2024 Corporate Sustainability Report

AURIA

www.auriasolutions.com

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I. Letter From the CEO

Qiuming Yang
President & CEO, Auria

I am very proud to share Auria's Corporate Sustainability Report for 2024, celebrating our ongoing progress, innovative initiatives, and commitment to ESG principles.

As a global leader in automotive flooring and acoustic systems, we endeavor to minimize our environmental impact through sustainable practices within our operations, across our supply chain and throughout the lifecycle of our products. Sustainability guides our strategies and shapes our future.

In 2024, we established a comprehensive and multi-dimensional sustainability strategic framework called 2030+. As part of this framework, we established 26 targets and ambitions that enable our business to be run with a strong sense of responsibility towards our environment but that also provide a strong competitive advantage in the market.

We remain committed to our ambitious climate targets. By 2030, we aim to achieve a 50% reduction in CO_2e emissions for scopes 1 and 2, and by 2035, a 40% reduction for scope 3. Looking further ahead, we are committed to achieving 100% carbon neutrality in operations by 2040.

I am extremely proud of our environmental achievements in 2024. We managed to save 16 thousand tons of CO_2 e emissions compared to 2023 in Scopes 1 and 2, largely by transitioning several of our sites to renewable electricity. In 2024, 6 out of our 17 facilities were powered by 100% green electricity. Furthermore, our commitment to driving circular solutions has resulted in 5 out of 17 sites achieving zero waste to landfill.

In addition to environmental efforts, we are also continuing to drive our commitments in the social dimension of sustainability. Last year, 13 out of 17 sites participated in outreach programs and had a positive impact on their local communities.

Our sustainability strategic framework focuses on education, transparency and a data-driven decision-making process at the core of its approach. This systematic approach has resulted in an improvement of our 2024 CDP score in climate and water to a B+. Furthermore, we received a sustainability badge from Ecovadis, in recognition of our strong commitment and improvements in sustainability practices.

As we look ahead, Auria remains steadfast in its mission to transform automotive flooring and acoustics through innovative materials, efficient processes, and circular solutions. We will continue to partner with all stakeholders—customers, suppliers, employees, and communities—to drive meaningful progress towards a more sustainable future.

I invite you to explore this report and discover the tangible impacts of our collective efforts. Together, we will push boundaries, challenge norms, and pioneer solutions that create a lasting, positive impact on our company, our communities, our industry, and our planet.

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2. Letter From the CSO

"THE DESTINATION IS SET, AND SUSTAINABILITY GUIDES OUR JOURNEY."

Our sustainability journey was born from the fundamental belief that our operations and business decisions have an impact on our environment, our employees, and our communities.

Our journey began in 2019 with the goal of implementing sustainable practices throughout our organization while striking a balance between economic, environmental, and social aspects.

Through education, a shift in mindset, and data-driven results, we are making meaningful progress towards our ESG goals. As Chief Sustainability Officer, I'm proud of the progress we've made, and we will continue driving forward with purpose towards our sustainability commitments.

As a leading global automotive flooring and acoustics systems manufacturer, we recognize the impact we have on our environment and our communities.

Our commitment to sustainability is firmly embedded in our company culture and is reflected in our ambitious goals to reduce our carbon footprint and enhance resource efficiency. We are targeting a 50% CO_2e reduction for scopes 1 and 2 by 2030, a 40% CO_2e reduction for scope 3 by 2035, and achieving 100% carbon neutrality in operations by 2040.

Renewable energy sources provide power to our plants, including our Grobbendonk, Belgium facility, where a wind turbine powers over 50% of the site's energy and our Coleshill, UK, location where rooftop solar panels provide green energy.

As a key part of our ESG responsible sourcing campaign, we design all of our products with circularity in mind, using renewable, recyclable and lightweight materials, aiming for 100% supplier compliance by 2030.

Our employees are our most valued resources, and we foster a culture of integrity, health, safety, and respect, adhering to human rights and fair labor practices.

At Auria, we're committed to transforming automotive flooring and acoustics with innovative materials, efficient processes, and circular solutions and will partner with all stakeholders to drive a more sustainable future.

Marc Flegler
Chief Sustainability Officer, Auria Solutions

3. Vision Mission Values

ACCELERATING CHANGE

At Auria, we are dedicated to creating innovative automotive acoustic, flooring and fiber-based solutions for our customers amidst the rapidly evolving mobility landscape. Just as important as what we do, is how we do it. Our mission and our core values reflect our foundational beliefs and guiding principles aimed at making positive impacts on the environment, our employees, the communities in which we operate and tomorrow's mobility.

VISION

Together we will create innovative sensory experiences for tomorrow's new mobility

MISSION

To bring inspiration to our **employees**, deliver market leading **innovation** to our customers, & build **sustainability** into the fabric of everything we do

VALUES

• Innovation is our fuel for growth

• We use teamwork to achieve results

• We demand integrity & accountability

• We respect and embrace differences

• We promote positive change in our communities
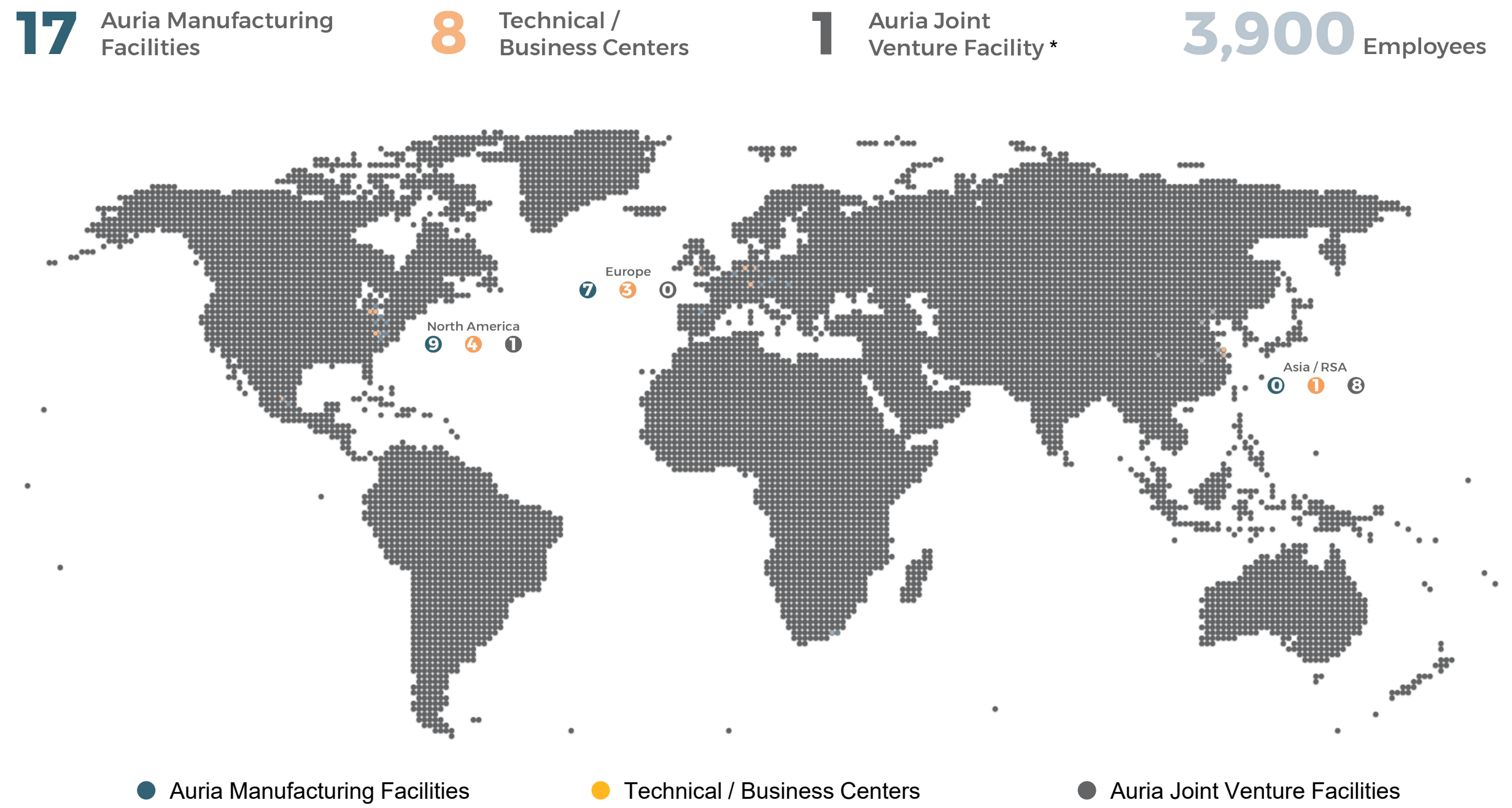
4. General Disclosure
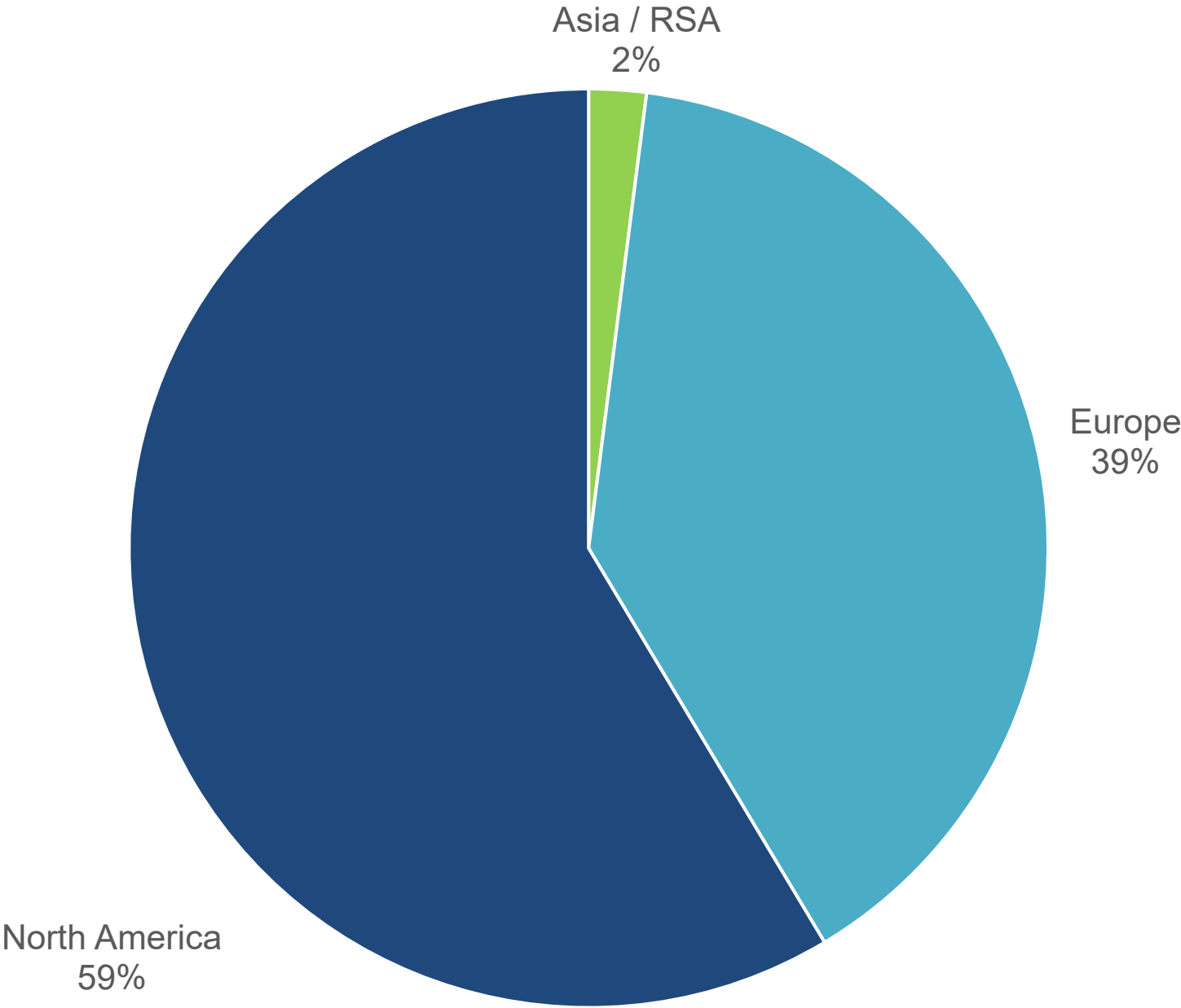
4. General Disclosure

4.1 Company Overview

Formed in 2017, Auria is built on more than a century of automotive transportation heritage. Auria is a leading global supplier of automotive flooring, acoustic and fiber-based solutions. Approximately 80 percent of the surface area between the bumpers and in the interior is covered by our products. Globally, Auria operates 17 manufacturing facilities, 8 commercial, engineering, testing and tooling facilities, and 1 joint venture facility. *However, Auria has non-consolidated joint venture facilities, which include 7 in China and 1 in North America. This report covers only the consolidated facility in South Africa.

Global Footprint

17 Auria Manufacturing Facilities

8 Technical / Business Centers

1 Auria Joint Venture Facility *

3,900 Employees

Europe
7 3 0

North America
9 4 1

Asia / RSA
0 1 8

● Auria Manufacturing Facilities   ● Technical / Business Centers   ● Auria Joint Venture Facilities

2024 Revenue* by Geography

Asia / RSA
2%

Europe
39%

North America
59%
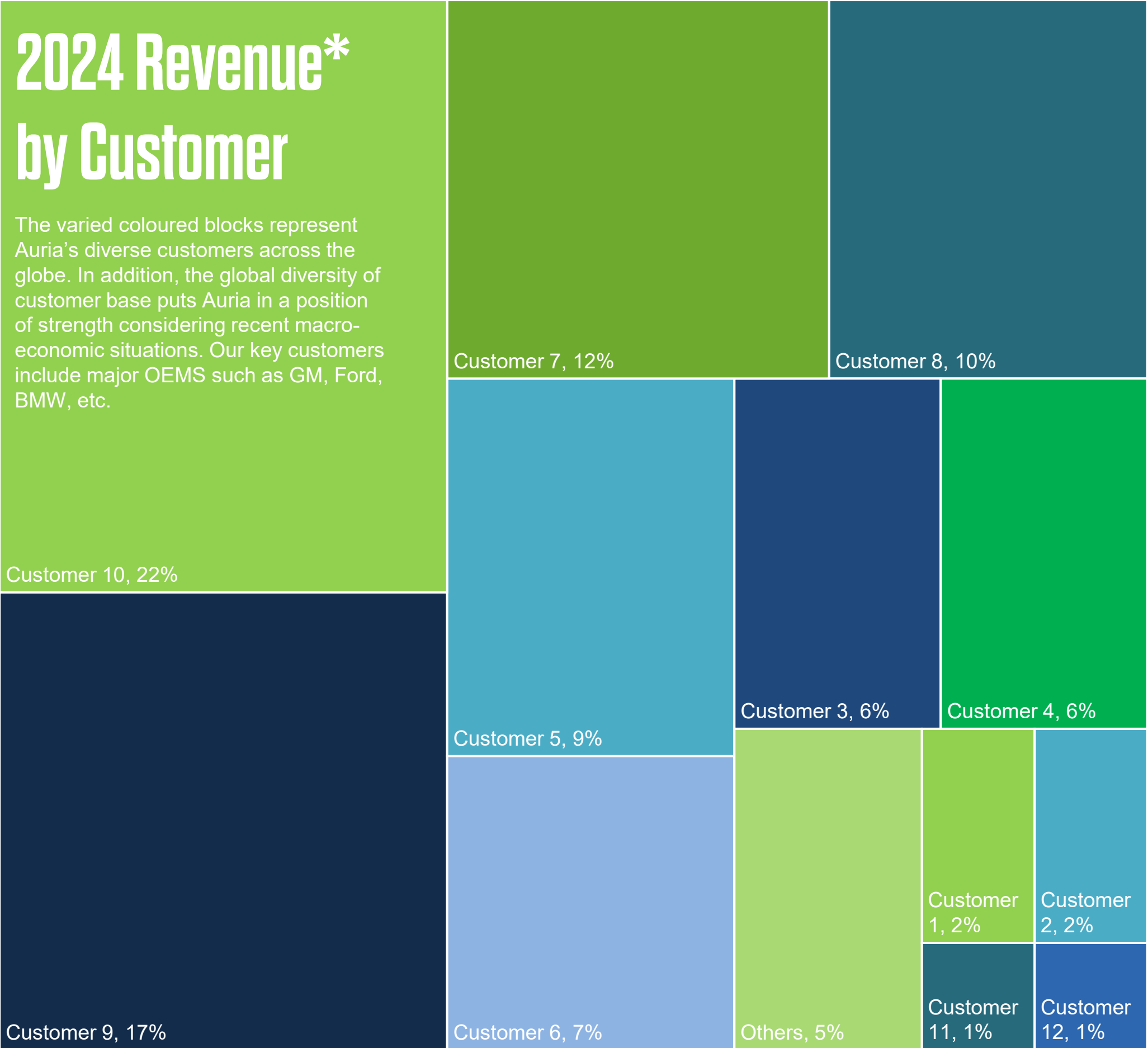
2024 Revenue* by Customer

The varied coloured blocks represent Auria's diverse customers across the globe. In addition, the global diversity of customer base puts Auria in a position of strength considering recent macro-economic situations. Our key customers include major OEMS such as GM, Ford, BMW, etc.

Customer 7, 12%
Customer 8, 10%
Customer 10, 22%
Customer 5, 9%
Customer 3, 6%
Customer 4, 6%
Customer 9, 17%
Customer 6, 7%
Others, 5%
Customer 1, 2%
Customer 2, 2%
Customer 11, 1%
Customer 12, 1%

*Revenue includes consolidated business only. Figures are based on 2024 unaudited financial data.

4.2 Growth

Auria and its stakeholders plan for profitable growth through organic actions and strategic initiatives. A balanced global customer base, broad product portfolio, and regional expansion are among our main strategic targets. To achieve these goals, we are focused on quality, innovation & technical expertise, an optimized footprint, and excellent customer relationships.

Our Long-Range Revenue Plan (LRRP) is a powerful and comprehensive tool that enables us to meticulously outline and execute our strategic initiatives for product development and customer engagement cover the mid- to long-term horizon.

The LRRP is a tool used to examine the current and future business environment, considering already awarded and booked business and forecasting high-potential and targeted opportunities that will permit growth and build sustainable revenue in the future. Our planning is based on customer projections, market volume data from S&P Global Mobility, and our own internal data, which allows us to determine our 5-year outlook of sales by customer, by plant, and by product categories. This enables us to detect where we have unexplored marketplaces in terms of customer and product penetration and to define necessary actions to keep our growth plan on track.

Our commitment to sustainability and innovation is evident in our sales within the electric vehicle segment, including BEV and hybrid vehicles. Based on already booked and awarded business, we are seeing an increase from 4% in 2020 to 12% in 2024 and an even greater improvement by 2026.

KPI: % of sales in electric vehicle segment

	2020	2023	2024
EU	3 %	19 %	24%
NA	5%	7%	6%
Asia / RSA	5%	11%	7%

KPI: % of new business awards in proximity (less than 100km) of customer

	2020	2023	2024
EU	0 %	25%	40%
NA	0 %	17%	1%
Asia / RSA	0 %	0%	0%

4.3 Sustainability Journey

2021

First Company Sustainability
Report Generated

2022

Sustainability embedded into
Auria's mission, appointed CSO,
CDP improvement B-

2023

New sustainability governance
model, new environmental
policy, achieved CDP for climate B, water C-

2024

Develop sustainability
framework in line with SBTi,
first time reporting Scope 3,
achieved CDP for climate B, water B

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4.3 Sustainability Journey (cont.)

At Auria, sustainability is not just a commitment—it is a fundamental part of how we operate and innovate. Auria is committed to transforming automotive acoustics, soft trim & cargo management with innovative materials, efficient processes, and sustainable solutions. We will partner with all stakeholders to drive a sustainable future.

Our sustainability strategic framework was developed based on understanding the "purpose" of sustainability for Auria. We asked our executive team WHY? Why do we need sustainability? The unanimous answer was that our operations and business decisions have an impact on our environment, our employees, and our communities, so we have an obligation to ensure our operations are sustainable and that we protect the communities in which we live and work. Furthermore, we want to partner with our key stakeholders, our investors, and our customers to drive a sustainable future together. We built our strategy on the lines of the famous golden circle principle. Why? How? And then What?

The WHY?
We want to be a partner of choice, a partner that is treated with respect and a partner that enables a sustainable future together. We must work together collectively for the greater good.

The HOW?
With partnership at its core, our "how" is guided by the need of the hour. Starting with education, then followed by transparency and communication. This approach ensures that sustainability is embedded in every aspect of our operations.

The WHAT?
The final aspects focuses on three key dimensions of the ESG framework. Environment, Social and Governance.

a. Environmental Stewardship – Auria is committed to mitigating climate change, advancing circularity, and ensuring responsible resource use and sourcing. By integrating sustainable practices into our supply chain and product development, we minimize environmental impact while enhancing efficiency.

b. Social Responsibility – We prioritize the well-being of our employees, partners, and communities by upholding the highest standards in health and safety, ethical business conduct, and fair labor practices. Our people-first approach fosters a culture of inclusion, respect, and integrity.

c. Strong Governance – Integrity and accountability are the cornerstones of our governance strategy. We emphasize strategic processes, performance excellence, regulatory compliance, and risk management to uphold the highest levels of corporate responsibility.

By seamlessly integrating these principles, Auria is shaping a sustainable and responsible future—one that is driven by innovation, collaboration, and an unwavering commitment to excellence.

- Health & Safety
- Ethical Behavior
- Fair labor Practices

Social

- Climate Change
- Circularity
- Resource Use & Responsible Sourcing

Education · Communications · Partnership · Transparency

- Strategy, Process & Performance
- Ratings & Compliance
- Rist Management

Environmental

Governance

Partner to Drive a Sustainable Future Together.

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5. Environmental

5. Environmental

5.1 Climate Change

To understand Auria's Scopes 1 & 2 reduction efforts, lets first understand our manufacturing vision and the sophisticated processes we use to produce our products. Auria aims to differentiate ourselves from our competitors through extensive product and process knowhow, coupled with a commitment to innovate the next generation of sustainable automotive solutions.

Auria is committed to making significant investments in the modernization of its manufacturing infrastructure, with a focus on upgrading to high-efficiency equipment and technology to optimize the production of our products. Our advanced development initiatives will leverage our extensive expertise in materials science to increase the usage of natural material in the products we manufacture. Our overarching aim is to create lighter-weight products that align with our customers' objectives of improving fuel efficiency and reducing CO_2 emissions.

Furthermore, we are committed to minimizing waste streams from manufacturing by implementing measures to capture, recycle, and reuse scrap material where possible to achieve zero waste to landfill or incineration across all of our operations. Lastly, we will continue to work closely with our OEM customers and supply chain partners to optimize our manufacturing footprint, ensuring that we are near our customers and suppliers to deliver optimized value and customer satisfaction.

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5.1 Climate Change (cont.)

5.1.1 Scopes 1&2

Production Processes

Auria has a long history of expertise in manufacturing flooring, acoustics, and other fiber-based solutions, dating back to the very first Daimler Benz vehicles, the Ford Model T, and even the first Japanese vehicles to reach American shores in the 1970s. Over the course of more than a century, Auria's legacy companies continued to evolve and improve the manufacturing process by embracing technology and advancing material sciences. Building on the foundation of its automotive predecessors such as Lear, Collins & Aikman, United Technologies, Masland, and Stankiewicz, Auria will continue to foster a culture that embraces technology in manufacturing, including Industry 4.0.

Industry 4.0 is a radical change in manufacturing processes intended to increase productivity, improve efficiencies, and harness new technologies and concepts such as collaborative robotics, artificial intelligence, and data analysis tools.

Auria has already identified and implemented aspects of Industry 4.0 at the Auria plants. This represents another step toward enhancing Auria's expertise across a wide range of manufacturing processes that include flooring, acoustics, and other fiber-based solutions, more specifically:

- Carpet tufting
- Nonwoven needling
- Latex coating
- Thermal bonding
- PE extrusion
- PE powder coating
- Heavy layer extrusion
- PU-spraying
- Airlay process
- Vertical lapped felt production
- Compression molding

- Vacuum forming
- PU-foaming
- Injection molding
- PU honeycomb conversion
- Waterjet cutting
- Die trimming
- Ultrasonic knife cutting
- Welding processes
- Trim waste recycling

Waterjet Cutting

Airlay Process

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5.1.1 Scopes 1&2 (cont.)

Auria is committed to reducing its carbon footprint and enhancing resource efficiency through the sustainable use of natural resources, all while benefiting from reduced operational costs. As part of this commitment, we have aligned with the Science Based Targets initiative (SBTi) and set a short-term target to reduce CO_2e emissions from Scopes 1 & 2 by 50% at the end of 2030, based on a 2020 baseline. Our ambitious long-term goal is to achieve 100% carbon neutrality for Scopes 1 & 2 by 2040.

To support these targets, Auria has implemented global roadmaps that include numerous initiatives focused on reducing waste, water usage, energy consumption, heat, and emissions. In line with our sustainability goals, Auria hosted its inaugural Energy Efficiency Networking Day in Europe. This event provided a platform for sharing energy monitoring reports and best practices, bringing together the regional Vice Presidents of Operations, European plant managers, North American representatives, and energy champions.

Scopes 1 &2 reduction efforts

As of 2024, the European sites have achieved an average of **78% coverage in electricity consumption monitoring**. In total, 27 best practice actions have been reported, resulting in significant savings: 3.7 million kilowatt-hours of electricity and 3.5 million kilowatt-hours of natural gas. These savings represent 6.4% of total electricity consumption and 8.3% of total natural gas consumption across Auria Europe in 2023. We have made significant progress in increasing the share of energy sourced from renewable sources, particularly driven by the high consumption of green electricity in Auria Europe. **Starting in 2025, all European sites will be powered entirely by 100% green electricity, while in NA, 3 Mexican sites will cover around 20% of their energy consumption with solar panels**.

Auria is working closely with energy consultants and suppliers to further increase our reliance on electricity generated from renewable sources.

In addition to the wind turbine at our Grobbendonk site, which produces over 50% of the site's electricity needs, we are proud to announce the installation of a new 607 kW rooftop solar array at our Coleshill site.

Additionally, our Zakupy plant has become a leader in waste heat recovery. The plant has installed a recuperating unit in the piping system connected to the thermal oil boilers, which operate at 250°C. This recovered heat is used to warm production tools during the summer and to heat office spaces throughout the rest of the year. The total amount of heat recovered annually at Zakupy is nearly 1 million kilowatt-hours.

3,700,951 kWh
Electricity Saved Auria Europe in 2024   **6.4%**

■ Total Electricity 2023   ■ Electricity Savings 2024

■ Total Natural Gas 2023   ■ Natural Gas Savings 2024

3,564,112 kWh
Natural Gas Saved Auria Europe in 2024   **8.3%**

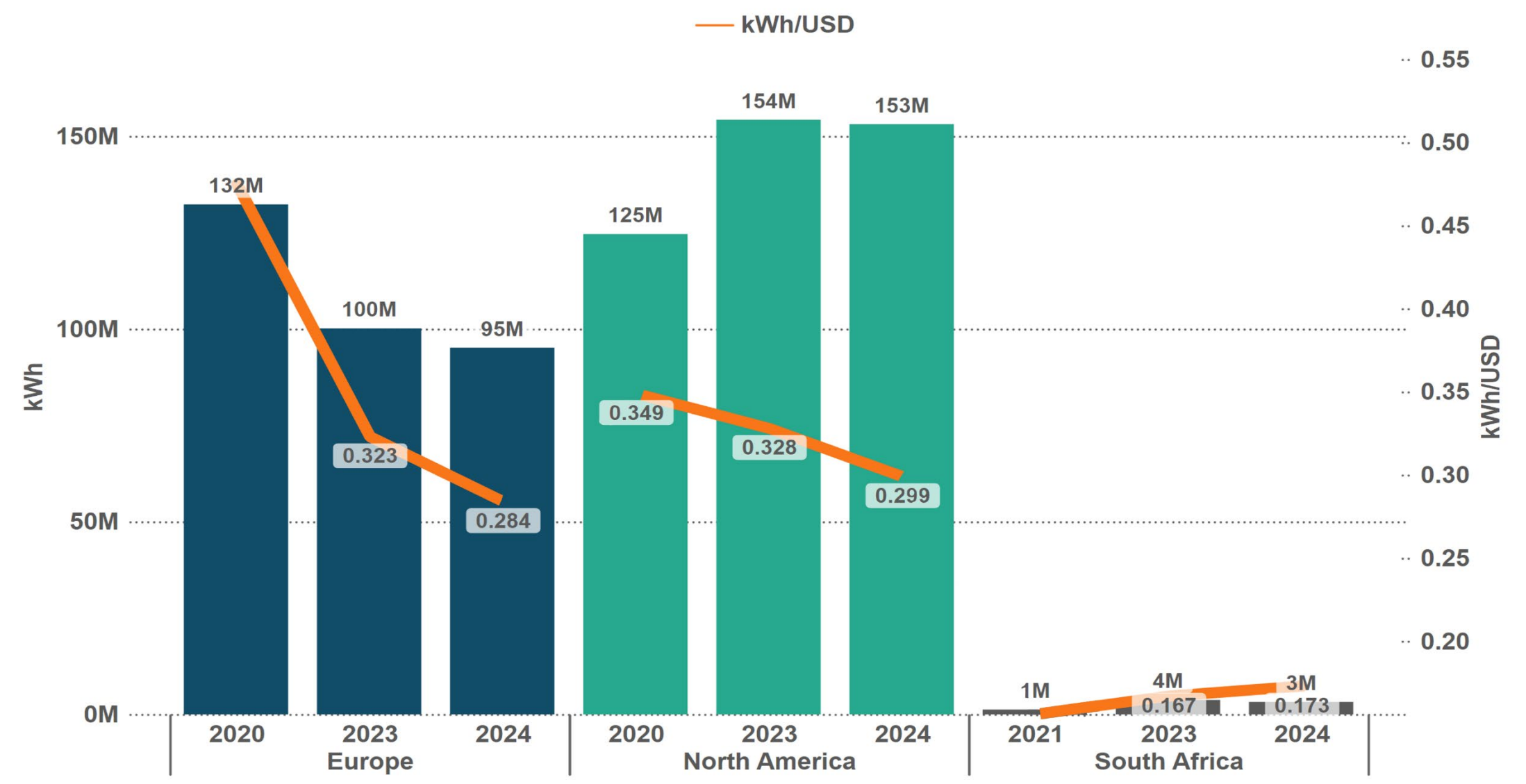# 5.1.1 Scopes 1&2 (cont.)

KPI: Energy Consumption + Greenhouse Gas Emissions

Auria has been striving to achieve a more sustainable manufacturing process by implementing lean manufacturing techniques.

Auria is strongly committed to reducing Scopes 1&2 emissions while simultaneously fostering a circular economy. Our efforts in this regard are geared towards promoting a sustainable future, characterized by a reduced carbon footprint and enhanced environmental stewardship. We remain steadfast in our commitment to minimizing our environmental impact and are continuously exploring new ways to achieve this goal.

In 2024, we achieved a growth in sales while significantly reducing energy consumption and Greenhouse Gas Emissions. The **KPI: kWh/USD of annual sales**, shows a clear improvement trend in the 2 regions, showing our commitment to energy efficiency and sustainable growth. This improvement reflects the successful implementation of energy-saving initiatives, process optimizations, and a stronger focus on renewable energy sources. By reducing our kWh/USD sales ratio across both regions, we demonstrate that our business expansion is aligned with our sustainability goals, ensuring lower environmental impact while maintaining financial performance.

Annual Energy Consumption and kWh/USD by Region

— kWh/USD

| Region	Year	kWh	kWh/USD
Europe	2020	132M	
Europe	2023	100M	0.323
Europe	2024	95M	0.284
North America	2020	125M	0.349
North America	2023	154M	0.328
North America	2024	153M	0.299
South Africa	2021	1M	
South Africa	2023	4M	0.167
South Africa	2024	3M	0.173

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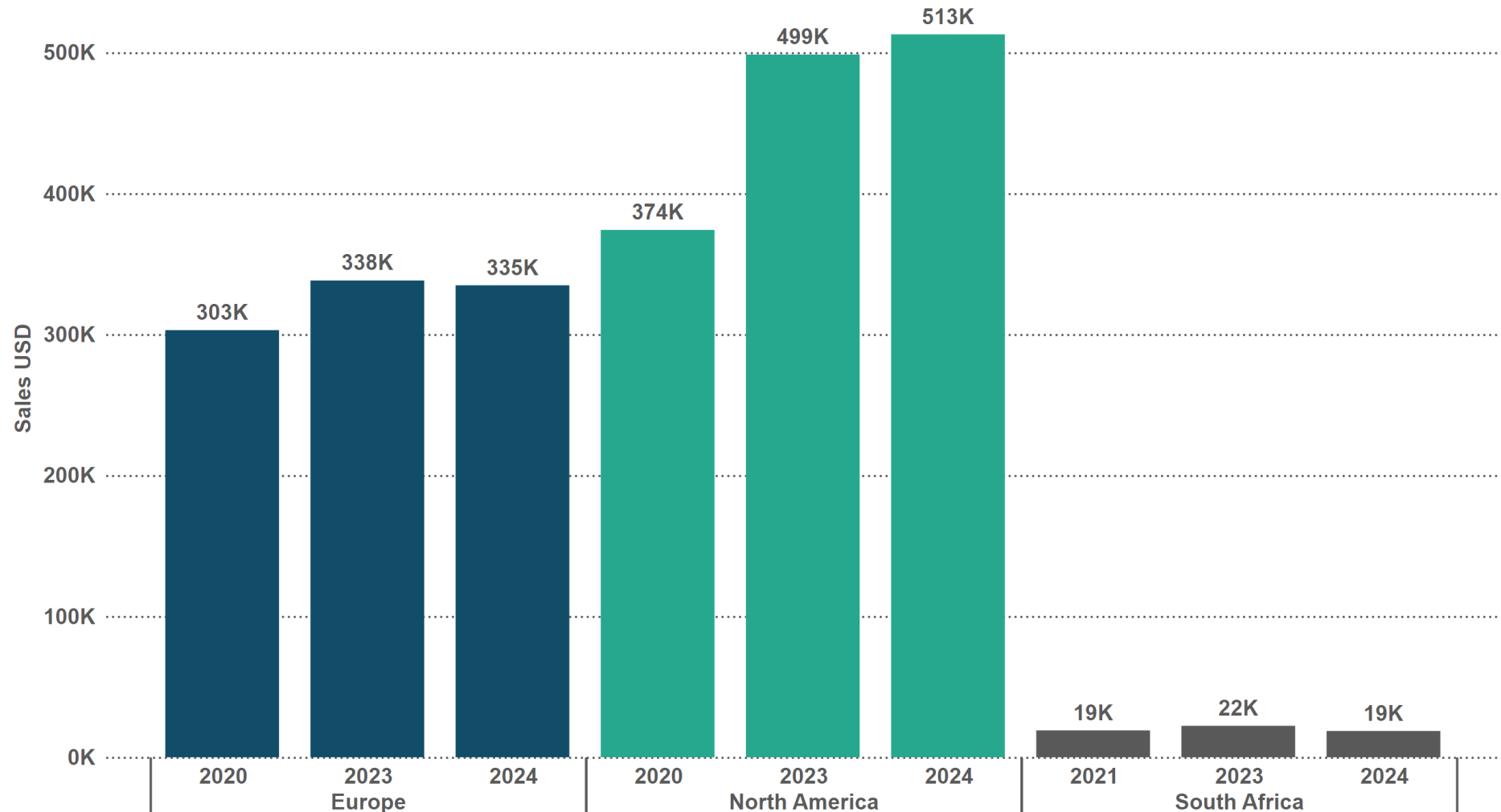# 5.1.1 Scopes 1&2 (cont.)

KPI: Energy Consumption + Greenhouse Gas Emissions (cont.)

We are also proud to announce that 50% of our electricity consumption in Europe is now sourced from renewable sources. This is just the beginning for us, since we anticipate 100% of our electricity consumption in Europe will be from renewable sources in 2025.

Annual Greenhouse Gas Emissions by Region
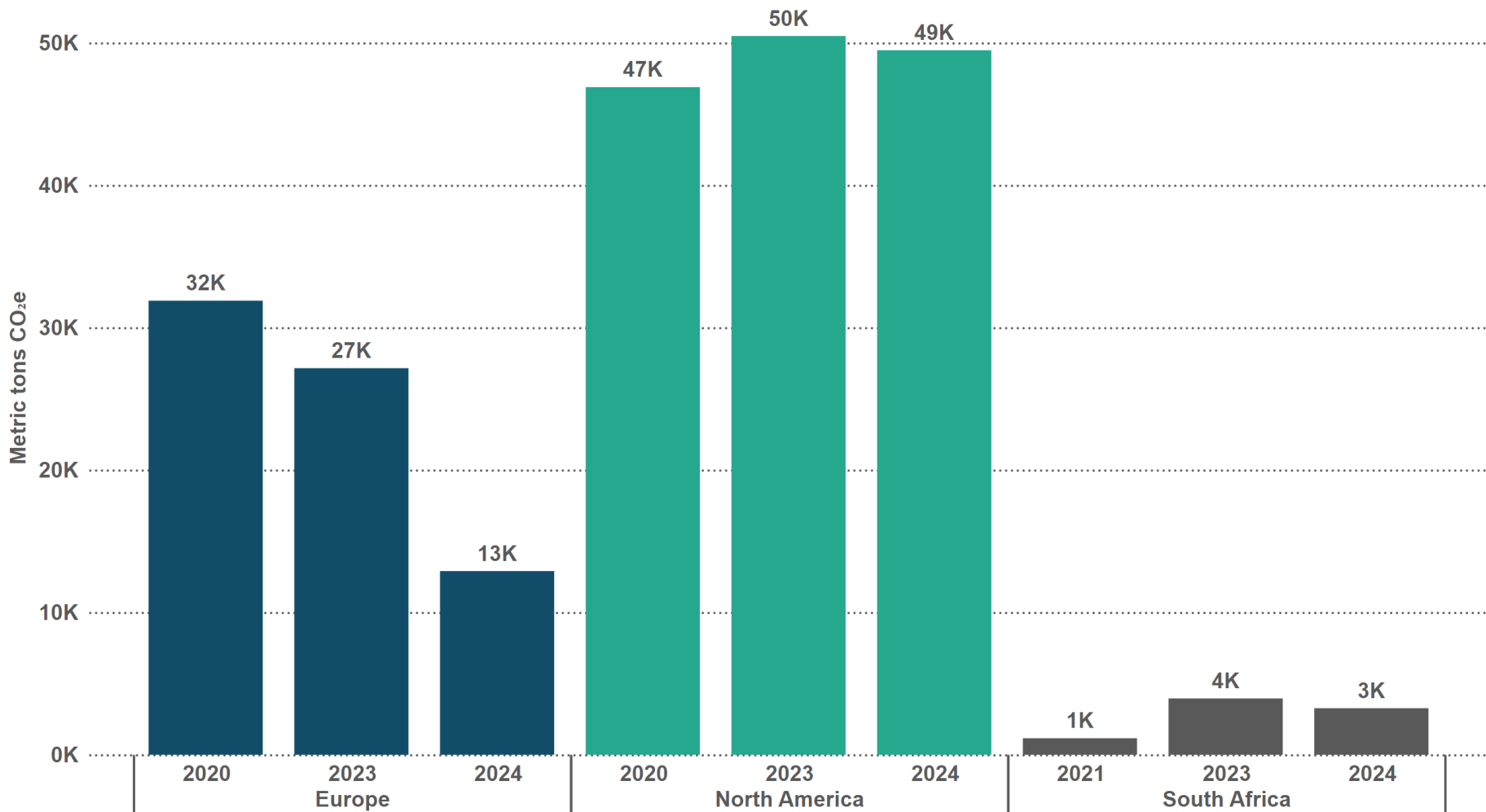
Annual Sales by Region

5.1.1 Scopes 1&2 (cont.)

Energy Monitoring Project

NA Region

Auria has made significant progress in advancing its Scopes 1 & 2 emissions reduction initiatives through the implementation of operational technology (OT) software and energy monitoring solutions.

The first pilot installation was successfully deployed on a carpet molding line in Old Fort, NC, with the OT system now fully operational. The energy monitoring sensors are scheduled for installation and integration into the OT system in early Q2-2025. The Old Fort facility is set for full implementation within Q2-2025, while Q3-2025 and Q4-2025 will focus on expanding the system to the remaining eight manufacturing locations, covering 546 connection points. Additionally, gas meters have been installed at our Holmesville facility to enable real-time tracking of natural gas consumption on continuously operating fiber lines.

These data points will be instrumental in translating energy usage to per-kilogram fiber processing metrics, ultimately supporting efforts to optimize energy efficiency across our manufacturing operations.

EU Region

All seven Auria sites in Europe have implemented an energy monitoring system, utilizing a total of 549 electricity meters. These systems provide localized monitoring of production machinery and site-specific process supply systems, including compressed air, factory and process chillers, water pumps, intensifiers, thermal tool heaters, chemical plants, and shredders. Currently, the measurements account for 40% to 98% of each plant's total electricity consumption, with an average coverage of 78%. Efforts are ongoing to further expand coverage, enhancing visibility and optimization of energy usage across all facilities.
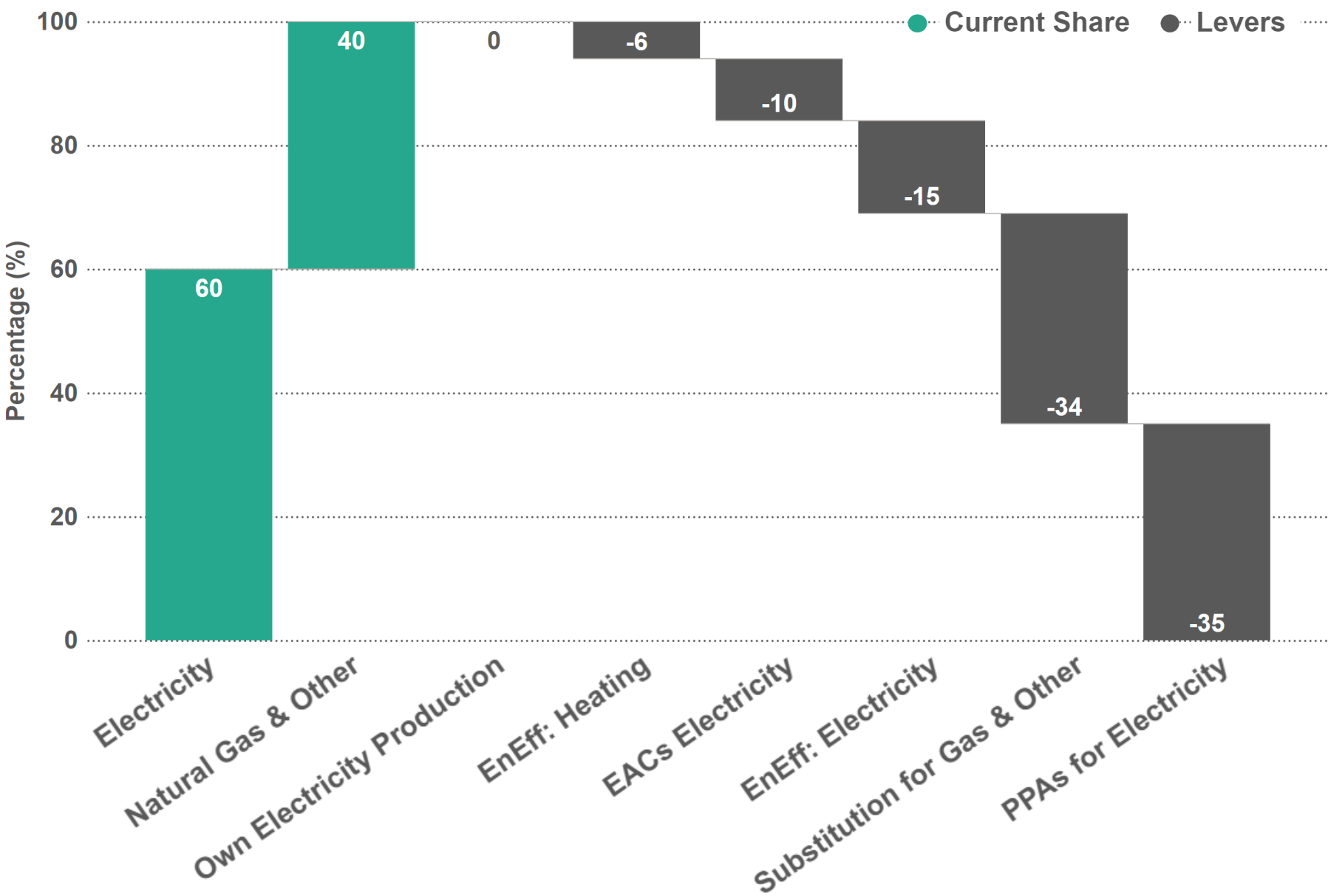
5.1.1 Scopes 1&2 (cont.)

Carbon Neutrality Commitments

Auria is committed to achieving carbon neutrality in Scopes 1 & 2 by 2040. We plan to achieve this target through strategic planning and application of critical levers.

Our key levers to achieve carbon neutrality in Scopes 1 & 2 are demonstrated in the blueprint chart below. This blueprint model provides a reasonable indication of most manufacturing sites in Auria. This enables us to understand how to strategically work out our levers for carbon footprint reduction.

The model shows that the largest contributor to our Scopes 1 & 2 emissions arise from our consumption of natural gas and electricity. To reduce the carbon footprint, we must focus our efforts on energy efficiency projects for both electricity and gas that enables not only CO_2 saving benefits but also strong cost benefits to create competitive advantage. For electricity consumption our key levers are to push for more renewable electricity via power purchase agreements (PPAs) and Energy Attribute Certificates (EACs). This combination of energy efficiency projects coupled with renewable electricity purchase will transform ~60% of our total Scopes 1 & 2 carbon footprint to nearly zero. However, we also understand that a another 40% of our carbon footprint is still present via natural gas consumption. Here, we are currently investigating options for greener natural gas consumption alternatives.

Chart legend: ● Current Share ● Levers

Y-axis: Percentage (%)

Data points: Electricity 60, Natural Gas & Other 40, Own Electricity Production 0, EnEff: Heating -6, EACs Electricity -10, EnEff: Electricity -15, Substitution for Gas & Other -34, PPAs for Electricity -35
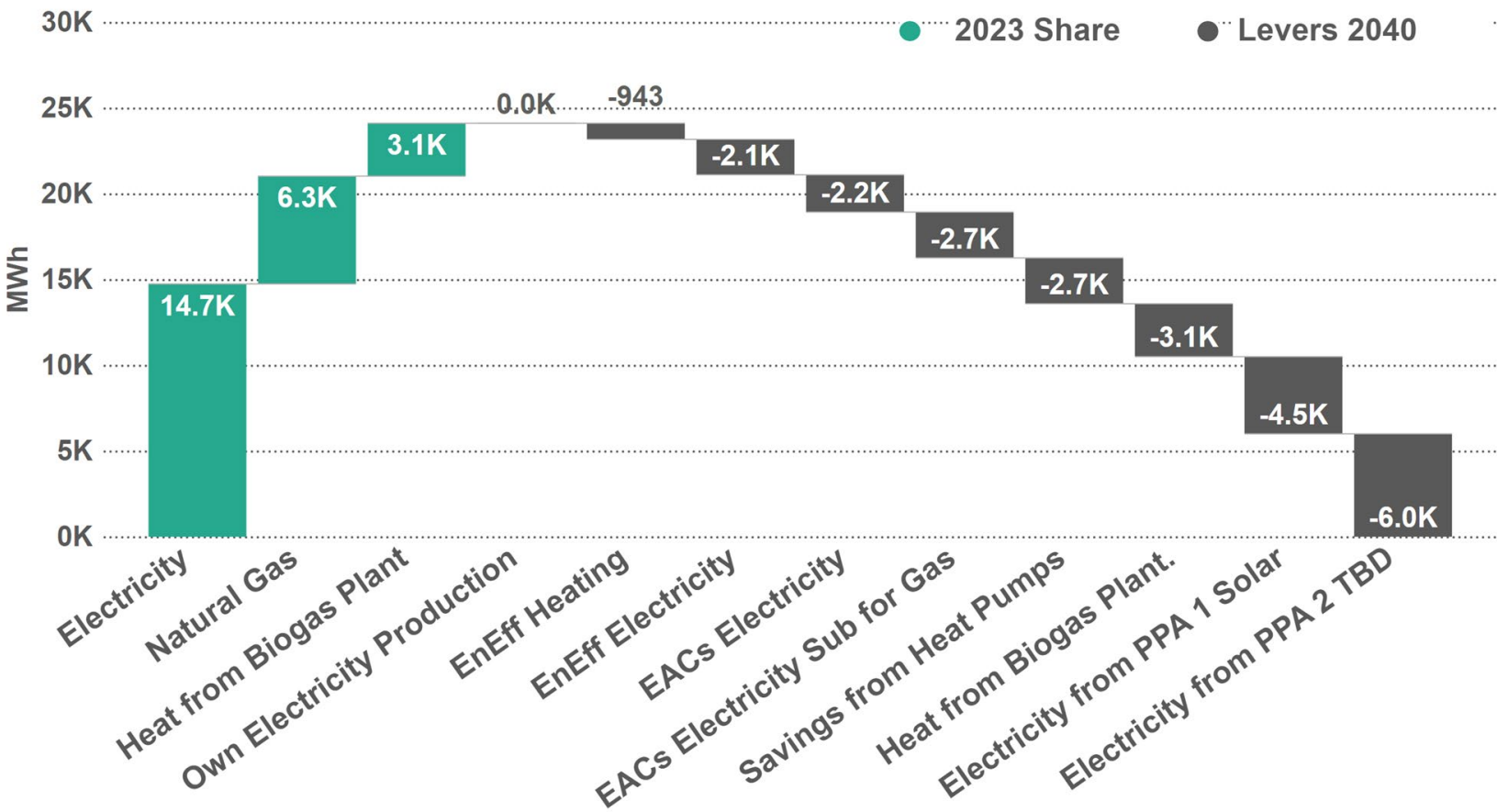
5.1.1 Scopes 1&2 (cont.)

Carbon Neutrality Commitments (cont.)

Last year, we derived our top priority with a more detailed analysis based on 2022 data. The figure shows the key sites that contribute towards the highest carbon footprint.
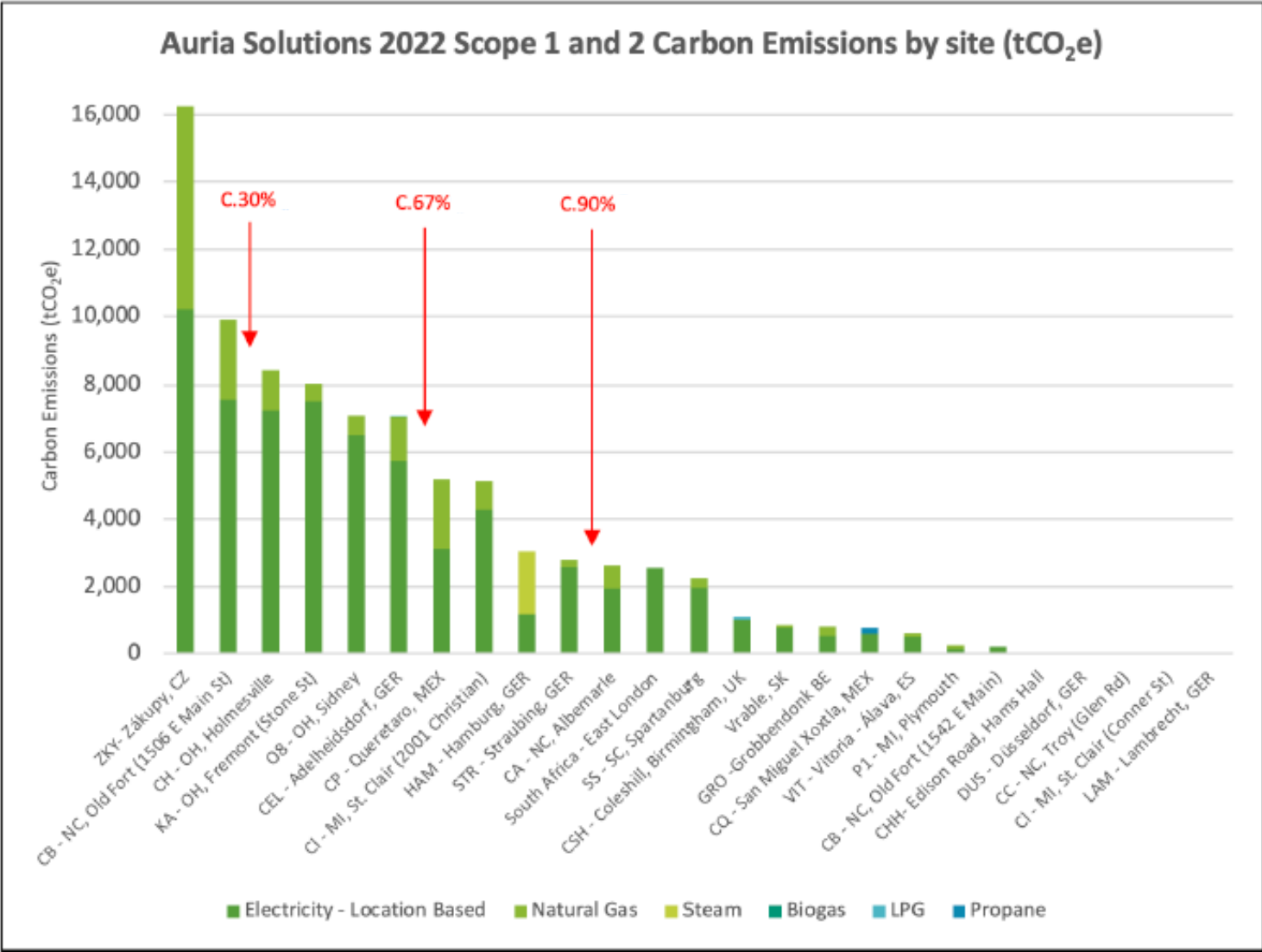
We will be able to reduce nearly 67% of our global Scopes 1 & 2 emissions if we focus our efforts on our top six sites. In North America, we will focus on Old fort, Holmesville, Fremont and Sidney; while in Europe the two largest sites, Zakupy and Celle, are the key focus sites. Therefore, last year one of our goals was to understand how we can decarbonize our top six priority sites. In the following example, the sustainability team and the operations team in Celle came together to build on the blueprint model to create a high level decarbonization levers map for the site as shown in the picture below.

Auria Solutions 2022 Scope 1 and 2 Carbon Emissions by site (tCO$_2$e)
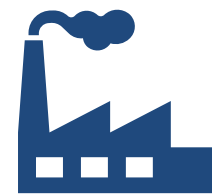
Celle's Decarbonization Strategy

5.1.1 Scopes 1&2 (cont.)

Carbon Neutrality Commitments (cont.)

This shows that our blueprint model can be successfully applied to our sites. The key decarbonization levers are:
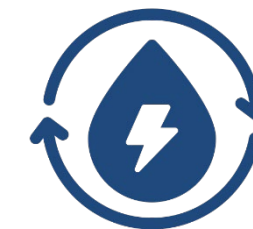
1. Energy efficiency programs in both electricity and gas

2. Energy from own production

3. Electricity PPAs and EACs

4. Substitution of natural gas

In 2025, we plan to have an overall roadmap for European sites and identify our first lighthouse carbon neutral site in Europe. Auria strongly believes that sustainability in manufacturing will yield competitive advantage in the near and long term and enable the company to be a supplier of choice for our OEMs. Through our commitments in scope 1 and 2 we will enable our customers to reduce their scope 3 emissions.
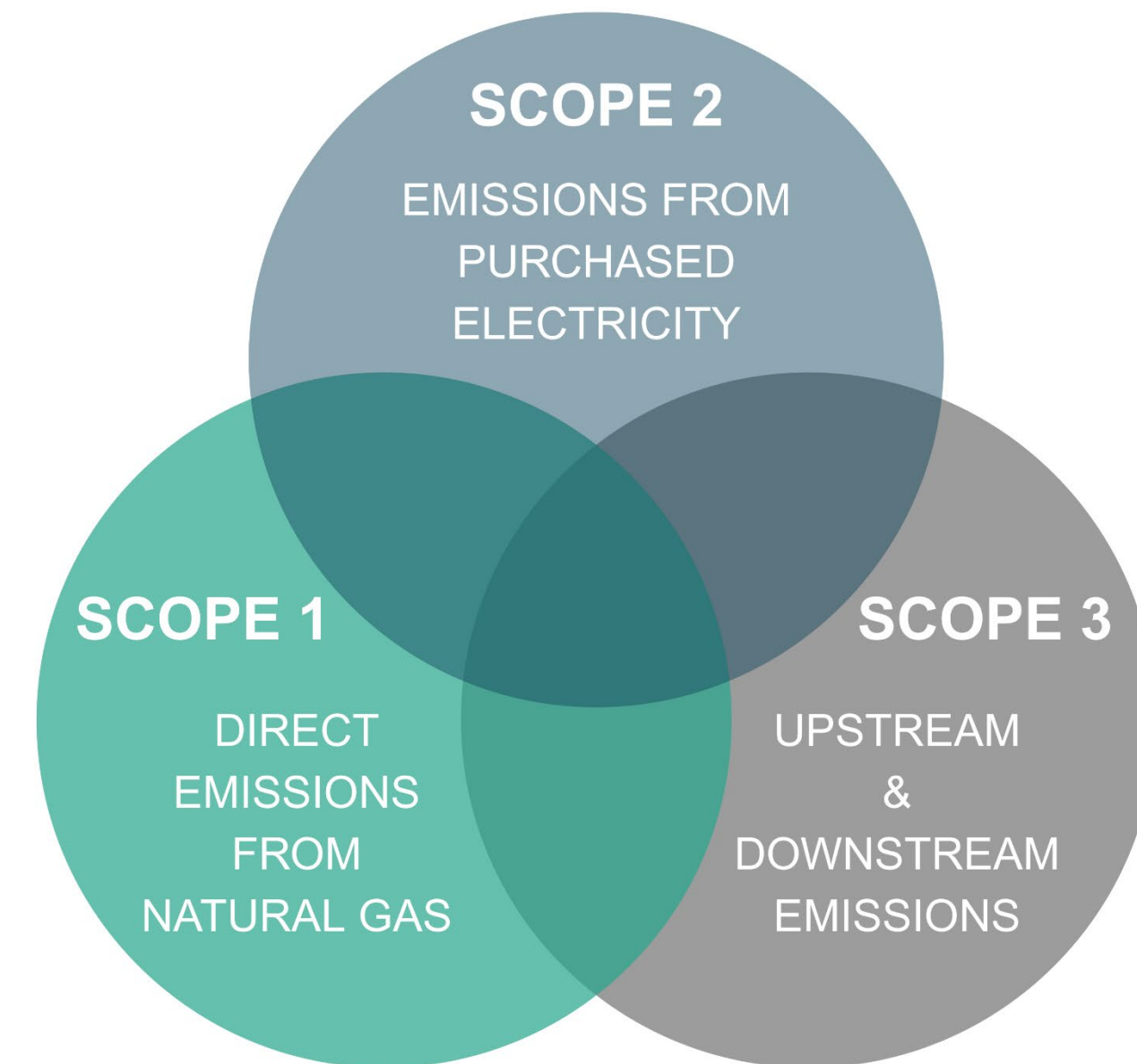
5.1.2 Scope 3

Emissions: Extending Decarbonization Beyond Our Walls

In 2024, Auria reached an important milestone by publishing our Scope 3 greenhouse gas (GHG) emissions inventory for the first time. Building on the foundation laid by our Scope 1 and 2 reporting, this step significantly expands our climate transparency to cover emissions across our entire value chain. Using 2020 as our baseline year, we analyzed eight relevant categories of the GHG Protocol's Scope 3 framework, from purchased goods to end-of-life treatment of sold products.

Our analysis confirms that Purchased Goods and Services (Category 1) is the dominant contributor to Scope 3 emissions, accounting for over 85% across all years. This is followed by Capital Goods, Fuel- and Energy-related Activities, and downstream emissions such as End-of-life Treatment of Sold Products. To ensure methodological rigor, we applied the most appropriate calculation method for each category, ranging from weight- and spend-based models to activity- and distance-based estimates.

As 2024 is our inaugural year of Scope 3 disclosure, we recognize that data quality varies across categories. Many upstream figures rely on spend-based estimations or industry averages due to limited supplier-specific data. Auria is committed to continual improvement of data accuracy, and in the years ahead, we will implement supplier engagement programs, refine internal tracking tools, and build capacity for primary data collection.

SCOPE 2
EMISSIONS FROM PURCHASED ELECTRICITY

SCOPE 1
DIRECT EMISSIONS FROM NATURAL GAS

SCOPE 3
UPSTREAM & DOWNSTREAM EMISSIONS
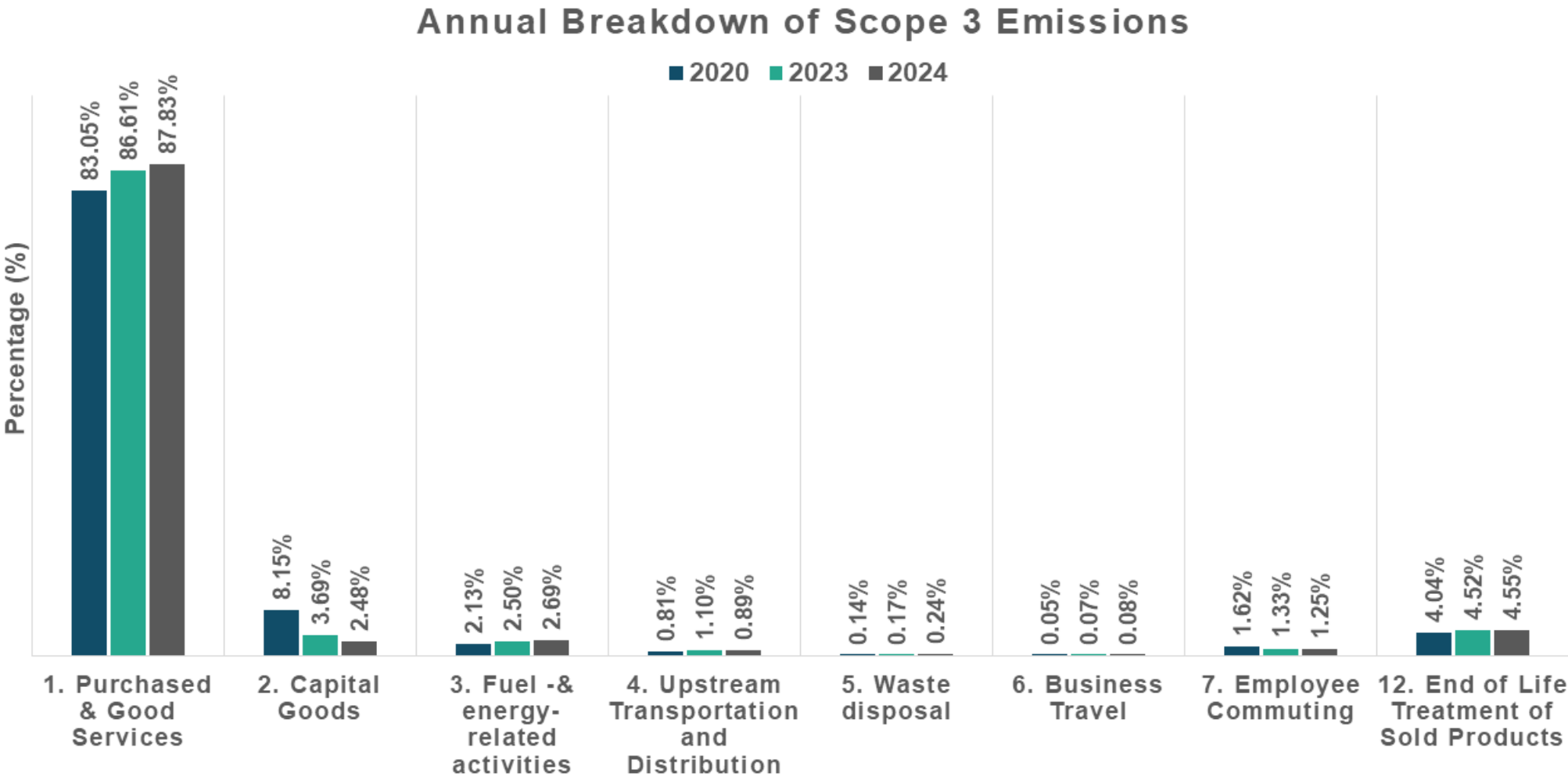
5.1.2 Scope 3 (cont.)

Emissions: Extending Decarbonization Beyond Our Walls (cont.)

Our Scope 3 reporting sits alongside a robust Scope 1 & 2 decarbonization strategy. Auria has committed to achieve carbon neutrality in Scopes 1 & 2 by 2040, with an interim target of 50% emissions reduction by 2030 (vs. a 2020 baseline), aligned with the Science Based Targets initiative (SBTi). We are actively pursuing this goal through energy efficiency programs, renewable energy procurement (PPAs and EACs), process electrification, and natural gas substitution across our global operations. As of 2024, key sites in Europe and North America have already achieved significant reductions in energy intensity, and we have saved over 3.7 million kWh in electricity and 3.5 million kWh in natural gas usage.

Importantly, our operational efficiency measures also enable our customers to reduce their Scope 3 emissions. By decarbonizing our manufacturing footprint and scaling renewable energy usage, we are not only improving our own climate performance but also contributing to value chain reductions for OEMs and partners.

Looking forward, we are applying the same rigor and ambition to Scope 3 as we have to operational emissions. In line with our science-based climate goals, Auria has now committed to a 40% reduction in Scope 3 emissions by 2035. To achieve this, we will deepen collaboration across the value chain, particularly in Category 1, by supporting suppliers in adopting low-carbon technologies, transitioning to renewable energy, and providing more accurate product-level emissions data.

Our first Scope 3 inventory marks a turning point in Auria's climate journey. It reinforces our understanding that true sustainability leadership extends beyond factory walls—and that decarbonizing the value chain is essential to building a resilient, future-ready business.

Annual Breakdown of Scope 3 Emissions

■ 2020 ■ 2023 ■ 2024

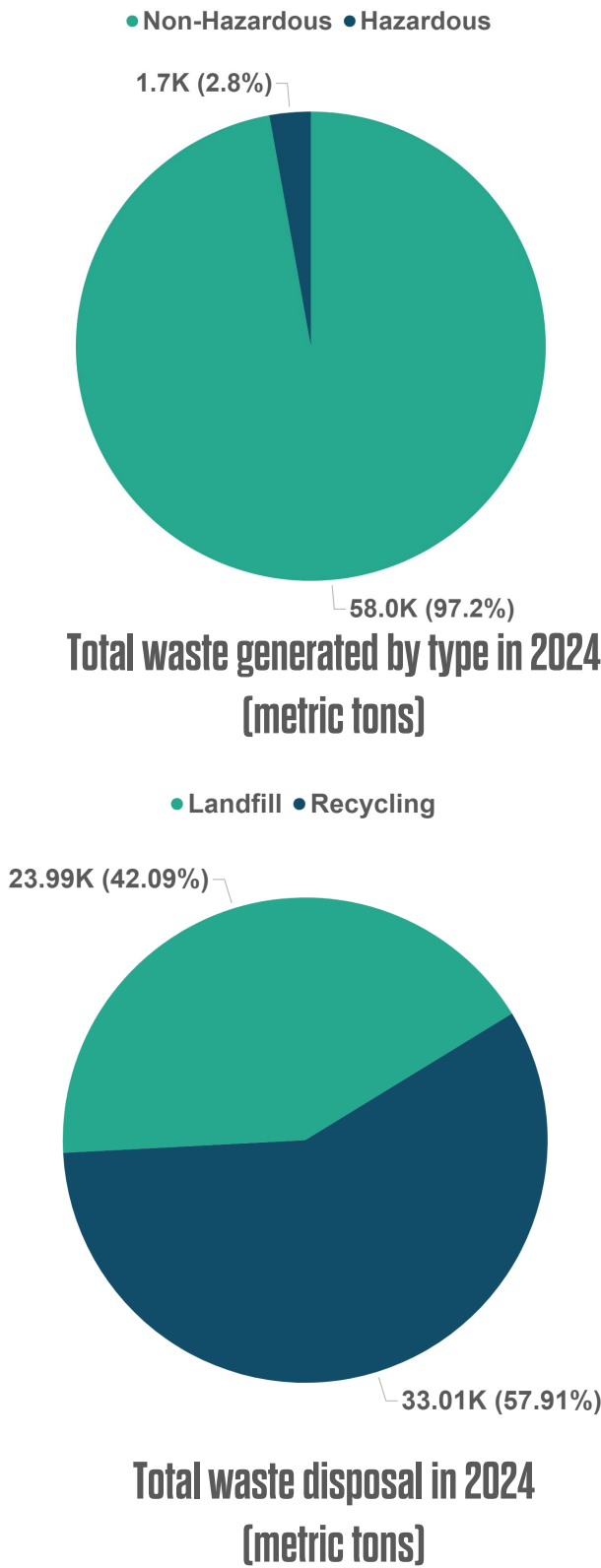| Category	2020	2023	2024
1. Purchased & Good Services	83.05%	86.61%	87.83%
2. Capital Goods	8.15%	3.69%	2.48%
3. Fuel -& energy-related activities	2.13%	2.50%	2.69%
4. Upstream Transportation and Distribution	0.81%	1.10%	0.89%
5. Waste disposal	0.14%	0.17%	0.24%
6. Business Travel	0.05%	0.07%	0.08%
7. Employee Commuting	1.62%	1.33%	1.25%
12. End of Life Treatment of Sold Products	4.04%	4.52%	4.55%

Percentage (%)

5.2 Circularity

5.2.1 Waste

Waste Management

Auria has set forth the ambitious goal of achieving Zero Waste by reimagining waste as a valuable resource that has been misplaced rather than merely something to be disposed of. This paradigm shift requires a new way of thinking about waste that challenges traditional notions of waste management and disposal.

By treating waste as a useful resource that can be repurposed and reused, Auria seeks to create a more sustainable future. In line with this vision, Auria has established two key objectives: reducing production waste (tons) per sales by 4% annually through 2030, using 2020 as the baseline, and achieving Zero Waste to Landfill by 2030.

These goals reinforce Auria's commitment to sustainability by systematically minimizing waste generation and ensuring that all materials are either recycled, repurposed, or recovered. This approach aligns with contemporary sustainability practices, which emphasize the importance of reducing waste and mitigating the environmental impact of human activity. Auria's commitment to Zero Waste is rooted in a long-term vision of responsible waste management and environmental stewardship.

● Non-Hazardous ● Hazardous

1.7K (2.8%)

58.0K (97.2%)

Total waste generated by type in 2024 (metric tons)

● Landfill ● Recycling

23.99K (42.09%)

33.01K (57.91%)

Total waste disposal in 2024 (metric tons)

2024 Hazardous and non-hazardous waste (metric tons)

2024	Region			
Hazardous and non-hazardous waste (metric tons)	**NA**	**EU**	**RSA**	**Global**
Total hazardous waste	901	778	10	1,689
Total non-hazardous waste	34,390	22,924	695	58,009
Total waste	35,292	23,702	705	59,699

2024 Waste management (metric tons)

2024	Region			
Waste management (metric tons)	**NA**	**EU**	**RSA**	**Global**
Waste to landfill	20,867	2,491	635	23,993
Waste sent to recycling	11,958	20,987	60	33,005

5.2 Circularity (cont.)

5.2.1 Waste (cont.)

Recycled Content

In 2024, Auria recently implemented a monthly report to capture the recycled content in raw materials purchased. This includes analyzing all purchased parts globally, and the amount of recycled content we consume. There have been ongoing efforts between all departments to fully capture all materials with recycled content, and we've made consistent improvements throughout 2024. A full analysis will be conducted in 2025.

2024	Region			
Region	**NA**	**EU**	**RSA**	**Global**
Recycled content (metric tons)	19,370	3,254	0	22,624
# of suppliers	15	7	0	22

5.2 Circularity (cont.)

5.2.2. Circular Business

Materials

From scorching deserts to the frozen tundra, vehicles and the materials they are made of are subjected to the harshest environments and expected to stand up to those conditions for years of service without fading, cracking, splitting, or degrading in any way. The automotive industry is known for having the highest standards for material performance and Auria is held to those standards every day.

At Auria, our material expertise is our strongest competitive advantage. Dating back as far as the Ford Model T, Auria has developed products for flooring, acoustical and other fiber-based applications in automotive as well as other industries.

For Auria, its materials capability and knowhow come with the responsibility to always seek material improvements that are most compatible with the environment, whether through increased use of renewable/natural materials, or by increasing the amount of recycled material used in our products. The company has made great strides to improve its carbon footprint.

In line with our customers' goals to achieve a smaller carbon footprint through sustainable and recyclable materials, Auria has been working with natural fibers, such as jute, cotton, hemp and wool, blended with recycled fibers and used today in serial production for various vehicle interior applications. Also, Auria's current Advanced Development activities include work with natural materials, such as cork, to be used as a sustainable flooring system replacing conventional resin-based materials.

Auria is also exploring mono-polymer opportunities where possible, to allow end-of-life recycling. This will also provide future opportunities for circularity where the end-of-life product will become another raw material in the vehicle.

5.3 Resource Use & Responsible Sourcing

To achieve our environmental targets, we must plan and optimize our resource use while ensuring responsible sourcing. Since our planet's resources are limited, achieving sustainable development in the future requires us to implement strategies that support this objective. Auria is doing its part by taking actions such as:

- **Preserving biodiversity**
- **Achieving 100% supplier compliance with AURIA's ESG campaign, "Responsible Sourcing" by 2030.**
- **Reducing water consumption in operations by 4% annually and implementing closed-loop water systems in key manufacturing sites.**

5.3.1 Biodiversity

At Auria, we are committed to preserving biodiversity by ensuring that each of our manufacturing sites has the lowest possible impact on natural ecosystems, both within our facilities and in the communities where we source materials. To achieve this, we conducted a thorough analysis to identify protected areas rich in biodiversity that may be particularly vulnerable to the impacts of our operations.

Factors such as the size, type, condition, and proximity of natural protected areas to our facilities enable us to assess potential risks and prioritize mitigation strategies. This approach, aligned with GRI and ESRS standards, ensures that our operations meet global biodiversity goals and reflect our strong commitment to sustainable practices.

We assessed each Auria plant based on local and international regulations concerning natural protected areas, such as Ramsar, Natura 2000, and IUCN. The analysis revealed that Auria's St. Clair plant is situated less than a kilometer from the Alice Moore Woods Nature Sanctuary, next to Jordan Creek, and near the St. Clair River.

Building on this insight, Auria is developing a comprehensive Biodiversity Risk Assessment for each specific site, with a focus on potential biodiversity impacts and corresponding mitigation strategies. By taking these actions and potentially collaborating in the future with NGO organizations and other non-governmental partners to implement sustainability initiatives, we align with the objectives of our Biodiversity Pillar, ensuring that our efforts contribute to lasting, positive environmental impact.

5.3 Resource Use & Responsible Sourcing (cont.)

5.3.2 Water Conservation

Our priority in water stewardship is ensuring the quality and supply of freshwater in the communities and environments where we operate. Water challenges have the potential to pose risks to business continuity, and resilient water systems are needed for our operations as we work to meet society's evolving needs.

We collaborate with our key stakeholders to better understand water risks in the areas where we operate, incorporating the insights we gain into our project designs and operational practices. We focus our efforts on prudently managing and monitoring the water we use, including freshwater used in our operations and wastewater treatment and discharge, to conserve freshwater consumption in industrial processes. It is our goal to improve water efficiency with a target of a 4% reduction in water use across all sites every year.
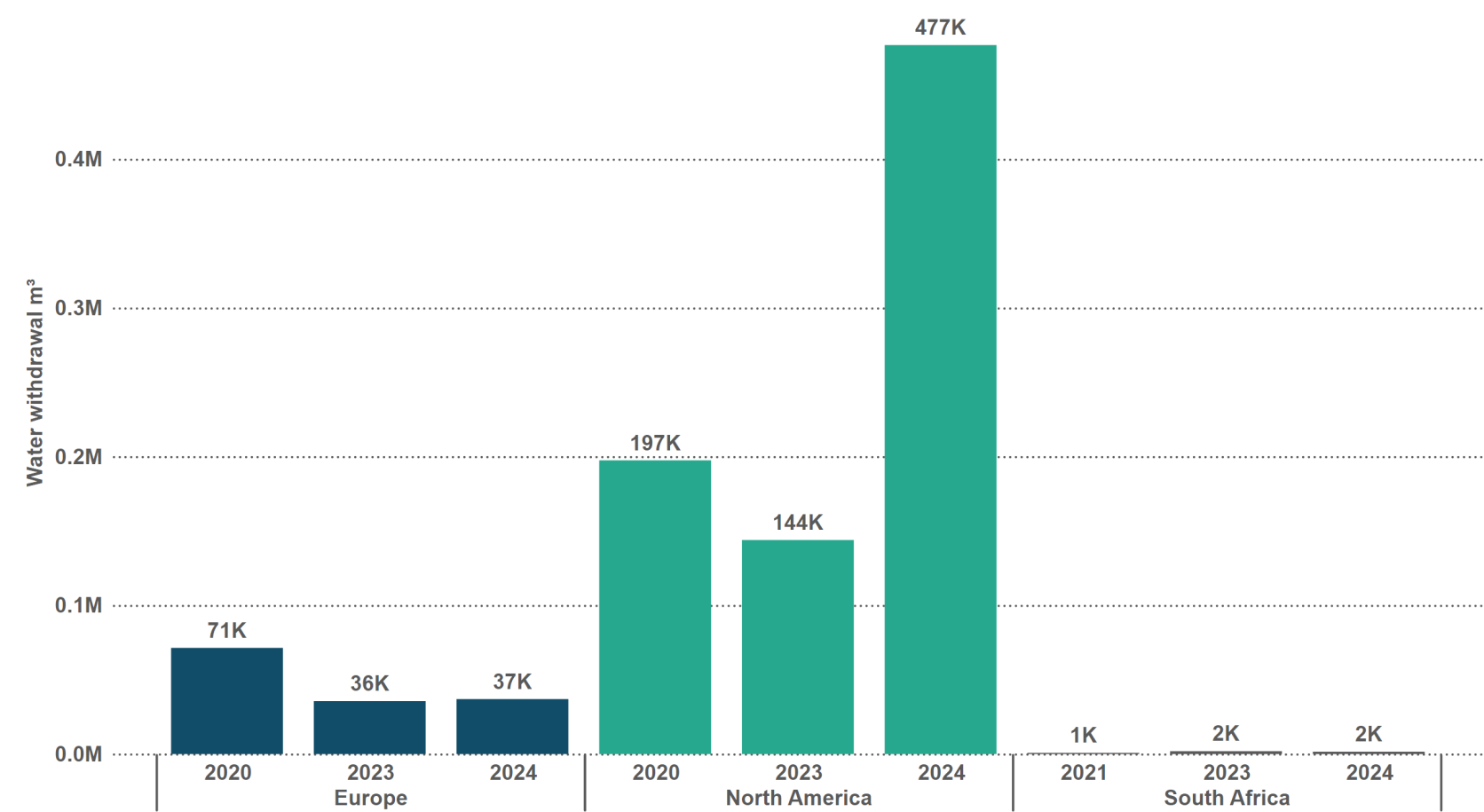
KPI: Water Conservation

Annual Water Withdrawal by Region*

*The increase in NA region water consumption in 2024 is due to the inclusion of the Holmesville site, which is being reported for the first time.

5.3 Resource Use & Responsible Sourcing (cont.)

5.3.2 Water Conservation (cont.)

Water Stress

In 2024, water consumption in the North America region showed a noticeable increase compared to 2023. This rise is mainly because we were finally able to include data from the Holmesville site in the U.S., which had not been reporting in previous years due to issues with the municipality's flowmeters in the three wells. In 2024, all three required flowmeters at Holmesville became fully operational, allowing us to report complete and accurate water usage for the entire region. This update is reflected in the Annual Water Withdrawal by Region graphic.

Currently, the Holmesville facility draws water from three underground wells, with the majority of consumption driven by a single-pass cooling system. The water undergoes a contactless process and is subsequently discharged into a fire protection pond that serves the Holmesville community. This pond is essential for maintaining an adequate water level in case of emergencies, and its sole source of water is from the Holmesville site.

From our 17 sites, only one in Mexico (Puebla), has zero water discharge, while Holmesville (USA) is the only one discharging to a fire pond, the rest of the sites discharge to municipal drains.

Considering each of our global locations over the next 10 years, we currently do not operate in any areas with high-level water stress. We know in doing so, it could pose significant risks and challenges to both the community and environment. Therefore, we aim to reduce any negative environmental impacts resulting from our water usage.

Low	8
Very Low	5
Medium	4
High	0
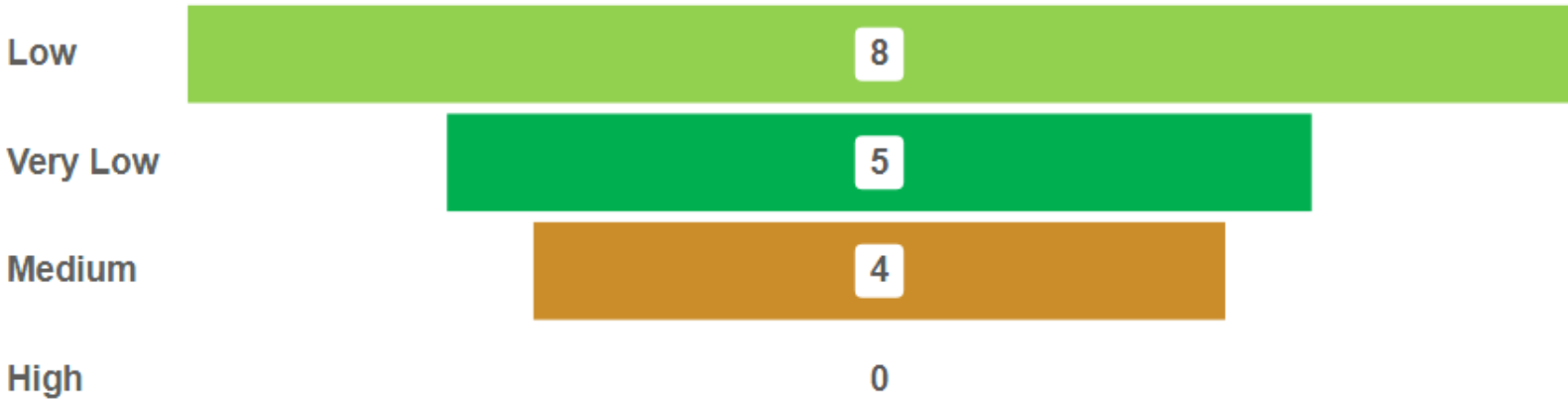
5.3 Resource Use & Responsible Sourcing (cont.)

Regional Projects

NA Region

With water scarcity becoming an increasing global concern, we have a focus on reducing our negative environmental impacts. To meet our annual water consumption reduction target of 4%, we are implementing projects across all our regions. Whether large or small, these targeted water-saving projects will help pave a way to a more sustainable future.

In the United States, our primary focus has been on reducing water withdrawal, with particular emphasis on our largest water-consuming facility: Holmesville, Ohio. This facility alone accounts for 74% of our North American region's water consumption, positioning it as the central target for our conservation efforts. To reduce this water consumption, we are implementing a closed-loop cooling system, which will reduce water consumption from two of the wells by approximately 90%, translating to an estimated annual savings of 319,000 m³ of water. Additionally, the discharge to the fire pond will be strictly limited to maintaining the required water level, addressing evaporation losses and reducing the environmental impact of water withdrawal.

In Mexico, the Puebla facility operates a Wastewater Treatment Plant that recovers water from services and the Waterjet process. It utilizes an aerobic microbiological system, enabling the treated water to be reused in services again within a closed-loop system.

EU Region

In addition to our major projects, we also focus on smaller projects with significant water savings potential. For example, at our Zákupy plant in Europe, 25 water-saving showerheads have been installed, reducing the water flow from 29 liters/min. to just 10 liters/min., saving 1,800 m³ of freshwater annually. Similarly, at the Celle plant, the diameter of a water jet nozzle was reduced, resulting in savings of 460 m³ of cutting water each year.

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5.3 Resource Use & Responsible Sourcing (cont.)

5.3.3 Responsible Sourcing & Supply Chain Ethics

We work only with suppliers whose values are consistent with our own and who are committed to developing inclusive, resilient and transparent businesses.

Auria's supply chain consists of vendors providing materials and services supporting our manufacturing facilities, service centers and offices globally.

Our main objective is to extract the most value through a global and strategic partnership with our supply base. From the first customer contact to prototype and serial production, all Auria processes involve our supplier base. We aim for transparency and consistency in communication with our suppliers.

The close cooperation of all Auria sites enables the company to constantly benchmark its suppliers to leverage spend, improve value and reduce risk by driving compliance and integrating ethical and environmentally responsible practices into a competitive and successful model. Transparency is critical to our end-to-end supply chain, extending from raw materials sourcing to the last mile logistics, and even product returns and recycling processes. With the increasing priority for these ethical supply chain initiatives, our sustainability benchmarks are developing as a new standard throughout all of Auria's business practices.

5.3 Resource Use & Responsible Sourcing (cont.)

Supply Chain Responsible Sourcing

Compliance Milestones for 2024 and Outlook for 2025

Auria continues to launch compliance programs globally that include Conflict Mineral and Extended Mineral requirements. Our platform involves REACH and ESG surveys to ensure a high level of protection for human health and the environment.

In addition to the compliance program introduction, campaign kickoff and follow up, Auria and Assent produced online help for all supplier quality teams in the following areas:

1. Introduction to Auria's Supply Chain Compliance Programs
2. Customer Program & Timeline Expectations
3. Regulation Overview
   • EU REACH SVHC
   • Conflict Minerals
   • Extended Minerals
   • Code of Conduct Survey and ESG
4. Acceptance Criteria for Acceptable Declarations
5. PFAS Declaration
6. How to Submit Data for Your Customer's Regulation Requests
7. Assent Support: Training & Learning Resources

At Auria, we have created a cross functional ambition team, which comprises of regional procurement, engineering, and global sustainability teams to identify and continuously monitor:

- **Quality Relevant Suppliers**
- **Active Bill of Material (BOM) Part Numbers**
- **Compliance and Resolution activities**

In total, 500 quality relevant direct material suppliers and 147 indirect suppliers have been identified. We are engaging with all suppliers on reported nonconformance issues through the Auria quality and engineering teams.

6. Social

6. Social

Auria's culture and values are represented in an environment that encourages creativity, promotes efficiency, and drives continuous improvement. We strive to provide a safe and healthy work environment by maintaining best-in-class workplaces and by following all health and safety rules and regulations.

We address unsafe conditions or environmental concerns by reporting incidents, injuries, unsafe equipment, or unsafe practices according to our Occupational Health and Safety, Environmental, and Quality procedures. Countermeasures are set up accordingly and follow the PDCA process to completion.

Auria's approach to continuous improvement includes workshops such as energy efficiency networking days and regional operational focus days. In these days, the teams prioritize digitalization and visualization topics and share best practices among each other for ensuring operational excellence.

In addition, these continuous improvement and lessons learned across our facilities are using safety alerts, ensuring transparency and a deeper understanding of safety concerns. This proactive approach helps to embed safety into our culture and ensures that best practices are adopted globally.

6.1 Health & Safety

6.1.1 Vision Zero

Incidents and injuries are promptly reported through our global Fast Response System. Key Performance Indicators (KPIs) associated with these incidents are systematically monitored and evaluated against established targets within the global Auria Manufacturing Operations System (AMOS), which includes the following metrics:

a. Fatality Rate
b. Rate of Recordable Work-Related Injuries
c. Days Away, Restricted, or Transferred (DART) Rate

Each incident undergoes a thorough investigation by plant teams, which includes a detailed root cause analysis. The findings are then reviewed during escalation meetings with both plant teams and senior management.

Corrective and preventive actions are collaboratively determined and promptly implemented. To ensure continuous improvement and organizational learning, all relevant insights and lessons learned are disseminated across our global network through our Safety Alert system, fostering transparency and driving ongoing enhancements in safety performance.

KPI: Rate of fatalities

Since establishing the joint venture between International Automotive Components and Shanghai Shenda Co. LTD in September 2017, Auria has become a key supplier of automotive acoustic and fiber-based products.

During this period, Auria has proudly maintained a record of zero fatalities across its manufacturing and testing facilities. As a company, we are unwavering in our commitment to safety. Our goal is to uphold a Zero Fatalities standard across all our facilities, supported by a strict Zero-tolerance policy as outlined in our Compliance with Safety Rules, Standards, and Procedures.

6.1 Health & Safety (cont.)

KPI: Rate of recordable work-related injuries (RIR)
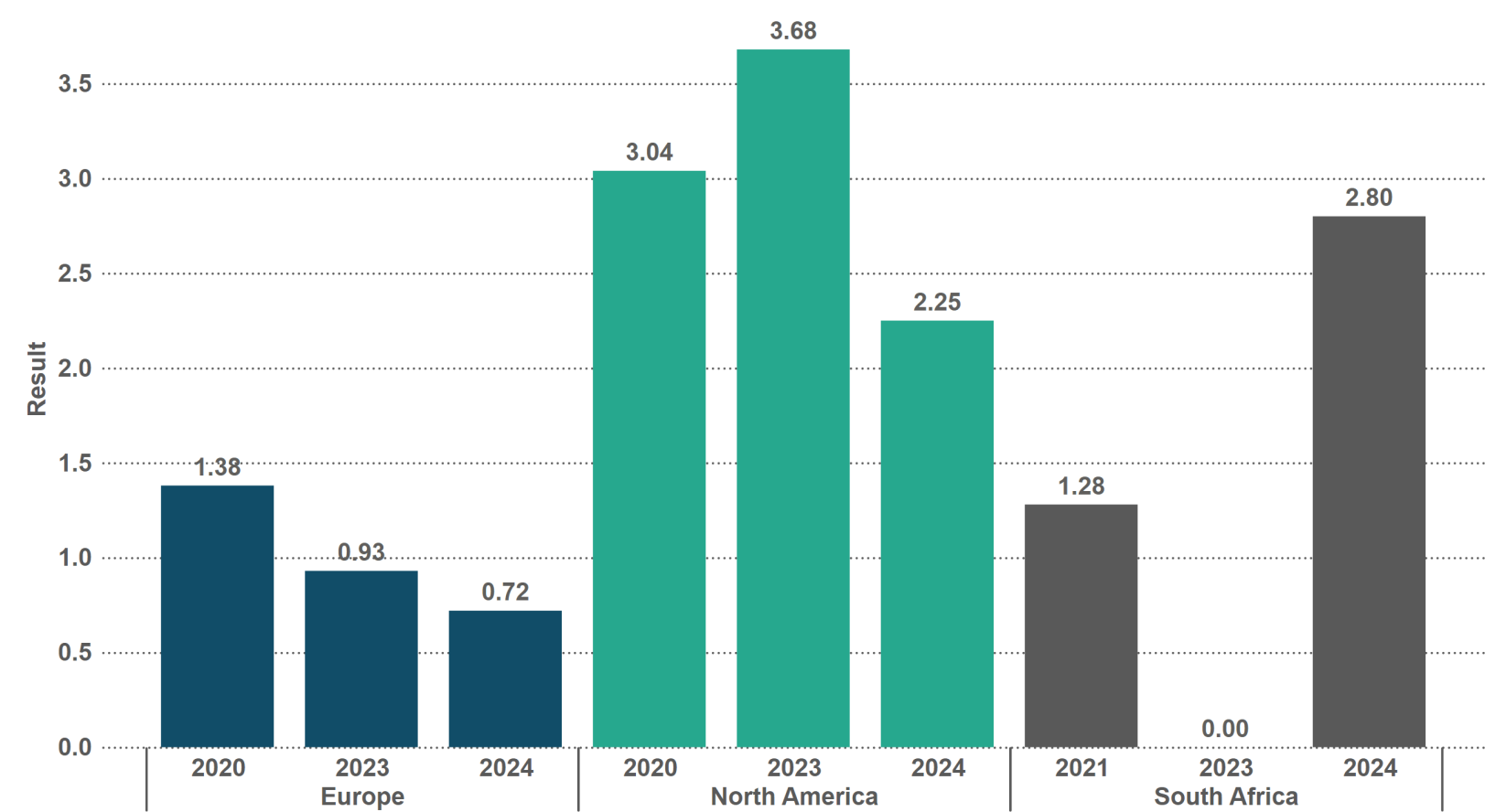
The Rate of Recordables is calculated by dividing the total number of Work-related injuries and illnesses by the total hours worked, then multiplying by 200,000 to standardize the rate per 100 full-time employees.

For 2025, we commit to achieving the target of 0.76 in the EU Region and 1.36 for North America. Since 2022 we are reducing the target consequently by 10%. We will follow this commitment over the next 5 years.

KPI: DART Rate
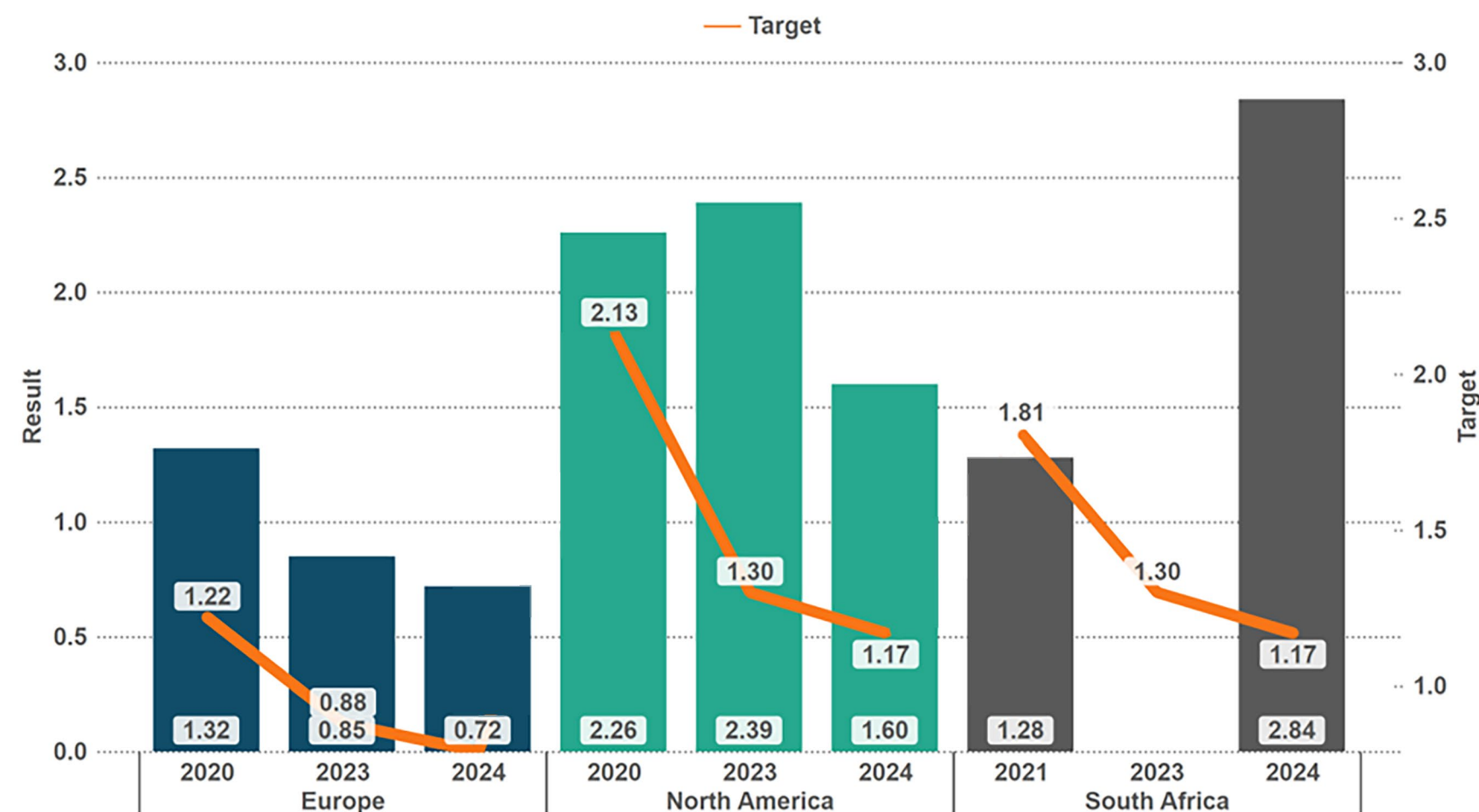
DART rate is calculated as follows: each lost time incident (LTI) or restricted activity / transferred activity (RTA) / number of hours worked x 200,000 working hours.

By 2025, we commit to achieving the target of 0.71 in the EU Region and 1.05 for North America.

6.1 Health & Safety (cont.)

KPI: Global Performance

Auria is enhancing its commitment to a strong safety culture by providing regular training on key topics such as ISO 45001, compliance with safety rules and procedures, hazard communication, control of hazardous energy (LOTO), and personal protective equipment.

Additionally, Auria is strengthening collaboration between Health & Safety and 5S in Operations at the plant level, using root cause analysis and escalation call insights from the plant team and senior management to drive improvements.

Escalation calls, conducted after each work-related injury, ensure that all corrective actions from the improvement plan are reviewed and approved. Meanwhile, annual initiatives target the most frequent incident categories (lifting, pushing, and pulling injuries, as well as slip-and-fall incidents) through focused activities such as Safety Week Campaigns, with an increased emphasis on 5S in 2025.

KPI	2024
Hours worked	7,955,015
Recordable work-related injuries	71
Work-related fatalities	0
DART rate	1.36
Rate of recordable work-related injuries	1.79

6.1 Health & Safety (cont.)

6.1.2 Safety Compliance

KPI: ISO 45001 Status

Auria facilities in EU Region have a combined certification for ISO 14001 and ISO 45001. In the EU Region, a matrix certification process is in use.

	EU		NA		RSA	
Year	Total	Status	Total	Status	Total	Status
2020	9	100 %	9	0%	0	0%
2023	7	100 %	9	22%	1	0%
2024	7	100 %	9	22%	1	100%

By 2025, we commit to achieving that all EU facilities have a certification for ISO 14001 and ISO 45001.

Highlights

At Auria, safety and sustainability are at the core of our operations. In 2024, our commitment to Health & Safety was reflected in outstanding achievements across our facilities:

ISO Audits with Zero Non-Conformances:
Sidney, Fremont, Puebla & Queretaro (ISO 14001)
Spartanburg & Old Fort (ISO 14001 & 45001)

Exceptional SIP Scores (97% or above):
Puebla – 100%
Queretaro – 100%
Albemarle – 99%
Spartanburg – 97%

Milestones in Workplace Safety:
BQ Queretaro Plant: 1,042 days without a recordable incident.
Marques Queretaro Plant: 270 days without a recordable incident.
Spartanburg Plant: 484 days without a recordable incident.

Engagement in Safety & Sustainability Initiatives:
100% of our North American facilities actively participated in Safety Week and Earth Day 2024.

6.2 Ethical Behavior

6.2.1 Fostering Ethical Culture

Human Rights

In line with UN Guiding Principles on Responsible Business and Human Rights, Auria respects the human rights of all stakeholders involved in its business activities, including employees and business partners and communities where we impact the whole value chain. Since its foundation Auria is committed to respecting humanity, treating all employees in a fair and equal manner, without discrimination based on social status, gender, age, or occupation. This became our corporate culture and guiding principle for working together.

Considering the recent social demands for responding to human rights relevant international standards Auria has published a Policy Statement on Human Rights and Environment which strengthened our Human Rights commitment and measures taken under our corporate culture, already embedded into our Human Resources policies and procedures internally. It is being communicated in all local languages.

The consequences of adverse human rights impacts range from legal liability to reputational and brand damage, depending on severity of the harm done. To lead the effort for improved understanding and management of human rights risks and impacts across the company and to promote Auria's Human Rights commitment and due diligence across our global operations and supply chain, the topic has been strongly integrated into Auria's sustainability strategy framework 2030+.

Auria respects and values the diversity reflected in our various backgrounds, experience and ideas. Together, we provide an inclusive work environment that fosters respect for all of our coworkers, customers and business partners. Our workplace reflects the diversity of the communities in which we do business. We are committed to protecting our employees from unlawful discrimination, physical, verbal or sexual harassment or personal behaviors not conducive to a productive work environment. If an employee knows or suspects that unlawful discrimination or harassment has occurred, employees are required to report the situation immediately. Additionally, we prohibit the use of any type of forced labor or child labor or engaging in any abusive business practices.

"Auria is dedicated to human rights, diversity, and fair treatment for all employees."

It is our commitment to provide equal opportunity to every person regardless of race, sex, color, veteran status, national origin, religion, physical or mental disability, age, sexual orientation or any other protected characteristic. There is also an obligation for each employee, regardless of their position in the organization, to ensure that: (1) all decisions related to our business are made on the basis of merit and the facts that are available, and not on discriminatory factors; and (2) Auria treats each employee with courtesy and dignity. In addition, it is the policy of Auria to comply with national, state and local laws governing non-discrimination in employment at each Auria location.

We make every effort to provide employees, regardless of their place of work in the world, age, gender or position, with access, throughout their career with the Company, with the necessary training to enable them to carry out their job responsibilities and to forge a desirable career path. Our policy is not to interfere with employees' rights to freedom of association. Employees have the right to choose (or not) to affiliate with legally sanctioned organizations without unlawful interference. Where trade unions are present, it is our policy to deal with them fairly and conduct negotiations in a purposeful and non-adversarial manner.

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6.2 Ethical Behavior (cont.)

Ethical Behavior

At Auria, the Code of Conduct serves as the company's ethics handbook. This document governs how our employees and management operate and achieve the goals of the company through gaining and keeping the trust of its customers, suppliers and communities. Demonstrating strong integrity is essential at all levels of Auria, and the Code of Conduct applies to everyone within the company, including the Board of Directors, officers, employees, agents and contract workers. Auria's Code of Conduct is publicly available on our website.

We continue our commitment to:

- **Ensuring 100% of all received cases are investigated and resolved on time.**
- **Ensuring 100% of our salaried workforce is trained annually on the Code of Conduct along with the process of how to report an alleged violation.**
- **Annual awareness training is delivered and acknowledged for all non-salaried employees.**

Auria does not tolerate any form of retaliation against individuals who report violations of the Code of Conduct, accounting or auditing concerns, or whistleblower issues in good faith (for further details, please refer to the Auria Code of Conduct). Any complaints related to the Code that fall under the scope of the European Whistleblower Policy will be thoroughly investigated and managed by the procedures outlined in that policy, which includes the use of a confidential reporting channel specifically implemented in Europe.

Across all Auria plants, complaints can be submitted in person, or anonymously using the following methods:

Call your manager or supervisor, or your Human Resources representative, or the Corporate HR Department.

Email the Auria Global COC Reporting mailbox.

Auria Solutions, 26999 Central Park Blvd, Suite 300, Southfield, MI 48076

6.2 Ethical Behavior (cont.)

KPI: Code of Conduct cases initiated

In 2022, there was a total of **1** Code of Conduct Case initiated:

- This case was fully investigated and resolved
- This case was identified as non-code violation

In 2023, there was a total of **2** Code of Conduct Cases initiated:

- 100% of those cases were fully investigated and resolved
- 50% of those cases were identified as non-code violations

In 2024, there was a total of **1** Code of Conduct Case initiated:

- This case was fully investigated and resolved
- This case was identified as non-code violation

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6.2 Ethical Behavior (cont.)

6.2.2 Supply Chain Ethics

a. Supply Chain Structure

The cross functional ambition team works in a global/regional structure setting procurement strategies and managing supplier relationships within functional purchase categories.

In 2021 Auria assigned Assent to manage and streamline our supply chain data and communication as a global standard. Assent provides a centralized, automated platform to manage supply chain data related to product compliance, corporate social responsibility and vendor management, efficiently providing transparency to help mitigate a broad range of risks and informed business decisions. The platform is enhanced by Assent's team of regulatory experts and customer success professionals and driven by leading edge technology.

b. Managing our Suppliers

To become a supplier to Auria and maintain good standing under the quality relevant requirements, our Supplier Quality Assurance (SQA) team conducts supplier audits and collects data points to verify manufacturing capability, contingency and business continuity planning, customer service, ISO and IATF applicable certifications. In addition, supplier performance monitoring and conducting supplier quality controls occur at every Auria manufacturing site from launch, to production continuing through service activities. In the event that a supplier does not have at a minimum ISO9001:2015 compliance status and certification, Auria SQA teams engage in onsite supplier audits.

c. Managing our Materials

For all materials which Auria utilizes in manufacturing automotive acoustic and other fiber-based products we mandate compliance under the Global Automotive Declarable Substance List (GADSL), Registration, Evaluation, Authorization and Restriction of Chemical (REACH) and material disclosure under the IMDS standard. In addition, Auria collects certifications under the Responsible Mineral guidelines which declare conflict minerals and cobalt type materials.

d. Being Compliant

Auria holds our supply base to the same standard we commit to our customers and communities. In 2023 the Human Rights team updated the Auria Code of Business Conduct and Ethics further by adding options to report anonymously. The updates and procedures are part of the Auria Supplier Requirements Manual per the latest release September 2023 posted online in the Auria Supplier Portal.

The self-assessment survey, Environmental Social Governance (ESG), engages our suppliers to raise awareness and act responsible, and to provide visibility and guide sustainable growth. Based on the survey results, the ambition team develops necessary measures. Our goal is for everyone to drive compliance.

6.2 Ethical Behavior (cont.)

6.2.2 Supply Chain Ethics (cont.)

Together with regional quality, procurement, and engineering, teams support the Auria compliance program on a set of 5 deliverables covering these key areas:

1. Acknowledgement and adherence to the Auria Code of Business Conduct and Ethics

2. Internal quality process including Supplier Performance and Compliance Programs

3. Supplier Development and maintaining scorecards

4. Material Compliance guidelines to collect conflict mineral reports and substance disclosure
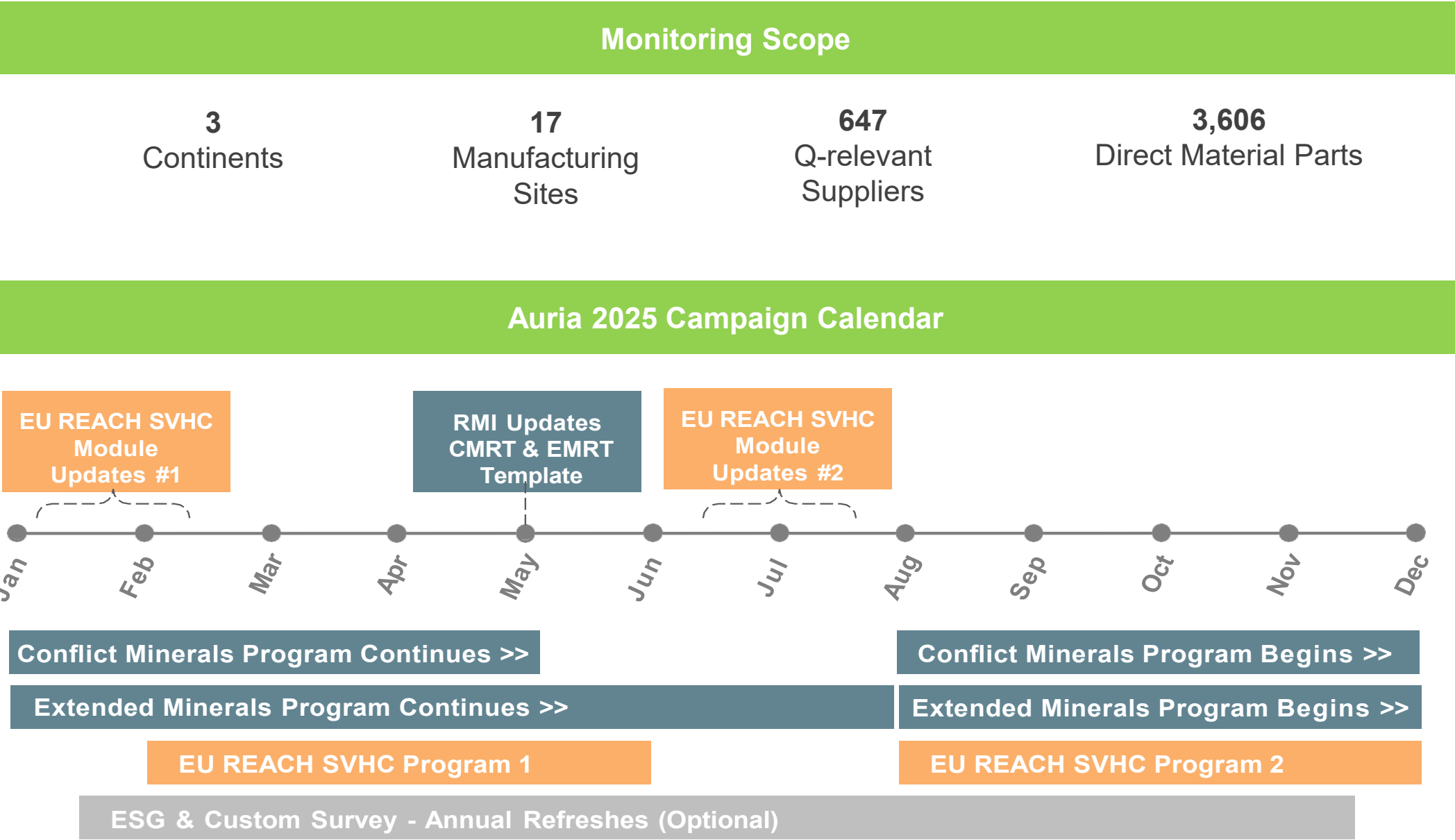
5. Controls to set and report Key Performance Indicators (KPI) with Assent controlled activities

6.2 Ethical Behavior (cont.)

Supply Chain Compliance Program

Monitoring Scope

3	**17**	**647**	**3,606**
Continents	Manufacturing Sites	Q-relevant Suppliers	Direct Material Parts

Auria 2025 Campaign Calendar

EU REACH SVHC Module Updates #1

RMI Updates CMRT & EMRT Template

EU REACH SVHC Module Updates #2

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Conflict Minerals Program Continues >>

Conflict Minerals Program Begins >>

Extended Minerals Program Continues >>

Extended Minerals Program Begins >>

EU REACH SVHC Program 1

EU REACH SVHC Program 2

ESG & Custom Survey - Annual Refreshes (Optional)

Auria values its brand reputation and responsibility to meet government regulations and demonstrate that our products are compliant with regulatory requirements. Submission of the requested information is mandatory and part of Auria's compliance efforts. Suppliers share product data through the Assent Platform under the Auria 2025 Campaign Calendar accordingly. As shown on the figure on the left, product compliance programs are sent to suppliers semi-annually. ESG and custom programs are sent annually. With each refresh, Assent collects the most recent data to track performance improvements and ensure we identify any further opportunities to reduce our supply chain risks.

Our objective is to acquire 100% of the regulatory prerequisites and ESG surveys for our suppliers and direct materials that are of quality relevance to establish environmental, social, and governance policies for both Auria and our supply chain. This will enable us to ensure that we are operating within the highest standards of ethical conduct, social responsibility, and environmental sustainability throughout our entire business network. By collaborating closely with our suppliers, we aim to establish a comprehensive and integrated approach to quality management, which will help us to build a more sustainable and ethical future for everyone.

6.2 Ethical Behavior (cont.)

Global Supply Base Material Compliance

Based on our commitment in last year's report, we have identified all Quality Relevant Direct Suppliers in addition to the indirect suppliers to align with all due diligence campaigns. The collection of completed reports takes place in addition to the IMDS program and material verification. We have now challenged ourselves to obtain written confirmations of compliance within our supply chain regarding conflict and extended minerals as well as REACH.

KPI: Percentage of total parts declared covering conflict minerals, extended minerals and REACH

2024 Material Compliance Verification - Status Report				
	Count	Conflict Mineral	Extended Mineral	REACH
Direct Material Parts	3606	2200	1936	1725
KPI		61%	53%	47%

6.2 Ethical Behavior (cont.)

Global Supply Base ESG Compliance

Responsible Sourcing: Strengthening Partnerships for Sustainable Progress

The 2024 ESG performance analysis reflects the top 26 suppliers by spend, while material compliance disclosures cover all quality-relevant suppliers across Auria's global supply chain. This dual approach enables us to both prioritize impact and maintain comprehensive visibility into ESG performance at scale.

At Auria, responsible sourcing is a core pillar of our sustainability strategy and business ethics. Through our established ESG assessment programs and compliance processes, we work closely with suppliers to ensure our products are made with integrity and transparency—from raw materials to finished goods.

In 2024, we recorded a 5.23% average improvement in supplier ESG performance scores compared to the previous year. These gains are a direct result of deepened supplier engagement and growing maturity in how ESG risks are identified and managed. Key improvements were noted in Climate Impact (+89%), Labor Rights (+36%), and Resilience (+49%), demonstrating tangible progress. Additionally, our supply base reported no REACH SVHC substances exceeding threshold levels, and we introduced a new pollution monitoring program to expand environmental stewardship efforts.

To guide supplier understanding and compliance, Auria maintains a robust Supply Chain Compliance Program supported by the Assent platform and the Auria Campaign Calendar. This framework ensures clear timelines, expectations, and documentation around critical programs such as the Conflict Minerals Program and EU REACH SVHC reporting.

"The Risk Score improvements are a result of the 26 top-spend supplier submissions and presents a steppingstone to ensure full compliance from Auria's suppliers. As we raise awareness, the Auria sustainability and procurement teams work hand in hand with suppliers to positively impact our ESG policies and to achieve compliance. "

Marc Flegler,
Chief Sustainability Officer

Performance Growth Summary (2023-2024)

Total ESG Improvement

5.23% ↑

Environmental		Social		Governance	
Climate Impact	89.47% ↑	Human Trafficking and Slavery	7.81% ↓	Data Protection and Privacy	19.44% ↑
Resource Use	17.78% ↑	Labor Rights	36.17% ↑	Resilience	49.02% ↑

2025 Focus Programs

Product Stewardship	Diversity	Organizational Commitment
Biodiversity	Human Rights	

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6.2 Ethical Behavior (cont.)

Global Supply Base ESG Compliance (cont.)

What, Why, and How of Supply Chain Compliance

What are conflict minerals, and what are the relevant regulations?

Conflict minerals—such as tin, tantalum, tungsten, and gold—are linked to regions with high risks of human rights abuses and armed conflict. Global regulations, including the U.S. Dodd-Frank Act and EU Conflict Minerals Regulation, require companies to trace and disclose the origin of these materials. At Auria, these requirements are embedded in our ESG protocols to ensure ethical and responsible sourcing across all direct materials.

Why are suppliers asked to disclose conflict minerals data?

This transparency enables Auria and its partners to mitigate ESG risks, ensure compliance with legal requirements, and meet customer expectations for responsible sourcing. It also supports global efforts to eliminate child labor, forced labor, and environmental damage associated with high-risk sourcing regions.

How should suppliers respond to information requests?

Suppliers are requested to submit information through the Assent platform using industry-standard templates such as the CMRT and EMRT. These structured responses are coordinated through our annual Campaign Calendar to ensure consistency, traceability, and proactive engagement. Auria provides clear instructions, guidance materials, and ongoing support to ensure suppliers are well-equipped to meet compliance standards.

Looking Ahead: 2025 and Beyond

While we are proud of our progress, we remain focused on continued improvement. In 2025, our Focus Programs will include further development in areas such as Diversity, Human Rights, Organizational Commitment, and Biodiversity. We are also working to ensure full participation across all quality-relevant suppliers and are enhancing efforts to clearly communicate ESG expectations throughout the value chain. Auria's vision is to build a responsible sourcing ecosystem that delivers long-term value, reduces risk, and drives positive impact across environmental, social, and governance dimensions. By transforming compliance into collaboration, and risk into opportunity, we are building a more ethical and resilient supply chain for the future.

6.3 Fair Labor Practices

6.3.1 Journey to Drive & Partner to Educate

At Auria, our people are our greatest advantage, and we take many steps to cultivate the best possible working environment. We continue to institute employee programs and benefits that foster the physical, emotional, and financial well-being of our employees (Health & Safety / We will shape the future of work). In the spirit of continuous improvement, we prioritize and facilitate educational and training opportunities for all employees for their personal and professional growth (Fair labor practices / Journey to drive).

We foster an atmosphere of gender equality where advancement and compensation in the company are determined solely on the merit of one's work. Our employees are our most valuable asset, and as such, we provide fair and competitive compensation and invest in clean, safe and modern facilities and equipment that foster a positive work environment. Our diversity is our strength and as such we embrace age, ethnicity and gender differences to ensure equal opportunity employment and advancement across the organization, and in every region where we operate.

Our target is to become a leader within our working communities to help them thrive. Through our philanthropic support and volunteer opportunities, we look forward to assisting different community projects to build and foster outside relationships. Additional information can be found in Section 6.6 – Community Outreach.

Like our competitors, Auria's ability to sustain and grow its business requires it to attract, retain and develop a highly skilled and diverse management team and workforce. Failure to ensure that Auria has the leadership capacity with the necessary skill set and experience could impede the company's ability to deliver on its commitments and execute the company's strategy. The following sections summarize the material aspects of Auria's policies relating to social and employee matters.
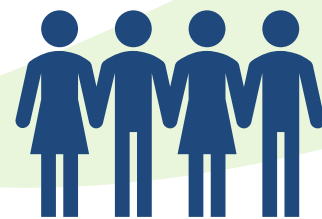
6.3 Fair Labor Practices (cont.)

6.3.1 Journey to Drive & Partner to Educate (cont.)

At Auria, we are dedicated to cultivating a corporate culture that reflects the diverse communities we serve. To support this, we are developing a comprehensive Fair Labor Practices journey with goals for the near, medium, and long term. Fair Labor Practices are at the core of our values, ensuring that every individual, regardless of background, has equal opportunities to thrive and advance within our organization.

By prioritizing conscious hiring, and creating inclusive job descriptions, we aim to build a workforce that reflects the rich diversity of our global community. Our ambition is to achieve equal pay for equal work to ensure compliance with current and future regulations.

At Auria, we are making efforts to ensure that leadership is dedicated to inclusion and providing growth opportunities, empowering all employees to reach their full potential. Through these efforts, we support our people and drive positive, sustainable change within the industry and beyond.

Fair labor practices

Through conscious hiring, foster a corporate culture that represents the communities we serve

Create promotional / growth opportunities for all individuals

Equal pay for equal work

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6.3 Fair Labor Practices (cont.)

6.3.2 Employee Training & Development

Auria began tracking the following KPIs in 2020:

KPI: Salaried Turnover

Salaried Voluntary Turnover Rates			
	2020	2023	2024
North America	11%	17%	13%
Europe	10%	12%	6%
Asia/RSA	8%	17%	3%

By 2030, we commit to maintaining an average of less than 10% voluntary turnover.

KPI: Career Development & Talent Management

Average % of One-to-One Meetings Completed Each Quarter			
	2020	2023	2024
North America	91%	71%	72%
Europe	63%	89%	92%
Asia/RSA	100%	100%	75%

By 2030, we commit to achieving 95% completion of one-on-one meetings for each quarter or a minimum of a 10% improvement from the previous year.

Average % of IDPs in Place			
	2020	2023	2024
North America	8%	2%	2%
Europe	14%	4%	2%
Asia/RSA	16%	3%	5%

By 2030, we commit to ensuring that Individual Development Plans (IDP) participants will meet with HR to review the established IDP at least once per year to ensure progress towards the stated goals is being accomplished.

6.3 Fair Labor Practices (cont.)

6.3.2 Employee Training & Development (cont.)

KPI: Career Development & Talent Management (cont.)

Average % of internal promotions vs. external hires		2020	2023	2024
North America				
	Internal Promotions	35%	21%	19%
	External Hires	65%	79%	81%
Europe				
	Internal Promotions	20%	27%	16%
	External Hires	80%	73%	84%
Asia/RSA				
	Internal Promotions	0%	6%	50%
	External Hires	100%	94%	50%

By 2030 we expect a 15% increase from 2020, of internal promotions versus external new hires, in each region.

6.3 Fair Labor Practices (cont.)

6.3.2 Employee Training & Development

Training is critical to everything we do at to Auria and is planned annually in each facility. Each location is responsible for ensuring that its employees are receiving necessary training as it relates to their position and any location specific and/or company required training.

- Quality, Safety, Environmental and Energy standards, including
  - o IATF 16949
  - o ISO 14001
  - o ISO 45001
  - o ISO 50001

- Safety related procedures, such as
  - o Compliance with Safety Rules and Procedures
  - o Hazard Communication
  - o Control of Hazardous Energy
  - o Personal Protective Equipment

- Position specific training on standard work instructions and/or job specific responsibilities.

- Continuous improvement methodologies

- Internal audits

- CSOX compliance (Basic Standard for Enterprise Internal Control and the Application Guidelines on Enterprise Internal Control Republic of China)

- Sustainability awareness

- Code of Conduct awareness and compliance

- Employment policies, such as
  - o Code of Working Conditions
  - o Harassment awareness
  - o Violence prevention and response
  - o Performance management
  - o Awareness of benefit and EAP plans

If a location is unable to achieve its targeted monthly training, the deficiency is identified and an action plan for resolution is agreed upon. We take all steps necessary to ensure that all our employees can attend all required training sessions each month. These steps may include having the employees come in prior to the start of their shift and/or stay after the end of their shift to attend the training session.

6.3 Fair Labor Practices (cont.)

6.3.3 Employee Engagement

Auria is committed to employee engagement, which we use as a critical tool in promoting two-way dialogue and learning what motivates and excites our employees at work. To promote engagement, we employ multiple feedback and communication programs, including global Town Hall meetings, quarterly All Plant meetings, employee focus groups, employee surveys, employee suggestions boxes, skip level and one-on-one meetings between employees and management. At our plants, we provide electronic communications updates in the breakrooms and conduct weekly shift meetings. These different communication media ensure employees at all levels of the organization can voice their concerns, ensuring effective dialogue between employees and managers.

Additionally, we offer many employee assistance resources, which encourage our employees to pay attention to emotional and mental health, stay physically active and healthy, be vigilant about healthy lifestyles in areas reported, including regular physical check-ups, and take advantage of our basic financial planning assistance. We are vigilant regarding communication surrounding the previously mentioned aspects. We keep our employee's health and safety at the forefront and ensure all applicable safety protocols are established and enforced.

When new Auria employees join the company, they are given a comprehensive New Hire Orientation to become acquainted with Auria. This orientation includes topics such as policy reviews, a company and business overview, facility-specific information, and safety training.

In the event an employee decides to leave Auria, we conduct exit interviews to solicit information, including what the employee liked/didn't like about working for Auria, and gather information on any other issues that might have caused the end of the employment relationship. We feel it is important to understand why an employee is choosing to leave their position at Auria so we can identify any deficiencies and improve upon them to assist in employee retention and positive engagement.

Auria is committed to giving back to the communities in which we do business, and we utilize community outreach programs globally to foster teamwork and to interact with each other outside the work/office environment.

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6.3 Fair Labor Practices (cont.)

6.3.4 Community Outreach

Auria is committed to serving the people and communities in which we live and work, across the globe. We work to build lasting relationships in those communities, and we encourage our employees to carry out this work.

We encourage our employees to do community volunteer work during paid company work hours. Each year, Auria employees support company-sponsored community outreach initiatives globally, with financial commitments and donations to organizations of food, school supplies, and toys for children's charities.

Charitable organizations supported by Auria, and its employees include Toys for Tots, Habitat for Humanity, American Cancer Society, The Salvation Army, The Humane Society, the Scleroderma Foundation of Michigan, the United Way, Disaster Relief at Work (DRAW), veteran organizations, foster care organizations, food pantries and numerous local hospitals, schools and community centers located in proximity to our operations in North America and Europe. Auria is committed to further increasing our community outreach efforts in all regions in which the company operates and will continue to encourage our employees to engage in their local communities as ambassadors of Auria.

During 2024, Auria achieved a record of 100% participation of the North America sites with community activities, and 29% in our European sites, generating a positive impact as follows:

67%
Auria Facilities Engaged in their Communities

16
2024 Charity Events Organized

41
2024 Charity Events Participated

$146,068
Funds Donated

44,386
People Reached

7. Governance

7. Governance

7.1 Product Sustainability Innovation

7.1.1 Products

Auria products are represented across five core product families that align the company's material and process knowhow with customers' vehicle segmentation and sourcing strategies. Auria provides systems solutions by working across product families and/or component level solutions from within a given product family.

Vehicle Interior Product Families
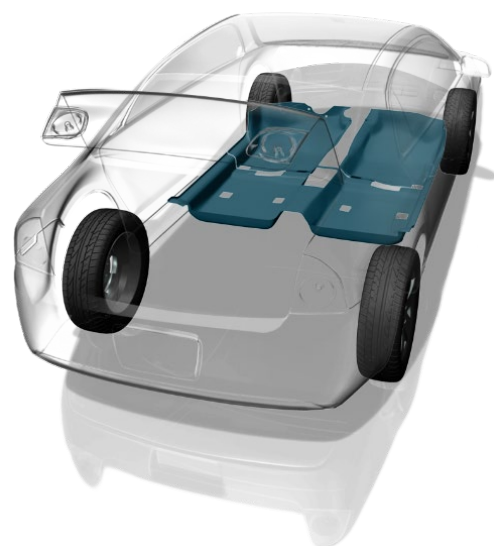
Flooring Systems

The flooring system plays a significant role in all vehicles as the major trim feature for interior styling and appearance, and it is the carrier for a significant portion of the vehicle's acoustical insulation.

- Polyamide tufted carpets
- Mono-PET tufted carpets
- Mono-PET Nonwoven carpets
- DuraliteTM Nonwoven carpets
- Technical floor systems
- Floor auxiliary mats
- Light weight acoustic floor systems
- Foam and fiber floor insulators
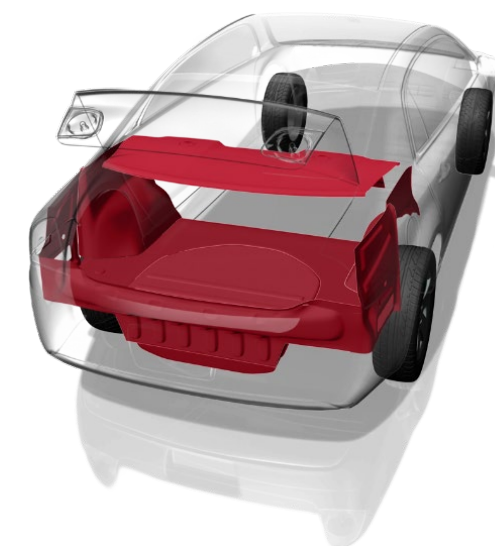
### Trunk & Luggage Management

Auria's trunk and luggage management systems provide consumers flexible positioning devices that adapt to various items being secured within the vehicle's storage compartment. We are developing unique cargo management products for consumer retail, dealer aftermarket and integrated OEM solutions.

- Parcel shelfs
- Load floors
- Side trim panels
- Lift gate trims

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7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

Vehicle Interior Product Families (cont.)
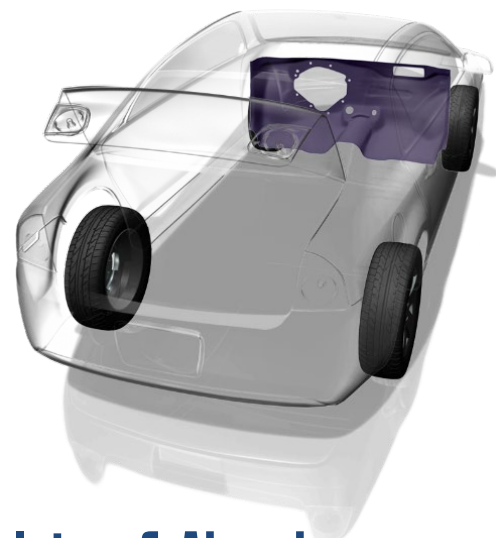

Insulators & Absorbers

Auria's automotive acoustic systems block and absorb road and structural noise and reduce engine noise in the vehicle's interior. Our unique NVH testing and development facilities around the world enable us to create the right interior noise solution for our customers. Our manufacturing plants are set up with state-of-the-art technologies to produce a wide variety of acoustic products.

- Inner dash insulator
- Under parcel shelf
- Under seat insulator
- Inner wheelhouse insulator
- Absorbers
- Inner Tunnel insulator

Headliners

Auria offers a wide range of material constructions including wet and dry polyurethane and fiberglass reinforced substrates for headliners. We work with customers on styling and face fabrics while contributing the Auria expertise in acoustics and light weight solutions.
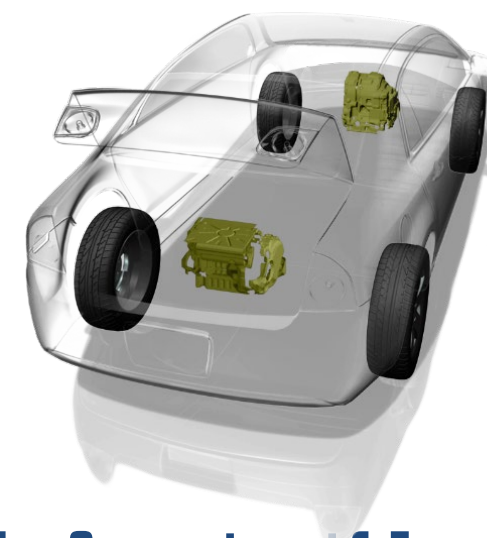
Engine Compartment & Encapsulation

Both Auria acoustical and thermal products thrive in the under-hood environment. As the industry rapidly evolves to EV propulsion systems, Auria's unique encapsulation technology isolates and quells undesirable noise at the source, offering a more pleasant driving experience.

- Outer Dash insulators
- Hood liners
- Outer Tunnel insulators
- Exterior body insulators
- E-Motor Encapsulations
- E-Motor bay insulators
- Compressor and Gearbox covers
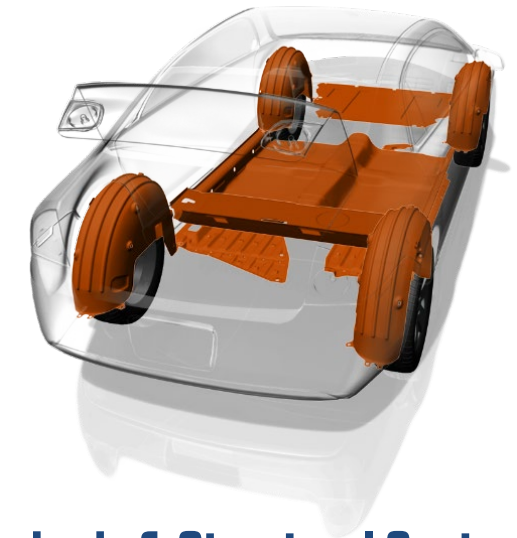
Underbody & Structural Systems

Auria draws upon its extensive material knowhow in the development of products designed to improve vehicle aerodynamics and acoustical performance while enduring the extremely harsh underbody environment.

- Underbody shields
- Wheel arch liners
- Aerodynamic parts

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7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

Aftermarket & Accessory Solutions

Launched for the purpose of proving out new technologies and applications, the Aftermarket group has met with early success with the introduction of premium, highly durable replacement flooring for off-road vehicle applications and innovative cargo management products now available through OEM Accessories groups.

Established in 2020 as a premium consumer brand, Armorlite was initially defined by a highly engineered, rugged replacement flooring system developed for the extremely harsh conditions of the popular 4x4 off-road market. Unique features of the product include maximum durability, easy cleanability, a proprietary water channeling and drainage system, optimal traction, scratch & mar resistance, cabin heat and acoustical management and UV fade resistance. Armorlite has since introduced other interior coverage and protection products, such as cargo and wheelhouse liners and seatback covers made from the same durable material. Through standard industry wear tests, Armorlite products outlast competitive products by a factor of four to one, and the Armorlite floor replacement system's integrated tread design eliminates the need for costly throw-in all-weather mats.

Armorlite Carpet Replacement System

Cargo Management Accessories

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7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

Duralite™

Duralite™ is Auria's latest innovation on nonwoven floor carpet with improved abrasion performance at lighter face weight than competition.

100% recyclable & High recycled content

Lightweight

Superior Acoustic Performance (GM B+ Performance)

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7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

ECO HiLoft ™

ECO HiLoft™ is a light weight, 100% recyclable insulator that contains up to 80% recycled and natural fibers. It can be tuned to provide high absorption to address radiated noise from ICE engines or electric motors. Or it can be designed as floor insulator to provide best-in-class compression recovery and acoustics performance at lighter weight.

100% recyclable & High recycled content

Lightweight

Good Acoustic Performance

High Resistance

60
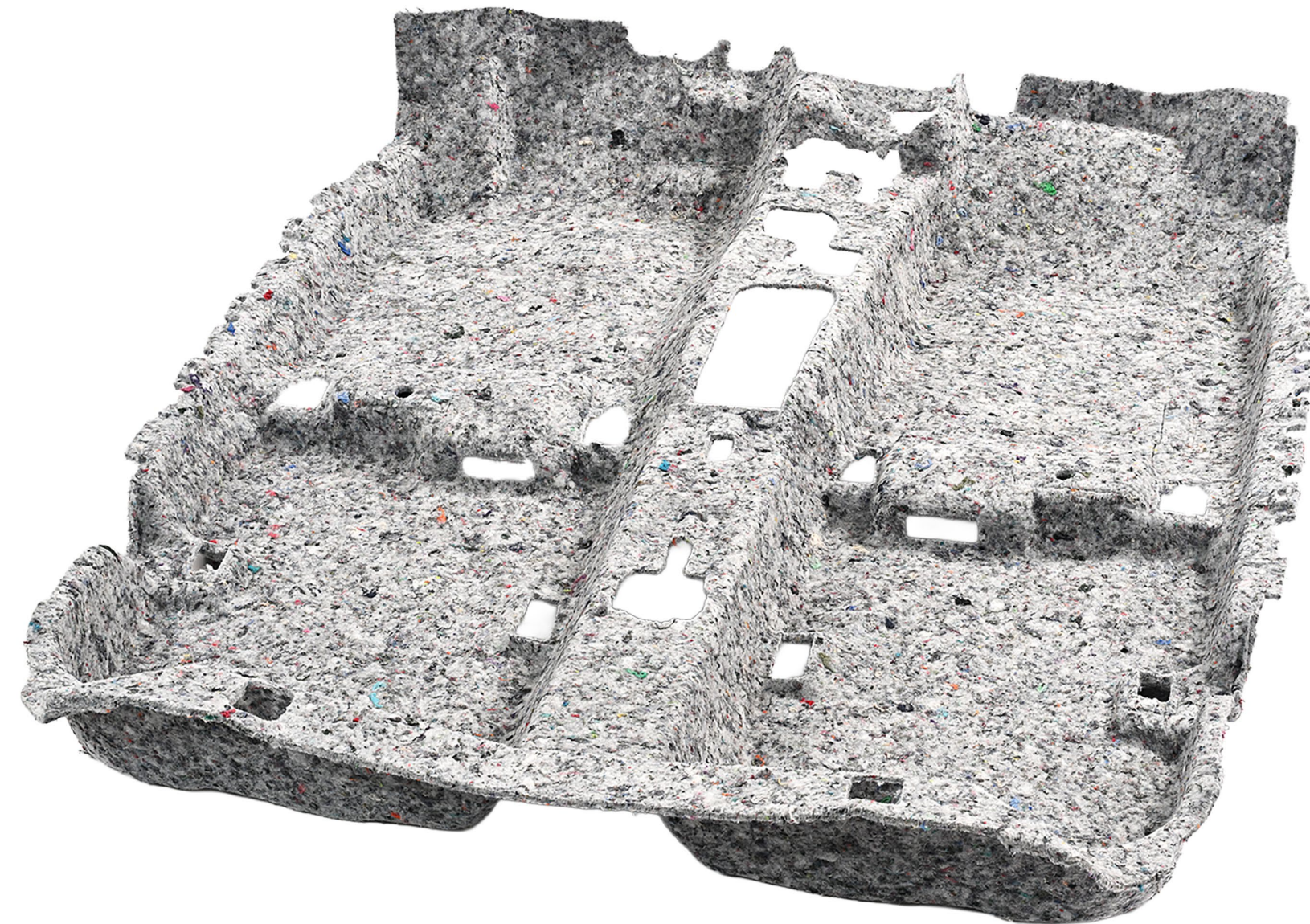
7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

Auriented™ Fiber

Auriented™ Fiber products offer unique features within the field of advanced fiber products. As an alternative to foam, these extremely lightweight materials demonstrate extraordinary shape retention and excellent resilience. High secondary raw material usage combined with mono-material approaches contribute to the end-of-life recycling strategies of the OEM customer base. Various acoustic functions can be adjusted.

100% recyclable

Lightweight

High Resistance

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7.1 Product Sustainability Innovation (cont.)

7.1.1 Products (cont.)

Mono-material PET carpet for 100% recyclability

Auria continues to develop polyester-based mono-material tufted and nonwoven floor carpet constructions to offer enhanced visual and haptic performance with the benefit of full end-of-life recycling.

100% recyclable

Good Abrasion Performance

Cleanability

ECO SMARTfoam

With various technological advancements Auria is able to significantly reduce foam densities / PUR material consumption without sacrificing technical performance. Material avoidance significantly contributes to the carbon footprint reduction. The technological improvements can go along with chemical reformulation of PUR systems depending on the overall performance targets.

Lightweight

Good Acoustic Performance

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7.1 Product Sustainability Innovation (cont.)

7.1.2 Innovations

EcoBlend® Dual Density

ECOBlend® Dual Density Insulator is a lightweight replacement for conventional, heavy layer-based insulators. It has been precisely tuned to deliver high sound transmission loss, while maintaining excellent sound absorption characteristics. It is ideally suited for an array of interior applications, such as flooring and dashboard insulation. Its unique composition makes it an exceptional alternative to traditional insulation materials, offering superior soundproofing capabilities.
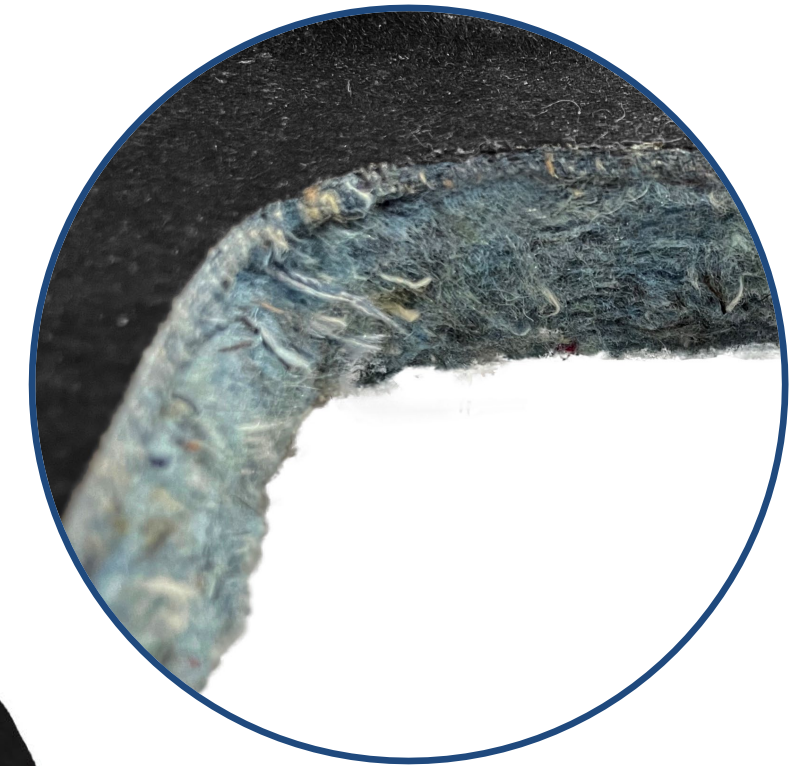
100% recyclable & High recycled content

Lightweight

Superior Acoustic Performance (GM B+ Performance)

7.1 Product Sustainability Innovation (cont.)

7.1.3 Life Cycle Assessment

Life Cycle Assessment (LCA) is a systematic methodology used to evaluate the environmental impacts associated with all stages of a product's life cycle, from raw material extraction (cradle) to disposal (grave). After starting first activities focusing on Product Life Cycle Assessment during the Product development phase, partnering with customer engineers in 2023, Auria implemented the Mobius tool by Ecochain. This allows to create CO_2 footprint reports according to common standards like GHG and ISO-14040 / 14044. The embedded access to life cycle inventory (LCI) data of the well-established Ecoinvent database helped to get a decent baseline for Auria's first LCAs.

Incorporating LCA into our operations is not only a strategic move to meet regulatory and market demands but also a proactive approach to driving innovation and sustainability in product development. By leveraging LCA, Auria can enhance her environmental performance, gain a competitive edge, and contribute to a more sustainable automotive industry.

First Assessments were created, evaluated by LCA experts and discussed with customers. That helped us to understand priorities in actions to further reduce our product's footprint.

Ecochain

Product footprint of Flooring System (Carset)

Unit: 1 pcs

The impact on Climate change is **45.50 kg CO2 eq**. The graph shows a breakdown of the highest contributors.

Polyol (Componen…	26.57%	Process of foaming…	4.89%
Isocyanate (Compo…	17.34%	Trim waste	4.56%
process of needle …	13.70%	filler	3.21%
Polymer	6.27%	Others	18.07%
Needlefelt/ scrim P…	5.39%		

Auria Solutions
20-02-2025

45.50 kg CO2 eq*

* Impact category: Climate change

* Method: EF 3.0 Method - v3 (Ecoinvent v3.8)
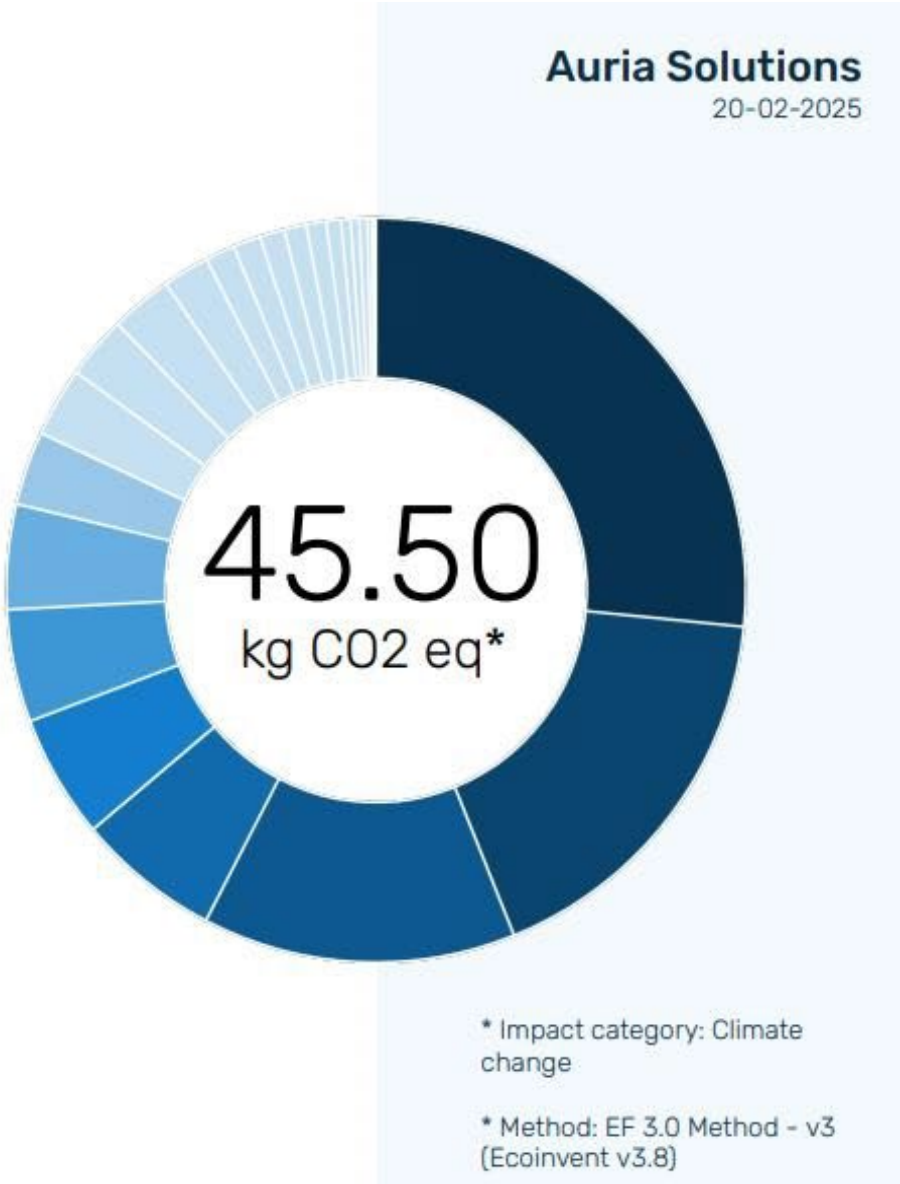
7.2 Ratings & Compliance

7.2.1 ESG Standards

Carbon Disclosure Project (CDP)

With our results-driven team, Auria has improved its CDP score from a D to a B since 2021, emphasizing our efforts towards strong management actions and initiatives associated with climate neutrality.

During 2024, we increased our score from C in both, Water and Climate, to a B, highlighting the efforts Auria is performing towards Sustainability.

With a focus on topics such as Energy, Scopes 1,2, & 3 emissions, defined targets and waste and water reduction initiatives, we are eager to continue our growth and set new benchmarks to reduce our global impact on climate change.

Average Performance

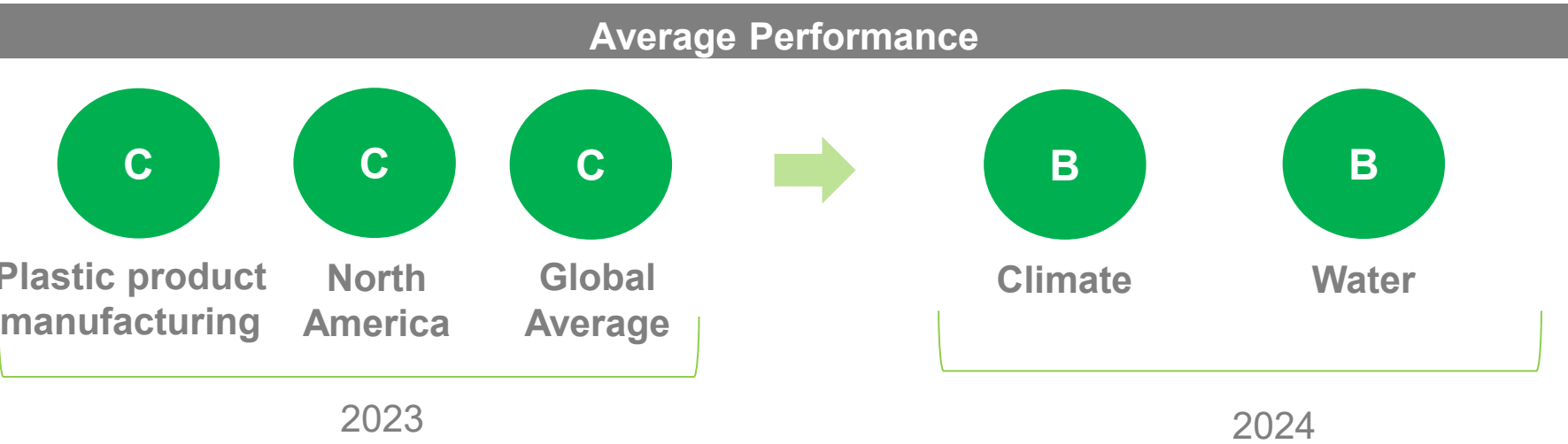| C	C	C	→	B	B
Plastic product manufacturing	North America	Global Average		Climate	Water

2023   2024

ECOVADIS

Auria is pleased to announce that, for the first time, it has been awarded a Sustainability Commitment Badge in the Ecovadis rating. The company has significantly improved its score from 42/100 to 57/100 (61st percentile).

This achievement reflects the dedicated efforts across the organization. This milestone is the result of a collective effort. While there remains significant progress to be made, this achievement is an important step forward. This recognition represents a meaningful advancement in Auria's sustainability journey, and it is an accomplishment worth celebrating.
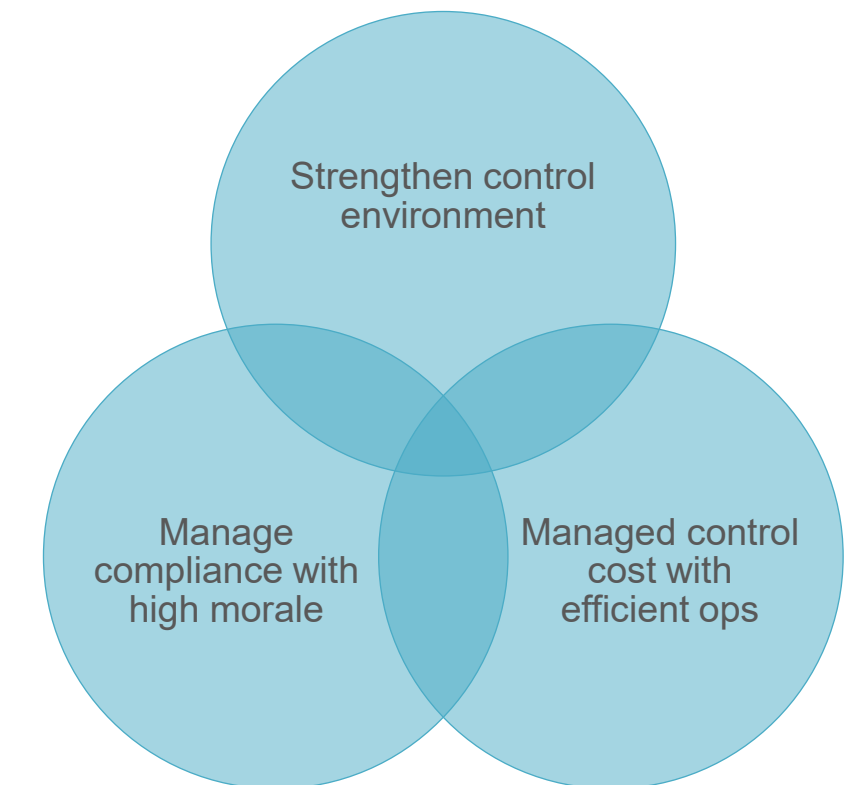

COMMITTED ecovadis Sustainability Rating OCT 2024

7.3 Risk Management

7.3.1 Governance Model

Auria's sustainability governance and compliance framework is driven by Auria UK I Ltd. Board Members which defines and adopts the Group's compliance strategy, addressing key compliance risks across the 10 countries and three continents in which we operate.

The overall responsibility for operational compliance, risk assessment on climate- change, and strategy implementation rests with the Steering Committee, Sustainability Review Body, and the different working groups integrating the Sustainability Governance structure.

Given our global footprint, Auria's success hinges on adhering to proper operating procedures and complying with local laws and regulations in each country. Non-compliance can lead to financial penalties and inefficiencies, undermining resources. To mitigate these risks, Auria encourages all management and employees, at every level, to adopt the "Virtuous Circle" approach—a proactive mindset that emphasizes the importance of setting proper controls, leading to smoother processes and greater operational efficiency.

Identify Processes and Risks → Proactively Define Controls and Perform Testing → Mitigate Deficiencies → Enhance Policies/ Procedures → Reinforce Training / Communication → Actively Monitor

Strengthen control environment

Manage compliance with high morale

Managed control cost with efficient ops
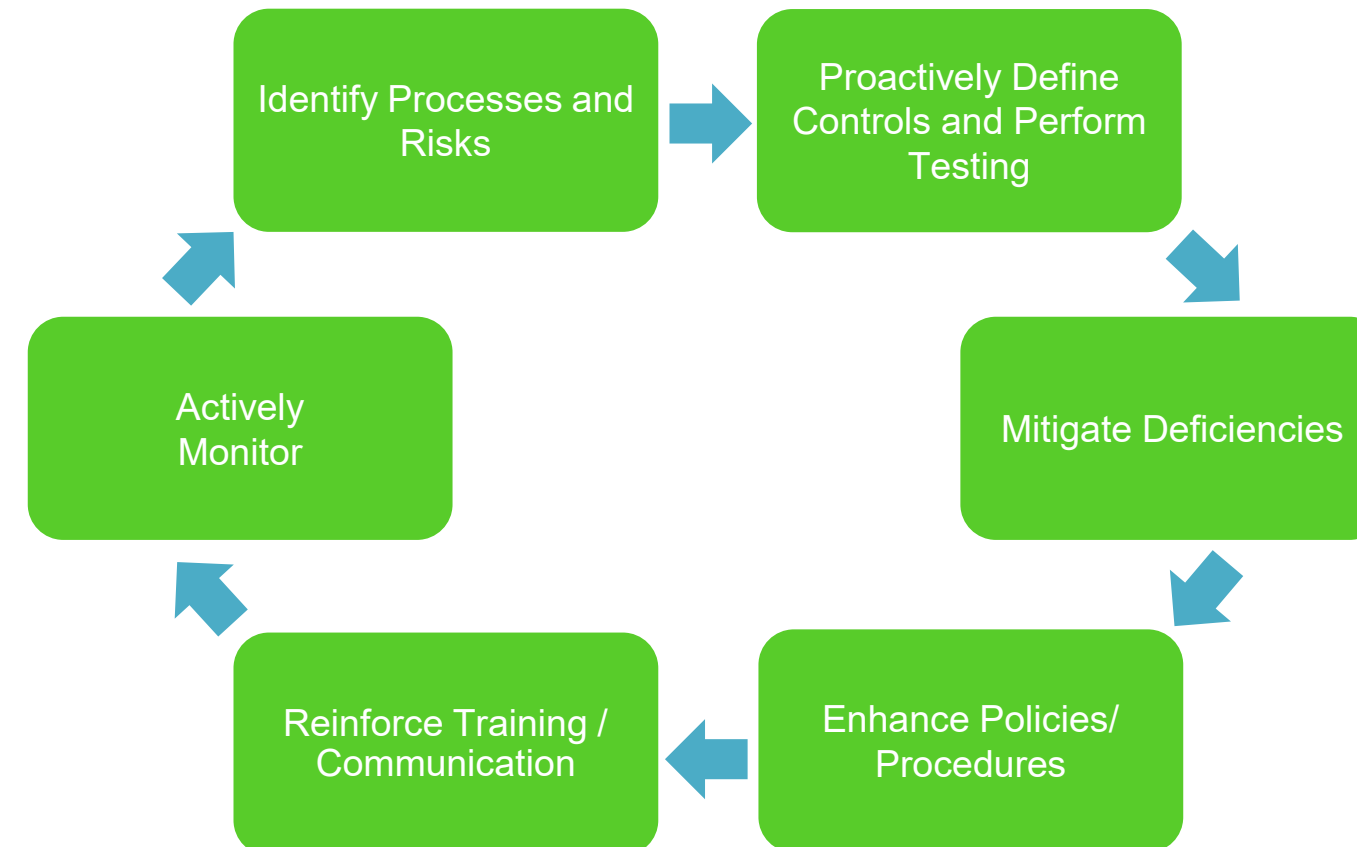
7.3 Risk Management (cont.)

7.3.1 Governance Model (cont.)

The Auria UK I Ltd. Board is responsible for approving the overall sustainability strategy, vision, policies, and goals, as well as allocating resources for sustainability initiatives and ensuring compliance with regulations. They also review performance against sustainability targets.
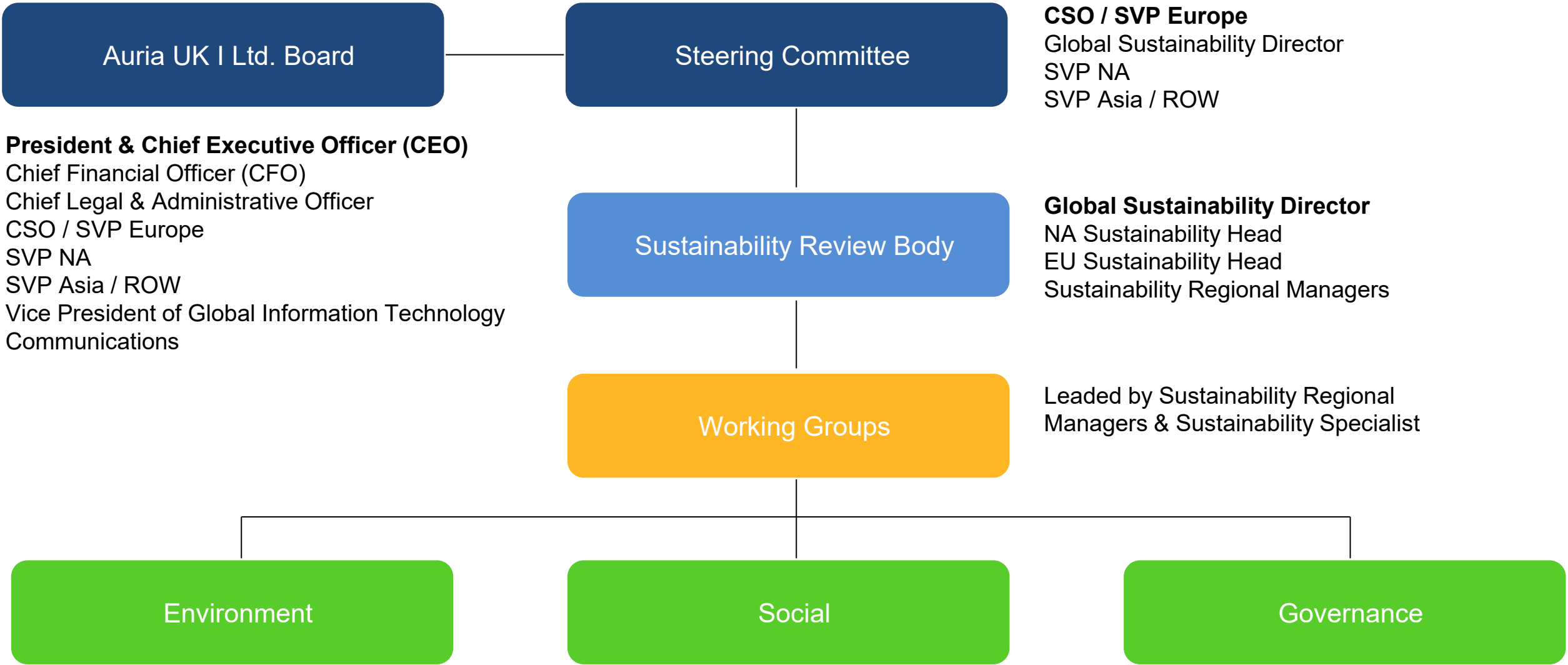
The Steering Committee develops and oversees the implementation of the sustainability strategy, ensuring alignment with business objectives while coordinating efforts across regions and departments and addressing any barriers to progress.

The Sustainability Review Body analyzes sustainability performance data, evaluates regional programs to ensure they align with global goals, and guides regional managers, in identifying opportunities for improvement.

Finally, the Working Groups are tasked with executing specific sustainability initiatives, collecting and analyzing data at the regional and site levels, engaging stakeholders, and providing training to support and enhance sustainability practices across the organization.

Since its inception, Auria has embedded its core values, operational responsibilities, and social responsibilities into our daily operations, aiming for healthy and sustainable development. Strong compliance management is the basis for Auria's global operations, and we are committed to integrity, compliance, and strong business ethics.

Governance Structure

```
Auria UK I Ltd. Board —— Steering Committee

Sustainability Review Body

Working Groups

Environment        Social        Governance
```

CSO / SVP Europe
Global Sustainability Director
SVP NA
SVP Asia / ROW

President & Chief Executive Officer (CEO)
Chief Financial Officer (CFO)
Chief Legal & Administrative Officer
CSO / SVP Europe
SVP NA
SVP Asia / ROW
Vice President of Global Information Technology
Communications

Global Sustainability Director
NA Sustainability Head
EU Sustainability Head
Sustainability Regional Managers

Leaded by Sustainability Regional Managers & Sustainability Specialist
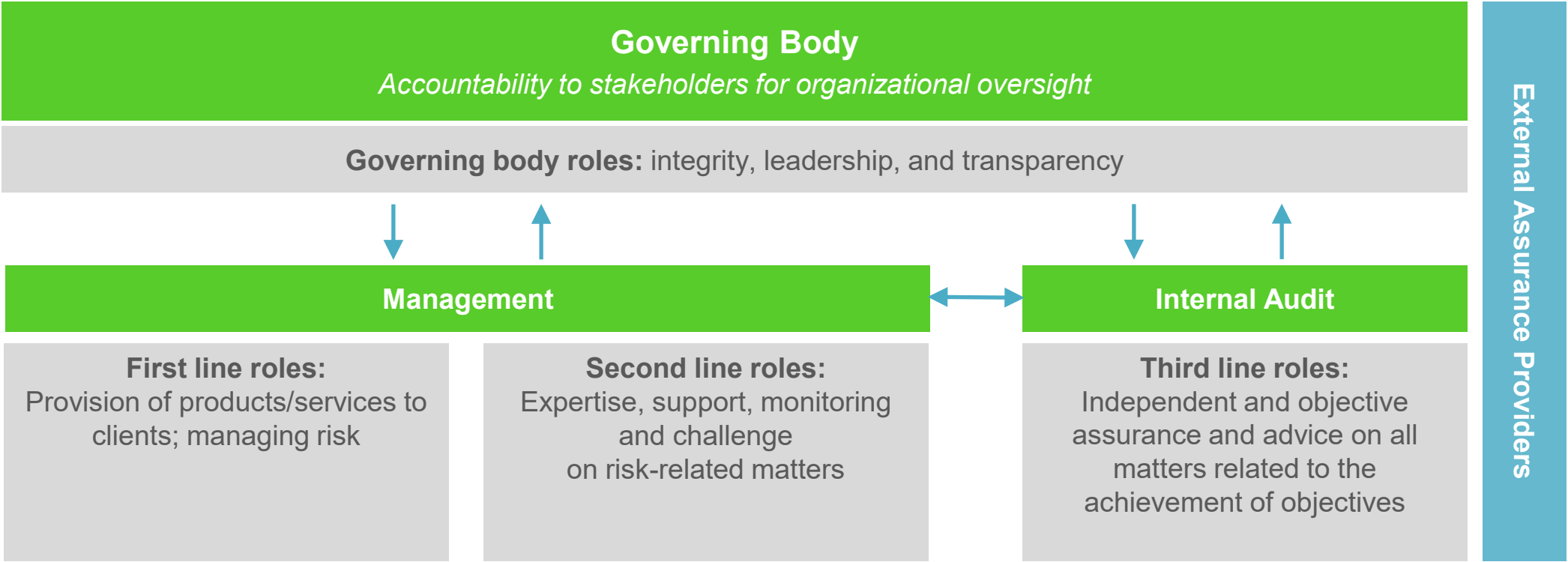
7.3 Risk Management (cont.)

7.3.2 Risk Assessment

Auria leverages principles from the three-line model to manage risk within the organization. Responsibility of overall risk is owned by each business function, known as the first line. The second line is embedded in various business functions to assist management with support, expertise, and effective challenge on risk-related matters, internal control design assessment, and testing. Internal Audit forms the third line, delivering advisory services and independent assessments to improve risk management, and promote compliance and ethics.

Governing Body
Accountability to stakeholders for organizational oversight

Governing body roles: integrity, leadership, and transparency

Management

Internal Audit

External Assurance Providers

First line roles:
Provision of products/services to clients; managing risk

Second line roles:
Expertise, support, monitoring and challenge on risk-related matters

Third line roles:
Independent and objective assurance and advice on all matters related to the achievement of objectives

Internal Control

Auria believes in creating a risk-controlled business environment with high-quality accounting and internal controls. Establishing a comprehensive internal control system is the best safeguard against external uncertainty and also lays a solid foundation for enhancing compliance and building a sustainable business.

To raise and enforce compliance awareness throughout the company, we have implemented a Global Risk and Control Matrix (RCM) in accordance with the requirements of the Basic Standard for Enterprise Internal Control and the Application Guidelines on Enterprise Internal Control Republic of China (CSOX). CSOX includes 18 business domains addressing risks across numerous financial, operational, strategic, and compliance categories.

Management submits annual CSOX attestations to Auria's Board for review and approval. We share the attestation to our shareholders for disclosure. For 2024, Auria's internal control system achieved the company's internal control objectives and had no material deficiencies.
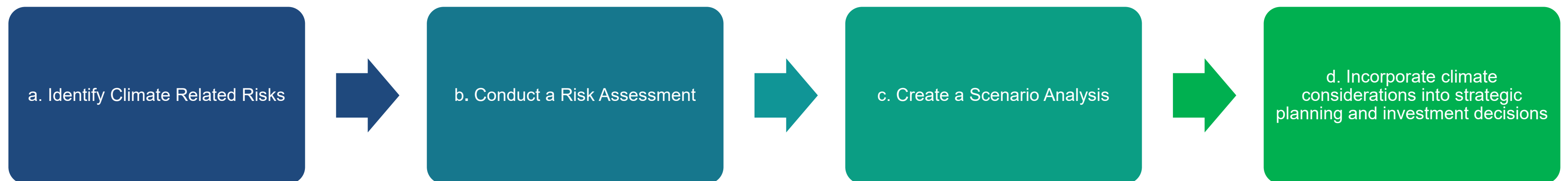
Climate – Related Risk Management Process

At Auria, we have a dedicated section of the Risk Management System, addressing risks related specifically to climate change.

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7.3 Risk Management (cont.)

The Climate – Related Risk Management Process follows the next steps:

Auria has evaluated three different risk categories: Acute Physical Risks, Chronic Physical Risks, and additional considerations, using 3 different time frames in the different regions where we operate.

As a conclusion of this first assessment, we have been working on developing a global strategy oriented to mitigate the "Very High" and "High" identified risks in the different regions.

| a. Identify Climate Related Risks | → | b. Conduct a Risk Assessment | → | c. Create a Scenario Analysis | → | d. Incorporate climate considerations into strategic planning and investment decisions |

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7.3 Risk Management (cont.)

7.3.3 Digitalization and Technology

To effectively manage Environmental, Social, and Governance (ESG) risks and impacts, Auria is embarking on a digitalization journey, while continuously adopting more efficient technologies. This proactive approach enables real-time adjustments to mitigation strategies, ensuring a dynamic response to emerging challenges.

Auria is working on integrating digital portals into a unified system to create a "Single Source of Truth" for data collection and analysis, ensuring seamless access to crucial information regarding facilities, utilities, and CO_2 emissions. This interconnected approach is vital for consistent tracking, data reliability, and accurate reporting. Moreover, the steps towards digitalization of the environmental processes—such as Life Cycle Assessments (LCA)— are under development so we can improve the ability to assess the full environmental impact of our products and services, fostering more informed decision-making and advancing sustainability across the organization. These interconnected strategies work synergistically to effectively manage and reduce ESG risks over time.

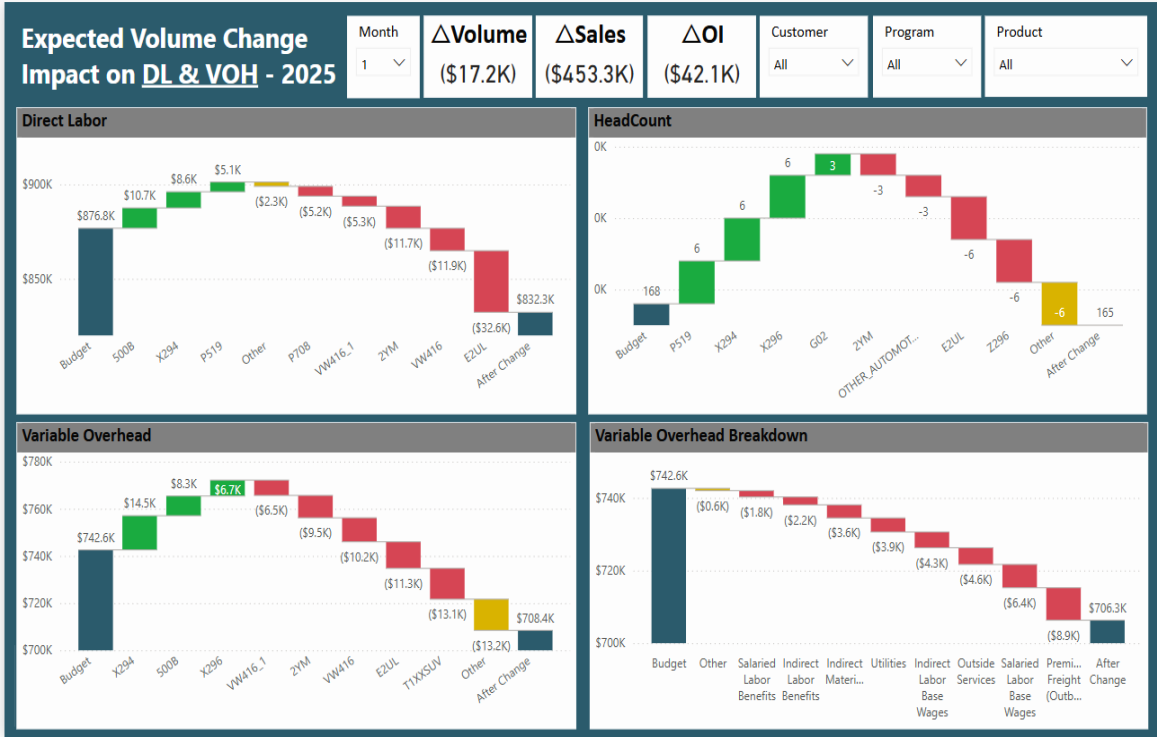### Digitalization at the core of sustainable production processes

As part of our ongoing commitment to enhancing efficiency, we are integrating automation and digitalization across our operations using cutting-edge technological tools.

By harnessing Power BI's advanced data analytics, we are elevating decision-making with real-time data visualization across all Auria sites, leading to significant improvements in operational efficiency, including optimized energy consumption.

In our NA facilities, Auria is advancing the digitalization of key dashboards to streamline further capital planning and tracking, financial performance, scrap analysis, cost flexibility models, and overhead cost models. These dashboards ensure real-time data access, enabling more accurate forecasting and improved cost management across the organization.

In Europe, Power Automate is transforming routine processes, reducing manual efforts, and driving productivity, particularly in Finance, Logistics and Material Control. This transformation allows teams to focus on high-value tasks, fostering a culture of innovation.

These technological advancements are aligned with our sustainability goals, optimizing resource allocation, reducing paper usage, and promoting responsible practices. This underscores our commitment to operational excellence and environmental stewardship.


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7.3 Risk Management (cont.)

Digitalization at the core of sustainable production processes

In support of our digital and sustainable production efforts, Auria hosted its inaugural Energy Efficiency Networking Day, bringing together twelve participants from EU sites and four from North America for an intensive workshop.

The event focused on energy efficiency programs and encouraged cross-site knowledge sharing. One key session highlighted Digital Energy Monitoring. All seven European sites have successfully implemented energy monitoring systems, upgrading the coverage from 40% to 98% of electricity consumption at each facility. These systems monitor critical processes, such as production machinery, water pumps, and chemical plants. Plans to expand this coverage are underway, further enhancing our energy efficiency efforts.
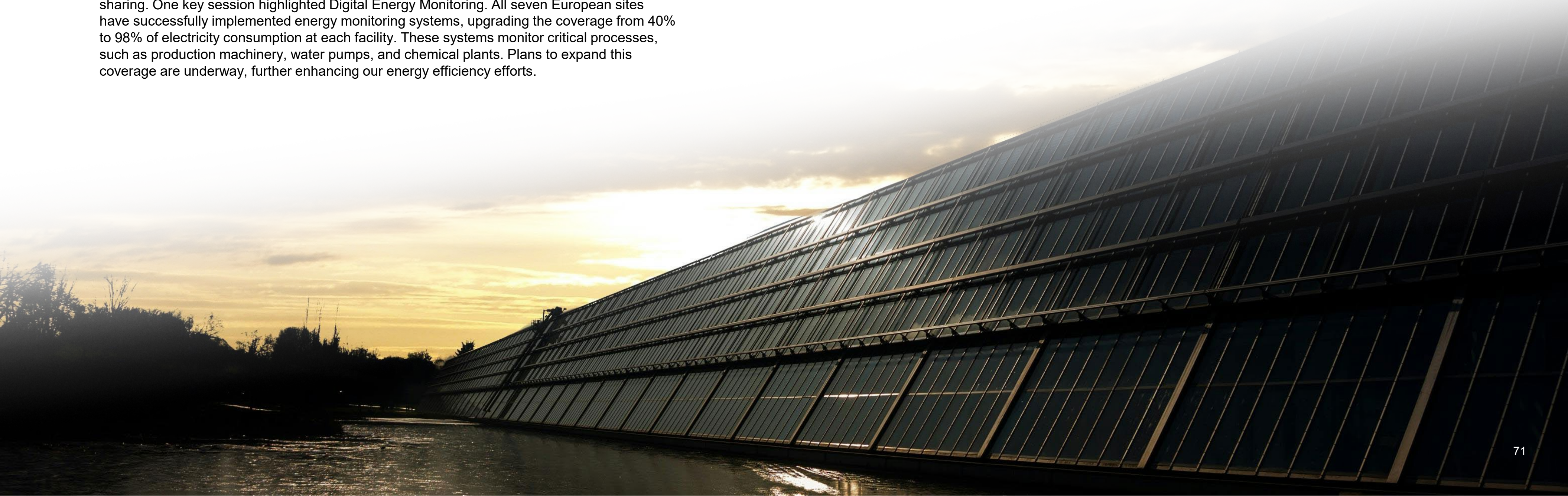
8. GRI Index

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9. Glossary of Acronyms

AMOS	Auria Manufacturing Operation System
BEV	Battery Electric Vehicle
BOM	Bill of Materials
CAFE	Corporate average fuel economy
CDP	Carbon Disclosure Project
CMRT	Conflict Minerals Reporting Template
CSOX	Enterprise Internal Control Republic of China
COC	Code of Conduct
CSR	Corporate social responsibility
DART	Days away, restricted or transferred
DL	Direct Labor
DRAW	Disaster Relief at Work
EACs	Energy Attribute Certificates
EAP	Employee Assistance Program
EnEff	Energy Efficiency

DEM	Direct extrusion method
DSL	Declarable substance list
EMRT	Extended minerals reporting timeline (cobalt, mica)
ESG	Environmental, social, governance survey
GRI	Global reporting initiative
GDS	Global Documentation System
GSM	Grams per square meter
IATF	International Automotive Task Force
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature
KPI	Key performance indicator
LRRP	Long range revenue plan
LTA	Lost time accident
NVH	Noise vibration harshness
PCR	Post consumer recycled

PCW	Post consumer waste
PDCA	Plan-do-check-act
PIR	Post industrial recycled
RAMSAR	Wetland of international importance under the Ramsar Convention.
RCM	Risk control matrix
REACH	Registration, evaluation, authorization and restriction of chemicals
RTA	Restricted activity incident
SBTi	Science Based Targets Initiative
SCM	Supply chain management
SIP	Systematic improvement plan
SVHC	Substances of very high concern
TPO	Thermoplastic polyolefin

10. Additional Resources

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