

SUSTAINABILITY REPORT

2024

Excerpt from the 2024 annual report

June 3, 2025

AKWEL

EFFICIENT AUTOMOTIVE

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TABLE OF CONTENTS

3. Sustainability Report	3
3.1. General disclosures [ESRS 2]	5
3.1.1. Basis for preparation.....	5
3.1.2. Governance (ESRS 2 – GOV-1)	7
3.1.3. Strategy, business model and value chain (ESRS 2 SBM-1)	15
3.2. Environmental Information.....	33
3.2.1. Publication of information pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation).....	33
3.2.2. Climate change (ESRS E1)	40
3.2.3. Pollution (ESRS E2)	52
3.2.4. Water and marine resources (ESRS E3)	59
3.2.5. Biodiversity and ecosystems (ESRS E4)	60
3.2.6. Resource use and circular economy (ESRS E5)	62
3.3. Corporate Information	67
3.3.1. Own workforce (ESRS S1)	67
3.3.2. Workers in the value chain (ESRS S2)	86
3.3.3. Affected communities (ESRS S3)	89
3.3.4. Consumers and end-users (ESRS S4)	91
3.4. Governance information – Business conduct (ESRS G1)	94
3.4.1. Ethics and business conduct (ESRS G1)	94
3.4.2. Management of relationships with suppliers (ESRS G1-2)	99
3.5. Cybersecurity Information (Specific Information)	100
3.5.1. Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1)	100
3.5.2. Description of impacts, risks and opportunities.....	101
3.5.3. Strategy, policy and process.....	101
3.5.4. Cybersecurity actions	102
3.5.5. Cybersecurity objectives.....	102
REPORT ON CERTIFICATION OF SUSTAINABILITY REPORTING AND VERIFICATION OF DISCLOSURE REQUIREMENTS SET OUT IN ARTICLE 8 OF REGULATION (EU) 2020/8542	103

3. Sustainability Report

Introduction

The European Directive 2022/2464/EU, the so-called Corporate Sustainability Reporting Directive (hereinafter "CSRD"), and the ESRS (European Sustainability Reporting Standards), require companies to report on their environmental, social and governance (ESG) impact.

This section of the management report, in accordance with these requirements, presents AKWEL's material sustainability issues. This information makes it possible to understand both the effects of the key issues on the financial position and performance of AKWEL and the Company's impacts on the environment and the population.

This is the first year of publication under this new regulatory framework, a significant evolution compared to previous reporting obligations, in terms of both content and depth of analysis.

Against this backdrop, this report is based on the data and analyses available and the internal processes at the date of its preparation. Some information, in particular information relating to the value chain, is being consolidated or further researched and will be further developed in future years.

As a result, methodological limitations or uncertainties may still exist on certain indicators or analyses, due in particular to:

- The collection of external data, in particular in the value chain;
- The complexity of certain technical topics;
- The heterogeneity of reporting tools, which makes it more difficult to obtain homogeneous data;
- Quantification limits for certain indicators concerning emissions of air pollutants. AKWEL is not yet able to quantify these emissions across all its activities;
- The continuous evolution of regulatory interpretations and good practice.

Missing indicators and unavailable information

For this first year, AKWEL focused on the publication of mandatory information (excluding transitional provisions) but was not able to publish all of this information due to difficulties in collecting it.

AKWEL is committed to continuing its efforts to ensure the gradual completion of these indicators in the next few years. A two-year action plan will be drawn up to significantly increase the availability of the requested information.

In accordance with the requirements of ESRS, the following information cannot be communicated at this stage due to the unavailability of certain data or collection processes still under development.

This includes:

ESRS	Publication requirement	Missing or incomplete information	Reference in the sustainability report
ESRS 2	GOV-4 Statement on due diligence	Statement in the process of being drafted. Publication scheduled for next financial year	Section 3.1.2.7
E1 Climate change	E1.SBM-3 Description of the resilience of its strategy and economic model to climate change	Analysis not yet formalized. Current financial year	Section 3.2.2.4
E1 Climate change	E1.IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Process being structured with internal stakeholders	Section 3.2.2.4
E1 Climate change	E1-3 GHG emission reductions achieved and expected	Transition plan for climate change mitigation	Section 3.2.2.2
E1 Climate change	E1-5 Energy consumption and mix	Quantitative information. Partial collection via sites	Section 3.2.2.8
E1 Climate change	E1-6 GHG emissions	Quantitative information – Scope 3 in development	Section 3.2.2.9
E1 Climate change	E1-4 GHG emission reduction targets	Quantitative information	Section 3.2.2.9.2
E2 Pollution	E2-4 Pollution of air, water and soil	Information on waste -Lack of Group consolidation	Section 3.2.3.5

E3 Water and marine resources	E3-4 Water consumption – Total amount of water recycled and reused	Quantitative information - Indicator to be built	Section 3.2.4.6
E3 Water and marine resources	E3-4 Water consumption – Total amount of water stored and changes in storage	Quantitative information - Indicator to be built.	Section 3.2.4.6
E4 Biodiversity and ecosystems	SBM-3 List of material sites within the framework of its own activities, including the sites under its operational control	Quantitative information Partial mapping. Consolidation in progress	Section 3.2.5.7
E4 Biodiversity and ecosystems	E4-1 Description of the resilience of its strategy and economic model in relation to biodiversity and ecosystems	Action plan – lack of methodology for analyzing impacts on biodiversity	Section 3.2.5.1
E4 Biodiversity and ecosystems	E4-2 Measures taken to prevent or mitigate negative impacts	Quantitative information Indicator to be built	Section 3.2.5.4
E4 Biodiversity and ecosystems	E4-3 Actions and resources related to biodiversity and ecosystems	Action plan Analysis not yet formalized	Section 3.2.5.5
E4 Biodiversity and ecosystems	E4-5 Impact metrics related to biodiversity and ecosystems change	Identification of impacting sites not carried out Consolidation in progress	Section 3.2.5.7
E5 Resource use and circular economy	E5-4 The following information on the materials used to produce its products and services during the reporting period	Data not collected. Collection in progress via Purchasing/R&D	Section 3.2.6.6
E5 Resource utilization and circular economy	E5-5 Information relating to products and materials	Focus on priority products	Section 3.2.6.7
E5 Resource utilization and circular economy	E5-5 Breakdown of waste quantities	Data available per site not consolidated at Group level - consolidation in progress	Section 3.2.6.7
S1 Own workforce	S1-10 Adequate wages	Qualitative information – Analysis in progress	Section 3.3.1.19
S1 Company workforce	S1-11 Employees covered by social protection against income losses due to major life events	Quantitative information – Locally available data – Group consolidation in progress	-
S1 Company workforce	S1-16 Gender pay gap, and pay gap as a ratio of highest pay to median pay	Quantitative information – Measurement methodology in development	Section 3.3.1.21
S2 Workers in the value chain	S2-3 Processes for engaging with affected communities	Lack of formalized process of engagement Unfinalized process of engagement	Section 3.3.2.5
S3 Affected communities	S3-2 Processes to remediate negative impacts	Lack of formalized dialog process Unfinalized dialog process	Section 3.3.3.4
S 3 affected Communities	S3-4 Taking action on material impacts on affected communities	Action plan in the draft stage – Follow-up being structured	Section 3.3.3.6
G1 Business conduct	G-3 Percentage of at-risk functions covered by anti-bribery and corruption training programs	Quantitative information Non-centralized coverage rate - Consolidation in progress	Section 3.4.1.5
G1 Business Conduct	G-1 6 Indicators relating to payment practices	Reporting is being structured to enable collection of all metrics related to material IROs	Section 3.4.2.3

Action plan for the publication of missing indicators

AKWEL has embarked on a continuous improvement approach and several changes are planned in the coming years, both in terms of data and in terms of the structuring of processes:

- The progressive strengthening of reporting practices to meet the requirements of ESRS;
- The development of internal control applicable to sustainability data;
- Regular updating of our double materiality analysis to include internal and external developments;
- Better structuring of governance and sustainability processes.

Furthermore, in order to be able to publish, in future sustainability reports, the data that could not be published in this report, in particular the E1-6 indicators "Gross Scope 3 GHG emissions," E2-4 "Pollution of air, water and soil" and S1-16 "Gender pay gap," the following action plans have been launched:

- Regarding pay gaps, the action plan enabling publication in 2026 is as follows:
 - Implementation of a reporting methodology by site and country for pay gaps by gender and role: 2025.
 - Initialization of a Group remuneration database: 2025.
 - Gap analysis and action plan if necessary: 2026.

This action plan is under the supervision of the Human Resources Management Committee.

- With regard to scope 3 emissions, the action plan is as follows to be able to publish in 2026:
 - Consolidation of the assessment methodology for each category: 2025.
 - Expanding data collection: 2025.
 - Enhanced training of local teams for data collection: 2025.

The follow-up is carried out by the Environment and Energy Management Committee.

- With regard to pollution, the action plan is as follows in order to be able to publish in 2026:
 - Consolidation of the methodology for assessing water, air and soil pollutants: 2025
 - Expanding data collection: 2025
 - Enhanced training of local teams for data collection: 2025.

This subject is also the responsibility of the Environment and Energy Management Committee.

Uncertainties related to indicators

AKWEL is working on a continuous improvement plan to reduce the degree of uncertainty of its carbon footprint. The sources of uncertainty associated with greenhouse gas (GHG) emission estimates for this first year of application of ESRS are as follows:

- Carbon emissions from purchases are estimated from financial ratios available on the ADEME website, and therefore present uncertainties associated with this calculation method.
- For 20 of the Group's sites (~13% of the total sample), the volumes of waste water discharged to the treatment networks are estimated in relation to the volumes sampled, which represents an uncertainty over the overall volume.

Given these considerations, AKWEL believes that the presentation and preparation of this sustainability report have been carried out in accordance with the legislation in force and the requirements of the CSRD and that no other specific information relating to particular circumstances is necessary in the context of this Sustainability Report.

3.1. General disclosures [ESRS 2]

3.1.1. Basis for preparation

3.1.1.1. General basis for preparation of sustainability statements (ESRS 2/BP-1 § 4, § 5)

3.1.1.1.1. Scope of the sustainability report

Unless otherwise specified, the scope covered by the sustainability report is the same as that of the financial statements and covers all of its activities and its upstream and downstream supply chain.

With the exception of AKWEL VIGO SPAIN, which is required to publish a sustainability report, all other subsidiaries of AKWEL are not required to publish a sustainability report, as they are below the thresholds of application of the Directive.

The various reporting mechanisms are:

- Occupational health and safety reporting

Occupational health and safety reporting enables the periodic consolidation of statistical data on occupational risk prevention. It covers all of the Group's workforce, with the exception of the Daman (India) and Chongqing (China) sites. Following the signing of the transfer protocol of Gold Seal Avon Polymers, the Daman site was removed from the reporting scope. The Chongqing (China) site was also removed from the reporting scope following its closure. In 2024, no new production sites entered the reporting scope.

- Human resources reporting

This enables the periodic consolidation of statistical data on human resources management.

The social indicators relating to human resources cover all employees of the Group who have an employment contract with the Group.

In 2024, the reporting covered all staff, with the exception of the Daman (India) and Chongqing (China) sites.

Following the signing of the transfer protocol of Gold Seal Avon Polymers, the Daman site was removed from the reporting scope. The Chongqing (China) site was also removed from the reporting scope following its closure. In 2024, no new production sites entered the reporting scope.

- Reporting scope for environmental indicators

Environmental reporting enables periodic consolidation of environmental data. The environmental impact, measured in terms of consumption of raw materials and energy, greenhouse gas emissions and waste, concerns the production sites.

It includes all production sites except Gournay-en-Bray (France), Daman (India), Chongqing (China) and Córdoba (Argentina).

Following the signing of the transfer protocol for Gold Seal Avon Polymers, the Daman site was removed from the reporting scope. The Gournay-en-Bray, Chongqing and Córdoba sites were also removed from the reporting scope following their closure.

The environmental impact, measured in terms of raw material consumption, energy, greenhouse gas emissions and waste, concerns the production sites.

The environmental impact of the Tokyo and Eppstein representative office is currently not included in the scope of this report due to the low materiality of the data.

In 2024, no new production site entered the reporting scope of the environmental indicators.

3.1.1.1.2. Reporting period and reference year

Environmental, social and governance data is reported on December 31 of the past reporting year, within the scope of one calendar year.

The reference year to measure progress against energy targets is 2021. The reference years for carbon targets are 2021 for scopes 1 and 2 and 2023 for scope 3.

3.1.1.1.3. Value chain in the sustainability report

All the information presented in this section 3 Sustainability Report covers the entire AKWEL value chain, both upstream, including direct and indirect tier 1 suppliers, and downstream.

3.1.1.1.4. Option to omit specific information (ESRS 1)

AKWEL did not make use of the option that allows it to omit certain information relating to intellectual property, know-how or results of innovations.

3.1.1.1.5. Publication of disclosures in relation to specific circumstances (ESRS 2/BP-2 § 11)

3.1.1.1.5.1. Reporting methodology

Data collection for 2024 was organized as follows:

Corporate, social and environmental indicators were collected from each Group subsidiary in accordance with the procedure described in the AKWEL Management System.

These different elements are entered in three fields: social, health and safety and environmental.

The data and supporting documents are recorded in the Group's collaborative portal in an area dedicated to sustainability reporting (hosted on the internal server) in order to centralize the storage of data and supporting documents and to facilitate access to those involved in the drafting of the sustainability report.

Given these considerations, AKWEL considers that the presentation and preparation of this sustainability report has been carried out in accordance with the legislation in force and the requirements of the CSRD and that no other specific information relating to particular circumstances is necessary in the context of this sustainability report.

3.1.1.1.6. Information incorporated by reference (ESRS-2 § 16)

ESRS standard	Publication requirement	Data point	Reference
ESRS 2	GOV-1 - The role of administrative, management and supervisory bodies	20; 21a, c.	Section 3.1.2
ESRS 2	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	48	Section 3.2.2.3 ESRS E1 Section 3.2.3.1 ESRS E2 Section 3.2.4.2 ESRS E3 Section 3.2.5.2 ESRS E4 Section 3.2.6.2 ESRS E5 Section 3.3.1.2 ESRS S1 Section 3.3.2.2 ESRS S2 Section 3.3.3.2 ESRS S3 Section 3.3.4.2 ESRS S4 Section 3.4.1.2 ESRS G1 Section 3.5.2 Specific information
ESRS S1	ESRS S1-6 Characteristics of the undertaking's employees	50 a	Section 3.1.3.2.1.3

3.1.2. Governance (ESRS 2 – GOV-1)

3.1.2.1. The functioning and role of the administrative, management and supervisory bodies (ESRS 2/GOV-1)

AKWEL's governance regarding sustainability impacts, risks and opportunities is structured along the lines of several committees, including the Executive Committee, the Health and Safety Management Committee, the Environment and Energy Management Committee, the HR Management Committee, the CSR and Remuneration Committee, the Audit Committee, the Supervisory Board and the Executive Board.

These bodies oversee the development of the sustainability strategy, the identification of non-financial risks, the implementation of related action plans and their progress.

For more information on the functioning and role of the administrative, management and supervisory bodies, see [section 2, paragraph 2.1 of the Corporate Governance Report of the Supervisory Board](#). The composition of the Supervisory Board is described in detail in [paragraph 2.2.1 Composition of the Supervisory Board](#).

3.1.2.2. Composition of administrative, management and supervisory bodies and their access to expertise and skills in sustainable development (ESRS 2/GOV-1 § 20 (a)/§ 21 (b))

3.1.2.2.1. The Executive Board

As at December 31, 2024, the Executive Board, composed of three members, was chaired by Mathieu Coutier. It is currently composed exclusively of male members.

The information required regarding the composition of the Executive Board pursuant to paragraphs 20(a) and 21(a) of ESRS 2 GOV 1 is incorporated by reference to paragraph "2.1.1 Composition of the Executive Board" of section 2 of the Supervisory Board's Corporate Governance Report.

3.1.2.2.2. The Executive Committee

As at December 31, 2024, the Executive Committee, composed of 14 members, was chaired by Mathieu Coutier. Its members are either operational managers or functional managers.

The proportion of women on the Executive Committee is 7.14%.

The information required regarding the composition of the Executive Committee pursuant to paragraph 20(a) of ESRS 2 GOV 1 is incorporated by reference to paragraph "2.3.2 Composition of the Executive Committee" in section 2 of the Supervisory Board's Corporate Governance Report.

3.1.2.2.3. The Supervisory Board

On December 31, 2024, the Supervisory Board, composed of seven members, was chaired by André Coutier.

According to the criteria for assessing the structure of governance bodies as defined by the CSRD, 28.57% of Supervisory Board members are independent. The proportion of women is 42.86%.

The calculation of the ratios, as provided for by the CSRD, includes the member of the Supervisory Board representing the employees.

In addition, a representative of the Social and Economic Committee (SEC) on the Supervisory Board participates in the meetings without the right to vote.

The information required regarding the composition of the Supervisory Board pursuant to paragraph 20(a) of ESRS 2 GOV 1 is incorporated by reference to paragraph "2.2.1 Composition of the Supervisory Board" in section 2 of the Supervisory Board's Corporate Governance Report.

3.1.2.2.4. Corporate Social Responsibility (CSR) and Remuneration Committee

As at December 31, 2024, the Corporate Social Responsibility and Remuneration Committee (hereinafter "the CSR Committee"), composed of three members, was chaired by Nicolas Job, an independent member.

The CSR Committee is currently composed exclusively of male members.

The information required regarding the composition of the Supervisory Board pursuant to paragraph 20(a) of ESRS 2 GOV 1 is incorporated by reference to paragraph "2.3.1.2 Composition of the CSR Committee" in section 2 of the Supervisory Board's Corporate Governance Report.

3.1.2.2.5. Audit Committee

As at December 31, 2024, the Audit Committee, composed of four members, was chaired by Nicolas Job, an independent member.

The proportion of women on the Audit Committee is 25%.

The information required regarding the composition of the Audit Committee pursuant to paragraph 20(a) of ESRS 2 GOV 1 is incorporated by reference to paragraph "2.3.1.2 Composition of the CSR Committee" in section 2 of the Supervisory Board's Corporate Governance Report.

3.1.2.2.6. The Management Committees

The Health and Safety Management Committee is composed of the following members:

- Business Development VP;
- Information Technology VP;
- Human Resources VP;
- Manufacturing Performance VP;
- Director of Quality, Compliance and Transformation;
- President of the Executive Board.

The Health and Safety Management Committee is currently composed exclusively of male members.

The Environment and Energy Management Committee is composed of the following members:

- Business Development VP;
- Purchasing VP
- Manufacturing Performance VP;
- Director of Quality, Compliance and Transformation
- President of the Executive Board.

The proportion of women on the Environment and Energy Management Committee is 20%.

The Human Resources Management Committee is composed of the following members:

- Business Development VP;
- Human Resources VP;
- Manufacturing Performance VP;
- President of the Executive Board.

The Human Resources Management Committee is currently composed exclusively of male members.

3.1.2.3. The role and responsibility of the administrative, management and supervisory bodies in the area of sustainable development (ESRS 2/GOV-1 § 20 (b)/§ 22)

Governance in the area of sustainable development is organized around the following bodies:

3.1.2.3.1. The Executive Board

The Executive Board plays a key role in implementing the Group's sustainable development approach. It meets weekly, and as needed, to ensure that the Group's strategic and financial objectives are met.

The Executive Board decides on AKWEL's strategy and policies, social, environmental and governance matters, and actions to be implemented within the Group.

This includes:

- The development of CSR (Corporate Social Responsibility) policy: the Executive Board helps to define the objectives of the IROs, as well as those related to sustainable development, and is required to ensure that they are aligned with the Group's activities;
- Strategic guidance of decisions: It must ensure that decisions are made in line with sustainability commitments, both in terms of internal practices (carbon footprint reduction, resource management) and in terms of impact on stakeholders (employees, customers, suppliers, etc.).

The Executive Board oversees the management of IROs in terms of sustainability. This includes:

- The assessment of environmental risks, such as CO₂ emissions, waste management and the use of natural resources;
- Assessment of social risks, such as working conditions, human rights in the supply chain and relations with local communities.

It also has to put performance indicators in place to measure progress on IROs. This may include:

- Monitoring of environmental objectives, including the reduction of greenhouse gas emissions, improvements to energy efficiency, etc.;
- Monitoring of social objectives, including improving diversity within the company, reducing workplace accidents, etc.

The Executive Board is regularly kept informed of the management of material IROs by Management Committee supervisors.

As a management body, the Executive Board reports to the Supervisory Board. It presents a quarterly report detailing the actions taken and the results achieved with regard to IROs, as well as those relating to sustainable development. The Executive Board must also ensure that this information is accessible to shareholders, in particular at the General Meeting.

3.1.2.3.2. Executive Committee

The Executive Committee is a space for discussion and information exchange between the various departments, particularly with regard to sustainability issues. It meets twice a month.

3.1.2.3.3. The Supervisory Board

The Supervisory Board reviews and approves the Executive Board's sustainable development strategy, ensures the implementation of actions and monitors their progress. It meets every quarter.

As such, it is responsible for:

- Ensuring that shareholders and investors receive reports on the strategy, development model, the consideration of significant non-financial issues for the Group and its long-term outlook;
- Regularly examining, in line with the strategy adopted by the Executive Board, opportunities and risks such as financial, legal, operational, social and environmental risks and the measures taken accordingly;
- Reviewing the report on the deployment and operation of the anti-corruption system;
- Reviewing the management report;
- Ensuring that the sustainable development strategy implemented by the Executive Board includes an action plan and time horizons for completion of the actions. It reviews the methods for implementing this strategy as presented by the Executive Board, as well as the results achieved annually.

The Supervisory Board is informed of the impacts, risks and opportunities identified as material for AKWEL and, in the context of its prerogatives, carries out regular monitoring and follow-up of the identified subjects.

3.1.2.3.4. The CSR Committee

The CSR Committee is dedicated, within the Supervisory Board, to the preparation of sustainability issues. It meets twice a year.

The CSR Committee oversees the reporting process, the effectiveness of internal control and risk management systems for sustainable development and, where appropriate, internal audits related to sustainable development reporting.

It verifies the consistency between the Group's strategy and the CSR approach and that sustainability issues are properly taken into account.

It monitors the evolution of new non-financial reporting requirements and the reliability of the calculation of non-financial indicators, in particular those relating to the European Taxonomy and the process of developing and monitoring sustainability information. It oversees the drafting of the sustainability report.

It submits recommendations to the Supervisory Board.

The CSR Committee receives comprehensive information on sustainable development issues from the Quality, Compliance and Transformation VP, and the HR VP.

3.1.2.3.5. The Management Committees

The Health and Safety Management Committee and the Environment and Energy Management Committee meet every month under the chairmanship of the President of the Executive Board and under the guidance of the Quality, Compliance and Transformation VP.

The Human Resources Management Committee also meets monthly under the chairmanship of the President of the Executive Board and under the guidance of the Human Resources VP.

These committees are responsible for monitoring, analyzing and guiding IROs within their area of competence.

Members of the Management Committees provide internal CSR expertise, propose strategy, related policies, short, medium and long-term objectives, and work plans resulting from the IROs.

These various elements are presented to the Executive Board for approval and to the Supervisory Board for examination.

These committees also assess performance and the progress of actions through indicators, and make any additional necessary decisions.

Management Committees supervisors are involved in the drafting of the sustainability report.

3.1.2.3.6. The Group's operational and functional departments

The operational and functional departments are responsible for the implementation and management of the action plans and the achievement of the objectives defined in the Executive Board's guidelines on the IROs for which they are responsible.

The operational departments establish their own objectives and actions in line with the expectations set by the Executive Board.

3.1.2.4. The expertise and competence of the administrative, management and supervisory bodies in the area of sustainable development (ESRS 2/GOV-1 § 20 (c))

To date, the members of the Supervisory Board do not yet have specific expertise in environmental sustainability, but their proven experience in social and governance aspects allows them to progressively address sustainability issues.

To remedy this situation, a program of specialized training on environmental issues will be put in place for members of the Supervisory Board. This program will also be extended to members of the Executive Board and the Executive Committee in order to deepen their understanding of sustainability challenges and their ability to integrate IROs into strategic decision-making.

The training sessions will be organized by external experts.

In 2024, all members of the Supervisory Board, the Executive Board and the Executive Committee were made aware of the new expectations of the European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

3.1.2.5. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (ESRS 2/GOV-2)

The CSR Committee, the Audit Committee, the Supervisory Board and the Executive Board are informed, at least twice a year, of the material impacts, risks and opportunities, and the results and effectiveness, of the policies, actions, measures and objectives adopted to address them.

For more information about material IROs, see [section 3.1.3.6 Description of the processes to identify and assess material impacts, risks and opportunities](#).

3.1.2.5.1. Activities of the CSR Committee in the area of sustainable development in 2024

In 2024, the CSR Committee examined:

- The double materiality analysis;
- Non-financial information;
- The mapping, assessment and examination of non-financial risks;
- The reporting methodology;
- The review of sustainable development performance;
- Expectations for the preparation of the 2024 sustainability report.

A report on this work is then presented by the Chair of the CSR Committee to the Supervisory Board.

The list of impacts, risks and opportunities and their relationship to the strategy and business model addressed by the CSR Committee, the Audit Committee and the Supervisory Board is contained in Part [SBM-3, section 3.1.3.7.2 "Results analysis."](#)

3.1.2.5.2. Sustainable development activities of the Supervisory Board in 2024

The Supervisory Board reviewed the Executive Board's quarterly reports on the Group's progress on sustainability and duly noted the report on the work of the CSR Committee.

3.1.2.5.3. Activities of the Executive Board in the area of sustainable development in 2024

Every year, the functional and operational departments present their five-year strategic plan to the Executive Board. This plan incorporates both the Business Roadmap (planning, budget, resources, KPI, etc.) and sustainable development issues, particularly climate issues (energy consumption and CO₂ emissions).

The Executive Board has validated the IROs and examined the Group's progress concerning them.

3.1.2.5.4. Activities of the Health and Safety Management Committee for people and tools and the Environment and Energy Management Committee in relation to sustainable development

In 2024, the following topics were gradually rolled out and will continue in 2025:

- Development of a STOP WORK approach: all Group employees are responsible for stopping any situation deemed to be dangerous;
- Strengthening the safety culture: development of a welcome and awareness program for new hires and visitors, implementation of appropriate standard support;
- Identification of high-risk activities and definition of mandatory behavior and actions for all, i.e. the "golden rules";
- Machine and manual control safety, interference with moving parts and/or powered parts: cross-disciplinary best practices meeting the most demanding standards, and roll-out;
- Structuring to comply with CDP and EcoVadis;
- Visual management and wearing of protective equipment.

The Group uses a standard digital safety register for all its entities. This register now allows for a dynamic scorecard to be updated every week, noting any accidents with lost time, accidents without lost time and incidents, and for priority actions to be determined.

3.1.2.5.5. Activities of the Human Resources Management Committee on sustainable development

In 2024, the Human Resources Management Committee discussed the following topics:

- The AKWEL Academy project;
- The L. Halley survey on Akwelis engagement;
- The people review;
- Promoting AKWEL's DNA.

3.1.2.5.6. Activities of the functional and operational departments in the area of sustainable development

The various functional and operational departments (Industrial Performance, Business Development, Human Resources, etc.) are incorporating the monitoring of the IROs and the relevant actions and objectives.

3.1.2.6. Integration of sustainability results into incentive systems (ESRS 2/GOV-3 § 29)

The remuneration structure of corporate officers is consistent with that applicable to Group managers.

It is made up of fixed remuneration and variable remuneration (annual and multi-year).

As part of AKWEL's commitment to sustainable development and the continuous improvement of its environmental, social and governance performance, the multi-year variable remuneration of members of the Executive Board and Executive Committee is conditional on the award of the EcoVadis silver medal following the assessment of the corporate social responsibility management system by EcoVadis on the basis of the data communicated in 2025.

The multi-year variable remuneration is capped at 10% of the cumulative amount of the annual fixed remuneration paid to each of the members of the Executive Board and managers over the reference period (from January 1, 2023 to December 31, 2025).

The payment of this multi-year bonus is 100% dependent on the award of the EcoVadis silver medal.

The remuneration of corporate officers is the responsibility of the governance bodies (Supervisory Board and General Meeting) and follows a decision-making process in accordance with the recommendations of the Middlednext Code and the legislative provisions provided for in Article L. 22-10-8 of the French Commercial Code.

The management remuneration policy is the responsibility of the Executive Board.

For more information, see paragraph 3.1 of section 3 "Remuneration of corporate officers" of the Supervisory Board's Corporate Governance Report.

3.1.2.7. Statement on due diligence (ESRS 2/GOV-4 § 30)

Essential elements of due diligence	Paragraph in the sustainability report
Integrate due diligence into governance, strategy and business model	GOV-1 The role of the administrative, management and supervisory bodies GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies GOV-3 Integration of sustainability-related performance in incentive schemes ESRS 2: Strategy, business model and value chain (SBM-1)
Engage with the stakeholders concerned at all stages of the due diligence process	SBM-2 Interests and views of stakeholders
Identify and assess negative impacts	IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities
Take action to address these negative impacts	ESRS E1: Actions and resources in relation to climate change policies (E1-3) ESRS E2 Actions and resources related to pollution (E2-2) ESRS E3: Actions and resources related to water and marine resources (E3-2) ESRS E4: Actions and resources related to biodiversity and ecosystems (E4-3) ESRS E5: Actions and resources related to resource use and circular economy (E5-2) ESRS S1: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4) ESRS S2: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4) ESRS S3: Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (S3-4) ESRS S4: Targets related to managing material negative impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)
Monitoring the effectiveness of these efforts and communicating	ESRS E1: Targets related to climate change mitigation and adaptation (E1-4) ESRS E1: Energy consumption and energy mix (E1-5) ESRS E1: Gross GHG emissions from scopes 1, 2, 3 and total GHG emissions (E1-6) ESRS E2: Pollution of air, water and soil (E2-4) ESRS E3: Targets related to water and marine resources (E3-3) ESRS E3: Water consumption (E3-4) ESRS E4: Impact metrics related to biodiversity and ecosystems change (E4-5) ESRS E5: Targets related to resource use and circular economy (E5-3) ESRS E5: Resource inflows (E5-4) ESRS E5: Resource outflows (E5-5) ESRS S1: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5) ESRS S1: Characteristics of the undertaking's employees (S1-6) ESRS S1: Characteristics of non-employee workers in the undertaking's own workforce (S1-7) ESRS S1: Collective bargaining coverage and social dialogue (S1-8) ESRS S1: Diversity metrics (S1-9) ESRS S1: Adequate wages (S1-10) ESRS S1: Social protection (S1-11) ESRS S1: Persons with disabilities (S1-12) ESRS S1: Training and skills development metrics (S1-13) ESRS S1: Health and safety metrics (S1-14) ESRS S1: Work-life balance metrics (S1-15) ESRS S1: Compensation metrics (pay gap and total compensation) (S1-16) ESRS S2: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5) ESRS S4: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

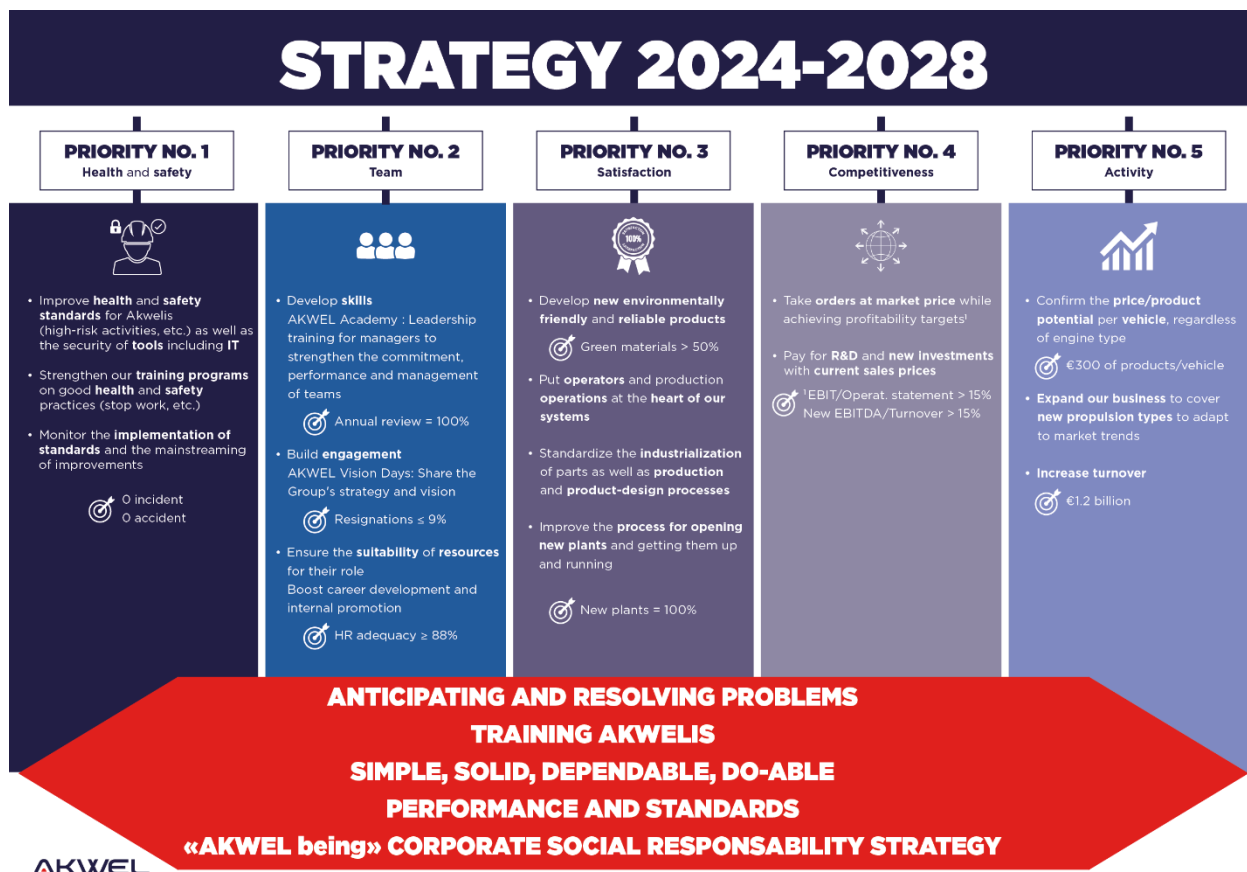
3.1.3. Strategy, business model and value chain (ESRS 2 SBM-1)

3.1.3.1. Strategy (ESRS 2 SBM-1 § 38)

Our Mission, Vision and Values make collaboration truly meaningful. These three pillars help to define our strategy and guide its implementation in our employees' daily work. They are essential to the success and growth of the Group. The strategy is the way forward.

It determines the actions to be put in place as a priority and the resources to be used to achieve the associated objectives.

Sustainability targets have been set at Group level and are not dependent on product type, geographical area or customer type.



*AKWEL employees

This strategy is based on the Group's ability to capitalize on its expertise and mastery of materials to develop new products, the growing use of mechatronics, a constantly evolving organization, an ever finer understanding of customer needs, and the ongoing training of its teams.

The Group conducts its business in a constantly changing environment, with a wide range of challenges and stakeholders (customers, competitors, suppliers, local authorities, investors, etc.).

The impacts, risks and opportunities related to our business are identified, qualified and addressed in order to control the future of the Group.

AKWEL undertakes to:

- Reduce its CO₂ footprint and offer sustainable mobility solutions;
- Engage in an open, responsible and balanced way with its stakeholders;
- Contribute to economic development and create social value through local hiring;
- Encourage the greatest possible diversity in its recruitment and career management processes, while promoting working conditions tailored to individual needs;
- Provide professional training and career development for its employees.

The Group's strategy is based on a commitment to a transition to a sustainable economic model. The main pillars of this strategy include decarbonizing its activities, promoting diversity and inclusion and optimizing the use of natural resources.

Each pillar is supported by specific and measurable objectives, defined in accordance with the requirements of the ESRS and monitored quarterly.

In accordance with the ESRS, the Group has formalized an impact assessment framework for its sustainability policies. This framework assesses the effectiveness of each policy in relation to the Sustainable Development Goals (SDGs).

Every year the Group carries out its review to ensure that it remains in line with regulatory developments and stakeholder expectations.

3.1.3.2. The business model (ESRS 2 SBM-1 § 38)



3.1.3.2.1. Presentation of AKWEL (ESRS 2 SBM-1 § 38)

3.1.3.2.1.1. A Global Tier 1 Parts Manufacturer

AKWEL is a parts and systems manufacturer for the automotive and heavy-vehicle industries, specialized in fluid management (84% of turnover), mechanisms (14% of turnover) and e-powertrain parts for electric and other vehicles (2% of turnover).

Its business model is based on the design, manufacture and supply of components and systems for automotive manufacturers (OEMs) and, in some cases, the aftermarket.

Its business is built around an integrated value chain, ranging from research and development (R&D) to industrial production, raw material supply and logistics.

AKWEL develops innovative solutions in response to the performance, safety and sustainability requirements imposed by the automotive industry and environmental regulations.

Its business model is based on long-term contracts with manufacturers, which often involve volume and quality commitments.

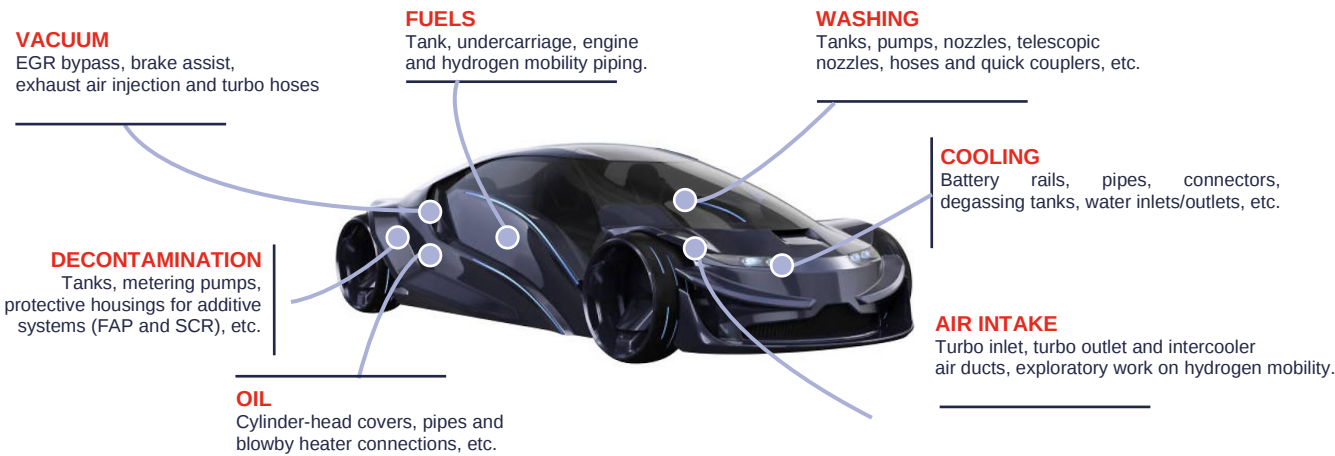
Optimization of production costs, efficient supply chain management and adoption of advanced technologies (such as vehicle electrification or lightweight materials) are essential to maintain its competitiveness.

AKWEL mainly buys plastics, metal and rubber, which are essential for the manufacture of its products.

3.1.3.2.1.2. Three main areas of expertise (ESRS 2 SBM-1 § 40 (a))

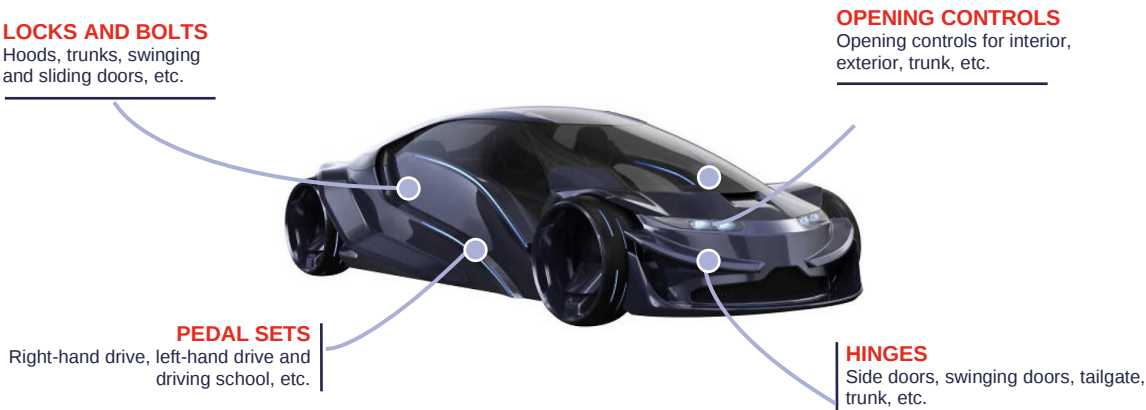
FLUID MANAGEMENT

Storage, dosing, transfer, reheating, cooling, separation, mixing, filtration, etc.



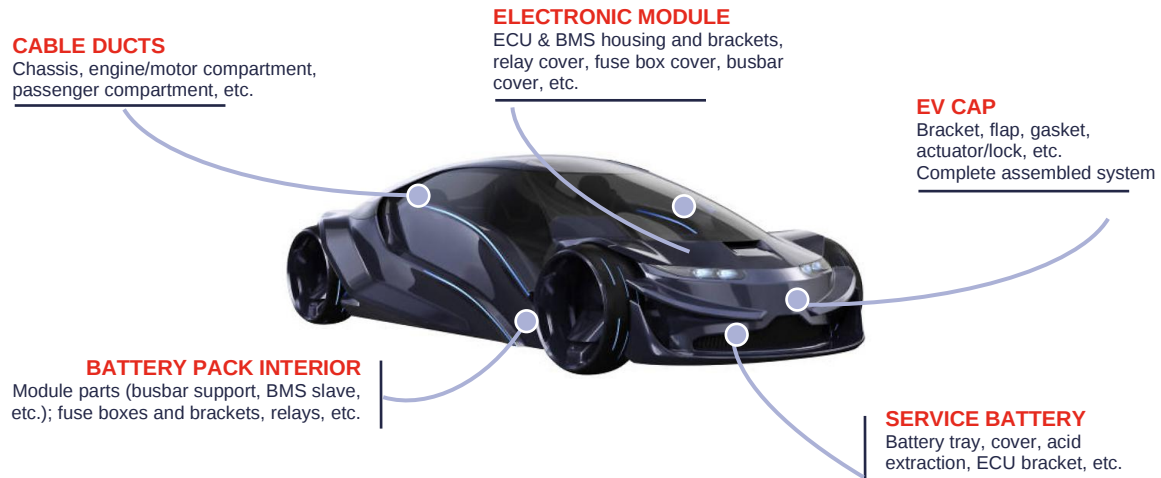
MECHANISMS

Hoods, trunks, side doors, swinging doors, car bodies, etc.



STRUCTURAL PARTS FOR ELECTRIC AND OTHER VEHICLES

Complex shapes, specific materials (GF/GB, CTI, V0), easy assembly, recycling



Diversified Turnover Focused on the Mobility of the Future

AKWEL supports numerous brands in their efforts to produce more environmentally friendly vehicles, by developing and distributing high-performance products and systems. Our Akwelis community possesses first-rate industrial and technological know-how in the application and transformation of materials and in mechatronics integration.

3.1.3.2.1.3. An International Presence Close to Its Customers

Present in 20 countries, covering 5 continents and with 34 production sites, AKWEL provides its customers with innovative, reliable solutions at competitive prices, thanks to the skills and commitment of its 8626 employees.

AKWEL's facilities are located as close as possible to production and delivery sites.



3.1.3.3. Value chain (ESRS 2 SBM-1 § 42)

AKWEL's value chain is diverse and brings together a variety of activities and stakeholders from raw material supply to the end consumer.

The upstream value chain includes all actors in its supply chain contributing to the Group's economic activities.

These actors include:

- **Suppliers of raw materials** that supply the basic materials needed to manufacture the products (metals, plastics, rubbers);
- **Suppliers of components** that produce specific parts or sub-assemblies used by AKWEL in its finished products. These can provide electronic components, braking systems, sensors and other technical parts;
- **Suppliers of capital goods** (machines, robots, tools, computer equipment, etc.). They may be local, national or international, and are selected according to the requirements of the pre-established criteria for traceability and sustainability;
- **Logistics providers** transport and manage stocks of raw materials, components and finished products;
- **Research centers and R&D partners and customers** working together to innovate and improve products. They are involved in the development of new technologies, the integration of greener solutions and the improvement of component efficiency.

Activities related to the value chain downstream of AKWEL are focused on the use of products manufactured by the Group.

The main actors in this process are:

- **Manufacturers:** Automotive manufacturers are AKWEL's main customers. They buy the products and components supplied by AKWEL to integrate them into their vehicles. The relationship with automotive manufacturers is key because they impose specific requirements in terms of quality, innovation and sustainability, particularly in the context of environmental commitments;
- **Distributors and resellers:** Although most of AKWEL's production goes directly to manufacturers, some components may also be distributed through specialized resellers or distributors for maintenance, repair or spare part market needs;
- **Customers of automotive manufacturers** (end-users): Although they do not interact directly with AKWEL, end-users use vehicles that incorporate AKWEL products and components. The requirements and expectations of end-users with regard to sustainability, performance and safety influence value chain innovations;
- **Regulators and standardization bodies:** Governments, regulatory bodies and international organizations play an important role in setting standards and regulations. These include environmental, safety and quality requirements that influence the entire value chain from design to market;
- **After-sales service providers:** These actors include maintenance workshops and automotive repair services that work with manufacturers to maintain and repair vehicles.

All these actors contribute interdependently to the AKWEL value chain, with each link playing an essential role in the efficiency and sustainability of the overall process.

As part of its commitment to sustainable production, AKWEL recognizes the importance of every stage of its value chain, from product design to end-of-life management.

Staff and employee representatives are an integral part of AKWEL's activities and contribute to the Group's success. Local communities are also key stakeholders as they are integrated in the immediate surroundings of AKWEL's production sites.

Financial partners, such as investors and banks, provide AKWEL with the necessary capital to ensure its development.

3.1.3.4. Interests and views of stakeholders (ESRS 2 SBM-2 § 42)

3.1.3.4.1. Commitment to the Sustainable Development Goals (SDGs)

In 2015, members of the United Nations defined 17 Sustainable Development Goals that call for action from all countries — poor, rich and middle-income — and provide the approach to follow in order to achieve a better, more sustainable future for all.

Out of the 17 Sustainable Development Goals, AKWEL focuses on 7 SDGs that it considers relevant to the Group and its stakeholders and to which it can and wants to contribute.

AKWEL has defined its commitments and aims to constantly pursue their achievement and to add to them through objectives, measures and key performance indicators.

Environmental	Social	Governance
 	   	

3.1.3.4.2. Engagement with stakeholders (SBM-2 § 45)

The Group's main stakeholders are employees, customers and suppliers, as well as accreditation bodies and public bodies.

Discussions with stakeholders have not led to any changes in the strategy to date. No changes are currently envisaged, while we remain attentive to the expectations expressed.

Engagement with the Group's stakeholders is described in the table below:

	Workforce	Customers	Suppliers	Financial partners	Regulators
Who are they?	Employees, employee representatives	Automotive manufacturers	Suppliers	Shareholders, investors, banks	Public bodies, certification bodies
Expectations	• Training and development • Occupational health and safety • Well-being at work • Ethics • Diversity and inclusion • Societal values	• Ethics • Quality of service • Operational excellence • Occupational health and safety • Cybersecurity • Reduced GHG emissions	• Occupational health and safety • Long-term relations	• Financial performance • CSR commitment	-
Types of engagement	• Engagement surveys • Meetings of the CESC and the European Committee • One-on-one interviews • Internal communication • Quarterly meeting • Ethics Charter and Codes	• Tender discussions (RFQ) • Technical meetings • Road show (Tech Day) • Social media	• Tender discussions (RFQ) • Technical meetings • Code of Conduct for partners • EcoVadis ratings • Annual letter to suppliers as a reminder of the Group's objectives and expectations	• Meetings with shareholders and investors (investor days, road shows, individual meetings, general meetings) • Publication of official documents: Financial report, • Financial results, press releases	• Responses to questionnaires • Audits
Responses provided	• Signatures of collective agreements • Implementation of the "Stop Work" approach	• Commitment on PPM and IPB levels • EcoVadis rating • IATF 16949 labeling • ISO certification (9001-14001-45001-27001-50001) • TISAX labeling • CDP • Responses to customer questionnaires	• TISAX labeling • ISO certifications, etc. • Adherence to the Ethics Charter	-	-

3.1.3.5. Management of sustainability-related impacts, risks and opportunities (ESRS 2 / GOV-5)

To date, AKWEL has not yet implemented a formalized internal control system specifically dedicated to sustainability information.

However, AKWEL is aware of the challenges related to the reliability and quality of non-financial disclosures and so is actively working on the structuring of this system.

With this in mind, AKWEL will conduct an in-depth analysis aimed at identifying the risks associated with the collection, consolidation and reporting of sustainability data. This approach is part of a desire for continuous improvement and compliance with regulatory requirements, in particular those of the CSRD and the ESRS.

The aim is to gradually integrate appropriate internal control mechanisms to ensure robust governance and increased transparency on AKWEL's environmental, social and governance performance.

3.1.3.6. *Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 / IRO-1 § 53)*

3.1.3.6.1. *Publication of information on the materiality assessment procedure (ESRS 2 / IRO-1)*

In 2024, AKWEL carried out its double materiality analysis at the Group level with the support of an external consulting firm in order to guarantee the robustness and neutrality of the methodology.

For this first double materiality analysis exercise, AKWEL did not directly solicit external stakeholders.

The double materiality analysis takes into account two dimensions:

- Impact materiality, which refers to impacts, positive and negative, real or potential, on the environment and on people, related to the activities of the Group and its value chain;
- Financial materiality, which refers to the positive (opportunity) and negative (risk) effects related to sustainability issues on AKWEL's financial performance.

The analysis conducted by AKWEL incorporates the entire scope of its value chain.

Each year, AKWEL plans a review of the materiality analysis to ensure the absence of a generating event requiring an update of the double materiality analysis and a more in-depth review at a frequency that remains to be defined.

The identification and assessment of IROs have been centralized at Group level by a working group (hereinafter referred

to as the "Working Group"), composed of several departments (Quality, Compliance and Transformation, Human Resources, Purchasing, Legal & Financial, Business Development and Group Product Line) during workshops and working meetings. This has enabled us to benefit from a global and strategic vision of the challenges involved.

The results of the double materiality analysis have been approved by the Executive Board. These results have also been presented to the CSR Committee and the Supervisory Board.

3.1.3.6.2. *Identification of impacts, risks and opportunities*

Developing the list of IROs is the first step in the double materiality process.

The process of drawing up this list followed the principles mentioned below:

- The identification of IROs was structured around the detailed list of sustainability matters proposed by ESRS 1 AR 16. This analysis takes into account AKWEL's strategic priorities and the expectations of stakeholders (customers, suppliers, investors, etc.);
- IROs were identified taking into account all of the Group's activities and its value chain.

When identifying IROs, where appropriate, the specificities of its activities and of the geographical areas in which it operates were taken into account:

- Risks were identified using the Group's risk management system;
- IROs are considered in a "gross" way, i.e. without taking into account the action plans implemented by AKWEL to prevent, mitigate or remediate the realization of risks and negative impacts, or to amplify its positive impacts and opportunities.

The identification of IROs has made it possible to identify the impacts for which AKWEL is directly responsible and those resulting from its value chain.

3.1.3.6.3. *Assessment of the materiality of impacts, risks and opportunities*

The assessment of the impact materiality and financial materiality of AKWEL's IROs on the environment and people is the second step in the process of the double materiality analysis.

Impact materiality – impact rating method

The aim of this step was to assess the materiality/importance of AKWEL's impacts on the environment and people.

AKWEL applied the objective criteria defined in chapter 3.4 of ESRS 1 using appropriate quantitative and qualitative thresholds to assess the importance of current and potential impacts, which is based on severity and, for potential impacts, also on probability.

Each impact was assessed according to the following criteria:

- If the impact is classed as negative, the following four criteria are to be scored:
 - Magnitude: the severity of the consequences on the environment and on a stakeholder in the short term (less than one year), medium term (two to five years) and long term (more than five years). The probable evolution of some impacts was anticipated in order to identify future issues;
 - Scope/extent;
 - Irremediable nature: applies only to negative impacts when the damage is irreversible;
 - Probability of being realized: classified into four levels: low, significant, major, critical.

In the case of a potential negative impact on human rights, the severity of the impact (criteria 1, 2 and 3), AKWEL took into account the fact that the severity of the impact outweighs its probability.

- If the impact is classed as positive, the following three criteria are to be scored:
 - Magnitude;
 - Scope/extent;
 - Probability of being realized.

Financial materiality – method of assessing risks and opportunities

The aim of this step was to assess the materiality/importance of the risks and opportunities generated by sustainability issues.

Each sustainability risk and opportunity was assessed based on the potential magnitude of the short-, medium- and long-term financial effects and its probability of occurrence. AKWEL applied the objective criteria set out in chapter 3.5 of ESRS 1 using appropriate quantitative and qualitative thresholds to assess magnitude and probability.

- The financial materiality of risks and opportunities is assessed on the basis of a combination of:
 - The potential magnitude of financial impacts;
 - The probability of occurrence.

3.1.3.7. Publication requirements for ESRS covered by the sustainability report (ESRS2 – IRO 2 – SBM 3)

3.1.3.7.1. Setting materiality thresholds

Materiality thresholds were established using the same methodology as that used internally to set the criticality thresholds

for the risk analysis (half of the scale used).

The threshold for impact materiality selected is set at 6 and the threshold for financial materiality was set at 12.

3.1.3.7.2. Analysis of results

Of the seven sustainability topics identified and translated into IRO in the governance topic, three topics were identified as material. The three subjects selected were considered to have only financial materiality.

In total, 90 IROs were identified based on the list of sustainability matters proposed by ESRS 1 AR 16 (46 IROs in environmental matters, 37 IROs in social matters and 7 IROs in translated governance matters), and 1 specific IRO (cybersecurity management) not on this list.

Environmental matters are the most material for AKWEL, since 18 IROs were identified as material out of the 46 IROs identified. Of the 18 IROs, 6 matters were regarded as having impact materiality, 2 as having financial materiality and 4 as having double materiality.

Of the 37 sustainability IROs identified and translated into IROs in social topics, 12 were identified as material. Of the 12 social IROs, 7 IROs were regarded as having impact materiality, 1 as having financial materiality and 4 as having double materiality.

Of the 7 IROs identified in the governance topic, 3 IROs were identified as material. The 3 IROs selected were regarded as having only financial materiality.

One AKWEL-specific IRO has been identified as material. This IRO was regarded as not having financial materiality.

Regarding the potential/expected financial effects, AKWEL applies the transitional provisions of ESRS 1.

The outcome of the assessment is presented below:

ENVIRONMENT

ESRS	Sub-topics	Matter	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
E1 Climate change	Climate change adaptation	Physical risks that may affect the Group's business	Decrease in, or even stoppage of, the activity of production sites or the production sites of suppliers in case of climatic hazards.	Physical risk			X	X	
	Climate change mitigation	Carbon footprint and sobriety of production (Scopes 1 and 2)	GHG emissions related to AKWEL's production activity and energy consumption.	Negative impact	X			X	
			GHG emissions from extraction and transportation of raw materials purchased by AKWEL.	Negative impact	X		X	X	X
			Loss of market share due to non-compliance with environmental criteria imposed by customers or regulators.	Financial risk of transition			X	X	X
		Carbon footprint and sobriety of production (Scope 3)	Increased demand for electric vehicles due to growing environmental awareness among consumers and to incentivising or even coercive regulation (ban on the sale of new combustion-engine vehicles in Europe from 2035).	Financial opportunity			X	X	X
			GHG emissions from extraction and transportation of raw materials purchased by AKWEL.	Negative impact	X		X	X	
			Loss of business relationship (with customers) as a result of market changes (transition from combustion-engine market to the electrical market).	Transition financial risk			X	X	X
	Energy	Energy efficiency	Pressure on natural resources related to the use of fossil fuels in production.	Negative impact	X		X	X	

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
E2 Pollution	Pollution of soil	Soil pollution	Soil degradation due to waste from AKWEL's production sites or its upstream or downstream value chain.	Negative impact		X	X	X	X
	Pollution of water	Water pollution	Pollution of stormwater and process water due to waste from production sites (e.g. infiltration on parking lots, industrial plastic pellets).	Negative impact		X		X	
			Water pollution due to the industrial processes of suppliers in the value chain.	Negative impact		X	X		
			Deterioration in the health of local populations in the event of water pollution due to the industrial processes of suppliers.	Negative impact		X	X		
			Financial penalties for failing to comply with stricter regulations or a breach of regulations (hydrocarbons in groundwater, discharge threshold exceeded > penalty of up to €50,000).	Financial risk			X		
	Pollution of air	Air pollution	Deterioration in air quality due to waste from AKWEL's production sites and its value chain.	Negative impact		X	X	X	X
E3 Water and marine resources	Water	Water management	Pressure on water resources (consumption) particularly in regions/geographical areas identified as being at risk from water stress.	Negative impact	X		X	X	

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
E4 Biodiversity and ecosystem	Impact on the extent and condition of ecosystems Impacts and dependencies on ecosystem services	Biodiversity – resilience of supply chains: Impact on the extent and condition of ecosystems Impact and dependence on ecosystem services	Degradation of ecosystems due to the sourcing of raw materials (e.g. deforestation related to the use of vegetable oil to reduce the use of rubber-metal, electronic components).	Negative impact	X		X		X
	Direct impact on loss of biodiversity – impact on the status of species	Biodiversity – impact of activities on ecosystem integrity	Negative environmental impacts related to land artificialization.	Negative impact	X			X	
	Impact on the extent and condition of ecosystems Impacts and dependencies on ecosystem services	Biodiversity – resilience of supply chains: responsible procurement	Disruption of the supply chain due to scarcity of raw materials from ecosystems.	Financial risk			X		
E5 Circular economy and waste	Waste	Waste management and recovery	Environmental footprint of waste related to the end of life of products (treatment, recovery, sorting, etc.).	Negative impact	X		X	X	X
	Resource inflows, including resource use	Resource management and eco-design	Risks of additional costs associated with higher prices of eco-designed raw materials.	Financial risk			X	X	X
	Waste	Waste management and recovery	Environmental footprint of waste generated by production activities.	Negative impact	X		X	X	X
	Resource outflows related to products and services	Resource management and eco-design	Diversification of activity through end-of-life reconditioning.	Financial opportunity			X	X	X

SOCIAL

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
S1 Own workforce	Other work-related rights	Respect of privacy	Violation of the privacy of customers in the event of their personal data being mismanaged.	Negative impact		X	X	X	X
	Working conditions	Employee health and safety	Deterioration of the health and safety of employees in the event of workplace accidents or occupational diseases.	Negative impact	X			X	
			Financial costs in the event of a workplace accident due to employer gross negligence (increased contribution and insurance rates).	Financial risk				X	
		Workforce management	Job insecurity due to the use of short-term contracts or sudden redundancies not meeting basic needs.	Negative impact		X		X	
			Development of employees due to taking into account the needs and expectations of employees in the Group's strategy.	Positive impact	X			X	
			Reduced ability to attract and retain talent due to outdated working conditions (tools, telework, etc.).	Financial risk				X	
			Reduced productivity caused by employee disengagement and/or significant industrial disputes.	Financial risk				X	
		Adequate wages	Deterioration in the standard of living due to inadequate wages that do not provide for basic needs.	Negative impact		X		X	
		Training and skills development	Loss of employee employability due to poor management of professional development.	Negative impact	X			X	
			Increased productivity through the development of training in digital tools and artificial intelligence in order to optimize R&D and production processes.	Financial opportunity				X	
			Lack of competitiveness due to employees lacking expertise in new process technologies related to the energy transition.	Financial risk				X	
	Equal treatment and equal opportunities for all	Gender equality and equal pay for work of equal value	Employee discrimination related to a breach of the principle of gender equality and equal opportunities.	Negative impact		X		X	

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
S2 Workers in the value chain	Working conditions	Working conditions of workers in the value chain	Pressure from AKWEL on suppliers impacting the mental health of workers in the value chain.	Negative impact due to isolated incidents		X	X		X
	Other work-related rights	Other fundamental rights in the value chain	In the event of the recruitment of minors and/or illegal work by AKWEL subcontractors, there may be an infringement of these children's fundamental rights to education.	Negative impact due to isolated incidents		X	X		X
S3 Affected communities	Economic, social and cultural rights of communities	Pressure on resources and nuisances to communities	Noise pollution harming the living conditions of communities neighboring the production sites.	Systemic negative impact	X		X	X	X
S4 Consumers and end-users	Safety of consumers and/or end-users	Quality and safety of products	Harmful to the health and safety of consumers and/or end-users in the event of the development or design of faulty and unsuitable products (e.g. pedal sets).	Negative impact due to isolated incidents		X		X	X
			Disputes related to products that are defective and in breach of current regulations concerning the health and safety of end-users.	Financial risk			X	X	X
	Impacts related to information for consumers and/or end-users	Protecting customer information	Violation of the privacy of customers in the event of their personal data being mismanaged.	Negative impact due to isolated incidents		X	X	X	X
		Information and satisfaction of end-user customers and consumers	Financial costs related to regulatory and technological developments and to meet growing expectations for sustainability.	Financial risk			X	X	X

GOVERNANCE

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
G1 Business conduct	Corruption and bribery	Ethics, business integrity and anti-corruption	Legal and reputational risk in the event of a breach of business ethics.	Financial risk			X	X	X
	Managing supplier relationships including payment practices	Managing supplier relationships	Cessation of activity due to dependence on, or mismanagement of, supplier contracts.	Financial risk			X	X	X

SPECIFIC

ESRS	Sub-topics	Challenge	Description	IRO type	Impact		Scope		
					Current	Potential	Upstream value chain	Own activity	Downstream value chain
NA – Specific	Cybersecurity	Cybersecurity management at AKWEL	Financial and reputational risks in the event of cyberattacks.	Financial risk	-	-	X	X	X

NB: The following subjects are excluded from the scope of the analysis because they are considered too far from the Group's activity and therefore non-material:

- The fight against food waste;
- The fight against food insecurity;
- Respect for animal welfare;
- Responsible, equitable and sustainable food.

3.1.3.8. Publication requirements for the ESRS covered by the sustainability statement (ESRS-2 IRO-2 § 56)

Following the determination of material impacts, risks and opportunities, the Group assessed the materiality and relevance of each publication requirement, then each datapoint.

ESRS standard	Publication requirement	Reference
ESRS 2	BP-1 – BP-2 – Basis for preparation	Section 3.1.1
ESRS 2	GOV-1 – GOV-5 – Governance	Section 3.1.2
ESRS	2 SBM-1 – SBM-3 – Strategy	Section 3.1.3.1
ESRS 2	IRO-1 – IRO-2 – Impact, risk and opportunity management	Section 3.1.4
ESRS 2	MDR-P/A/M/T – Minimum disclosure requirements on policies, actions, metrics and targets	Each ESRS topic
ESRS E1	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with the strategy and business model	Section 3.2.2.3
ESRS E1	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Section 3.2.2.4
ESRS E1	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	Section 3.1.2.6
ESRS E1	E1-1 – E1-8	Sections 3.2.2.2 to 3.2.2.11
ESRS E1	E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Transitional provision
ESRS E2	ESRS-2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Section 3.2.3.1
ESRS E2	E2-1 – E2-4.	Sections 3.2.3.2 to 3.2.3.5
ESRS E2	E2-4 28 a: Each pollutant released to water and soil listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council	Not available
ESRS E2	E2-5 – Substances of concern and substances of very high concern	Non-material
ESRS E2	E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	Transitional provision
ESRS E3	ESRS-2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Section 3.2.4.1
ESRS E3	E3-1 – E3-4.	Sections 3.2.4.2; 3.2.4.4 to 3.2.4.6
ESRS E3	E3-5 – Potential financial effects from water and marine resources-related impacts, risks and opportunities	Transitional provision
ESRS E4	ESRS-2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Section 3.2.5.3
ESRS E4	E4-3 – Financial impacts (direct and indirect costs), in monetary terms, of measures to compensate for biodiversity loss	Section 3.2.5.5
ESRS E4	E4-6 – Potential financial effects from biodiversity and ecosystem-related risks and opportunities	Transitional provision
ESRS E5	ESRS-2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Section 3.2.6.1
ESRS E5	E5-1 – E5-4.	Sections 3.2.6.3 to 3.2.6.6
ESRS E5	E5-5 – Resource outflows	Section 3.2.6.7
ESRS E5	E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Transitional provision
ESRS S1	ESRS-2 SBM-2 – SBM-3 – Strategy	Section 3.3.1.1
ESRS S1	S1-1 – S1-17	Sections 3.3.1.3 to 3.3.1.20
ESRS S1	S1-9 66b – Distribution of employees by age group	Section 3.3.1.13.2
ESRS S1	S1-16 – Gender pay gap and total annual remuneration ratio (RRAT) not calculated on the basis of all remuneration granted (i.e. deferred remuneration and retirement) to align numerators and denominators	Section 3.3.1.19
ESRS S1	S1-17 103c – The total amount of fines, penalties and compensation for damages as a result of incidents and complaints, (for discrimination including harassment), as well as a reconciliation of these monetary amounts and the most relevant amount presented in the financial statements	Section 3.3.1.20.1
ESRS S1	S1-17 104b – The total amount of fines, penalties and compensation for damages resulting from the cases described in point (a) above [severe human rights incidents], and a reconciliation of the amounts thus declared and the most relevant amount presented in the financial statements	Section 3.3.1.20.2
ESRS S2	ESRS-2 SBM-2 – SBM-3 – Strategy	Section 3.3.2.2
ESRS S2	S2-1 – S2-5.	Sections 3.3.2.3 to 3.3.2.7
ESRS S3	ESRS-2 SBM-2 – SBM-3 – Strategy	Section 3.3.3.2
ESRS S3	S3-1 – S3-5.	Sections 3.3.3.3 to 3.3.3.7
ESRS S4	ESRS-2 SBM-2 – SBM-3 – Strategy	Section 3.3.4.2
ESRS S4	S4-1 – S4-5.	Sections 3.3.4.3 to 3.3.4.7
ESRS G1	ESRS-2 GOV-1 – The role of the administrative, management and supervisory bodies	Section 3.4.1.1
ESRS G1	ESRS-2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Section 3.4.1.2
ESRS G1	G1-1 – G1-4, G1-6	Sections 3.4.1.3 to 3.4.2.3
ESRS G1	G1-6 33a, b, c, d – Supplier payment deadlines	Not available
ESRS G1	G1-5 – Political influence and lobbying activities	Non-material

3.1.3.9. List of datapoints for cross-cutting and topical standards derived from other EU legislation.

Below is a list of datapoints for cross-cutting and topical standards derived from other EU legislation.

The table below aims to meet the regulatory obligation of the European Union Directive CSRD, ESRS 2, Appendix B, which contains a list of datapoints related to the sustainability of other European Union legislation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Reference), as well as a table of concordance between these datapoints and their equivalent within the CSRD.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Financial report section
ESRS 2 GOV-1 Gender diversity in governance bodies, paragraph 21 (d)	Indicator No 13, table 1, Annex I.		Annex II to Commission Delegated Regulation (EU) 2020/1816 (1);		Management report, chapter 3, section 3.2, paragraph 3.1.2.1.1. (iii)
ESRS 2 GOV-1 Percentage of independent directors, paragraph 21 (e)			Annex II to Commission Delegated Regulation (EU) 2020/1816		Management report, chapter 3, section 3.2, paragraph 3.1.2.1.1. (iii)
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator No 10, table 3, Annex I				Management report, chapter 3, section 3.2, paragraph 3.1.2.7.
ESRS 2 SBM-1 Involvement in activities related to fossil fuels, paragraph 40 (d) (i)	Indicator No 4, table 1, Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (2), table 1: Qualitative information on environmental risk and table 2: Qualitative information on social risk	Annex II to Commission Delegated Regulation (EU) 2020/1816		Non-material
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) (ii)	Indicator No 9, table 2, Annex I		Annex II to Commission Delegated Regulation (EU) 2020/1816		Non-material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) (iii)	Indicator No 14, table 1, Annex I		Article 12 (1) of Delegated Regulation (EU) 2020/1818 (3), Annex II to Delegated Regulation (EU) 2020/1816		Non-material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) (iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) of Delegated Regulation (EU) 2020/1816, Annex II.		Non-material
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Article 2 (1) of Regulation (EU) 2021/1119	Management report, chapter 3, section 3.2, paragraph 3.2.2.2
ESRS E1-1 Undertakings excluded from the Paris-aligned benchmark indexes (Paris Agreement), paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453 Model 1: Banking book — Climate change transition risk: Credit quality of exposures by sector, issues and residual maturity	Article 12(1) (d) to (g) and Article 12(2), Delegated Regulation (EU) 2020/1818		Management report, chapter 3, section 3.2, paragraph 3.2.2.2
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator No 4, table 2, Annex I.	Article 449a Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453 Model 3: Banking book — Climate change transition risk: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		Management report, chapter 3, section 3.2, paragraph 3.2.2.7
ESRS E1-5 Energy consumption from fossil fuels broken down by energy source (only sectors with a strong climate impact), paragraph 38	Indicator No 5, table 1 and indicator No 5, table 2, Annex I				Management report, chapter 3, section 3.2, paragraph 3.2.2.8
ESRS E1-5 Energy consumption and energy mix, paragraph 37	Indicator No 5, table 1, Annex I				Management report, chapter 3, section 3.2, paragraph 3.2.2.8
ESRS E1-5 Energy intensity of activities in sectors with high climate impact, paragraphs 40 to 43	Indicator No 6, table 1, Annex I				Non-material
ESRS E1-6 Gross GHG emissions from Scopes 1, 2 or 3 and total GHG emissions, paragraph 44	Indicators 1 and 2, table 1, Annex I	Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453 Model 1: Banking portfolio — Climate change transition risk: Credit quality of exposures by sector, issues and residual maturity	Article 5(1), Article 6 and Article 8(1) of Delegated Regulation (EU) 2020/1818		Management report, chapter 3, section 3.2, paragraph 3.2.2.9
ESRS E1-6 Intensity of gross GHG emissions, paragraphs 53 to 55	Indicator No 3, table 1, Annex I	Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453 Model 3: Banking portfolio — Climate change transition risk: Alignment indicators	Article 8 (1) of Delegated Regulation (EU) 2020/1818		Management report, chapter 3, section 3.2, paragraph 3.2.2.9

ESRS E1-7 GHG removals and carbon credits, paragraph 56		Article 2 (1) of Regulation (EU) 2021/1119	Management report, chapter 3, section 3.2, paragraph 3.2.2.10
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66		Annex II to Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816	Transitional provision
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets exposed to material physical risk, paragraph 66 (c)		Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47 Model 5: Banking book — Physical risk related to climate change: exposures subject to physical risk.	Transitional provision
ESRS E1-9 Breakdown of the carrying amount of the company's real estate assets by energy-efficiency class, paragraph 67 (c)		Article 449a of Regulation (EU) No 575/2013, Commission Implementing Regulation (EU) 2022/2453(34), Model 2: Banking portfolio — Climate change transition risk: Mortgages — Energy efficiency of collateral	Transitional provision
ESRS E1-9 Degree of exposure of the book to climate-related opportunities, paragraph 69		Annex II to Commission Delegated Regulation (EU) 2020/1818	Transitional provision
ESRS E2-4 Amount of each pollutant listed in Annex II to Regulation E-PRTR (European Pollutant Release and Transfer Register) released to air, water and soil, paragraph 28	Indicator No 8, table 1, Annex I, indicator No 2, table 2, Annex I, Indicator No 1, table 2, Annex I; indicator No 3, table 2, Annex I		Not available
ESRS E3-1 Water and marine resources, paragraph 9	Indicator No 7, table 2, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.4
ESRS E3-1 Dedicated policy, paragraph 13	Indicator No 8, table 2, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.4.3
ESRS E3-1 Sustainable practices with regard to oceans and seas, paragraph 14	Indicator No 12, table 2, Annex I		Non-material
ESRS E3-4 Total percentage of water recycled and reused, paragraph 28(c)	Indicator No 6.2, table 2, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.4.6
ESRS E3-4 Total water consumption in m ³ in relation to the turnover generated by the company's own activities, paragraph 29	Indicator No 6.1, table 2, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.4.6
ESRS 2- SBM 3 - E4 Paragraph 16, point (a) i	Indicator No 7, table 1, Annex I		Non-material
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator No 10, table 2, Annex I		Non-material
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator No 14, table 2, Annex I		Non-material
ESRS E4-2 Sustainable land/agricultural practices or policies, paragraph 24 (b)	Indicator No 11, table 2, Annex I		Non-material
ESRS E4-2 Sustainable practices or policies with regard to oceans/seas, paragraph 24 (c)	Indicator No 12, table 2, Annex I		Non-material
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator No 15, table 2, Annex I		Non-material
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator No 13, table 2, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.6.7.
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator No 9, table 1, Annex I		Management report, chapter 3, section 3.2, paragraph 3.2.6.7.
ESRS 2- SBM3 - S1 Risk of forced labor, paragraph 14 (f)	Indicator No 13, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.3.1.
ESRS 2- SBM3 - S1 Risk of child exploitation through labor, paragraph 14 (g)	Indicator No 12, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.3.1.
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator No 9, table 3, and indicator No 11, table 1, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.3.

ESRS S1-1 Due diligence policies issues addressed by fundamental International Labor Organization Conventions 1 to 8, paragraph 21		Annex II to Commission Delegated Regulation (EU) 2020/1816	Management report, chapter 3, section 3.3, paragraph 3.3.1.3.3.
ESRS S1-1 Processes and measures for preventing trafficking of human beings, paragraph 22	Indicator No 11, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.3.3.
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator 1, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.
ESRS S1-3 Mechanisms for handling grievances or complaints, paragraph 32 (c)	Indicator No 5, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.5.
ESRS S1-14 Number of deaths and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator No 2, table 3, Annex I	Annex II to Commission Delegated Regulation (EU) 2020/1816	Management report, chapter 3, section 3.3, paragraph 3.3.1.17.
ESRS S1-14 Number of days lost due to injury, accident, death or illness, paragraph 88 (e)	Indicator No 3, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.17.
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator No 12, table 1, Annex I	Annex II to Delegated Regulation (EU) 2020/1816	Management report, chapter 3, section 3.3, paragraph 3.3.1.19. - Not available
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator No 8, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.19. Not available
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator No 7, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.1.20.
ESRS S1-17 Non-respect of the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104 (a)	Indicator No 10, table 1, and indicator No 14, table 3, Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818	Management report, chapter 3, section 3.3, paragraph 3.3.1.20.
ESRS 2- SBM3 — S2 Significant risk of child exploitation through labor or forced labor in the value chain, paragraph 11 (b)	Indicators No. 12 and No. 13, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.2.2.
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator No 9, table 3, and indicator No 11, table 1, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.2.3.
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicators No 11 and No 4, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.2.3.
ESRS S2-1 Non-respect of the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator No 10, table 1, Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818	Management report, chapter 3, section 3.3, paragraph 3.3.2.3.
ESRS S2-1 Due diligence policies on issues addressed by fundamental International Labor Organization Conventions 1 to 8, paragraph 19		Annex II to Delegated Regulation (EU) 2020/1816	Management report, chapter 3, section 3.3, paragraph 3.3.2.3.
ESRS S2-4 Human rights issues and incidents* related to the upstream or downstream value chain, paragraph 36	Indicator No 14, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.2.8.
ESRS S3-1 Commitments to a human rights policy, paragraph 16	Indicator No 9, table 3, Annex I, and indicator No 11, table 1, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.3.3.
ESRS S3-1 Non-respect of the Guiding Principles on Business and Human Rights, the ILO Principles or the OECD Guidelines, paragraph 17	Indicator No 10, table 1, Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818	Management report, chapter 3, section 3.3, paragraph 3.3.3.3.
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator No 14, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.3.6.
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator No 9, table 3, and indicator No 11, table 1, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.4.3.
ESRS S4-1 Non-respect of the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator No 10, table 1, Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818	Management report, chapter 3, section 3.3, paragraph 3.3.4.3.

ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator No 14, table 3, Annex I		Management report, chapter 3, section 3.3, paragraph 3.3.4.6.
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator No 15, table 3, Annex I		Management report, chapter 3, section 3.4, paragraph 3.4.1.3.1.
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Indicator No 6, table 3, Annex I		Management report, chapter 3, section 3.4, paragraph 3.4.1.3.7.
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery legislation, paragraph 24 (a)	Indicator No 17, table 3, Annex I	Annex II to Delegated Regulation (EU) 2020/1816	Management report, chapter 3, section 3.4, paragraph 3.4.1.6.
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator No 16, table 3, Annex I		Management report, chapter 3, section 3.4, paragraph 3.4.1.6.

This requirement provides that issuers identify, within their sustainability statement, the paragraphs where the datapoints listed in Appendix B are located or, where applicable, the indication that these datapoints are not material.

3.2. Environmental Information

3.2.1. Publication of information pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

3.2.1.1. Presentation — Publication Obligation

In order to promote transparency and a long-term vision in economic activities, and to redirect capital flows toward environmentally sustainable investments, the European Union (EU) action plan on financing for sustainable growth has led to the creation of a common classification system for corporate activities, allowing for the identification of economic activities considered to be sustainable.

This system is defined in European Regulation 2020/852 of June 18, 2020 (the “Taxonomy Regulation”) and aims to define the EU’s environmental objectives and corresponding economic activities.

Sustainable economic activities, or aligned activities, are defined in Article 3 of the Taxonomy Regulation.

To determine whether an activity can be considered sustainable, it must:

- (i) *contribute substantially to one or more of the following six environmental objectives: (i) climate change mitigation; (ii) climate change adaptation; (iii) the sustainable use and protection of water and marine resources; (iv) the transition to a circular economy; (v) pollution prevention and control; and (vi) the protection and restoration of biodiversity and ecosystems.*
- (ii) *do no significant harm to any of the other five environmental objectives;*
- (iii) *be carried out in compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the eight core ILO Conventions and the International Bill of Human Rights.*

The European Commission adopted:

- on June 4, 2021, Delegated Regulation EU 2021/2139 (the "Climate Regulation"), which establishes the technical screening criteria relating to the first two environmental objectives (climate change mitigation and climate change adaptation) and identifies more than 80 economic activity sub-sectors representing 93% of greenhouse gas emissions in the European Union and requiring priority action ("European taxonomy-eligible" activities);
- on March 9, 2022, Delegated Regulation (EU) 2022/1214 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities;
- on June 27, 2023:
 - Delegated Regulation (EU) 2023/2485, which amends the Climate Regulation by adding a new activity to Notes I, entitled "3.18. Manufacture of automotive and mobility components" and establishing technical screening criteria relating to climate change mitigation and adaptation for this new economic activity;
 - Delegated Regulation 2023/2486 (the "Environmental Delegated Regulation") establishing the technical screening criteria determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.

Pursuant to the Taxonomy Regulation and the Delegated Regulation relating to Article 8 of the Taxonomy Regulation published on July 6, 2021, the Group is required to publish its exposure to the European Green Taxonomy and sustainability indicators such as:

- the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with "eligible" activities, i.e. those classified in the European Taxonomy, and "non-eligible" activities;
- the proportion of its turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with "sustainable" activities, i.e. activities that comply with the technical examination criteria associated with each of the "eligible" activities, do not harm other environmental objectives (DNSH) and respect minimum social safeguards.

For the 2024 financial year and beyond, AKWEL is required to publish:

- "taxonomy-eligible" and "taxonomy-non-eligible" economic activities as a proportion of its total turnover, capital expenditure (CapEx) and operating expenditure (OpEx), with regard to all published environmental objectives;
- taxonomy-aligned and taxonomy-non-aligned economic activities as a proportion of its total turnover, capital expenditure (CapEx) and operating expenditure (OpEx), with regard to all published environmental objectives;

3.2.1.2. Methodology — Scope

The various analyses were based on a cross-functional approach involving the Group's finance, legal and non-financial teams.

The scope of analysis covers the following points:

- The turnover, capital expenditure and operating expenses considered cover all of the Group's activities corresponding to the scope of the companies under its control;
- The companies in which the Group and its undertakings exercise joint control or significant influence are excluded from the calculation of the ratios defined by the Delegated Act relating to Article 8 of the Taxonomy Regulation published on July 6, 2021 (Delegated Regulation (EU) 2021/2178);

The financial data is taken from the consolidated financial statements as at December 31, 2024. The turnover and capital expenditure can therefore be reconciled with the consolidated financial statements.

3.2.1.3. Eligibility Analysis of Activities

The eligibility analysis consists of identifying the Group's activities listed in the various Delegated Regulations of the Taxonomy Regulation. These activities are referred to as "eligible."

In 2024, AKWEL carried out a new eligibility analysis of its activities:

- Result of the analysis of climate change mitigation targets;

Number	Activity	TURNOVER	CAPEX	OPEX
1.1	Manufacturing, installation and associated services for leak control technologies to reduce and prevent leaks in water supply systems (WSS)	-	X	-
3.18	Manufacture of automotive and mobility components	X	X	-
5.1	Repair, refurbishment and remanufacturing	X		-
5.2	Sale of spare parts	X		-
6.5	Transport by motorbikes, passenger cars and light commercial vehicles	-	X	-
7.2	Renovation of existing buildings	-	X	-
7.3	Installation, maintenance and repair of energy efficiency equipment	-	X	-
7.7	Acquisition and ownership of buildings	-	X	-

- Result of the analysis of objectives for transition to a circular economy

Number	Activity	TURNOVER	CAPEX	OPEX
5.1	Repair, refurbishment and remanufacturing	X	X	-
5.2	Sale of spare parts	X	-	-

3.2.1.4. Activity Alignment Review

Due to an incomplete analysis of the technical criteria, in particular those relating to DNSH and the lack of sufficient and appropriate documentation of the process implemented by AKWEL to determine the sustainability of the Group's activities, alignment is declared to be zero.

3.2.1.5. Publication

3.2.1.5.1. Share of Turnover Aligned with the European Green Taxonomy

The turnover considered is that generated by the equipment of all types of vehicles, regardless of engine or vehicle type.

31/12/2024	2024			Substantial contribution criteria						Criteria for absence of significant harm ("DNSH criterion")									
Economic activities	Codes	Revenue	Share of turnover	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Guarantees	Share of revenue aligned with the taxonomy (A.1) or eligible for the taxonomy (A.2), year N-1	Enabling activity	Transitional activity
	(in million)	(%)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(%)	H	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																			
A.1 - Environmentally sustainable activities (aligned with the taxonomy)																			
3.18 - Manufacture of automotive components and components for mobility		-	0,00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
Revenue from environmentally sustainable activities (aligned with the taxonomy) (A.1)		-	0,00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
Of which enabling		-	0%																
Of which transitional		-	0%																
A.2 - Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
3.18 - Manufacture of automotive components and components for mobility		24,5	829973285	Yes	N/A	N/A	N/A	N/A	N/A								0%		
5.1 - Repair, refurbishment, and reconditioning		22,5	871547017	N/A	N/A	N/A	N/A	Yes	N/A								0%		
5.2 - Sale of spare parts		71,9	530910010	N/A	N/A	N/A	N/A	Yes	N/A								0%		
Revenue from activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)		118,9	12,02%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover from activities eligible for taxonomy (A.1 + A.2)		118,9	12,02%																
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
Turnover from activities not eligible for the taxonomy (B)		870,1	88%																
Total (A + B)		989,0	100%																

Share of revenue/total revenue		
Aligned with taxonomy by objective	Eligible for taxonomy by objective	
CCM (Climate Change Mitigation)	NA	2,48%
CCA (Climate Change Adaptation)	NA	NA
WTR (Water and Marine Resources)	NA	NA
CE (Circular Economy)	NA	9,55%
PPC (Pollution Prevention and Control)	NA	
BIO (Biodiversity)	NA	NA

YES: Activity eligible for taxonomy and aligned with taxonomy in terms of the environmental objective targeted.
NO: Activity eligible for taxonomy but not aligned with taxonomy in terms of the targeted environmental objective.
N/EL: Not eligible. Activity not eligible for taxonomy with regard to the targeted environmental objective

3.2.1.5.2. Capital Expenditure (CAPEX)

The Group's eligible and aligned capital expenditure was not significant for the 2024 financial year.

31/12/2024	2024			Substantial contribution criteria						Criteria for no significant harm ("DNSH criteria")									
Economic activities	Codes	CapEx	Share of CapEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Guarantees	Share of CapEx aligned with the taxonomy (A.1) or eligible for the taxonomy (A.2), year N-1	Enabling activity category	Transitional activity category
		(in 1 million)	(%)	(Yes;No;N/A)	(Yes;No;N/A)	(Yes;No;N/A)	(Yes;No;N/A)	(Yes;No;N/A)	(Yes;No;N/A)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(%)	H	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with taxonomy)																			
Activity 1.1 - 1.1 Manufacturing, installation, and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems (WSS)			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 3.18 - Manufacture of automotive and mobility components			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 6.5 - Transport by motorcycles, passenger cars, and light commercial vehicles			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 7.2 - Renovation of existing buildings			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 7.3 - Installation, maintenance, and repair of energy efficiency equipment			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 7.6 - Installation, maintenance and repair of energy efficiency equipment			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
Activity 7.7 - Acquisition and ownership of buildings			0,00%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
CapEx for environmentally sustainable activities (aligned with taxonomy) (A.1)		-	0,00%	0%	0%	0%	0%	0%	0%								0%		
Of which enabling		0	0,00%	0%	0%														
Of which transitional		0																	

31/12/2024	2024			Substantial contribution criteria						Criteria for no significant harm ("DNSH criteria")									
Economic activities	Codes	CapEx	Share of CapEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Guarantees	Share of CapEx aligned with the taxonomy (A.1) or eligible for the taxonomy	Enabling activity category	Transitional activity category
		(in 1 million)	(%)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No/N/A)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(%)	H	T
A.2 Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
		(in 1 million)	(%)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)										
Activity 1.1 Manufacturing, installation, and related services for leak control technologies that enable the reduction and prevention of leaks in water supply systems (WSS)		0,0	0,03%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 3.18 - Manufacture of automotive and mobility components		4,2	11,52%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 5.1 - Repair, refurbishment, and reconditioning		-	0,00%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 5.2 - Sale of spare parts		-	0,00%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 5.3 - Renewal of wastewater collection and treatment networks		1,4	3,68%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 6.5 - Transport by motorcycles, passenger cars, and light commercial vehicles		0,6	1,72%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 7.2 - Renovation of existing buildings		0,2	0,42%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 7.3 - Installation, maintenance, and repair of energy efficiency technologies		0,4	1,13%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 7.6 - Installation, maintenance, and repair of renewable energy technologies		0,2	0,45%	Yes	N/A	N/A	N/A	N/A	N/A										
Activity 7.7 - Acquisition and ownership of buildings		4,5	12,20%	Yes	N/A	N/A	N/A	N/A	N/A										
CapEx for activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)		11,47	31,14%																
A. CapEx for activities eligible for taxonomy (A.1 + A.2)		11,47	31,14%	0%	0%	0%	0%	0%	0%										
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
CapEx for activities not eligible for the taxonomy (B)		25,36	68,86%																
Total (A + B)		36,83	100%																
										Share of CapEx/Total CapEx									
										Aligned with taxonomy					Eligible for taxonomy				

YES: Activity eligible for taxonomy and aligned with taxonomy in terms of the environmental objective targeted.
NO: Activity eligible for taxonomy but not aligned with taxonomy in terms of the targeted environmental objective.
N/EL: Not eligible. Activity not eligible for taxonomy with regard to the targeted environmental objective

	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM (Climate Change Mitigation)	NA	31,14%
CCA (Climate Change Adaptation)	NA	NA
WTR (Water and Marine Resources)	NA	NA
CE (Circular Economy)	NA	0,00%
PPC (Pollution Prevention and Control)	NA	NA
BIO (Biodiversity)	NA	NA

3.2.1.5.3. Capital expenditure/OPEX

31/12/2024	2024			Substantial contribution criteria						Criteria for no significant harm ("DNSH criteria")									
Economic activities	Codes	OpEx	Share of Opex	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Guarantees	Share of OpEx aligned with taxonomy (A.1) or eligible for taxonomy (A.2), year N-1	Enabling activity category	Transitional activity category
	(in 1 million)	(%)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No; N/A)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(%)	H	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																			
A.1 Environmentally sustainable activities (aligned with taxonomy)																			
No activity																	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%										
Of which transitional		0																	
A.2 Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
	(in 1 million)	(%)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)	(EL; N/EL)										
No activity																	0%		
A. OpEx for activities eligible for taxonomy (A.1 + A.2)		0	0%	0%	0%	0%	0%	0%	0%										
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																			
OpEx for activities not eligible for taxonomy (B)		0	0%																
Total (A + B)		0	0%																
YES: Activity eligible for taxonomy and aligned with taxonomy in terms of the environmental objective targeted.																			
NO: Activity eligible for taxonomy but not aligned with taxonomy in terms of the targeted environmental objective.																			
N/EL: Not eligible. Activity not eligible for taxonomy with regard to the targeted environmental objective																			
Share of OpEx/Total OpEx																			
Aligned with taxonomy by objective																			
CCM (Climate Change Mitigation)										NA		NA							
CCA (Climate Change Adaptation)										NA		NA							
WTR (Water and Marine Resources)										NA		NA							
CE (Circular Economy)										NA		NA							
PPC (Pollution Prevention and Control)										NA		NA							
BIO (Biodiversity)										NA		NA							

Note:
Complementary indicator to CapEx. The complexity differed from OpEx taxonomic vs financial OpEx

3.2.1.6. Activity related to nuclear energy and fossil gas

Line	Activities related to nuclear energy	Yes/No
1	The company carries out, funds or is exposed to research, development, demonstration and deployment of innovative nuclear electricity generation facilities with minimal waste from the fuel cycle.	No
2	The company carries out, funds or has exposures to the construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purpose of district heating or industrial processes such as hydrogen production, including their safety upgrades, using the best available technologies.	No
3	The company carries out, funds or has exposures to the safe operation of existing nuclear installations to produce electricity or process heat, including for the purpose of district heating or industrial processes such as hydrogen production from nuclear energy, including their safety upgrades.	No

Line	Fossil gas-related activities	Yes/No
1	The company carries out, funds or has exposures to the construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
2	The company carries out, funds or has exposures to the construction, refurbishment and operation of combined heat/cooling and electricity generation facilities using fossil gaseous fuels.	No
3	The company carries out, funds or has exposures to the construction, refurbishment or operation of heat generating facilities that produce heat/cooling using fossil gaseous fuels.	No

3.2.2. Climate change (ESRS E1)

3.2.2.1. Integration of sustainability-related performance in incentive mechanisms (ESRS 2 GOV-3)

Currently, AKWEL has not incorporated any climate-related indicators into the annual and multi-year variable remuneration of members of the Executive Board and managers.

For more information, see [section 3.1.2.6. Integration of sustainability-related development performance in incentive systems](#).

3.2.2.2. Transition plan for climate change mitigation (ESRS E1-1 § 14,17)

To date, AKWEL has not implemented a transition plan for climate change mitigation.

However, AKWEL has set quantitative targets and has already implemented actions to reduce its carbon emissions and energy consumption.

These actions include:

- Exposure to physical risks related to climate change for each site was conducted on three ST, MT and LT scenarios (wind, temperature, water and soil). The analysis is in progress and elements will be published in 2025;
- Reducing CO₂ emissions;
- Supporting suppliers toward achieving AKWEL's objectives;
- Reducing the intensity of energy consumption;
- Using green energy;
- The elimination of unsafe industrial fuels.

As part of its climate strategy and in line with the regulatory requirements and objectives of the Paris Agreement, AKWEL

is currently developing its transition plan for climate change mitigation.

This plan will define the trajectories for reducing greenhouse gas emissions and the main actions needed to align the activities of the AKWEL Group with a low-carbon economy.

Its adoption is planned for the end of 2025, with gradual implementation in the following years.

The governance of the transition plan will be overseen by the Environment and Energy Management Committee. Its deployment within the production sites will be entrusted to the Manufacturing Performance Department.

3.2.2.3. Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3 § 18)

The risks and impacts listed below have been identified by the Working Group.

For more information on the dual materiality analysis and identification of material risks, impacts, risks and opportunities, please refer to [section 3.1.3.6. Description of procedures for identifying and assessing material impacts, risks and opportunities](#).

Topics	Description	Impact / Risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Adaptation to climate change	Decrease or even stop the activity of production sites or those of suppliers in case of climatic hazards.	Physical risk			X	X	X	X		
Climate change mitigation	GHG emissions from extraction and transportation of raw materials purchased by AKWEL.	Negative impact	X		X	X	X	X		
	Loss of market share due to non-compliance with environmental criteria imposed by customers or regulators.	Transition financial risk			X	X	X		X	
	Pressure on natural resources related to the use of fossil fuels in production.	Negative impact	X		X	X	X	X		
	GHG emissions linked to AKWEL's production activity and energy consumption (Scopes 1 and 2).	Negative impact	X			X		X		
	Increased demand for electric vehicles due to growing environmental awareness among consumers and to incentivising or even coercive regulation (ban on the sale of new combustion-engine vehicles in Europe from 2035).	Financial opportunity			X	X	X			X
	Loss of business relationship (with customers) as a result of market changes (transition from combustion-engine market to the electrical market).	Transition financial risk			X	X	X	X		
Energy	Pressure on natural resources related to the use of fossil fuels in production.	Negative impact	X		X	X		X		

3.2.2.4. *Description of the processes to identify and assess material impacts, risks and opportunities related to climate change [ESRS 2 SBM-3 § 20]*

The impacts, risks and opportunities were assessed by the Working Group.

For more information on the dual materiality analysis and risk identification, please refer to [section 3.1.5 Management of sustainability-related impacts, risks and opportunities](#).

Each plant assessed the impact of climate change on its infrastructure and activities according to three time horizons:

- Short-term: less than 1 year;
- Medium-term: between 1 and 5 years;
- Long-term: more than 5 years.

Taking into account topics related to water, wind, temperature and soil.

For more information on the double materiality analysis and the identification of risks, impacts and opportunities, please refer to [section 3.1.4 Management of sustainability-related impacts, risks and opportunities](#).

3.2.2.5. *Policies related to climate change mitigation and adaptation (ESRS E1-2)*

3.2.2.5.1. *Policy (ESRS E1-2 § 24)*

AKWEL has implemented policies related to climate change mitigation and adaptation to respond to the IROs.

The Manufacturing Performance Department is responsible for deploying policies within the Group.

AKWEL is committed to contributing to combating climate change by aligning its activities with the objectives of the Paris Agreement, in particular by limiting global warming to 1.5°C.

AKWEL's policies aim to:

- Reduce CO₂ emissions;
- Greater use of renewable energy;
- Contribute to carbon neutrality for our activities by 2050;
- Integrate adaptation measures to increase the resilience of production sites to climate risks.

The policies cover all operating activities, including product development, manufacturing, procurement and transportation.

They apply to AKWEL's own activities and to all Group subsidiaries and are transmitted to our suppliers via the supplier manual, the general terms and conditions of purchase, the CSR partnership commitment and the annual supplier objectives letter.

Employees are made aware of the fight against climate change through internal communication campaigns on sustainability issues.

The policies to combat global warming are available through several channels:

- **Integration into official documents:** every year, the principles and objectives of the policies are published in the sustainability report that is available to all stakeholders on the AKWEL website;
- **Dialog and exchanges with stakeholders:** AKWEL communicates directly and regularly with key stakeholders (customers, suppliers, investors, employees) to share actions, collect feedback and adapt strategies as appropriate.

AKWEL's policies comply with several external benchmarks to ensure its credibility and effectiveness, including:

- ISO 14001 standards: all AKWEL Group sites are ISO 14001 certified;
- Carbon Disclosure Project (CPD) questionnaire: AKWEL reports on its effects on the climate on the CPD platform annually and makes this available to its major customers.

3.2.2.5.2. Governance and monitoring

The governance of climate change mitigation and adaptation policies is overseen by the Environment and Energy Management Committee, which ensures that climate and sustainability issues are integrated into the work plans of all the Group's production sites.

This committee assesses performance and progress, and takes any necessary decisions.

The Manufacturing Performance Department is responsible for the operational monitoring of projects, identifies areas for improvement and ensures that actions are consistent with the commitments made. It coordinates the Group's various subsidiaries.

The Environment and Energy Management Committee assesses the performance and the progress of the actions and makes any necessary additional decisions. The committee monitors the consolidation of KPIs at Group level.

Each site director is responsible for deploying the policy at the local level. An environmental risk analysis is carried out at all sites in accordance with ISO 14001 and regulatory requirements.

	2024	2023	2022
% of operational sites that have conducted an environmental risk analysis	100%	100%	100%
% of operational sites that are ISO 14001 certified	100%	100%	100%

3.2.2.6. Actions and resources in relation to climate change policies (ESRS E1-3 § 26, 29)

Actions related to climate change are as follows:

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Emissions reduction	Adopt clean technologies (eliminate industrial fuel).	Eliminate industrial fuel.		Actions to be carried out in 2025: • Define priorities for each plant according to the specific characteristics of the country; • Define the responses and alternatives to be determined at plant level in line with the footprint (targets at 5–10 years); • Define a strategy before implementing actions and making choices.
	Improve energy efficiency	Reduce consumption of natural gas.	• The sites track their consumption with meters installed on the French sites (mapped consumption areas). • 36% reduction (compared to 2021) achieved for Scopes 1 and 2; • 19% reduction (compared to 2023) for Scope 3.	To continue in 2025: • Replacement of conventional lighting with LED technology across the entire Group.
		Determine actions to consume less electricity through a large process family (autoclaves, extruders, robotic machine area, presses, etc.) e.g. heating time.	• Tracking of plastic cooling. • Reuse of cooling water from rubber ducts with installation of a closed loop treatment circuit; • Installation in place at the Tondela site: ▪ Water consumption gain of 13% (3000/23,000).	• Feasibility studies to be launched for the closed-loop installation of the cooling circuit for rubber parts at potential sites (Gebze and Rayong); • Confirm the adequacy of the Group's current standards with energy and environmental objectives; • Continue to renew and adapt the tools according to the defined and confirmed standards; • Finalize the study consisting in equipping the heater collars on the injection molding sleeves with insulating sheaths.
		Replacement of existing technologies.	• Hydraulic presses switched to electric presses; • Investment in four new hybrid presses in 2024.	• Continuation of the renewal of the injection press fleet (four new hybrid presses invested in 2024 according to Group standard): % of hybrid presses in 2024: 275/423, i.e. 65% of the machine fleet; • Investment in two electric forming furnaces according to the latest Group standard for the Stara Zagora (Bulgaria) and Gebze (Türkiye) sites; • Study in progress to equip the heater collars on the injection molding sleeves with insulating sheaths; • Objective: increased power consumption on the "plasticizing" function = 20%.

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Emissions reduction	Improve energy efficiency	Work on less energy-intensive processes such as forming cooling tubes for electric vehicles => replacing fuel and gas autoclaves with electric furnaces.	- In the AKWEL Asia region: - Optimize the production plan for forming corrugated tubes in the furnace; - Reduce the number of cycles in order to save energy; - Investment in two electric forming furnaces for TPV material, replacing the autoclave furnace for rubber hose.	In 2025: - Systematically offer this alternative to rubber hose when the product and customer requirements allow it; - Replace boilers, end-of-life autoclaves or defective boilers with new generation, more energy-efficient equipment.
Energy transition	Replace fossil fuels with renewable energy or cleaner technologies, such as electricity from green sources.	Formalize the supply of green electricity by country and plant. Install solar panels to generate electricity at plants.	- Electricity production from solar panels: installation on the roofs and parking lots of the Parades de Coura site (Portugal) (100% green energy); - Implementation of a power purchase agreement (PPA) with green electricity for all of our French sites; - Replacement of conventional lighting with LED technology at the Parades de Coura (Portugal), Bursa (Türkiye), Villieu Loyes Mollon (France), Champfromier–Siege (France) and Tondela (Portugal) sites.	In the next three years: 70% Group consolidation in 2028; 5% of Group consumption from solar energy; - Substitution of conventional lighting to LED technology across the entire Group.
Organizational measures	Promote the circular economy and increase the use of renewable energy.	Raise employee awareness of AKWEL's policy.	- Display of four posters on energy saving best practices at the sites; - Publication of posters in the in-house newsletter, <i>ECHANGES</i>; - Launch of challenge "all together against waste."	
	Assess the physical risks related to climate change (floods, heat waves, etc.) and implement adaptation plans for the most exposed sites.	Know the risks for each site.	The risk inventory for each site was carried out in 2024.	Define the actions needed for each plant to adapt to climate change.

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Organizational measures	Standardize energy savings across all sites.	Have an energy contact person for the Group and coordinators at each plant.	• ISO 50001 certification of six French sites (Beaurepaire, Champfromier, Monteux, Nesle, Romans and Vieux-Thann); • ISO 14001 certification of all plants; • Adaptation of the AKWEL management system applicable at all plants; • Energy audit at the Rudnik site (Czech Republic); • Appointment at all sites of a contact person for energy with the mission of leading an energy management team and being the internal relay for the Quality, Compliance and Transformation and the Production departments in the area of measurement, monitoring and implementation of progress actions for the control and continuous improvement of energy performance; • Appointment of an energy coordinator in charge of mainstreaming good practices with the contact persons within the plants.	• ISO 50001 certification of all sites by the end of 2025; • AKWEL management system: The last adaptation actions will be carried out no later than the first half of 2025; • Perform energy audits according to local regulations. • Monitor consumption, progress and action plans.
	Structure the continuous improvement plan on energy savings.	Define the main lines of activity aimed at energy saving.	• Nine lines have been defined: lighting, heating and air conditioning, processes, organization, behaviors, controls, communication, green energy and fossil energy; • Inclusion of new criteria such as energy cost and green energy in the strategic D line of improving the "industrial footprint" to search for new locations.	• Continue and enrich the work done on the nine lines by the sites, which must act to meet the objectives set by the Executive Board; • The definition of the lines will be reviewed in December 2025; • The criteria will be reviewed in December 2025.
		Track the criteria corresponding to the emission factors in reporting.	• Implement the new plant assessment system with integration of the following criteria in monthly reporting: the intensity energy, carbon, water, waste and recycled materials; • In 2024, 50% of plants implemented the new assessment system.	• Fully deploy the new assessment system in the monthly reporting of each plant.
	Group travel policy.	Integrate best practices into the Group travel policy.	• Group travel policy updated to incorporate the identified good practices.	

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Value chain commitment	Work with suppliers and customers to reduce emissions across the value chain.	Update the purchasing policy	• Carbon-free energy suppliers researched by country; • The needs of all interested parties defined in order to make the necessary data available; • Feedback of suppliers' compliance with our requirements monitored; • Our requirements integrated into the value chain; • Inventory and costing drawn up on the basis of the information sent by the plants; • Collection of certificates of origin.	

3.2.2.7. *Targets related to climate change mitigation and adaptation (ESRS E1-4 § 30, § 33, § 34)*

AKWEL has not undertaken a scientific study for targets related to climate change mitigation and adaptation. These are defined on a voluntary basis.

To date, the Group has not published information on the methods and key assumptions used to define the targets, including, where applicable, the selected scenario, data sources, alignment with national EU or international strategic objectives, and how the targets take into account the broader context of sustainable development and/or the local context in which impacts occur.

AKWEL's objectives, aligned with its customers' demands, for climate change mitigation are as follows:

3.2.2.7.1. *Contribution to carbon neutrality (the baseline for AKWEL is 2021)*

- CO₂ reduction – Scopes 1 and 2
 - -15% in 2025 (-9663 T CO₂);
 - -40% in 2028 (-25,767 T CO₂);
 - -50% in 2030 (-32,210 T CO₂).
- CO₂ reduction – Scope 3:

AKWEL asks its suppliers of raw materials (main Scope 3 factors (metal, plastic, rubber)) to commit to the same objectives for their own Scopes 1 and 2 in order to meet the following targets:

- 5% in 2025;
- 30% in 2028;
- 40% in 2030.

For 2024, AKWEL uses the financial ratio for all materials and products purchased (amount purchased in euro x emission factor per euro provided by ADEME). The business travel and commuting travel sections were calculated on the basis of information provided by travel providers and employees.

In the future, AKWEL plans to use a hybrid method consisting of financial ratios and emissions data provided by suppliers in accordance with the provisions detailed in AKWEL's ESG Partnership Commitment Norm.

The reporting covers the most significant categories and is being structured based on the other categories.

Carbon neutrality no later than 2050.

3.2.2.7.2. *Use of renewable electricity*

- 70% in 2028;
- 75% in 2029;
- 80% in 2030.

3.2.2.7.3. *Elimination of unsafe industrial fuel*

- -100% in 2028.

3.2.2.7.4. Use of green materials is to represent (life cycle analysis for all new projects, the eco-design approach applied, including remanufacturing projects):

- 10% of the product weight of all new projects in 2025;
- 20% of the product weight of all new projects in 2026;
- 30% of the product weight of all new projects in 2028.

And for each new project, a life cycle analysis is carried out, the eco-design approach applied, including for remanufacturing projects (recovery of the product from the customer, disassembly, upgrade, return to the customer).

3.2.2.7.5. Carbon Disclosure Project for carbon and water

- To reach B by 2025 (C in 2022).

3.2.2.8. Energy consumption and energy mix (ESRS E1-5 § 38)

The following tables present the consumption, the evolution of energy consumption and the energy mix related to the Group's production activities.

Energy consumption and energy mix at constant scope	2024	2023	2022
(i) Fuel consumption from coal and coal-based products (MWh)	-	-	-
(ii) Fuel consumption from crude oil and petroleum products (MWh)	-	-	-
(iii) Fuel consumption from natural gas (MWh)	-	-	-
(iv) Fuel consumption from other fossil sources (MWh)	-	-	-
(v) Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (MWh)	-	-	-
(vi) Total fossil energy consumption (MWh) (calculated as the sum of lines (i) to (v))	-	-	-
Fossil sources as a proportion of total energy consumption (in %)	-	-	-
(vii) Consumption from nuclear sources (MWh)	-	-	-
Consumption from nuclear sources as a proportion of total energy consumption (in %)	-	-	-
(viii) Consumption of fuel from renewable sources, including biomass (also including biological industrial and municipal waste, biogas, renewable hydrogen, etc.) (MWh)	-	-	-
(ix) Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	-	-	-
(x) Self-produced non-combustible renewable energy consumption (MWh)	-	-	-
(xi) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	63,901	-	-
Renewable sources as a proportion of total energy consumption (%)	28.7%	-	-
Total energy consumption (MWh) (calculated as the sum of lines (vi), (vii) and (xi))	223,114	236,560	237,178

The intensity of total energy consumption is 225.8 MWh/million euro of turnover in 2024, 221.9 MWh/million euro of turnover in 2023 and 239.5 MWh/million euro of turnover in 2022.

AKWEL is not able to communicate all the elements on its energy mix as the uncertainties over this data are too great. The reliability of the data will be addressed from 2025.

Renewable electricity produced on-site (MWh) with the breakdown between sale and self-consumption (%)	2024	2023	2022
Total renewable electricity produced on site (MWh)	-	-	-
of which self-consumption (%)	-	-	-
of which sold	-	-	-

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD and the ESRS. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.2.2.9. Gross GHG emissions from Scopes 1, 2, 3 and total GHG emissions (ESRS E1-6 § 44)

3.2.2.9.1. Methodology

Following the implementation of a tool to consolidate our carbon accounting in 2021 (using the GHG Protocol method), the Group was able to consolidate its accounting covering Scope 1 and Scope 2 under the Protocol.

As the tool was optimized throughout 2021, it allowed us to obtain a relatively complete 2024 footprint for the Group as a whole. This was comparable to 2021, with the exception of the Tokyo and Eppstein offices, whose consumption is negligible at the Group level.

Emissions related to the consumption of Scope 1 fuels (fixed and mobile direct emissions + fugitive emissions) are calculated from emission factors proposed by the French Agence de l'Environnement et de la Maîtrise de l'Énergie (ADEME, Environment and Energy Control Agency) and from emission factors from the sixth report of the Intergovernmental Panel on Climate Change (IPCC).

Indirect emissions related to the purchase of electricity (Scope 2) are calculated using the location-based approach of the national production mix by country with the latest data available on the "Our World in Data" website.

Scope 3 indirect emissions are calculated according to the GHG Protocol and include the following categories:

- 3.1 Purchased goods and services;
- 3.2 Capital goods;
- 3.4 Upstream transportation and distribution;
- 3.6 Business travel;
- 3.7 Employee commuting;
- 3.9 Downstream transportation and distribution.

The other categories were not recognized, including the use of sold products, category 11 of the GHG Protocol. A more in-depth analysis will be undertaken in 2025 to assess their applicability and/or impact.

For all of the selected purchasing categories, expenditure is multiplied by a monetary emission factor (in tCO₂e/€1000 of expenditure) from the ADEME Footprint Database®.

Business travel and employee commuting are calculated for the whole Group using emission factors from the ADEME Footprint Database®.

3.2.2.9.2. Emissions recognized in the Group's carbon footprint

The recognized emission items in the Group's carbon footprint are listed in the table below by influence and by scope.

Carbon footprint (in tons of CO ₂ e)	Retrospective data				Milestones and target years			
	2022	2023	2024	% N-1	2025	2029	(2050)	Annual target in %/reference year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions [teqCO ₂]	28,742	28,123	27,288	-2.97%	-	-	-	-
Percentage of Scope 1 GHG emissions covered by regulated emission trading systems (%)	-	-	-	-	-	-	-	-
Scope 2 GHG emissions								
Gross Scope 2 location-based GHG emissions (teqCO ₂)	29,766	28,623	12,262	-57.16%	-	-	-	-
Gross Scope 2 market-based GHG emissions (teqCO ₂)	No data	No data	-	-	-	-	-	-
Scopes 1 & 2 GHG emissions	58,508	56,746	39,550	-30%	-15% vs 2021	-45% vs 2021	-	-
Scope 3 GHG emissions								
Gross Scope 3 GHG emissions (teqCO ₂) – Categories 3.1/3.2/3.4/3.9	435,341	457,410	380,546	-16.8%	-5% Scope 3 vs. 2023*	-35% Scope 3 vs. 2023*	-	-
Business travel	No data	No data	1354	-	-	-	-	-
Employee commuting			7561	-	-	-	-	-
Total Scope 3 upstream (teqCO ₂)	435,341	457,410	389,462	-14.85%****	-	-	-	-
Total GHG emissions								
Total location-based GHG emissions (teqCO ₂)	493,849	514,157	429,012	-16.6%**	-	-35% vs 2023***	Neutral	-
Total market-based GHG emissions (teqCO ₂)	-	-	-	-	-	-	-	-

* The year 2023 has been chosen as the reference year for Scope 3 corresponding to the year in which our calculation method was validated. Variations are assessed at constant scope.

** Calculated at current scope.

*** Including increases related to other Scope 3 categories.

**** Variation at current scope, including two additional categories since 2024: "business travel" and "employee commuting"

The other Scope 3 categories will be published in 2025.

Intensity	2022	2023	2024
Total GHG emissions	499.34 teqCO ₂ /€M	482.32 teqCO ₂ /€M	433.78 teqCO ₂ /€M

In 2024, Scope 1 emissions declined slightly in net value.

Two sites in Mexico experienced gas supply disruptions and switched back to fuel with higher CO₂ emissions, leading to a slight increase in intensity in 2024.

Scope 2 emissions decreased, primarily due to changes in country emission factors, in line with the Group's energy production mix. In 2022, energy-saving action plans were launched at all of our sites.

AKWEL has implemented an energy management approach certified under ISO 50001 at six French sites (Beaurepaire, Champfromier, Monteux, Nesle, Romans and Vieux-Thann), with the aim of optimizing energy performance and reducing GHG emissions.

Since January 2022, AKWEL has launched initiatives to develop the use of green energy, particularly for electricity.

The emission factor taken into account by each plant is based on the energy source used. For electricity, this factor depends on the method of production (nuclear, wind, solar, hydro, coal, etc.).

In 2024, our electricity supply contracts were modified to use green sources. They are 100% green at our plants in Mexico and China, and at our new facility in Bulgaria. We are continuing this formalization process for other countries. Some countries (Sweden and France) already have low emission factors.

In addition, AKWEL is developing the installation of photovoltaic panels on factory parking lot canopies. This initiative could generate 10% to 15% of our electricity consumption. Panels were installed at the Juarez and Ixtac sites in Mexico in 2024.

AKWEL's other major energy source is natural gas. Our transition from rubber products to thermoplastics has enabled us to use more green electricity, while reducing the use of natural gas, whose emission factor does not change by virtue of its nature.

3.2.2.10. GHG removals and GHG mitigation projects financed through carbon credits (ESRS E1-7 § 56)

To date, AKWEL has not implemented any specific projects aimed at mitigating or directly absorbing greenhouse gas emissions.

Similarly, no carbon offset mechanisms, such as the purchase of carbon credits, are currently used to offset the Group's emissions.

At present, AKWEL's initiatives focus primarily on improving energy efficiency and reducing emissions at source.

3.2.2.11. Internal carbon pricing (ESRS E1-8 § 62)

To date, AKWEL does not apply any internal carbon pricing system. This project will be assessed in the next two years.

3.2.3. Pollution (ESRS E2)

3.2.3.1. Description of the processes to identify and assess material pollution-related impacts, risks and opportunities (ESRS 2 IRO-1 § 11)

For this initial assessment, AKWEL did not undertake any scientific studies on pollution or hold any specific consultations with stakeholders, as the regulatory measures at its sites are compliant, and it did not conduct any scientific studies to define its pollution targets.

AKWEL implements a structured framework to assess, manage and mitigate the pollution-related impacts, risks and opportunities generated by its operations, products and value chain. This framework is based on a systematic approach that incorporates procedures for assessing and continuously monitoring environmental performance.

AKWEL regularly analyzes potential sources of pollution (air emissions, liquid discharges, solid waste and specific pollutants) through:

- Environmental impact mapping: identifying operations that potentially generate significant pollution;
- Impact assessment: measuring the environmental impact of the emitted pollutants, particularly on air, water, soil and ecosystems;
- Risks and opportunities analysis: considering risks of regulatory non-compliance, biodiversity impacts and process optimization opportunities.

This assessment is conducted by applying methodologies aligned with the requirements under the CSRD and the ESRS, and is based on external benchmarks, including IPCC, the European Environment Agency and applicable local regulations.

Data is collected periodically using monitoring devices and digital tools that enable real-time traceability.

Where a significant risk is identified, appropriate action plans are implemented, including:

- Pollutant reduction measures: improving industrial processes, replacing hazardous substances, capturing and treating emissions;
- Resource optimization: implementing cleaner technologies, reducing water and energy consumption;
- Environmental incident management: rapid response procedures in the event of accidental pollution;
- Engagement with stakeholders: dialog with local communities, environmental authorities and organizations.

The Environment and Energy Management Committee oversees the entire process and ensures periodic performance reviews. This committee ensures that:

- The assessment results are incorporated into the global sustainability strategy;
- Objectives and action plans are adapted in line with regulatory and technological developments;
- Transparent reporting is observed, particularly through the annual publication of results in the sustainability report.

For more information on double materiality analysis and risk identification, please refer to [section 3.1.3.5. Management of sustainability-related impacts, risks and opportunities](#).

Following the consolidated double materiality analysis conducted at Group level, the material pollution-related IROs identified are as follows:

Topics	Description	Impact/risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Soil pollution	Soil degradation through waste from AKWEL production sites or its upstream or downstream value chain.	Negative impact		X	X	X	X	X		
Pollution of water	Pollution of stormwater and process water through waste from production sites (e.g. infiltration on parking lots, industrial plastic pellets).	Negative impact		X	X	X	X		X	
	Water pollution from industrial processes of suppliers in the value chain.	Negative impact		X	X		X	X		
	Deterioration in the health of local populations in the event of water pollution from the industrial processes of suppliers.	Negative impact		X	X		X	X		
	Financial penalties in the event of stricter regulations or regulatory breaches (hydrocarbons in groundwater, exceeding discharge thresholds > fine up to €50,000).	Financial risk	-	-	X		X		X	
Air pollution	Air degradation resulting from emissions from AKWEL production sites and across its value chain.	Negative impact		X	X	X	X	X		

For more information on double materiality analysis and risk identification, please refer to section [3.1.3.5. Management of sustainability-related impacts, risks and opportunities.](#)

3.2.3.2. Policies related to pollution (ESRS E2-1 12)

AKWEL has implemented a pollution policy (air, water, soil) to minimize the environmental impact of its operations and value chain.

AKWEL's policy aims to:

- Reduce pollutant emissions to air, water and soil from its production and transportation processes;
- Localize production to reduce polluting transportation and logistics operations that have an impact on climate change, which helps to reduce the overall environmental and energy footprint of our products;
- Prevent and limit accidental spills of fluids and hazardous substances. The expenditure incurred to prevent the environmental impact of the Group's operations amounted to €846K in 2025.

It includes pollution prevention measures, control systems, and incident and emergency management.

The policy applies to all Group operations.

AKWEL complies with international and local pollution regulations by monitoring emissions across its operations.

The Manufacturing Performance Department is responsible for implementing the policy in the Group.

AKWEL complies with international and local pollution regulations by monitoring emissions across its operations.

The policy is made available via various channels:

- The principles and objectives of the policies are published annually in the sustainability report, which is made available to all stakeholders via the AKWEL website;
- AKWEL communicates directly and regularly with key stakeholders (customers, suppliers, investors, employees) to share actions, collect feedback and adjust strategies as needed.

AKWEL's policy complies with ISO 14001 to ensure credibility and effectiveness: all AKWEL Group sites are ISO 14001 certified.

3.2.3.3. Actions and resources related to pollution (ESRS E2-2 16)

The expenditure incurred to prevent the environmental consequences of the Group's operations amounted to €846K in 2024.

The actions and resources related to pollution undertaken by AKWEL are as follows.

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Reduction of emissions to air	Install filters and advanced systems.	Use filtration devices (e.g. HEPA filters, electrostatic purifiers) to reduce fine particulate emissions into the atmosphere.	- Conduct periodic testing of refrigerant gas leaks in facilities across all sites; - Local certification: environmental permits (air emissions).	Continue to monitor local site standards and regulations on air emissions, including local certifications.
	Optimize manufacturing processes.	Adjust industrial processes to minimize emissions.	- Monitor and control industrial gaseous effluents – chimneys (Tondela site, Portugal); - Comply with local regulations at all of our sites and implement remediation measures in the event of an alert.	- Analyze technologies and equipment that can be replaced and modernized to reduce emissions to air; - Define targets to limit environmental impacts related to pollution.
Water protection	Implement wastewater treatment systems to filter heavy metals, waste oils and other contaminants.	Monitor wastewater quality.	- Install an oil-water separation system at the Paredes de Coura and Tondela (Portugal) sites before discharge into the public wastewater network. Annual analyses are conducted; - Installation of retention basins for all chemicals to prevent spills and subsequent soil and water contamination (Tondela); - Industrial wastewater is correctly channeled to either the WTS or the industrial collector based on the analysis of the different sources (Tondela site (Portugal).	- Perform wastewater quality control at all sites; - Reduce water consumption by upgrading cooling circuits in rubber-processing plants to -20% (GPM) in 2028.

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Water protection	Implement wastewater treatment systems to filter heavy metals, waste oils and other contaminants.	Schedule spill prevention.	• Application of the IPG (Industrial Plastic Granules) regulation to minimize the pollution of water networks at sites in (France), Parades de Coura (Portugal), Villieu Loyes Mollon (France), Parades de Coura (Portugal) and Timisoara (Romania). Fully completed; • Establish a water treatment plant to reduce water resources at the Parades de Coura site (Portugal); • Quarterly monitoring of stormwater quality before discharge into the environment at the Villieu Loyes Mollon site (France).	In the next 3 years: • Install pollution barriers, sealed tanks and automatic leak detection systems at all sites to prevent accidental contamination of the watercourse or groundwater.
Waste and soil management	Materials recycling	Develop recovery channels for production waste (metals, plastics, etc.).	• Sorting waste to improve recycling and disposal of residual waste at the Champfromier (France) and Parades de Coura (Portugal) sites; • Separate non-industrial waste for collection and treatment by category for recycling (Parades de Coura (Portugal): all industrial waste is recycled); • Essential equipment and liquid containers to prevent spills at sites in Portugal.	In the next 3 years: • Reduce the number of rubber hose structures. Reduce the number of startups, which has an impact on the production of startup scraps => economic production campaign. • Reduce production scraps by managing, via action plans, plants in the series phase (existing products) and performance validation during production startup, from industrialization to ramp-up.

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Design of eco-responsible products	Product recyclability	Incorporate materials that are easy to disassemble and recycle into the design of mechanisms and fluid systems.	- Eco-design: Benchmark implementation for eco-design approach CLI02-01-008 - fully completed; - REMAN project: collection of returned components under warranty to manufacture new components on the SCR lines; - Use of recycled materials to manufacture components at the Parades de Coura site (Portugal); - Replace chemicals with "green" products, which do not require pictograms.	In the next 3 years: - Eco-design: Implement the project across the Group's scope; - Increase the recycling and recovery rate for waste other than metal, plastic and rubber

3.2.3.4. Targets related to pollution (ESRS E2-3 § 20)

AKWEL has not yet set targets to minimize its pollution-related environmental impacts. Local regulations are complied with at all of our sites and remediation measures are implemented in the event of an alert.

3.2.3.5. Pollution of air, water and soil (ESRS E2-4 § 26)

Based on risk analyses carried out at each site, the associated emergency situations have been identified. In most cases, they involve risks of spills, fire or explosion. For each emergency situation, the steps to be taken to react and the prevention methods are identified, listed and formalized in the security plan or another document. They are tested periodically, as far as possible, on all personnel.

AKWEL does not currently monitor the quantity of each pollutant. Pollutant analysis is scheduled to be conducted within the next three years.

3.2.4. Water and marine resources (ESRS E3)

3.2.4.1. Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities (ESRS 2 IRO-1 § 8)

Risks and/or impacts related to water and marine resources were identified during the double materiality analysis conducted by the Working Group.

AKWEL has identified its sites experiencing water stress. By combining the consumption reported by the sites and the mapping data of the Aqueduct Water Risk Atlas published by World Resources Institute, AKWEL has identified ten sites located in water stress areas and equipped with water reuse solutions (index greater than or equal to 40%).

These ten sites represent 33.8% of the Group's water consumption.

AKWEL is committed to reducing water consumption at its sites and protecting water from pollution.

For more information on double materiality analysis and risk identification, please refer to Section [3.1.3.5, respectively. Management of sustainability impacts, risks and opportunities.](#)

3.2.4.2. Environmental impacts, risks and opportunities related to water and marine resources

Following a consolidated analysis at Group level by the Working Group, the following water and marine resources-related impacts, risks and material opportunities were identified:

Topics	Description	Impact / Risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Water	Pressure on water resources (consumption) particularly in regions/geographical areas identified as at risk of water stress	Negative impact	X		X	X	X	X		

In the upstream value chain, the impact on water resources is primarily related to raw material extraction and manufacturing processes.

3.2.4.3. Policies related to water and marine resource (ESRS 2 IRO-1 § 9,12,13)

As part of its resource efficiency policy, reducing water consumption is an operational objective for all production sites and is monitored and managed by the Environment and Energy Management Committee.

In line with good environmental practices, AKWEL takes concrete measures to reduce water consumption, minimize waste and protect water quality, and especially water consumption, by modernizing cooling systems at its rubber processing plants.

The policy covers all Group operations and applies to all Group companies. To date, AKWEL has not introduced a specific policy for sites located in water stress areas.

Employee awareness of water resource preservation is raised via internal communication campaigns on sustainability issues.

The Manufacturing Performance Department is tasked with implementing the policy across the Group.

The water consumption policy is made available via various channels:

- **Incorporation into official documents:** the principles and objectives of the policies are published annually in the sustainability report, which is accessible to all stakeholders via the AKWEL website;
- **Dialog and exchanges with stakeholders:** AKWEL communicates directly and regularly with key stakeholders (customers, suppliers, investors, employees) to share actions, collect feedback and adjust strategies as needed.

3.2.4.4. Actions and resources related to water and marine resources (ESRS E3-2 § 15)

Actions and resources related to water and marine resources by AKWEL are as follows:

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Reduce water consumption.	Development of closed-loop water circuits. Awareness-raising campaign on protection of water resources.	Reduce water consumption.	Installation of a water treatment plant at the Parades de Coura site (Portugal).	Establish a policy for sites located in water stress areas and develop associated action plans to reduce water consumption and increase site resilience.

3.2.4.5. Targets related to water and marine resources (ESRS E3-3 § 20)

AKWEL has set voluntary targets to reduce pressure on water by 2029.

Objectives	KPI	Quantified targets for 2029	Reference year
Reduce water consumption	m ³	-22%	2021

3.2.4.6. Water consumption (ESRS E3-4 28)

Water consumption (m³) and distribution by source (%)

Water consumption	2024	2023	2022
Total water sample (m ³)	603,684	707,275	782,102
Of which municipal water (%)	78.4%	68.7%	72%
Of which rainwater (%)	-	-	-
Of which groundwater (%)	19.8%	29.25%	25.89%
Of which surface water (%)	1.7%	1.95%	2%
Water discharge (m ³)	535,101	557,805	523,664
Recycled and reused water (m ³)	-	-	-
Total water consumption (m ³)	68,582	129,469	258,437
2023/2024 variation table	-47%	-	-

The total water consumption intensity is 69.3 m³/€M in 2024, 121.4 m³/€M in 2023 and 261.4 m³/€M in 2022.

3.2.5. Biodiversity and ecosystems (ESRS E4)

3.2.5.1. Transition plan and consideration of biodiversity and ecosystems in strategy and business model (ESRS E4-1 11)

To date, AKWEL has not yet formalized a specific transition plan that integrates biodiversity considerations into the overall strategy of its business model. However, it is aware of the growing importance of issues related to the protection of ecosystems and biodiversity and is committed to integrating these issues into its strategic thinking.

Efforts are under way to identify the potential impacts of its operations on biodiversity and ecosystems, with the aim of defining concrete objectives and actions in this area.

3.2.5.2. Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Following the consolidated double materiality analysis conducted at Group level by the Working Group, the material IROs identified related to biodiversity and ecosystems are as follows:

Topics	Description	Impact/risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Impacts on the extent and condition of ecosystems. Impacts and dependencies on ecosystem services.	Degradation of ecosystems due to the sourcing of raw materials (e.g. deforestation related to the use of vegetable oil to reduce the use of rubber-metal, electronic components).	Negative impact	X		X			X		
Direct impacts on biodiversity loss Impact on the condition of species.	Negative environmental impacts related to land artificialization.	Negative impact	X			X		X		
Impacts on the extent and condition of ecosystems.	Disruption of the supply chain due to scarcity of raw materials from ecosystems.	Financial risk			X			X		

3.2.5.3. Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities (ESRS 2 IRO-1)

At this stage, AKWEL has not yet conducted an assessment of its biodiversity impacts and ecosystem dependencies and has not verified whether its sites are within or near biodiversity-sensitive areas.

No consultation has been held with affected communities on the assessment of the sustainability of shared biological resources and ecosystems.

To date, AKWEL is not in a position to determine whether biodiversity mitigation measures need to be implemented.

3.2.5.4. Policies related to biodiversity and ecosystems (ESRS E4-2)

To date, AKWEL has not yet adopted a formalized policy related to biodiversity and ecosystems. Although the protection of ecosystems and natural resources has an increasing influence on strategic planning, no specific measures have been implemented due to the lack of identified major impacts of our operations on biodiversity.

Nevertheless, AKWEL remains attentive to changing regulatory requirements and stakeholder expectations on this issue.

In the future, AKWEL is also committed to evaluating the incorporation of a more structured approach to biodiversity into our global sustainability approach.

3.2.5.5. Actions and resources related to biodiversity and ecosystems (ESRS E4-3)

To date, AKWEL has not conducted actions or allocated specific resources related to biodiversity and ecosystems.

This is because no assessment of the impact of its operations on biodiversity and ecosystems has yet been conducted in accordance with ESRS E4. In addition, AKWEL has not yet mapped the location of its sites in relation to sensitive areas and has not engaged in dialog with stakeholders.

AKWEL plans to launch an initial diagnostic phase by the end of 2026.

This phase will include:

- Mapping the location of sites in relation to sensitive areas and ecosystems by increasing the number of locations included in geographical environmental databases (GIS data), using tools such as Natura 2000 maps and other spatial data portals, to identify proximity to protected or at-risk natural areas;
- Assessing impacts and dependencies on biodiversity and ecosystems;
- Launching engagement with internal and external stakeholders to prioritize the most exposed ecosystems and define the initial measures to be implemented.

3.2.5.6. Targets related to biodiversity and ecosystems (ESRS E4-4)

To date, AKWEL has not yet set targets related to biodiversity and ecosystems.

3.2.5.7. Impact metrics related to biodiversity and ecosystems change (ESRS E4-5)

To date, AKWEL has not yet set specific metrics to measure the impact of its operations on biodiversity and ecosystems.

Although biodiversity protection is a key matter for sustainable development, establishing appropriate methodologies and identifying relevant metrics is still complex and under assessment.

AKWEL is committed to continuing its reflections in this regard, within the framework of a continuous improvement approach, to better integrate these aspects into its environmental management practices in the future.

3.2.6. Resource use and circular economy (ESRS E5)

3.2.6.1. Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (ESRS 2 IRO-1)

The double materiality analysis, which identified the impacts, risks and opportunities related to resource use and circular economy, was conducted by the Working Group.

For more information on the double materiality analysis and risk identification, please refer to [section 3.1.3.6](#).

3.2.6.2. *Material impacts, risks and opportunities and their interaction with resource use and circular economy (ESRS 5 SBM 3)*

Following the double materiality analysis conducted at Group level by the Working Party, the material IROs identified related to pollution are as follows:

Topics	Description	Impact/risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Waste management and recovery	Environmental footprint of waste related to end-of-life of products (treatment, recovery, sorting, etc.)	Negative impact	X		X	X	X	X		
	Environmental footprint of waste generated by manufacturing operations	Negative impact	X		X	X		X		
Resource management and eco-design	Risks of additional costs associated with higher prices of eco-designed raw materials	Financial risk			X	X		X		
Resource outflows linked to products and services	Diversification of operations through end-of-life reconditioning	Financial risk				X	X		X	

3.2.6.3. *Policies related to resource use and circular economy (ESRS E5-1)*

3.2.6.3.1. *Key areas of the policy*

AKWEL's policy is structured around five strategic areas:

3.2.6.3.1.1. *The Eco-Design Approach*

An eco-design approach has been in place since 2018 and applies to all products designed or modified by the Group. This eco-design approach forms part of a sustainable development approach, allowing the environmental impacts of components designed by AKWEL to be taken into account throughout the life cycle of these products.

- Increase product lifespan;
- Minimize the impact of raw materials;
- Reduce energy consumption;
- Integrate manufacturing constraints and minimize waste related to supplies and manufacturing processes;
- Reduce the impact of transportation;
- Take action on use;
- Study the end-of-life from the design stage by minimizing waste and promoting recyclability.

We keep a close eye on environmentally responsible materials, including bio-sourced materials, in order to better meet our customers' needs, and on the use of recycled materials in order to minimize the use of new resources.

3.2.6.3.1.2. *The “REMANufacturing” Project: the Circular Economy*

AKWEL has implemented a circular economy to limit the waste of resources and its environmental impact at every stage of a product's life cycle. This is based on a number of factors, including increasing product lifespan through reuse, repair and recycling. This circular economy is known as “REMANufacturing.”

3.2.6.3.1.3. *Green materials*

Since 2021, AKWEL has been committed to finding environmentally responsible solutions for new products and, in particular, integrating green materials (bio-based, low carbon, recycled, etc.) into every rubber, plastic and metal product for the vehicles of tomorrow.

Projects are underway and will enter into production in 2025, enabling us to reduce our carbon footprint.

3.2.6.3.1.4. *Optimizing Thermal Regulation*

With the new EURO 7 standard and new requirements on battery durability, AKWEL has been on the hunt for products that improve battery management on control circuits and structural parts.

3.2.6.3.1.5. *A responsible supply chain*

AKWEL is committed to ensuring responsibility in its development operations across its supply chain.

Moreover, in all European contracts, AKWEL requires contractors to make every effort to reduce the project's carbon footprint, and project design managers are encouraged to pay particular attention to this contractual requirement.

3.2.6.3.2. *Governance and monitoring*

The scope of the resource use and circular economy policy covers all of the Group's operations in addition to the upstream chain. It covers consolidated financial reporting entities.

The Business Development Department is responsible for implementing the policy.

As part of implementing the policy, AKWEL complies with environmental and corporate social responsibility laws and regulations applicable to operations in the countries where the Group operates.

3.2.6.3.3. *Measuring our progress*

To ensure transparency, AKWEL will implement key performance indicators (KPIs) to monitor progress in the following areas:

- Proportion of recycled materials used;
- Reduction of CO₂ emissions per product;
- Volume of waste diverted from landfills.

These efforts are supported by regular reports and internal audits to assess our results and adjust our actions.

3.2.6.4. Actions and resources in resource use and circular economy (ESRS E5-3)

Actions and resources related to resource use and circular economy by AKWEL are as follows:

Objectives	Shares	Expected results	Completed in 2024	Still to complete
Design of eco-responsible products	Product recyclability	Incorporate materials that are easy to disassemble and recycle into the design of mechanisms and fluid systems.	- Benchmark implementation for the Eco-Design approach - fully completed - REMAN project: collection of returned components under warranty to manufacture new components on the SCR lines. - Use of recycled materials to manufacture components at the Parades de Coura site (Portugal) - Replace chemicals with "green" products, which do not require pictograms.	In the next 3 years: - Eco-design: Implement the project across the Group's scope - Increase the recycling and recovery rate for non-metal waste: plastic and rubber

3.2.6.5. Targets related to resource use and circular economy (ESRS E5-3)

Objectives	KPI	Quantified targets for 2028
Reduce waste production	Metric tons/GPM ²	-15% ¹
Recycle and recover waste	% of production waste	95% ¹

¹ Compared to 2021

² Gross production margin

The targets set by AKWEL are optional.

The target for 2025 is to generate more than €10 million in sales in the scope of the REMANufacturing circular economy.

3.2.6.6. Resource inflows (ESRS E5-4)

AKWEL mainly buys plastics, metal and rubber, which are essential for the manufacture of its products.

These raw materials are sourced from a diverse network of suppliers, with particular attention paid to quality, durability and traceability.

As part of our commitment to sustainability, AKWEL collaborates with its partners to prioritize recycled or low-carbon materials.

In addition, an environmental and social risk assessment across our supply chain is conducted to ensure responsible sourcing in accordance with the targets set by the ESRS.

This process forms part of our global strategy to optimize resource use, reduce waste and limit the environmental impacts associated with our resource inflows.

Resource Consumption

Consumption	2024	2023	2022
Plastic materials (metric tons) *	12,678	18,136	13,756
Metal materials (metric tons) *	16,374	20,920	17,477
Rubber materials (metric tons) *	17,436	14,898	22,208

*Metric tons purchased in 2024 based on open orders.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.2.6.7. Resource outflows (ESRS E5-5)

The total volume of waste generated at a site primarily depends on its level of operations.

However, AKWEL is committed to taking steps toward effective waste management. For example, the Group aims to increase waste sorting and implement innovative waste management solutions.

Appropriate waste sorting facilities are in place at all sites, with the majority equipped with specific sorting facilities and treatment solutions for organic waste, particularly at the Champfromier site.

All sites have established contracts with waste collection providers, which include rules for sorting and recovery. Monthly monitoring and half-yearly consolidation are in place to track the quantities of waste generated and the proportion recycled and recovered.

Waste (tons)	2024	2023	2022
Non-hazardous industrial waste	18,846	21,745	15,767
Recycled non-hazardous industrial waste	-	-	-
Non-hazardous industrial waste incinerated with energy recovery	-	-	-
Non-hazardous industrial waste incinerated without energy recovery	-	-	-
Non-hazardous industrial waste sent to approved landfills	-	-	-
Hazardous industrial waste (metric tons)	1124	1286	1402
Recycled hazardous industrial waste	-	-	-
Hazardous industrial waste incinerated with energy recovery	-	-	-
Hazardous industrial waste incinerated without energy recovery	-	-	-
Hazardous industrial waste sent to approved landfills	-	-	-
Total hazardous and non-hazardous waste	19,970	23,031	17,169
Non-recycled waste	3093	3325	3205
	15.5%	14.4%	18.7%
Recycled waste in tons	16,865	19,662	13,958
Waste recycling and recovery rate	84.45%	85.37%	81.3%

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3. Corporate Information

3.3.1. Own workforce (ESRS S1)

3.3.1.1. *Interests and views of stakeholders (ESRS 2 SBM-2 12)*

To understand how AKWEL engages with its stakeholders, please refer to [section 3.1.3.4 Interests and views of stakeholders](#).

The Group's Human Resources Policy is the result of an in-depth analysis of the impacts, risks and opportunities faced by AKWEL.

The material IROs identified in the employment field highlight our main challenges. These contextual elements are complemented by the needs expressed by stakeholders: shareholders, senior management, employees, candidates applying to join the Group and local communities.

We listen to the expectations of each stakeholder (discussions with Akwelis and their representatives, Akwelis engagement questionnaires, surveys and interviews) and identify their needs to implement appropriate action to develop the Group's corporate social responsibility.

3.3.1.2. Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3 14(b), (d))

The double materiality analysis identified 12 material IROs related to AKWEL personnel, namely:

Topics	Description	Impact/risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Working conditions	Deterioration of the health and safety of employees in the event of workplace accidents or occupational diseases.	Negative impact	X			X		X		
	Financial costs in the event of a workplace accident linked to employer gross negligence (increased contribution and insurance rates).	Financial risk				X		X		
	Job insecurity due to the use of short-term contracts, sudden redundancies not meeting basic needs.	Negative impact		X		X		X		
	Employee fulfillment linked to taking into account their needs and expectations in the Group's strategy.	Positive impact	X			X		X		
	Reduced attractiveness and talent retention due to lagging behind in terms of working conditions (tools, remote work, etc.).	Financial risk	-	-		X		X		
	Reduced productivity caused by employee disengagement and/or significant social conflicts.	Financial risk	-	-		X		X		
	Loss of employee employability due to poor management of professional developments.	Negative impact	X			X		X		
	Increased productivity through the development of training on digital tools, artificial intelligence in order to optimize R&D and production processes.	Financial opportunity				X			X	
	Lack of competitiveness linked to insufficient employee expertise in new process technologies related to the energy transition.	Financial risk				X			X	
Decent wages	Deterioration in the standard of living due to inadequate wages that do not provide for basic needs.	Negative impact		X		X		X		
Equal treatment and equal opportunities for all	Employee discrimination related to a breach of the principle of gender equality and equal opportunities.	Negative impact	X			X		X		
Other work-related rights	Violation of the privacy of customers in the event of their personal data being mismanaged.	Negative impact		X		X		X		

For more information on double materiality analysis and risk identification, please refer to [Section 3.1.3.5, respectively. Management of sustainability impacts, risks and opportunities.](#)

AKWEL recognizes that its workforce is a key asset and workforce-related impacts, risks and opportunities are closely linked to its strategy and business model.

3.3.1.3. Policies related to own workforce (ESRS S1-1 17, 20(a), (b) (c), 22, 23, 24)

All the HR policies described below apply to all Group employees.

The Human Resources Department is responsible for implementing HR policies across the Group.

In this context, AKWEL has structured its employer brand around four action verbs that embody its guiding principles:

GROW+

It encompasses the specific policies outlined below.

GROW+: At AKWEL, we learn from one another and we grow together, which enables the Group to progress in turn. We cultivate the ability to go beyond our limits. We face demanding but rewarding challenges, which form part of the Group's DNA. We operate in a dynamic industrial and technological environment, which provides a rewarding and enriching daily work life. AKWEL's priority is to grow individually and collectively to achieve our goal.

COMMIT: Working at AKWEL means taking part in the adventure of a family-owned group with down-to-earth and authentic values. It also means contributing to the ongoing story of an international company. As an independent Group with a strong financial foundation, we operate wherever our customers are present and are building an exemplary reputation in the countries where we are established. Sustainability drives AKWEL's history. Thus, each employee who is committed alongside us contributes to the Group's future and has the opportunity to build a long-term career in an international environment, if they so wish.

RESPECT: Working at AKWEL involves collaboration built on mutual commitments. Our family's history and our exemplary reputation command respect. Our family is consequently committed to setting an example to employees. In return, we expect exemplary employee conduct. At AKWEL, we respect every member of personnel, regardless of their role, with constant attention to fairness. We provide everyone with equal opportunities for success within the Group, ensuring that everyone receives the same attention, and benefits from the same conditions and the same tools to progress with confidence. Our values of authenticity and transparency require us to act with the utmost honesty toward our employees. We consider that speaking truthfully is an essential mark of respect. AKWEL promotes equity and inclusion within its teams and ensures recruitment in line with the same principles by fostering diversity in all its forms.

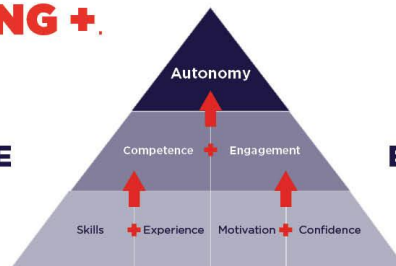
DO: We provide our strategic customers with increasingly more reliable and competitive solutions. Every contract awarded is a real challenge, requiring our employees to demonstrate high standards at all times. Working at AKWEL also provides the opportunity to develop diverse skill sets and new expertise (robotic machine area, mechatronics, etc.) up to full mastery level. The culture of manufacturing performance, efficiency, results and customer satisfaction is the foundation and the driving force behind our Group's progress. To meet customer needs, our employees are encouraged to cultivate pragmatism to design the right solution for each problem, with creativity and agility.

SHARE: We are careful to transfer knowledge and provide opportunities to the young people we train by sharing our expertise. At AKWEL, young joiners have the opportunity to build a career by learning from their peers, some of whom have long-term experience in our Group. We aim to share and transfer our technical knowledge along with our values. We impart genuine professional know-how in addition to business expertise. At AKWEL, each employee can gain unique know-how through a comprehensive understanding of their role as a result of our specific organization, which encompasses management of the entire production chain.

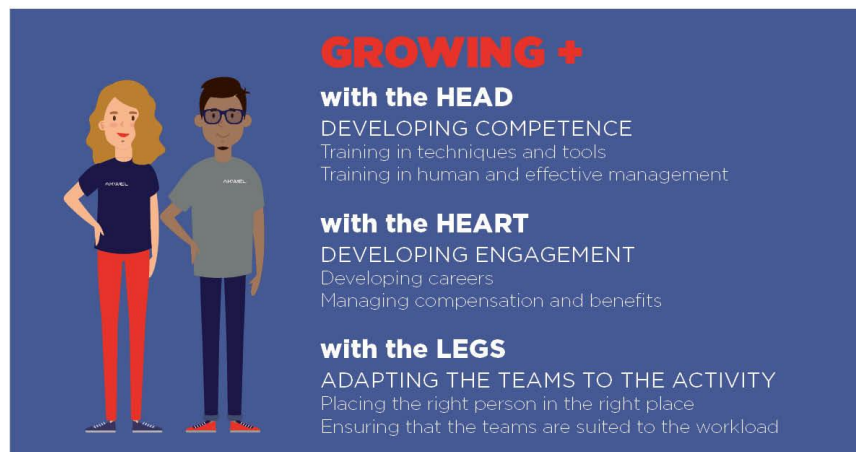


AKWEL develops the **AUTONOMY** of Akwelis to **GROWING +**.

**Developing
COMPETENCE**



**Developing
ENGAGEMENT**



AKWEL develops the **AUTONOMY** of Akwelis to **GROW+**: developing skills (knowledge and experience) and building engagement (motivation and trust).

At AKWEL, our **GROW+** vision applies to three pillars: **HEAD**, **HEART** and **LEGS**.

GROW+ with your HEAD - Develop Skills and:

- Train in techniques and tools;
- Train in human and effective management.

GROW+ with your HEART - Build Engagement and:

- Develop careers;
- Drive remuneration and benefits.

GROW+ with your LEGS – Adapt teams to Operations and:

- Put the right person in the right place;
- Make sure the teams match the workload.

3.3.1.3.1. *Respect for the human rights, including labor rights, of its personnel*

AKWEL supports and considers as a priority the protection of "fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women" as internationally recognized in the Universal Declaration of Human Rights and Principles 1 and 2 of the United Nations Global Compact. "Global Compact"

AKWEL prohibits all forms of forced or compulsory labor.

During the employment relationship, AKWEL undertakes to ensure that its employees are free to accept or refuse a position or a promotion within the Group, to express their views, to join a trade union and to terminate their employment contract in accordance with the laws and practices in force in their host country.

In accordance with the International Labor Organization guidelines on minimum age and national legislation, the Group is committed to the effective abolition of child labor, by prohibiting employment of candidates who are below the required minimum age and/or who do not fulfill the legal obligations of the country in which it operates.

3.3.1.3.2. *Engaging with its personnel*

In accordance with the International Labor Organization Convention on the right to organize and collective bargaining within the scope of national legislation, AKWEL promotes social dialog between personnel representatives and management in order to have constructive discussions, primarily regarding employee-employer relations and working and employment conditions.

In line with provisions on trade union freedom and protection of union rights, AKWEL respects the right of employees to join forces, join a trade union, appoint a representative and be elected in accordance with the specific rules in each country.

3.3.1.3.3. *Measures to remediate and/or enable remediation of human rights impacts*

In accordance with the requirements of ESRS and the United Nations Guiding Principles on Business and Human Rights, AKWEL is committed to identifying, preventing and, where necessary, remediating any negative impacts on human rights resulting from its operations and value chain.

To this end, AKWEL has introduced a whistleblowing process that allows any stakeholder, including employees, suppliers and local communities, to report any potential human rights breaches anonymously and safely.

When an impact is identified, AKWEL undertakes to implement appropriate corrective measures, which may include compensation, rehabilitation or other forms of redress depending on the severity and nature of the harm.

3.3.1.3.4. *Occupational health and safety*

All Group employees have the right to a safe and healthy working environment.

Safety is our priority. It is central to all of our processes, every day, in every action, at all of our sites. Everyone working at AKWEL, as an employee, provider or supplier, should be able to work in a healthy and safe working environment.

To ensure this, AKWEL has incorporated employee health and safety protection into its management system. The occupational health and safety policy is defined by the QCT VP and approved by the Health and Safety Management Committee.

The Manufacturing Performance VP is responsible for implementation.

The occupational health and safety policy and the associated objectives apply to all sites and are adjusted locally when performance exceeds the Group target, in order to maintain the trend of continuous progress toward no accidents.

This procedure, which is constantly updated, is made available to all employees in addition to national laws and regulations.

Moreover, the Group enforces and complies with regulations on harassment. AKWEL consequently prohibits any conduct that constitutes moral or sexual harassment.

Any employee who becomes aware of a risk to themselves or others must immediately inform either their manager or the Human Resources Manager. All requests are handled with the strictest confidentiality, in accordance with the whistleblowing right in force in the company.

3.3.1.3.5. *Personal data management*

AKWEL has formalized its GDPR policy around two methodologies:

Methodology for managing personal data breaches, which defines the conditions, responsibilities and action to be taken in the event of a personal data breach resulting from security failures at AKWEL. This ensures compliance with the requirements of Regulation (EU) No 2016-679 of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (GDPR).

Methodology for the protection of personal data aimed at ensuring that all personal data processed by the company is protected in accordance with the General Data Protection Regulation (GDPR).

3.3.1.3.6. *Equity, diversity and inclusion*

AKWEL is committed to promoting respect for difference, whether cultural, social or economic. AKWEL promotes equity and inclusion within its teams and ensures recruitment in line with the same principles by fostering diversity in all its forms.

For AKWEL, inclusion means creating an environment where everyone feels respected, valued and included, regardless of their differences. We recognize and value the skills, experiences, opinions and ideas of all Akwelis, regardless of gender, age, ethnicity, disability, sexual orientation or any other personal characteristics.

Diversity is a strength for AKWEL because it stimulates creativity and fosters innovation through the varied profiles in the company. We encourage cultural diversity, diverse skills, diverse career paths and diverse perspectives and ideas.

Therefore, no person may be excluded from recruitment processes or access to internships or periods of training in the company, no employee may be subjected to disciplinary measures, dismissed or directly or indirectly discriminated against, particularly with regard to remuneration, redeployment training, assignment, qualification, classification, professional promotion, transfer or renewal of a contract by reason of their origin, gender, morals, sexual orientation, age, family status or pregnancy, genetic characteristics, real or perceived membership or non-membership of an ethnic group, nation or race, political opinions, trade union or mutualist activities, religious beliefs, physical appearance, last name, health status or disability.

For several years, AKWEL has been sharing initiatives to continuously improve the integration of people with disabilities. 160 Akwelis with disabilities contribute to AKWEL's performance every day. AKWEL Group intends to continue to integrate people with disabilities.

AKWEL seeks to achieve a fair overall outcome that rewards individual and collective performance and does not discriminate on grounds of origin, gender, nationality or any other personal criteria.

An awareness module on inclusion and diversity helps to train Akwelis on non-discrimination issues. These materials are available in e-learning format for new joiners during their onboarding.

3.3.1.3.7. *Gender equality*

In accordance with the Convention of the International Labor Organization (ILO) and the principles of the Global Compact, the Group is implementing concrete action in the field of remuneration and vocational training to promote gender equality in the workplace. On a daily basis, this is reflected by the existence, dissemination and application of common recruitment processes, performance appraisals, access to training and remuneration. All of these approaches are based solely on the skills of our employees and candidates.

AKWEL is committed to promoting the role of female Akwelis at every level of the company's organization. AKWEL encourages representation by female Akwelis in management roles across the company.

In 2024, female Akwelis accounted for 41% of the workforce but only 22% of managers. AKWEL aims for them to represent 25% of managers in 2027 and 30% of Group managers in 2030. We run local initiatives at each of our sites for International Women's Day on March 8, and highlight the example of Akwelis women's inspiring career paths in our *ECHANGES* internal newsletter.

The Group's principle in terms of career development is to promote professional development. To this end, job opportunities are available to all employees worldwide, internally on our collaborative portal, and externally on the Group's website and recruitment websites.

3.3.1.3.8. *Cultural and intergenerational diversity*

AKWEL is present in 20 countries spanning five continents and welcomes employees from diverse regions across the world, including Europe (excluding France & Africa) 34%, France 14%, America 32% and Asia 20%, with diverse cultures, ages and backgrounds, in order to build effective and inclusive teams.

Therefore, the proportion of Akwelis aged under 30 is the same as the proportion of Akwelis aged over 50.

The company is committed to keeping seniors in employment until retirement and has consequently concluded a collective company agreement on the projected management of jobs and career paths including specific measures to support employees at the end of their careers.

3.3.1.3.9. *Employee culture and engagement*

3.3.1.3.9.1. *Cultivating AKWEL's DNA*

On the occasion of its 50th anniversary, AKWEL is looking back at the half-century that shaped its history by launching a website, www.akwel.com. This website presents the AKWEL of yesterday, today and tomorrow, providing an in-depth look at the family story behind AKWEL Group and sharing this collective adventure since 1972. By gaining a deeper understanding of the Group's history, potential candidates, Akwelis, can become familiar with the corporate culture.

We have formalized our mission (what we do), our vision (where we are heading), our values (our shared objectives), our strategy (the way forward) and our five priorities.

On the AKWEL Vision Days, we convene the Group VPs to align with the three-year strategy, which we distribute to the Akwelis.

Each year, we recognize team performance in relation to our five priorities through the AKWEL Awards and cross-cutting best practices.

Akwelis at each site compete in the International AKWEL Challenge to implement a local team initiative on a subject chosen by the Group for the year: our mission, the Stop Work safety program, everyone against waste, initiative with local communities.

3.3.1.3.9.2. *Career development*

Through annual performance and autonomy appraisals, we anticipate the next stage of each employee's career and encourage internal promotion to help all Akwelis who aim to GROW+.

The People Review at AKWEL is an essential HR process that enables mobility solutions to be offered to personnel identified via the resource adequacy matrix. This tool is key to talent retention and succession planning for career management.

To this end, the People Review has three main goals:

- Identifying "High Performer" Akwelis to anticipate their next career stages at AKWEL;
- Retaining employees and key roles by identifying competent and engaged Akwelis through a succession plan;
- Supporting "Low Performer" Akwelis with the implementation of a Performance Improvement Plan, in conjunction with their managers to help them achieve the expectations of their role.

3.3.1.3.9.3. *Performance bonus*

AKWEL compensates individual and collective performance through a bonus system that helps to better engage and empower teams in order to achieve the Group's strategic objectives.

The bonus system applies to all Group employees, since each AKWEL employee contributes to the Group's success. The maximum level of the bonus depends on the employee's role at the company. The amount of the bonus increases in proportion to the impact that the role has on the Group's overall performance.

Performance is assessed based on two or three criteria covering customer satisfaction and profitability in a balanced way. The criteria are defined to be simple (easy to understand and calculate), measurable, sustainable (no change every year) and known to employees.

AKWEL has set a target that all personnel will be eligible for a performance bonus by 2027.

3.3.1.4. Processes for engaging with own workforce and workers' representatives about impacts (ESRS S1-2 27, S1-8 63)

The Human Resources VP has operational responsibility to ensure that this engagement takes place and that its outcomes support AKWEL's approach to managing these impacts.

3.3.1.4.1. Social dialog

To take account of the Group's international dimension and promote social dialog on transnational issues, an AKWEL European Works Council (EWC) was established in October 2019.

The EWC covers all Group employees in seven countries: Czech Republic, France, Germany, Portugal, Romania, Spain and Sweden.

The EWC is informed of and consulted on the Group's strategic decisions. The employee delegation consists of 14 members (staff or union representatives).

It meets at least twice a year.

It covers a range of topics within the European scope, such as the employment situation and likely employment trends, organizational developments, the introduction of new production processes, production transfers, mergers, investments and so on.

3.3.1.4.2. Communication

Our internal newsletter, *ECHANGES*, is distributed every quarter to Akwelis to share the Group's news and what is happening at our sites. It is translated into every language for a better understanding of all the articles.

The *ECHANGES* editorial is a quarterly opportunity to focus on a key message related to the company's operations.

The editorial is regularly prepared jointly by the Group President and a VP directly connected to the message for the quarter.

3.3.1.4.3. Quarterly meeting

A meeting is held for each site every quarter. These meetings provide an opportunity for information sharing and exchanges between management and Akwelis.

They open the way for communicating regularly, transparently and interactively with all employees.

These meetings contribute to employee engagement through regular information on the Group's plans, culture and values. During the meetings, management presents the President's message, and information on the Group and the site. Discussion time is provided to answer questions raised by Akwelis.

3.3.1.5. Processes to remediate negative impacts and channels for own workers to raise concerns (ESRS S1-3 32)

3.3.1.5.1. Akwelis' concerns are raised through a range of channels

At quarterly meetings, to facilitate exchanges and in compliance with local regulations, it is advisable to share a meeting agenda and allow employees to ask questions prior to the meeting. Management prepares the answers that will be given to any questions raised by employees.

The annual meeting is an important management task carried out each year, where employee concerns are identified and action plans can be developed in the event of dissatisfaction.

The whistleblowing process implemented at AKWEL states that "No employee may be subjected to disciplinary measures, dismissed or discriminated against for having reported or related the actions defined above".

A policy aimed at protecting against potential retaliation has been implemented and forms part of the broader policy on whistleblowers.

Each employee can accordingly act with confidence: all open whistleblowing reports are treated confidentially and AKWEL Group makes every effort to meet expectations. To report the existence of conduct or incidents contrary to the rules set out in the Charter, employees may first opt to use traditional channels (line management, specialist committees) before using the whistleblowing process. They must also ensure that they comply with the law and rules applicable to their country of residence and operations.

Any employee who witnesses an incident or conduct that appears contrary to the content of the existing charters and codes within the Group and AKWEL's principles may inform the following individuals:

- Their direct or indirect manager (preferred contact);
- Various local contact persons depending on the issue (Human Resources Manager, QCT Manager, Finance Controller, IT Correspondent);
- The legal manager of the site where the incident occurred;
- And, lastly, the Ethics Officer: (ethics@akwel-automotive.com).

3.3.1.5.2. Employee engagement survey

AKWEL organized an Akwelis engagement survey, conducted by an independent external company, of all employees at all Group sites. This survey, completed in 2024, made it possible to question all Group employees with a participation rate of 84% and a commitment level of 4.04 out of 5.

This anonymous survey identified the main reasons for employee concerns that could impact their engagement levels at each site concerned. An action plan was implemented at each site to identify appropriate solutions to address the main barriers to engagement: job satisfaction, clarity of roles and responsibilities, pride in belonging, etc.

3.3.1.6. Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (ESRS S1-4 § 37, § 38, § 40)

Actions were identified based on the analysis of risks and opportunities that was conducted by the Working Group.

3.3.1.6.1. Decent wages

Negative impact: Deterioration in the standard of living due to inadequate wages that do not provide for basic needs.

3.3.1.6.1.1. Remuneration

Remuneration is made up of several components: salary (fixed remuneration); bonuses (variable remuneration); benefits (health insurance, life insurance, etc.); and benefits in kind (company car).

Each component of this remuneration is governed by rules that take into account local legislation, labor market conditions in each region, the position held or level of responsibility exercised, and the employee's performance. The aim is to attract, retain and motivate Akwelis, while guaranteeing competitiveness in the local market.

For example, variable remuneration, based on the Group's strategic objectives, represents a larger proportion of remuneration the higher the level of responsibility.

3.3.1.6.1.2. Performance-based remuneration

We compensate individual and collective performance through a bonus system that helps to better engage and empower teams to achieve the Group's strategic objectives.

The bonus system applies to all Group employees since each AKWEL employee contributes to the Group's success. The maximum level of the bonus depends on the employee's role at the company. The amount of the bonus increases in proportion to the impact that the role has on the Group's overall performance.

Performance is assessed based on two or three criteria covering customer satisfaction and profitability in a balanced way. The criteria are defined to be simple (easy to understand and calculate), measurable, sustainable (no change every year) and known to employees.

The Group postponed the 2024 reporting and focused on identifying employees who are paid the minimum wage this year, i.e. 124 individuals or 1.44% of our workforce. All of our employees are paid the minimum wage and 98.56% are paid more than this amount.

A policy and adequate wage targets will be developed in the Group in 2026.

AKWEL has set the goal of conducting an adequate wage analysis at all sites by 2030.

3.3.1.6.2. Gender equality and equal pay for work of equal value

Negative impact: discrimination against employees due to a breach of the principle of gender equality and equal opportunities.

AKWEL runs local initiatives at each of our sites for International Women's Day on March 8, and highlight the example of Akwelis women's inspiring career paths in our *ECHANGES* internal newsletter.

3.3.1.6.3. Respect of privacy

Negative impact: breach of employee privacy in the event of mismanagement of their personal data.

In 2024, AKWEL formalized its GDPR policy around two methodologies to protect personal data:

Methodology for managing personal data breaches, which defines the conditions, responsibilities and action to be taken in the event of a personal data breach resulting from security failures at AKWEL. This ensures compliance with the requirements of Regulation (EU) No. 2016-679 of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (GDPR).

Methodology for the protection of personal data aimed at ensuring that all personal data processed by the company is protected in accordance with the General Data Protection Regulation (GDPR).

In 2024, AKWEL updated its HR guidelines to include detailed information on data retention periods and standard contractual clauses (confidentiality, GDPR and information security).

AKWEL has formalized the GDPR register at the registered office, which provides details on personal data processing by department.

Awareness training for Akwelis on personal data protection is scheduled for 2025.

3.3.1.6.4. Training and skills development

Negative impact: loss of employee employability due to poor management of professional development.

Opportunity: increased productivity through the development of training on digital tools and artificial intelligence to optimize R&D and production processes.

Risk: lack of competitiveness due to a lack of employee skills in new process technologies related to energy transition.

In 2024, AKWEL devoted an average of 15.43 hours to training per Akweli. More than 1000 priority training sessions were organized in this context. Akwelis mainly took training on safety, production and processes.

For 2025, AKWEL wants to develop training in team management and increase technical training for teams. We aim to continue to increase the average number of training hours per Akweli, which has steadily risen since 2022 with 12.9 hours, 14.4 hours in 2023, and finally 15.43 hours in 2024.

Digitalization projects will be launched in 2025 with the implementation of a dedicated information system for supplier management, cash management software and electronic invoicing. These projects aim to improve the efficiency of the Team/Tool alignment.

3.3.1.6.5. Employee health and safety

Negative impact: deterioration in employee health and safety in the event of workplace accidents or occupational diseases.

Risk: financial costs in the event of a workplace accident due to the employer's negligence (higher contribution and insurance rates).

In 2024, AKWEL Group's safety performance (TF 2.14 vs 4.50/TG 0.13 vs 0.18) confirms the effectiveness of the action taken to improve Akwelis' health and safety.

In terms of action aimed at meeting its health and safety objectives, AKWEL continued to implement Stop Work programs at all sites. Guidelines on golden safety rules for all personnel have been drawn up and approved by the Health and Safety Management Committee, and will be distributed in 2025.

In addition, man-machine interfaces (part of moving machinery) were analyzed using internal guidelines on good practices and compliance. Discrepancy processing was launched in 2024 and pursued in 2025.

In 2025, AKWEL decided to extend ISO 45001 certification to all sites.

These various measures should continue the declining trend in the number of accidents that has been seen for several years.

3.3.1.6.6. Workforce management

Negative impact: job insecurity due to the use of short-term contracts or sudden redundancies not meeting basic needs.

Positive impact: development of employees due to taking into account the needs and expectations of employees in the Group's strategy.

Risk: reduced productivity caused by employee disengagement and/or significant industrial disputes.

Risk: reduced attractiveness and talent retention due to lagging behind in terms of working conditions (tools, remote work, etc.).

AKWEL has drawn up and distributed a methodology on remote work for all of its teams. These guidelines are supplemented by a list of eligible roles, which was updated in the course of 2024.

In 2025, the People Review implemented at all sites worldwide aims to anticipate next career stages.

3.3.1.7. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS S1-5 § 47)

AKWEL promotes internal mobility by anticipating the next stage of Akwelis' careers. Each of the Group's sites evaluates the proportion of internal recruitment every month and conducts local initiatives to promote internal mobility among employees who are eligible to apply for vacancies.

AKWEL has set a target that all personnel will be eligible for a performance bonus by 2027.

AKWEL seeks to maintain a balance between internal recruitment at 40% and external recruitment at 60%, which enables teams in place to grow (GROW+) and new employees to be integrated who enrich the company with their professional experience.

AKWEL aims to strengthen the gender balance in the Group. AKWEL is committed to promoting the role of female Akwelis at every level of the company's organization. Akwelis women account for 41% of the workforce. AKWEL encourages Akwelis female representation in management roles at the company. They now represent 22% of managers, with a representation target of 25% in 2027 and 30% in 2030.

AKWEL has set a target of organizing a survey of the entire workforce by an independent body every five years with the aim of maintaining an engagement ratio of at least four out of five.

For several years, AKWEL has been sharing initiatives to continuously improve integration of people with disabilities. 160 Akwelis with disabilities contribute to AKWEL's performance every day.

AKWEL Group intends to continue to integrate people with disabilities.

As part of our commitment to continuous improvement in health and safety, AKWEL aims to achieve a lost-time accident frequency rate of less than 2.9 and a severity rate of 0.15 by 2028.

AKWEL's ambition is to continue its trajectory toward a frequency rate of less than 1 and no accidents.

Objectives	2025	2026	2027	2028	2029
Frequency rate of lost-time accidents – FR1	2.9	2.75	2.5	2.25	2
Severity rate of lost-time accidents – GR1	0.15	0.14	0.13	0.12	0.10

AKWEL has set a target of organizing a survey of the entire workforce by an independent body every five years starting in 2028 with the aim of maintaining an engagement ratio of at least four out of five.

AKWEL prohibits forced labor, child labor and all forms of exploitation. We aim to achieve no proven reports on these matters.

To meet some of our customers' requirements, AKWEL certified 3% of these operational sites under the SA 8000 international social responsibility standard in 2025.

The Timisoara site in Romania achieved a compliance level of 92.3% in February 2025.

AKWEL has set the goal of training 80% of the workforce in 2026.

AKWEL set the target of appraising all Akwelis once a year as from 2024 as part of an annual performance review with their manager.

3.3.1.8. Characteristics of the undertaking's employees (ESRS S1-6 50)

3.3.1.8.1. Workforce by gender

As at December 31, 2024, the Group had 8626 employees (on permanent and fixed-term contracts), representing a 10.44% increase compared to 2023.

Gender	2024	2023	2022
Men	5108	5667	5398
Women	3518	3965	4007
% women	41%	41%	43%
Other*	-	-	-
Not stated**	-	-	-
Total employees	8626	9632	9405
Total number of hours worked	17,746,531	19,421,042	19,065,070

* In some Member States, it is legally possible to register a third, often neutral, gender, which is classed as "other" in the table above.

** In some Member States, it is legally possible for individuals to register as having a third, often neutral, gender, which is categorized as "other" in the table above. However, if the company publishes data on employees for whom this option is not available, it can explain this and specify that the category "other" is not applicable.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.2. Breakdown of Workforce by Category

Breakdown of Workforce by Category	2024	2023	2022
Executives	549	521	512
Employees and technicians	3339	3489	3397
Workers	4738	5622	5496
Total	8,626	9,632	9405

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.3. Breakdown of Employees by Geographical Area

The Group's workforce was spread across 20 countries in 2024. 34.26% of the Group's workforce is located in Europe (excluding France) and Africa; 31.75% in North America; 13.88% in France; 19.86% in Asia and the Middle East (including Türkiye); and 0.25% in South America.

Countries in which the company employs 50 or more people, representing at least 10% of the total number of its employees.	2024	2023	2022
France	1197	1261	1280
Europe (excluding France) and Africa	2955	3330	3208
North America	2739	3113	2992
Asia and the Middle East (including Türkiye)	1713	1906	1892
South America	22	22	33
Total	8,626	9,632	9,405

For a breakdown of the workforce by country, please refer to [section 3.1.3.2 "Group business model"](#).

3.3.1.8.4. Type of employment contract

Present as at 12/31/2024	Women	Men	Other*	Not specified	Total
Number of employees	3661	5,398	-	-	9059
Number of registered employees on permanent and fixed-term contracts	3,518	5,108	-	-	8,626
Number of temporary employees	143	290	-	-	433
Number of employees with non-guaranteed work schedules	-	-	-	-	-
Present on 12/31/2023	Women	Men	Other*	Not specified	Total
Number of employees	4144	6060	-	34	10,205
Number of registered employees under permanent and fixed-term contracts	3,965	5,667	-	-	9,632
Number of temporary employees	179	394	-	34	573
Number of employees with non-guaranteed work schedules	-	-	-	-	-
Present on 12/31/2022	Women	Men	Other*	Not specified	Total
Number of employees	4195	4,195	-	-	10,012
Number of registered employees under permanent and fixed-term contracts	4,007	4,007	-	-	9,405
Number of temporary employees	188	188	-	-	607
Number of employees with non-guaranteed work schedules	-	-	-	-	-

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.5. Number of employees (by workforce) by contract type, broken down by country

As at December 31, 2024, the registered AKWEL workforce represented 95.22% of the total and temporary personnel represented 4.78%.

Present on 12/31/2024	France	Europe (excluding France) and Africa	North America	Asia and the Middle East (including Türkiye)	South America	Total
Number of employees	1313	3086	2774	1862	24	9,059
Number of registered employees under permanent and fixed-term contracts	1,197	2,955	2,739	1,713	22	8,626
Number of temporary employees	116	131	35	149	2	433
Number of employees with non-guaranteed work schedules	-	-	-	-	-	-

3.3.1.8.6. Personnel turnover rate

In 2024, the personnel turnover rate, which is calculated as the total number of resignations, dismissals, voluntary contractual terminations, retirements, trial period terminations and deaths divided by the number of employees under permanent contracts at the end of 2024, was 27% (compared to 33% in 2023).

Employee departures	2024	2023	2022
Total number of employees who left AKWEL	2645	3066	3336
Departure rate in %	27.5%	32.6%	34.5%

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.7. Types of employee departures

In 2024, the Group recorded 2645 departures, comprising voluntary departures and departures for other reasons (1595), in addition to dismissals and terminations (952). Voluntary departures from the Direct Labor Force (1084) totaled 39% of departures, primarily in Mexico, where the job market remains highly competitive.

Departures	2024	2023	2022
Lay-offs and terminations	952	829	920
Retirement	98	97	64
Voluntary departures and other reasons*	1595	3066	3336
Total	2645	3992	4320

*"Voluntary departures and other reasons" include resignations, the end of fixed-term contracts, trial periods and deaths.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.8. Absenteeism

For all Group sites, the rate of absenteeism in 2024 was 4.77%, excluding maternity-related absences.

Absenteeism	2024	2023	2022
Total rate of absenteeism	5.32%	4.87%	5.01%
Rate of absenteeism excluding maternity leave	4.77%	4.33%	4.40%

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.9. Recruitment

In 2024, the Group recruited 1641 new staff, mainly at sites in North America and Asia, and at other sites exposed to high-growth markets.

Employees by contract type	2024	2023	2022
Permanent contract	1496	3704	3652
Fixed-term contract	145	515	412
Total	1641	4219	4064

(1) Excluding internships

In 2024, of the 1641 new employees recruited, 8.84% were on permanent contracts.

3.3.1.8.10. Number of Employees Working in Shifts

5997 employees work in shifts, particularly in production (2 x 8, 3 x 8).

Number of Employees Working in Shifts	2024	2023	2022
Total	5997	7252	7048

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.8.11. Weekly Working Hours

Working hours are adapted to best meet our customers' needs within the framework of legal working hours, which vary from one legislation to another and range from 35 hours to 48 hours per week.

In some plants, night shifts are also organized to meet our customers' needs.

	2024	2023	2022
Weekly Working Hours	35 to 48 hours	35 to 48 hours	35 to 48 hours

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.9. Characteristics of non-employees in the AKWEL Group's workforce (ESRS S1-7 § 57)

The Group's workforce, active in 20 countries, is enriched by the diversity of its independent providers. However, due to their broad geographical distribution and the nature of their engagement, it is not yet possible to monitor information on individual providers at a global level.

3.3.1.10. Collective bargaining coverage and social dialogue (ESRS S1-8 § 60)

Negotiations at all Group sites led to the signing of 21 collective agreements, including 5 on health and safety at work.

	Coverage of collective bargaining agreements		Social dialog
Coverage rate	Employees – EEA (for countries with >50 employees representing >10% of the total workforce)	Employees – Outside the EEA (estimate for regions with >50 employees representing >10% of total employment)	Workplace representation (EEA only) (for countries with >50 employees representing >10%)
0–19%			
20–39%			
40–59%		North America	
60–79%		Asia, Middle East	
80–100%	France	Europe (excluding France) and Africa	France

Either 5223 employees covered by a collective agreement in 2024 or 61% of the workforce.

Either 6426 employees covered by an Economic and Social Council in 2024 or 74% of the workforce.

In 2030, AKWEL set itself the target of having 80% of its workforce covered by an Economic and Social Committee.

3.3.1.11. HSE

HSE Committees	2024	2023	2022
Number of sites with an HSE committee	31(*)	33(**)	34
% of sites with an HSE committee	100%	100%	100%

(*) 2024: closures of the Gournay and Chongching sites.

(**) 2023: closure of the Cordoba site.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

Either 7683 employees covered by an HSE committee in 2024 or 89% of the workforce.

3.3.1.12. Percentage of workforce with an annual performance review (ESRS S1-13 § 66)

In 2024, 96% of employees had an annual performance review.

Annual Performance Review	2024	2023	2022
Number of annual performance reviews	8365	8643	8569
Percentage of workforce with an annual review	96%	93%	92%

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

AKWEL set the target of appraising all Akwelis once a year as from 2024 as part of an annual performance review with their manager.

3.3.1.13. Diversity metrics (ESRS S1-9 § 66)

In 2025, 100% of employees were made aware of discrimination, equity and inclusion during information meetings in the first quarter of the year.

3.3.1.13.1. Gender distribution in number and percentage at top management level among employees

In 2024, 11% of women and 89% of men held top management positions. Top management positions correspond to management roles in the Group's operational and functional departments.

Number and percentage at top management level	Women	%	Men	%	Other*	Not specified**	Total
2024	7	11%	56	89%	-	-	63
2023	8	12%	60	88%	-	-	68
2022	10	14%	61	86%	-	-	71

*In some Member States, it is possible to legally register as having a third, often neutral, gender which is classified as "other" in the table above.

Percentage of women present in governance bodies	2024	2023	2022
Supervisory Board	43%	43%	43%
Executive Board	0	0	0
Executive Committee	7%	13%	7%

** In some Member States, it is legally possible for individuals to register as having a third, often neutral, gender, which is categorized as "other" in the table above. However, if the company publishes data on employees for whom this option is not available, it can explain this and specify that the category "other" is not applicable.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.13.2. Distribution of employees by age group

Distribution of Employees by Age Group	Under 30 years old	Between 30 and 50 years old	Over 50 years old	Not published	Total
2024	1877	4873	1876	-	8,626
2023	2416	5321	1895	-	9,632
2022	2285	5312	1808	-	9,405

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.14. Adequate wages (ESRS S1-10 § 67)

At this stage, the Group has not yet carried out a specific assessment of the adequate nature of the wages paid to its employees, nor has it established a methodology for determining an adequate wage by geographical area.

In the absence of this analysis, the Group is unable to confirm whether the remuneration paid meets the criteria for an adequate wage as defined in ESRS S1 and the ILO guidelines.

3.3.1.15. Persons with disabilities (ESRS S1-12 § 79)

At the end of 2024, 1.9% of the Group's employees were recognized as workers with disability status.

Employment of People with Disabilities	2024	2023	2022
Number of employees with disabilities	160	150	137

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.16. Training and skills development metrics (ESRS S1-13 § 83)

Training	2024	2023	2022
Amounts dedicated to training (as a percentage of payroll)	0.61%	1.02%	0.83%
Workforce training rate (workforce trained/total workforce)	2024	2023	2022
Workforce trained	6825	7049	6814
Percentage	79.12%	73.18%	72.45%
Average number of training hours per employee (no. of hours/total workforce)	2024	2023	2022
Training hours	133,119	138,832	121,462
Average number of training hours per employee	15.43	14.37	12.91

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

Average number of training hours per employee (no. of hours/workforce by category)	Women	Men	Other*	Not specified**	Total
2024	16.04	15.01			15.43
2023	11.39	14.24			14.37
2022	12.07	12.24			12.91

3.3.1.16.1. Professional Development

The Group's professional development policy has two objectives:

- To prioritize the best-performing employees, with opportunities for training that leads to qualifications, internal promotion and individual raises, giving them the chance to grow within the business;
- To promote diversity. The Group firmly believes that diversity of gender, age, origin and skills enhances our own capabilities, particularly our ability to innovate and design innovative products. As the automotive market changes rapidly, we are strengthening our ability to adapt to new demands and technologies, and to develop the international potential of Akwelis.

In 2024, the Group's workforce and skills management policy addressed two of AKWEL's major challenges:

- Adapting our workforce to ensure the economic balance of our activities;
- Developing our technical skills and support in order to improve the quality and performance of our products and services and maintain our development and innovation capacities.

3.3.1.16.2. Training

In addition to maintaining our workforce of employees and technicians, we have made, and will continue to make, special efforts in the area of training. Training within the Group is a lever for developing the performance and professionalism of our teams. It allows us to keep pace with changes in our businesses and to adapt to new technological developments.

3.3.1.17. Health and safety metrics (ESRS S1-14 § 88)

Health and safety is our priority and forms the foundation of all our processes; it is at the heart of everything we do, every single day. Everyone involved with the Group (employees, service providers, suppliers, etc.) must work in a safe and healthy environment.

The health and safety management system covers 100% of the Group's employees and applies to all stakeholders.

	2024	2023	2022
% of operational sites that have conducted a health and safety risk analysis	100%	100%	100%
% of ISO 45001 certified sites	13%	10%	0%

No deaths from work-related accidents or occupational diseases occurred in 2024.

In 2024, we had 38 lost-time accidents.

Work-Related Accidents, Including Frequency and Severity	2024	2023	2022
Frequency rate	2.14	2.55	4.09
Severity rate	0.13	0.12	0.14
Number of days lost due to work-related accidents	2251	2348	2725
Number of days lost due to occupational diseases	2539	3721	3255
Number of lost-time accidents	38	50	78
Number of work-related accidents with and without lost time	322	365	475

The formula used for the frequency rate is the number of lost-time accidents divided by the number of hours worked and multiplied by 1,000,000. The severity rate corresponds to the number of days lost divided by the number of hours worked and multiplied by 1000.

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.3.1.18. Gender Equality Index

In France, AKWEL achieved the gender equality index target, which aims to reduce the gender pay gap, with a score of 87/100.

Gender Equality Index	2024	2023	2022
Total out of 100	87	87	86

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

The indicators making up the index received the following scores:

- Pay gap indicator: 37/40;
- Individual raise rate gap indicator: 20/20;
- Promotion rate gap indicator: 15/15;
- Percentage of employees who received a raise during the year following their return from maternity leave: 15/15;
- Number of employees of the under-represented sex among the 10 highest earners: 0/10.

3.3.1.19. Compensation metrics (ESRS S1-16 § 95)

AKWEL is currently not in a position to publish the gender pay gap. The data will be introduced in 2025.

For the ratio of the median total remuneration for employees and members of the Executive Board, see the calculation of the equity ratio in the [Supervisory Board's Corporate Governance Report, chapter 3.3.4](#). In 2024, AKWEL continued to apply its historical calculation methodology on a scope limited to AKWEL SA.

This situation is due to several factors:

- Data availability: identifying the median remuneration of employees requires a thorough consolidation of salary data across the Group, which has not yet been finalized.
- Calculation methodology: the definition and harmonization of calculation parameters (taking into account the different remuneration elements, scope of consolidation, etc.) are being developed to ensure reliable and consistent information.
- Information system: The current tools do not yet allow for this data to be extracted and aggregated in an automated way, making it more complex to collect and requiring technical adjustments.

Aware of the importance of this information to ensure transparency on pay gaps, AKWEL is actively working on the implementation of the processes necessary to provide this ratio.

This data is expected to be published in the next sustainability report.

However, partial information is available solely for the AKWEL scope, as part of the gender equality index (see [section 3.3.1.18](#) above).

3.3.1.20. Incidents, complaints and severe human rights impacts (ESRS S1-17 § 103 (a), (b), (c) § 104 (a), (b))

In 2024, there were no cases of discrimination or incidents, complaints or severe human rights impacts within the activities of AKWEL or involving its staff.

3.3.1.20.1. Cases of discrimination escalated by the AKWEL whistleblowing procedure

	2024	2023	2022
Number of cases of discrimination, including harassment	0	0	0
Number of complaints filed through whistleblowing channels and mechanisms	0	0	0
Total amount of fines, penalties and compensation for damages resulting from incidents and complaints	0	0	0

However, some information may have been processed locally by managers without being reported via the whistleblowing procedure, as it is deemed unnecessary or inadmissible. In 2025, AKWEL will also collect this information in its whistleblowing monitoring tool.

3.3.1.20.2. Identified cases of severe human rights incidents (e.g. forced labor, human trafficking or child labor)

	2024	2023	2022
Number of severe human rights incidents connected to the workforce	0	0	0
Total amount of material fines, penalties and compensation for damages resulting from severe human rights incidents	0	0	0

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

Since 2022, AKWEL has set itself the target of having 0 reports related to forced child labor.

3.3.2. Workers in the value chain (ESRS S2)

3.3.2.1. Interests and views of stakeholders (ESRS 2 SBM-2 § 9)

For this first exercise, external stakeholders were not consulted.

3.3.2.2. Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3 § 10 (a), (b), (c))

Value chain workers include all employees involved in the AKWEL ecosystem, whether directly employed by suppliers, subcontractors or partners, sales representatives or working downstream or in connection with AKWEL's activities.

AKWEL recognizes the interest of taking into account sustainability issues throughout the value chain, with the establishment of a partnership with suppliers based on a system of performance and governance including environmental, societal and economic parameters.

As part of its double materiality exercise, AKWEL identified impacts, risks and opportunities relating to value chain workers.

As part of its analysis of social impacts and human rights, AKWEL identified several categories of workers within its value chain that may have specific characteristics and increased vulnerability.

These include workers from suppliers located in countries at risk in terms of working conditions, temporary workers exposed to greater job insecurity and migrant workers who may encounter difficulties in accessing social rights.

In addition, workers involved in the extraction of critical raw materials, vehicle recycling and dismantling, as well as logistics and transport, may face demanding working conditions and significant risks to their health and safety.

The IROs identified on the value chain are as follows:

Topics	Description	Impact /risk	Upstream value chain	Scope		Time horizon		
				Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Working conditions	Pressure from AKWEL on suppliers impacting the mental health of value chain workers	Negative impact due to isolated incidents	X	X	X	X		
Other work-related rights	In the event of the recruitment of minors and/or illegal work by AKWEL subcontractors, there may be an infringement of these children's fundamental rights to education	Negative impact due to isolated incidents	X	X	X	X		

3.3.2.3. Policies related to value chain workers (ESRS S2-1 § 16, § 18, § 19)

AKWEL is aware of its responsibility to workers throughout its value chain, in line with its commitment to human rights, decent work and sustainable development.

In order to meet stakeholder expectations and regulatory requirements, AKWEL has adopted a policy to ensure respect for fundamental rights and promote safe, fair and inclusive working conditions.

Through its activities, AKWEL applies the principles set out in the ILO conventions on the fundamental rights of workers (prohibition of forced and child labor, non-discrimination, collective bargaining and freedom of association) to the health and welfare of workers and to decent working conditions (salary, working hours, etc.).

These principles are reflected in the Ethics Charter and the Supplier Code of Conduct and apply to all value chain workers.

In order to meet stakeholder expectations and regulatory requirements, AKWEL has adopted a policy to ensure respect for fundamental rights and promote safe, fair and inclusive working conditions.

Once a year, AKWEL communicates its expectations to its suppliers, with a request to achieve an EcoVadis rating of at least 50, including environmental, ethical, decent and sustainable criteria.

Through the adherence of suppliers to the Ethics Charter, which is a prerequisite for inclusion in the supplier pool, AKWEL ensures that the practices of its suppliers comply with the fundamental ethical principles defined in its policy on value chain workers.

These commitments include:

- The absolute prohibition of forced labor, child labor and all forms of human exploitation and trafficking;
- Promoting safe working conditions, including compliance with occupational health and safety standards;
- Ensuring decent wages in accordance with local laws, sufficient to cover the basic needs of workers;
- Respect for trade union rights and freedom of association, allowing workers to bargain collectively and defend their interests;
- Combating all forms of discrimination and harassment within its supply chain;
- Promoting diversity, equity and inclusion throughout the value chain.

The Purchasing Department is responsible for implementing the policy within the Group. The policy applies to its entire supply chain.

3.3.2.4. Processes for engaging with value chain workers about impacts (ESRS S2-2 § 32)

To date, AKWEL has not yet implemented a structured process for engaging with workers in its value chain regarding social and environmental impacts.

However, AKWEL recognizes the importance of these interactions to better understand the issues facing these workers, identify potential risks and work together to build solutions.

In the near future, it is committed to developing an inclusive and transparent framework for engagement, in collaboration with its partners, in order to meet the expectations of stakeholders and strengthen the management of its impacts in the value chain.

Information on the progress of this approach will be communicated in our next sustainability reports.

3.3.2.5. Processes to remediate negative impacts and channels for value chain workers to raise concerns (ESRS S2-3 § 27)

To date, AKWEL has not put in place any processes to remediate negative impacts on affected value chain workers or specific channels for them to raise their concerns.

However, AKWEL has established a single whistleblowing system for all its stakeholders, including value chain workers, to report breaches of the Ethics Charter and any violations of their rights.

For more information on the whistleblowing system, please refer to [paragraph 3.4.1.3.5](#).

3.3.2.6. Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (ESRS S2-4 § 27)

The actions put in place concerning material impacts on value chain workers are as follows:

3.3.2.6.1. Due diligence and supplier assessment

AKWEL has a rigorous due diligence process in place to identify, assess and manage social risks related to its business and value chain.

This process includes:

- Mapping of social risks, taking into account geographical and sectoral contexts;
- The use of third-party assessment tools, such as the EcoVadis platform, a service provider specializing in third-party risk analysis, to better assess
 - supplier commitment to (i) worker safety;
 - (ii) compliance with human rights policies (child labor, forced labor and others);
 - (iii) promotion of diversity, equity and inclusion,
- to assess partner compliance;
- Audits to verify the effective implementation of responsible practices.

Once a year, AKWEL communicates its expectations to its suppliers, with a request to achieve an EcoVadis rating of at least 50, including environmental, ethical, decent and sustainable criteria.

In the event of non-compliance, corrective measures are systematically required. If the problems identified are not resolved within a reasonable time, AKWEL reserves the right to suspend or terminate the business relationship with the relevant supplier.

3.3.2.6.2. Transparency and monitoring

AKWEL is committed to reporting annually on its actions and progress in relation to the rights of value chain workers.

In this regard, AKWEL will include in its next sustainability report:

- The results of social audits carried out on its supply chains;
- The corrective measures implemented to remedy the identified violations;
- Awareness-raising and training initiatives carried out.

This data allows AKWEL not only to demonstrate its progress, but also to identify areas for improvement to further strengthen its practices.

By the end of 2024, 72.2% of AKWEL's suppliers had been assessed by EcoVadis. This criterion is taken into account in measuring supplier performance, and thus guides our choices for future projects.

Following the integration of all of AKWEL's direct and indirect suppliers into the supplier risk classification, it appears that 15.18% of the Group's suppliers have a significant level of risk.

The participation of AKWEL's suppliers in the EcoVadis program and the monitoring of the sustainable performance of these suppliers will enable AKWEL to improve these results.

No serious human rights issues and incidents have been reported in the past year, either in the supply chain or in downstream activities.

3.3.2.6.3. Training

AKWEL is committed to training its buyers in responsible purchasing.

	2024	2023	2022
% of buyers trained in responsible purchasing	77%	77%	0%

The training was introduced in 2023, with the goal of training all buyers by 2026.

3.3.2.7. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS S2-5§ 39)

Targets	KPI	Quantified targets for 2028
Ensure suppliers adhere to our Ethics Charter	% of suppliers who have signed the Ethics Charter	100%
Ensure suppliers join EcoVadis	Suppliers representing 95% of turnover with EcoVadis rating of > 50	80%

3.3.3. Affected communities (ESRS S3)

3.3.3.1. Interests and views of stakeholders (ESRS 2 SBM-2 § 7)

Affected communities include groups of people living or working in the vicinity of the operations of the undertaking or its value chain, and who are affected or likely to be affected by those operations.

To date, AKWEL has not undertaken specific actions to gather stakeholder views on the potential impacts of its activities on affected communities.

However, it recognizes the importance of this approach as part of its commitment to sustainability and plans to explore appropriate approaches to integrate these perspectives in the future.

3.3.3.2. Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM -3 § 9 (a), (b) § 10)

The double materiality analysis was carried out at Group level by the Working Group. The assessment carried out at this stage did not specifically take into account affected communities with particular characteristics.

For more information on the double materiality analysis and identification of material risks, impacts and opportunities, please refer to section 3.1.3.6. Description of procedures for identifying and assessing material impacts, risks and opportunities.

The IRO identified on the value chain is as follows:

Topic	Description	Impact/risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Affected communities	Noise pollution degrading the living conditions of communities surrounding production sites	Systemic negative impact	X		X	X	X	X		

To date, AKWEL has not identified any other material impact, risk or opportunity related to affected communities in connection with its own activities.

3.3.3.3. Policies related to affected communities (ESRS S3-1 § 12)

Although AKWEL has identified noise pollution as a negative impact on communities living near its production sites, no specific policy has yet been formalized.

This situation is due to several factors:

- The absence of complaints or formal feedback from residents on our production sites, which may have initially led to an under-assessment of the need for formalization;
- The absence of a dedicated role or position with responsibility for relations with the affected communities;
- Lack of visibility on potential sound impacts within our value chain.

However, given the materiality of this issue, AKWEL has undertaken work aimed at developing a formal policy for the prevention and management of noise pollution.

This policy will include the identification of affected stakeholders, prevention measures and engagement procedures.

3.3.3.4. Processes for engaging with affected communities about impacts (ESRS S3-2 § 21)

To date, AKWEL has not yet implemented a structured process for engaging with the communities affected by its activities.

However, AKWEL recognizes the importance of these interactions to better understand the issues facing these stakeholders, identify potential risks and work together to build appropriate solutions.

It undertakes to assess the future implementation of appropriate mechanisms to identify their concerns, prevent negative impacts and strengthen constructive relationships.

3.3.3.5. Processes to remediate negative impacts and channels for affected communities to raise concerns (ESRS S3-3 § 29)

To date, AKWEL has not yet implemented a formalized process to remediate negative impacts on affected communities or specific channels to enable them to raise their concerns.

3.3.3.6. Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (ESRS S3-4 § 29)

Although the impact has been identified in the context of AKWEL's activities and its value chain, further assessment is needed to fully measure its scope and implications.

In this regard, it is reflecting on the implementation of actions aimed at improving the identification and management of potential impacts, in particular through better risk mapping and enhanced engagement with stakeholders.

No complaints have been reported in the past year and no action has been taken.

AKWEL aims to implement actions by the end of 2026 and is committed to communicating on the evolution of this approach in its next sustainability reports.

3.3.3.7. *Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS S3-5 § 39)*

AKWEL aims to strengthen the transparency and traceability of social risks by developing impact mapping and gradually integrating these considerations into its due diligence processes.

In addition, AKWEL aims to structure regular engagement with the relevant stakeholders in order to identify the levers to minimize the risks and maximize the positive impacts of its activities.

Finally, the Group plans to establish monitoring indicators to measure the effectiveness of the actions implemented and to integrate these elements.

AKWEL plans to set targets by 2026.

3.3.4. Consumers and end-users (ESRS S4)

3.3.4.1. *Interests and views of stakeholders (ESRS 2 SBM-2 § 8)*

As an automotive parts manufacturer, AKWEL designs and manufactures parts primarily for automobile manufacturers.

AKWEL is committed to providing automobile manufacturers with solutions that improve the end-user experience while meeting the quality, performance and sustainability requirements of direct consumers.

Product safety, reliability and sustainability are at the heart of AKWEL's strategy. Its products are designed to guarantee high levels of performance and safety, complying with the precise requirements provided by the manufacturers in the specifications.

AKWEL works closely with automobile manufacturers to innovate and design products that reduce the environmental impact of vehicles, including by incorporating recycled materials. This not only meets customer requirements, but also end-user expectations for greener and more sustainable vehicles.

AKWEL has started life-cycle assessments on these products to maximize their sustainability and minimize their environmental impact, in response to the increasing demand from end-users for environmentally friendly products.

3.3.4.2. *Impacts, risks and opportunities related to consumers and end-users (ESRS 2 SBM-3 § 9, 10, 12)*

The direct consumers of AKWEL's products are the automobile manufacturers that integrate its parts and components into their vehicles, while the end-users are the drivers of those vehicles.

AKWEL has no direct relationship with end-users.

The risks and impacts mentioned below were identified during the double materiality analysis carried out by the Working Group.

Topics	Description	Impact /risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short-term	Medium-term	Long-term
Safety of consumers and/or end users	Harmful to the health and safety of consumers and/or end users in the event of the development or design of faulty and unsuitable products (e.g. pedal sets).	Negative impact due to isolated incidents		X	X	X	X	X		
	Disputes related to products that are defective and in breach of current regulations concerning the health and safety of end-users.	Financial risk			X	X	X	X		
Impacts related to information for consumers and/or end users	Financial costs related to regulatory and technological developments to meet growing sustainability expectations	Financial risk			X	X	X	X		
	Violation of fundamental rights (privacy) in the event of mismanagement of customers' personal data	Negative impact due to isolated incidents		X	X	X	X	X		

The material impacts identified are likely to have effects on all consumers and end-users.

The risk of "Disputes related to products that are defective and in breach of current regulations concerning the health and safety of end-users" arises from the negative impact of "Damage to the health and safety of consumers and/or end-users in the event of the development or design of defective and unsuitable products."

3.3.4.3. Policies related to consumers and end-users (ESRS S4-1 § 15, 16, 17)

Product safety and sustainability, personal data management and the protection of consumer and end-user rights are the core elements of AKWEL's policy that allows it to manage identified IROs related to consumers and end-users.

It applies to its value chain as well as to all Group companies.

The Manufacturing Performance VP, assisted by the Quality, Compliance and Transformation VP, is responsible for implementing the Group's policies on the health and safety of consumers and end-users.

No cases of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises involving consumers or end-users have been reported in its upstream or downstream value chain.

3.3.4.3.1. Safety

AKWEL prioritizes the quality of the products and solutions it supplies to its customers, and has collaborated with them to set itself a target in this regard.

The product safety policy stems from the "zero defect" approach and is in line with the customer satisfaction strategy.

AKWEL is committed to ensuring that all its products comply with specific safety rules (REACH, safety standards, etc.).

This product safety approach covers the Group's entire value chain.

3.3.4.3.2. Sustainability

AKWEL manufactures reliable, ecological and competitive products to help its customers to offer end-users more environmentally friendly vehicles. AKWEL strives to be a trusted third party recognized by its customers.

AKWEL's resource use and circular economy policy is described in [section 3.2.6.3](#).

3.3.4.3.3. *Personal data management*

Through its Personal Data Protection Policy, AKWEL is committed to protecting the personal data and privacy of its employees, customers, suppliers and service providers in the course of its daily business.

It is developed in accordance with the General Data Protection Regulation (GDPR) and the processes designed to minimize and secure the data collected.

3.3.4.3.4. *Rights of consumers and end-users*

AKWEL is firmly committed to respecting the rights of consumers and end-users, aligning itself with internationally recognized frameworks, such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

AKWEL ensures that these principles are integrated into consumer and end-user risk management by protecting consumer privacy and ensuring access to remedies in the event of a violation of rights.

These commitments are regularly monitored to allow for adaptation to changing stakeholder expectations and international regulatory requirements. When a report is received, the Group's Internal Audit VP is informed. An investigation is then conducted into the elements and causes of the report.

For more information on the whistleblowing system, see [section 4.4.1.4.5 Whistleblowing system](#).

3.3.4.4. *Processes for engaging with consumers and end-users (ESRS S4-2 § 20)*

As part of its commitment to the satisfaction and safety of consumers and end-users, AKWEL has put in place rigorous processes for non-compliance and continuous improvement.

To resolve process and quality-related problems throughout its entire value chain as quickly as possible, AKWEL uses a specific method called 8D (Eight Disciplines problem solving) widely adopted in the automotive industry.

This approach allows AKWEL to guarantee sustainable solutions, limit risks for its customers and improve the reliability of its products throughout their life cycle.

In addition, AKWEL monitors its customers' web portals every week and takes into account all the information transmitted about incidents encountered by end-users during the warranty period and/or any extension of warranty.

These incidents are then discussed and processed with manufacturer customers according to procedures formalized either by customers or by the AKWEL Management System.

3.3.4.5. *Processes to remediate negative impacts and channels for affected communities to raise concerns (ESRS S4-3 § 25, 26)*

3.3.4.5.1. *Customer safety*

The 8D method, widely adopted in the automotive industry, allows AKWEL to analyze product quality incidents, identify root causes and implement corrective and preventive actions.

This approach allows AKWEL to guarantee sustainable solutions, limit risks for its customers and improve the reliability of its products throughout their life cycle.

Depending on customers' web portals and/or their internal procedures, AKWEL may have access to end-user transcripts when they have been registered by the repairer.

These transcripts help us to understand the incident, which is then analyzed according to the procedures for problem solving and processing events under warranty, provided for in the AKWEL Management System.

3.3.4.5.2. *Management of customers' personal data*

Regarding data protection, AKWEL has in place a robust data protection governance framework, supervised by the Quality, Compliance and Transformation VP, assisted by the Data Protection Correspondent.

3.3.4.5.3. *Whistleblowing system*

The whistleblowing system set up by AKWEL allows all employees to report a quality problem or non-compliance. To process the report, the operational teams assume responsibility for analyzing and processing it in accordance with the 8D method.

Employees who make a report are protected from possible retaliation.

For more information on the whistleblowing system, please refer to sections 3.4.1.3.5. "Whistleblowing system" and 3.4.1.3.7. "Protection of whistleblowers."

3.3.4.6. Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (ESRS S4-4 § 29)

The actions taken by AKWEL are as follows:

3.3.4.6.1. Customer Safety

Assessment and certification: adoption of recognized standards (ISO 14001, ISO 45001, ISO 50001, IATF 16949) to guarantee the quality, safety and sustainability of the Group's products.

Performance monitoring: implementation of monitoring indicators (performance indicators, customer satisfaction) to continuously measure and improve its impact. In 2024, the quality performance of the AKWEL Group (555 IPB vs 1100/1.34 PPM vs 2.20) confirms the actions to improve the quality of the parts delivered to our customers.

3.3.4.6.2. Management of Customer Personal Data

Personal data protection: integration of personal data protection into AKWEL's supply chain management by requiring Group suppliers and partners to comply with protection standards equivalent to those upheld by AKWEL. Specific clauses are included in our contracts to ensure this compliance.

3.3.4.6.3. Sustainability

Innovation and sustainable R&D: investment in research to develop cleaner and more efficient technologies (emission reduction, product reduction, recyclability solutions).

Collaborative engagement: customer and stakeholder engagement to anticipate regulatory and technological developments and meet growing sustainability expectations.

As at December 31, 2024, no human rights incidents related to consumers and end-users were reported.

3.3.4.7. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS S4-5 § 38, 40)

AKWEL has defined measurable objectives and indicators to manage material negative impacts and identified risks. The targets for these indicators are set at Group level.

AKWEL first follows performance indicators such as IPBs and PPMs with the goal of continuously reducing non-conformities and customer returns. AKWEL's objectives for IPBs and PPMs are: IPBs 1000 and PPMs 2.

Then, AKWEL monitors a customer satisfaction indicator, again with the goal of continuous improvement.

Finally, AKWEL has implemented monitoring of the rate of product safety incidents, which it follows closely.

3.4. Governance information – Business conduct (ESRS G1)

3.4.1. Ethics and business conduct (ESRS G1)

3.4.1.1. The role of the administrative, supervisory and management bodies (ESRS 2 GOV-1 § 5)

The governance of the anti-corruption and bribery policy is based on a structured organization involving several levels of responsibility:

The Executive Board defines the strategic expectations, decides on the corresponding policy and ensures the effective implementation of this policy. It defines the procedures for the prevention and detection of corruption situations and ensures the mobilization of the necessary resources.

The Supervisory Board, with the support of the Audit Committee, ensures the establishment of the policy and its implementation. It approves and monitors the evolution of the anti-corruption and bribery system.

The Ethics Officer coordinates actions to prevent, detect and manage corruption risks. They work in collaboration with the departments concerned (Human Resources, Internal Audit and Legal) to ensure the consistent application of the policy and to ensure the follow-up of the preventive and corrective actions identified. They receive and process reports sent via the whistleblowing system and draw up an annual report detailing the measures implemented that they present to the Audit Committee.

Internal controls are carried out by the Internal Audit Department, which conducts regular audits to assess the effectiveness of anti-corruption systems, identify possible shortcomings and make appropriate recommendations.

Finally, site managers, operational managers and functional managers are responsible for ensuring that the policy is properly implemented by personnel under their authority.

For more information on the composition of the Executive Board, the Supervisory Board and the Audit Committee, please refer to [section 3.1.2.2 Composition of the administrative, management and supervisory bodies](#).

3.4.1.2. Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1 GOV-1 § 6)

The ethical and business conduct risk assessment is integrated into the Group's risk analysis approach.

The mapping of corruption and influence peddling risks is carried out on the basis of the recommendations of the French Anti-Corruption Agency.

	2024	2023	2022
% of operational sites that have conducted an ethical/corruption risk analysis	100%	100%	100%

For more information on the double materiality analysis and identification of material risks, impacts and opportunities, please refer to [section 3.1.3.6. Description of procedures for identifying and assessing material impacts, risks and opportunities](#).

Following the double materiality analysis carried out by the Working Group, the IROs identified are as follows:

Topics	Description	Impact/ risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short- term	Medium- term	Long- term
Corruption and bribery	Legal and reputational risk in the event of a breach of business ethics	Financial risk	-	-	X	X	X	X		
Managing supplier relationships including payment practices	Cessation of activity due to dependence on, or mismanagement of, supplier contracts	Financial risk	-	-	X	X	X	X		

3.4.1.3. Business conduct policies and corporate culture (ESRS G1-1 § 7, § 9)

As part of its sustainability strategy, AKWEL has adopted a business conduct policy aimed at promoting ethics, responsible governance and sustainable business practices of the highest standards. It reflects AKWEL's core values and serves as a guide for employees, partners and stakeholders.

It applies to all Group employees, managers and corporate officers and to relations with all third parties of the Group.

The Manufacturing Performance VP, assisted by the Quality, Compliance and Transformation VP, reports on the Group's policy and its implementation.

For more details, please refer to paragraph [3.4.1.5. - Information on anti-corruption](#).

3.4.1.3.1. Guiding principles

AKWEL is committed to combating corruption in all its forms, in accordance with its values of integrity, transparency and accountability.

AKWEL's ethical principles are based on the highest international standards:

- The United Nations Convention against Corruption;
- The OECD Guidelines for Multinational Enterprises;
- The International Charter of Human Rights;
- The International Labor Organization (ILO) Conventions.

AKWEL's policy is also part of a proactive approach to ensuring ethical business practices that comply with international and local regulations, such as the Sapin II law in France, the Foreign Corrupt Practices Act (FCPA) in the United States and the Bribery Act in the United Kingdom.

It is based on the following principles:

- Any form of active or passive bribery is strictly prohibited;
- Employees, corporate officers and business partners are required to follow transparent practices that comply with applicable laws;
- Gifts, invitations and donations are supervised to ensure that they remain within reasonable limits and do not compromise any business or ethical decision;
- Facilitation payments are strictly prohibited in all our activities.

3.4.1.3.2. Components of the policy

Firmly committed to a long-term relationship of trust with its stakeholders, AKWEL maintains sound relations with its points of contact, based on respect for universal ethical rules in business.

To promote this corporate culture and share these rules with everyone, several documents have been drawn up and are available at <https://akwel-automotive.com/>:

- An Ethics Charter that serves as a guideline for everyone in the Group. It sets out the Group's principles, particularly in terms of compliance with legislation and respect for fair competition, prohibits conflicts of interest and insider trading, and reaffirms environmental protection, health and safety in the workplace, fair accounting and financial reporting, and the fight against all forms of discrimination and harassment;
- A Code Against Corruption and Influence Peddling, the aim of which is to implement measures to ensure that all our employees, managers and corporate officers, wherever they may be located, can prevent AKWEL from becoming involved in any corrupt or influence-peddling practices and, if necessary, can report any such practices;
- A Stock Market Code of Ethics designed to remind all insiders (corporate officers, employees or third-party service providers acting on behalf of AKWEL) of the regulations applicable to the possession, disclosure and use of insider information to which they may have access by virtue of their roles, mandates or assignments;
- A Code of Conduct on Competition, the aim of which is to promote fair and equitable competition by preventing practices that may restrict or distort competition, while protecting AKWEL from legal, financial and reputational risks associated with anti-competitive behavior;
- A whistleblowing procedure that details the processes of the whistleblowing system. It is accessible to all employees, business partners and all interested parties, to report, in complete confidentiality, any situation of non-compliance involving, for example, acts of non-compliance with the code of ethics, fraud, corruption, conflicts of interest, accounting and financial crime, anti-competitive practice, discrimination and harassment at work, health, hygiene and safety at work, environmental protection, human rights, data breach, document breach, etc.

The signing of the Ethics Charter is a prerequisite for inclusion in the AKWEL supplier pool.

3.4.1.3.3. Policy governance and monitoring

The Manufacturing Performance Department, assisted by the Quality, Compliance and Transformation VP, reports on the Group's policy and its implementation.

3.4.1.3.4. *Monitoring and assessment of the business conduct policy*

As part of its commitment to preventing and combating corruption, AKWEL has established annual monitoring of the business conduct policy to assess its effectiveness and ensure continuous improvement.

To this end, key indicators are monitored, in particular:

Training and awareness: number of employees trained, participation rate in training, results of post-training assessments.

Incident detection and processing: number of reports received, report processing times, type of incidents identified, corrective actions implemented.

Compliance and internal controls: audits carried out, compliance rate with internal requirements, follow-up of corrective action plans.

Stakeholder engagement: number of third parties assessed for corruption risks, anti-corruption clauses incorporated into contracts.

Integrity culture: during annual interviews, employees' perception of anti-corruption measures, level of confidence in reporting mechanisms.

These indicators are regularly analyzed and are the subject of reports sent to the Executive Board and the Audit Board in order to present the work carried out, identify areas for improvement and ensure compliance with legal requirements and good practices.

The results of the actions undertaken in this area, as well as the progress made, are monitored and reported in the sustainability report.

3.4.1.3.5. *Whistleblowing system (ESRS G1-1 § 7, § 10 (a))*

The whistleblowing system was developed to comply with Articles 6, 8 and 17 of French Law No. 2016-1691, known as "Sapin II."

In 2023, it was further adapted to meet the requirements of:

- French Law No. 2022-401 of March 21, 2022 aimed at improving the protection of whistleblowers;
- French Decree No. 2022-1284 of October 3, 2022 on procedures for collecting and processing whistleblower reports and establishing the list of external authorities established by French law.

The whistleblowing system provides the framework for receiving reports relating to the existence of conduct or situations contrary to a regulation in force, the Ethics Charter, the Stock Market Code of Ethics, the Code Against Corruption and Influence Peddling and the Code of Conduct on Competition, emanating from Group employees and any external individuals.

The whistleblowing system is set out in AKWEL's codes (Code of Conduct on Competition and Code Against Corruption and Influence Peddling), and the processes for reporting cases under this system are detailed in a specific procedure (AKWEL Group whistleblowing procedure) translated into all the Group's languages and accessible on the Group's Intranet and website.

This procedure details the whistleblowing procedures implemented by the Group as part of its ethical approach.

Through its whistleblowing procedure, AKWEL protects the anonymity of whistleblowers and does not disclose under any circumstances their identity, except to the judicial authority, and only with their consent.

AKWEL ensures that employees do not experience any deterioration in their working conditions or suffer any disciplinary sanction for issuing a report or failing to file a report.

This whistleblowing system has been presented to employee representative bodies of all AKWEL subsidiaries.

Since the whistleblowing system does not provide for the possibility of making an oral report, the reports must be sent to the Group Ethics Officer either (i) to the email address ethics@akwel-automotive.com or (ii) by post to the address of AKWEL's registered office.

Any employee who observes a breach in the areas of the scope defined above is encouraged to report the facts. To do so, they may choose to favor traditional channels of communication, such as their line manager and the employee representative bodies.

If the fact of informing their direct or indirect manager presents or may present difficulties, or does not or may not give rise to appropriate follow-up of the report, then the employee may decide to report the facts through the whistleblowing system or make a report.

The Ethics Officer is the only person who has access to the email address ethics@akwel-automotive.com and is the only person authorized to open letters received in respect of any internal report and to conduct admissibility operations on the reports received. In the event that the report is submitted to a recipient other than the Ethics Officer, that recipient is informed that they must pass on the report without delay to the Ethics Officer and that they are subject to strict confidentiality regarding receipt of the report.

After the receipt and preliminary assessment of a report by the Ethics Officer, the latter, if they consider it necessary, may seek the assistance of one or more members of the Ad Hoc Committee in order to analyze admissibility and to jointly manage the processing of the report if it is deemed admissible.

In the event that, after its preliminary assessment, the report is deemed admissible, the Ad Hoc Committee then leads the investigation into the report and, to that end, takes all necessary measures to gather all relevant elements of assessment, including by gathering all supporting documents of any kind, as well as all testimonies, and by launching, if necessary, an investigation in strict compliance with the applicable laws.

This investigation may be conducted either (i) by an internal team specifically trained to take on such duties and subject to a reinforced confidentiality obligation and the signature of a declaration of no conflicts of interest, or (ii) by third parties specializing in conducting investigations or in certain areas relevant to the investigation (for example, IT, legal, financial, accounting, HR), also subject to a strict obligation of confidentiality.

These persons have, by their positioning or status, the competence, authority and means sufficient to carry out their duties. They may, where appropriate, contact the whistleblower in order to obtain additional information necessary for investigation of the report.

As at December 31, 2024, the members of the Ad Hoc Committee were the Ethics Officer and, depending on the purpose and context of the report, (i) the Group's Legal VP, (ii) the Group's Financial VP and (iii) the Group's Human Resources VP.

	2024	2023	2022
Number of reports recorded	4	5	0

3.4.1.3.6. Prompt investigation procedure (ESRS G1-1 § 7, § 10 (e))

To date, AKWEL has put in place a specific procedure to promptly investigate suspicions of corruption or other ethical breaches, in addition to its whistleblowing procedure.

This procedure allows for prompt, independent and objective investigation.

3.4.1.3.7. Protection of whistleblowers (ESRS G1-1 § 7, § 10 (c))

AKWEL fully complies with the provisions of French Law No. 2016-1691 of December 9, 2016, known as "Sapin II," and French Law No. 2022-401 of March 21, 2022, known as the "Waserman law," transposing Directive (EU) 2019/1937 on the protection of whistleblowers.

These frameworks ensure the confidentiality of reports, protection against retaliation and the establishment of secure channels to report non-compliant or illegal practices.

These requirements have been extended to all Group subsidiaries, including those outside France.

Each subsidiary has to determine whether these provisions can be applied in their national legislation. Should they require adaptation, AKWEL ensures that robust and high internal standards are implemented, based on international best practices, while complying with local regulations.

3.4.1.4. Prevention and detection of corruption and bribery (ESRS G1-3 § 18)

AKWEL is committed to preventing, detecting and combating all forms of corruption because its economic and social consequences present a major obstacle to economic development.

Pursuant to French Law No. 2016-1691 on transparency, anti-corruption and modernizing economic life, known as "Sapin II," AKWEL has implemented tools to detect and prevent acts of corruption or influence peddling:

- Risk mapping;
- A Code Against Corruption and Influence Peddling;
- Internal and external accounting control procedures;

- A training system;
- A whistleblowing system;
- Procedures for assessing the situation of customers, suppliers and intermediaries;
- Disciplinary sanctions for breaches of codes.

These various documents are intended to prevent and detect the risks of non-compliance as well as to carry out corrective actions.

3.4.1.5. Information on anti-corruption (ESRS G1-1 § 10 (g))

In order to raise awareness and instill a compliance culture in the Group, AKWEL is rolling out a prevention and awareness program to train its employees on the risks of corruption and the behaviors to be adopted.

Anti-corruption awareness-raising is delivered to new employees.

Mandatory training sessions are organized for exposed roles identified during risk mapping, such as the sales and accounting teams, buyers and senior management.

These training sessions ensure a thorough understanding of corruption issues and the applicable legal obligations.

In 2024, 96% of the employees present were made aware of the risks of corruption and bribery during their annual review through a formalized sequence of discussions on anti-corruption and anti-influence peddling. A complementary awareness-raising session was organized at a quarterly information meeting in April 2024.

Since 2017, training on the prevention and detection of corruption and bribery has been organized for buyers. This training has not been renewed for employees who received the training initially.

Specific, tailored training on corruption risk for buyers will be introduced in 2026.

Training in the prevention and detection of corruption and bribery	2024	2023	2022
% of buyers trained in anti-corruption	92%	87%	13%

In 2026, AKWEL committed to providing this training to all risk functions.

For details on the whistleblowing procedure, please refer to [paragraph 3.4.1.3.5. "Whistleblowing system."](#)

3.4.1.6. Confirmed incidents of corruption or bribery (ESRS G1-4 § 24 (a) (b))

	2024	2023	2022
Number of convictions for infringement of anti-corruption law	0	0	0
Amount of fines for infringement of anti-corruption law (in euro)	0	0	0

Some of the information presented in this table goes beyond the reporting requirements set out in the CSRD Directive and ESRS standards. Nevertheless, this information is included in order to meet the specific expectations of our stakeholders and the requirements of certain third parties.

3.4.2. Management of relationships with suppliers (ESRS G1-2)

3.4.2.1. Strategy, policy and process (G1-2 § 14)

AKWEL has established an enhanced process for selecting and monitoring its suppliers in terms of both financial sustainability and social, environmental and ethical aspects.

In particular, these processes cover:

- The inclusion of a new supplier in the pool via an internal questionnaire;
- The adherence of a new supplier to AKWEL's Ethics Charter;

- The assessment of suppliers and subcontractors covering their sense of social responsibility, their environmental policy, their GHG emissions and the traceability of their products and services, via the EcoVadis platform. Suppliers must achieve a minimum score of 50/100.

Suppliers are reviewed on a regular basis.

In addition, as it is AKWEL's intention that suppliers meet its decarbonization targets, they are asked to commit to measuring their CO2 emissions (Scopes 1-2-3) and to share their results via the EcoVadis platform.

At the same time, AKWEL requests that direct suppliers be ISO 14001 and ITAF 16949 certified.

Commercial relations that do not respect AKWEL's values may be terminated. To this end, contractual clauses have been included in the Group's contracts, purchase orders and general terms and conditions.

The principles apply to the entire supply chain and to all relevant Group employees.

The Purchasing Department is responsible for implementation of the policy.

The documents around which the Purchasing Policy is structured are aligned with:

- The United Nations Convention against Corruption;
- The US Foreign Corrupt Practices Act (FCPA);
- The UK Bribery Act;
- The Sapin II law;
- The ILO and OECD anti-corruption conventions;
- Other human rights regulations such as the Uyghur forced Labor Prevention Act.

AKWEL works with a large number of suppliers and ensures that it is not exposed to the risk of relying on only a few essential suppliers.

AKWEL has not mapped risks related to sustainable development in its supply chain.

In addition to the principles and rules detailed in AKWEL's procedures and in particular in the Ethics Charter, all purchases must comply with applicable local law, including labor and environmental law.

3.4.2.2. Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS G1-3)

Shares	KPI	Quantified targets for 2028
Ensure our suppliers adhere to our Ethics Charter	% of suppliers who have signed the Ethics Charter	100%
Ensure that our suppliers join EcoVadis	Suppliers representing 95% of turnover with EcoVadis rating of > 50	80%

3.4.2.3. Late payment practices (ESRS G1-6 § 31)

AKWEL attaches great importance to compliance with payment deadlines in its Responsible Purchasing Policy. Internal supplier accounting teams manage payment processes in accordance with each country's legal requirements.

Employees are made aware of the importance of paying suppliers on time. AKWEL considers compliance with payment deadlines to be a priority and ensures its follow-up.

3.5. Cybersecurity Information (Specific Information)

3.5.1. Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1)

In terms of cybersecurity, the double materiality analysis was carried out at Group level by the Working Group.

For more information on the double materiality analysis and identification of material impacts, risks and opportunities, please refer to section 3.1.3.6. Description of procedures for identifying and assessing material impacts, risks and opportunities.

3.5.2. Description of impacts, risks and opportunities

In the area of cybersecurity, following the double materiality analysis conducted at Group level by the Working Group, the following IRO was selected:

Topics	Description	Impact/ risk	Impact		Scope			Time horizon		
			Current	Potential	Upstream value chain	Group operations	Downstream value chain	Short- term	Medium- term	Long- term
Cybersecurity management at AKWEL	Financial and reputational risks in the event of cyber attacks	Financial risk	-	-	X	X	X	X		

Cyber attacks represent an increasing risk that can lead to major disruptions, ranging from production interruption to the leakage of sensitive data.

These incidents can affect several dimensions:

- Economic: costs related to business interruptions, security investments, financial losses.
- Social: invasion of privacy, loss of customer and employee trust.
- Environmental: increase in the digital footprint due to the increased number of security and surveillance mechanisms.

3.5.3. Strategy, policy and process

Information security is crucial for the sustainability of AKWEL's business. It is imperative for AKWEL to strengthen internal controls in order to protect the confidentiality, integrity and availability of information created, held, stored, transferred and/or processed by our Group.

The objective is to protect its data against all threats, whether internal or external, deliberate or accidental, and to guarantee the protection of personal data belonging to its customers, employees and other interested parties, and to make them aware of their personal responsibility as regards its proper functioning and integrity.

AKWEL aims to gain the trust of its customers, employees and partners by integrating information security into AKWEL's processes and activities.

In line with ISO 27001 certification, the information security management system has been defined and integrated into our global management system.

The information security policy is applicable to the entire Group and its entities for all Information Technology (IT) and Operational Technology (OT), and this applies to all stakeholders who interact with these technologies (customers, employees, suppliers, service providers).

The Information Technology VP is responsible for the effective implementation of this policy.

To promote this corporate culture and share these rules with everyone, several documents have been drawn up and are available at <https://akwel-automotive.com/>.

AKWEL implements an information and communication system necessary for its business, including a computer and telephone network, as well as mobile tools.

In the performance of their duties, employees are encouraged to use the IT and telephone tools made available to them and to access the company's communication services.

The aim of the IT Charter is to organize the use by employees of the Company's information systems and technological tools.

This is for the purpose of:

- ensuring their use in compliance with AKWEL rules and regulations in force;
- ensuring their security, availability and integrity;
- ensuring the protection and proper use of data including personal data.

It has to make each employee aware of the importance of the information system and of their personal responsibility for its proper functioning and integrity.

It has to foster an attitude of vigilance in the face of malicious actions with users and cohesion between all employees.

Finally, with a view to transparency toward users, promoting the fair, responsible and secure use of the information and communication system, it defines the means of control and monitoring put in place to protect the interests of the Group and employees in accordance with the laws in force.

3.5.4. Cybersecurity actions

As information security is central to the Group's concerns, it been integrated into the Health and Safety Management Committee.

To ensure information security and respond to cyber attack threats, an IT team dedicated to cybersecurity has been created and an Information Systems Security Officer has been appointed.

Structural projects have been implemented to secure our IT facilities from both a prevention and a service restoration perspective.

The actions concerning prevention are as follows:

- Site protection (firewall): solution currently being rolled out (US and China);
- Rollout of our Sentinel One EDR: project completed in 2024;
- New cyberdefense service: solution rolled out in 2024;
- Our systems update solution (WSUS): solution rolled out in 2025.

Actions related to service restoration:

- Overhaul of business continuity plans: project in progress;
- Overhaul of backup systems: project completed in 2024;
- Improvement and testing of our recovery processes (DRPs): project in progress;
- Tool for securing the Group's mobile fleet: solution in the process of being rolled out.

In 2025, the following projects will be launched:

- Management of information system accesses and their traceability;
- Monitoring tool for our information system that collects and analyzes events to detect suspicious activity.

Monitoring and performance indicators have been implemented along with the appropriate actions.

Confirmed information security incidents	2024	2023	2022
Number of confirmed information security incidents	0	1	0

To

meet the expectations of its customers, AKWEL has further developed its rollout strategy.

In 2024, the registered office was ISO 27001 certified and two sites were TISAX certified: Ixtaczoquitlan (Mexico) and Ningbo (China).

3.5.5. Cybersecurity objectives

Four additional sites will be labeled in 2025: Orizaba (Mexico), Stara Zagora (Bulgaria), Rudnik (Czech Republic) and Timisoara (Romania). The remaining sites will be planned in 2026 and 2027.

The objective is to have all operational sites TISAX certified by 2027, i.e. 100%.

TISAX or ISO 27001 labeling	2024	2023	2022
% of sites TISAX and ISO 27001 certified	10%	0%	0%

The goal is to roll out awareness raising on information security to 95% of teams by 2026 and to renew this every two years.

REPORT ON CERTIFICATION OF SUSTAINABILITY REPORTING AND VERIFICATION OF DISCLOSURE REQUIREMENTS SET OUT IN ARTICLE 8 OF REGULATION (EU) 2020/8542

Year ended December 31, 2024

To AKWEL's General Meeting,

This report is issued in our capacity as statutory auditor of AKWEL. It covers the sustainability reporting and information set out in Article 8 of Regulation (EU) 2020/852 for the year ended December 31, 2024, included in section 3 of the Group's Management Report (hereinafter the "Sustainability Report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, AKWEL is required to include the above information in a separate section of the Group's Management Report. This information was prepared in the context of the first-time application of the aforementioned articles, entailing uncertainty over the interpretation of the texts, the use of significant estimates, and the absence of established practices and frameworks, in particular for the double materiality analysis, as well as by an evolving internal control system. It provides an understanding of the impact of the Group's business on sustainability issues, as well as how those issues affect the evolution of the Group's business, results and situation. Sustainability issues encompass environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 II of the aforementioned Code, our assignment consists of performing the work necessary to issue an opinion, expressing limited assurance, concerning:

- Compliance with the sustainability reporting standards adopted pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by AKWEL to determine the information disclosed, and compliance with the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- Compliance of the sustainability reporting included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- Compliance with the disclosure requirements of Article 8 of Regulation (EU) 2020/852.

This assignment is carried out in accordance with the ethical rules, including those of independence, and the quality rules prescribed by the French Commercial Code.

It is also governed by the guidelines of the French High Audit Authority "Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852."

In the three separate parts of the report that follow, we present, for each of the aspects of our assignment, the nature of the audits we conducted, the conclusions we drew from them, and, in support of these conclusions, the elements to which we paid particular attention and the due diligence conducted in relation to these elements. We draw your attention to the fact that we do not express a conclusion on these elements taken in isolation and that the due diligence described should be regarded as relating to the overall context of the formation of the conclusions issued for each of the three aspects of our assignment.

Finally, where we feel it necessary to draw your attention to one or more aspects of the sustainability reporting provided by AKWEL in the Sustainability Report, we have prepared an observations section.

Limits of our assignment

As the objective of our assignment is to express limited assurance, the nature (selection of verification techniques) of the work, its scope (amplitude), and its duration, are less than those necessary to obtain reasonable assurance.

Moreover, the purpose of this assignment is not to guarantee the viability or quality of AKWEL's management, or to carry out an assessment, which would exceed compliance with ESRS disclosure requirements on the relevance of AKWEL's choices in terms of action plans, targets, policies, scenario analyses and transition plans.

It does, however, allow us to express conclusions concerning the process of determining the sustainability information disclosed, the information itself, and the information disclosed pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification, of errors, omissions or inconsistencies of such importance that they would be likely to influence any decisions that readers of the information subject to our audits might make.

Our assignment does not cover any comparative data.

Compliance with ESRS of the process implemented by AKWEL to determine the information disclosed, and compliance with the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code.

Type of audits performed

Our work consisted of verifying that:

- The process defined and implemented by AKWEL has allowed it, in accordance with the ESRS, to identify and assess its sustainability-related impacts, risks and opportunities and to identify those material impacts, risks and opportunities that resulted in the publication of sustainability disclosures in the Sustainability Report, and
- The disclosures provided on this process also comply with the ESRS.

We also verified compliance with the obligation to consult the Social and Economic Committee.

Conclusion of the audits carried out

Based on our audits, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by AKWEL with the ESRS.

With regard to the consultation of the Social and Economic Committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code, we hereby inform you that, as of the date of this report, this consultation has not yet taken place.

Elements subject to particular attention

Regarding stakeholder identification

Information relating to stakeholder identification is provided in section 3.1.3.4.2. "Engagement with stakeholders (SBM-2 § 45)" of the Sustainability Report

We have reviewed the analysis conducted by AKWEL to identify:

- Stakeholders that may affect, or be affected by, the entities within the scope of the disclosures, as a result of their activities and direct or indirect business relationships in the value chain;
- The main users of sustainability statements (including the main users of the financial statements)

To this end, we interviewed the management and/or individuals we deemed appropriate and reviewed the available documentation. Our work included:

- Assessing the consistency of the main stakeholders identified by AKWEL with the nature of its activities and its geographical location, taking into account its business relationships and value chain;
- Exercising our critical thinking to assess the representativeness of the stakeholders identified by AKWEL;

Regarding the identification of impacts, risks, and opportunities

Information relating to the identification of impacts, risks, and opportunities is provided in section 3.1.3.6 "Description of the processes to identify and assess material impacts, risks, and opportunities (ESRS 2/IRO-1§53)" of the Sustainability Report.

We have reviewed the process implemented by the entity for identifying actual or potential impacts (negative or positive), risks and opportunities ("IROs") related to the sustainability matters mentioned in paragraph AR 16 of the "Application Requirements" of ESRS 1, as presented in Note 3.1.3.6.2 "Identification of impacts, risks, and opportunities" of the Sustainability Report.

In particular, we assessed the approach implemented by the entity to determine its impacts and dependencies, which may be sources of risk or opportunity.

We also assessed the comprehensiveness of the activities included in the scope selected for identifying IROs.

We reviewed the entity's mapping of identified IROs, including a description of their distribution across its own activities and the value chain, as well as their time horizon (short, medium or long-term), and assessed the consistency of this mapping with our knowledge of the entity and, where applicable, with the risk analyses conducted by Group entities.

We also:

- Assessed AKWEL's approach to gathering information on subsidiaries;
- Assessed how AKWEL considered the list of sustainability matters listed in ESRS 1 (AR 16) in its analysis;
- Assessed the consistency of the actual and potential impacts, risks, and opportunities identified by AKWEL with the available sector analyses;
- Assessed how AKWEL took into account different time horizons, particularly with regard to climate matters.

Regarding the assessment of impact materiality and financial materiality

Information relating to the assessment of impact materiality and financial materiality is included in the Group's Management Report and presented in section 3.1.3.6 "Description of the processes to identify and assess material impacts, risks and opportunities" of the Sustainability Report.

Through interviews and analyses of the available documentation, we reviewed the entity's process for assessing impact materiality and financial materiality and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed how the entity established and applied the materiality criteria for information defined by ESRS 1, including those relating to the setting of thresholds, to determine the material information disclosed for the indicators relating to material IROs identified in accordance with the relevant topical ESRS.

Compliance of sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS

Type of audits performed

Our work consisted of verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided enables an understanding of how the sustainability information included in the Sustainability Report was prepared and governed, including how information relating to the value chain was determined and the disclosure exemptions selected;
- the presentation of this information ensures that it is readable and comprehensible;
- the scope selected by AKWEL for this information is appropriate; and
- based on a selection process, founded on our analysis of the risks of non-compliance of the information provided and the expectations of its users, that this information does not contain any material errors, omissions, or inconsistencies, i.e. that could influence the judgment or decisions of the users of this information.

Conclusion of the audits carried out

Based on our audits, we have not identified any material errors, omissions, or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Observations

Without calling into question the above conclusion, we would like to draw your attention to the information contained in the "Introduction" to the Sustainability Report, which specifies the uncertainties and limitations inherent in the context of the first application of the CSRD directive, as well as the main methodological limitations or uncertainties and the information not available in this first year of application, which are listed in the table published in this same note and the associated action plan, in particular with regard to:

- Pollution-related indicators (E2-4 – Information on emissions) as specified in paragraph 3.2.3.5 "Pollution of air, water and soil."
- Scope 3 downstream emissions (E1-6 - Gross Scope 3 GHG emissions) as specified in paragraph 3.2.2.9 "Gross GHG emissions from Scopes 1, 2, 3 and total GHG emissions," which describes the methodological choices made concerning Scope 3 categories, in particular the fact that some of them have not been taken into account for financial year 2024 (in particular, the use of products sold, category 11 of the GHG Protocol);
- The information provided in paragraphs 3.3.1.14 "Adequate wages" and 3.3.1.19 "Compensation metrics" of the Sustainability Report, which explains the reasons for not disclosing this information for the year ended December 31, 2024 and the methodological choices made by AKWEL concerning the calculation of the annual total remuneration ratio according to a historical definition different from that defined in ESRS S1-16.

Items that received particular attention

Information provided pursuant to the ESRS E1 environmental standard

Information disclosed on climate change (ESRS E1) is mentioned in section "3.2.2 Climate change" of the Sustainability Report.

Below we present the items to which we have paid particular attention concerning the compliance of this information with the ESRS.

Our process included assessing the appropriateness of the information presented in the environmental section of the sustainability information included in the Sustainability Report, and its overall consistency with our knowledge of the entity.

With regard to the information disclosed by the entity in section "3.2.2 Climate change" of the Sustainability Report, concerning its greenhouse gas (GHG) emissions:

- We have assessed the consistency of the scope considered for the greenhouse gas emissions assessment with the scope of the consolidated annual accounts, the activities under operational control and the upstream and downstream value chain;
- We have familiarized ourselves with the greenhouse gas emissions inventory protocol used by the Group to draw up its greenhouse gas emissions report, and have assessed its application to a selection of emissions categories and sites, for Scope 1 and Scope 2;
- With regard to Scope 3 emissions, we have assessed the information gathering process and the justification for including and excluding the various categories, as well as the information presented in this respect in the Sustainability Report, particularly in paragraph 3.2.2.9 "Gross GHG emissions from scopes 1, 2, 3 and total GHG emissions";
- We have assessed the appropriateness of the emission factors used and the related conversion calculations, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used;
- For physical data (such as energy consumption), we have reconciled, on the basis of surveys, the underlying data used to present the detailed breakdown of the Group's CO₂ emissions with supporting documents.
- We have implemented analytical procedures;
- With regard to the estimates that we considered to be fundamental and that AKWEL used to assess its GHG emissions, we reviewed, through interviews with QSEE management, the methodology used to calculate the estimated data and the sources of information on which these estimates are based;
- We verified the arithmetic accuracy of the calculations used to establish this information.

Information provided in accordance with the ESRS S1 social standard

Information disclosed regarding the Group's workforce (ESRS S1) is included in section 3.3.1 "Own workforce" of the Sustainability Report.

Our main processes in relation to this information consisted of the following:

- Based on interviews with the human resources data analysis department, we:
 - reviewed the collection and compilation procedure for processing qualitative and quantitative information for the purpose of disclosing material information in the Sustainability Report;
 - reviewed the underlying documentation available;
 - implemented procedures to verify the correct consolidation of these data;
- Based on selected information from surveys, we:
 - reviewed the geographical and legal scope of the information provided;
 - assessed whether the methods and assumptions used by the entity to determine the information disclosed are appropriate in light of ESRS S1;
 - defined and implemented analytical procedures adapted to the information examined, in line with changes in the activity;
 - reviewed the supporting documents with the corresponding information,
 - verified the arithmetic accuracy of the calculations used to establish this information where applicable, after applying rounding rules.

We also assessed:

- whether the description of the policies, actions, and targets implemented by the entity covers the following areas: workforce management, remuneration, health and safety, training and skills development and privacy.
- the description of the means by which company personnel can raise concerns, as well as how issues reported via the whistleblowing system, among other channels, are followed up.

Finally, we assessed the appropriateness of the information presented in section 3.3.1 "Own workforce" of the Sustainability Report and its overall consistency with our knowledge of the Group.

Compliance with disclosure requirements under Article 8 of Regulation (EU) 2020/852

Type of audits performed

Our work consisted of verifying the process implemented by AKWEL to determine the eligibility and alignment of the activities of the entities included in the consolidation.

It also consisted of verifying the information disclosed in accordance with Article 8 of Regulation (EU) 2020/852, which involves verifying:

- compliance with the rules for presenting this information, which ensure its readability and comprehensibility;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. that could influence the judgment or decisions of the users of this information.

Conclusion of the audits carried out

Based on the audits we have carried out, we are unable to comment on compliance with the information disclosure requirements set out in Article 8 of Regulation (EU) 2020/852, in particular with regard to the alignment of the Group's activities, due to an incomplete analysis of the technical criteria, in particular those relating to DNSH, and the lack of sufficient and appropriate documentation of the process implemented by AKWEL to determine the sustainability of the Group's activities, as also specified in paragraph 3.2.1.4 "Activity alignment review" of the Sustainability Report.

Items that received particular attention

Given the impossibility of issuing an opinion as expressed above, we hereby inform you that there are no such items to be included in our report.

The Statutory Auditor
Forvis Mazars
Annecy, France - June 3, 2025

Jérôme Neyret
Associate

AKWEL

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