



# Environmental, Social and Governance

SEG Automotive's ESG Report

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# Introduction.

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“SEG Automotive is not a company that will change the world – or save the climate – on its own. But that does not mean we cannot make a difference.

It is one of the core values of our SEG Automotive DNA to be guided by a sustainability mindset. **We strive to minimize any negative consequences of our business activities while amplifying our positive impact on the industry and beyond.** This starts with our core business: Already today, there are over 110 million cars on the road powered by products from our especially fuel-saving, high efficiency product families. Compared to conventional products, these vehicles can contribute to saving more than 20 million tons of CO<sub>2</sub> every year! And we continue to be a motor for accelerating the transformation towards sustainable, electrified mobility with our e-machines for commercial vehicles, passenger cars, eBikes, and many types of light electric vehicles.

In this, we scrutinize ourselves and are mindful of continuously mitigating our footprint regarding emissions, waste, and use of resources – including our supply chain. This includes a clear road to carbon neutrality (more on this from page 29).

We also recognize our potential – and responsibility – in the social sphere: **As a caring employer, a reliable business partner, as well as a fair player in the market.** And as a company that makes a positive contribution to the communities around our locations – having supported 90 social projects with money and action in 2025 (more on this from page 48).

We may be just one cog in the giant machine that is the automotive industry. But I am proud of the spirit of *Sustainable Together* we have created at SEG Automotive and our positive impact as the motor for the mobility of today and tomorrow.”

Ferdinando Sorrentino, CEO of SEG Automotive



## RELIABLE GLOBAL PARTNER

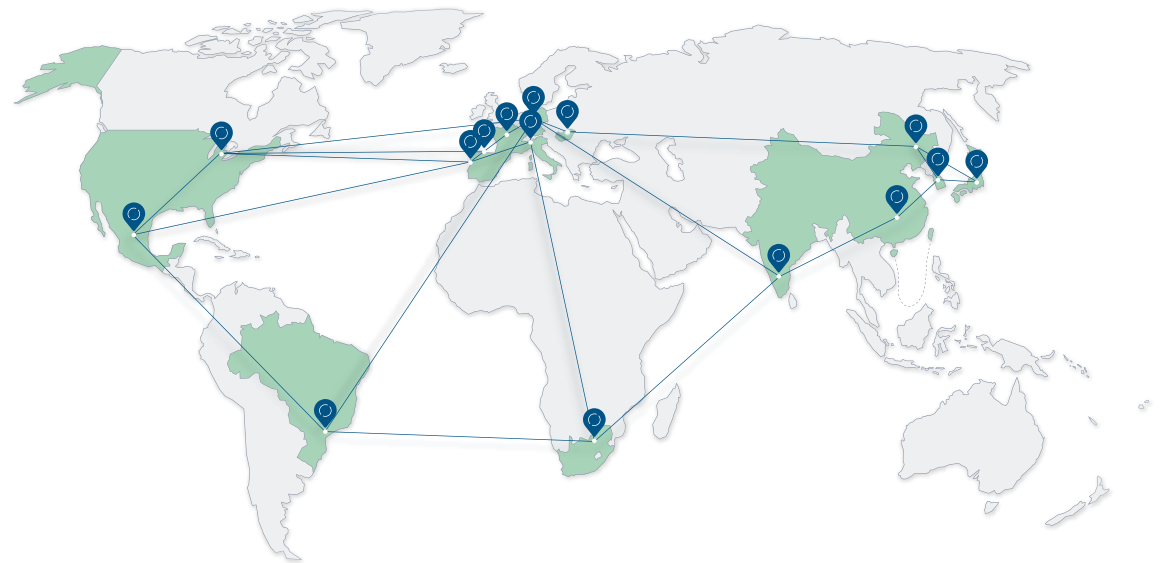
Emerging from the BOSCH Starter Motors & Generators division in January 2018, the company SEG Automotive stands for more than a century of innovations in its product sector: from the invention of the starter motor and generator to Start/Stop and hybridization.

**Today, SEG Automotive is one of the leading global suppliers of starter motors and generators for the Automotive Industry. Solutions for hybridization and electrification are also part of the growing portfolio.** Well-known global OEMs are long-term customers of SEG Automotive.

SEG Automotive's workforce counts more than 5.000 employees. The headquarter is located in Stuttgart, Germany. SEG Automotive operates eight production sites, several sales locations and a shared service center in Portugal.

The production sites are in close proximity to the customers' needs in the countries of Germany, Spain, Hungary, Mexico, Brazil, India and China. The yearly output of final products exceeds 26 million. That is one product every 1.5 seconds. This market importance – of which we are well aware – comes with a high responsibility for our impact on society and the environment (see chapter ESG at SEG Automotive).

### 14 countries with over 5000 employees





# ESG at SEG Automotive

# ESG at SEG Automotive.

## OUR CONCEPT OF ESG

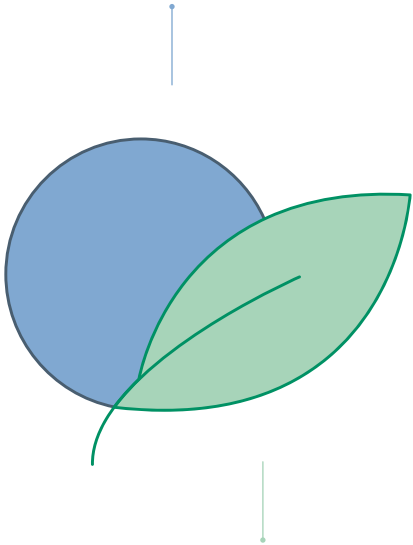
The concept of ESG – Environmental, Social and Governance – has become the global standard for assessing a company’s sustainability performance. Because interpretations can vary across regions and industries, SEG Automotive considers it essential to clearly articulate what ESG means for our organization. A shared understanding enables us to work toward our sustainability goals with clarity, consistency, and impact.

ESG describes how a company manages its environmental footprint, its social responsibilities toward employees and communities, and the governance structures that ensure ethical, transparent, and compliant business conduct. Integrating these principles into our strategy, operations, and stakeholder interactions is fundamental to how we operate.

At SEG Automotive, ESG is not an add-on but an integral part of our daily actions and long-term direction. This commitment is reflected in our #SustainableTogether initiative and its dedicated logo, symbolizing our shared responsibility for protecting and preserving our delicate world.

This report is a voluntary ESG disclosure prepared to transparently communicate SEG Automotive’s sustainability approach, actions, and selected performance indicators. While the content is informed by international frameworks and emerging European reporting standards, this report does not constitute a formal disclosure under the European Sustainability Reporting Standards (ESRS). SEG Automotive intends to further align its sustainability reporting with ESRS requirements in future reporting cycles.

## SOCIAL ACTIONS WITH A GLOBAL IMPACT



## OUR MISSION TO APPRECIATE AND PRESERVE NATURE

# ESG at SEG Automotive.



## OUR CONCEPT OF ESG

The aspects of ESG are outlined in internationally recognized reference documents, for example the fundamental ILO declaration on multinational enterprises and social policy, the OECD Guidelines for Multinational enterprises, the UN Guiding Principles on Business and Human Rights, the UN Global Compact and ISO 26000.

For SEG Automotive, ESG has six key areas: Products, Sustainable Purchasing, Environment, Our People, Health & Safety, Business Ethics & Society.

These ESG focus areas reflect SEG Automotive's current understanding of its most relevant environmental, social, and governance topics across its operations and value chain. Topic selection is informed by the nature of our products, our global manufacturing footprint, regulatory developments, stakeholder expectations, and internal risk and impact assessments. A structured double materiality assessment in line with ESRS requirements is planned as part of future CSRD-aligned reporting.

We also monitor the evolving European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD) to ensure that our approach remains aligned with future reporting requirements.



# ESG at SEG Automotive.



## ORGANIZATION

To emphasize the importance of sustainability for us, we have set up a global sustainability organization. The highest body is the ESG committee, consisting of SEG Automotive’s CEO and vice presidents from all professional fields. The committee’s responsibilities include approving the ESG strategy and targets, communicating the importance of sustainability internally and externally, empowering ESG initiatives across the company, and providing the financial resources required to implement them.

The global ESG team elaborates on the strategy for sustainability and derives the roadmap for concrete measures. The team coordinates the worldwide network of local experts for Health, Safety & Environment (HSE) and Corporate Social Responsibility (CSR), supports the implementation of local and global initiatives, and proposes eligible projects while safeguarding their execution. In addition, the global ESG team consolidates our worldwide efforts for this report and manages external sustainability assessments such as EcoVadis, NQC Supplier Assurance, CDP and individual customer requests.

The ESG organization within SEG Automotive continues to mature as we expand our activities and strengthen our internal structures. In 2026, we are focusing on several organizational improvements that enhance effectiveness and collaboration:

- Refining the approval and financing processes for sustainability projects to further encourage the proposal and implementation of ecological and social improvements
- Embedding sustainability targets into the Management incentive system to reinforce ownership and drive the implementation of ESG measures across all business areas
- Strengthening and standardizing global collaboration between the ESG, CSR, and HSE functions to ensure consistent processes and faster knowledge exchange across regions

Guided by our company motto “One Team, One Company”, we believe that joining forces across all functions and locations will significantly accelerate our progress and impact.



# Our ESG strategy. \_\_\_\_\_



## ORGANIZATION

In 2025, SEG Automotive introduced a strengthened ESG strategy that sets a clear course toward 2035 and beyond. Building on our long-standing CSR foundation and our six key responsibility areas, this strategy focuses our efforts where SEG Automotive can create the greatest positive impact across the value chain. It also aligns with global and European sustainability expectations while preserving our commitment to continuous improvement.

Our holistic ESG strategy is structured around three strategic pillars that reflect our ambition to contribute to a low-carbon, fair, and resource-efficient automotive industry:



### Strive for carbon neutrality

through operational emissions reduction and collaborative supply chain decarbonization



### Advance fairness

by fostering diversity and driving social impact



### Safeguarding natural resources

by integrating circular economy principles across the entire product life cycle

# Our key targets. \_\_\_\_\_



## ORGANIZATION

### 2030 TARGETS



#### Strive for carbon neutrality

- 10% CO<sub>2</sub> emission reduction intensity vs. 2024
- 60% Scope 1 emission reduction vs. 2022
- 100% Scope 2 emission reduction vs. 2022
- CO<sub>2</sub> emission reduction in material hotspots per purchasing volume



#### Advance fairness

- Achieve a 27% female representation in management



#### Safeguarding natural resources

- Integrate circularity into new product engineering
- Optimize packaging and delivery to reduce waste
- Grow year-over-year sales for remanufactured products

INTERNATIONAL STANDARDS

# SUSTAINABLE DEVELOPMENT GOALS



The United Nations (UN) Sustainable Development Goals (SDGs) provide powerful guidance. SEG Automotive fully supports the UN Sustainable Development Agenda and is committed to contributing directly to the SDGs. And by sharing our SDG commitments and progress, we work to drive sustainable practices in our sphere of influence.

# ESG at SEG Automotive.



Environmental, Social and Governance

## EXTERNAL RECOGNITION

Authenticity, transparency, and responsibility are priorities for SEG Automotive and form part of the foundation on which we build trust with our employees, customers, providers, and other stakeholders. Reporting our performance publicly and consistently demonstrates our commitment to transparency and achieving third-party recognition of our non-financial data.

We continue to align with the Global Reporting Initiative (GRI) Standards and Carbon Disclosure Project (CDP). All our locations are covered by our global certificates for ISO 14001 Environmental Management System and ISO 45001 Occupational Health & Safety Management System.



ISO 45001 DQS certificate



ISO 14001 DQS certificate

# ESG at SEG Automotive.



## EXTERNAL RECOGNITION

One indication we are making progress as a responsible company is when other organizations recognize our achievements.

We have been participating in and reporting to **CDP (Carbon Disclosure Project) supply chain program** since 2020 to transparently disclose our environmental impacts, and thereby provide relevant stakeholders with information about our climate protection strategy and CO<sub>2</sub> reduction measures; since 2022 we report also about water security. We are working on improvements to minimize the environmental impact of our operations and to significantly reduce global CO<sub>2</sub> emissions.



We participate and we are committed to **ECOVADIS (Bronze medal)** and **NQC Supplier Assurance (Average score SAQ 5.0 B89)** providing valuable information to our customers about our environmental, social, ethics, supply chain and sustainable practices.



SEG Automotive is a member of numerous interest groups, both nationally and internationally, from the International Chamber of Commerce to the German Association of the Automotive Industry. The work areas in these institutions cover all aspects of the entrepreneurial spectrum, ranging from general employers' organizations to personnel matters and topics like quality, research, and development. Memberships include CLEPA (European Association of Automotive Suppliers), VDA (Verband der Automobilindustrie – German Association of the Automotive Industry), FAAS (Forum on Automotive Aftermarket Sustainability), APRA (Automotive Parts Remanufacturing Association), BME (German Association for Supply Chain Management, Procurement and Logistics) and Expertenforum Fraunhofer IPA (Expert Forum of the Fraunhofer Institute for Manufacturing Engineering and Automation)



# Products & Product Development

## PRODUCTS

Mobility is a basic human need – and cars and motorized two-wheelers continue to be the epitome of individual mobility. At the same time, the number of freight trucks continues to grow due to global supply chains and increasing online trade. As a result, the global fleet of combustion engine powered vehicles remains stable.

The negative side of this demand for transportation is CO<sub>2</sub> emissions of almost six gigatons per year worldwide. Cars and trucks account for a large part of this load – in Europe, for example, they are responsible for nearly 20% of total CO<sub>2</sub> emissions.

**To counteract climate change, CO<sub>2</sub> emissions from the transport sector must be significantly reduced – until eventually, cars and commercial vehicles no longer produce any emissions at all. We must achieve net zero emissions as quickly as possible - and produce as few emissions as possible in the time until then.**

Ultimately, it is not only the year in which we are climate-neutral that counts, but also how much we have saved or unnecessarily emitted on the way there and how the climate has developed as a result.



SEG Automotive's product portfolio

# Products & Product Development.



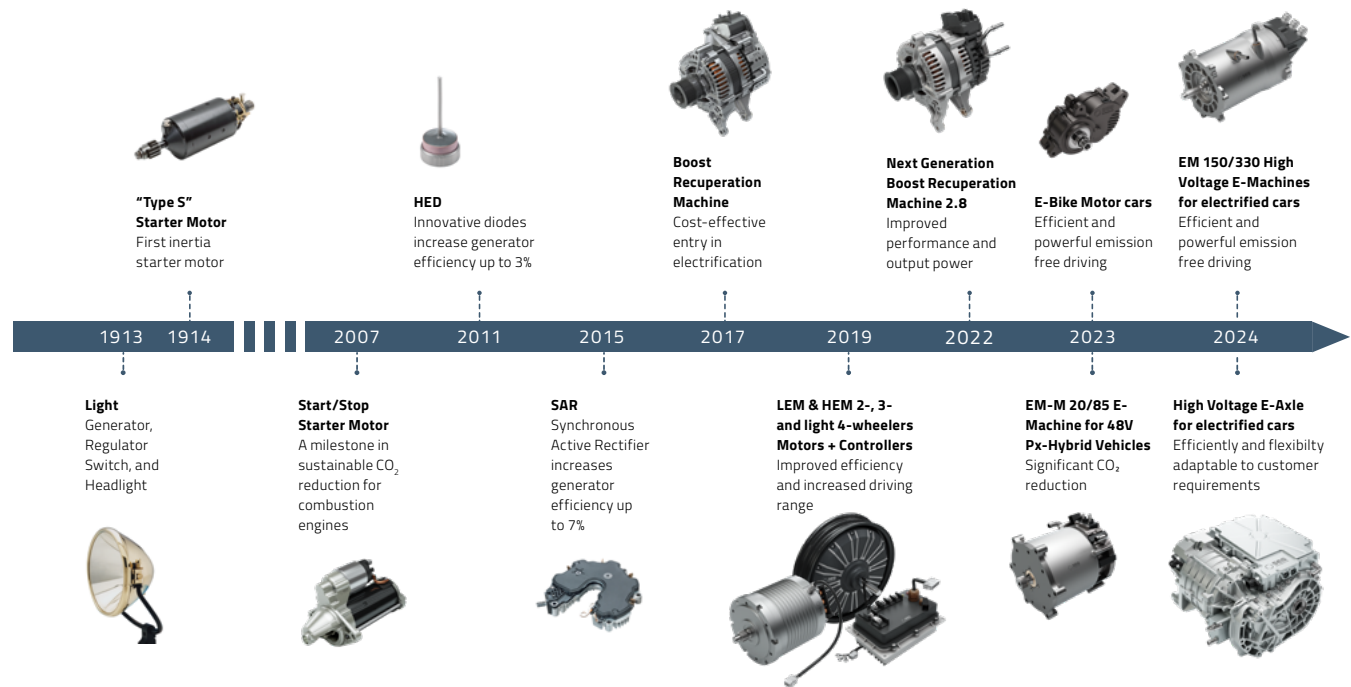
## SHAPING THE PAST, PRESENT & FUTURE OF MOBILITY

SEG Automotive recognized early on that innovation can improve safety, comfort and significantly reduce emissions.

More than 100 years ago, our introduction of the electric starter motor and generator revolutionized how vehicles are used in everyday life.

Built on this heritage, we became inventors of the Start/Stop technology and pioneers of 48V mild hybridization. These innovations, along with high-efficiency generators, make present-day combustion engines considerably more efficient and climate-friendly.

Driven by our passion for innovation, we have been extending our technological leadership to e-mobility. We develop competitive solutions for the future of transportation – for cars & commercial vehicles, as well as for light electric mobility, eBikes and beyond. Across all technologies and markets, we pursue one clear goal: to significantly reduce global CO<sub>2</sub> emissions with our solutions.



SCALABLE SOLUTIONS FOR TODAY AND TOMORROW

Ever since becoming an independent company in 2018, SEG Automotive has significantly increased its innovation speed. We have expanded our existing 48V hardware portfolio into a fully integrated system solution with in-house hardware and software.

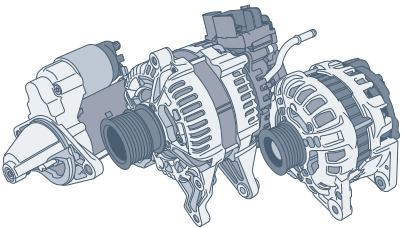
For the electrification of cars and commercial vehicles, we have developed a scalable high voltage e-machine traction platform. It is suitable for a wide range of applications and available as a 3-in-1 system solution, including gear box and inverter.

In parallel, we have built a dedicated portfolio for the rapidly growing Light Electric Mobility (LEM) segment to minimize the ecological impact of the many millions of rickshaws, motor-bikes etc. in Asia and beyond.

SEG Automotive has also entered new fields beyond automotive where our engineering and manufacturing expertise for electrical machines can power innovation and increase efficiency. These include system solutions for eBikes, civilian drones, and robotics.

Our commitment extends to the aftermarket as well. Through ReManufacturing of our own products and even complete e-machines, we preserve resources and extend the service life of vehicles.

Together, these steps support our vision to be the motor for the mobility of tomorrow – and support the transition toward Net Zero across different vehicle classes.



Compared to conventional products, SEG Automotive’s solutions can contribute to annual CO<sub>2</sub> savings of more than 16 million tons.

That is more than 4 times the CO<sub>2</sub> captured in the entire Schwarzwald National Park



Equalling a forest larger than the island of Malta



Figures shown are indicative estimates intended to illustrate the potential scale of CO<sub>2</sub> savings. Comparisons to natural carbon sinks are illustrative and do not represent direct equivalencies or measured offsets.



# Sustainable Purchasing

# Sustainable Purchasing.



## CONNECTING SUPPLY CHAIN

ESG does not stop at the borders of SEG Automotive. It is extremely relevant for our supply chain as well and it is a central part of the Purchasing community.

Already, for many years, we have had an obligation to our employees that any misconduct we observe in our interaction with suppliers, especially during supplier visits, needs to be reported and can lead to severe consequences in our business relationship with them.

Our mandatory Supplier Code of Conduct states clearly that strict legality, the principles of the UN Global Compact, fundamental principles of labor rights, and environmental protection are a must to be part of SEG Automotive's supply chain.

SEG Automotive requires its suppliers to uphold the highest standards of integrity and strict legality, as well as always operate honestly and equitably throughout their operations and business interactions. We believe that earning business fairly and in compliance with all applicable legal and regulatory requirements, as well as in accordance with industry standards and best practices, is essential to building trust with customers and other business partners.

Therefore, when conducting their business, our suppliers must respect our principles and values, which are included in our **Supplier Code of Conduct**, such as: **Anti-bribery and corruption, fair competition and antitrust, and no tolerance of any form of forced or unlawful compulsory labour, modern slavery, human trafficking, rejection and recrimination of child labor and any kind of discrimination.**



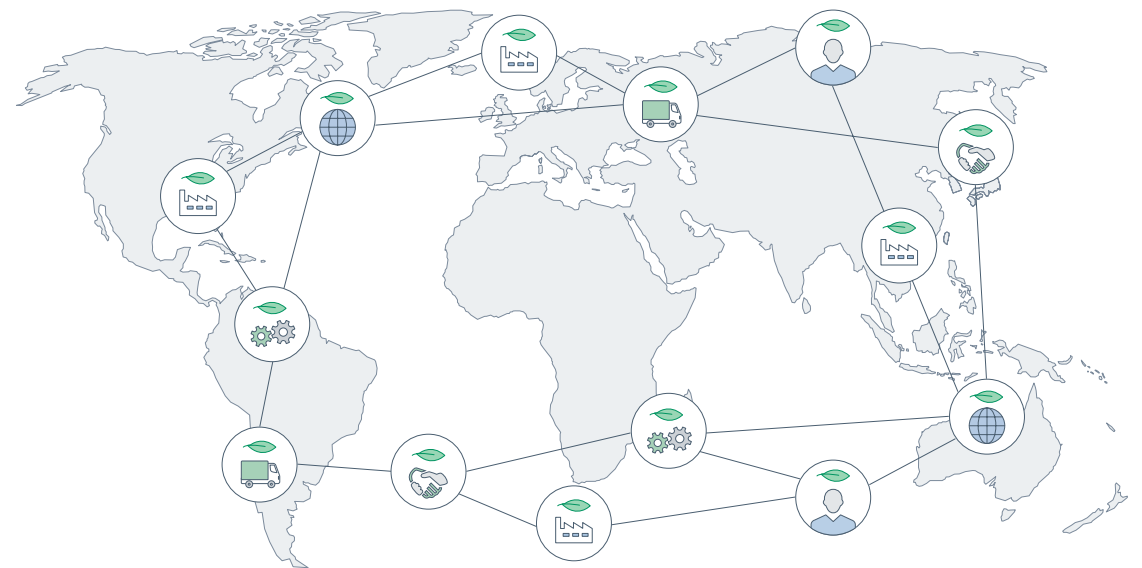
Striking a new deal with a trustful supplier

## CONNECTING SUPPLY CHAIN

The complexity of supply chains worldwide is continuously increasing. Artificial intelligence and digitalization are mandatory to manage this complexity effectively. To further improve transparency and fulfill regulatory supply-chain due-diligence requirements as well as evolving customer expectations, we implemented a digital supply-chain risk management tool in 2025. This solution supports us in systematically identifying and evaluating risks within our supply chain and enables timely and appropriate responses.

- We have begun requesting carbon footprint data from our strategic and most CO<sub>2</sub>-relevant suppliers for the products they deliver to SEG Automotive, in order to further enhance the accuracy, transparency, and traceability of SEG's product and corporate carbon footprint assessments
- We want to focus our business relationships in strategic suppliers for whom ESG is as important as it is for SEG Automotive
- We expect our strategic suppliers to actively support SEG Automotive on our journey to CO<sub>2</sub> neutrality

## Our commitment to a sustainable path





Environment

# Environment.



Environmental, Social and Governance

## MANAGEMENT SYSTEMS & EXTERNAL RECOGNITION

SEG Automotive considers it its responsibility to contribute to a more sustainable future and embeds this commitment across its operations, including initiatives to expand renewable energy use and continuously improve energy efficiency.

SEG Automotive manages pollution risks as part of its environmental management system and legal compliance obligations. This includes the control of air emissions from production processes, responsible handling and storage of chemicals, prevention of soil and water contamination, and compliance with applicable discharge limits. Waste streams are systematically separated and managed to minimize hazardous waste and maximize recycling. Pollution-related risks are monitored through audits, operational controls, and continuous improvement measures at all production sites.

Unless stated otherwise, the environmental performance indicators presented in this report cover SEG Automotive’s global locations with operational activities that have a material environmental impact, including production sites and R&D testing areas. Locations with exclusively administrative or shared service functions and no material operational activities are currently not included. Indicators are monitored as part of our environmental management system and are used internally to support continuous improvement.

### Occupational health & safety guidelines.

As a globally active company, we are taking the responsibility for safety and the environment worldwide. We make our activities transparent and include our supply chain in our sustainable and responsible business. We are also committed to avoiding risks to people and the environment. Safety at work and compliance with substance prohibitions, as well as the reduction of hazardous substances, are key concerns for us.

- We pursue our occupational health and safety objectives with the support of our management system in accordance with internationally recognized standards and in compliance with legal and internal regulations.
- Through risk assessments and careful investigation of accidents and incidents, we identify weak points and derive measures and objectives from them. It is the responsibility of all our employees and the employees of our subcontractors to participate in this process.
- The goal of our occupational safety measures is to prevent hazards and to ensure the health and integrity in the workplace of all our employees and the employees of external companies.

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- To avoid serious accidents, we strictly follow our internal rules. We proceed in a way that ensures that the safety of our employees, our neighbors and the environment in general is not put at risk. However, should an incident occur, we follow our emergency plan and keep our neighbors and the authorities informed.
- Technical or organizational measures are not sufficient, we provide our employees with all kinds of personal protective equipment.
- Wherever it has to achieve the highest possible level of protection everywhere. We design work areas, facilities and machinery to be safe and ergonomic according to the level of technology and improve them continuously.
- To protect our buildings, machinery and employees, we strictly follow the legal requirements for fire protection and in some cases over-excitation.

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- We check our safety standards regularly with the support of internal and external audits, from which we take measures to improve safety in the workplace.
- Whenever possible, we avoid the use of hazardous substances. If this is not possible, we follow the internal hazardous substance procedures to keep the risk as low as possible.
- We organize work procedures so that the health of our employees is protected in the best possible way in accordance with occupational medicine and ergonomic principles. We monitor this process through regular medical check-ups.
- In workplaces with noise risks, the health of the employees is monitored through regular preventive medical check-ups.

**These implementation of these guidelines is aimed for all employees. A special responsibility is taken by our managers, who should give good example through their behaviors.**

[www.seg-automotive.com](http://www.seg-automotive.com)

Occupational health & safety guidelines

### Environmental protection guidelines.

As a globally active company, we take responsibility for safety and the environment worldwide. We make our activities transparent and also include our supply chain in our sustainable and responsible business. We are also committed to avoiding risks to people and the environment. Safety at work and compliance with substance prohibitions, as well as the reduction of hazardous substances, are key concerns for us.

- We are committed to complying with the environmental laws, regulations and other legal requirements applicable in the countries in which we operate. Environmental permits, authorizations and registrations must be in place, properly maintained and kept up to date. Their operational and monitoring requirements must be strictly adhered to.
- We promote our employees' awareness of environmental protection through continuous training.
- We are committed to protecting the environment. We monitor our environmental performance through regular audits and measurements to detect leaks, water consumption, water separation, waste reduction, air and noise emissions.
- Right from the development phase of our products and services, we place the highest demands on resource conservation and efficient energy utilization. Preventive and comprehensive measures accompany our actions. This also includes preventive measures to avoid and limit possible harmful events.
- We assess all possible environmental impacts of every new activity, every new process and every new product in advance so that we conserve raw materials and energy savings and make our products throughout their lifecycle as environmentally friendly as possible, taking economic considerations into account. We also consider the environmental impact of our products at the end of their service life.
- We are committed to improving our environmental footprint by optimizing processes, using renewable energy, and reducing the associated greenhouse gas emissions. Energy consumption and greenhouse gas emissions are routinely monitored with the aim of improving energy efficiency and reducing greenhouse gas emissions, with the constant implementation of a company-wide greenhouse gas reduction target.
- We are constantly looking for ways to continuously improve our environmental performance through a clearly defined organizational structure.
- Our air emissions are subject to constant monitoring. The performance of the exhaust air purification systems is routinely monitored.
- Through the renewal and further development of our products, we endeavor to make a contribution to reducing global environmental pollution.
- The fresh water used is subject to constant monitoring with regard to the use of other water sources such as treated water or rainwater.
- Chemicals, waste and other materials that pose a risk to people, the environment or soil quality must be identified and labeled. Furthermore, correct storage must be ensured. When disposing of these materials, they must be channelled to the correct use, with strict adherence to the legal requirements.
- We always practice the preservation of biodiversity. We endeavor to have a positive impact on the preservation of diverse habitats, species diversity and genetic diversity and to protect them.
- Our suppliers and service providers are involved in the implementation of our environmental policy.

**These implementation of these guidelines is aimed for all employees. A special responsibility is taken by our managers, who should give good example through their behaviors.**

[www.seg-automotive.com](http://www.seg-automotive.com)

Environment protection guidelines

# Environment.



## ENERGY CONSUMPTION

Our 2025 energy profile shows steady progress toward renewables, alongside disciplined use of direct energy in operations.

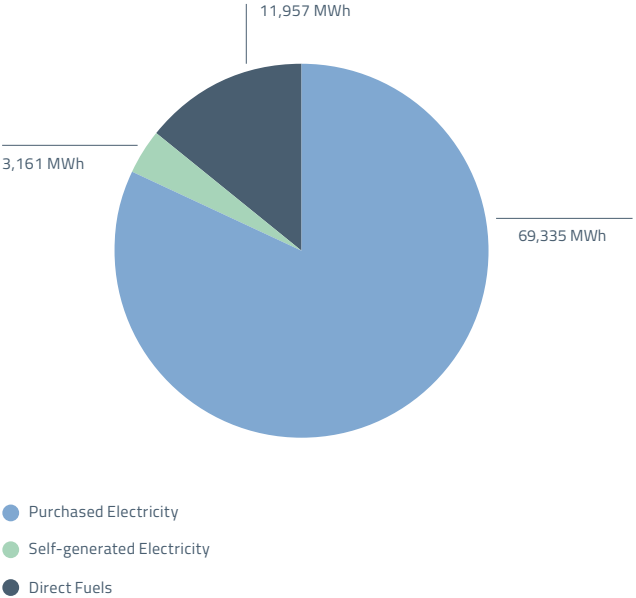
Energy Category	2024		2025	
	Consumption (MWh)	Renewable Share (%)	Consumption (MWh)	Renewable Share (%)
Purchased Electricity	65,551	55	69,335	51
Self-generated Electricity	3,079	100	3,161	100
Direct Fuels	17,257	0	11,957	0.10

The electricity mix continues to shift toward renewables, while direct fuels remain a smaller, largely non renewable share of total energy.

At SEG Automotive, we steer decisions with intensity indicators that relate performance to regional sales development and reveal where energy efficiency is improving. Additionally, we continue to advance automation and digitalization initiatives, which have increased energy consumption while reducing working hours, resulting in a slightly higher intensity.

	2024	2025
Energy Intensity (kWh/working hour)	6.43	6.58

Energy Mix 2025



## GREEN ELECTRICITY

Most of our SEG Automotive locations are already supplied—at least in part—with green electricity, in some cases generated directly on site. In 2025, approximately 53% of the electricity we used worldwide was green electricity.

- In China, SEG Automotive has significantly expanded its use of green electricity in **Changchun** and **Changsha**: one plant now operates with 30% green electricity, while the other already reaches 75%, supplied by solar and wind sources
- The SEG Automotive plants in **Itupeva (Brazil)** and **Treto (Spain)** are supplied with **100%** green electricity
- At our **Szirmabesenyő (Hungary)** site, an on-site solar park covers 23% of the plant's electricity demand and reduces Scope 2 emissions by 3.1 tons of CO<sub>2</sub> annually.

Between 2023 and 2025, we made substantial progress in our energy transition, raising the share of green electricity from 27% to 53% and thereby nearly doubling our use of renewable energy within only two years. We will keep increasing the electricity from renewable sources year by year. Our target is to reach **100% green electricity by 2030**.



Solar park in our Hungarian location, Szirmabesenyő

## BEST PRACTICE SHARING: ENERGY EFFICIENCY

Besides focusing on green electricity, we are constantly striving to improve the energy efficiency in our locations. In 2025, our plants launched several initiatives to reduce energy consumption, including the following projects:

- Modification of air compressor system to use the heat waste from air compressor for heating (Hungary)
- Installation of a big fan to replace around 100 small ones (Brazil & Mexico)

Most of our production facilities are equipped with LED lighting. LED lighting has several advantages, including energy efficiency and long lifespan. They consume less energy than traditional lighting options (e.g. fluorescent tubes) and can last up to 25x longer, resulting in lower electricity bills and reduced maintenance costs.



Big fan installed in our production facility in Brazil

BEST PRACTICE SHARING: ENERGY EFFICIENCY



### Compressor Waste Heat Recovery in Szirmabenseyö (Hungary)

As part of this investment, we stopped letting valuable heat go to waste. The heat generated during the operation of our air compressors is now recovered and turned into useful energy.

The recovered heat is used primarily to produce domestic hot water, and when demand is lower, it supports the building's heating system. An intelligent building management system automatically directs the energy where it is needed most. As a result, no natural gas is required for hot water production.

The outcome: a 24% reduction in natural gas consumption and approximately 45 tons less CO<sub>2</sub> emissions per year, and annual savings of 40k EUR for our plant.

This project delivers measurable cost savings while marking a clear step toward more sustainable, future-focused industrial operations.

Compressor waste heat recovery in our Hungarina plant

WATER

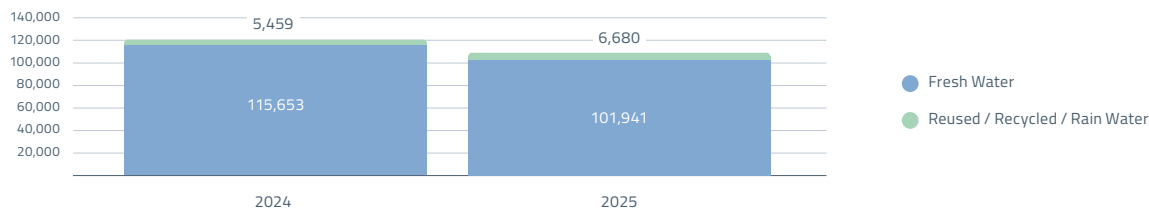
Freshwater ecosystems are essential for life on earth – but they are under threat from climate change and human activities. Reducing freshwater consumption has several benefits: It minimizes the effects of drought and water shortages, guards against rising costs and political conflict, helps preserve the environment, and reduces pollution and fuel use by lowering the energy required to process and deliver it.

The water usage in our production processes is marginal. In fact, 75% of our fresh water is used for the canteen and for sanitary water (toilets and washrooms). Still, we are working to implement further measures to reduce the consumption of fresh water in our locations.

To provide greater transparency around our water related performance, we include quantitative indicators on total water consumption and on the share of water that is reused or recycled.

	2024	2025
Total Water Consumption (m <sup>3</sup> )	121,112	108,621
Water Intensity (l/working hour)	9.00	8.43

### Water Consumption



### Best Practice Sharing: Water saving

- In the SEG Automotive Headquarter, Stuttgart (Germany) we collect rainwater in a cistern and use it for toilet flushing. This is an efficient and eco-friendly way to reduce freshwater consumption by more than 1.3 million liters each year
- In the SEG Automotive plant Itupeva (Brazil), we reuse the water generated in the air compressors - in the cooling towers and in the restrooms. This helps to decrease the freshwater consumption by more than 400,000 liters per year
- In the SEG Automotive plant Naganathapura (India), we installed a centralized reverse osmosis system for drinking water. Versus the stand-alone systems, the water consumption was reduced by 67%. Moreover, this solution helps to have a better control of the TDS (total dissolved solids) levels
- In the SEG Automotive plant Lerma (Mexico), we reduced the amount of potable water used per toilet discharge by optimizing flushing volumes across the site. This measure lowers freshwater consumption by approximately 2,280,960 liters per year, contributing significantly to water efficiency in daily operations.

# Environment.

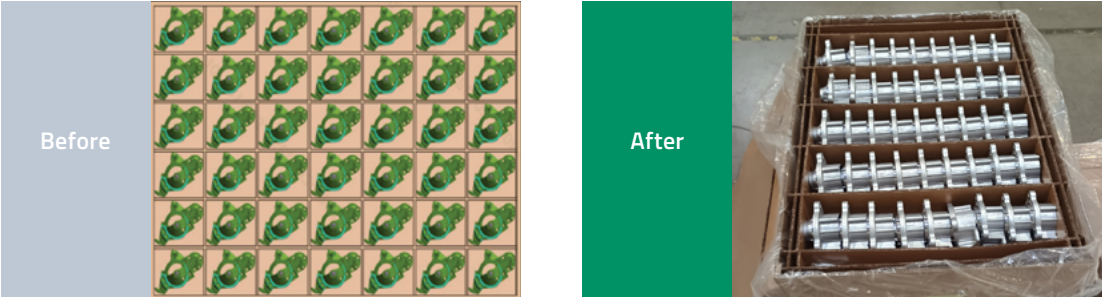


## WASTE

Waste reduction is an important issue for environmental protection. In recent years, we have started various additional measures to optimize packaging material and in parallel a reduction of generated waste and utilize resources more efficiently.

When optimizing packaging materials, a distinction must always be made as to whether reusable packaging is sensible, or if disposable packaging should be used. This is mainly due to the transport route. For goods that are delivered, for example, from China to Europe or America, return transport of the packaging does not make sense for various reasons. For short delivery routes or deliveries to customers who are not far from the production site reusable packaging usually makes sense.

Even when we utilize disposable packaging, we have found ways to reuse some of it for internal processes or as packaging material for our end products. Some materials can also be returned to the cycle and reused for another purpose. All other waste is sorted and separated as good as possible. We have optimized our scrapping processes worldwide and we break down our metal waste almost completely by type. We also endeavor to increase the recycling rate from year to year.



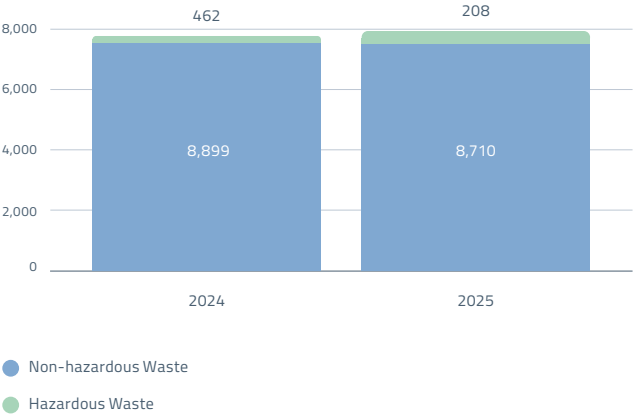
In Hungary, the packaging of the drive end shields components was redesigned to increase pallet density, significantly reducing packaging material and lowering transport-related emissions (approximately 455 tonnes per year).

To transparently report the impact of these measures, we disclose our key waste related indicators:

	2024	2025
<b>Total Waste Generated (Tonnes)</b>	<b>9.361</b>	<b>8.918</b>
<b>Recycling Rate<sup>1</sup> (%)</b>	<b>92</b>	<b>96</b>
<b>Waste Intensity (Kg/working hour)</b>	<b>0.7</b>	<b>0.69</b>

<sup>1</sup>Recycling waste: all waste types which are "reused" or used as "refuse derived fuel"

### Waste Generated





## CORPORATE CARBON FOOTPRINT

### Corporate Carbon Footprint scope and approach

SEG Automotive continuously enhances the transparency and robustness of its Corporate Carbon Footprint (CCF). In 2025, the company completed a comprehensive calculation of Scope 1, Scope 2, and relevant Scope 3 greenhouse gas emissions, building upon the baseline established in 2024.

The CCF covers SEG Automotive’s global operations and all relevant upstream and downstream value-chain emissions. Calculations follow recognized greenhouse gas accounting standards and apply a consistent methodology across reporting years to ensure comparability.

### Scope coverage and data sources

- Scope 1: Direct emissions from stationary combustion, mobile combustion, and fugitive emissions
- Scope 2: Indirect emissions from purchased electricity, calculated using the market-based method
- Scope 3: Material upstream and downstream categories, with a focus on key emission drivers

Calculations are based on primary operational data where available, complemented by secondary data and conservative assumptions for value-chain emissions. Continuous improvements in data quality and supplier-specific information are ongoing.

The table below presents SEG Automotive’s absolute greenhouse gas emissions for 2024 and 2025, disaggregated by Scope 1, Scope 2 (market-based), and Scope 3. The data provides a transparent and comparable view of emissions development across reporting years and forms the basis for the analysis of emission drivers and reduction progress.

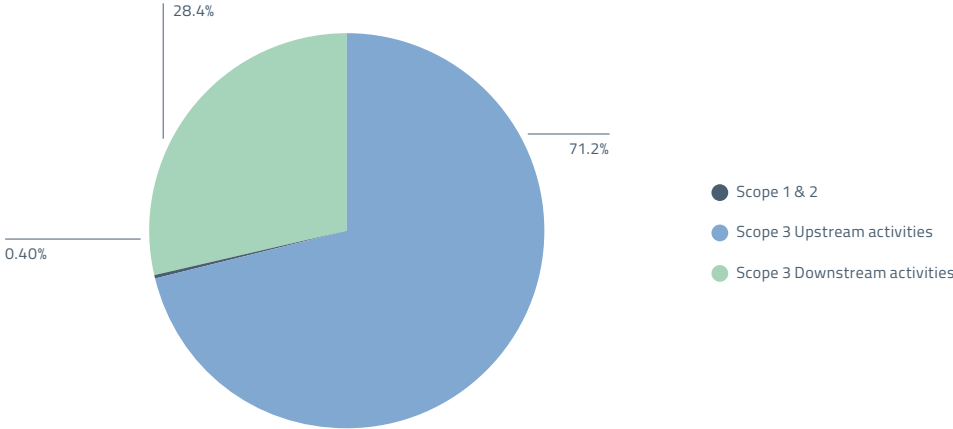
	2024	2025
Scope 1 Emissions <sup>1</sup> (tCO <sub>2</sub> e)	4,462	3,357
Scope 2 Emissions <sup>2</sup> (tCO <sub>2</sub> e)	11,241	16,482
Scope 3 Emissions (tCO <sub>2</sub> e)	4,915,402	5,122,253

CORPORATE CARBON FOOTPRINT

Overall emissions profile

SEG Automotive’s emissions profile reflects the characteristics of an automotive Tier 1 supplier. In 2025, Scope 3 emissions constitute the largest share of the Corporate Carbon Footprint, while operational emissions (Scopes 1 and 2) remain comparatively low.

CO<sub>2</sub> Emissions Breakdown



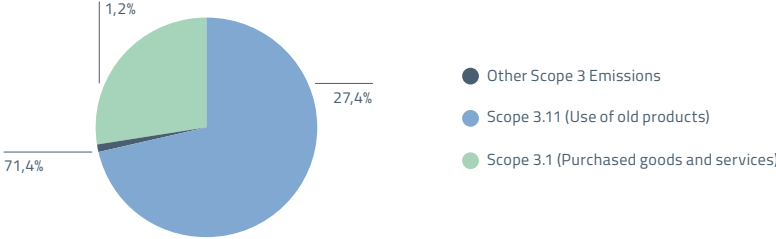
Scopes 1 & 2: Operational emissions

- Scope 1 emissions: Remain very low, indicating efficient on-site processes and responsible energy use
- Scope 2 emissions: The share of green electricity remained stable at 53% in 2025, supporting the decarbonization plan of Scope 2 emissions

Scope 3: Value-chain emissions

- The assessment confirms the use of sold products (Scope 3.11) as the dominant emission source, driven by continued demand for conventional internal combustion engine (ICE) products
- Purchased goods and services (Scope 3.1) represent the second-largest Scope 3 category and are a central focus area for upstream emission reductions

Scope 3 emissions distribution



## CORPORATE CARBON FOOTPRINT

### Decarbonization ambition and approach

SEG Automotive has defined a long-term decarbonization pathway that reflects both its operational footprint and the transformation of the automotive sector. The pathway prioritizes actual emission reductions across Scopes 1, 2, and 3, supported by clearly defined interim milestones.

The company’s net-zero ambition focuses on structural and technological emission reductions.

### Key reduction levers

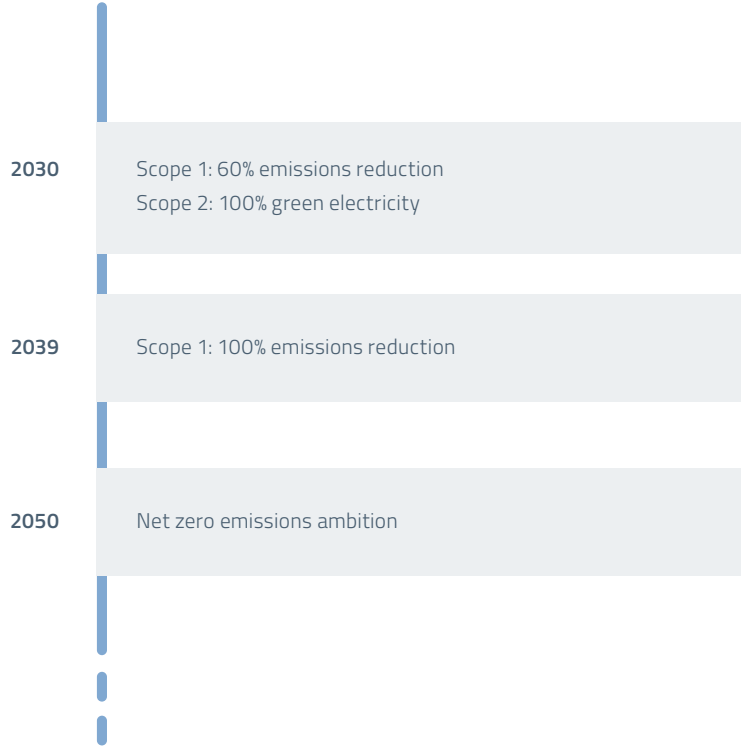
- **Operations:** Continuous efficiency improvements and the transition to renewable energy sources across global sites
- **Supply chain:** Engagement with suppliers to enhance data transparency and increase the use of recycled materials, combined with efforts to align suppliers’ emissions reduction timelines with SEG Automotive’s targets
- **Products:** Ongoing transformation of the product portfolio toward electrification, light electric mobility (LEM), e-bike solutions, and new green-energy applications

### Transition context

The prominence of downstream emissions (Scope 3.11) reflects the current product mix and market demand. Regulatory developments, customer decarbonization requirements, and the pace of electrification increasingly shape SEG Automotive’s climate-related risks and opportunities. The portfolio transformation is therefore a central lever for managing transition risks while supporting long-term value creation.

### Targets & Decarbonization Pathway

The pathway summarizes SEG Automotive’s key decarbonization milestones across Scopes 1, 2, and 3.





# Health & Safety

## OUR METHODS

SEG Automotive's most valuable assets are our employees, no matter in which area. Therefore, health and safety of all employees have the highest priority for us. SEG Automotive provides workplaces that enable safe and healthy working. In addition, all employees are being trained regularly to always follow the safety instructions.

SEG Automotive complies with all applicable national legal regulations. But more than that, we always strive to exceed the requirements to improve the working conditions for our employees. This idea is put into practice by conducting regular safety walks with participants of the local Safety department and the specialist department. Furthermore, the global Safety department offers guidance and support to all local Safety departments and any other department.

In the direct areas - the shopfloor - special attention is being brought to the risk of physical harm and occupational illness. We take these risks seriously and implement various measures to minimize risks as much as possible. In administrative areas, we likewise carefully evaluate risks of accidents and occupational illness (both physical and mental) and train employees to adhere to safety precautions.

SEG Automotive is certified according to ISO 45001, Occupational Health and Safety Management System. Since 2022, we also hold a matrix certification for ISO 45001, covering all our production sites and headquarters. This reflects the sound implementation and resilient character of our efforts in the field of occupational health and safety.



Fire extinguisher training in our German location, Stuttgart

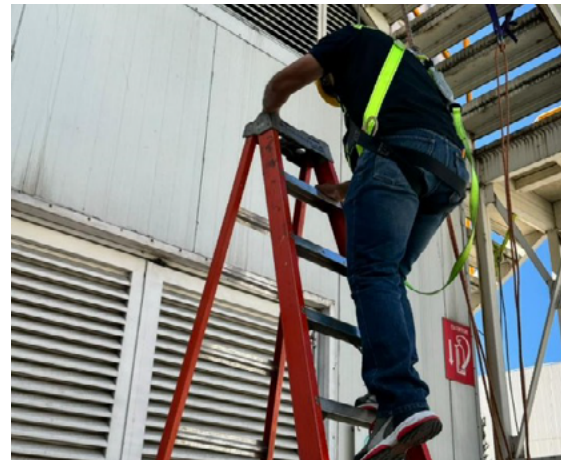
## LOCAL APPROACH

Based on the fundamental health and safety efforts, and the importance of this topic at SEG Automotive, all our locations conduct events to improve safety awareness and emergency skills. As part of our global safety program, we have established a monthly safety initiative aimed at continuously strengthening safety behavior, culture, and awareness across all locations. Each month, a specific safety topic is selected and actively promoted through targeted communication and engagement activities to enhance knowledge and support safe working practices.

Examples of monthly focus topics include:

- Machinery safety
- Personal Protective Equipment (PPE)
- Forklift and internal transport safety
- Risk assessment and hazard identification
- Chemical management

When providing safety training to employees, we make sure that the knowledge can also be applied to the private sphere, so that the employees can also reduce risks for themselves and their families within their private lives. *"Never forget that 'safety first' should be in our mind whatever we do both inside and outside the company!"* says Ferdinando Sorrentino.



Working at heights exercise



Emergency team during a firefighting training exercise



Logout Tagout (LOTO) practice time



First aid trainings exercise

# Health & Safety.



## LOCAL APPROACH

In 2025, SEG Automotive achieved its best safety performance to date, with a worldwide accident rate of just 0.05. This marks a strong improvement over previous years and reflects the impact of our global safety initiatives.

While our ambition remains zero accidents, the development across regions shows clear progress.

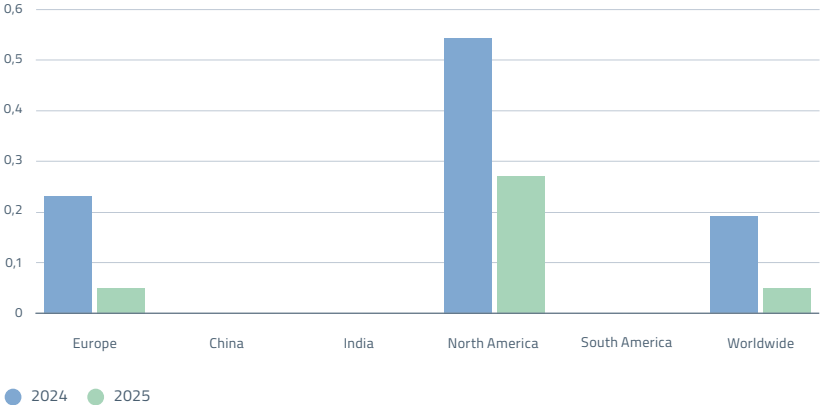
- In Mexico, where results did not meet expectations, we immediately implemented preventive and educational measures with on site support from the global Safety team
- Germany recorded its first LTA (during a business trip) after more than five years without incidents—a testament to long standing safety discipline
- China, Brazil, and India continued their excellent performance with zero LTAs throughout the year

Together, these results underline our commitment to continuously strengthening workplace safety across all locations.

SAFETY	2024	2025
Europe	0.18	0.05
China	0.06	0.00
India	0.00	0.00
North America	0.54	0.22
Latin America	0.00	0.00
Worldwide	0.18	0.05

Unit given in the table: number of LTA accidents x 200.000 / working hours

## Safety Incidents



SEG Automotive is calculating the KPI on work accidents based on 200,000 working hours. This follows the GRI standard recommendation (GRI disclosure 403-9). A rate based on 200,000 working hours indicates the number of accidents per 100 full-time employees, based on the assumption that one full-time employee works 2,000 hours per year.

Health and safety indicators are calculated based on reported incidents from SEG Automotive’s production sites and other locations with operational activities, such as R&D testing areas. Small sales entities with limited operational risk are not included. At present, the Portugal shared service center is also excluded from KPI tracking due to its administrative focus. SEG Automotive is working toward expanding the scope of health and safety reporting in future reporting cycles.



# Our People

# Our people. \_\_\_\_\_

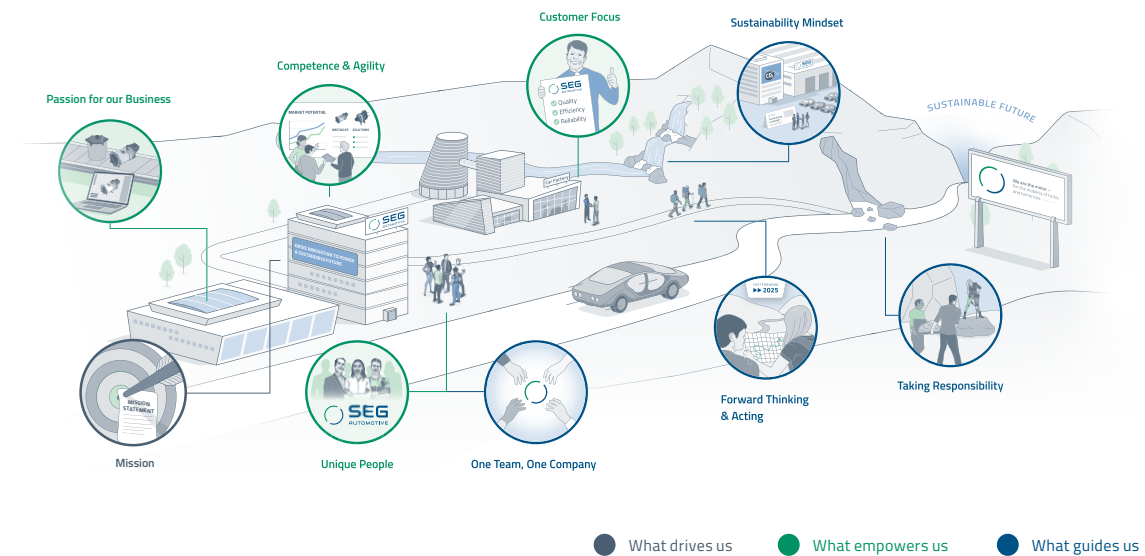


## SEG AUTOMOTIVE'S DNA

The foundation of our success are our **over 5,000 unique people across 14 countries** in the world's most important automotive markets.

As a company, it is our responsibility – and in our best interest – to empower each employee to perform their best, while being safe, feeling appreciated, and having a good work-life balance. For this, we have been working on establishing a shared culture of ownership, empowerment, and future orientation. And on jointly building an inclusive environment where we see the differences in culture & personal background not as barriers, but as strengths and opportunities. Where we feel a sense of community, share ideas across regions & functions and co-create the future as a global team. Where everyone has the power, they need to make an impact and is valued for contributing to our success.

We are the motor – for the mobility of today and tomorrow. \_\_\_\_\_



# Our people. \_\_\_\_\_



## HOW WE FOSTER OUR #UNIQUEPEOPLE

A positive and cooperative mindset is crucial for a healthy and successful working environment. We know that the well-being and growth of our people leads to greater job satisfaction, greater employee involvement, increased productivity and better business results.

### Work-life balance

Promoting a healthy work-life balance is essential for employees' well-being & mental health and to prevent burnout

### Supportive work environment

Creating a supportive and inclusive work environment is crucial. Encouraging teamwork, a workplace where everyone's contribution is valued and respected, fostering positive relationships among colleagues, and promoting diversity contribute to a positive mindset and overall employee satisfaction

### Employee empowerment

Enabling employees to take ownership of their work and providing them with decision-making authority promotes a sense of autonomy and responsibility

### Growth and development opportunities

Employees appreciate opportunities for learning and self-improvement. We have a strong focus on internal talent development and competence improvement by offering an extensive, worldwide training program – including international job opportunities



Wall climbing at one of our local events

# Our people.

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Environmental, Social and Governance

## INVESTING IN SUSTAINABLE LEADERSHIP

Capable managers that lead our employees in the spirit of our SEG Automotive DNA are crucial to be a good employer, an innovative company, and the motor for the mobility of today and tomorrow. Therefore, in 2023, we launched two new internal leadership training programs: **BecomeLeader** (for new managers) and **StayLeader** (for existing managers), both of which consist of a mixture of self-conducted e-Learning, live sessions with an external trainer and social learning elements. They help our management team expand their skill set in terms of dimensions like compassionate communication, people development, handling conflicts, and mastering change.

We continued our collaboration with the Global Institute For Tomorrow (GIFT) and its associated e-learning provider, GIFT.ed, throughout 2025, and this partnership will remain in place for 2026. By offering our managers “outside-the-box” development opportunities through GIFT’s in-person programs—which blend dynamic classroom learning with hands-on fieldwork in real business environments—and providing our associates with structured online learning via GIFT.ed, we are making a strategic investment in strengthening our leadership culture and enhancing the global awareness of the entire organization. Ultimately, this contributes to the empowerment and long-term success of our teams.

The people experts from Synnecta (<https://www.synnecta.com>) are also working directly with our global leadership team – with the aim of further developing a strong feedback culture, growing our people and achieving a higher level of sustainable development.



Alexander Kitsukis,  
Head of Business Development  
and Strategy New Business

“I doubt we have ever had such a multitude of parallel challenges in our industry and economy. We are all witnessing a historic transformation – of what we consider normal, of mobility, and of mindset.

It is still important to plan ahead. But individuals and companies also need to quickly re-adjust to changing circumstances. Personally, I truly enjoy tackling this ever-shifting environment in a hands-on fashion together with our CEO and CFO – and to use my strengths to remove roadblocks for our company.”



Rita Toth-Csonka,  
EU Transport Manager

“Sadly, we are often told that it’s extremely difficult to reconcile a leadership role in your job with being a mother. At SEG Automotive, I am given the trust and flexibility to balance my work time and location so that I can always be there when my kids need me.

There are still challenges, of course. But that comes with being a parent – and it is also part of leading a team. A strong team does not mean there are no obstacles to deal with – we are paid to solve problems, after all. Instead, to me, a strong team is one where you support each other and find proper solutions together.”

# Our people.



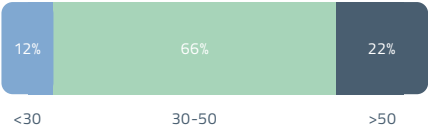
## KEY EMPLOYEE METRICS

Our people are the foundation of our success. Tracking key workforce indicators helps us understand how our global team evolves and how we can best support, retain, and develop our employees. The following metrics provide a clear snapshot of our workforce today.

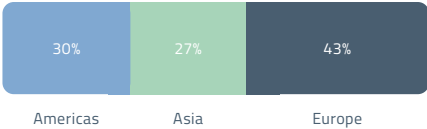
### OUR WORKFORCE AT A GLANCE

Total headcount: 5,330 employees worldwide

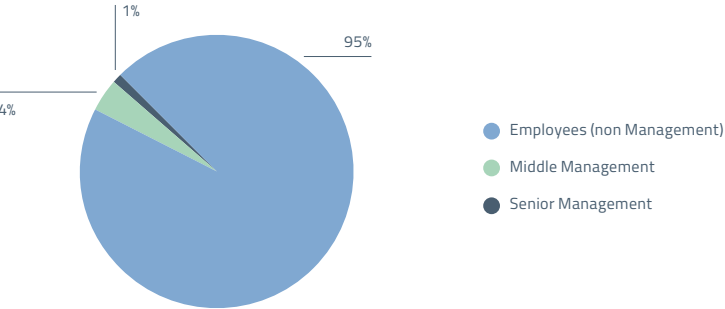
#### Age distribution



#### Distribution by region



#### Employee category



### STRENGTHENING TEAM STABILITY

In 2025, SEG Automotive recorded a global turnover rate of **8.73%**, remaining comfortably below our internal upper limit of 10%. Overall, the rate remained stable across regions, with the usual slight variations that reflect local market dynamics. To further support long-term retention, we continue to focus on strengthening leadership capabilities and offering a broad range of training and development opportunities across all locations. These efforts contribute to maintaining a committed and resilient workforce worldwide.

### TRAINING AND EMPLOYEE DEVELOPMENT

In 2025, we conducted **5,918** training sessions worldwide, totaling **72,244** training hours. These programs covered leadership, technical skills, and broader professional development, ensuring that employees across all levels remain equipped for a fast-evolving industry.

#### Average training hours per employee



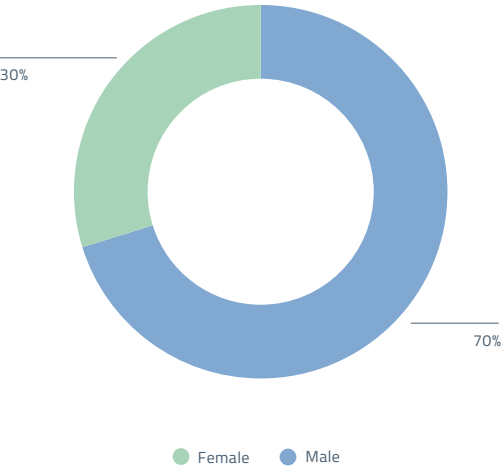
# Our people.



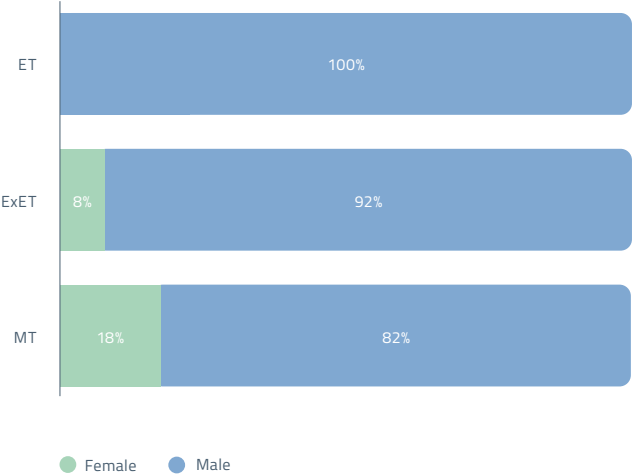
## FOSTERING GENDER EQUALITY

Today, women represent **30%** of SEG Automotive’s global workforce and **15%** of management positions. Strengthening gender balance, particularly in leadership roles, is a core element of our ESG strategy. As part of our key ESG targets, SEG Automotive is committed to increasing the share of women in management to **27% by 2030**. These indicators help guide our efforts and highlight where continued focus and support are needed.

Gender diversity at SEG Automotive



Gender representation by Management Level (2025)



To support this ambition, a group of women from across SEG Automotive launched **Women@SEGAutomotive** in 2025—an employee-driven initiative created by women, for women. With growing participation and strong support from our CEO, this initiative has quickly developed into a global network that strengthens visibility, development, and connection for women in all regions.

Women@SEGAutomotive offers several key formats:

- **Mentoring Programme:** 1:1 mentoring, goal-setting, and cross-regional exchange
- **Global Women’s Network:** International peer support and knowledge sharing
- **Lean Coffee Sessions:** Informal meetups where participants set the agenda
- **Spotlight on Excellence:** Stories highlighting women’s achievements and experiences

Women@SEGAutomotive plays an important role in supporting talent development and fostering a more inclusive, equitable workplace as SEG Automotive progresses toward its 2030 gender targets.

# Our people.

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Environmental, Social and Governance

#WEARETHEMOTOR



Customer Project Management team at SEG Automotive Stuttgart

**WeAreTheMotor for ...** driving CV customer projects from acquisition 'til start of production.

**That means we ...** help customers to apply our products into their vehicles with best in class support.

**This helps SEG Automotive to ...** build the bridge from conventional products to electrification.



HR/ HRS/ HRL/ HRM/ HRC team at SEG Automotive Stuttgart

**WeAreTheMotor for ...** our unique people within SEG Automotive.

**That means we ...** support the associates and managers in all HR related topics.

**This helps SEG Automotive to ...** have the right people with the right competences in the right positions to achieve our strategy & goals.



ENG & PUR AML Global team at Automec, Brazil

**WeAreTheMotor for ...** the Aftermarket.

**That means we ...** generate value to our customers through our products and delivery services.

**This helps SEG Automotive to ...** to be a player in the industry.



# Business Ethics & Society

# Business Ethics & Society. \_\_\_\_\_



Environmental, Social  
and Governance

## GOVERNANCE & ETHICS

“The essence of Corporate Social Responsibility lies in going beyond profit: it means actively contributing to society by integrating ethical behavior, environmental stewardship, and social commitment into everyday business practices. Governance and ethics are inseparable. Governance provides structure and accountability; Ethics guide how decisions are made.

At SEG Automotive, we are committed to maintaining and strengthening policies, procedures, and audit mechanisms that ensure ethical behavior at all levels.

Embedding ethical considerations into decision-making is fundamental to preserving trust, transparency, integrity and to securing long-term success and a strong reputation with our partners and communities.

A compliance program is what we can document: policies, training, controls, due diligence. But an ethical culture is what truly happens when no one is watching. It is when someone take the correct action, even under pressure, because they know that “at SEG, this is how we do things”.

Having a program without culture creates a false sense of security; having culture without a program creates vulnerability. Real value comes from the combination of both. It is essential that we invest in training and awareness, engaging all employees to strengthen and continuously evolve a global culture of integrity. Building and sustaining this culture is an ongoing process—one that requires commitment, transparency, and ongoing improvement. Our management supports these efforts and take responsibility for implementing and enforcing ethical standards across the organization.

Through this alignment of ethics, governance, and responsible action, our ESG and sustainability commitments are translated into real, measurable impact for our people, our partners, and the communities in which we operate.”

Ana Campos, Global Compliance Manager at SEG Automotive

“Ethics in business is not just a responsibility,  
but a source of competitive advantage”.

Patrick Dixon

## GOVERNANCE & ETHICS

**Responsible business, unconditional compliance with all legal and regulatory requirements, and respect for best practices are imperative for SEG Automotive.**

We are committed to maintaining high standards of ethical conduct and to comply with all laws and regulations that regulate our business - and we are equally committed to doing business in a way that earns us credibility, collectively as a company and as individuals within it.

We believe that integrity, reputation and the successful execution of our ethics and compliance programs are fundamental to our growth strategy - and we expect our employees to act in a respectful and ethical way each day. For us, compliance is part of the corporate strategy. It is the ethical basis of corporate and management culture and equals the consistency of our business activities with all relevant laws and regulations.

Our core document is the **Ethics and Business Conduct Guidelines** which include the **SEG Automotive Code of Conduct** and the **Supplier Code of Conduct**, setting out the principles and standards for conducting business within the company and with business partners. These documents apply to all associates, regardless of hierarchical level or geographical location. Both the Code of Conduct and the Supplier Code of Conduct are publicly available at: [Code of Conduct](#) & [Supplier Code of Conduct](#)

Global compliance training on SEG Automotive's Ethics and Business Conduct Guidelines and relevant procedures is mandatory for applicable associates, complemented by guidance on individual cases.

We don't tolerate any breach of our code of conduct by our associates and we strongly encourage all employees to Speak Up! to report potential or known wrongdoings - whether a violation of any of the Ethics & Business Conduct Guidelines, other unethical or unlawful conduct involving our organization or when there is a reason to believe that misconduct may have occurred.

The Code of Conduct covers key areas including ethical business conduct and integrity, compliance with applicable laws and international standards, the prevention of corruption, bribery and money laundering, the avoidance of conflicts of interest, and adherence to fair competition rules. It further addresses the protection of confidential information and personal data, respect for human rights and fair labor practices, non-discrimination and a respectful workplace, occupational health and safety, environmental responsibility, as well as accurate financial reporting and internal controls.

GOVERNANCE & ETHICS

**SPEAK UP!**  
IT ALL STARTS WITH YOU

COMPLIANCE SERIES  
@SEG Automotive



MAKING ETHICAL DECISIONS

Our Whistleblowing platform <https://report.whistleb.com/seg-automotive> is available 24/7 and operated by a third party, allowing anonymous reporting. It is available to all Associates, business partners and third parties.

SEG Automotive does not tolerate retaliation against anyone who reports an issue in good faith, nor do we tolerate retaliation against any person who participates in an investigation.



**SPEAK UP**

SEG Automotive is committed to creating and maintaining an environment where anyone working with us (including employees, suppliers, customers and other business partners) feels empowered to raise concerns about anything that may violate our Code.



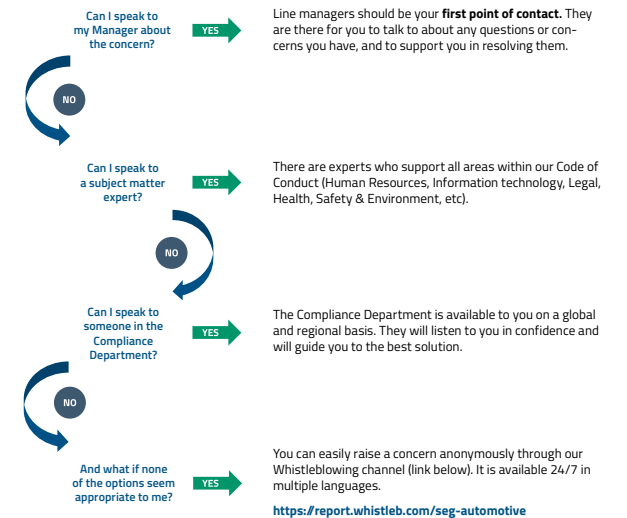
**NON-RETALIATION**

SEG Automotive has a strict culture of **non-retaliation** against those who raise concerns in good faith. It is in the best interest of all of us that we uncover possible wrongdoings as soon as possible, in order to protect our jobs, our company assets and our reputation.



You can find out more reading the relevant content CDLS-00010 *Speaking up* or by contacting the Compliance team at [compliance@seg-automotive.com](mailto:compliance@seg-automotive.com)

**HOW DO I SPEAK UP?**





Supporting our communities

# Supporting our communities. \_\_\_\_\_



## OUR COMMUNITY AROUND THE WORLD

"To me, a true sustainability mindset means more than just delivering CO<sub>2</sub> saving products and minimizing waste. Treating our partners fairly, for example, and being a responsible, caring employer to all of you. **And it should also include supporting the communities around our locations.** Under the motto 'Sustainable Together', we, therefore, aim to mitigate any negative impact of our business activities (e.g. from emissions during production), while amplifying our positive impact on the industry and beyond.", - CEO Ferdinando Sorrentino.

Our commitment extends beyond our workplace: We have the responsibility to contribute to a better future and we are deeply committed to making a difference by working with local communities.

We strive to develop our communities in which we operate and intend to contribute to social and educational initiatives – as shown by the examples on the following pages.

### #SustainableTogether

Each year SEG Automotive allocates a dedicated budget to our global ESG Initiative #SustainableTogether. This allows us to support the growth and well-being of the communities around our locations. And it helps to ensure that all our employees can also be aware of the needs of our local communities. Our employees from all locations can suggest local social initiatives and then our global ESG team decides which ones to support.

"We have planned this not as a one-shot initiative, but rather a **continuous social engagement**. We will continue to support important social projects across our different regions on a regular basis. Inspired by our DNA, with #SustainableTogether we can make a real impact on local communities in these trying times!" says Falk Stücklen, Global HSE.

Through #SustainableTogether Initiative, since 2022 we have supported more than 90 projects around the world: from Brazil, China, Germany, Hungary, Mexico, India, Portugal and Spain. In addition to this global initiative, **the locations are very attentive to local communities** and have various additional initiatives to support them. With the contribution and commitment of all our people we make children, young people, adults and elderly people smile.

# Supporting our communities.



Environmental, Social and Governance

## BRAZIL



### Bone Marrow Donor Registration Campaign

In partnership with Böllhoff, our Brazil team supported a bone marrow donor registration drive to expand the national database of potential donors. The initiative enabled employees to register quickly and safely on-site, reinforcing our commitment to health and community wellbeing. Through this action, we helped raise awareness of the life-saving impact of marrow donation and encouraged voluntary participation across our workforce.



### Community Garden Supporting Local Families

Together with the City Hall and nearby condominium communities, our team developed a fully sustainable community garden that already benefits almost 400 families in the region. More than 400 lettuce plants are cultivated in an organic, circular-economy process using repurposed construction materials and community volunteer labor. Harvests occur every 2–3 months and are donated to local social institutions, while all organic waste is composted and returned to the soil — creating a closed, chemical-free cycle that strengthens both food security and environmental stewardship.

Supporting our communities. \_\_\_\_\_



CHINA



### Raising a rural school to new heights

“SEG Automotive China labor union has **continuously supported a country school** at its high altitudes above 1300 meters. This mini-size school lacks educational resources, teaching about 30 children from surrounding towns. With the last 4 years’ concern and support, we are so glad to see the improvement and sparkles on those children. Moreover, they have proven their own on a large stage and won the national championship for the 6<sup>th</sup> recital conference – a huge encouragement to the children. And through this event, they now receive more recognition from the public. It is delightful to have more and more groups come together to fund the school.” Pan Haiou, PT-CN at SEG Automotive China.

# Supporting our communities.



GERMANY



## A Gesture of Comfort for Our Older Community Members

Through our 2025 Christmas raffle and Corporate Volunteering collection boxes, SEG Automotive supported the residents of Haus im Sommerrain, a senior residence of the German Red Cross. The proceeds were used to purchase items that help make everyday life more comfortable, including warm textiles, hygiene essentials, and small festive treats.

All gifts were personally delivered by our team. The residents' reaction showed how meaningful this gesture was, and the head of the residence shared that such support "exceeded anything they had ever experienced."

One resident expressed the impact in a simple, memorable way:

"It makes me so happy that someone thinks of us older people. Usually the young ones get something... and we are simply forgotten."

This initiative reflects our commitment to dignity, appreciation, and social inclusion—strengthening the communities we are part of.

## Colleagues from our Headquarters took part in "Let's Putz"

Stuttgart's annual volunteer clean-up initiative. Together, they helped clear litter along the Lindenbach path and, with enough participation, extended the effort toward the S-Bahn route leading to the station.

By dedicating their free time to improving shared public spaces, our team contributed to a cleaner environment, strengthened local community well-being, and demonstrated SEG's commitment to responsible citizenship.

HUNGARY



**Creating Opportunities for Disadvantaged Children**

Our team in Hungary continued its support for the Kazincbarcikai Don Bosco Oratorium, an organization dedicated to helping disadvantaged children develop the moral, social, and civic foundations needed to become confident and responsible citizens. Located just 17 km from our plant, the Oratorium plays a vital role in the region by offering meaningful after-school programs, excursions, and summer camps that promote social inclusion and personal growth.

**Improving Early Childhood Spaces Through Local Partnerships**

We also contributed to the renovation of the playground at MIÓVI Nursery School in József Street (Hétszínvirág). By improving the outdoor environment, the project helps ensure that young children have access to a safe, engaging, and developmentally supportive space. This initiative reflects our ongoing commitment to strengthening educational and community institutions in our local area.

# Supporting our communities.



Environmental, Social and Governance

## INDIA



A multi-Floors Classrooms building has been constructed for Government High School Students in a village namely HUSKUR, Anekal Taluk, located within the precinct of our organisation. The project is very much within the scope of SEG India CSR Philosophy – Primary Education, Primary Health & Sustainability. As scheduled, opening ceremony of the building was held on 13th January 2025.

*“We were attending classes shelter less under a tree even in rainy getting cough & cold. our heartfelt thanks to SEG India that we have nice classrooms to attend”* says one of the students.

*“SEG India is an organisation with a noble business objective of working on carbon neutrality- Balancing both omitting & observing Co<sub>2</sub> through various green initiatives thus it is our social responsibility to ensure that youth of our Country are well educated holistically where in Intelligence integrates with right character and hence, we are very proud to be part of this meaningful program”* says the Managing Director.

*“As a responsible Organisation, we have been impacting about 8000 plus students so far positively, getting them connected with quality learnings. In fact, I would have missed an important program in case, I wouldn't have attended this ceremony, I wish all the students the best of luck”* says Vice President – Finance.

### Supporting Education in India

Our India location inaugurated a newly constructed multistorey classroom and dormitory facility for children with permanent visual impairments, delivered under the company's CSR program for specially abled children. During the ceremony, Managing Director Mr. Anil highlighted the company's commitment to empowerment, stating: “Not incapacitated, they are specially capacitated.”The initiative received excellent feedback from community representatives, media, and invited guests, reinforcing SEG Automotive India's dedication to supporting the most deserving beneficiaries and advancing inclusive education in the community.

MEXICO



**Giving Time, Sharing Joy, and Building Human Connection**

Our team in Mexico organized a deeply meaningful visit to the DIF Children’s Home, focusing not on material gifts but on what matters most: time, presence, and genuine care. Together with our families, we spent the day playing, sharing laughter, and creating uplifting moments that celebrated the joy of childhood. The activity included a shared meal, a traditional piñata celebration, and the donation of shoes generously contributed by our Plant Manager, along with coloring books, balls, and sweets made possible by the support of the entire SEG Automotive team. This initiative reflected the spirit behind our Movement Agents Committee: showing that when we give with empathy and compassion, every act of kindness multiplies. The experience left a lasting impression on the children — and on all of us — reinforcing our commitment to continue supporting and strengthening our local community.

## PORTUGAL

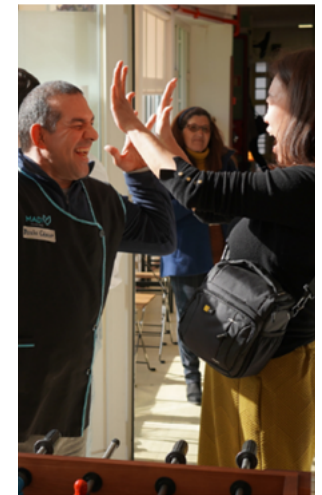


### Supporting Families in Our Community

Every May, SEG Automotive Portugal marks Family Day by extending the idea of “family” to the community. In partnership with ACIP – Activity and Capacitation Center for Inclusion of People with Disabilities, we support local families facing economic hardship. ACIP helps identify households with urgent needs, ensuring our contribution reaches those who benefit most.

Through an internal donation campaign, employees provide essential goods such as food, hygiene products, and clothing. These contributions are assembled into support packages tailored to each family, turning a simple call for donations into a collective act of solidarity.

Family Day reinforces that sustainability is rooted in people. By supporting vulnerable families, we strengthen our community and reaffirm our commitment to inclusion and shared responsibility.



### Empowering Inclusion Through Action

Our Portugal team continued its social responsibility efforts by supporting MADI – Movimento de Apoio ao Diminuído Intelectual, an organization dedicated to integrating people with intellectual disabilities in Vila do Conde. Through the annual cookie initiative, employee donations were used to provide a foosball table—a resource that promotes self-regulation, social interaction, and shared moments of joy within the community. After the delivery, MADI shared a message that reflects the impact of this collaboration:

“Our hearts were full. Our people remembered this Friday and shared stories. Our doors are always open to welcome you with a hug. Thank you to the fantastic SEG team. A big kiss from all of us to all of you.”

This initiative reinforces our commitment to creating value beyond business by supporting inclusion and strengthening local communities.

# Supporting our communities.



Environmental, Social and Governance

## SPAIN



### Using Sport as a Platform for Inclusion

We collaborated with the Fundación Real Racing Club, which leads social programs focused on inclusion, youth development, healthy lifestyles, and support for vulnerable groups. Through this partnership, we contribute to initiatives such as anti-bullying education, inclusive sports, and community health campaigns across Cantabria.



### Strengthening Local Emergency Response Networks

Our Treto team continued its support for DYA Cantabria, a volunteer-based emergency service that provides medical assistance and rescue operations across the region. The organization operates with a dedicated volunteer network and handles more than 1,500 interventions annually, strengthening public safety in Cantabria.



### Regular Blood Donation Campaigns

Blood donation is one of our most established community traditions in Spain, with a long-running commitment that has mobilized our employees for many years. By 2022, our Treto site had already contributed over 10,000 blood donations, demonstrating the strong culture of solidarity within our workforce. This engagement continued in 2025, when we organized two additional blood donation campaigns, supporting regional healthcare services and helping strengthen the local blood supply.

## Legal notice. \_\_\_\_\_



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