, we contribute to the comprehensive development of new professionals who have been trained in STEM disciplines or technical skills. In its first edition in 2024, 36 places were offered in Valladolid, Seville, and Aveiro, with a monthly financial allowance. In 2025, the scope was limited to Spain, with 19 people joining in Valladolid, 10 in Seville, and 8 in Madrid. The program lasts 10 months, during which participants are offered an experience of learning about the company’s culture, developing interpersonal skills, and training in technical skills in different areas (industrial excellence, health and safety, quality, finance, product engineering, etc.). In addition, a pioneering reverse mentoring model is introduced, in which young professionals will share their perspectives and digital skills with senior leaders, promoting mutual learning and collaborative innovation.

Powering Talent is as an exceptional opportunity for young people looking to make a difference in the automotive industry, offering them a comprehensive platform for professional development and growth in a motivating, innovative, and sustainable environment. This experience seeks to help connect the academic world with the working world by providing participants with the tools and experiences necessary to start their professional careers. While the program helps attract and develop talent, it also contributes to building strong relationships with communities by promoting employment and the development of local talent.

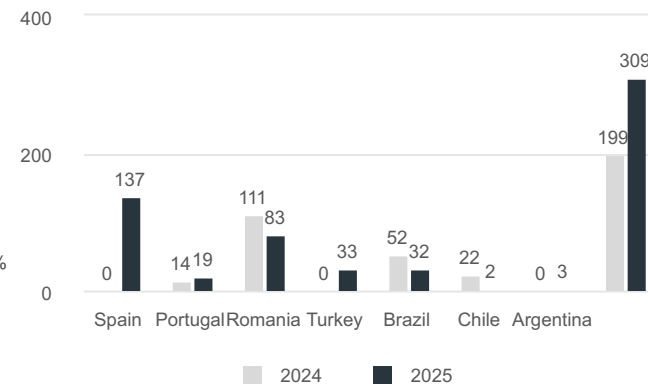
Talent mobility

We encourage internal mobility by providing opportunities for employees to move to different roles or departments within the organization. During 2025, a total of 309 positions were filled by internal candidates⁶. This figure represents 27% of vacancies that were filled by internal candidates. 66% were filled by men and 34% by women.

Distribution of new hires covered internally



New hires filled internally by gender



⁶ The data on positions filled by internal candidates in 2024 does not include Spain, as this information was not recorded.

Compensation and benefits

Our remuneration system is designed to attract, retain, and motivate our employees through fair and competitive compensation, which consists of two main components: fixed and variable remuneration. In 2025, we have strengthened the alignment between remuneration, performance, responsibility, and external competitiveness, consolidating a consistent and merit-based remuneration model.

Fixed remuneration:

- **Base salary:** All employees receive a base salary that is determined based on their role, experience, and market references. This salary is reviewed annually in April to ensure that it remains competitive. The review process incorporates both the results achieved (“what”) and the skills and behaviors demonstrated (“how”), reinforcing a comprehensive performance evaluation.
- **Benefits:** In addition to base salary, employees enjoy a comprehensive benefits package that may include health insurance, retirement plans, paid time off, and other specific benefits depending on their location and role. By 2025, progress has been made in standardizing benefits across countries, ensuring consistency with market practices and local regulatory compliance.

Variable remuneration:

- **Performance bonuses:** Employees are eligible to receive bonuses based on their individual performance and the company's performance, in recognition of their contributions to the overall success of the organization.

Policies to ensure fair remuneration and non-discrimination

We are committed to ensuring fair and equitable compensation for all our employees. Our policies to guarantee this include:

- **Regular market reviews:** We conduct periodic reviews to compare our salaries and benefits with industry standards, ensuring that our packages are competitive.
- **Transparent pay structures:** Our pay structures are clear and defined, with explicit criteria for salary levels, raises, and bonuses.
- **Equal pay for equal work:** We adhere to the principle of equal pay, ensuring that employees who perform similar functions and have equivalent levels of experience and responsibility receive comparable compensation, regardless of gender, race, or other personal characteristics.

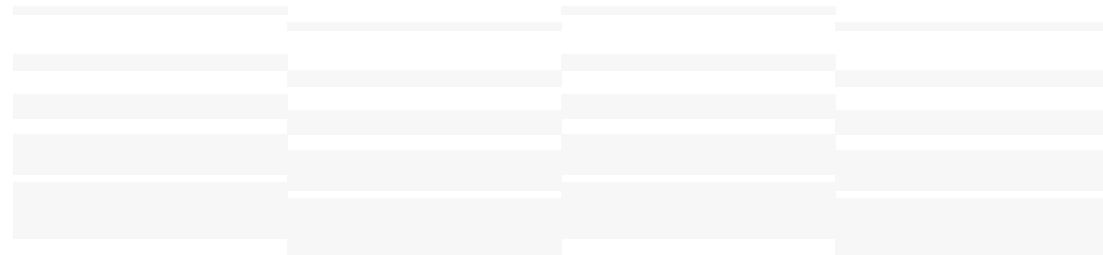
- **Non-discrimination policies:** Our policies ensure that all employment-related decisions, including compensation, are based on merit and performance, with zero tolerance for discrimination.
- **Employee feedback:** We encourage our employees to share their opinions on our compensation practices through surveys and focus groups, using this feedback to continuously improve our policies.

In 2025, pay equity controls were strengthened through centralized data reviews, comparative analyses between equivalent roles, and corrective plans in accordance with regulations where applicable. This year, the total cost of the workforce amounted to €469,167,000, a figure that highlights our dedication not only to creating jobs, but also to ensuring fair, competitive, and development-oriented working conditions for our employees.

Components of variable remuneration

Variable remuneration is designed to incentivize and reward performance at both the individual and collective levels, adapting to the different professional categories and responsibilities associated with each position. This system applies to all eligible individuals, including the HLT, white collar employees, blue collar employees (according to collective agreement), and also the CEO, whose incentive plan follows the same general principles. During 2025, 25% of the company's employees were eligible to receive variable compensation.

Variable compensation is structured around two main components: individual contribution and business results, whose relative weights vary depending on the level of responsibility and the impact of the role. At the individual level, we use an evaluation matrix that integrates both the achievement of objectives (“what”) and the way in which they are achieved (“how”), thus ensuring a meritocratic approach that recognizes the differential performance of each person.



The business-related component is calculated based on a set of corporate indicators that are common to all individuals subject to variable remuneration, including the CEO. These indicators are directly aligned with our strategic priorities and cover dimensions that are essential to the sustainable development of Horse Technologies. Specifically, we evaluate:

- GPTW (Great Place to Work score): level of commitment and work environment, compared to the strategic objectives set for the year.
- Safety (LTCR): evolution of the Lost Time Case Rate, reinforcing our absolute priority for the safety and well-being of our people.
- Free Cash Flow (FCF): cash generation capacity and financial discipline.
- EBIT: operating profitability.

The combination of these indicators ensures that variable compensation reflects both individual performance and contribution to the collective progress of the business.

In the case of blue collar workers, the variable compensation system is governed by applicable collective agreements and is usually linked to operational metrics such as safety, quality, energy efficiency, absenteeism, and other objectives defined in the agreement. Finally, certain management groups, including the CEO, also participate in a long-term incentive plan, aimed at strengthening the alignment between senior management, multi-year strategic objectives, and the creation of sustainable value.

Average remuneration

Starting in fiscal year 2025, we have incorporated a new calculation criterion for average remuneration, with the aim of aligning ourselves with the methodological requirements of the European Union Pay Transparency Directive (EUPTD). Under this new approach, average remuneration is calculated using the remuneration actually received during the year by each employee, incorporating all salary items paid: base salary, variable remuneration paid, other variable items, overtime, benefits in kind, and all other applicable remuneration elements.

This change represents an improvement on the criteria used in 2024, which was based on a theoretical annual remuneration consisting solely of base salary and target variable remuneration.

In order to preserve comparability between financial years, the data in accordance with the previous methodology is presented in the [Tables and additional information section](#). The results for 2025 according to the new criteria are included below, allowing for the establishment of a uniform starting point that is fully aligned with European regulations for monitoring in future financial years.

Average remuneration by professional category (base salary + variable)

| | 2025 | | Total |
|--------------|-----------------|-----------------|-----------------|
| | Men | Women | |
| HLT | 408,892 € | 311,532 € | 381,075 € |
| Managers | 63,981 € | 71,889 € | 65,328 € |
| White collar | 42,879 € | 40,106 € | 42,199 € |
| Blue collar | 27,961 € | 25,242 € | 27,481 € |
| Total | 36,267 € | 35,323 € | 36,081 € |

Average remuneration by age group and professional category (base salary + variable)

| | 2025 | | | Total |
|--------------|-----------------|-----------------|-----------------|-----------------|
| | <30 | 30-49 | >50 | |
| HLT | - € | 321,792 € | 414,010 € | 381,075 € |
| Managers | 28,600 € | 61,341 € | 79,398 € | 65,328 € |
| White collar | 32,040 € | 42,345 € | 47,411 € | 42,199 € |
| Blue collar | 19,752 € | 27,645 € | 30,820 € | 27,481 € |
| Total | 24,310 € | 35,716 € | 42,518 € | 36,081 € |

Average remuneration by gender (base salary)

| | 2025 | |
|----------------------|-----------|-----------|
| | Men | Women |
| Executive level | 213,958 € | 205,900 € |
| Management level | 48,837 € | 55,859 € |
| Non-management level | 26,590 € | 25,950 € |

Average remuneration by gender (base salary + variable)

| | 2025 | |
|------------------|-----------|-----------|
| | Men | Women |
| Executive level | 408,892 € | 311,532 € |
| Management level | 63,981 € | 71,889 € |



Gender pay gap: methodology and results 2025

In 2025, we have continued to deepen our transparent analysis of our gender pay gap as a key indicator of equal pay.

In line with the European Union Pay Transparency Directive (EUPTD), we have updated the criteria for calculating the gross gender pay gap to base it on the total remuneration actually received. This approach incorporates all items paid during the year (base salary, variable pay, other variables, overtime, benefits in kind, and other remuneration items).

In order to preserve comparability between fiscal years, the data presented in the [Tables and additional information](#) section is in accordance with the previous methodology.

Our commitment to equal opportunities and pay transparency is reflected in an overall gross gender pay gap of 2.60% in 2025

Gross gender pay gap by professional category

| Gender pay gap (%) | 2025 |
|--------------------|--------------|
| HLT | 23.81% |
| Managers | -12.36% |
| White collars | 6.47% |
| Blue collars | 9.73% |
| Total | 2.60% |

Adjusted gender pay gap (by group)

In addition, we have conducted an adjusted gender pay gap analysis with the support of an external consulting firm, which controls for structural factors to isolate the portion not explained by objective differences in our workforce. In a direct comparison between professional categories, the adjusted gap is lower than the gross gap in both 2024 and 2025, indicating that a significant part of the differences observed can be explained by variables such as professional level or type of position.

The overall adjusted gap is higher than the gross gap, mainly due to the uneven distribution of women and men across professional levels: the levels with the largest gaps have more relative weight in the overall calculation, which raises the total adjusted figure. Even so, the fact that each group shows a smaller adjusted gap than the gross gap confirms that our structural levers – such as career management, salary review processes, and role assignment – are key to continuing to close the gap.

The adjusted pay gap model used is statistical in nature and allows the pay difference to be estimated once these variables have been factored.

Adjusted gender pay gap (%)

| | 2025 |
|---------------|--------------|
| HLT | 11.14% |
| Managers | 1.86% |
| White collars | 5.22% |
| Blue collars | 5.68% |
| Total | 5.81% |

For the adjusted calculation, we have considered, among others, the following variables: gender, total remuneration received, seniority (years), age (years), legal entity, job category (grade), whether or not covered by a collective agreement, participation in the salary review campaign for the year analyzed, organizational role, and performance in the previous year.

Social benefits

In addition to the remuneration package we offer, employees can opt for other voluntary social benefits. These include health and life insurance, which is 100% subsidized by the company, as well as a pension plan to which the company contributes 4% of the employee's gross annual salary, with the employee contributing an additional 2%. The following table details the percentage of employees who have signed up for each of the benefits we offer.

Percentage of employees covered by social benefits

| Type of benefit | 2024 | 2025 |
|------------------|------|------|
| Health insurance | 98 % | 81 % |
| Pension plan | 65 % | 33 % |
| Life insurance | 64 % | 72 % |
| Car insurance | 2 % | 4 % |

Social dialog and labor rights

The basis of trust is transparency, one of the elements we have been working on most intensively since Horse Technologies was established. To create this trustworthy environment, it is important for employees to be actively involved at all times and at all levels, convinced that their contribution will help us grow and become a better place to work every day.



Information sharing

- **Regular updates:** We provide frequent updates on company performance and relevant changes through meetings, newsletters, and the intranet.
- **Transparent communication:** We maintain open and clear channels to ensure that employees are informed about decisions that affect them.
- **Formal meetings with employee representatives:** We hold regular meetings with unions as part of the established formal channels of dialogue.
- **Town halls and leadership meetings:** We organize town hall sessions for supervisors and managers to ensure the consistent transmission of key information.
- **Informal channels of dialogue:** We facilitate meetings in more relaxed settings with union representatives to encourage open and constructive dialogue.



Consultation processes

- **Employee surveys:** We conduct regular engagement surveys to gather feedback on development needs and preferences. This feedback is used to tailor our talent development programs to the needs of our workforce.
- **Focus groups:** We organize focus groups to delve deeper into specific topics, fostering a collaborative approach to problem solving.
- **Industrial sustainability criteria:** Collective agreements are designed with a focus on long-term operational stability, continuity of investment, and responsible industrial competitiveness.
- **Country-specific approach:** Each country applies its own model of social dialog, in line with its labor framework, bargaining tradition, union maturity, and visibility of industrial plans.



Participation mechanisms

- **Employee committees:** We establish committees focused on areas such as health and safety, diversity and inclusion, and employee engagement, allowing employees to participate in decision-making.
- **Inclusive leadership:** We promote leadership programs focused on active listening and participation, strengthening dialog at all levels, especially among middle management and front-line teams.



Feedback channels

- **Open-door policy:** We foster an environment where employees can approach management with concerns and suggestions at any time.
- **Reporting portal:** We provide a secure and confidential portal for employees to report inappropriate behavior or policy violations without fear of retaliation.
- **Direct consultation on site:** We complement existing channels with additional mechanisms for dialogue and consultation in the workplace, reinforcing closeness and trust.

Key milestones for 2025 in health and safety within the agreements

In 2025, collective agreements enabled the consolidation of occupational health and safety frameworks governed jointly by the company and employee representatives, reinforced by:

- Standardized consultation cycles at all plants.
- Mandatory periodic training in ergonomics, accident prevention, and safe operation.
- Integration of the Wellbeing Plan at the plant level as a shared priority.
- Transparent indicators for continuous monitoring and review.



Health and safety

Safety standards: Procedures are defined to maintain a safe working environment, including the use of protective equipment and safety training. **Health and safety committees:** Committees are established to monitor and address safety concerns.



Working conditions

Working hours and breaks: Provisions are established regarding standard working hours and breaks to ensure a healthy work-life balance. **Paid leave policies:** Policies regarding various types of leave, including vacation and sick leave, are detailed.



Compensation and benefits

Wages and salaries: Agreements establish wage scales and criteria for bonuses and incentives. **Benefits:** Benefit packages are specified, including insurance and retirement plans.



Job security and professional development

Workplace safety measures: Protections against unfair dismissal and to ensure fair treatment in workforce restructuring. **Training and development:** Commitments to provide ongoing development opportunities for employees.



Equality and non-discrimination

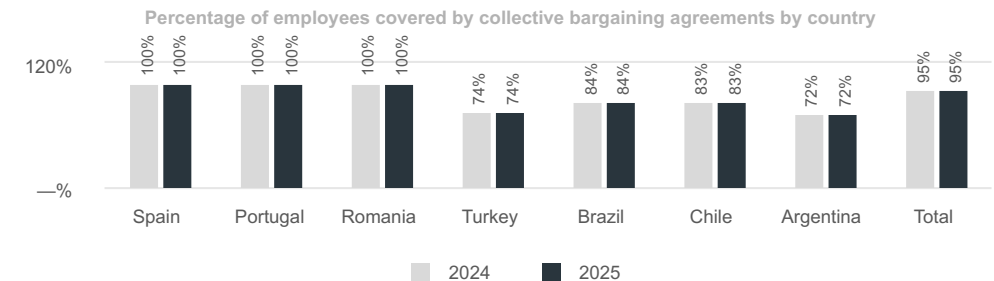
Equal opportunities: Provisions to ensure equal opportunities in employment. **Anti-discrimination policies:** Clear regulations to prevent and address discrimination and harassment.

95% of our workforce is covered by collective bargaining agreements that guarantee the protection of their labor rights and access to formal social dialog mechanisms. For staff who are not covered by these agreements, we actively promote the possibility of freely discussing working conditions through established channels, depending on the country. In addition, we always act in accordance with the principles included in the conventions of the International Labor Organization (ILO).

At the Madrid headquarters, employees have open access to discuss work-related issues directly with Human Resources Business Partners (HRBPs). In Turkey, Brazil, Chile, and Argentina, white collar employees can initially address their concerns with their direct supervisors and, secondarily, with HRBPs. These mechanisms ensure that all workers, regardless of their coverage by collective bargaining agreements, have adequate spaces to express and discuss their working conditions.

Collective bargaining agreements

Collective bargaining agreements are essential to ensuring fair and consistent treatment for employees. By implementing these mechanisms and procedures, we seek to create an inclusive work environment where all employees feel valued and empowered to contribute to the success of the company. Specifically, topics commonly addressed in collective bargaining include:



Equal treatment and diversity management

At Horse Powertrain, we believe that everyone should have the same opportunities to succeed. We are committed to creating a workplace where all people have equal access to opportunities, are treated with respect, and can develop their full potential.

This means creating a work environment where decisions are based on objective criteria linked to performance, skills, and potential, eliminating any form of direct or indirect discrimination.

Equal opportunity policies

Selection and hiring

Our processes are designed to ensure equal opportunities and freedom from bias for all candidates, regardless of gender, race, or age.

Professional development

We ensure equal access to training and development opportunities, allowing all employees to advance their careers based on merit.

Anti-discrimination policy and diversity management

Zero tolerance

We have a zero-tolerance policy toward discrimination of any kind.

Reporting mechanisms

Employees can report cases of discrimination through a confidential portal; all complaints are investigated and appropriate action is taken.



Challenges in promoting gender diversity in the automotive industry

Promoting gender diversity in the automotive industry represents a significant challenge due to structural factors within the sector. Among the main challenges are:

- Limited external pipeline: Technical and manufacturing roles continue to be highly male-dominated, reducing the availability of female talent for critical positions and complicating the creation of balanced teams.
- Educational gap in technical university degrees (STEM): The lower representation of women in technical and scientific degrees conditions their presence in industrial sectors, contributing to lower participation in areas of engineering, production, and maintenance.
- Internationally recognized sectoral imbalance: Comparative data show that women represent approximately 22% of the European manufacturing workforce, compared to 41% of the overall labor market, reflecting the persistence of a structural gap in these professions.
- Biases and stereotypes associated with technical roles: Traditional perceptions persist that can hinder women's access to and progression in certain technical or industrial roles.
- Work-life balance in productive environments: The nature of shifts and schedules in certain operational areas can pose additional challenges for women with family responsibilities, requiring specific work-life balance measures.

Equality and diversity initiatives by country

Horse Technologies Spain Equality Plan

We reaffirmed our commitment to effective equality between women and men through the implementation of our first Equality Plan. This plan, which applies to all employees at our centers in Spain, has the primary objective of ensuring a work environment based on respect, inclusion, and tolerance, eradicating any type of discrimination.

The Equality Plan has been agreed and signed by all union branches and company management, reflecting a firm collective commitment. Additionally, it includes a protocol for situations involving sexual harassment and gender-based harassment, with specific measures to prevent and address these situations, regardless of who may be affected or involved.

This plan is valid for four years, overseen by a joint Monitoring Committee. This committee will be responsible for supervising the implementation of the measures, evaluating effectiveness, and ensuring compliance. This joint effort seeks to consolidate the company as an inclusive, safe, and committed place of equal opportunity. Specifically, our plan includes the following objectives:

Promoting gender equality

Promote and consolidate effective equality between men and women at all stages of employment.

Work-life balance and shared responsibility

Ensure a good work-life balance, promoting shared responsibility.

Equality in career advancement

Facilitate professional advancement in positions with gender underrepresentation, ensuring equality in selection.

Harassment-free space

Ensure a work environment free from sexual, verbal, or psychological harassment and establish guidelines for reporting such incidents.

Inclusive language

Promote the use of non-sexist, diverse, and inclusive language in communications.

Integration of women victims

Promote the employment of women who are victims of gender-based violence.

Non-discriminatory work environment

Promote a work environment free from any discriminatory behavior, respecting the dignity of all.

LGBTQI+ rights

Ensure equal treatment and non-discrimination on the basis of sexual orientation, gender identity, gender expression, or sexual characteristics.

Inclusion of workers

Ensure a safe and inclusive environment for all workers, regardless of their characteristics.

Compliance with principles

Ensure that everyone applies these principles and takes the necessary steps to prevent harassment in the workplace.

Equality and diversity initiatives by country

In addition to global commitments to equality, diversity, and inclusion, each country adapts these guidelines to its own legislative, social, and industrial framework, developing specific initiatives that reinforce corporate principles and consolidate a culture of respect, equity, and fair treatment for all people.

The following summary provides an overview of the main actions implemented locally in the different countries where we operate.

Portugal

- Explicit commitment to gender equality, with 20 nationalities represented and women in leadership positions.
- Active inclusion through job adaptation, medical/ergonomic support, and accompaniment for employees undergoing gender transition.

Romania

- An internal “zero tolerance” policy, with mandatory annual training and formalized reporting channels.
- A national guide to preventing harassment, featuring proactive measures, formal investigations, and disciplinary sanctions.
- Participation as a partner organization in the European “EQUAL HR” project to strengthen inclusive practices.

Turkey

- Equal pay for work of equal value and work-life balance measures such as: childcare for children aged 0-6, a lactation room, and daytime shifts until the baby's first birthday.
- Succession plans that require the inclusion of at least one woman in each critical position.
- Inclusion of people with disabilities through sign language interpreters and paid leave on the International Day of Persons with Disabilities.

Brazil

- Selection processes that prioritize diversity and review by HR when the final selection falls on a male candidate.
- Inclusive leadership programs, such as HORSE PLURAL, and ongoing training in the Code of Conduct and whistleblowing channels.
- Accessibility measures: renovation of facilities, psychological support rooms, and physical rehabilitation programs.

Chile

- Current Inclusion and Diversity Policy and accessible reporting channels.
- Procedures for integrating pregnant employees and adapting infrastructure through new accessible spaces.
- Support measures for people with disabilities, including guidance on obtaining official credentials.

Argentina

- Practices for selecting candidates from a gender-balanced list and monitoring the pay gap during annual review cycles.
- Review of technical and ergonomic requirements in operational roles to encourage greater female participation in the future.

Measures to promote equal treatment and equal opportunities

To address these challenges, we have implemented several measures:

- Targeted recruitment: We actively seek to attract women to technical and leadership roles through partnerships with educational institutions and participation in job fairs.
- Anti-harassment policies:
 - Clear policies: We have policies prohibiting gender-based harassment, which are communicated to all employees.
 - Reporting and support: Employees can report harassment confidentially and receive support, including counseling and legal assistance.
 - Investigation and action: All reports of harassment are investigated immediately, and the necessary disciplinary measures are taken to prevent future incidents.

We strive to improve equality within the company. Currently, 20% of our global workforce is female, rising to 33% among the members of the HLT. Over the coming years, and taking into account the challenges and unique characteristics of our sector, we will continue to focus our efforts in this area and remain committed to equal treatment for all.

◦

Percentage of women by country

| Country | 2024 | 2025 |
|--------------|-------------|-------------|
| Spain | 16 % | 18 % |
| Portugal | 18 % | 18 % |
| Romania | 27 % | 27 % |
| Turkey | 10 % | 12 % |
| Brazil | 14 % | 16 % |
| Chile | 15 % | 11 % |
| Argentina | 5 % | 6 % |
| Total | 18 % | 20 % |

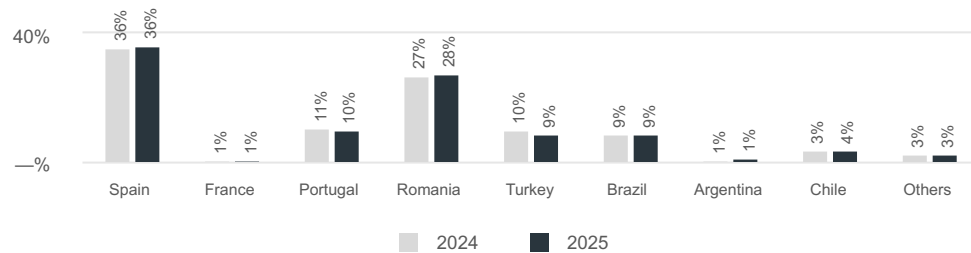
Percentage of women by professional category

| Professional category | 2024 | 2025 |
|-----------------------|-------------|-------------|
| HLT | 27 % | 33 % |
| White collar | 23 % | 25 % |
| Blue collar | 17 % | 17 % |
| Total | 18 % | 20 % |

Beyond gender diversity

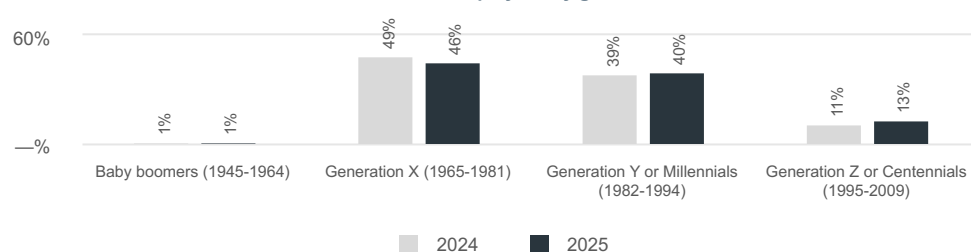
Our commitment to diversity extends to multiple dimensions that enrich our organization and strengthen our culture. The data presented below reflects a globally diverse workforce, with representation from multiple nationalities, which fosters dynamic cultural exchange and innovative perspectives. In addition, we have made progress in the inclusion of people with disabilities, consolidating our position as an accessible and equitable environment for all.

Breakdown of employees by nationality



In terms of generational diversity, our workforce ranges from Baby Boomers (1945–1964), who bring experience and stability, to Generation Z (1995–2009), which drives innovation and technological adaptation. Between these extremes, Generations X (1965–1981) and Y (Millennials, 1982–1994) play an essential role in fostering intergenerational connections, combining strategic skills with a vision focused on change, coupled with their extensive experience. This generational balance allows us to tackle challenges from multiple angles, ensuring sustainable and collaborative growth.

Breakdown of employees by generation



We firmly believe in the importance of building an inclusive and diverse work environment where everyone has the opportunity to reach their full potential and contribute their talents. During the period under review, we had a total of 114 employees with disabilities, representing 1.14% of our global workforce. The inclusion of people with disabilities is reflected in their participation across various areas of the organization and demonstrates our commitment to fostering an inclusive and accessible work environment for everyone.

Employees with disabilities by country

| Country | Number of employees with disabilities | | Percentage of the country total | |
|--------------|---------------------------------------|------------|---------------------------------|---------------|
| | 2024 | 2025 | 2024 | 2025 |
| Spain | 9 | 17 | 0.2 % | 0.4 % |
| Portugal | 19 | 21 | 1.6 % | 1.8 % |
| Romania | 17 | 18 | 0.6 % | 0.6 % |
| Turkey | 29 | 27 | 3.0 % | 3.0 % |
| Brazil | 27 | 28 | 3.8 % | 3.8 % |
| Chile | 3 | 3 | 0.9 % | 0.8 % |
| Argentina | 0 | 0 | — % | — % |
| Total | 104 | 114 | 1.09 % | 1.14 % |

Agreement between Horse Technologies and the Adecco Foundation to promote inclusion

In line with our commitment to diversity and as an alternative measure to meet the legal requirement for the employment of people with disabilities, we have signed a partnership agreement in Spain with the Adecco Foundation. This promotes the hiring of talent with functional diversity as part of the Diversity, Equity, and Inclusion Action Plan. Between 2025 and 2026, we will roll out an action plan that includes an assessment of the current level of inclusion, training on unconscious bias for recruitment teams, inclusive recruitment campaigns with specialized organizations, and adapted selection processes to ensure true equal opportunity. We will also organize awareness-raising events at our centers, including inspirational sessions like the one with racing driver Lydia Sempere, to promote positive role models and foster a more accessible and inclusive culture.

Health and safety

A robust health and safety (H&S) policy and management system are essential for protecting employees from the risks inherent in an industrial environment.

This commitment applies at all levels of the organization and is based on three principles:

1. Commitment from management, employees, and all companies that are part of the company's value chain.
2. Communication, education, and training for all employees.
3. Maintaining a management system that governs all operations, monitors performance, and fosters a commitment to continuous improvement, while complying with legal regulations and the company's own requirements.

Continuing the approach taken in previous years, we have tailored our H&S governance to the specific needs of each facility (participants, frequency and duration of meetings and workshops), and in 2025, we increased the number of staff dedicated exclusively to health and safety matters from 31 to 40.

Our commitment to workplace safety is based on a “Zero Accidents” philosophy

Results of the 2030 ESG Plan for the year 2025

As part of the second strategic pillar of our 2030 ESG Plan, “More positive impact”, we aim to be a safe and accident-free workplace. In 2025, we updated our performance indicators for 2030, focusing our “zero accidents” commitment on two key areas:

- Progress toward ISO 45001 certification: We have achieved a 63% certification rate across our facilities, compared to the 50% target set for 2025.
- Reduction in the Lost Time Case Ratio (LTCR): We achieved a 67% reduction compared to the 2024 baseline, far exceeding the 3% target set for 2025.⁷

Organizational model of the Health and Safety team



Global H&S Committee

A team responsible for developing and communicating sustainable policies and strategies. It is composed of the H&S managers from all plants, who then assess compliance at the local level with all relevant parties.



Local H&S Committee

A multidisciplinary team comprising representatives from all relevant departments – such as purchasing, manufacturing, human resources, health and safety, etc. – that addresses operational and day-to-day issues. Depending on the plant, the committee may cover the entire facility or a specific department.



Local representatives

Depending on their size, all plants have a designated team or individual responsible for overseeing compliance with H&S regulations, ensuring that procedures are properly implemented, as well as coordinating and collaborating with the global team.



Global representatives

Local teams receive support from the global team in troubleshooting issues, and the global team leads the collection and dissemination of best practices and the implementation of strategic initiatives.



Executive Management

Under the direct oversight of the CEO, senior management – both at the corporate and plant levels – oversees and supports H&S initiatives, ensuring that environmental considerations are integrated into the corporate strategy.

⁷ For more information, see the section [ESG 2030 Plan](#)

Health and safety system

Our key tool for strengthening our health and safety management system is based on the PDCA cycle (Plan, Do, Check, Act). This process allows us to anticipate and reduce risks, continuously improve our protocols, and ensure that we all work in a safe and healthy environment. By staying committed at every stage of the cycle, we work together to build a safer and more efficient workplace where we can all perform our duties with peace of mind and confidence.

Leadership and commitment

by senior and middle management to health and safety, promoting the active participation of all employees.

Training and awareness-raising

to ensure that all employees understand the risks and know how to handle them safely.

Communication and consultation

involving employees in safety-related decision making improves engagement and the adoption of preventive measures.

Risk assessment

to identify hazards, evaluate the likelihood and severity of risks, and establish preventive controls.

Inspections and audits

to verify compliance with regulations and the effectiveness of control measures.

Financial resources

to make necessary purchases, such as protective equipment for workers or safety devices for the machines they operate.

We use DuPont's Bradley Curve as a fundamental model in our health and safety strategy. Integrated into the PDCA cycle, it represents the stages of commitment and maturity in an organization's safety culture, from the reactive phase to the interdependent phase, where everyone actively collaborates to protect one another. This curve guides our progress toward an advanced safety culture, in which every employee, beyond simply complying with regulations, feels a sense of responsibility to ensure their own safety and that of their colleagues.

In addition to having a highly qualified team dedicated to occupational health and safety management, we allocate a significant portion of our resources and budget to ensure the effective implementation of safety policies and measures, as well as to provide ongoing training for our employees on occupational health-related topics.



Zero Accidents commitment

Our commitment to workplace safety is centered on the “Zero Accidents” philosophy: we strive to create an environment free of injuries where employees and contractors can perform their duties safely. This commitment is reflected in preventive measures, investment in training, and the enforcement of high standards in our operational processes.

In 2025, we continued working on the consolidation and formalization of our H&S policy, which is currently pending within our internal development and approval process. In the meantime, the corporate system of minimum requirements and operational procedures continues to guide the consistent implementation of health and safety across all our plants.

ISO 45001 Certification

Our commitment to safety is reflected in the implementation of our own system, which establishes mandatory minimum standards across all our facilities, regardless of the country, local legislation, or cultural differences. This robust system is fully integrated into our organization and is understood and applied at all levels – it serves as the foundation for our ongoing efforts to improve occupational health and safety.



In this context, we have chosen to certify our operations under the international ISO 45001 standard, which sets the highest standards for occupational health and safety management. In 2025, we made significant progress by certifying three additional plants – Valladolid, Seville, and Romania – and also obtaining certification for our R&D center in Romania, exceeding the target set for the year and bringing the percentage of certified plants to 63%. In 2026, we will continue to advance the implementation process to achieve certification at the remaining plants, with the goal of reaching 100%.

In 2025, 63% of our facilities are certified under the ISO 45001 standard for occupational health and safety.

Major health and safety risks

Prevention is a cornerstone of our approach to managing the risks inherent in our operations. We actively work to prevent or minimize potential consequences from the earliest stages of design, prioritizing solutions that eliminate or reduce risks at their source. When this is not possible, we implement measures such as maximizing distance from the risk, establishing physical barriers or effective protection systems, and ensuring that people have the appropriate protective equipment. In this way, we strengthen our ability to protect both people and our environment. Below are the main risks identified in our operations, with the aim of maintaining a proactive approach and ensuring their efficient management.

| | | | |
|---|---|---|--|
| <p>Mechanical hazards caused by jamming, cuts/blows, and falls on the same or different levels.</p> | <p>Ergonomic risks associated with repetitive movements and/or the handling of loads.</p> | <p>Chemical hazards due to direct contact and/or inhalation of fumes.</p> | <p>Risks caused by hazardous energy sources, such as electrical, hydraulic, and/or pneumatic systems</p> |
| <p>Vibrations</p> | <p>Noise</p> | <p>Psychosocial risks</p> | <p>Other industrial hazards, such as fires and explosions</p> |

Worker safety and well-being

Monitoring and analyzing key health and safety indicators is essential for evaluating our performance and establishing plans for continuous improvement. Below are the key areas we focus on in our health and safety management.

We also set ambitious goals to reduce our frequency and severity rates, in line with our commitment to continuous improvement and the creation of safe work environments. These goals are periodically reviewed and adjusted based on the results obtained and the action plans implemented.

Lost Time Case Ratio (LTCR)

We track the Lost Time Case Ratio (LTCR) as our primary performance indicator for accident rates. The LTCR measures the frequency of lost-time accidents relative to the total number of hours worked⁸. This indicator is included as a target in our 2030 ESG Plan. We have set a reduction target of -17% by 2030. As an interim milestone, we have met the -3% reduction target for 2025, achieving a result of -6%. To provide a transparent view of safety performance across all our operations, the LTCR results by plant for the years 2024 and 2025 are presented below.

LTCR performance by plant

| | 2024 | 2025 |
|----------------|-------------|-------------|
| Madrid | 0.01 | 0.00 |
| Valladolid | 0.01 | 0.28 |
| Valladolid R&D | 0.01 | 0.00 |
| Seville | 3.00 | 0.00 |
| Portugal | 2.70 | 1.65 |
| Romania | 0.20 | 0.20 |
| Romania R&D | 0.01 | 0.00 |
| Turkey | 0.01 | 0.46 |
| Brazil | 0.01 | 1.89 |
| Brazil R&D | 0.01 | 0.00 |
| Chile | 15.30 | 0.92 |
| Argentina | 0.01 | 0.00 |
| Total | 1.47 | 0.49 |

Accident rates

Own workers

In 2025, a total of 11 work-related accidents resulting in lost-time absences were reported, of which 9 involved men and 2 women. This breakdown underscores the need to continue implementing measures tailored to the specific conditions of each position and work group. A total of 32 occupational illnesses were detected during the year, with 21 cases among men and 11 among women. These results highlight the importance of continuing to strengthen our initiatives regarding ergonomics and healthy working conditions. Regarding fatal accidents, none were recorded in either 2024 or 2025.

| | 2024 | | | 2025 | | |
|---|------|-------|-------|------|-------|-------|
| | Men | Women | Total | Men | Women | Total |
| Work-related accidents resulting in sick leave ⁹ | 24 | 7 | 31 | 9 | 2 | 11 |
| Occupational illnesses | 36 | 7 | 43 | 21 | 11 | 32 |

⁸ The formula is as follows: LTCR = number of lost-time cases / total number of hours worked × 1,000,000

⁹ An error in the tally of occupational diseases for 2024 has been corrected, reducing the total from 44 to 43

Work-related accidents resulting in sick leave, by gender and country – own workforce

| Plant | 2024 | | | 2025 | | |
|------------------|-----------|----------|-----------|----------|----------|-----------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 1 | 3 | 4 | 1 | 0 | 1 |
| Madrid | 0 | 0 | 0 | 0 | 0 | 0 |
| Valladolid | 0 | 0 | 0 | 1 | 0 | 1 |
| R&D Valladolid | 0 | 0 | 0 | 0 | 0 | 0 |
| Seville | 1 | 3 | 4 | 0 | 0 | 0 |
| Portugal | 5 | 1 | 6 | 2 | 2 | 4 |
| Romania | 1 | 0 | 1 | 1 | 0 | 1 |
| Turkey | 1 | 0 | 1 | 1 | 0 | 1 |
| Brazil | 0 | 0 | 0 | 3 | 0 | 3 |
| Chile | 16 | 3 | 19 | 1 | 0 | 1 |
| Argentina | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 24 | 7 | 31 | 9 | 2 | 11 |

In 2025, we recorded frequency and severity rates of 0.6 and 43, respectively, reflecting the effectiveness of our preventive measures and the heightened awareness of our teams. These figures reflect the efforts made over the past year, as they represent a 67% reduction in frequency and a 60% reduction in severity.

Frequency rate¹⁰ by gender and plant – own workforce

| Plant | 2024 | | | 2025 | | |
|------------------|-------------|-------------|-------------|------------|------------|------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 0.2 | 3.4 | 0.7 | 0.2 | 0.0 | 0.1 |
| Madrid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Valladolid | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.3 |
| R&D Valladolid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Seville | 0.6 | 12.8 | 2.1 | 0.0 | 0.0 | 0.0 |
| Portugal | 2.8 | 2.2 | 2.7 | 1.0 | 4.1 | 1.7 |
| Romania | 0.3 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 |
| Turkey | 0.5 | 0.0 | 0.5 | 0.5 | 0.0 | 0.5 |
| Brazil | 0.0 | 0.0 | 0.0 | 2.3 | 0.0 | 1.9 |
| Chile | 22.4 | 15.3 | 20.9 | 1.5 | 0.0 | 1.3 |
| Argentina | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 1.6 | 2.0 | 1.7 | 0.6 | 0.5 | 0.6 |

Severity rate¹¹ by gender and plant – own workforce

| Plant | 2024 | | | 2025 | | |
|------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 47.6 | 255.8 | 77.3 | 58.0 | 0.0 | 49.2 |
| Madrid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Valladolid | 0.0 | 0.0 | 0.0 | 114.7 | 0.0 | 97.6 |
| R&D Valladolid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Seville | 152.0 | 952.8 | 252.1 | 0.0 | 0.0 | 0.0 |
| Portugal | 561.3 | 217.3 | 492.6 | 142.7 | 248.2 | 163.8 |
| Romania | 9.0 | 0.0 | 6.5 | 9.3 | 0.0 | 6.8 |
| Turkey | 0.0 | 0.0 | 0.0 | 15.7 | 0.0 | 14.1 |
| Brazil | 2.8 | 0.0 | 2.3 | 28.2 | 0.0 | 23.4 |
| Chile | 428.5 | 366.4 | 415.1 | 6.1 | 0.0 | 5.4 |
| Argentina | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 105.9 | 111.2 | 106.9 | 45.4 | 32.7 | 43.0 |

¹⁰ The frequency rate was calculated as follows: (Number of accidents resulting in lost time / Hours worked) * 1,000,000

¹¹ The severity rate was calculated as follows: (Number of workdays lost due to accidents / Hours worked) * 1,000,000

Contract workers

Tracking and analyzing health and safety indicators is essential for evaluating our performance and guiding our continuous improvement plans. This year, for the first time, we expanded the calculation of accident rates to include subcontracted employees working at our facilities, with the aim of gaining a more comprehensive view of our operational reality and strengthening prevention efforts throughout the workplace. In 2025, we recorded no fatal accidents among our subcontracted employees.

Accidents resulting in sick leave by gender and country – subcontracted employees

| Plant | 2025 | | |
|------------------|----------|----------|----------|
| | Men | Women | Total |
| Spain | 1 | 0 | 1 |
| Madrid | 0 | 0 | 0 |
| Valladolid | 0 | 0 | 0 |
| R&D Valladolid | 0 | 0 | 0 |
| Seville | 1 | 0 | 1 |
| Portugal | 0 | 0 | 0 |
| Romania | 0 | 0 | 0 |
| Turkey | 0 | 0 | 0 |
| Brazil | 0 | 0 | 0 |
| Chile | 0 | 0 | 0 |
| Argentina | 0 | 0 | 0 |
| Total | 1 | 0 | 1 |

Frequency rate¹² by gender and plant – subcontracted employees

| Plant | 2025 | | |
|------------------|------------|------------|------------|
| | Men | Women | Total |
| Spain | 2.9 | 0.0 | 2.6 |
| Madrid | 0.0 | 0.0 | 0.0 |
| Valladolid | 0.0 | 0.0 | 0.0 |
| R&D Valladolid | 0.0 | 0.0 | 0.0 |
| Seville | 7.7 | 0.0 | 7.0 |
| Portugal | 0.0 | 0.0 | 0.0 |
| Romania | 0.0 | 0.0 | 0.0 |
| Turkey | 0.0 | 0.0 | 0.0 |
| Brazil | 0.0 | 0.0 | 0.0 |
| Chile | 0.0 | 0.0 | 0.0 |
| Argentina | 0.0 | 0.0 | 0.0 |
| Total | 0.4 | 0.0 | 0.3 |

Severity rate¹³ by gender and plant – subcontracted employees

| Plant | 2025 | | |
|------------------|-------------|------------|-------------|
| | Men | Women | Total |
| Spain | 20.0 | 0.0 | 18.3 |
| Madrid | 0.0 | 0.0 | 0.0 |
| Valladolid | 0.0 | 0.0 | 0.0 |
| R&D Valladolid | 0.0 | 0.0 | 0.0 |
| Seville | 54.0 | 0.0 | 49.1 |
| Portugal | 0.0 | 0.0 | 0.0 |
| Romania | 0.0 | 0.0 | 0.0 |
| Turkey | 0.0 | 0.0 | 0.0 |
| Brazil | 0.0 | 0.0 | 0.0 |
| Chile | 0.0 | 0.0 | 0.0 |
| Argentina | 0.0 | 0.0 | 0.0 |
| Total | 2.8 | 0.0 | 2.1 |

¹² The frequency rate was calculated as follows: (Number of accidents resulting in lost time / Hours worked) * 1,000,000

¹³ The severity rate was calculated as follows: (Number of workdays lost due to accidents / Hours worked) * 1,000,000



Vision 2026

Consistency is key when it comes to health, wellbeing, and safety. That is why we continue to strengthen our Health and Safety system through a practical and continuous approach, supported by specific initiatives that enable us to build a robust culture of prevention and improve the wellbeing of our people. By 2026, our priorities will be focused on the following areas of action:

- Extend ISO 45001 certification to all our factories by the end of 2026.
- Implement artificial intelligence systems to monitor unsafe behaviors and conduct ergonomic assessments.
- Develop the “Our Life-Saving Behaviors” communication plan, aimed at promoting a strong, shared safety culture.
- Hold Safety Week in collaboration with the joint venture, incorporating multiple awareness campaigns focused on health and safety.
- Roll out an end-to-end digital application to monitor employee health metrics and support more targeted improvement campaigns.
- Conduct health campaigns in areas such as disease screening, nutrition, Pilates, physical therapy, and psychology.
- Implement a strategy to reinforce risk awareness and safe behaviors through training in risk identification, weekly activities/events, awareness sessions, and other initiatives.

Social contribution

Caring is one of Horse Technologies' core values, and we always take into account our impact on the environment and the improvement of living conditions in the communities where we operate. Through our social contribution guidelines – and specifically our social investment objectives – we seek to make a positive contribution in the regions where we operate.

As a result of the double materiality study, the following impacts, risks, and opportunities were identified for the ESRS S3 – Affected Communities:

| Impact materiality | |
|--|--|
| Positive impacts | Negative impacts |
| <ul style="list-style-type: none"> To promote the long-term economic and social development of the regions where the company operates. | <ul style="list-style-type: none"> Human rights impacts arising from the use of materials in the manufacturing of our products and operations, including the use of minerals and rare earth elements (such as conflict minerals) in the manufacture of engines and transmissions. |
| Financial materiality | |
| Risks | Opportunities |
| <ul style="list-style-type: none"> Delays from raw material suppliers resulting from conflicts with local communities and indigenous peoples. | (No material opportunities have been identified regarding the issue of affected communities) |

Key milestones for 2025 in Social Action

| Key facts | | |
|--|---|--|
| Social Action Guide | €412,404 | 39 |
| Development of a social action policy that prioritizes the empowerment of people and nature preservation | Approval of a €500,000 budget for social programs in 2025* | Initiatives aimed at making a positive impact on society |
| 2,547 | 9,675 | 7,592 |
| Volunteers have helped carry out these activities | Estimated number of beneficiaries reached through the actions taken | Volunteer hours |

* The difference between the approved budget and the investment in 2025 will be allocated in 2026 to complete those projects that were delayed in 2025



Guide to social contributions

Since Horse Technologies was founded, our mission has been to help address one of the world's greatest challenges: providing low-emission, inclusive mobility for everyone.

We aim to advance this mission by creating a positive impact on nature and people through social action and investments focused on two areas: preserving nature and empowering people.

To this end, we have developed a social action guide that follows the B4SI (Business For Societal Impact) standard and establishes **two priority areas of social contribution** for the company.

1. EMPOWERING PEOPLE



The first pillar aims to empower people through education, as the coming years will require industry professionals with technical and digital skills to transform mobility into a more sustainable and decarbonized model. Furthermore, training is a key to accessing decent work and a high quality of life. For this reason, Horse Technologies aims to support the training of young people, women, individuals over 55, and vulnerable groups in acquiring technical skills.

Mobility is a fundamental factor in people's lives, as it enables access to other basic services such as healthcare, education, food, and employment. For this reason, we aim to support projects that improve people's lives through transportation and mobility, such as initiatives that deliver essential goods to communities or facilitate the efficient movement of people in their daily lives.

2. NATURE PRESERVATION



The second pillar aims to generate a positive impact through biodiversity conservation, to help combat the scarcity of natural resources and biodiversity loss – one of the major global challenges today. Horse Technologies participates in projects that improve the environment and natural capital, such as ecosystem restoration, promoting the circular economy, and reforestation, while also contributing to the absorption of greenhouse gas emissions.

Through these areas, we seek to generate long-term positive impacts in the countries where we operate, with the potential to extend this scope to locations throughout our value chain.

The social investment guide follows our principles of social contribution:

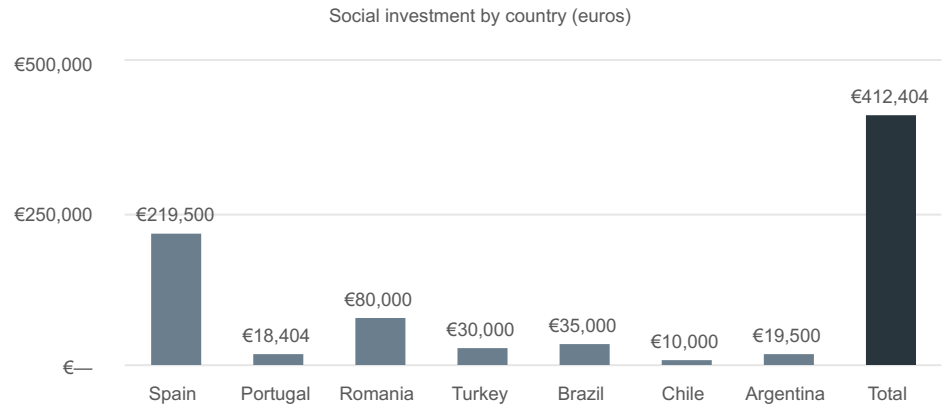
- **Positive impact:** contributing to improving people’s lives and preserving the environment in alignment with Horse Technologies’ business strategy.
- **Contribution to the Sustainable Development Goals (SDGs):** through social action initiatives, the company seeks to make the greatest possible contribution to selected SDGs.
- **Added value:** viewing social action as a voluntary and complementary contribution to its environmental, social, and ethical performance, consistent with the company’s business activities.
- **Commitment to sustainability:** collaborating with communities and third-sector organizations to build lasting partnerships and initiatives.
- **Stakeholders:** taking into account the expectations of its stakeholders, especially the needs of the local community.
- **Ethics:** allocating resources transparently and without contravening local legislation or the company’s code of ethics.
- **Employee collaboration:** fostering staff participation and involvement in both corporate initiatives and those involving other workplaces.
- **Transparency:** striving to align its social initiatives with the pillars defined at both the local and corporate levels, and rigorously, comprehensively, and transparently document and publish contributions to community investment.

One of the **goals of the 2030 ESG Plan** specifically focuses on social investment. As part of the Plan’s second pillar – Positive Impact on People – and with the aim of actively contributing resources, time, and expertise to improve the living conditions of communities, we have set a goal to invest 3 million euros in social action by 2030. Through this financial investment, we aim to fund and organize initiatives that generate positive and lasting effects in the regions where we operate.

Social initiatives

Throughout 2025, we have carried out local social initiatives in the seven countries where we operate. In total, we have implemented 39 initiatives aimed at making a positive impact on society. Furthermore, this year marked the first time we allocated a dedicated budget for this purpose, with a total investment of €412,404.

Social investment by country (euros)



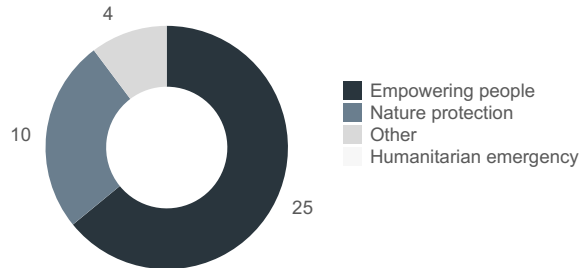
In 2025, we consolidated and expanded our social contribution program with the help of our ESG Ambassadors at our plants. We strengthened partnerships, increased the number of volunteer hours, and reinforced the pillars of Nature Conservation and Empowering People, which resulted in more initiatives, more volunteer work, and more people benefiting from our efforts. In addition, the increase in monetary donations has multiplied our capacity to provide support, significantly expanding the reach and impact of our community initiatives.

90% of the initiatives were found to align with the two pillars of social action outlined in the social investment policy, contributing to the empowerment of people and the preservation of nature. This was made possible by the employee volunteers who participated in the initiatives, with a total of 2,547 volunteers contributing to the implementation of these initiatives. In this way, not only has the commitment to contribute to social wellbeing been fulfilled, but the values of solidarity, teamwork, and social responsibility have also been fostered among the volunteer employees.

These social initiatives have been carried out both through internal organization and in collaboration with other associations. In total, we have collaborated with 35 associations, including government organizations, educational institutions, NGOs, and foundations, among others.

The implementation of these initiatives has generated a positive impact on an estimated total of 9,675 beneficiaries through the various actions carried out. The beneficiary groups include local communities, women, youth, children, and vulnerable groups, among others.

Local social initiatives by category



Evolution of social action 2024–2025 (percentage change):

| Total social initiatives | Number of volunteers | Beneficiaries | Partnerships with associations | Hours spent |
|---|---|---|--|--|
| 25.8% | 787.5% | 13.8% | 12.9% | 256.8% |
| Expanding the program's reach and impact. | A reflection of exceptional dedication. | Reaching more people through our initiatives. | Strengthening and diversifying partnerships. | Greater dedication and depth in the interventions. |

Total donations made (euros)

| | | 2024 | 2025 |
|--------------|----------|---------------|------------------|
| In kind | € | 21,555 | € 19,300 |
| Monetary | € | — | € 364,604 |
| Total | € | 21,555 | € 383,904 |

LOCAL SOCIAL INITIATIVES – SPAIN

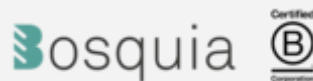


CORPORATE PROJECTS

REFORESTATION IN LA VID DE GORDÓN

Nature preservation


In La Vid de Gordón (León), a 5-hectare reforestation project, has been launched featuring various tree species, aimed at protecting the land, restoring biodiversity, and improving soil conditions. The initiative is being carried out in partnership with the Bosquia association, which has an agreement with the La Vid de Gordón Neighborhood Council, the landowner. The company is allocating €80,500 for site preparation, planting, and monitoring, and has promoted participatory volunteer activities for its staff. In terms of climate impact, an estimated 975 tCO₂ will be absorbed by the end of the project's lifespan. As part of the Caring for Nature pillar, the project generates value for local communities by combining ecological restoration, environmental education, and revitalization of the local environment.




80,500€
Financial contribution



150h
Volunteer hours



5 ha
Hectares reforested

WOMEN TECH


Empowering people



165.000€
Financial contribution



5
Countries involved



50
Beneficiaries

Horse Technologies, in partnership with Fundación Universia, is launching the Tech Her Future Scholarship Program to promote women's participation in STEM fields and support women in their higher education with a focus on employability. The call for applications prioritizes unemployed women and/or those with disabilities to reduce financial barriers and promote quality educational pathways, in line with the "Empowering People" pillar.

The program awards 50 scholarships of €2,500 and is open to candidates who are citizens of or reside in Spain, Portugal, Brazil, Argentina, or Chile. Selection will be conducted by a joint Fundación Universia–Horse Technologies committee, and the total budget for the initiative amounts to €165,000. Through this initiative, we reinforce our commitment to equal opportunities and female talent in STEM sectors.

**uni>ersia
FUNDACIÓN**

VALLADOLID PROJECTS



A FEMALE ENGINEER IN EVERY SCHOOL

Empowering people



N/A

Financial contribution



192

Volunteer hours



687

Beneficiaries

In Valladolid, we partnered with AMIT – Castilla y León Node on the “A Female Engineer in Every School” program, which introduces female role models in science and technology to students to encourage STEM careers and break down stereotypes from an early age. Through talks, workshops, and participatory activities, 48 volunteers shared real-life experiences from their work, highlighting diverse career paths and the value of R&D. The initiative promotes hands-on learning and academic guidance, building students’ confidence to explore science and technology disciplines. This partnership with AMIT reinforces our commitment to the full participation of women in science and helps create more inclusive educational pathways.



INCLUSIVE RUGBY TEAM

Empowering people

We reinforced our commitment to social inclusion and accessible sports by sponsoring the inclusive team of the El Salvador Rugby Club in Valladolid. The club, a national leader known for its history and deep community roots, actively promotes values such as respect, discipline, and fair play. Its inclusive division brings together more than 50 people with and without disabilities who participate year-round in training sessions and activities designed to foster equality and mutual learning. In addition to regular sports practice, talks, workshops, and roundtables were held in schools to raise awareness of diversity and strengthen the link between sports and education. We allocated €15,000 to the project, directly benefiting people from vulnerable groups and promoting healthy lifestyles, social cohesion, and the integration of inclusive values into the local sports ecosystem.



15,000€

Financial contribution



N/A

Volunteer hours



50

Beneficiaries



SEVILLE PROJECTS

ANTENNA REPLACEMENT IN THE SAN JERÓNIMO NEIGHBORHOOD

Empowering people



20,700€

Financial contribution



N/A

Volunteer hours



1,000

Beneficiaries

In Seville, we launched a project to streamline television infrastructure in the San Jerónimo neighborhood, replacing more than 1,500 individual antennas with 15 community antennas. The initiative, carried out in partnership with the San Jerónimo Neighborhood and Traders Association, sought to improve signal quality and enhance the urban landscape by removing obsolete equipment and reducing risks on rooftops. The project was funded with €20,700, allocated for technical design, the installation of shared antennas, and the safe removal of old equipment. Consolidating into community systems reduces maintenance costs, simplifies future interventions, and helps minimize electronic waste in the neighborhood.

GREEN SPACES AND IMPROVEMENTS IN THE SAN JERÓNIMO NEIGHBORHOOD

Empowering people

The community space improvement project carried out in Seville included painting and landscaping work to renovate shared areas and encourage their safe and enjoyable use by the neighborhood. The initiative, jointly led by Horse Technologies, UNEI – a specialized employment center – and the San Jerónimo Neighborhood and Traders Association, combined environmental impact with social value by promoting inclusive employment in the execution of the tasks. One of the main focuses was the creation of a green barrier designed to mitigate the visual impact on adjacent areas, organize the urban landscape, and promote biodiversity through adapted species. The project encompassed surface preparation, painting, planting, and maintenance of landscaped areas, as well as basic signage for their ongoing care.



13,300€

Financial contribution



N/A

Volunteer hours



1,000

Beneficiaries

LOCAL SOCIAL INITIATIVES – PORTUGAL



REFORESTATION OF FIRE-AFFECTED AREAS IN AVEIRO

Nature preservation

A reforestation day, to restore areas affected by wildfires in the vicinity of the Aveiro plant and within the industrial complex, was organized in partnership with Agora Aveiro. It involved planting 500 trees and mobilized 50 volunteers, who contributed 200 hours to an initiative aligned with the Caring for Nature pillar. Although the impacts are not immediate, benefits for local communities are expected through landscape improvement, soil protection, and the gradual recovery of biodiversity. The initiative reinforces our commitment to environmental restoration and the promotion of a culture of volunteerism in collaboration with local stakeholders.



3,500 €

Financial contribution



200h

Volunteer hours



N/A

Beneficiaries

HORSE AVEIRO SCHOLARSHIPS

Empowering people



7,404 €

Financial contribution



N/A

Volunteer hours



5,000

Beneficiaries

The Aveiro plant, in collaboration with the Joao Afonso School and the Cacia Social Center, developed three initiatives focused on children and young people under the Empowering People pillar. It supported the launch of a multisensory room for children with ASD, promoting sensory stimulation and a more inclusive learning environment. In addition, gymnastics equipment was provided and a FitCore structure was installed at an educational center, promoting physical activity and social interaction. A donation of preschool supplies was also made for the preschool-aged children of employees. Collectively, these initiatives benefited 5,000 children and young people, reinforcing our commitment to child development and equitable access to educational opportunities.

LOCAL SOCIAL INITIATIVES – ROMANIA



REFORESTATION INITIATIVE

Nature preservation

In line with our Nature Preservation pillar, we launched a forest restoration initiative in Romania, in partnership with the Argeş Chamber of Commerce and Industry, to restore tree cover, improve soil quality, and strengthen the ecological resilience of the environment. The initiative received €10,000 in funding for young trees, supplies, and logistics, and involved 35 volunteers, who reinforced the project's community dimension. The result is a direct benefit for local communities through new ecosystem services and the enhancement of the landscape, reinforcing our commitment to natural capital.



€10,000

Financial contribution



N/A

Volunteer hours



N/A

Beneficiaries

EQUIPMENT FOR A ROBOTICS COMPUTER LAB

Empowering people



€20,000

Financial contribution



N/A

Volunteer hours



176

Beneficiaries

We sponsored the creation of a robotics and computer science lab at Zinca Golescu High School, with the aim of bringing technological tools into the classroom and fostering the development of STEM skills among students, in line with the Empowering People pillar. The company allocated €20,000 toward the purchase of equipment and resources, ensuring the new space's operational readiness. In addition, 26 volunteers from the organization (working outside of regular business hours) helped set up the lab and supported teachers and students during the initial activities. In total, the initiative benefits 176 children and young people, expanding their access to quality technology education and helping to bridge gaps in access to advanced educational resources. This initiative strengthens our collaboration with the school and promotes future opportunities in disciplines key to the knowledge economy.

LOCAL SOCIAL INITIATIVES – TURKEY



WASTE SORTING ON WORLD ENVIRONMENT DAY

Nature preservation



€3,000

Financial contribution



100h

Volunteer hours



N/A

Beneficiaries

In Turkey, we launched an awareness campaign to mark World Environment Day, aligned with the Nature Preservation pillar. A waste sorting competition was organized among the manufacturing departments to promote proper waste separation and improve environmental habits in the workplace. The initiative culminated in recognition of the winning team and a €3,000 donation to Doga Arastirmalari, an organization dedicated to environmental conservation and ecological research. Concurrently, an internal awareness campaign on reduction, reuse, and recycling was carried out. In total, 100 volunteers dedicated 100 hours to promoting the contest and conducting informational activities, reinforcing cross-departmental participation and hands-on learning.



DAYCARE CENTER IN AN EARTHQUAKE-AFFECTED AREA

Empowering people

In an area affected by the earthquake, we supported the creation and equipping of an early childhood education facility to reestablish a safe and stimulating learning environment. The initiative, carried out in coordination with the Ministry of Education, made it possible to fully equip a daycare center with educational materials and supplies, facilitating educational continuity and the psychosocial well-being of the children. The company allocated €25,000 for the purchase and installation of resources, and eight volunteers dedicated 120 hours to setting up the space. The project directly benefits 30 children, improving their learning conditions.



€25,000

Financial contribution



120h

Volunteer hours



30

Beneficiaries

LOCAL SOCIAL INITIATIVES – BRAZIL



UNIFORM RECYCLING

Nature preservation and Empowering People

In Brazil, we launched the Uniform Recycling Program, a circular economy initiative that exchanges unused uniforms for new ones and transforms the retired garments into blankets for local communities. The project, developed in partnership with Performa and Retalhar, ensures that collection, sorting, sanitization, and textile processing are carried out according to quality standards. The initiative mobilized 700 employees, strengthening internal participation, and involved an investment of €2,300 for logistics and material production. As a result, blankets were donated to 100 people in local communities, reducing textile waste and strengthening the social fabric in line with the Caring for Nature and Empowering People pillars.



€2,300

Financial contribution



N/A

Volunteer hours



1,000

Beneficiaries

EMPOWERING WOMEN PROGRAM

Empowering people

The Empowering Women Program was created to address the socioeconomic vulnerability affecting women in local communities. In partnership with Sesi, the initiative offers practical training focused on employability and income generation, aligned with opportunities in the manufacturing and service sectors. The company allocated €6,600 to the development of these training activities, ensuring they are accessible to participants. In total, the program benefits 50 women, strengthening their skills, broadening their career prospects, and contributing to their economic independence. This initiative reaffirms our commitment to equal opportunities and socioeconomic inclusion through regional partnerships that drive sustainable impact.



€ 6,600

Financial contribution



N/A

Volunteer hours



50

Beneficiaries

LOCAL SOCIAL INITIATIVES – CHILE



RECYCLING OF ELECTRICAL AND ELECTRONIC EQUIPMENT

Nature preservation

In Chile, an e-waste management event was held for employees, their families, and nearby communities, in line with the Nature Preservation pillar. The initiative, organized in partnership with Pro Aconcagua and Bellbast, combined awareness-raising efforts with technical procedures to ensure the proper sorting, transportation, and authorized treatment of discarded equipment. Drop-off stations were set up at the plant, and the company allocated €4,500 to logistics and specialized services. Internal participation totaled 900 volunteer hours for operational support and sorting. In total, the initiative directly benefited 45 people from local communities, providing a safe avenue for responsible disposal and fostering a culture of shared environmental responsibility.



ACONCAGUA VALLEY DIGITAL TEXTBOOK

Empowering people



In partnership with ProAconcagua, we launched a digital edition of a school textbook on the Aconcagua Valley aimed at students aged 14 to 17 in public and private schools. The initiative adopted a “zero-paper” approach, offering digital academic materials that promote learning, a sense of place, and school integration with minimal environmental impact. The content, designed for use in the classroom and for collaborative activities, connects the curriculum with the local environment, fostering cultural engagement among young people. In total, the initiative benefited 1,200 children and young people, expanding their access to contemporary educational resources.



LOCAL SOCIAL INITIATIVES – ARGENTINA



BICYCLES ADAPTED FOR BLIND CHILDREN

Empowering people



€14,000

Financial contribution



N/A

Volunteer hours



20

Beneficiaries

We took part in an initiative to promote inclusive sustainable mobility by sponsoring adapted bicycles for children and young people with visual impairments, in partnership with the Ruedaconmigo Tandem Foundation. The initiative encourages the use of non-motorized active transportation and reduces barriers to physical activity, play, and community participation. With a contribution of €14,000, the company is supporting the manufacture and delivery of several units, expected to benefit 20 children and young people in vulnerable situations. The collaboration reinforces the Empowering People pillar, linking social innovation, accessible design, and equity in mobility solutions.



RECYCLING OF ELECTRICAL AND ELECTRONIC EQUIPMENT

Nature preservation



4,000

Financial contribution



N/A

Volunteer hours



N/A

Beneficiaries

We funded an electrical and electronic equipment recycling event aimed at workers, their families, and the local community. The initiative strengthened the culture of sustainability by setting up collection points for the safe disposal of unused devices and promoting their recovery in accordance with circular economy principles. The activity was carried out in partnership with Progeas Argentina, which provided technical support for the sorting and responsible transfer of waste to authorized waste management operators.



Partnership and sponsorship

We recognize the importance of the sector's collective development and the need to forge partnerships to address the challenges facing the automotive industry. For this reason, we actively participate in initiatives that promote economic and social development, collaborating with business and technology associations. Our involvement includes forums and organizations dedicated to driving innovation, improving quality, and strengthening the sector's sustainability.

We foster knowledge sharing and support educational programs, particularly in the area of dual technical and vocational training. This allows us to contribute to talent development and value creation in the communities where we operate.

At the institutional level, we maintain an ethical and transparent dialog with public administrations, associations, and other key entities, supporting the design of public policies that foster sectoral progress. Furthermore, we comply with European standards of transparency and accountability in our activities. We do not make contributions to national, regional, or local political campaigns.

With a total financial contribution of 208,017 € in 2025, compared to the 312,632 € contributed in 2024, we have supported the global organizations and associations on the next page:



Europe

Financial contribution (euros)

| Region | Name of the association | Mission of Horse Technologies | 2024 | 2025 |
|----------------|--|--|---------|---------|
| European Union | CLEPA | Advocacy for Horse Technologies' objectives in EU policy-making in Brussels | €31,500 | €31,500 |
| | e-fuel alliance | Advocate for Horse Technologies objectives in EU policy-making in Brussels, particularly on issues related to synthetic fuels (e-fuels). | €50,000 | €50,000 |
| Spain | Sernauto | Advocacy for Horse Technologies objectives in Spain, with a special focus on participation in the Responsible Business Commission. | €13,000 | €13,000 |
| | French-Spanish Chamber of Commerce | Participate in broader policy debates between France and Spain and partner with like-minded companies. | €4,500 | €4,500 |
| Romania | ACAROM | Association representing the automotive industry in Romania | €2,500 | €2,500 |
| | CCIA | Romanian Chamber of Commerce, representing Horse Technologies and the industry at large in policy debates. | €1,500 | €1,500 |
| Portugal | ACAP - Associação Automóvel de Portugal | Represents Horse Technologies in the public debate on the automotive industry in Portugal | €3,096 | €3,096 |
| | AIDA-ASS.INDUSTRIAL DIS.AVEIRO | Representation of Horse Technologies in regional development and policy in Aveiro | €71,828 | €718 |
| | AFIA ASSOCI FABRICANTES IND AUTOMOVEL | General association of the automotive industry representing us in Portugal | €2,800 | €2,800 |
| | MOBINOV ASSOCIACAO DO CLUSTER AUTOMOVEL | Representation of Horse Technologies in the Portuguese automotive sector | €3,200 | €3,200 |
| Turkey | Bursa organized industrial zone | Regional representation in public affairs | €37,865 | €37,865 |
| | Automotive Supplier Association | Horse Technologies representative in Turkey's national passenger car associations | €1,165 | €1,165 |
| | Uludag Automotive Industry exporters association | Represent Horse Technologies in the field of exports | €5 | €5 |
| | Bursa Chamber of Commerce | Facilitates engagement with local government | €203 | €203 |
| | Istanbul Chamber of Commerce | Facilitates engagement with the local government of the capital | €5,521 | €5 |

Latin America

Financial contribution (euros)

| Región | Name of the association | Mission of Horse Technologies | 2024 | 2025 |
|--------|---|---|---------|---------|
| Chile | ASIMET | The Association of Metallurgical and Metalworking Industries (A.G.) allows us to participate in the dialog between policymakers and industry regarding metal production and beyond. This is particularly relevant for gearboxes. | €3,000 | €3,000 |
| | French Chilean Chamber | It represents a broader industry that has business opportunities with France and Chile | €3,000 | €3,000 |
| | Spanish Chilean Chamber | The link between Chile and Spain helps us foster greater cooperation and mutual understanding regarding industrial challenges and opportunities. | N/A | €3,500 |
| | ProAconcagua | ProAconcagua is dedicated to promoting the sustainable development of the Aconcagua Valley, where Horse Technologies Chile is headquartered. This benefits our plant and the region. | €3,000 | €3,000 |
| | Sindipeças & Abipeças | Sindipeças is Brazil's largest association of suppliers and represents our sector in government bodies. | €31,440 | €29,532 |
| Brazil | Associação Brasileira de Hidrogênio e Combustíveis Sustentáveis (Brazilian Association of Hydrogen and Sustainable Fuels) | It represents Horse Technologies Brazil, among others, in political and business discussions on hydrogen and e-fuels, an important part of our business. | €8,359 | N/A |
| | AEA Associação Brasileira de Engenharia Automotiva (Brazilian Association of Automotive Engineering) | It represents Horse Technologies Brazil in broader political discussions regarding the Brazilian automotive industry. | €5,241 | €5,241 |
| | Hotmilk PUC PR | The Innovation Forum gives us greater visibility within Brazil's Innovation Ecosystem | €28,105 | N/A |
| | CREA - Conselho Regional de Engenharia e Arquitetura (Regional Council of Engineering and Architecture) | It represents us in regional debates (Curitiba, São Paulo) within the engineering sector. | €491 | €491 |
| | A.E.R - Associação Empresas Usuárias de RECOF e OEA (Association of Companies Using Recof and OEA) | An association aiming to be an active and collaborative institution and to represent Horse Technologies in the development of the Brazilian economy by contributing to the improvement of the RECOF regime and the Brazilian AEO Program. | €1,313 | €1,313 |
| | Amcham Brazil USA | Amcham provides us with a platform to represent our industry in debates related to relations between Brazil and the United States. | N/A | €6,883 |
| | | | | |

07

RESPONSIBLE BUSINESS

CONTENTS

Responsible purchasing

Ethics and good governance



Responsible purchasing

At Horse Technologies, we firmly believe that sustainable management begins long before the manufacturing of our engines and gearboxes. True transformation takes place upstream, where the materials, components, and services we use originate. For this reason, the concept of responsible purchasing has become an indispensable pillar of our sustainability strategy and a key element in ensuring the integrity, efficiency, and resilience of our business.

Our commitment to responsible purchasing involves selecting and collaborating with suppliers who meet high environmental, social, and governance (ESG) standards. This means ensuring that all partners in our supply chain operate under principles such as respect for human rights, environmental protection, business ethics, workplace safety, and transparency.

As a result of our first double materiality assessment, we present below the identified impact for ESRS S2 – Workers in the Value Chain:

Impact materiality

Positive impacts

- (No positive impacts have been identified for the topic of "Workers in the value chain")

Negative impacts

- Lack of protection for human rights and the conditions of workers in the value chain due to suppliers' failure to comply with working conditions, international standards, or due diligence requirements, and limited visibility of Tier-N suppliers.

Financial materiality

Risks

(No material risks have been identified for the topic of "Workers in the value chain")

Opportunities

(No material opportunities have been identified for the topic "Workers in the value chain")



Our suppliers

The supply chain in the automotive components manufacturing sector is characterized by extreme complexity, stemming from the globalization of the supply chain, the large number of parts that make up a vehicle, and the multi-tiered supplier structure. Globalization has provided access to specialized technologies and reduced costs, but it has also increased risks and exposure to external disruptions.

In this context, we focus on improving transparency, diversifying suppliers, digitalizing logistics processes, and strengthening resilience through closer collaboration with key suppliers.

Overview and structure of the Purchasing department

Throughout 2025, the Procurement function at Horse Technologies has continued to play a strategic role in aligning our sourcing operations with the ESG commitments and objectives outlined in the 2030 ESG Plan, while also making progress in establishing our own framework for supplier management and qualification.

Purchasing is responsible for the comprehensive management of the supplier lifecycle, from the identification and selection phase, through qualification and sourcing, to mass production and end-of-life. This activity is carried out in a cross-functional manner with the rest of the company's functions (e.g., engineering, finance, ESG, manufacturing, supply chain, sales, legal, quality, among others) through cross-functional committees.

The organization is led by the Chief Purchasing Officer (CPO) and is structured along the following main lines:

- Two departments responsible for direct material purchases,
- A department for indirect purchases and digital transformation,
- A department for operational excellence, which includes processes and procedures, risk management, cost optimization, and training.

This framework not only ensures the sustainability of our business but also fosters the creation of shared value throughout the supply chain.

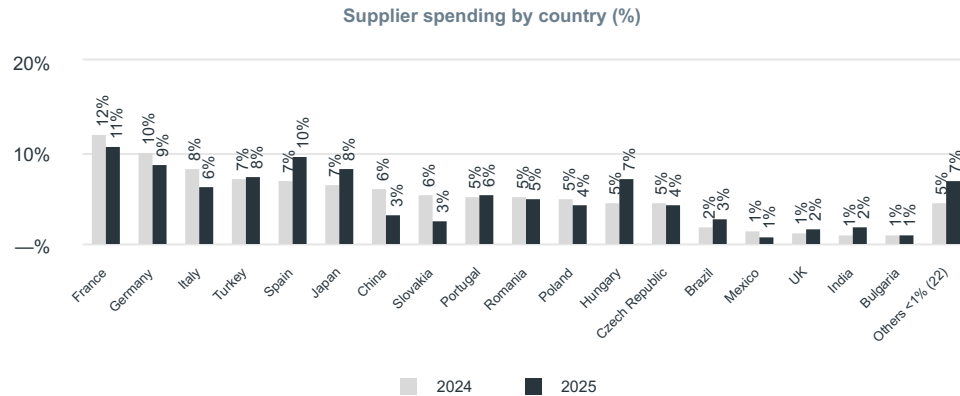
Supplier journey

- 1 Search**
Search for suppliers that align with our strategy. We assess whether the supplier is eligible for inclusion in the panel.
- 2 Certification (Panel)**
Supplier approval is required in order to compete for our contracts. This decision is made by the Horse Panel Committee.
- 3 Supply**
Selecting the most suitable supplier for a purchase
- 4 Mass production**
Commissioning of the purchased product

Transparency in supplier management

To provide greater transparency regarding the management of our supply chain, we present the following 2025 supply chain data:

Total spending on direct suppliers¹⁴ in 2025 reached €4,896 million, an increase of 7% from €4,581 million in 2024, reflecting the global scale of our operations and Horse Technologies' commitment to developing a robust and sustainable supply chain. Below is a breakdown of total spending on suppliers by country:



In 2025, payment management remained in line with industry standards, with an average payment period of less than 45-60 days. The total of 343 supplier groups that partnered with Horse Technologies reflects a diversified network aligned with our strategic sustainability goals. Specifically, 94% of these suppliers account for the top 100 in terms of our revenue.

In addition, supporting local suppliers is key to fostering regional development and minimizing the environmental impact of transportation. In 2025, Horse Technologies allocated 16% of its total spending to suppliers in countries where it operates production facilities, down from 27% in 2024. This approach not only benefits local communities but also strengthens our long-term business relationships.

¹⁴Direct suppliers include those that provide parts and components used in the products we manufacture. Indirect purchases refer to the goods and services that Horse acquires that are not included in the final product we sell to our customers.



Supplier approval system

Our supplier approval system ensures that all our business partners meet the required standards before we enter into contractual relationships with them. This structured process ensures that our suppliers are aligned with our values and objectives, promoting transparency and sustainability throughout our supply chain.

Quality assessment criteria

Supplier approval is based on a detailed evaluation using QCDDMSR criteria. These criteria enable us to comprehensively evaluate suppliers and ensure that they meet the expected standards. Approval is carried out through a supplier panel, which consists of a global list of suppliers approved to develop or supply raw materials in different geographic regions.

| | Q Quality | C Cost | D Delivery | D Development | M Management | S Sustainability | R Risk |
|----------------|---------------------------------|------------------------|---------------------------------|---|--|--|------------------------------|
| Responsibility | Quality and purchasing | Purchasing and costing | Supply Chain | Engineering | Purchasing | ESG Team | Purchasing, Quality, Finance |
| Purpose | Quality verification and audits | Competitiveness | Delivery Performance Evaluation | Development and innovation capabilities | Open and transparent, Cooperative, Long-term oriented, Strategy and footprint consistent with Horse Technologies | Sustainability and evaluation of the decarbonization roadmap | Overall risk assessment |

Certification process from an ESG perspective

We are committed to implementing and rolling out our 2030 ESG Plan across the entire value chain, working alongside our suppliers under a philosophy of shared progress, ensuring that environmental, social, and governance standards are integrated into all our purchasing and production activities.

In 2025, the certification process maintained its phased structure, with the key milestones being the global approval of Horse Powertrain and the progressive implementation of our ESG Standards for Suppliers and Partners, which have begun to replace the legacy requirements of the Renault Group.

With this approach in mind, we have prioritized working with suppliers who share our values and ethical standards, with a focus on:

- The safety and quality of products and services and their importance to the business.
- Excluding from contracting those who do not meet minimum requirements after a defined improvement period, and prioritizing suppliers who demonstrate superior ESG performance in selection and award processes.
- Respect for human and labor rights.
- Compliance with environmental and governance regulations.
- Confidentiality of shared information.

Steps in the certification process: requirements from an ESG perspective:

1. Initial registration on the Horse Technologies supplier portal.
2. Assessment of minimum requirements: document review and verification of compliance with basic conditions; in 2025, the explicit commitment to ESG Standards for suppliers and partners will be strengthened, and suppliers must sign these standards as part of the process.

With regard to our vision for the future as far as communication is concerned, these requirements are currently implemented through the Purchasing Department; in 2026, we plan to strengthen this process by incorporating them into the new B2B portal, as well as by formally integrating them into the General Terms and Conditions of Purchase.

3. External ESG Assessment: We conduct an external assessment through EcoVadis, a platform that allows us to measure and rate suppliers' policies and actions based on environmental, social, and governance criteria. This assessment is key to tracking the percentage of critical suppliers evaluated against ESG criteria.

4. Our direct purchase suppliers must achieve a score of 45 or higher on EcoVadis. When risks are identified or low scores are obtained, an action plan agreed upon with the supplier is implemented.
5. Onsite ESG audits: We conduct specific audits of our suppliers and subcontractors, focusing on identified risks.
6. Confirmation of approval: Inclusion of the supplier in our database.

Supply chain risk management

We address supplier risk through a comprehensive assessment, which facilitates decision making and alignment across departments. To this end, we incorporate key factors such as compliance, financial stability, ESG performance, quality, supply chain management, technological capabilities, and commercial/strategic dependencies. In addition, our supplier evaluation process systematically incorporates country risks, sector risks, and risks specific to associated raw materials, allowing us to assess suppliers from a comprehensive and proactive perspective.

This monitoring allows us to identify early warning signs and define action plans within risk committees. Depending on the situation, measures may include stabilization and mitigation actions, as well as alternatives for supply reallocation or dual sourcing to strengthen business continuity.

Mitigation

Stabilization

Reassignment

Dual supply

ESG assessments and audits

We supplement our supplier quality audits with a specific approach to assessing and auditing ESG risks in the supply chain. This process combines, on the one hand, questionnaire-based ESG assessments and, on the other, onsite ESG audits when the level of risk warrants it.

As part of the approval process, we evaluate our suppliers' ESG performance based on their results on the EcoVadis questionnaire. Our direct purchase suppliers must achieve a score of 45 or higher to be approved.

In 2025, we increased the total number of suppliers assessed through the EcoVadis platform from 65 to 88. Specifically, of the 88 suppliers assessed in 2025, 40 received a score of 45-64, while 46 suppliers achieved a score of 65-84. One of them scored 85-100, placing it specifically in the 99th percentile..

Direct suppliers assessed by EcoVadis

| EcoVadis score | Number of Suppliers | | Percentage of suppliers | |
|----------------|---------------------|-----------|-------------------------|--------------|
| | 2024 | 2025 | 2024 | 2025 |
| 0-24 | 0 | 0 | — % | — % |
| 25-44 | 0 | 1 | — % | 1 % |
| 45-64 | 38 | 40 | 58 % | 45 % |
| 65-84 | 27 | 46 | 42 % | 52 % |
| 85-100 | 0 | 1 | — % | 1 % |
| Total | 65 | 88 | 100 % | 100 % |

The main focus in 2025 was on human rights audits, with an emphasis on areas such as working conditions, child labor and forced labor, health and safety, freedom of association, and related management practices (policies, controls, and improvement mechanisms)

In 2025, Renault launched an ESG audit program based on its ESG risk mapping and management system, focusing on suppliers located in specific high-risk countries.

At the same time, in 2025 we defined our own ESG risk mapping and management procedure, which will be fully implemented in 2026. This mapping considers criteria such as geographical location, type of technology/activity, and ownership structure, and can be adjusted based on external risk information or the results of ESG assessments. To prioritize resources, we use purchase volume as an additional criterion.

The prospective work carried out in the various regions where our suppliers are located showed that market tools (e.g. assessment platforms and ratings) are not always sufficiently deployed in these contexts. In response, we have defined an additional profiling approach and a more in-depth assessment for higher-risk areas, which includes the development of a specific human rights questionnaire to be rolled out in 2026.

Therefore, when the risk warrants it, we conduct ESG audits with the support of external firms, based on the SA8000 (Social Accountability 8000) standard and adapting the scope to the specific risks identified for each supplier.

After each audit, we notify the supplier of the identified non-conformities and request a corrective action plan with responsible parties and deadlines. We follow up through periodic meetings to verify progress and the closure of actions. When necessary, monitoring measures are established, which may include additional reviews and/or follow-up audits to confirm the effectiveness of the implemented measures.

In 2025, 10 specific ESG audits were conducted, two of which involved suppliers in our top 100. These audits were conducted based on country risk criteria established by the Renault Group and resulted in a total of 34 non-conformities, for which specific action and follow-up plans have been developed.

ESG assessment allows us to reinforce expected environmental, social, and ethical standards, prioritize risks, and monitor the implementation of action plans when we identify deviations.

Critical raw materials and conflict minerals

In 2025, Horse Technologies strengthened its approach to the responsible sourcing of critical raw materials, with a particular focus on protecting human rights in supply chains with the highest risk exposure. In 2025, we transitioned from an initial monitoring system based on frameworks inherited from Renault to our own, more structured framework for managing critical raw materials and conflict minerals.

Our management framework

In 2025, we established a specific framework for Critical Raw Materials and Conflict Minerals. Within this framework, we pay particular attention to:

- Materials known as 3TG (tin, tantalum, tungsten and gold) due to their presence in multiple industrial supply chains and their historical association with risks in conflict zones.
- Cobalt, due to its importance and the risks associated with its supply chain in certain contexts.
- Other strategic or critical materials, with a focus on:
 - PGM (Platinum Group Metals), used, for example, in the manufacture of catalysts.
 - Rare earth elements: light rare earth elements (LREE) and heavy rare earth elements (HREE), found in certain electronic components and magnets.

In addition, we have mapped out the products and substances that may fall within the scope of the European Regulation on deforestation-free products (EUDR – Regulation (EU) 2023/1115), in order to anticipate regulatory obligations and strengthen due diligence processes.

This framework is based on two internal pillars:

- ESG Standards for suppliers that require responsible sourcing practices, the protection of human rights, and environmental due diligence throughout the supply chain.
- A Conflict Minerals Policy¹⁵, aligned with Regulation (EU) 2017/821 on due diligence for Union importers regarding tin, tantalum, tungsten, and gold originating from conflict-affected or high-risk areas.

In addition, we continue to monitor regulatory developments related to critical raw materials, including Regulation (EU) 2024/1252 (known as the Critical Raw Materials Act), which establishes a framework for a secure and sustainable supply of critical raw materials in the European Union.

¹⁵For more information about the policy, click [here](#)

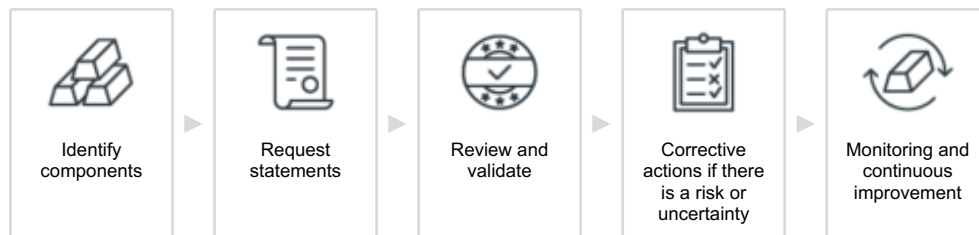


Traceability and compliance

Traceability and compliance are managed through a risk-based due diligence process. In 2025, we focused on three objectives:

- Define the scope and identify components likely to contain critical raw materials and/or 3TG and cobalt (e.g. electronic components, sensors, control units, turbochargers, and catalysis).
- Collect and review statements from suppliers included in the scope.
- Take action when there are signs of risk or a lack of information: we request clarifications and additional documentation, work with the supplier to improve traceability, and, if necessary, escalate measures (including seeking alternatives) to reduce risk exposure.

This work is integrated into our broader ESG and compliance systems, in line with our commitments to human rights, ethics, and the environment.



Reporting tools

To collect supply chain data, we use:

- A proprietary reporting format for critical raw materials.
- Standard templates from the Responsible Mineral Initiative (RMI) widely used for reporting on minerals and smelters/refineries:

For 2025, we defined the initial scope of suppliers we will request information from, with the following number of suppliers within the scope by material type:

Suppliers consulted (number)

| Material | Number of suppliers consulted |
|----------|-------------------------------|
| Tin | 98 |
| Tantalum | 5 |
| Tungsten | 13 |
| Gold | 26 |
| Cobalt | 93 |

Note: Our products do not contain Mica.

Next steps for 2026

Looking ahead, our goal is to strengthen and scale the system in three areas:

- Greater traceability and higher data quality: progressively expand coverage until all suppliers within the scope are mapped, reduce the number of unknown sources, and increase the weight of smelters/refineries through third-party audits.
- Greater integration in purchasing: incorporate due diligence requirements into requests for proposals, contracts, and evaluations, and strengthen training and support for suppliers posing higher risks or exhibiting lower transparency.
- More robust systems and reporting: improve internal tools and dashboards, and integrate RMI results into ESG reporting so that progress is visible in management.

We will also align these efforts with our broader sustainability priorities (human rights, climate, biodiversity) and, where applicable, with requirements for deforestation-free supply chains.

Ethics and good governance

At Horse Technologies, ethics and good governance are not merely formal principles: they form the foundation upon which we build our identity, our credibility, and the sustainability of our business. As a technology company operating in a highly competitive and constantly evolving environment, acting with integrity is essential to ensuring that our growth is responsible, transparent, and aligned with the expectations of our stakeholders.

Ethics guide us in every decision, from product development to our relationships with our customers, suppliers, and partners.

Good governance reduces risks, prevents practices that could compromise the company's reputation, and fosters a work environment where responsibility and accountability are the norm. It also facilitates informed decision making that is consistent with our corporate values.

As a result of our first double materiality assessment, we present below the impacts, risks, and opportunities identified for ERSR-G1 Ethics and Governance:

Materiality of impact

Positive impacts

- Building stakeholder trust by promoting best practices in relationships with third parties (e.g. suppliers, distributors, customers) through a commitment to and the practice of transparency, anti-corruption measures, and secure payments, thereby helping to foster a more equitable and sustainable business environment.
- Increased public trust and a positive reputation in society thanks to a culture that goes beyond mere compliance with sustainability regulations.
- Promotion of ethical values by fostering ethical business conduct at all levels of the company.
- Social and public trust resulting from the creation of a responsible and sustainable supply chain through the requirement to comply with ESG criteria and the evaluation of suppliers.

Negative impacts

- (No material adverse impacts have been identified for the topic of Ethics and Good Governance)

Financial materiality

Risks

- Risk of penalties for non-compliance with laws and regulations due to insufficient foresight or incorrect implementation of existing management systems.
- Increased penalties and reputational damage due to the perception of misconduct related to incidents of corruption and bribery within the company arising from its business relationships and operations.
- Risk of limited availability and increased costs of raw materials and transportation due to supply chain disruptions caused by climatic, geopolitical, and health-related events.

Opportunities

- (No material opportunities have been identified regarding the topic of Ethics and Good Governance.)

Audit and Compliance Committee

We reinforce our commitment to ethics and compliance through a model of oversight and support at the highest level of governance. Within this framework, the Audit and Compliance Committee was established by the Board of Directors of Horse Powertrain Limited to assist the Board in fulfilling its oversight responsibilities and to serve in an advisory capacity. Its purpose is to ensure that the organization acts ethically and responsibly, and in compliance with legislation and internal standards, promoting the development and implementation of policies and procedures that support this commitment.

The Committee consists of three members appointed by the Board as designated by each shareholder. In terms of reporting procedures, the Chief Legal Officer leads reporting to the Committee, as well as the implementation of the decisions adopted. The Committee meets four times a year and submits an annual report to the Board. In addition, the Committee may invite, when necessary, members of Horse Powertrain's management team, as well as any other employees whose attendance is deemed relevant.

In terms of its scope, the Committee's responsibilities include:

- Disclosure of Conflicts of Interest
- Oversight of the Independent Auditor
- Independence and Quality Assessment of the Independent Auditor
- Financial Statements and Presentations
- Financial Information and Integrity
- Internal Audit and Staffing
- Audit Independence and Assurance
- Oversight of Risk Management
- Compliance and Investigations, Including Enforcement of the Code of Business Ethics

Key milestones for 2025

In 2025, the Global Compliance Team made significant progress toward strengthening the corporate compliance framework:

- Approval of new global compliance policies and the Code of Business Ethics
- Launch of whistleblowing channels on the corporate website
- Implementation of global internal processes across various compliance areas, with a particular focus on investigating internal reports, due diligence on counterparties, and contractual risk mitigation clauses
- Global fulfillment of the Audit and Compliance Committee's responsibilities

Key priorities for 2026

Looking ahead to 2026, we will focus on consolidating and scaling our global compliance system through three priority areas, which are centrally managed by our parent company, Horse Powertrain Limited:

- Move forward with consolidating the various internal reporting channels across the divisions of Horse Powertrain Limited into a single platform
- Expand the scope of the Know Your Counterparty Process due diligence tool from the Aurobay Division to a global scale
- Address the consolidation of the compliance training program by updating the divisional training programs inherited from Renault and Volvo to align with a common approach

Corporate policy framework

In 2025, the following policies were adopted, applicable across all three divisions of Horse Powertrain Limited:

- **Code of Business Ethics:** establishes the standards, key responsibilities, and principles that are to govern Horse Powertrain's business activities.
- **Anti-Bribery and Anti-Corruption:** outlines the principles applicable in the workplace, in line with Horse Powertrain's zero-tolerance policy toward bribery and corruption.
- **Competition Law:** protects free competition by regulating how companies interact with business partners and competitors.
- **Confidentiality:** recognizes information owned by or under the control of Horse Powertrain as a valuable asset, especially confidential information, which is key to developing products and markets, attracting customers, and maintaining a competitive advantage.
- **Conflict of Interest:** requires acting with objectivity and loyalty, ensuring that professional decisions are made in the best interest of the group.
- **Cookie Policy and Data Protection Policy:** aimed at compliance with data protection regulations.
- **Donations and Sponsorships:** establishes guidelines for evaluating, approving, and managing donations and sponsorships, aligning them with Horse Powertrain's mission and ensuring transparency, impartiality, consistency, and legal compliance.
- **Intellectual Property:** outlines principles regarding the creation, protection, and management of intellectual property, and respect for the intellectual property of third parties.
- **Whistleblowing:** outlines the principles applicable when employees or other individuals wish to report observed or suspected violations.
- **Protection of Company Assets:** outlines the principles applicable to the use of Horse Powertrain's assets in the course of work.
- **Trade Sanctions and Export Controls:** outlines the principles applicable when conducting commercial and export activities in the course of work.

Whistleblowing channel

The company is committed to conducting all its business activities in an ethical manner and wants employees and stakeholders to be able to report alleged violations of the Code of Business Ethics.

At Horse Technologies, we have our own dedicated channel available to employees and external stakeholders, implementing a single whistleblowing system. Available in six languages, the system can be accessed by our employees and temporary workers, as well as by customers, suppliers, service providers, and other external stakeholders through a secure website hosted by an independent company. The system allows whistleblowers to report anonymously and confidentially any behavior, practice, or situation that allegedly violates applicable laws, internal procedures, or Horse Technologies' Code of Business Ethics.

As established in the Code, potential violations may also be reported through traditional channels:

- Legal Department
- Compliance Network
- Human Resources
- Line Manager

Reports are reviewed and processed by authorized personnel, who determine whether the alert is valid and warrants an internal investigation. If the investigation confirms the alleged facts, the Committee develops and implements action plans that include corrective measures and/or disciplinary sanctions, which may include termination.

In 2025, 18 reports were received through the reporting channel, broken down as follows (aggregated data):

- **Imminent threat to a person, animals, or property:** 2 received, 2 investigated, 1 confirmed (confidential disciplinary action).
- **Bribery and corruption:** 2 received, 1 investigated, 1 confirmed (confidential disciplinary action).
- **Complaints related to Human Resources (conflicts and disrespect):** 9 received, 1 investigated, 1 confirmed (the person involved left the subcontractor during the investigation).
- **Complaints over which Horse Technologies has no jurisdiction:** 2 received, 0 investigated, 0 confirmed.
- **Duplicate cases:** 3 received, 0 investigated, 0 confirmed.

Code of Business Ethics

Beyond legal compliance, integrity is an integral part of our identity and culture. That is why we have a Code of Business Ethics that sets out the principles of conduct to be followed within our company.

The Code, subtitled “Embracing Ethics from the Top Down”, is prefaced by a statement from our CEO highlighting the group’s commitment to ethics, which is rooted in the ethical conduct of every employee.

The objectives of the Code are:

- To establish basic conduct guidelines.
- To define mandatory ethical rules. These standards must rule over the work and professional behavior of those who are subject to the Code of Business Ethics.
- To serve as a reference for stakeholders that are in any way connected to the various parties connected to the company (collaborators, suppliers, customers, shareholders, partners, etc.).

Who does this Code apply to?

- Members of the Board of Directors and executives who have a special responsibility to lead by example.
- Employees of all the companies that are part of our organization: employees, trainees, and temporary workers.
- The various stakeholders who work directly or indirectly with us.

Our principles:



ETHICAL CONDUCT

Zero tolerance for all forms of corruption and bribery

We define corruption as any unethical behavior involving the acceptance of gifts and invitations, conflicts of interest, or bribes.



TRANSPARENCY

Commitment to always providing accurate information.

All communications must be objective, specific, and accurate, and must avoid misleading statements that contain unqualified judgments or speculation.



HUMAN AND LABOR RIGHTS

Respects all human rights recognized under international law

- Eradication of child labor
- Eradication of forced labor, human trafficking, and modern slavery
- Respect for the rights of communities, especially vulnerable groups
- Rights of immigrant workers
- Fair working conditions regarding wages, benefits, working hours, and vacation time
- Fair hiring and promotion processes
- Equity and respect for diversity



SUSTAINABLE DEVELOPMENT

Maintain the highest ESG standards to ensure an adequate level of risk management throughout its value chain.

Environmental protection, support for surrounding communities, and adherence to ethical and governance standards.

In summary, the principles outlined in the Code cover the following topics:

- Transparency
- Respect for human rights
- Health and safety
- Non-discrimination and anti-harassment
- Environmental awareness
- Compliance with laws and regulations (in particular, antitrust, anti-bribery and anti-money laundering, export controls, economic sanctions)
- Confidentiality
- Conflict of interest
- Data privacy
- Gifts and hospitality

Horse Technologies has had the Code of Business Ethics in place since 2024. In late 2025, the Board of Directors approved its content to extend its application across the entire Horse Powertrain organization.

To ensure that our employees at Horse Technologies – both in the offices and at the production plants – fully understand the Code, we developed an in-house training course, available online and in person. In 2025, completion of the course and acceptance of the Code of Business Ethics increased from 93% to 95%.



Compliance and Internal Control

Compliance and Internal Control are essential pillars for ensuring sustainable growth and responsible business operations.

Compliance ensures that we act in accordance with the law and our own internal standards, which is essential for protecting our assets and strengthening our credibility as a technology company. Internal control guarantees the integrity of our processes by ensuring that our decisions are based on reliable information, that our resources are managed properly, and that we operate with transparency and rigor.

Compliance Program

We are developing a Compliance Program with the goal of establishing a robust and efficient Corporate Compliance System that facilitates the operational management of compliance and reinforces a culture of integrity throughout the organization. This work is aimed at ensuring compliance with applicable regulations and the adoption of best practices, with a specific focus on criminal law and the prevention of corruption and bribery. As a design reference, we have based our approach on the key elements of the Renault Group Spain compliance system and international best practice, including the UNE 19601 standard.

In 2024, we took the first steps to strengthen the prevention framework: we initiated a mapping of criminal risks and began promoting internal policies and guidelines in key areas, such as gifts and invitations, conflicts of interest, and donations and sponsorships, while also paying attention to risks such as fraud, competition, privacy, and data protection, as well as export controls.

Building on this foundation, in 2025 we made decisive progress on the structural elements and consolidation of the compliance program, with the approval and publication of globally applicable corporate policies at Horse Powertrain and the development of the Crime Prevention Model, defining its global framework and validating the risk and control matrix for Horse Spain. This progress is supported by global oversight governance and coordinated operational rollout by the compliance team.

Thanks to these implemented controls, in 2024 and 2025 there were no sanctions related to compliance, corruption, bribery, money laundering, the environment, conflicts of interest, competition, or human rights; consequently, there were also no financial losses related to these issues.

Program design and implementation

The program is structured in interconnected phases to ensure a comprehensive and effective implementation:

- **Environmental analysis and internal assessment:** We conducted an analysis of Horse Technologies' operating environment and the conditions under which we operate.
- **Identification of compliance requirements:** We based this identification on the Spanish Criminal Code, Circular 1/2016 from the Public Prosecutor's Office, and the best practices for criminal compliance set forth in UNE 19601.
- **System design and formalization:** We adapt the system to our specific needs, including the development of a Criminal Risk Map and the identification and proposal of mitigating controls, as well as the necessary documentation to formalize the model.
- **Implementation and ongoing operation:** We provide technical support during the rollout to ensure the system's proper execution and continuity, including coordinating follow-up sessions and workshops, as well as training on model components, roles and responsibilities, and compliance trends.

The initial scope of this program has been defined for Horse Spain, and in 2026 we will begin its phased rollout across regions and its integration into support tools.

Through this program, we aim not only to comply with Spanish law, but also to establish a solid foundation for adapting to new regulations and markets, ensuring the integrity and sustainability of our global operations

Governance and responsibilities

Compliance oversight is structured in two complementary tiers:

- **Audit and Compliance Committee:** This is the global corporate body within Horse Powertrain responsible for overseeing compliance matters. It is a committee appointed by the Board of Directors and meets quarterly, in conjunction with Board meetings.
- **Finance Department:** Its internal control teams are responsible for overseeing the internal controls of the compliance program.

With regard to the allocation of responsibilities, the Compliance team operates on a global basis, and there are no local compliance teams.

Mitigation measures are designed to address both global and local risks as follows: initiatives are developed globally, and when local regulations differ from global processes, the team works in collaboration with local legal representatives to ensure regulatory compliance.

Training and awareness

Training is a key driver for ensuring an understanding of compliance obligations.

Given the ongoing de-consolidation of Renault's training tools, which will be completed by 2026, we have defined a transition strategy and a plan for the gradual expansion of the training catalog. We are keeping our existing training programs, such as the Code of Business Ethics, available and continuously monitoring their completion rates. We will gradually incorporate training courses from legacy programs into the Horse Technologies catalog, adapting them to our format and providing training that is increasingly consistent and aligned with our compliance framework.

Internal Control system

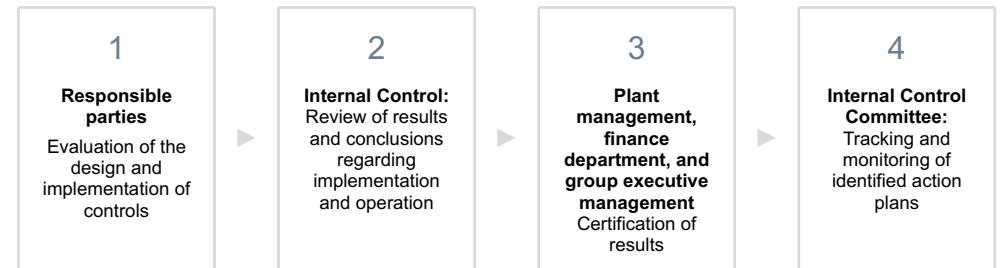
In line with the approach of our risk management system, Horse Technologies has an Internal Control system that reviews, on an annual basis, the results of the company's risk assessment, as well as the results of the financial statements and the risks identified by senior management, with the aim of incorporating them into the annual internal control plan.

We have an internal control system that was enhanced in 2025 and primarily covers:

- Financial Risks
- Significant Risks Affecting Operations
- Legal Framework
- Information Security
- Health and Safety
- Corporate Governance

Each year, we conduct a self-assessment campaign led by Internal Control to evaluate the design and implementation of the controls included in our system. This campaign is carried out for each of the group's entities, reviewing the control environment, identifying potential areas with unmitigated risks, and defining the necessary action plans to address them.

Self-assessment campaign process



This Internal Control campaign is managed using a GRC (Governance, Risk, and Compliance) tool implemented in 2025. In 2026, we plan to integrate the risk management system and the compliance system into this corporate tool, with the aim of strengthening risk analysis and control throughout the organization. Additionally, Internal Control conducts reviews of processes and controls based on the risks identified by senior management, with the goal of continuing to improve our processes and the control environment.

Risk management

Effective risk management is essential for identifying, assessing, prioritizing, and managing events that could negatively impact the achievement of the company's objectives and strategy. In a constantly changing economic, geopolitical, business, and technological environment, we see risk management as a continuous process that is fully integrated into decision-making, aimed at both safeguarding performance and strengthening the organization's resilience.

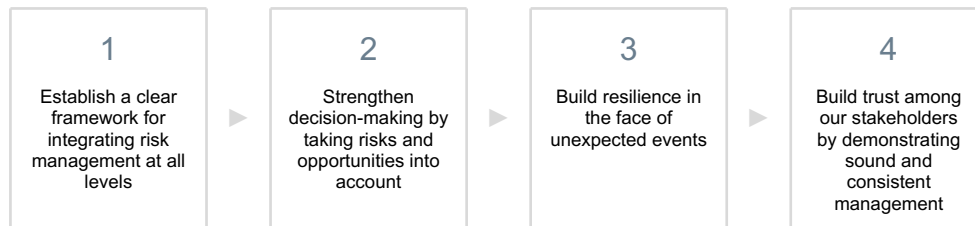
Governance and risk management framework

Risk governance ensures that risk oversight is integrated into business management and aligned with the company's risk appetite. The Risk and Compliance Committee meets quarterly to oversee the corporate risk framework, monitor key exposures, and ensure that risk considerations are incorporated into strategic objectives.

The CEO's Office plays a leadership role in coordinating the model, promoting a consistent approach at the corporate level. In turn, risk managers in each business unit, plant, R&D center, and corporate function are responsible for identifying, assessing, and managing risks within their scope, thereby fostering shared responsibility throughout the organization.

Enterprise risk management methodology

We use the COSO ERM framework as a guide for managing risks that could affect the achievement of our strategic and operational objectives. Using this framework allows us to:



Risk identification and assessment

We maintain a risk inventory that is reviewed annually. In 2025, all plants, R&D centers, and corporate functions reviewed and assessed their risks, incorporating new risks where appropriate to ensure that the inventory remains up to date.

As a result, in addition to the company's consolidated heat map, specific heat maps for each plant and R&D center were developed in 2025, marking a significant step forward in the model's implementation.

The assessment is conducted by considering likelihood, impact, and level of control, using a common scale from 1 to 4 (where 1 is the lowest value and 4 is the highest), with an analysis horizon focused on the following year (in this case, 2026).



Likelihood

Remote (1), unlikely (2), likely (3), and very likely (4), depending on the degree of certainty that the event will occur.



Impact

Impact: Tailored to the scale and context of each plant or facility and expressed in terms of losses (in million euros) or as a percentage of the impact on EBIT (Earnings Before Interest and Taxes), while also taking into account reputational risk.



Level of control

Level of control: very strong (1), strong (2), partial (3), and weak (4), depending on the robustness and scope of the control measures implemented.

Risk prioritization and response

For each heat map (corporate, by plant, by R&D center, and consolidated), the risks for which specific response plans will be established have been identified in collaboration with risk managers. These plans will be implemented in 2026 with the aim of reducing the likelihood, the impact, or both.

Prioritization is based on the following considerations:

1. The risk level (likelihood × impact), prioritizing those with the highest risk
2. High risks with low control
3. A greater focus on internal risks, insofar as they enable greater management capacity.

Response measures are defined in collaboration with risk managers at each plant, R&D center, and corporate function, and are designed to mitigate, share, avoid, or – as a last resort – accept risk, always in line with the company's risk appetite and with the goal of improving the level of control.

Main risk categories

As an international company, we are exposed to a variety of global environments and dynamics. As of 2025, the main risk categories identified include:



Strategic risks: geopolitical and economic events

The global landscape is characterized by a high degree of uncertainty and volatility. We assess the potential impact that geopolitical and economic developments may have on our operations, facilities, logistics networks, customers, and the entire value chain in general.



Financial and economic risks

As a global company, we are exposed to external risks such as fluctuations in exchange rates and interest rates, as well as credit and inflation risks that may affect project performance. In addition, new factors have emerged in 2025, such as tariffs and tax risks, linked to developments in global economic relations.



Operational risks

We continue to monitor the full range of operational risks, with a particular focus on supply chain disruptions (due to financial, commercial, technical, quality, or availability issues), which are inherent to an industry that is highly dependent on suppliers and logistics. In this context, we work with strategic suppliers and implement controls to address deviations from planned supply schedules. In addition, in 2025, greater attention was paid to IS/IT risks, cyberattacks, and data risks, in an environment where information exchange and connectivity are constantly increasing.



Legal and compliance risks

We operate in multiple jurisdictions with diverse regulatory frameworks. To ensure compliance with external and internal obligations, Horse has strengthened its legal department and will continue to do so to remain in line with regulatory requirements in the countries where it operates.

Emerging risks

We identify and assess emerging risks as part of our corporate, cross-functional risk management process, focusing on external, novel, and rapidly evolving threats that have not yet fully materialized but could have a significant impact and require adjustments to our strategy, operating model, or investment priorities. For each risk, we describe its potential impact on the business and the key mitigation measures already integrated into our planning and governance.

Geoeconomic instrumentalization of supply chains and international trade

The growing geoeconomic confrontation is transforming global trade through targeted tariffs, sanctions, export controls, local content requirements, and diverging standards, posing an emerging risk due to its dynamic nature and the structural uncertainty it introduces into value chains. At Horse Technologies, our multinational industrial footprint and multi-tiered supply chain complexity expose us to supply disruptions, structural cost increases, and technical/regulatory fragmentation, which have the potential to impact production continuity, delivery times, and margins, and may require supplier reconfiguration, regional redesign, and capacity decisions. To mitigate these risks, we are strengthening multi-tier mapping and the identification of critical dependencies, incorporating scenario analysis (tariffs/sanctions/origin requirements), advancing dual/multi-sourcing and selective buffers for strategic materials/components, and activating cross-functional coordination to react with agility.

Adverse AI outcomes and the escalation of cybersecurity risks in OT/IT environments and the digital supply chain

The rapid adoption of digital solutions and AI in industrial environments is creating an emerging risk due to the combination of new attack vectors (including advanced impersonation/deepfakes, third-party exploitation, and AI-powered attack tools) and potential adverse outcomes from models (systemic errors, biases, opaque decisions) in critical processes. At Horse Technologies, the interconnection between OT systems (automation, industrial control, test benches) and IT systems (planning, engineering, quality) and our reliance on software/service providers could result in plant shutdowns, loss of system availability, process deviations leading to scrap, or impacts on product safety/quality, in addition to disruptions originating from third parties. As a mitigation strategy, we strengthen segmentation and controls between OT and IT, raise requirements and oversight of third-party risks, establish AI governance with traceability and validation (and "human-in-the-loop" for critical decisions), and reinforce continuity and response (backups, recovery procedures, and drills) to contain incidents and quickly restore operations.

Social polarization and misinformation that accelerate abrupt shifts in public policy and expectations regarding thermal and hybrid technologies

The rise in social polarization and misinformation can amplify narratives and pressures on public and private decision making, leading to less predictable and more rapid changes in incentives, requirements, and expectations. This is a phenomenon we consider emergent due to its speed of spread and its ability to alter decision-making frameworks in a short period of time. For Horse Technologies, in the context of technological transition in the automotive sector, these dynamics can lead to sudden changes in emissions policies, timelines, eligibility criteria for subsidies, or traceability requirements, affecting the demanded technology mix and forcing us to adjust our portfolio, R&D, and CAPEX with less reaction time. Additionally, digital campaigns can impact social acceptance of our operations or our employer brand. To mitigate these risks, we strengthen regulatory and multi-regional environmental intelligence and early warning monitoring; we work with auditable data and messaging to avoid misinterpretations; we intensify dialogue with stakeholders (customers, regulators, communities); and we maintain flexible planning to adapt investments and capabilities as the social and regulatory framework evolves.

Integration of ESG risks

Within the CEO's Office, the ESG Department is responsible for driving the integration of ERM (Enterprise Risk Management) and the Business Continuity Plan (BCP), ensuring that non-financial risks are consistently incorporated into the governance model and decision-making processes.

In this way, ESG risks are included in the risk inventory, both directly and indirectly, and are assessed at the corporate level as well as at the industrial (plants) and R&D levels, in line with the annual approach to reviewing and updating the inventory and heat maps by site.

This integration covers ESG risks such as extreme weather events, potential human rights violations, or risks linked to corruption, which are analyzed using the same criteria of likelihood, impact, and level of control, and are incorporated, where appropriate, into prioritized response plans.

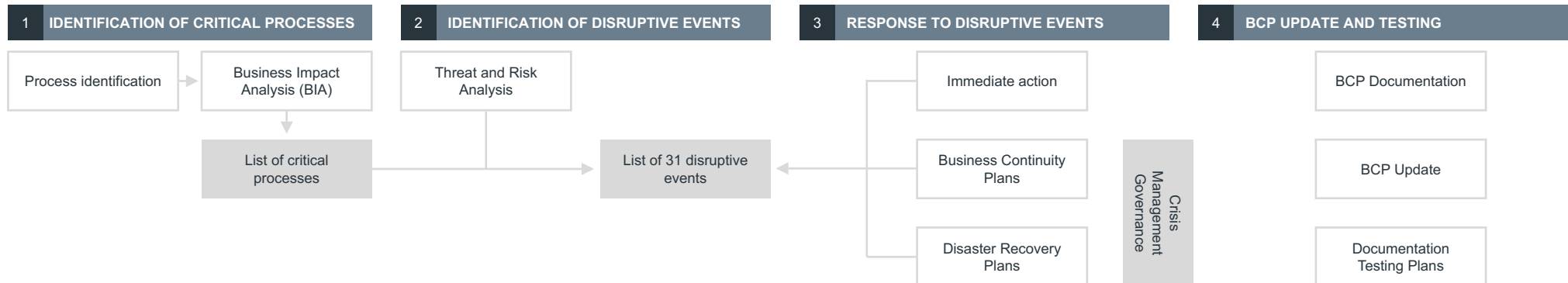
As discussed in other sections of this report, during 2025 a specific focus was placed on human rights risks and climate risks, strengthening their identification and monitoring within the general risk management framework.

Looking ahead to 2026, we will continue to deepen the integration of ESG risks into the corporate framework, including greater detail on risks related to nature, resource use, and ecosystems, and we will advance their consolidation within the corporate GRC tool, alongside the rest of the heat maps and response measures.

Business Continuity Plan (BCP)

To ensure that, in the event of a disruptive incident or crisis, critical business functions can be resumed quickly and efficiently, minimizing downtime and financial losses, we have developed a business continuity plan that consists of:

- **Business Impact Analysis (BIA):** assesses the effects of disruptions on business operations – it is a process-by-process analysis that establishes the level of criticality.
- **Risk Assessment:** identifies potential threats (e.g. cyberattacks, natural disasters) and evaluates their impact on operations.
- **Continuity Strategies:** describes how a company will restore critical functions during a crisis. It includes prioritizing critical functions, allocating resources, and ensuring recovery time objectives.
- **Disaster Recovery Plan (DRP):** Ensures that systems are restored within acceptable timeframes.
- **Communication Plan:** Details how to communicate with employees, customers, regulators, and the media during a crisis.



Protection of human rights

Respect for human rights is a core commitment for Horse Technologies and a central pillar of our ESG approach. As a global company, we recognize our responsibility to act in accordance with the United Nations Guiding Principles on Business and Human Rights, which state that companies must respect, prevent, mitigate, and remedy any negative impacts they may have on people.

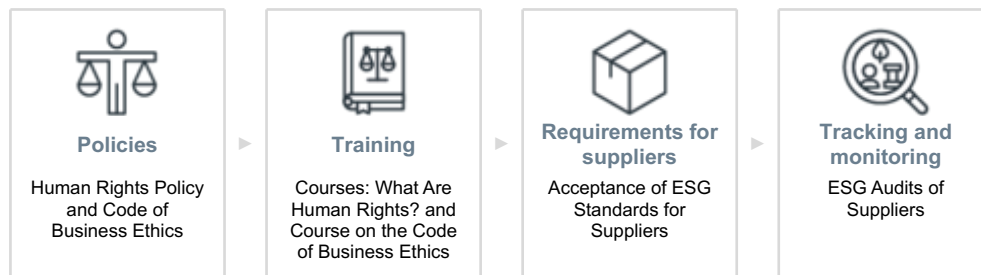
This commitment is also grounded in widely recognized international frameworks, such as the Universal Declaration of Human Rights, the ILO Core Conventions, the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the Sustainability Due Diligence Directive.

Throughout 2025, we focused on identifying, preventing, and managing actual and potential adverse impacts on human rights and the environment in our operations and across the entire value chain, including subsidiaries and business partners. This year, we have taken two decisive steps:

- Adoption of our Human Rights Policy
- Development and implementation of the human rights due diligence process

We reaffirm our commitment to upholding the Fundamental Principles of the International Labour Organization (ILO), integrating them into our work practices and our relationships within our value chain. We actively promote freedom of association and collective bargaining, equal opportunity and non-discrimination, and the elimination of forced labor and child labor, relying on our corporate policies, internal training, and monitoring mechanisms that enable us to identify risks and take preventive action.

Compliance path



Human Rights Policy: Commitments and scope

In 2025, we strengthened our commitment to respecting and promoting internationally recognized human rights, applying this commitment both to our operations and throughout our value chain.

Our Human Rights Policy applies to all employees, management teams, subsidiaries, and governing bodies, and extends to business partners and suppliers through ESG standards.

The policy sets clear expectations in areas such as:

- **Working conditions:** We prohibit child labor, forced labor, and human trafficking; we promote safe and healthy working conditions and preventive training.
- **Equality and non-discrimination:** We promote equal opportunity and non-discrimination in all employment practices.
- **Freedom of association and collective bargaining:** We respect freedom of association and collective bargaining, as well as fair wages, reasonable working hours, and work-life balance.
- **Local and Indigenous communities:** We protect access to essential services (water, housing, health, education) and pay special attention to the rights of Indigenous peoples, particularly regarding land acquisitions.
- **Customers and end users:** We ensure that our products and services meet the highest health and safety standards throughout their lifecycle, incorporating a preventive approach to risk.
- **Healthy environment:** We recognize the link between environmental integrity and human rights, and we work to reduce pollution, manage waste responsibly, and protect habitats.

In addition, we maintain reporting channels for stakeholders and are committed to addressing and, where appropriate, remedying adverse impacts through fair and transparent processes. In 2025, there were no complaints or sanctions related to human rights violations.

Human rights governance

To ensure effective management, human rights oversight has been organized according to a three-pillar model, which ensures clear accountability at all levels:

- **First line (operational management):** Plant management and operational functions (Human Resources, Health and Safety, Procurement, Product, etc.) implement the policy in day-to-day operations (working conditions, freedom of association, ESG requirements for suppliers, and product safety).
- **Second line (coordination and control):** The ESG & Risk department leads the due diligence process, stakeholder engagement, and reporting; and the Legal department ensures the accessibility of reporting channels and protection against retaliation, integrating this approach into corporate policies and procedures.
- **Third line (strategic oversight):** The CEO approves the Human Rights Policy and receives regular updates alongside the HLT. The Audit Committee oversees the management of non-financial risks and the internal control system.

Human rights due diligence

In 2025, we implemented a comprehensive, risk-based, and continuous due diligence process that covers 100% of our facilities and regions (Europe and Latin America) as well as key corporate functions, with reviews conducted at least every three years.

1. Methodological approach: outside-in and inside-out

The process combines:

- **Outside-in analysis:** review of legislation and standards, analyst reports, civil society complaints, and industry benchmarks.
- **Inside-out assessment:** interviews with corporate functions and plant management, as well as a document review of policies, systems, and evidence.

Based on this, we have developed a risk map across the value chain (upstream, own operations, and downstream), identifying rights holders and the nature of our involvement.

2. Stakeholder engagement

To ensure meaningful engagement, we have involved key stakeholders through a structured, ongoing, and retaliation-free process:

- **Workers and their representatives:** interviews with corporate functions and plant management, and questionnaires gathering evidence on wages, working hours, health and safety, freedom of association, and non-discrimination.
- **Suppliers and subcontractors:** assessment of 85% of the top 100 supplier groups, representing 95% of purchasing volume, using the EcoVadis methodology to identify risks.
- **Local communities and indigenous peoples:** external interviews to understand concerns (access to resources, environmental impacts, and rights, including free, prior, and informed consent where applicable).
- **Customers and end users:** integration of the product safety and digital risk perspective (AI and information security) through specialized teams.

3. Identification, assessment, and prioritization of impacts

Based on our internal and external analysis, we have developed a list of potential impacts and assessed them according to criteria of severity and likelihood, in line with the materiality criteria and our internal risk management methodology described in the previous chapter.

Severity is determined by:

1. Scale (seriousness),
2. Scope (number of people affected), and
3. Irremediable character (difficulty to remediate).

For potential impacts, we include a likelihood assessment (unlikely / likely / very likely) and use a prioritization matrix to focus resources on the most critical impacts.

For actual and negative impacts, materiality is based on the severity of the impact.

Severity and likelihood are measured using a three-level system on the materiality map: Level 1 (yellow) represents the lowest level, Level 2 (orange) indicates a medium level, and Level 3 (red) represents the highest level.

Below are the main issues identified, grouped by topic, along with the corresponding assessment in terms of severity and likelihood.

| Human rights issue | Description | Function | Severity | Likelihood | Criticality |
|---|--|---------------------------|----------|------------|-------------|
| Child labor and forced labor | Forced labor: any work or service exacted from a person under the threat of punishment and for which that person has not volunteered. Child labor: work that is hazardous to a child's health and development, requires excessive hours, and/or is performed by children who are too young. In general, child labor interferes with a child's right to education and play. | Purchasing | ■ | ■ | ■ |
| Working conditions | Acceptable labor standards according to local legislation and international labor organizations. This primarily includes aspects related to employment conditions, living wages, and working hours. | Purchasing | ■ | ■ | ■ |
| Health and safety | Injury, illness, or harm in the workplace resulting from unsafe, unsanitary, or inadequate facilities or equipment. | Purchasing & People | ■ | ■ | ■ |
| Freedom of association | The inability of a person to join and/or form organizations of their choice and to bargain collectively. Includes the inability or unlawful restriction to exercise the right to strike. | Cross-functional | ■ | ■ | ■ |
| Working conditions | Acceptable labor standards in accordance with local legislation and international labor organizations. This primarily includes aspects related to employment conditions, living wages, and working hours. | People | ■ | ■ | ■ |
| Freedom of association | Inability of a person to join and/or form organizations of their choice and to bargain collectively. Includes the inability or unlawful restriction on exercising the right to strike. | People | ■ | ■ | ■ |
| Harassment and discrimination | Unjustified or harmful treatment of workers based on characteristics such as race, color, sex, language, religion, political opinion, national or social origin, disability, age, sexual orientation, etc., which results in unequal opportunities or the creation of a hostile or offensive environment. | People | ■ | ■ | ■ |
| Fair transition | Lack of adequate upskilling and reskilling programs, which may lead to job displacement and skill obsolescence in the transition to electric vehicles. | People | ■ | ■ | ■ |
| Health and safety of consumers and end users | Defective, unsafe, or improperly designed vehicle components that may cause traffic accidents, injuries, or fatalities during vehicle use. | Cross-functional | ■ | ■ | ■ |
| Public safety | Use and application of products for purposes other than those intended or for specific activities that could lead to potential adverse impacts on human rights. | Cross-functional | ■ | ■ | ■ |
| Information security and AI | Potential software failures, vulnerabilities, or failures in communication systems that may cause accidents, injuries, or fatalities. | Cross-functional | ■ | ■ | ■ |
| Healthy environment | Environmental impacts, including the emission of air pollutants, the deterioration of surface water quality and water contamination, the generation of hazardous waste, and alterations to landscapes and habitats. | People & Cross-functional | ■ | ■ | ■ |
| Local communities | Impacts on the rights and interests of communities, such as competition for resources and deforestation, often exacerbated by the absence of free, prior, and informed consent (FPIC) processes. This includes specific considerations and implications when we operate in the presence of indigenous communities. | Cross-functional | ■ | ■ | ■ |

4. Integration into management and action plan

The results of the assessment have been integrated into the processes and procedures of key functions (People/HR, Health and Safety, Purchasing, Quality/Product Compliance, ESG & Risk, and Legal/Compliance), so that each area translates the Policy's commitments into operational controls and verifiable measures.

As a result, we have defined a 2025–2027 mitigation plan that strengthens policies, roles and responsibilities, training, supplier management, stakeholder engagement, reporting channels, and effectiveness monitoring systems, including mechanisms for escalation and response traceability.

The main measures of the mitigation plan are:

- Integrate due diligence into operational procedures (People, Product, Procurement, and Legal/Compliance) and ensure operational alignment beyond the publication of the policy.
- Advance supply chain traceability to Tier-N levels where plausible risks exist, including the technology that enables it.
- Define a formal remediation procedure.
- Develop uniform requirements for staffing agencies and the management of temporary/contract workers.
- Build capacity: provide training for the Board and specific programs for frontline staff, and implement a reporting and escalation system from the plant to corporate headquarters.
- Design and implement a structured stakeholder engagement model by region (roles, channels, and relationship map).



Cybersecurity

At Horse Technologies, the Cybersecurity Department’s goal is to protect our information and technology infrastructure against vulnerabilities and potential threats, as well as to ensure compliance with information security regulations.

The Cybersecurity team is responsible for reviewing information security aspects, implementing protective measures, monitoring, and responding to cyber threats. While it is the responsibility of all employees to protect ourselves against potential threats, awareness is a fundamental element of our current and future strategy.

Cybersecurity governance at Horse Technologies

Chief Information Security Officer

The Cybersecurity team is led by the CISO (Chief Information Security Officer), Manuel Sánchez, and is organized into the following areas:



Cybersecurity policies

Our commitment to data protection and digital resilience is anchored in a corporate framework of cybersecurity policies that defines common principles, responsibilities, and controls. These policies ensure consistent implementation across all areas and regions, reinforcing prevention, compliance, and continuous improvement in the face of an ever-evolving threat landscape.

- Information Asset Management Policy: Establishes guidelines for identifying, cataloging, classifying, assigning responsibility for, and protecting information assets throughout their entire lifecycle, preventing their unauthorized disclosure, modification, or destruction.
- Identity and Access Security Management Policy: Defines the rules for controlling and managing access to systems and information (creation, changes, periodic reviews, and revocation), ensuring that only authorized individuals access what is necessary and reducing the risk of unauthorized access.
- IT Compliance Policy on Information Security and Cybersecurity: Establishes principles and responsibilities to prevent legal, regulatory, or contractual non-compliance regarding information security (including data protection and intellectual property) through periodic reviews and audits of systems.
- Information Security and Cybersecurity Risk Management Policy: Establishes the framework to proactively identify, assess, and mitigate risks that may affect Horse Technologies’ assets, operations, and strategic objectives, ensuring a consistent approach to risk management throughout the organization.
- Information Classification Policy: Defines a corporate system for classifying information (Public, Internal, Confidential, and Strictly Confidential) and ensuring it is protected and handled at the appropriate level, balancing security and knowledge sharing.
- Internal and External Human Resources Cybersecurity Policy: Establishes guidelines for managing information security and cybersecurity throughout the lifecycle of employees and vendor personnel (onboarding, tenure, and departure/role change), reinforcing awareness, access controls, and responsibilities.
- Local Administrator Policy: Establishes rules for granting and using administrator privileges on corporate devices (Windows 10/11), ensuring that elevated access is granted only when justified, with approval and oversight to minimize risks.

- **Operations Security Policy:** Defines the security requirements for operating, monitoring, and maintaining systems (including backups and operating systems), ensuring secure, reliable, and compliant management that protects the confidentiality, integrity, and availability of information assets.
- **Organizational Aspects of Security Policy:** Establishes the governance framework for Information Security and Product Cybersecurity, defining roles, responsibilities, and committees to align the security strategy with business objectives and strengthen a corporate culture of security.
- **Resource Management Policy:** Establishes a framework for planning, allocating and efficiently managing the human, financial, technological and physical resources necessary to achieve cybersecurity objectives, with an approach based on risks and continuous improvement.
- **Network Security Policy:** Defines the mechanisms, service levels, and architectural requirements to protect IT and operational technology (OT) networks, ensuring controls and responsibilities that enable secure network operation and continuous protection when necessary.
- **Horse Technologies Security Policy:** Establishes corporate principles and guidelines to protect assets and information systems, guaranteeing the confidentiality, integrity and availability of sensitive information (including customers' information) and compliance with legal, regulatory and contractual obligations.
- **System Acquisition, Development and Maintenance Security Policy:** Integrates information security throughout the life cycle of systems and applications (from requirements and design to testing, production rollout and maintenance), ensuring a safe development and evolution of services and content.
- **Third-Party (Supplier) Security Policy:** Establishes the principles and controls to securely manage the relationship with suppliers from the pre-contractual phase to the end of the service, guaranteeing the confidentiality, integrity and availability of information and, when applicable, the cybersecurity of the product throughout the supply chain.
- **Cryptography Use Policy:** Defines the principles and requirements for applying cryptographic controls (including secure key management) in order to protect the confidentiality, authenticity, integrity, and availability of information and to comply with applicable legal and regulatory obligations.
- **Vulnerability Management Policy:** Establishes the framework and processes for the timely identification, analysis, prioritization and remediation of technical vulnerabilities in applications, systems, and devices, applying a risk-based approach to reduce the likelihood of exploitation and ensure compliance with best practice and regulatory requirements.



Objectives achieved in 2025

In 2025 we consolidated significant progress in cybersecurity and information protection, strengthening both regulatory compliance and operational detection and response capabilities. In line with our roadmap, the main objectives achieved were:

- Assuring compliance with mandatory certifications as a Tier 1 supplier, obtaining ISO 21434 certification.
- Conducting systematic analysis and evaluation of new initiatives to protect information assets and corporate systems.
- Rolling out Public Key Infrastructure (PKI) in IT environments, ensuring identity, authentication and encryption in critical systems and communications.
- Securing the workstation, reinforcing access controls, hardening settings, privilege management and protection of end equipment.
- Implementing data labeling and classification with Microsoft Purview, establishing the classification and protection of sensitive information at the corporate level.
- Developing the Business Continuity Plan (BCP) and the Disaster Recovery Plan (DRP), strengthening operational resilience.
- Rolling out new monitoring sources, incident response frameworks, and proactive "threat hunting" models, with a focus on Microsoft Sentinel and Microsoft 365 Defender.
- Implementing comprehensive monitoring of the Security Operations Center, aimed at closing incidents and providing operational technical support aligned with security needs.

Planned objectives for 2026

Looking ahead to 2026, the priority is to mature the protection model under a "zero trust" approach, expand monitoring coverage and standardize operational processes to gain effectiveness and consistency. The planned objectives are:

- Assure compliance with the TISAX (Trusted Information Security Assessment Exchange) certification, which is currently in the process of being completed.
- Secure browsing and remote access with Zscaler, applying a zero trust model for users and applications.
- Roll out EDR/XDR (Endpoint and Extended Detection and Response) capabilities, to improve threat detection, response, and correlation across endpoints and corporate systems.
- Implement cybersecurity governance processes in the ticketing tool, aligning operational management.
- Integrate security from the design phase as common practice in projects and upgrades.
- Expand monitoring of security events to cover new data sources, along with a growth plan for use cases aligned with the MITRE ATT&CK framework.
- Standardize the alert and incident management processes within the Security Operations Center (SOC), ensuring effectiveness and efficiency in the operation of the main security services.

Data protection policy

We have identified data protection as a key priority, and made significant progress in 2025 toward a compliance program that meets the needs of the business and our customers. We integrate processes and controls in daily operations, assuring that personal data are adequately protected in accordance with the applicable regulatory requirements.

We also see data protection as a pillar that is supported by a corporate framework of information security and cybersecurity (information classification, access control, cryptography and secure management of third parties, among others), reinforcing prevention and continuous improvement.

Over the last year, we have updated or implemented the following measures, processes and procedures:

| | | |
|--|--|---|
| Update of records of processing activities (ROPA) | Implementation of a new technological solution for Human Resources | Performance of a cookies and privacy notice audit of the website |
| Drafting/update of global data-processing agreement with third parties | Data protection compliance audit in relevant Horse Powertrain entities | Reinforcing the privacy by design and by default approach, including impact assessments when applicable |
| Update and enhancement of mandatory data protection training | Governance: Data Protection Officer (DPO) and internal coordination | Corporate communication and whistleblowing channels |

At Horse Technologies, we are working to consolidate a privacy by design and default approach, so that the key processes that handle personal data consider data protection risks from the outset and, where necessary, incorporate specific assessments for new processing activities.

Our website provides clear and transparent information about the processing of personal data, user rights and the use of cookies. Regular reviews are also carried out ensure that privacy notices and preference management mechanisms remain aligned with the applicable requirements.

In terms of governance, we have an external Data Protection Officer (DPO), who supports implementation of the program and compliance with the relevant obligations, working in coordination with the areas involved to ensure that it is applied correctly.

To date, we have not suffered any material breach of security that has resulted in the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, any personal data. Furthermore, we have not to date had any claims, complaints, correspondence or other material communication from a data subject or any other person claiming a right to compensation or alleging a breach of any applicable data protection laws. We can also confirm that Horse Technologies does not have any data subject rights requests (such as access requests) that are currently the subject of any complaints. In addition, as part of our comprehensive approach to compliance, Horse Technologies has corporate communication and reporting channels (including the whistleblowing channel and avenues for reporting incidents), which are described in detail in the specific chapter of the [Code of Business Ethics](#).

08

APPENDICES

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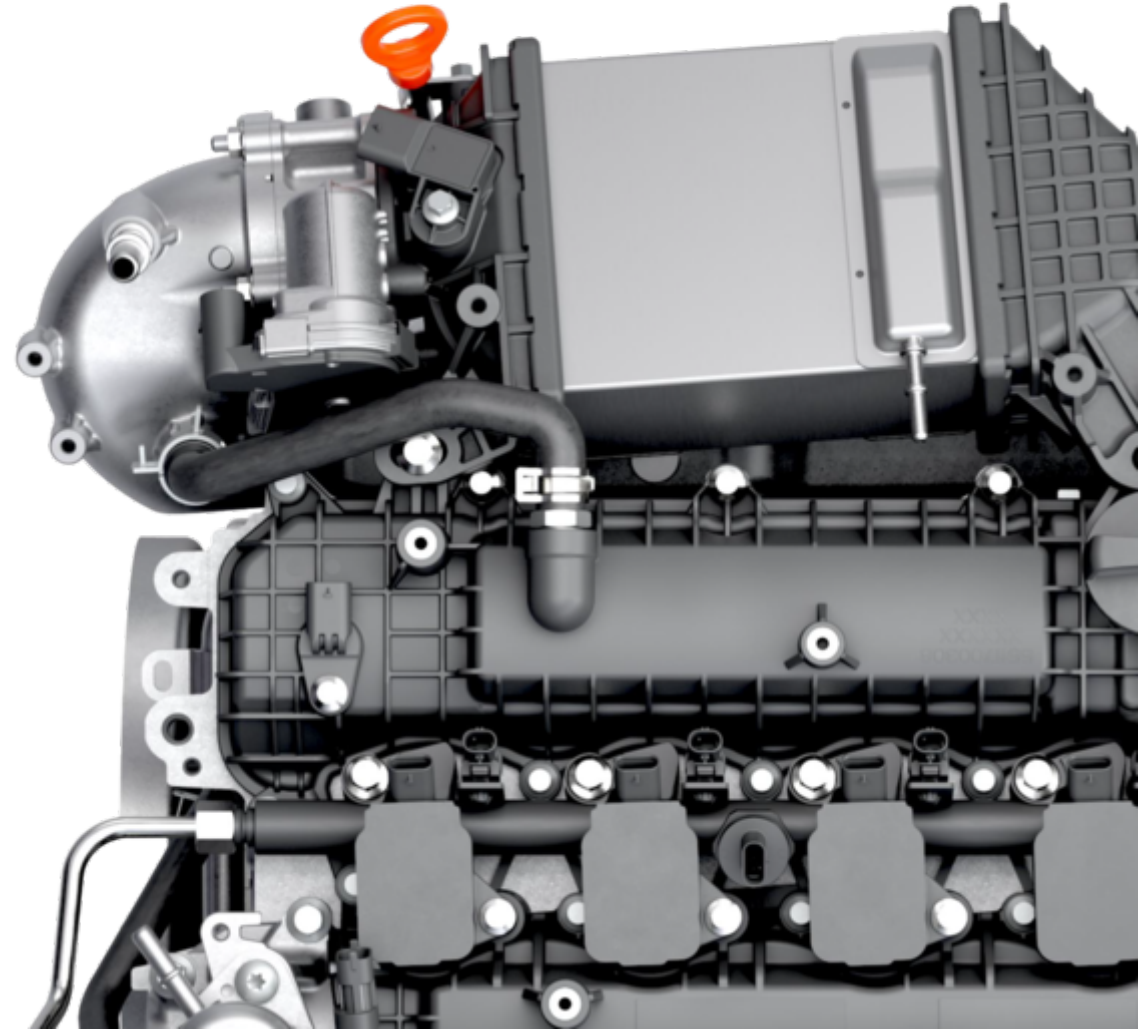
This Sustainability Report is the Non-Financial Statement for HORSE POWERTRAIN SOLUTIONS S.L. for 2025. This report has been drawn up in compliance with the requisites established in Spanish Act 11/2018, of 28 December, concerning non-financial and diversity reporting.

To prepare it, the Guide to the preparation of sustainability reports issued by the Global Reporting Initiative (GRI Standards) has been used. The information required by Act 11/2018, together with the necessary content to report it, is detailed in the "APPENDIX - [Index of Contents Act 11/2018](#)".

A number of additional indicators have also been included, following the recommendations of the Sustainability Accounting Standards Board (SASB), for the Auto Parts sector. These indicators are detailed in the "[Index of Contents SASB](#)".

The Non-Financial Statement is annual and covers data corresponding to the year ended December 31, 2025.

The entities included in the scope of this non-financial statement are those which follow the consolidation principles applied in the company's financial information.



Tables and additional information

Additional tables in relation to Chapter 4. Climate Change

CO₂ emissions by scope (thousand metric tons of CO₂eq - SBTi)

| | | 2023 | 2024 | 2025 | Variation (%) |
|-----------------------------|--|------------------|------------------|-----------------|----------------|
| Scope 1 | Total - Scope 1 (KtCO₂eq) | 47.8 | 40.5 | 41.7 | -12.68% |
| | Gas natural | 45.4 | 35.9 | 37.3 | -0.18 |
| | Biomethane | 0.0 | 0.0 | 0.0 | - |
| | LPG | 0.0 | 0.1 | 1.1 | - |
| | Diesel | 0.0 | 0.6 | 2.5 | - |
| | Gasoline | 1.7 | 1.1 | 8.5 | 4.11 |
| | Refrigerants | 0.7 | 2.9 | 2.0 | 1.73 |
| Scope 2 | Total - Scope 2 (KtCO₂eq) | 29.7 | 26.5 | 7.2 | -75.62% |
| Scope 3 | Total - Scope 3 (KtCO₂eq) | 107,857.4 | 101,585.2 | 93,715.0 | -13.11% |
| Upstream activities | 1. Purchased goods and services | 2,617.5 | 2,338.1 | 2,093.7 | -20.01% |
| | 2. Capital goods | 95.3 | 92.1 | 50.3 | -47.25% |
| | 3. Fuel and energy-related activities included in Scope 1 or 2 | 42.3 | 37.2 | 34.1 | -19.37% |
| | 4. Upstream transportation and distribution | 26.0 | 28.5 | 32.9 | 26.36% |
| | 5. Waste generated in operations | 4.2 | 0.4 | 0.3 | -92.30% |
| | 6. Business travel | 0.8 | 0.9 | 4.1 | 387.83% |
| | 7. Employee commuting | 4.9 | 3.1 | 3.0 | -38.51% |
| | 8. Upstream leased assets | 18.4 | 18.7 | 11.8 | -35.92% |
| Downstream activities | 9. Downstream transportation and distribution | 16.0 | 11.9 | 14.4 | -9.76% |
| | 10. Processing of sold products | 0.5 | 0.1 | 0.1 | -79.97% |
| | 11. Use of sold products | 104,864.7 | 98,912.2 | 91,337.4 | -12.90% |
| | 12. End-of-life treatment of sold products | 166.7 | 142.0 | 132.7 | -20.38% |
| | 13. Downstream leased assets | 0.1 | 0.1 | 0.2 | 33.14% |
| | 14. Franchises | 0.0 | 0.0 | 0.0 | - |
| | 15. Investments | 0.0 | 0.0 | 0.0 | - |
| TOTAL (Scopes 1+2+3) | | 107,934.9 | 101,652.2 | 93,764.0 | -13.13% |

Fuel consumption by type and country (MWh)

| Plant | 2024 | | | | | | | | 2025 | | | | | | | |
|------------------|----------------|------------|----------|--------------|------------|----------|--------------|----------------|----------------|------------|----------|--------------|--------------|----------|--------------|----------------|
| | Natural gas | Biomethane | Hydrogen | Diesel | LPG | Biomass | Gasoline | Total | Natural gas | Biomethane | Hydrogen | Diesel | LPG | Biomass | Gasoline | Total |
| Spain | 72,896 | 0 | 0 | 1,722 | 38 | 0 | 3,504 | 78,160 | 78,254 | 0 | 0 | 1,842 | 168 | 0 | 3,638 | 83,902 |
| Valladolid | 53,862 | 0 | 0 | 158 | 23 | 0 | 953 | 54,996 | 57,607 | 0 | 0 | 236 | 136 | 0 | 658 | 58,637 |
| R&D Valladolid | 1,187 | 0 | 0 | 1,495 | 15 | 0 | 2,531 | 5,227 | 1,312 | 0 | 0 | 1,571 | 32 | 0 | 2,901 | 5,815 |
| Seville | 17,734 | 0 | 0 | 69 | 0 | 0 | 20 | 17,823 | 19,233 | 0 | 0 | 35 | 0 | 0 | 79 | 19,348 |
| Madrid | 113 | 0 | 0 | 0 | 0 | 0 | 0 | 113 | 102 | 0 | 0 | 0 | 0 | 0 | 0 | 102 |
| Portugal | 8,703 | 0 | 0 | 442 | 0 | 0 | 501 | 9,646 | 9,179 | 0 | 0 | 389 | 0 | 0 | 540 | 10,109 |
| Romania | 74,267 | 0 | 0 | 2 | 0 | 0 | 1 | 74,270 | 70,894 | 0 | 0 | 44 | 681 | 0 | 1,608 | 73,226 |
| Turkey | 12,329 | 0 | 0 | 97 | 0 | 0 | 956 | 13,381 | 12,647 | 0 | 0 | 56 | 0 | 0 | 837 | 13,539 |
| Brazil | 15,542 | 0 | 0 | 0 | 392 | 0 | 694 | 16,629 | 16,188 | 0 | 0 | 0 | 0 | 0 | 829 | 17,017 |
| Chile | 5,345 | 0 | 0 | 7 | 79 | 0 | 0 | 5,431 | 6,429 | 0 | 0 | 28 | 216 | 0 | 138 | 6,811 |
| Argentina | 6,963 | 0 | 0 | 90 | 0 | 0 | 0 | 7,053 | 10,144 | 0 | 0 | 97 | 0 | 0 | 956 | 11,197 |
| Total | 196,045 | 0 | 0 | 2,359 | 510 | 0 | 5,656 | 204,570 | 203,735 | 0 | 0 | 2,456 | 1,065 | 0 | 8,546 | 215,801 |

Electricity consumption by type of source and country (MWh)

| | 2024 | | | | | | | | | | 2025 | | | | | | | | | |
|---------------------------|------------------------------------|---------------|----------------|---------------|---------------|---------------|--------------|----------------|--------------|----------------|---------------|----------------|---------------|---------------|---------------|--------------|----------------|--------------|-----|--|
| | Spain | Portugal | Romania | Turkey | Brazil | Chile | Argentina | Total | % | Spain | Portugal | Romania | Turkey | Brazil | Chile | Argentina | Total | % | | |
| Purchased electricity | Non-renewable electricity | | | | | | | | | | 14 % | | | | | | | | | |
| | Renewable electricity | | | | | | | | | | 85 % | | | | | | | | | |
| | Wind | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | — % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | — % | |
| | Solar | 203,447 | 7,301 | 0 | 0 | 33,804 | 0 | 244,552 | 50 % | 214,125 | 0 | 0 | 0 | 35,541 | 0 | 0 | 249,666 | 48 % | | |
| | Hydroelectric | 0 | 0 | 128,153 | 0 | 0 | 0 | 128,153 | 26 % | 0 | 0 | 133,172 | 0 | 0 | 0 | 133,172 | 26 % | | | |
| | Certificate of guarantee of origin | 0 | 0 | 0 | 0 | 0 | 0 | 0 | — % | 0 | 0 | 0 | 43,047 | 0 | 13,451 | 3,752 | 60,249 | 12 % | | |
| Self-consumed electricity | Solar | 0 | 0 | 0 | 0 | 0 | 0 | — % | 0 | 7,117 | 0 | 0 | 0 | 39 | 0 | 7,157 | 1 % | | | |
| | Wind | 0 | 0 | 0 | 0 | 0 | 0 | — % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | — % | | | |
| | Hydroelectric | 0 | 0 | 0 | 0 | 0 | 0 | — % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | — % | | | |
| Total | 203,447 | 70,730 | 128,153 | 38,034 | 33,804 | 11,568 | 2,758 | 488,494 | 100 % | 214,125 | 77,678 | 133,172 | 43,047 | 35,541 | 13,490 | 3,752 | 520,805 | 100 % | | |

Additional tables in relation to Chapter 6. Positive impact on people

During the 2025 fiscal year, the employee data for 2024 was also recalculated due to the centralization of data collection and the standardization of criteria. As a result, there may be discrepancies between this report and the 2024 Annual Report regarding these indicators.

Distribution of the workforce

Distribution of employees by gender and country

| | 2024 | | | 2025 | | |
|------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| | Men | Woman | Total | Men | Women | Total |
| Spain | 3035 | 596 | 3631 | 3233 | 727 | 3960 |
| Portugal | 973 | 208 | 1181 | 970 | 213 | 1183 |
| Romania | 1908 | 709 | 2617 | 2010 | 760 | 2770 |
| Turkey | 862 | 92 | 954 | 796 | 105 | 901 |
| Brazil | 604 | 99 | 703 | 621 | 119 | 740 |
| Chile | 294 | 51 | 345 | 334 | 43 | 377 |
| Argentina | 75 | 4 | 79 | 80 | 5 | 85 |
| Total | 7751 | 1759 | 9510 | 8044 | 1972 | 10016 |

Distribution of employees by age group and country

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|------------------|------------|-------------|-------------|------------|-------------|------------|-------------|-------------|-------------|------------|-------------|-------------|------------|-------------|------------|-------------|-------------|-------------|
| | Men | | | Women | | | Total | | | Men | | | Women | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| Spain | 227 | 2165 | 643 | 63 | 455 | 78 | 290 | 2620 | 721 | 300 | 2125 | 808 | 94 | 517 | 116 | 394 | 2642 | 924 |
| Portugal | 107 | 672 | 194 | 39 | 150 | 19 | 146 | 822 | 213 | 88 | 666 | 216 | 28 | 160 | 25 | 116 | 826 | 241 |
| Romania | 199 | 1050 | 659 | 46 | 345 | 318 | 245 | 1395 | 977 | 201 | 1108 | 701 | 52 | 377 | 331 | 253 | 1485 | 1032 |
| Turkey | 193 | 645 | 24 | 33 | 58 | 1 | 226 | 703 | 25 | 144 | 637 | 15 | 35 | 69 | 1 | 179 | 706 | 16 |
| Brazil | 30 | 500 | 74 | 23 | 69 | 7 | 53 | 569 | 81 | 35 | 499 | 87 | 26 | 85 | 8 | 61 | 584 | 95 |
| Chile | 72 | 150 | 72 | 26 | 23 | 2 | 98 | 173 | 74 | 108 | 156 | 70 | 20 | 20 | 3 | 128 | 176 | 73 |
| Argentina | 0 | 34 | 41 | 0 | 4 | 0 | 0 | 38 | 41 | 1 | 38 | 41 | 0 | 5 | 0 | 1 | 43 | 41 |
| Total | 828 | 5216 | 1707 | 230 | 1104 | 425 | 1058 | 6320 | 2132 | 877 | 5229 | 1938 | 255 | 1233 | 484 | 1132 | 6462 | 2422 |

Distribution of employees by professional category, gender and age

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|---------------------|------------|-------------|-------------|------------|-------------|------------|-------------|-------------|-------------|------------|-------------|-------------|------------|-------------|------------|-------------|-------------|-------------|
| | Men | | | Women | | | Total | | | Men | | | Women | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| HLT | 0 | 4 | 7 | 0 | 3 | 1 | 0 | 7 | 8 | 0 | 3 | 7 | 0 | 3 | 2 | 0 | 6 | 9 |
| Managers | 23 | 523 | 191 | 12 | 99 | 29 | 35 | 622 | 220 | 27 | 541 | 233 | 3 | 126 | 35 | 30 | 667 | 268 |
| White collar | 245 | 1418 | 507 | 97 | 401 | 147 | 342 | 1819 | 654 | 268 | 1421 | 526 | 122 | 457 | 163 | 390 | 1878 | 689 |
| Blue collar | 560 | 3271 | 1002 | 121 | 601 | 248 | 681 | 3872 | 1250 | 582 | 3264 | 1172 | 130 | 647 | 284 | 712 | 3911 | 1456 |
| Total | 828 | 5216 | 1707 | 230 | 1104 | 425 | 1058 | 6320 | 2132 | 877 | 5229 | 1938 | 255 | 1233 | 484 | 1132 | 6462 | 2422 |

Distribution of employees by professional category, gender and country

| | 2024 | | | | | | | | | | | | 2025 | | | | | | | | | | | |
|------------------|-----------|----------|-----------|------------|------------|------------|--------------|------------|-------------|-------------|------------|-------------|-----------|----------|-----------|------------|------------|------------|--------------|------------|-------------|-------------|-------------|-------------|
| | HLT | | | Managers | | | White collar | | | Blue collar | | | HLT | | | Managers | | | White collar | | | Blue collar | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 11 | 4 | 15 | 300 | 57 | 357 | 830 | 220 | 1050 | 1894 | 315 | 2209 | 10 | 5 | 15 | 340 | 70 | 410 | 947 | 259 | 1206 | 1936 | 393 | 2329 |
| Portugal | 0 | 0 | 0 | 109 | 24 | 133 | 261 | 49 | 310 | 603 | 135 | 738 | 0 | 0 | 0 | 115 | 20 | 135 | 245 | 53 | 298 | 610 | 140 | 750 |
| Romania | 0 | 0 | 0 | 171 | 38 | 209 | 620 | 259 | 879 | 1117 | 412 | 1529 | 0 | 0 | 0 | 182 | 45 | 227 | 677 | 291 | 968 | 1151 | 424 | 1575 |
| Turkey | 0 | 0 | 0 | 76 | 12 | 88 | 112 | 38 | 150 | 674 | 42 | 716 | 0 | 0 | 0 | 77 | 13 | 90 | 115 | 52 | 167 | 604 | 40 | 644 |
| Brazil | 0 | 0 | 0 | 48 | 9 | 57 | 247 | 67 | 314 | 309 | 23 | 332 | 0 | 0 | 0 | 50 | 14 | 64 | 196 | 74 | 270 | 375 | 31 | 406 |
| Chile | 0 | 0 | 0 | 27 | 0 | 27 | 88 | 8 | 96 | 179 | 43 | 222 | 0 | 0 | 0 | 31 | 2 | 33 | 20 | 8 | 28 | 283 | 33 | 316 |
| Argentina | 0 | 0 | 0 | 6 | 0 | 6 | 12 | 4 | 16 | 57 | 0 | 57 | 0 | 0 | 0 | 6 | 0 | 6 | 15 | 5 | 20 | 59 | 0 | 59 |
| Total | 11 | 4 | 15 | 737 | 140 | 877 | 2170 | 645 | 2815 | 4833 | 970 | 5803 | 10 | 5 | 15 | 801 | 164 | 965 | 2215 | 742 | 2957 | 5018 | 1061 | 6079 |

Distribution of employees by contract type, gender and country at December 31

| | 2024 | | | | | | 2025 | | | | | |
|------------------|-------------|-------------|-------------|------------|------------|------------|-------------|-------------|-------------|------------|------------|-------------|
| | Permanent | | | Temporary | | | Permanent | | | Temporary | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2814 | 481 | 3295 | 221 | 115 | 336 | 2905 | 540 | 3445 | 328 | 187 | 515 |
| Portugal | 884 | 158 | 1042 | 89 | 50 | 139 | 889 | 164 | 1053 | 81 | 49 | 130 |
| Romania | 1759 | 632 | 2391 | 149 | 77 | 226 | 1847 | 675 | 2522 | 163 | 85 | 248 |
| Turkey | 774 | 75 | 849 | 88 | 17 | 105 | 760 | 94 | 854 | 36 | 11 | 47 |
| Brazil | 546 | 94 | 640 | 58 | 5 | 63 | 560 | 112 | 672 | 61 | 7 | 68 |
| Chile | 223 | 13 | 236 | 71 | 38 | 109 | 207 | 12 | 219 | 127 | 31 | 158 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 80 | 5 | 85 | 0 | 0 | 0 |
| Total | 7075 | 1457 | 8532 | 676 | 302 | 978 | 7248 | 1602 | 8850 | 796 | 370 | 1166 |

Average number of employees by contract type, gender and country

| | 2024 | | | | | | 2025 | | | | | |
|------------------|-------------|-------------|-------------|------------|------------|------------|-------------|-------------|-------------|------------|------------|-------------|
| | Permanent | | | Temporary | | | Permanent | | | Temporary | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2764 | 452 | 3216 | 216 | 113 | 329 | 2872 | 515 | 3387 | 322 | 160 | 483 |
| Portugal | 875 | 148 | 1023 | 97 | 52 | 149 | 886 | 159 | 1045 | 77 | 50 | 127 |
| Romania | 1754 | 638 | 2393 | 129 | 60 | 190 | 1835 | 669 | 2505 | 162 | 87 | 250 |
| Turkey | 803 | 74 | 877 | 26 | 6 | 32 | 768 | 88 | 856 | 77 | 14 | 91 |
| Brazil | 545 | 87 | 632 | 54 | 5 | 59 | 555 | 107 | 662 | 58 | 6 | 65 |
| Chile | 225 | 10 | 235 | 64 | 36 | 99 | 212 | 11 | 224 | 92 | 30 | 122 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 76 | 6 | 82 | 0 | 0 | 0 |
| Total | 7042 | 1413 | 8456 | 586 | 272 | 857 | 7204 | 1556 | 8760 | 788 | 348 | 1137 |

Distribution of employees by contract type, age group and country at December 31

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|------------------|------------|--------------|--------------|------------|------------|-----------|--------------|--------------|--------------|------------|--------------|--------------|------------|------------|-----------|--------------|--------------|--------------|
| | Permanent | | | Temporary | | | Total | | | Permanent | | | Temporary | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| Spain | 152 | 2,438 | 705 | 138 | 182 | 16 | 290 | 2,620 | 721 | 196 | 2,350 | 899 | 198 | 292 | 25 | 394 | 2,642 | 924 |
| Portugal | 86 | 745 | 211 | 60 | 77 | 2 | 146 | 822 | 213 | 79 | 733 | 241 | 37 | 93 | 0 | 116 | 826 | 241 |
| Romania | 153 | 1,272 | 966 | 92 | 123 | 11 | 245 | 1,395 | 977 | 164 | 1,342 | 1,016 | 89 | 143 | 16 | 253 | 1,485 | 1,032 |
| Turkey | 167 | 666 | 16 | 59 | 37 | 9 | 226 | 703 | 25 | 148 | 691 | 15 | 31 | 15 | 1 | 179 | 706 | 16 |
| Brazil | 47 | 515 | 78 | 6 | 54 | 3 | 53 | 569 | 81 | 57 | 523 | 92 | 4 | 61 | 3 | 61 | 584 | 95 |
| Chile | 26 | 138 | 72 | 72 | 35 | 2 | 98 | 173 | 74 | 18 | 131 | 70 | 110 | 45 | 3 | 128 | 176 | 73 |
| Argentina | 0 | 38 | 41 | 0 | 0 | 0 | 0 | 38 | 41 | 1 | 43 | 41 | 0 | 0 | 0 | 1 | 43 | 41 |
| Total | 631 | 5,812 | 2,089 | 427 | 508 | 43 | 1,058 | 6,320 | 2,132 | 663 | 5,813 | 2,374 | 469 | 649 | 48 | 1,132 | 6,462 | 2,422 |

Average number of employees by contract type, age group and country

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|------------------|------------|--------------|--------------|------------|------------|-----------|------------|--------------|--------------|------------|--------------|--------------|------------|------------|-----------|--------------|--------------|--------------|
| | Permanent | | | Temporary | | | Total | | | Permanent | | | Temporary | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| Spain | 130 | 2,466 | 621 | 139 | 176 | 13 | 269 | 2,642 | 634 | 180 | 2,399 | 809 | 200 | 259 | 24 | 379 | 2,657 | 833 |
| Portugal | 81 | 742 | 200 | 67 | 81 | 1 | 148 | 823 | 201 | 81 | 740 | 224 | 48 | 79 | 1 | 129 | 819 | 225 |
| Romania | 154 | 1,263 | 976 | 80 | 98 | 12 | 234 | 1,361 | 988 | 171 | 1,341 | 992 | 97 | 137 | 16 | 268 | 1,478 | 1,008 |
| Turkey | 173 | 680 | 25 | 23 | 7 | 2 | 195 | 687 | 28 | 157 | 685 | 14 | 49 | 33 | 9 | 206 | 718 | 23 |
| Brazil | 52 | 509 | 71 | 6 | 51 | 2 | 58 | 560 | 73 | 52 | 525 | 85 | 5 | 57 | 3 | 57 | 582 | 88 |
| Chile | 27 | 138 | 71 | 67 | 30 | 3 | 93 | 168 | 74 | 20 | 133 | 70 | 81 | 39 | 3 | 101 | 172 | 73 |
| Argentina | 0 | 38 | 41 | 0 | 0 | 0 | 0 | 38 | 41 | 0 | 40 | 41 | 0 | 0 | 0 | 0 | 40 | 41 |
| Total | 617 | 5,834 | 2,004 | 381 | 443 | 33 | 998 | 6,278 | 2,037 | 661 | 5,863 | 2,236 | 479 | 603 | 55 | 1,140 | 6,466 | 2,291 |

Distribution of employees by contract type, professional category and country at December 31

| | 2024 | | | | | | | | 2025 | | | | | | | |
|------------------|-----------|------------|--------------|--------------|-----------|-----------|--------------|-------------|-----------|------------|--------------|--------------|-----------|----------|--------------|--------------|
| | Permanent | | | | Temporary | | | | Permanent | | | | Temporary | | | |
| | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar |
| Spain | 15 | 353 | 1,047 | 1,880 | 0 | 4 | 3 | 329 | 15 | 409 | 1,198 | 1,823 | 0 | 1 | 8 | 506 |
| Portugal | 0 | 124 | 286 | 632 | 0 | 9 | 24 | 106 | 0 | 132 | 287 | 634 | 0 | 3 | 11 | 116 |
| Romania | 0 | 208 | 876 | 1,307 | 0 | 1 | 3 | 222 | 0 | 226 | 966 | 1,330 | 0 | 1 | 2 | 245 |
| Turkey | 0 | 84 | 139 | 626 | 0 | 4 | 11 | 90 | 0 | 90 | 166 | 598 | 0 | 0 | 1 | 46 |
| Brazil | 0 | 57 | 307 | 276 | 0 | 0 | 7 | 56 | 0 | 64 | 270 | 338 | 0 | 0 | 0 | 68 |
| Chile | 0 | 26 | 87 | 123 | 0 | 1 | 9 | 99 | 0 | 31 | 27 | 161 | 0 | 2 | 1 | 155 |
| Argentina | 0 | 6 | 16 | 57 | 0 | 0 | 0 | 0 | 0 | 6 | 20 | 59 | 0 | 0 | 0 | 0 |
| Total | 15 | 858 | 2,758 | 4,901 | 0 | 19 | 57 | 902 | 15 | 958 | 2,934 | 4,943 | 0 | 7 | 23 | 1,136 |

Average number of employees by contract type, professional category and country

| | 2024 | | | | | | | | 2025 | | | | | | | |
|------------------|-----------|------------|--------------|--------------|-----------|-----------|--------------|-------------|-----------|------------|--------------|--------------|-----------|-----------|--------------|--------------|
| | Permanent | | | | Temporary | | | | Permanent | | | | Temporary | | | |
| | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar |
| Spain | 12 | 342 | 968 | 1,894 | 0 | 2 | 7 | 319 | 15 | 384 | 1,142 | 1,846 | 0 | 2 | 6 | 475 |
| Portugal | 0 | 118 | 274 | 631 | 0 | 6 | 34 | 108 | 0 | 128 | 292 | 626 | 0 | 5 | 16 | 106 |
| Romania | 0 | 203 | 842 | 1,348 | 0 | 1 | 3 | 186 | 0 | 222 | 948 | 1,335 | 0 | 1 | 3 | 246 |
| Turkey | 0 | 90 | 144 | 644 | 0 | 1 | 2 | 29 | 0 | 89 | 160 | 608 | 0 | 7 | 7 | 78 |
| Brazil | 0 | 56 | 297 | 280 | 0 | 0 | 6 | 53 | 0 | 62 | 331 | 269 | 0 | 0 | 10 | 55 |
| Chile | 0 | 28 | 84 | 124 | 0 | 1 | 6 | 92 | 0 | 27 | 79 | 118 | 0 | 0 | 19 | 103 |
| Argentina | 0 | 6 | 16 | 57 | 0 | 0 | 0 | 0 | 0 | 6 | 19 | 57 | 0 | 0 | 0 | 0 |
| Total | 12 | 842 | 2,624 | 4,978 | 0 | 12 | 58 | 788 | 15 | 917 | 2,970 | 4,859 | 0 | 15 | 60 | 1,062 |

Distribution of employees by working hours, gender and country at December 31

| | 2024 | | | | | | 2025 | | | | | |
|------------------|-------------|-------------|-------------|-----------|-----------|------------|-------------|-------------|-------------|------------|-----------|------------|
| | Full-time | | | Part-time | | | Full-time | | | Part-time | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2983 | 535 | 3518 | 52 | 61 | 113 | 3176 | 671 | 3847 | 57 | 56 | 113 |
| Portugal | 972 | 207 | 1179 | 1 | 1 | 2 | 970 | 212 | 1182 | 0 | 1 | 1 |
| Romania | 1889 | 704 | 2593 | 19 | 5 | 24 | 1960 | 758 | 2718 | 50 | 2 | 52 |
| Turkey | 862 | 92 | 954 | 0 | 0 | 0 | 796 | 105 | 901 | 0 | 0 | 0 |
| Brazil | 599 | 99 | 698 | 5 | 0 | 5 | 617 | 119 | 736 | 4 | 0 | 4 |
| Chile | 294 | 51 | 345 | 0 | 0 | 0 | 334 | 43 | 377 | 0 | 0 | 0 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 80 | 5 | 85 | 0 | 0 | 0 |
| Total | 7674 | 1692 | 9366 | 77 | 67 | 144 | 7933 | 1913 | 9846 | 111 | 59 | 170 |

Average number of employees by working hours, gender and country

| | 2024 | | | | | | 2025 | | | | | |
|------------------|-------------|-------------|-------------|-----------|-----------|------------|-------------|-------------|-------------|-----------|-----------|------------|
| | Full-time | | | Part-time | | | Full-time | | | Part-time | | |
| | Men | Women | Total | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Spain | 2930 | 501 | 3431 | 51 | 64 | 114 | 3139 | 617 | 3755 | 55 | 59 | 115 |
| Portugal | 971 | 199 | 1170 | 1 | 1 | 2 | 963 | 208 | 1171 | 0 | 1 | 1 |
| Romania | 1873 | 696 | 2569 | 11 | 3 | 14 | 1965 | 755 | 2719 | 33 | 2 | 36 |
| Turkey | 830 | 80 | 910 | 0 | 0 | 0 | 845 | 102 | 947 | 0 | 0 | 0 |
| Brazil | 596 | 92 | 688 | 3 | 0 | 3 | 608 | 114 | 722 | 5 | 0 | 5 |
| Chile | 289 | 46 | 335 | 0 | 0 | 0 | 304 | 41 | 345 | 0 | 0 | 0 |
| Argentina | 75 | 4 | 79 | 0 | 0 | 0 | 76 | 6 | 82 | 0 | 0 | 0 |
| Total | 7563 | 1618 | 9181 | 65 | 68 | 133 | 7899 | 1842 | 9741 | 94 | 62 | 156 |

Distribution of employees by working hours, age group and country at December 31

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|------------------|--------------|--------------|--------------|-----------|------------|-----------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|------------|-----------|--------------|--------------|--------------|
| | Full-time | | | Part-time | | | Total | | | Full-time | | | Part-time | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| Spain | 285 | 2,523 | 710 | 5 | 97 | 11 | 290 | 2,620 | 721 | 393 | 2,546 | 908 | 1 | 96 | 16 | 394 | 2,642 | 924 |
| Portugal | 146 | 821 | 212 | 0 | 1 | 1 | 146 | 822 | 213 | 116 | 826 | 240 | 0 | 0 | 1 | 116 | 826 | 241 |
| Romania | 239 | 1,380 | 974 | 6 | 15 | 3 | 245 | 1,395 | 977 | 235 | 1,454 | 1,029 | 18 | 31 | 3 | 253 | 1,485 | 1,032 |
| Turkey | 226 | 703 | 25 | 0 | 0 | 0 | 226 | 703 | 25 | 179 | 706 | 16 | 0 | 0 | 0 | 179 | 706 | 16 |
| Brazil | 53 | 564 | 81 | 0 | 5 | 0 | 53 | 569 | 81 | 61 | 581 | 94 | 0 | 3 | 1 | 61 | 584 | 95 |
| Chile | 98 | 173 | 74 | 0 | 0 | 0 | 98 | 173 | 74 | 128 | 176 | 73 | 0 | 0 | 0 | 128 | 176 | 73 |
| Argentina | 0 | 38 | 41 | 0 | 0 | 0 | 0 | 38 | 41 | 1 | 43 | 41 | 0 | 0 | 0 | 1 | 43 | 41 |
| Total | 1,047 | 6,202 | 2,117 | 11 | 118 | 15 | 1,058 | 6,320 | 2,132 | 1,113 | 6,332 | 2,401 | 19 | 130 | 21 | 1,132 | 6,462 | 2,422 |

Average number of employees by working hours, age group and country

| | 2024 | | | | | | | | | 2025 | | | | | | | | |
|------------------|------------|--------------|--------------|-----------|------------|----------|------------|--------------|--------------|--------------|--------------|--------------|-----------|------------|-----------|--------------|--------------|--------------|
| | Full-time | | | Part-time | | | Total | | | Full-time | | | Part-time | | | Total | | |
| | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 | <30 | 30-49 | >50 |
| Spain | 261 | 2,543 | 626 | 8 | 99 | 8 | 269 | 2,642 | 634 | 376 | 2,561 | 818 | 3 | 97 | 15 | 379 | 2,657 | 833 |
| Portugal | 147 | 822 | 200 | 0 | 1 | 1 | 148 | 823 | 201 | 129 | 819 | 224 | 0 | 0 | 1 | 129 | 819 | 225 |
| Romania | 229 | 1,353 | 987 | 5 | 8 | 1 | 234 | 1,361 | 988 | 255 | 1,458 | 1,006 | 13 | 20 | 2 | 268 | 1,478 | 1,008 |
| Turkey | 195 | 687 | 28 | 0 | 0 | 0 | 195 | 687 | 28 | 206 | 718 | 23 | 0 | 0 | 0 | 206 | 718 | 23 |
| Brazil | 58 | 557 | 73 | 0 | 3 | 0 | 58 | 560 | 73 | 57 | 577 | 88 | 0 | 5 | 0 | 57 | 582 | 88 |
| Chile | 93 | 168 | 74 | 0 | 0 | 0 | 93 | 168 | 74 | 101 | 172 | 73 | 0 | 0 | 0 | 101 | 172 | 73 |
| Argentina | 0 | 38 | 41 | 0 | 0 | 0 | 0 | 38 | 41 | 0 | 40 | 41 | 0 | 0 | 0 | 0 | 40 | 41 |
| Total | 984 | 6,168 | 2,028 | 14 | 110 | 9 | 998 | 6,278 | 2,037 | 1,123 | 6,344 | 2,273 | 17 | 122 | 18 | 1,140 | 6,466 | 2,291 |

Distribution of employees by working hours, professional category and country at December 31

| | 2024 | | | | | | | | 2025 | | | | | | | |
|------------------|-----------|------------|--------------|--------------|-----------|----------|--------------|-------------|-----------|------------|--------------|--------------|-----------|----------|--------------|-------------|
| | Full-time | | | | Part-time | | | | Full-time | | | | Part-time | | | |
| | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar |
| Spain | 15 | 356 | 1,039 | 2,108 | 0 | 1 | 11 | 101 | 15 | 409 | 1,193 | 2,230 | 0 | 1 | 13 | 99 |
| Portugal | 0 | 133 | 308 | 738 | 0 | 0 | 2 | 0 | 0 | 135 | 297 | 750 | 0 | 0 | 1 | 0 |
| Romania | 0 | 209 | 879 | 1,505 | 0 | 0 | 0 | 24 | 0 | 226 | 967 | 1,525 | 0 | 1 | 1 | 50 |
| Turkey | 0 | 88 | 150 | 716 | 0 | 0 | 0 | 0 | 0 | 90 | 167 | 644 | 0 | 0 | 0 | 0 |
| Brazil | 0 | 57 | 310 | 331 | 0 | 0 | 4 | 1 | 0 | 64 | 269 | 403 | 0 | 0 | 1 | 3 |
| Chile | 0 | 27 | 96 | 222 | 0 | 0 | 0 | 0 | 0 | 33 | 28 | 316 | 0 | 0 | 0 | 0 |
| Argentina | 0 | 6 | 16 | 57 | 0 | 0 | 0 | 0 | 0 | 6 | 20 | 59 | 0 | 0 | 0 | 0 |
| Total | 15 | 876 | 2,798 | 5,677 | 0 | 1 | 17 | 126 | 15 | 963 | 2,941 | 5,927 | 0 | 2 | 16 | 152 |

Average number of employees by working hours, professional category and country

| | 2024 | | | | | | | | 2025 | | | | | | | |
|------------------|-----------|------------|--------------|--------------|-----------|----------|--------------|-------------|-----------|------------|--------------|--------------|-----------|----------|--------------|-------------|
| | Full-time | | | | Part-time | | | | Full-time | | | | Part-time | | | |
| | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar | HLT | Managers | White collar | Blue collar |
| Spain | 12 | 343 | 966 | 2,110 | 0 | 1 | 10 | 104 | 15 | 386 | 1,135 | 2,220 | 0 | 1 | 13 | 101 |
| Portugal | 0 | 125 | 305 | 739 | 0 | 0 | 2 | 0 | 0 | 132 | 307 | 732 | 0 | 0 | 1 | 0 |
| Romania | 0 | 204 | 845 | 1,520 | 0 | 0 | 0 | 14 | 0 | 223 | 950 | 1,546 | 0 | 0 | 0 | 35 |
| Turkey | 0 | 91 | 145 | 674 | 0 | 0 | 0 | 0 | 0 | 96 | 166 | 685 | 0 | 0 | 0 | 0 |
| Brazil | 0 | 56 | 300 | 332 | 0 | 0 | 2 | 0 | 0 | 62 | 338 | 322 | 0 | 0 | 3 | 2 |
| Chile | 0 | 29 | 90 | 216 | 0 | 0 | 0 | 0 | 0 | 27 | 97 | 221 | 0 | 0 | 0 | 0 |
| Argentina | 0 | 6 | 16 | 57 | 0 | 0 | 0 | 0 | 0 | 6 | 19 | 57 | 0 | 0 | 0 | 0 |
| Total | 12 | 853 | 2,667 | 5,648 | 0 | 1 | 14 | 118 | 15 | 931 | 3,012 | 5,784 | 0 | 1 | 18 | 137 |

Employee turnover, hires and dismissals

Number of employees leaving the company voluntarily by gender

| Country | 2024 | | | 2025 | | |
|--------------|------------|-----------|------------|-----------|-----------|------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 36 | 8 | 44 | 55 | 11 | 66 |
| Portugal | 21 | 4 | 25 | 9 | 3 | 12 |
| Romania | 49 | 18 | 67 | 7 | 6 | 13 |
| Turkey | 97 | 8 | 105 | 9 | 2 | 11 |
| Brazil | 14 | 4 | 18 | 10 | 4 | 14 |
| Chile | 27 | 5 | 32 | 7 | 2 | 9 |
| Argentina | 1 | 0 | 1 | 0 | 0 | 0 |
| Total | 245 | 47 | 292 | 97 | 28 | 125 |

Number of employees leaving voluntarily by age group

| Country | 2024 | | | | 2025 | | | |
|--------------|-----------|------------|-----------|------------|-----------|-----------|-----------|------------|
| | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total |
| Spain | 8 | 31 | 5 | 44 | 6 | 54 | 6 | 66 |
| Portugal | 4 | 17 | 4 | 25 | 4 | 8 | 0 | 12 |
| Romania | 5 | 15 | 47 | 67 | 4 | 5 | 4 | 13 |
| Turkey | 15 | 66 | 24 | 105 | 4 | 6 | 1 | 11 |
| Brazil | 5 | 12 | 1 | 18 | 5 | 7 | 2 | 14 |
| Chile | 15 | 11 | 4 | 30 | 3 | 4 | 2 | 9 |
| Argentina | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| Total | 52 | 152 | 86 | 290 | 26 | 84 | 15 | 125 |

Voluntary turnover rate by country

| Country | 2024 | | | 2025 | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 1.3 % | 1.7 % | 1.3 % | 1.9 % | 2.0 % | 1.9 % |
| Portugal | 2.4 % | 2.5 % | 2.4 % | 1.0 % | 1.8 % | 1.1 % |
| Romania | 2.8 % | 2.8 % | 2.8 % | 0.4 % | 0.9 % | 0.5 % |
| Turkey | 12.5 % | 10.7 % | 12.4 % | 1.2 % | 2.1 % | 1.3 % |
| Brazil | 2.6 % | 4.3 % | 2.8 % | 1.8 % | 3.6 % | 2.1 % |
| Chile | 12.1 % | 38.5 % | 13.6 % | 3.4 % | 16.7 % | 4.1 % |
| Argentina | 1.3 % | — % | 1.3 % | — % | — % | — % |
| Total | 3.5 % | 3.2 % | 3.4 % | 1.3 % | 1.7 % | 1.4 % |

Voluntary turnover rate by age group

| Country | 2024 | | | | 2025 | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total |
| Spain | 5.3 % | 1.3 % | 0.7 % | 1.3 % | 3.1 % | 2.3 % | 0.7 % | 1.9 % |
| Portugal | 4.7 % | 2.3 % | 1.9 % | 2.4 % | 5.1 % | 1.1 % | — % | 1.1 % |
| Romania | 3.3 % | 1.2 % | 4.9 % | 2.8 % | 2.4 % | 0.4 % | 0.4 % | 0.5 % |
| Turkey | 9.0 % | 9.9 % | 150.0 % | 12.4 % | 2.7 % | 0.9 % | 6.7 % | 1.3 % |
| Brazil | 10.6 % | 2.3 % | 1.3 % | 2.8 % | 8.8 % | 1.3 % | 2.2 % | 2.1 % |
| Chile | 57.7 % | 8.0 % | 5.6 % | 12.7 % | 16.7 % | 3.1 % | 2.9 % | 4.1 % |
| Argentina | — % | — % | 2.4 % | 1.3 % | — % | — % | — % | — % |
| Total | 8.2 % | 2.6 % | 4.1 % | 3.4 % | 3.9 % | 1.4 % | 0.6 % | 1.4 % |

Number of dismissals

| | | 2024 | 2025 |
|-----------------------|--------------|------------|------|
| Gender | Men | 65 | 363 |
| | Women | 11 | 172 |
| | Total | 76 | 535 |
| Age | <30 | 27 | 174 |
| | 30-49 | 37 | 302 |
| | >50 | 10 | 59 |
| | Total | 74 | 535 |
| Professional category | HLT | 0 | 0 |
| | Manager | 0 | 10 |
| | White collar | 19 | 38 |
| | Blue collar | 56 | 487 |
| Total | 75 | 535 | |

Number of new hires by gender and country

| | 2024 | | | 2025 | | |
|--------------|-----------|-----------|------------|------------|------------|------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 38 | 17 | 55 | 340 | 118 | 458 |
| Portugal | 2 | 1 | 3 | 7 | 3 | 10 |
| Romania | 11 | 2 | 13 | 118 | 101 | 219 |
| Turkey | 30 | 2 | 32 | 43 | 31 | 74 |
| Brazil | 6 | 5 | 11 | 34 | 30 | 64 |
| Chile | 0 | 0 | 0 | 0 | 0 | 0 |
| Argentina | 0 | 1 | 1 | 0 | 0 | 0 |
| Total | 87 | 28 | 115 | 542 | 283 | 825 |

Employee training
Total training hours by gender

| | 2024 | | | 2025 | | |
|--------------|----------------|---------------|----------------|----------------|---------------|----------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 93,390 | 32,201 | 125,591 | 116,115 | 43,385 | 159,500 |
| Portugal | 75,576 | 32,387 | 107,963 | 60,546 | 35,478 | 96,023 |
| Romania | 16,215 | 6,116 | 22,331 | 18,430 | 7,471 | 25,901 |
| Turkey | 38,715 | 7,722 | 46,436 | 34,105 | 4,422 | 38,526 |
| Brazil | 20,019 | 2,815 | 22,834 | 5,071 | 2,230 | 7,301 |
| Chile | 3,041 | 978 | 4,019 | 8,047 | 764 | 8,810 |
| Argentina | 1,361 | 242 | 1,603 | 3,211 | 1,171 | 4,382 |
| Total | 248,316 | 82,461 | 330,777 | 245,524 | 94,920 | 340,445 |

Average training hours by gender

| | 2024 | | | 2025 | | |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 31 | 54 | 35 | 36 | 60 | 40 |
| Portugal | 78 | 156 | 91 | 62 | 167 | 81 |
| Romania | 8 | 9 | 9 | 9 | 10 | 9 |
| Turkey | 45 | 84 | 49 | 43 | 42 | 43 |
| Brazil | 33 | 28 | 32 | 8 | 19 | 10 |
| Chile | 10 | 19 | 12 | 24 | 18 | 23 |
| Argentina | 18 | 61 | 20 | 40 | 234 | 52 |
| Total | 32 | 47 | 35 | 31 | 48 | 34 |

Total training hours by professional category

| | 2024 | | | 2025 | | |
|--------------|----------------|---------------|----------------|----------------|---------------|----------------|
| | Men | Women | Total | Men | Women | Total |
| HLT | 31 | 65 | 96 | 96 | 104 | 200 |
| White collar | 119,234 | 40,231 | 159,465 | 119,589 | 42,292 | 161,881 |
| Blue collar | 129,051 | 42,165 | 171,216 | 125,839 | 52,525 | 178,363 |
| Total | 248,316 | 82,461 | 330,777 | 245,524 | 94,920 | 340,445 |

Average training hours by professional category

| | 2024 | | | 2025 | | |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Men | Women | Total | Men | Women | Total |
| HLT | 3 | 16 | 6 | 10 | 21 | 13 |
| White collar | 55 | 62 | 57 | 54 | 57 | 55 |
| Blue collar | 27 | 43 | 30 | 25 | 50 | 29 |
| Total | 32 | 47 | 35 | 31 | 48 | 34 |

Total training hours by topic – White collar employees

| | 2024 | | | 2025 | | |
|---|----------------|---------------|----------------|----------------|---------------|----------------|
| | Men | Women | Total | Men | Women | Total |
| Governance, ethics and compliance | 3,287 | 964 | 4,252 | 924 | 519 | 1,443 |
| Management and leadership | 3,524 | 1,508 | 5,032 | 4,211 | 1,189 | 5,400 |
| Technical training | 88,668 | 33,219 | 121,887 | 93,657 | 32,091 | 125,748 |
| Health, safety and working environment | 15,196 | 2,424 | 17,621 | 15,396 | 3,636 | 19,032 |
| Corporate culture and induction | 771 | 250 | 1,021 | 369 | 353 | 722 |
| Basic skills and professional development | 3,841 | 1,044 | 4,885 | 1,969 | 1,874 | 3,843 |
| Languages and interculturality | 3,114 | 1,544 | 4,658 | 1,424 | 2,209 | 3,633 |
| Other | 0 | 0 | 0 | 1,639 | 418 | 2,057 |
| Total | 118,401 | 40,955 | 159,356 | 119,589 | 42,291 | 161,880 |

Total training hours by topic – Blue collar employees

| | 2024 | | | 2025 | | |
|--------------------------------|----------------|---------------|----------------|----------------|---------------|----------------|
| | Men | Women | Total | Men | Women | Total |
| Engine | 1,619 | 217 | 1,836 | 1,397 | 121 | 1,518 |
| Manufacturing and maintenance | 87,097 | 34,246 | 121,343 | 98,480 | 45,219 | 143,699 |
| Health, safety and environment | 12,066 | 2,396 | 14,462 | 10,869 | 2,693 | 13,562 |
| Supply chain | 4,862 | 1,925 | 6,787 | 4,953 | 2,019 | 6,972 |
| Quality | 2,209 | 452 | 2,660 | 3,609 | 690 | 4,299 |
| Other | 20,990 | 3,250 | 24,240 | 6,518 | 1,796 | 8,314 |
| Total | 128,842 | 42,485 | 171,327 | 125,826 | 52,537 | 178,363 |

Talent mobility
Job vacancies filled internally

| | 2024 | | | 2025 | | |
|--------------|------------|-----------|------------|------------|-----------|------------|
| | Men | Women | Total | Men | Women | Total |
| Spain | 0 | 0 | 0 | 88 | 49 | 137 |
| Portugal | 13 | 1 | 14 | 15 | 4 | 19 |
| Romania | 62 | 49 | 111 | 57 | 26 | 83 |
| Turkey | 0 | 0 | 0 | 21 | 12 | 33 |
| Brazil | 40 | 12 | 52 | 28 | 4 | 32 |
| Chile | 21 | 1 | 22 | 1 | 1 | 2 |
| Argentina | 0 | 0 | 0 | 3 | 0 | 3 |
| Total | 136 | 63 | 199 | 213 | 96 | 309 |

Social dialog and labor rights

Percentage of employees covered by collective agreement by country

| Country | 2024 | 2025 |
|--------------|-------------|-------------|
| Spain | 100 % | 100 % |
| Portugal | 100 % | 100 % |
| Romania | 100 % | 100 % |
| Turkey | 74 % | 74 % |
| Brazil | 84 % | 84 % |
| Chile | 83 % | 83 % |
| Argentina | 72 % | 72 % |
| Total | 95 % | 95 % |

Diversity and equity

Percentage employees by nationality

| Nationalities | 2024 | 2025 |
|---------------|------|------|
| Spanish | 36 % | 36 % |
| French | 1 % | 1 % |
| Portuguese | 11 % | 10 % |
| Romanian | 27 % | 28 % |
| Turkish | 10 % | 9 % |
| Brazilian | 9 % | 9 % |
| Argentinian | 1 % | 1 % |
| Chilean | 3 % | 4 % |
| Other | 3 % | 3 % |

Percentage employees by generation

| | 2024 | 2025 |
|---|------|------|
| Baby boomers (1945-1964) | 1 % | 1 % |
| Generation X (1965-1981) | 49 % | 46 % |
| Generation Y or Millennials (1982-1994) | 39 % | 40 % |
| Generation Z or Centennials (1995-2009) | 11 % | 13 % |

Number and percentage of employees with disabilities, by country

| Country | No. of employees with disabilities | | Percentage of total for the country | |
|--------------|------------------------------------|------------|-------------------------------------|---------------|
| | 2024 | 2025 | 2024 | 2025 |
| Spain | 9 | 17 | 0.2 % | 0.4 % |
| Portugal | 19 | 21 | 1.6 % | 1.8 % |
| Romania | 17 | 18 | 0.6 % | 0.6 % |
| Turkey | 29 | 27 | 3.0 % | 3.0 % |
| Brazil | 27 | 28 | 3.8 % | 3.8 % |
| Chile | 3 | 3 | 0.9 % | 0.8 % |
| Argentina | 0 | 0 | — % | — % |
| Total | 104 | 114 | 1.09 % | 1.14 % |

Average remuneration and pay gap (2024 criteria)

At Horse Technologies, we calculate average remuneration as the mean value of all the wages of eligible employees, considering their total remunerations, which includes both fixed and variable remuneration. To guarantee comparability, we have translated values to euros using the average exchange rate for December each year. We also maintain the same methodology in relation to 2024. The tables below show the average remunerations broken down by gender, age group and professional category.

Average remuneration by professional category (base wage + variable)

| | 2024 | | | 2025 | | |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Men | Women | Total | Men | Women | Total |
| HLT | 284,153 € | 255,515 € | 275,970 € | 286,339 € | 247,600 € | 275,270 € |
| Managers | 51,820 € | 56,696 € | 52,600 € | 53,799 € | 62,279 € | 55,243 € |
| White collar | 36,607 € | 35,444 € | 36,332 € | 37,798 € | 36,115 € | 37,385 € |
| Blue collar | 23,089 € | 19,800 € | 22,537 € | 22,354 € | 20,320 € | 21,995 € |
| Total | 29,748 € | 28,848 € | 29,580 € | 30,208 € | 30,242 € | 30,215 € |

Average remuneration by age group and professional category (base wage + variable)

| | 2024 | | | | 2025 | | | |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | <30 | 30-49 | >50 | Total | <30 | 30-49 | >50 | Total |
| HLT | 0 € | 237,348 € | 304,938 € | 275,970 € | - € | 230,905 € | 299,918 € | 275,270 € |
| Managers | 28,280 € | 49,678 € | 63,956 € | 52,600 € | 23,786 € | 51,673 € | 67,684 € | 55,243 € |
| White collar | 28,062 € | 36,481 € | 39,973 € | 36,332 € | 28,975 € | 37,523 € | 41,654 € | 37,385 € |
| Blue collar | 16,510 € | 23,397 € | 23,127 € | 22,537 € | 16,153 € | 22,390 € | 23,783 € | 21,995 € |
| Total | 20,315 € | 29,819 € | 33,274 € | 29,580 € | 20,867 € | 30,068 € | 34,946 € | 30,215 € |

Average remuneration by gender (base wage)

| | 2024 | | 2025 | |
|----------------------|-----------|-----------|-----------|-----------|
| | Men | Women | Men | Women |
| Executive level | 205,220 € | 197,750 € | 213,958 € | 205,900 € |
| Management level | 45,751 € | 50,727 € | 48,837 € | 55,859 € |
| Non-management level | 25,852 € | 24,739 € | 26,590 € | 25,950 € |

Average remuneration by gender (base wage + variable)

| | 2024 | | 2025 | |
|------------------|-----------|-----------|-----------|-----------|
| | Men | Women | Men | Women |
| Executive level | 284,153 € | 255,515 € | 286,339 € | 247,600 € |
| Management level | 51,820 € | 56,696 € | 53,799 € | 62,279 € |

Gross gender pay gap (by group)

This indicator is calculated using the average remuneration (including fixed salary and variable remuneration) of each country, comparing jobs of equal value, in the main categories used by the company. To define jobs of equal value, the following criteria have been defined:

- Office employees: At Horse Technologies we have an internal categorization for office employees based on “grades”, which is an internal categorization used to establish objectives, define variable salary, among others. Subsequently, to simplify the information, these employees have been grouped into HLT, managers and white collar.
- Blue collar: jobs of equal value are defined as those included in the collective agreements of each of the companies where we are present.

Subsequently, these average remuneration values are weighted according to the relative importance of each region in the total eligible employees, giving a global indicator that accurately reflects the reality of our workforce. This year, the analysis has covered the 7 countries in which we are present, and has covered the entire workforce.

To preserve year-on-year comparability, in addition to the new criterion, in 2025 we have replicated the calculation using 2024 methodology (theoretical annual remuneration: base wage + target variable). This allows us to analyze the evolution compared to the previous year and establish the new criterion as a reference for future years.

Gender pay gap by professional category

| | 2024 | 2025 |
|--------------|--------------|---------------|
| HLT | 10.08% | 13.53% |
| Manager | -9.41% | -15.76% |
| White collar | 3.18% | 4.45% |
| Blue collar | 14.25% | 9.10% |
| Total | 3.03% | -0.11% |

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| Use of renewable energies | GRI 302-1 Energy consumption within the organization | Metrics and targets - Energy consumption | 72 |

Climate change

| Act 11/2018 | Related GRI | Section of the report | Section start page |
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| Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces | GRI 305-1 Direct (scope 1) GHG emissions | Metrics and targets - Corporate Carbon Footprint | 67 |
| | GRI 305-2 Energy indirect (scope 2) GHG emissions | | |
| | GRI 305-3 Other indirect (scope 3) GHG emissions | | |
| | GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions | | |
| Measures taken to adapt to the consequences of climate change | GRI 3-3 (2021) Management of material topics | Climate change strategy - Risk management | 66 |
| Voluntary reduction targets in the medium and long term to reduce greenhouse gas emissions and the means put in place for that purpose | GRI 305-5 Reduction of GHG emissions | Climate change | 60 |
| | | Metrics and targets | 67 |

Protection of biodiversity

| Act 11/2018 | Related GRI | Section of the report | Section start page | |
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| Measures taken to preserve or restore biodiversity | GRI 101-2 (2024) Management of biodiversity impacts | Position on biodiversity | 96 | |
| Impacts caused by activities or operations in protected areas | | | | GRI 101-4 (2024) Identification of biodiversity impacts |
| | | | | GRI 101-5 (2024) Locations with biodiversity impacts |

Social matters

| Act 11/2018 | Related GRI | Section of the report | Section start page |
|---|--|---|--|
| Management approach: description and results of policies related to these matters, and the main risks related to these matters associated to the group's activities | GRI 3-3 (2021) Management of material topics | Positive impact on people - Our workforce - Communication channels with employees - Talent development - Equal treatment and diversity management | 100 111 115 126 |
| Employment | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Total number and distribution of employees by country, sex, age and professional classification | GRI 405-1 Diversity of governance bodies and employees GRI 2-7 (2021) Employees | | |
| Total number and distribution of types of employment contract and annual average number of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification | GRI 2-7 (2021) Employees | Our workforce - Employees of Horse Technologies | 103 |
| Number of dismissals by sex, age and professional classification | GRI 401-1 New employee hires and employee turnover | | |
| Average remuneration and its evolution broken down by sex, age and professional classification or equal value | | Our workforce - Remuneration and social benefits | 120 |
| Wage gap, remuneration of equal jobs or average remuneration of the company | GRI 405-2 Ratio of basic salary and remuneration of women to men | Our workforce - Remuneration and social benefits | 120 |
| Average remuneration of directors and executives, including variable remuneration, expenses, compensation, payments to long-term savings schemes and any other remuneration item broken down by sex | N/A | Our workforce - Remuneration and social benefits | 120 |
| Implementation of work disconnection policies | GRI 3-3 (2021) Management of material topics | Our workforce - Working time organization | 113 |
| Number of employees with disabilities | GRI 405-1 Diversity of governance bodies and employees | Our workforce- Equal treatment and diversity management | 126 |
| Work organization | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Organization of working hours | GRI 3-3 (2021) Management of material topics | | |
| Number of hours of absenteeism | | Our workforce - Working time organization | 113 |
| Measured aimed at facilitating work-life balance and fostering shared family responsibility by both parents | GRI 3-3 (2021) Management of material topics GRI 401-3 Parental leave | | |

| Health and safety | | | |
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| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Health and safety at work conditions | GRI 3-3 (2021) Management of material topics | Health and safety | 131 |
| | GRI 403-1 Occupational health and safety management system | | |
| | GRI 403-2 Hazard identification, risk assessment and incident investigation | | |
| | GRI 403-4 Worker participation, consultation and communication on occupational health and safety | | |
| | GRI 403-8 Workers covered by an occupational health and safety management system | | |
| Accidents at work, in particular their frequency and severity, as well as occupational diseases broken down by sex | GRI 403-5 Worker training on occupational health and safety | Our workforce - Talent development | 115 |
| | GRI 403-9 Work-related injuries | Health and safety - Safety and wellbeing of workers | 134 |
| | GRI 403-10 Work-related ill health | | |
| Social relations | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Organization of social dialog including procedures for informing and consulting with employees and negotiating with them | GRI 3-3 (2021) Management of material topics | Our workforce - Communication channels with employees | 111 |
| Percentage of employees covered by collective agreement by country | GRI 2-30 (2021) Collective bargaining agreements | Our workforce - Social dialog and labor rights | 124 |
| Balance of collective agreements, particularly in relation to health and safety at work | GRI 3-3 (2021) Management of material topics | | |
| Training | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Policies implemented in relation to training | GRI 404-2 Programs for upgrading employee skills and transition assistance programs | Our workforce - Talent development | 115 |
| Total number of training hours by professional category | GRI 404-1 Average hours of training per year per employee | Our workforce - Talent development | |
| Equality | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Measures taken to promote equal treatment and opportunities between men and women | GRI 3-3 (2021) Management of material topics | Our workforce - Remuneration and social benefits | 120 |
| | | Our workforce - Equal treatment and diversity management | 126 |
| Equality plans, measures taken to promote employment protocols against sexual harassment and harassment by reason of sex | GRI 3-3 (2021) Management of material topics | Our workforce - Equal treatment and diversity management | 126 |
| Integration and universal accessibility of persons with disabilities | GRI 3-3 (2021) Management of material topics | Our workforce - Equal treatment and diversity management | 126 |
| Policy against any kind of discrimination and, as the case may be, diversity management. | GRI 3-3 (2021) Management of material topics | Our workforce - Equal treatment and diversity management | 126 |

Respect for Human Rights

| Act 11/2018 | Related GRI | Section of the report | Página de inicio de sección |
|--|--|--|-----------------------------|
| Management approach: description and results of policies related to these matters, and the main risks related to these matters associated to the group's activities | GRI 3-3 (2021) Management of material topics | Ethics and good governance - Protection of human rights | 173 |
| Application of due diligence procedures | | | |
| Act 11/2018 | Related GRI | Section of the report | Section start page |
| Application of due diligence procedures in relation to human rights and the prevention of risks of breach of human rights and, as the case may be, measures to mitigate, manage and remedy possible abuses committed | GRI 2-23 (2021) Policy commitments | Ethics and good governance - Protection of human rights | 173 |
| Reported cases of breach of human rights | GRI 2-27 (2021) Compliance with laws and regulations GRI 406-1 Incidents of discrimination and corrective actions taken | | |
| Measures implemented for the promotion of and compliance with the provisions of the fundamental conventions of the ILO in relation to respect for freedom of association and the right to collective bargaining | GRI 3-3 (2021) Management of material topics | Our workforce - Social dialog and labor rights | 124 |
| Elimination of discrimination in employment and occupation | GRI 3-3 (2021) Management of material topics | Our workforce - Equal treatment and diversity management | 126 |
| Elimination of forced or compulsory labor and effective abolition of child labor | GRI 3-3 (2021) Management of material topics | Ethics and good governance - Code of business ethics | 165 |

Combating corruption and bribery

| Act 11/2018 | Related GRI | Section of the report | Section start page |
|---|---|---|--|
| Management approach: description and results of policies related to these matters, and the main risks related to these matters associated to the group's activities | GRI 3-3 (2021) Management of material topics | Ethics and good governance - Code of business ethics | 165 |
| Measures adopted to prevent corruption and bribery | GRI 2-23 (2021) Policy commitments | Ethics and good governance - Cod of business ethics Ethics and good governance - Compliance and internal control | 165 167 |
| | GRI 2-27 (2021) Compliance with laws and regulations | | |
| | GRI 205-3 Confirmed incidents of corruption and actions taken | | |
| Measures to combat money laundering | GRI 2-23 (2021) Policy commitments | Social contribution - Association and partnership | 151 |
| | GRI 3-3 (2021) Management of material topics | | |
| Contributions to foundations and non-profit entities | GRI 201-1 Direct economic value generated and distributed | | |

Information on society
Company's commitment to sustainable development

| Act 11/2018 | Related GRI | Section of the report | Section start page |
|--|---|--|--|
| Impact of the company's activity on employment and local development | GRI 3-3 (2021) Management of material topics | Our workforce - Employees of Horse Technologies Social contribution | 103 138 |
| | GRI 204-1 Proportion of spending on local suppliers | Responsible purchasing - Our suppliers | 155 |
| Impact of the company's activity on local populations and on the territory | GRI 3-3 (2021) Management of material topics | Social contribution | 138 |
| Relationships with actors in local communities and forms of dialogue with them | GRI 2-29 (2021) Approach to stakeholder engagement | | |
| Association or sponsorship actions | GRI 2-28 (2021) Membership associations | Social contribution - Partnership and sponsorship | 151 |

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| Act 11/2018 | Related GRI | Section of the report | Section start page |
|---|---|---|---------------------|
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| Consideration of their social and environmental responsibility in relationships with suppliers and subcontractors | GRI 2-6 (2021) Activities, value chain and other business relationships | | |
| | GRI 308-1 New suppliers that were screened using environmental criteria GRI 414-1 New suppliers that were screened using social criteria | Responsible purchasing - ESG assessment and audits | 159 |
| Oversight and audit systems and their results | GRI 2-6 (2021) Activities, value chain and other business relationships | Excellence and quality - Results of supplier audits | 48 |

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| Act 11/2018 | Related GRI | Section of the report | Section start page |
|--|--|--|--------------------|
| Measures for the health and safety of consumers | GRI 3-3 (2021) Management of material topics | Excellence and quality | 40 |
| Systems for claims, complaints received and their resolution | | Excellence and quality - Commitment to customers | 45 |

Tax information

| Act 11/2018 | Related GRI | Section of the report | Section start page |
|-------------------------------------|---|-------------------------------------|--------------------|
| Profits obtained country by country | | Economic impact - Financial results | ## |
| Income taxes paid | GRI 201-1 Direct economic value generated and distributed | Economic impacts - Tax strategy | 21 |
| Public subsidiaries received | GRI 201-4 Financial assistance received from the government | | |

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Table 1. Sustainability disclosure topics and accounting metrics

| Topic | Code | Name of the indicator | Section of the report | Section start page |
|----------------------------|------------------|--|---|---------------------|
| Energy management | TR-AP-130a.1 (1) | Total energy consumed | Metrics and targets - Energy consumption | 72 |
| | TR-AP-130a.1 (2) | Percentage grid electricity | | |
| | TR-AP-130a.1 (3) | Percentage renewables | | |
| Waste management | TR-AP-150a.1 (1) | Total amount of waste from manufacturing | Circular economy - Waste management | 93 |
| | TR-AP-150a.1 (2) | Percentage hazardous | Circular economy - Waste management | |
| | TR-AP-150a.1 (3) | Percentage recycled | Circular economy - Waste management | |
| Material sourcing | TR-AP-440a.1 | Description of the management of risks associated with the use of critical materials | Responsible purchasing - Critical raw materials and conflict minerals | 160 |
| Materials efficiency | TR-AP-440b.1 | Percentage of products sold that are recyclable | Circular economy - Consumption of materials | 85 |
| | TR-AP-440b.2 | Percentage of input materials from recycled or remanufactured content | Circular economy - Consumption of materials | |
| Competitive behavior | TR-AP-520a.1 | Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations | Ethics and good governance - Compliance and internal control | 167 |
| Design for fuel efficiency | TR-AP-410a.1 | Revenue from products designed to increase energy efficiency or reduce emissions | Innovation in figures | ## |

Table 2. Activity metrics

| Code | Name of the indicator | Section of the report | Section start page |
|-------------|------------------------------|--|--------------------|
| TR-AP-000.A | Number of parts produced | About Horse Technologies - Activity and products | 8 |
| TR-AP-000.B | Weight of parts produced | | |
| TR-AP-000.C | Area of manufacturing plants | About Horse Technologies - Organization | 11 |

Audit Report



HORSE Powertrain Solutions, S.L.U., and subsidiaries

Independent Assurance Report on the Consolidated Non-Financial Information Statement (NFIS)

31 december 2025

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Consolidated Non-Financial Information Statement of HORSE Powertrain Solutions, S.L.U. and subsidiaries for 2025

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of HORSE Powertrain Solutions, S.L.U.:

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFIS) of HORSE Powertrain Solutions and subsidiaries (hereinafter the Group) for the year ended 31 December 2025, which forms part of the consolidated Directors' Report of the Group for 2025.

The NFIS includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. Our work was limited exclusively to providing assurance on the information identified in the "Index of contents required by Law 11/2018" table included in the consolidated NFIS attached hereto.

Directors' Responsibility

The Directors of the Parent are responsible for the content and authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) based on each subject area in the "Index of contents required by Law 11/2018" table of the aforementioned NFIS.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) of the International Ethics Standards Board for Accountants (IESBA Code of Ethics), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



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Our firm applies International Standard on Quality Management (ISQM), which requires the firm to design, implement and operate a quality management system that includes policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Group that participated in the preparation of the NFIS, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Group's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2025 based on the materiality analysis performed by the Group and described in the Double Materiality section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2025.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2025.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2025 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of HORSE Powertrain Solutions S.L.U. and its



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subsidiaries for the year ended 31 December 2025 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and selected GRI Standards based on the content indicated for each subject area in the "index of contents required by Law 11/2018" table included in the aforementioned NFIS.

Use and Distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain and thus may not be suitable for other purposes and jurisdictions.

KPMG Auditores, S.L.

(Signed on original in Spanish)

Marta Contreras Hernández

31 March 2025