QUALITY POLICY

HORSE POWERTRAIN LTD

Table of Contents

1 Introduction 2

2 Commitments and expectations 2

3 Definitions 3

4 How to act 3

5 Consequences of violations of this policy 3

6 How to report a violation 3

7 Guidance and assistance 4

1 Introduction

At Horse Powertrain[1] we are committed to delivering innovative, high-quality solutions that meet or exceed requirements and expectations of our customers and stakeholders.

We achieve this through a culture of continuous improvement, operational excellence, and strong collaboration across the company and with partners.

2 Commitments and expectations

Our approach is driven by:

- Customer centeredness: we strive to deeply understand and proactively meet customer needs and expectations, ensuring satisfaction through clear communication and reliable delivery.
- Compliance: we strictly follow customer specifications, legal obligations, and applicable standards across the whole value chain.
- Lifecycle quality management: we build quality in every stage and always deliver products and services that meet or exceed specified requirements.
- Product safety: we prioritize product safety in product engineering and throughout the entire product lifecycle by identifying and mitigating risks to ensure safe and compliant products.
- Continuous improvement and innovation: we regularly assess and enhance our core competencies, systems and integrated processes. we secure continuous success through problem solving methodology, lessons learned, and best practices powered by digitalization to achieve excellence.
- Leadership: we establish measurable objectives aligned with strategic goals, monitor performance through data driven indicators and ensure the allocation of necessary resources.
- People and culture: we foster a safe and equal working environment that promotes recognition of achievements and ensures that every employee[2] understands their contribution to customer satisfaction.

This approach supports the effective maintenance and continual improvement of our Quality Management System.

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

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

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

3 Definitions

- “Quality”: the degree to which a set of inherent characteristics of an object fulfils requirements.
- “Counterfeit part”: a part that is a copy or substitute without legal right or authority to do so, or a part whose material, performance, or characteristics are knowingly misrepresented by the vendor, supplier, distributor, or manufacturer.
- "Product safety": the standard of protection against unreasonable risk of injury from a product during its entire lifecycle.

4 How to act

To ensure compliance with this policy, all employees must:

- Integrate the quality commitments into their daily activities and decision-making processes
- Adhere to all established procedures for quality control, product testing and validation
- Implement measures to prevent and detect counterfeit parts from entering our supply chain, such as verifying supplier authenticity and inspecting materials upon receipt.
- Follow established problem-solving methodologies to address any quality deviation in a timely and effective manner.
- Participate actively in all mandatory training related to quality management and product safety.

5 Consequences of violations of this policy

Failure to comply with this policy could cause significant harm to Horse Powertrain such as loss of business, substantial fines and reputational damage, and may lead to sanctions for the violating employee(s), up to termination of employment, as well as potential legal action where applicable.

6 How to report a violation

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

Horse Powertrain will ensure that there are no adverse work-related consequences for any employee who, in good faith, alerts management to possible violations of this policy.

See Internal Reporting Policy

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

7 Guidance and assistance

Guidance and assistance regarding this policy should be sought first and foremost, from your manager. For further guidance, you may also refer to the corporate directives and guidelines related to this policy.

Inquiries about this policy may also be directed to the Quality or Legal & Compliance functions.

