



# Sustainability Report 2024

We do much more  
than just plastics

November 2025

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# Introduction

At Novares, we consider that our **Corporate Social Responsibility strategy** directly contributes to our attractiveness to all interested parties, including our Employees, our Customers, our Shareholders, and our Business Partners.

How we integrate to our environment, support our employees, and conduct our business; prerequisites our right to operate and represents a factor of competitiveness.

Our **Sustainable Development Priorities** revolve around three pillars:



**OUR EMPLOYEES AT THE HEART  
OF OUR CSR COMMITMENT**



**ACT ETHICALLY**

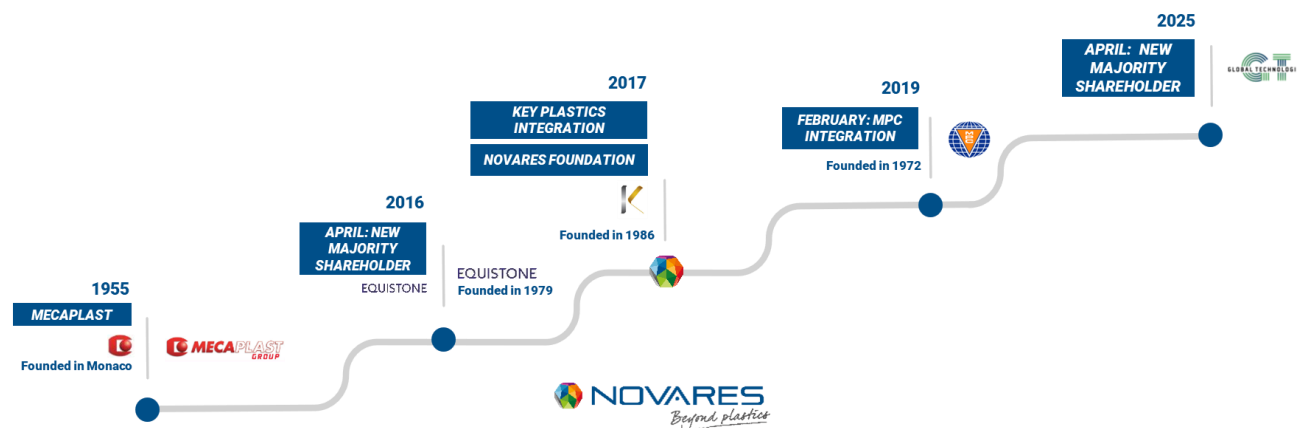


**INNOVATE TO LIMIT THE ENVIRONMENTAL  
IMPACT OF OUR ACTIVITIES**

# NOVARES in the world

## 1/ Our DNA: Metal to Plastic

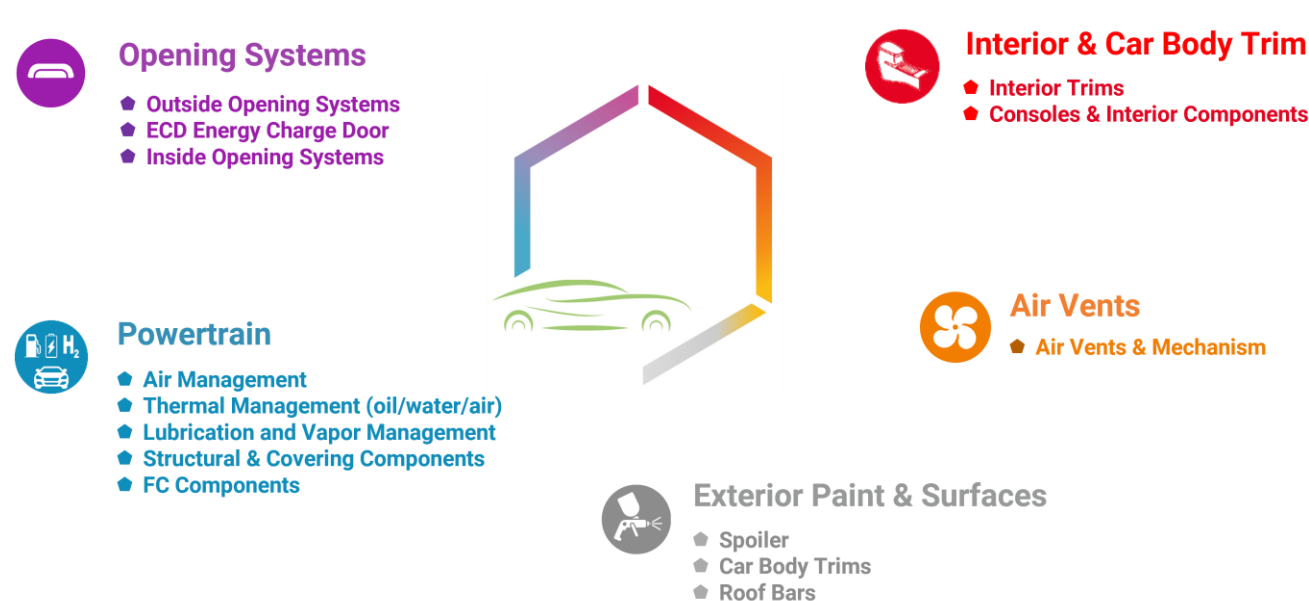
Novares is a **global supplier of plastic solutions** that designs and manufactures complex components and systems that serve the future of the automotive industry.



Novares Group timeline

Founded as Mecaplast in 1955, the group was rebranded Novares in 2017, following the acquisition of Key Plastics. It was acquired by Global Technologies in April 2025. This document reports progress and results achieved over the year 2024 and, as a result, does not present organizational changes that occurred after the integration was completed.

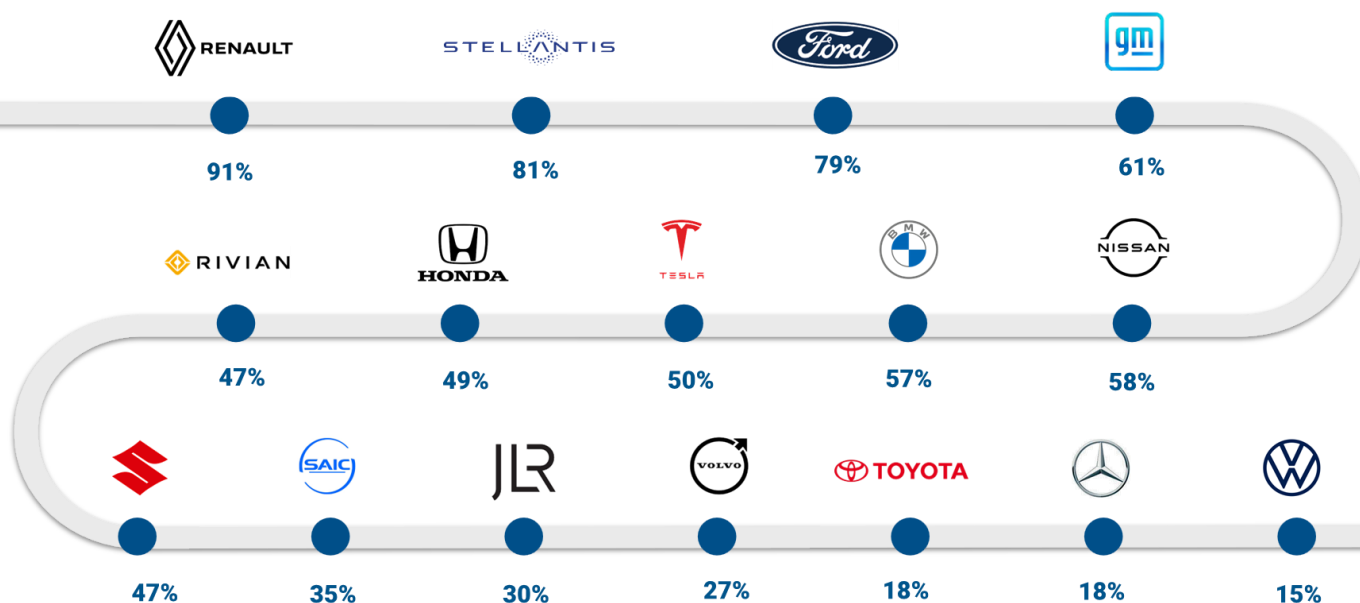
The company creates and produces advanced automotive solutions with technical plastic injection for greener, lighter, and connected cars with intelligent and intuitive interfaces for all occupants. Its portfolio comprised **5 product lines** in 2024.



Novares product lines

Novares co-develops and provides engineering and manufacturing expertise to virtually **every OEM in the world** and many Tier 1 companies in the automotive market.

### Novares is inside 1 car out of 3 worldwide



Percentage of vehicles sold in 2024 that feature Novares products, by carmaker

### Our ambition is threefold:

#### GLOBAL PROXIMITY

Novares partners with its customers, stays close to their engineering & production sites in order to optimize logistic costs and ensure on-time deliveries.



#### RELIABLE EXECUTION

Novares teams-up with both OEMs and Tier 1s on methods, processes, best practices that exceed industry standards and requirements.

#### PRAGMATIC INNOVATION

Using advanced technologies, we produce cutting edge, ergonomic designs and stylized products offering multi-functionalities for performance, comfort and safety.

## 2/ Our 5 Core Values

We aim to create a positive and ethical work environment centered on the values we made ours.

Our 5 Core Values support the company culture and business ethics:

### ONE TEAM



### COURAGE



### POSITIVE ENERGY



### TRANSPARENCY



### RESULT DRIVEN



### TRANSPARENCY



- Walk your talk
- Tell it like it is, no lies, no feelings
- Be yourself
- Be honest, no matter what
- Free and open exchange

### POSITIVE ENERGY



- The worst it looks the most you can improve
- One smile can open many doors
- Do the job with passion and performance
- Can do attitude
- Never say Never

### COURAGE



- Dare to face challenges
- Never accept the situation as it is
- Be a player, don't be a spectator
- Failure is an opportunity to learn, improve
- Take risk to transform a problem in a success

### RESULT DRIVEN



- Being reliable respecting deadlines and quality
- Our plans and evolutions are visible.
- Being proactive and flexible to adapt to business requirements.
- Set clear targets
- Deliver what we promise!

### ONE TEAM

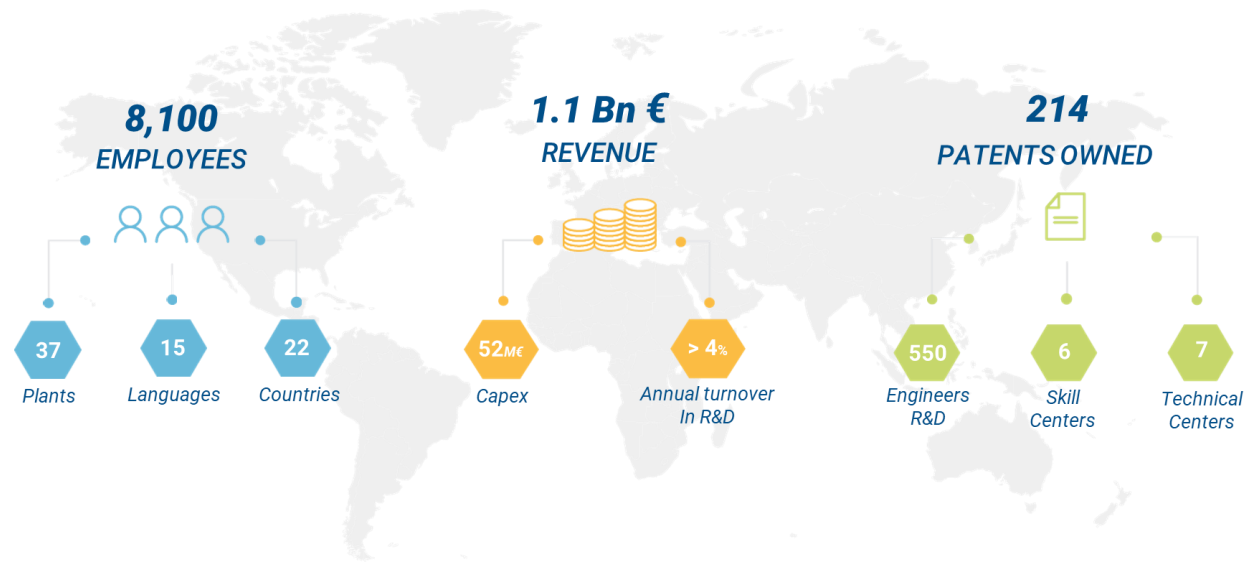


- The challenge for one is the challenge for all.
- Take commitments and achieve them collectively.
- Support and respect each other.
- We benefit and learn from our company diversity and take the best from all our practices.
- We help and support each other, inside and outside our organization.
- We work together to achieve common goals.

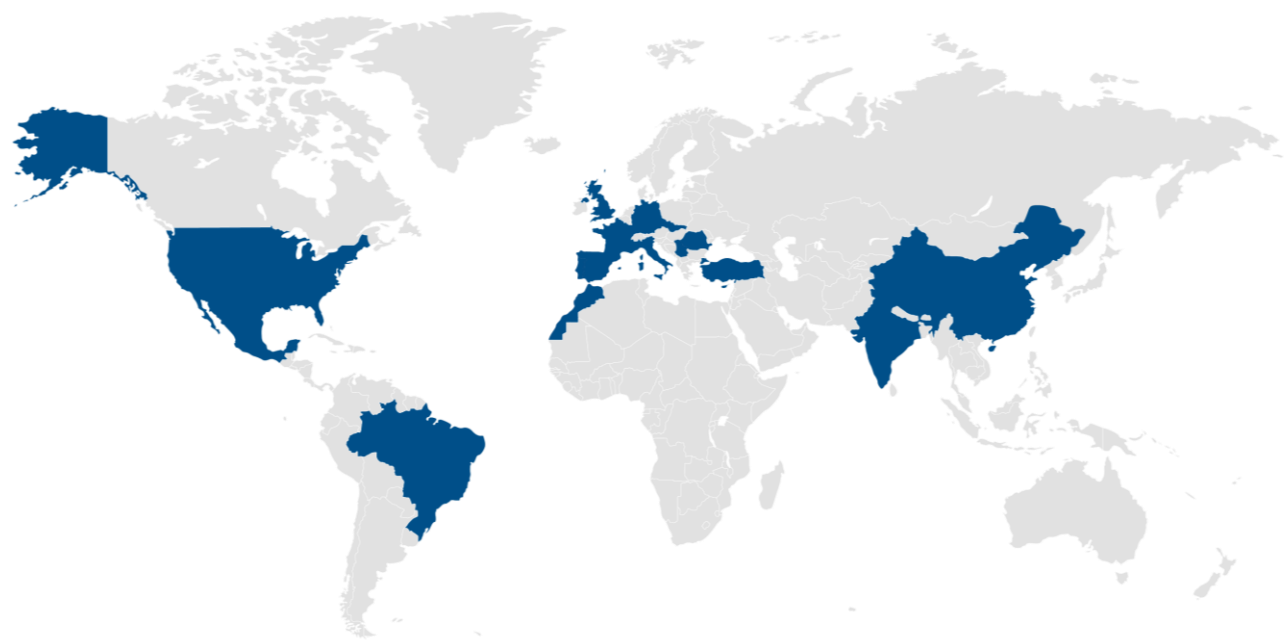


### 3/ Novares at a glance

Main figures (2024 data & organization)



22 countries & 15 languages



Customer proximity for joint development activities & technical support

## 4/ Environment, Social and Governance at Novares

Current concerns regarding natural resources depletion, climate change and fair sharing of economic growth, impose to take environmental, social and governance (ESG) topics into account in daily operations as well as in strategic orientations.

As a worldwide company, Novares is committed to maximize its contribution to reducing the automotive industry environmental impact and its positive overflow onto its employees and local communities. This action is carried out in accordance with the 17 sustainable development goals identified by the United Nations.



*The 17 UN global goals for sustainable development and Novares contributions.*

### Risk analysis

In 2021, in the wake of the COVID pandemic, a thorough risk mapping study was conducted by executive members and key employees. It emphasized short term priorities and led to a risk mitigation action plan. This first-of-its-kind study, which was shared with global management in 2022 and updated in 2023, raised awareness regarding several ESG related topics that proved important for Novares activities, such as:

- Health & Safety
- Impact on the Environment
- Climate change mitigation and adaptation

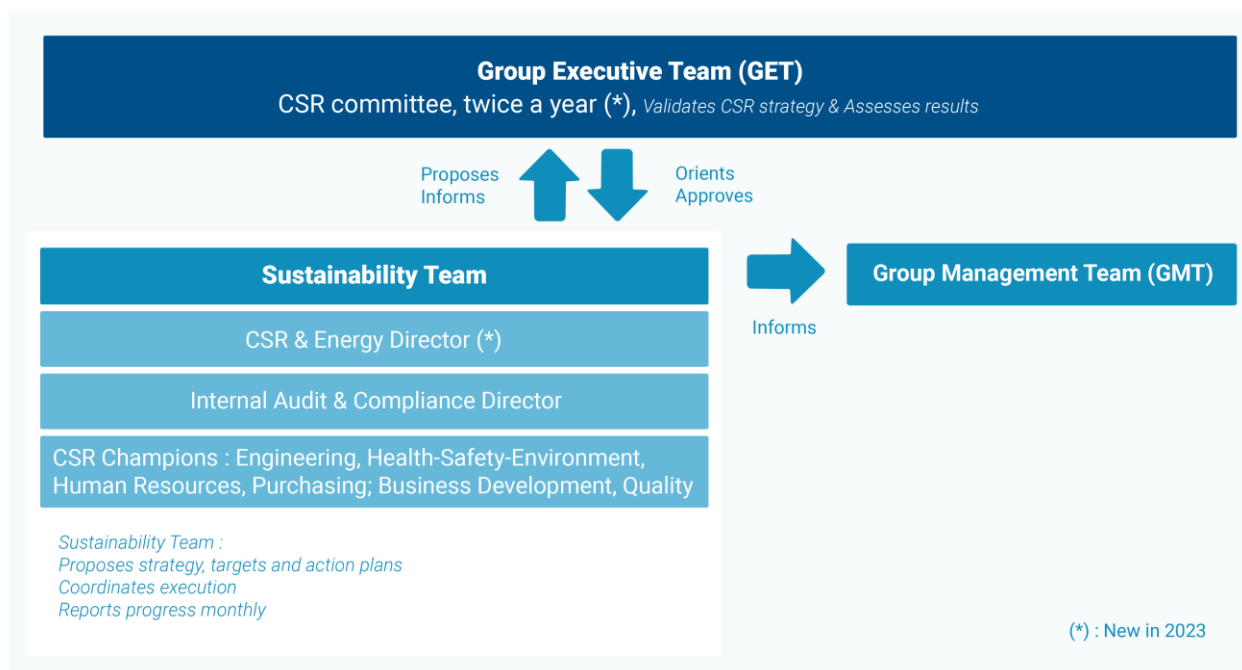
Initiated as a step further, the first evaluation of **climate change** consequences on operations showed that several concerned countries were at risk of above-acceptable level temperatures, increased frequency of severe flood, hail, and tornadoes, as well as strongly restricted access to water. This new insight will help production sites to anticipate new constraints and risk mitigation leverage in their action plans.

To extend the global risk assessment approach to environmental, social and governance topics, a double-materiality analysis is currently underway with contributions of various internal stakeholders, in line with upcoming European Union reporting requirements (i.e. Corporate Sustainability Reporting Directive, or CSRD).



## Governance

Following the global risk assessment and acknowledgement of the importance of environmental and social topics, the Novares Group Executive Team redefined its **CSR governance** guidelines and validated internal competence reinforcement. The organizational scheme presented below became operational in 2023.



Novares CSR governance scheme

## ESG reporting and 2025 Ambition

As both continuous improvement and “speak with data” culture are fully part of Novares core values, an extensive set of ESG-related key performance indicators have been reported for many years at Group Executive Team level (see previous Sustainability Reports for more details).

In addition, an **Ambition for 2025** was defined with specific goals for certain priority items to support short term actions and foster cultural changes throughout the company. They are split into three categories, gathered, and managed under the **NOVA CARE program**:



Our Employees at the heart  
of our CSR commitment



Act Ethically



Innovate to limit the environmental  
impact of our activities

Our corporate-level **key performance indicators** are summarized in the table below, with reference baseline values and targets for 2025.

ACT FOR OUR EMPLOYEES					
Priority	Our commitments	SDG <sup>1</sup>	KPI	2021	2025 Ambition
Guarantee a healthy and safe working environment for our employees	Reduce the number of accidents	3	Accident frequency rate	3.3	2.3
	Develop a safety culture at all our Locations	3	Plants safety golden rules application self-assessment deployment rate (%)	88%	95%
			% of «safety talk» sessions completed vs plants forecast	84%	90%
	ISO 45001 certification of all our manufacturing sites	3	Share of ISO 45001 certified plants vs total number of plants worldwide (%)	5%	85%
Promote Equal Opportunity	Equal treatment for women and men	5, 10	Share of women amongst total external recruits (%)	42%	45%
	Equal geographical treatment	10, 16	Share of nationalities represented at Group Management Team vs Novares worldwide footprint	89%	95%
	Give Juniors the opportunity to enter the Business	4, 8	Share of hired interns vs total indirect headcount (%)	3,16%	>2.5%
ACT ETHICALLY AND WITH SOLIDARITY					
Priority	Our commitments	SDG <sup>1</sup>	KPI	2021	2025 Ambition
Business fair practices	Deploy our Ethical values worldwide	8, 11	Share of employees trained on e-learning Code of Ethics vs targeted populations (%) <sup>2</sup>	91%	100%
	Deploy Good Practices	8, 11	Anti-fraud & corruption controls compliance self-assessment results for targeted BUs <sup>3</sup>	94%	>95%
Responsible partnerships	Deploy our commitments to third parties	1, 8, 11	Suppliers having completed CSR self-assessment in % of targeted suppliers <sup>4</sup>	68%	100%
Solidarity Initiatives	Promote solidarity initiatives	1, 3, 4, 5, 8, 10	Total number of voluntary social or environment employee initiatives completed	51	65
ACT FOR ENVIRONMENT					
Priority	Our commitments	SDG <sup>1</sup>	KPI	2021	2025 Ambition
Reduce energy intensity and related green-house gases emissions	Optimize our energy consumption	11, 12, 13	Specific energy coefficient (MWh per ton of processed material)	2.90	2.4
	Reduce GHG Emissions	13	Total GHG emissions scopes 1&2 vs turnover ratio (tCO2eq/M€) <sup>5</sup>	87 (2022)	79
Sustainable natural resources management	Reduce industrial waste	15	Share of total waste vs total processed material (%)	12.4% (2022)	10%
	ISO 14001 certification of all our manufacturing sites	13, 14, 15	Share of ISO 14001 certified plants vs total number of plants worldwide (%)	95%	100%
	Reduce water consumption	14	Total paintshop water consumption vs turnover ratio (m³/ M€)	29.8% (2022)	27
Reduce environmental footprint of our products	Integrate environmental aspects in our product conception & development	12, 13, 14, 15, 17	«Green mobility» innovations vs total innovation projects ratio	46% (2022)	50%
			Number of «Green Mobility» Patents	11	>6

Novares 2025 ESG priority items and corresponding targets – Reference year is 2021 (except for Scopes 1 & 2 GHG emissions, industrial waste, paint shop water consumption and “Green mobility” innovations: 2022)

<sup>1</sup> Contribution to UN Sustainable Development Goals (SDGs)

<sup>2</sup> Targeted population: new recruits

<sup>3</sup> Targeted Business Units: 2 out of 6 per year

<sup>4</sup> Targeted suppliers: 2021: TOP30 production + TOP20 non-production; 2025: TOP100 production + TOP30 non-production

<sup>5</sup> Note that Scopes 1 & 2 GHG emissions were recalculated following methodology adjustment.

## Building our Sustainable Future

To define next steps of the NOVA CARE program, the Group was among the first companies to onboard the new industry-focused initiative from French association CEC ("Convention des Entreprises pour le Climat", or "Climate Companies Convention") launched in early 2024. This 10-month journey, which was expected to be completed in 2025, represents a great opportunity to connect with peers from other sectors and build an ambitious roadmap to adapt our business model for long-term resilience, as a contribution to the reconciliation of ecology, economy, and society.



## Corporate CSR ratings & standards

To improve its ESG performance and comply with customer requests, Novares applies the most demanding international standards.



EcoVadis global rating:  
**62/100**



SupplierAssurance SAQ5.0 average rating:  
**76/100**



Carbon Disclosure Project (CDP) ratings  
**CLIMATE CHANGE 2024 – SCORE: B WATER SECURITY 2024 – SCORE: C**



ISO 14001, ISO 45001, ISO 50001

As for most of its internal processes, the Group also relies on ISO standards to support deployment of its ESG improvement efforts.



In 2023, we also initiated deployment of the Trusted Information Security Assessment Exchange, or TISAX, standard from ENX for information security and data protection.

This very demanding label relies on the ISO 27001 standard and was designed specifically for the automotive industry value chain.

# Employees at the heart of Novares CSR commitment



**Novares gives special attention to all its employees**, who benefit from its social commitment and are actors of its responsible approach. Through its corporate social policy, the Group is committed to ensuring safety and health at work. It also aims to guarantee the respect for human rights, develop skills and promote equal opportunities. 3 main themes are covered:

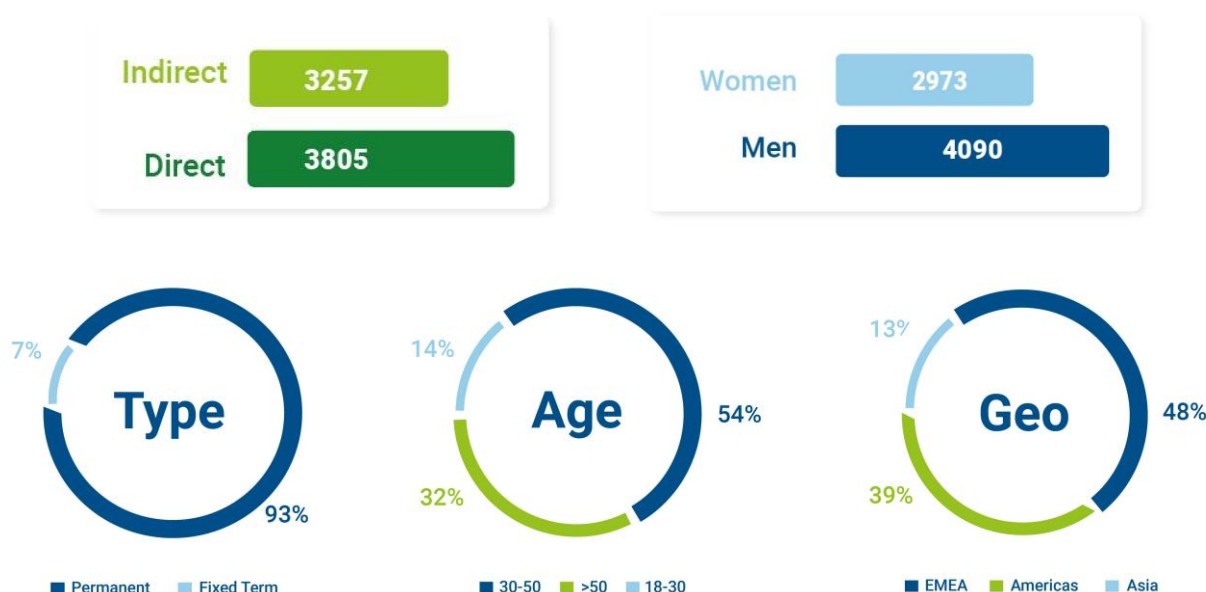
- 1/ Respect human rights
- 2/ Guarantee a healthy and safe working environment
- 3/ Promote equal opportunities

Through all actions related to those 3 items, Novares contributes to 7 of the 17 the United Nations Sustainable Development Goals.



## General data

As of December 31<sup>st</sup>, 2024, our total workforce was composed of 7062 contracted employees, of which **42% are women**, and 1052 temporary workers.



*Novares contract employees' statistics by contract type, age, and geography*

# 1/ Respect of human rights

## 1.1/ Purpose and policies

As a global industry player, Novares commits to **respect fundamental rights** related to working conditions in all countries in which it operates, including in geographical areas where human rights may not yet be sufficiently protected. More specifically, it undertakes:

- To ban recourse to illegal work such as defined by the rules of the countries in which it is involved, and, in particular, not to resort to any form of forced labor and/or child labor, in accordance with laws and International Labor Organization (ILO) frameworks.
- To avoid and report any participation in commercial, economic, or industrial activities that abuse the rights above, and to refrain from violating the human rights of third parties.
- To perform due diligence to identify, prevent, mitigate, and address the foreseen adverse impacts on Human Rights caused from their own business' activities or those directly or indirectly related to its supply chain.

In addition, Novares intends to develop **responsible social dialogue**. To that end, the Group keeps its employees, or their representatives, informed of its activities in due course and in compliance with applicable laws and regulations regarding informing and consulting with employees.

Novares also recognizes employee representation through specific organizations and the right of employees to associate freely, establish or join trade union organizations of their choice and to organize staff representation in accordance with the laws and regulations in each country where it operates. It also ensures that employee representatives are not subject to discrimination, fear of reprisal, intimidation, or harassment. More details on those subjects and on Novares commitments can be found in our Code of Ethics.

## 1.2/ Our main actions in 2024

- Our Code of Ethics was fully reviewed and updated. Many new topics and requirements were introduced based on the most advanced business practices and new regulations in various regions. It was translated into the most widely spoken languages and deployed on all sites, supported by an online training campaign which targeted new recruits and indirect labor employees first.
- Efforts were also made to standardize, collect and consolidate workforce-related data throughout the group, in order to better understand local variations and anticipate new reporting regulations, including the European Union's Corporate Sustainability Reporting Directive (CSRD), as well as ever-growing transparency requirements from various stakeholders, including customers or financial institutions. A dedicated tool was developed to automatically extract all appropriate information and figures from existing systems for regular internal analysis and reporting, thus reducing the burden of data collection.

## 1.3/ Our next priorities

The Group will continue its efforts to ensure compliance with its values on the following priorities:

- Promote direct exchange between site employees and top management executives during yearly site visits to address working conditions topics.
- Define the tools to collect, consolidate and analyze HR data in the context of ever-growing requirements of ESG reporting and anticipation of the European Union's new Corporate Sustainability reporting Directive, or CSRD.

## 2/ Guarantee a healthy and safe working environment

### 2.1/ Purpose and policies

As presented in our Health, Safety, Environment and Energy policy (see page 41), Novares places paramount importance on health and safety in the workplace and aims at reaching **zero accident**.

Novares undertakes to create and maintain a healthy and safe working environment for its employees and sub-contractors to limit risks of accident or occupational illness, and in compliance with local legal requirements and industry standards. This Occupational Health and Safety (OHS) policy is reviewed and updated every year.

Our prevention approach is based on a comprehensive OHS risk analysis that leads us to remove or mitigate professional risks, monitor the efficiency of prevention measures, and implement a continuous improvement approach. This preventive approach concerns all Group entities, all sites, as well as home office, when applicable.

Novares considers the involvement of all employees to be essential to achieve its goal. Their participation is guaranteed through the organization of safety committees made of different representatives of the company including workers themselves.

Besides, all procedures necessary for identifying and preventing health and safety risks equally apply to any stakeholder likely to be affected.

Employees and concerned stakeholders are properly informed and trained concerning relevant health and safety topics, in compliance with local regulations and industry practices. They are also provided with appropriate Personal Protection Equipment (PPE) that address hearing, mechanical, heating/discharge and chemical risks. In addition, each site has a team which is trained and regularly drilled in giving first aid, intervening to ensure employee safety in the event of an incident and firefighting. All occupational accidents are recorded and analyzed using a problem-solving methodology. Corrective measures are aggregated at group level and communicated to all sites to minimize the chance of recurrence.

To support proper management of health and safety issues, Novares commits to obtain **ISO 45001 certification** in all its production sites.

### 2.2/ Corporate monitoring

#### Corporate-level key performance indicators

ACT FOR OUR EMPLOYEES						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Guarantee a healthy and safe working environment for our employees	Reduce the number of accidents	Accident frequency rate	3.3	5.17	5.27	2.3
	Develop a safety culture at all our Locations	Plants Safety Golden Rules Application self-assessment deployment rate (%)	88%	89%	86%	95%
		% of «Safety Talk» sessions completed vs plants forecast	84%	86%	89%	90%
	ISO 45001 certification of all our manufacturing sites	Share of ISO 45001 certified plants vs total number of plants worldwide (%)	5%	27%	30%	85%



### Other relevant data

Additional health & safety related data and indicators are presented below.

	2023	2024
Number of fatalities in own workforce as result of work-related injuries	0	0
Number of fatalities as result of work-related injuries of temp workforce	0	0
Number of lost time work-related accidents for own workforce	78	68
Severity rate for own workforce	0.18	0.14

2024 was marked by a decrease of work-related injuries in terms of number and stability in terms of frequency. The severity rate improved, thanks to a reduction of non-worked days. In addition, it is worth noting that 17 plants out of 37 had no work-related accidents during the whole year, with 7 of them being accident-free for more than 3 years. In fact, only 5 plants concentrated 55% of the total number of injuries: strong actions were taken to identify, address and solve the corresponding areas of concern.

### Number of ISO 45001 certified sites: 10

The number of production sites that were granted the ISO 45 001 certification increased from 27% in 2023 to 30% in 2024, as a result of the ongoing deployment plan.

## 2.3/ Our main actions in 2024

- Improvement in Occupational Health and Safety management in our plants
  - Regular safety committees are now held everywhere.
  - Training of our employees through DOJO rooms with regular first aid practice.



First aid training

- Bi-monthly safety calls to review root causes of all work-related injuries and corresponding action plans.
  - Continued deployment of our safety Golden Rules, safety talks and transversal memos in every site, ensure a full implementation.
- 2 new sites acquired ISO 45001 certification in 2024, bringing the total to 30% of all sites meeting this demanding standard, which is now required by the Group policy.
- Reinforced in-depth monitoring of 5 plants, representing more than 55% of our accidents: bi-

weekly meetings with local QHSE teams, review of action plans, using the Plan-Do-Check-Act approach and on-site audits.



*Celebrating 5 years without accident at our Sao Paulo plant in Brazil*

- Improvement of plant fire prevention
  - The internal audit program on Property Damage risk management initiated in 2023, continued worldwide. Progress was 78% of sites covered at the end of 2024.
  - Review and update of existing procedures.
  - Organize fire drills.
- Safety culture communication campaigns in several plants.
- Activities to promote health and well-being among employees around the world:
  - Awareness campaigns regarding prevention of obesity, diabetes, depression, stress, tobacco, drug & alcohol addictions.
  - Promotion of physical exercise through participation to various sport events.



*Novares employees participating in the Popular Heart Race in Madrid, Spain*

## 2.4/ Our next priorities

In continuity of our 2024 actions, our efforts will be placed on the following priorities:

- Continue the deployment of safety Golden Rules in each site and ensure full implementation.
- Provide proper training to all newcomers and strengthen our health and safety culture via:
  - Specific communication campaigns (events, awareness videos, visuals, editorial content)
  - Realization of safety talks, safety minutes and best practices sharing between plants
- Audit and support plants showing gaps in performance and/or respect of our rules.
- Analysis and update of OHS risk assessments, guarantee 100% of health and safety committees and continue deployment of the ISO 45001 standard with the target to obtain certification for 7 new plants.
- Ensure compliance of our sites regarding our fire prevention program through internal audits and visits of our insurer, visit local fire brigades and deploy first aid training, train primary & second respond emergency teams.

## 3/ Promote equal opportunities

### 3.1/ Purpose and policies

Designed for a fast-moving environment, the Novares Human Resources policy revolves around **two main axes**:

1. Attract and retain the most valuable resources.
2. Promote diversity and inclusive work environments.

#### Attract & Retain

##### **Recruiting**

Our goal at Novares is to attract professionals with skills that are key to maintain our leadership in project management and manufacturing technologies, especially in highly technical areas.

To do so, we have identified targets on different perspectives:

- short term: perform in our capacity to staff open positions.
- mid-term: prioritize internal mobility in our staffing and focus on technical functions.
- long term: dynamize our employer branding and attract young talents.

##### **Emerging Talents**

As welcoming young talents is crucial to the future of Novares, we offer apprentices, trainees, interns, and young graduates challenging opportunities that not only meet their aspirations and allow them to grow on a mid or long-term perspective but also contribute significantly to our collective success. This is the reason why we have developed a program focused on hiring and accompanying those emerging talents. We closely follow-up their evolution within the company and encourage them to take their career into their own hands, broaden their horizons and build their internal network, e.g. through **internationalization options**:

- International Internships, during apprenticeship or for 6-month time periods
- International Volunteering Program (or VIE) for young European graduates, in collaboration with Business France, for a period of 24 months.

Thus, we also have set global targets to recruit emerging talents and then to hire them with a short term or long-term contract.

### **Onboarding**

Developing our employees starts at Day 1 with our e-Onboarding training available on our Learning Management System, DOKEOS. The purpose is to give newcomers insights on the Group's organization, governance system, products and values.

We also share our fundamentals: Code of Ethics, IT Charter & Safety Golden Rules. At Novares, cultural fit is as important as technical skills. For continuous improvement on the subject, we have created a survey we send to newcomers 6 months after their arrival.

### **Internal mobility**

We are committed to offering **new opportunities**, promotions, and career advancement to our employees and we target to staff 45% of our open positions through internal mobility. To monitor and enhance internal mobility, we rely on:

- key position succession planning in our yearly Strategic Resources Plan (SRP).
- dedicated communication.
- collection of employees' mobility wishes through Annual Appraisal Interviews (AAI).
- deployment of individual development plans to help employees grow within the group through training, personal development, and mentoring.

### **Diversity & Inclusion**

At its core, Novares believes that **diversity is an asset** and promotes an inclusive culture where everyone can contribute fully and reach their potential. Novares rejects all forms of discrimination and aims to make all employees aware of the benefits of diversity through its corporate social policy. We comply with salary laws in all operating countries, ensuring wages are based on job responsibilities and performance, and meet minimum living standards.

Our commitment to non-discrimination and harassment-free workplaces ensures equality of treatment and opportunities for all employees, regardless of age, gender, race, nationality, or any other personal or social condition. In particular, Novares provides equal opportunity in employment specifically for women, commits to equal pay for equal work, and undertakes to respect regulations concerning protection of pregnant women.

The Group complies with national laws and regulations related to the employment of disabled persons and undertakes to create specific workstations to ensure good working conditions. No employees may be punished, dismissed, or discriminated against for having testified in good faith about any of the actions listed above or for having reported them.

We communicate and deploy our ethics, integrity, and compliance principles based on our five core values and employees acting as role models are recognized through the **Super Nova and Nova Kaizen** programs and other ceremonies.



Additionally, we believe that promoting a vibrant and inclusive workplace culture is essential for fostering team spirit and employee satisfaction. Our sites around the world regularly organize events

that celebrate local traditions and bring employees together in a spirit of camaraderie like the International Day of “Tortilla de Patatas” in Iqualada in Spain, St. Patrick’s Day at Walworth and Prairie du Chien plants in the USA or sports events in Shanghai, China, and Mioveni, Romania.

## 3.2/ Corporate monitoring

### Corporate-level key performance indicators

ACT FOR OUR EMPLOYEES						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Promote Equal opportunity	Equal treatment for women and men	Share of women amongst total external recruits (%)	42%	49%	48%	45%
	Equal geographical treatment	Share of nationalities represented at Group Management Team vs Novares worldwide footprint	89%	90%	94%	95%
	Give Juniors the opportunity to enter the Business	Share of hired interns vs total indirect headcount (%)	3.16%	2.15%	1,61%	>2.5%

### Other relevant data

In 2024, 32% of open positions were filled through internal mobility, a figure that remains stable compared to 2023 and shows improvement over previous years. The **onboarding satisfaction survey** showed that **84.5%** of respondents rated their experience positively in 2024.

## 3.3/ Our main actions in 2024

- Identification of key positions and people, definition of appropriate retention actions and individual development plans for all indirect positions within the Group; KPIs were also deployed to measure efficiency of this process and corresponding action plan.
- Creation and launch of our new “emerging talents” policy which aims at improving trainees, interns, apprentices and VIE candidates’ contributions and recruitment.
- Design of a specific “recruitment for HR managers” module to improve recruiting practices and favor open-mindedness to novelty and diversity.
- Creation of induction modules per function for newcomers within the Human Resources, Manufacturing Engineering and Quality Departments.

## 3.4/ Our next priorities

In continuity of our 2024 actions, our efforts will be placed on the following priorities:

- Deploy employer branding actions, Open Doors & social network campaigns, and promote our Sustainability commitments during the recruitment process
- Generalize gender equality index throughout Group entities, to keep track of gender pay gap.
- Deploy new e-learning modules in our Learning Management System (LMS) platform DOKEOS: climate change, electronics, manufacturing engineering etc...
- Launch a specific development program for Manufacturing Engineering including assessment of the whole targeted population.



# Act Ethically and with Solidarity

**Novares' social responsibility applies** to all partners with whom the Group interacts. This relationship must be conducted in full respect of ethical rules, particularly in terms of business practice. As committed player and ethical company, the Group also promotes solidarity actions and supports citizen initiatives.

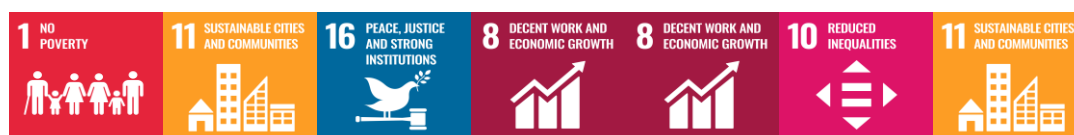


1/ Respect the rules of business ethics

2/ Ensure responsible partnerships

3/ Promote solidarity actions

Through all actions related to those 3 main themes, Novares contributes to 7 of the 17 the United Nations Sustainable Development Goals.



## 1/ Respect the rules of business ethics

### 1.1/ Purpose and policies

Respect for the rules of **ethical behavior** is one of Novares' fundamental values for profitable long-term development. To prevent corruption and fraud, Novares relies on this ethical corporate identity and commits to respect competition rules, avoid conflicts of interest. This is done on one hand by raising awareness and training amongst its employees and, on the other hand, by closely monitoring proper application of its compliance program.

The Novares' Code of Ethics recalls the Group's commitment to carry out its activities by applying the strictest principles of ethics, integrity, and compliance.

It also reminds our employees of their duty to comply with company policies and put our professional ethics into practice on a daily basis. It provides them with guidelines to follow in order to act with integrity, in full respect for individuals and the environment. It addresses a wide variety of themes relevant to its activities, such as prevention of corruption, bribery and money-laundering, fair competition and information security.

To ensure application of best industry practices on information security, beyond requirements of EU's General Data Protection Regulation (GDPR), the Group decided to deploy the automotive-specific and highly demanding TISAX standard by ENX in all its production sites and Skill Centers.

In addition, a **whistleblower mechanism** is made available to employees and external stakeholders to report possible breaches in the Code of Ethics and self-assessments are conducted regularly by local entities to check compliance with group recommendations set to fight corruption.

More details on those subjects and on Novares commitments can be found in our Code of Ethics.



## 1.2/ Corporate monitoring

### Corporate-level key performance indicators

ACT ETHICALLY AND WITH SOLIDARITY						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Business fair practices	Deploy our Ethical values worldwide	Share of employees trained on e-learning code of Ethics vs targeted population (%) <sup>2</sup>	91%	100%	100%	100%
	Deploy good practices	Anti-fraud & corruption controls compliance self-assessment results for targeted BUs <sup>3</sup>	94%	94%	95%	>95%

<sup>2</sup> Targeted population: new recruits

<sup>3</sup> Targeted Business Units: 2 out of 6 per year

### Other relevant data

In 2024, 5 new sites obtained the demanding information security label TISAX. The updated deployment status is as follows:

- 3 out of 6 Skill Centers (50%), in Monaco, Monaco, Lohne, Germany, and Shanghai, China.
- 5 out of 37 production plants (13%), in Janovice, Czechia, Shenyang, China, Silao and Chihuahua 3 in Mexico.

## 1.3/ Our main actions in 2024

- Following a deep reconfiguration of our Code of Ethics, a new e-learning campaign was successfully launched in 2024, to ensure broad understanding of the topics introduced and most advanced business practices and new regulations in various regions.
- The deployment of the TISAX standard from ENX, launched in 2023 to comply with the most demanding information security requirements from our customers, continued in 2024:
  - 3 Skill Centers out of 6 are now labelled in Monaco, Germany and China
  - 4 new plants in Czechia, China and Mexico successfully passed the third-party audit without any major non-conformity: 13%, i.e. 5 out of 37, of our manufacturing plants now boast this demanding label.
- A new worldwide e-learning campaign on cyber risks was launched and completed by more than 2500 employees, in addition to updated awareness material made available to all employees in our SMART System.

## 1.4/ Our next priorities

The Group will continue its efforts to ensure compliance with its values and commitments, with the following priorities:

- Update the whistleblower process to simplify reporting, ensure more efficient issue management and extend scope of application to a larger group of stakeholders.
- Engage a new self-assessment campaign and update training on Business Ethics.
- Continue the worldwide deployment of the TISAX standard:
  - Obtain labelling of all Skill Centers and production sites, under the supervision of the corporate Quality department and out of our Monaco site.
  - Ensure that all 6 Skill Centers go through AL3 audit for information security and

- prototypes requirements.
  - Extend training on information security: deployment of an eLearning campaign on GDPR awareness and introduction of information security awareness in DOJO (training room) guidelines as well as training for production plants and operators.
- Prepare for new EU reporting regulations, in particular the Corporate Sustainability reporting Directive (CSRD), with the validation of our first double-materiality assessment.

## 2/ Ensure responsible partnerships

### 2.1/ Purpose and policies

Novares' **responsible purchasing** approach is one of the structuring axes of its corporate and social responsibility. In order to ensure development of its activities in a sustainable way and long-lasting relationships, the Group expects its Partners to adhere to the same standards of social and environmental responsibility. It engages and supports them in a dynamic of progress for a solid and long-lasting cooperation.

Main requirements are listed in our Supplier Code of Conduct and our Supplier Quality Requirements Manual, which are readily available on the group's corporate website and must be signed off by every supplier at nomination and during the commercial relationship lifetime. As an illustration to underline the importance of ESG topics in the supply chain, all supplier manufacturing sites must be compliant with ISO 14001 certification.

ESG performance of suppliers is also part of the selection process. It is evaluated through self-assessment and analysis of filled questionnaires serve as a baseline for our future supplier ESG performance monitoring and auditing scheme.

Corruption risk is evaluated through a supplier corruption risk mapping. Every supplier is

assessed before any possibility to integrate Novares panel and a Due Diligence questionnaire is required to be filled (status & commitment), to assess any exposure to the risk of corruption. A process of control and monitoring is in place, including self-assessments and audits.

As part of our Supply Chain Due Diligence, the Group prioritized the use of **minerals from responsible sources** in reference to the established framework of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Our suppliers are expected to carry out the same due diligence on their supply chain.

To ensure compliance with these requirements for reporting manufacturers, Novares requests information regarding the use of conflict minerals from its suppliers, which, in turn, solicit that information from the next tier of suppliers, continuing down the supply chain. This is done using the Conflict Minerals Reporting Template (CMRT) and/or the Extended Minerals Reporting Template (EMRT) issued by the Responsible Minerals Initiative (RMI). This reporting pertains to all suppliers that provide production, service, and aftermarket parts to Novares.

*The term "conflict minerals" is defined as columbite-tantalite (coltan), cassiterite, gold, wolframite, tantalum, tin, tungsten, and any other mineral or its derivatives determined by the U.S. Secretary of State. The term "extended minerals" is defined as Cobalt and Mica.*

## 2.2/ Corporate monitoring

### Corporate-level key performance indicators

ACT ETHICALLY AND WITH SOLIDARITY						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Responsible partnerships	Deploy our commitments to third parties	Suppliers having completed CSR self-assessment in % of targeted suppliers <sup>4</sup>	68%	100%	100%	100%

<sup>4</sup> Targeted suppliers: 2021: TOP30 production + TOP20 non-production; 2025: TOP100 production + TOP30 non-production

## 2.3/ Our main actions in 2024

- In 2024, the Purchasing team initiated the deployment of Supplier Assurance, the ESG performance assessment platform from NQC, on a subset of priority suppliers. This tool, which relies on the SAQ5.0 questionnaire, widely used in the automotive industry, allows identification of environmental and social risks within the supply chain, everywhere in the world. The assessment campaign was defined and launched widely, whereas results are expected in the 1st half of 2025. In-depth analysis will determine supplier sites that present a high level of risk and require an onsite audit for mitigation measures.



- The yearly CMRT & EMRT update campaign was carried out with contributions of identified impacting suppliers and support of a third-party. Global response rate was further improved vs 2023, in shorter time and satisfactory response quality. Action plans were defined for suppliers that did not comply with customer requirements.
- Novares contributed to the EU public consultation on new REACH regulation project regarding per- and polyfluoroalkyl substances, also known as PFAS, through Groupement Plasturgie Automobile (GPA). In addition, an internal impact analysis was carried out and showed that approximately 200 parts and 30 suppliers could be concerned for the European region. Concerned suppliers were contacted and requested to propose a replacement plan.
- Several initiatives were also launched to support continuous efforts to promote product decarbonization:
  - Following the calculation of Scope 3 upstream emissions, a thorough analysis was carried out to identify carbon hotspots and priority areas.
  - Main worldwide plastic resins suppliers were met to discuss their decarbonization plans, low-carbon product portfolio and cooperation opportunities in the scope of ongoing and future proposals to customers.
  - Primary emission factor information of purchased plastic resin references was collected to feed our internal database. Retrieved data covers more than 80% of total resin weight.

## 2.4/ Our next priorities

Further development of sustainable procurement practices is expected, with the following actions:

- Continue training campaign on fundamentals of Sustainable Sourcing for Purchasing managers, commodity buyers and supplier quality leaders.
- Derive conclusions from the first Supplier Assurance campaign, launch the first ESG audits in risk-exposed supplier sites and extend to a wider scope of suppliers worldwide.
- Update the Group sourcing policy with new ESG performance-related objectives and criteria for supplier nomination, define new KPIs to monitor global performance and progress.
- Implement declaration requirements of the new European Union regulations for concerned production sites, i.e. Carbon Border Adjustment Mechanism (CBAM) for steel and aluminum imports, and European Union Deforestation Regulation (EUDR) for rubber.
- On sensible substances:
  - Anticipate compliance with new requirements of REACH regulations, including analysis of presence of PFAS and investigation of possible alternatives.
  - Update CMRT and EMRT due diligence with higher response rate and full compliance with customer expectations.
- On decarbonization:
  - Obtain more carbon intensity information from raw materials & components key suppliers to support deployment of Part Carbon Footprint (PCF) assessment during quotation process.
  - Update the Scope 3 upstream methodology for improved accuracy and robustness.
  - Set Product Carbon Footprint (PCF) and recycled-content targets for production suppliers of plastic resins and main sub-components.

## 3/ Promote solidarity actions

### 3.1/ Purpose and policies

Novares strives to promote and highlight internally and externally a range of **local initiatives** that are complementary to our business mission. Employees take an active role and contribute to these successes in their areas. As a result, the Group promotes solidarity actions and supports citizen initiatives around the world, which represent contributions to the socio-economical fabric of local communities.

Communication of our commitments on Environment, Social and Governance topics is key for efficient execution throughout the Group. Regular reports on main successes are assembled by our network of local Communication Relays, NOVALinks, and included in the communication plan for corporate broadcast; internally on our Intranet, or externally through dedicated posts on social media such as LinkedIn, Facebook, X and Instagram.

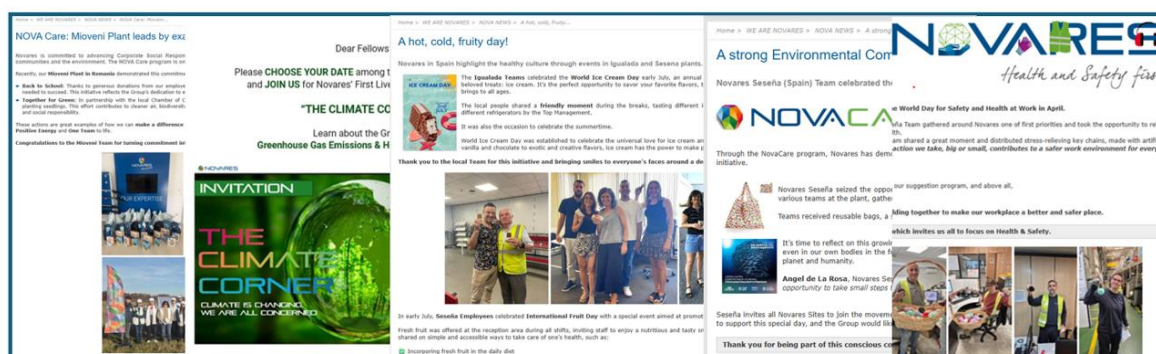
## 3.2/ Corporate monitoring

### Corporate-level key performance indicators

ACT ETHICALLY AND WITH SOLIDARITY						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Solidarity Initiatives	Promote solidarity initiatives	Total number of voluntary social or environment employee initiatives completed	51	73	63	65

## 3.3/ Our main actions in 2024

- Creation of the **NOVA CARE program** and its graphical identity, as well as of a series of dedicated videos on various Sustainability-related subjects, such as publication of Sustainability Report or implementation of energy saving practices in our Peterlee, UK, plant.
- In 2024, a total of 63 solidarity actions were carried out by employees in all locations and readily promoted within the Group.



Examples of Internal Corporate News promoting local solidarity actions

- In addition, our main sustainability stakes and initiatives were also presented and discussed during the 2024 Group Management Team, which annually brings the 140 top managers and experts from all over the world together.

## 3.4/ Our next priorities

In 2025, we aim at developing the “Live on Teams” concept to raise awareness among internal Novares teams worldwide and highlight significant efforts put on supporting the **NOVA CARE program** to ensure employee endorsement and improve employer branding.



# Innovate to limit the environmental impact of our activities

As an industrial key-player, Novares considers reducing the impact of its activities on the environment as a priority. For years, our approach is based on implementing a continuous improvement path and on involving all Group entities. It is broken down into three main themes:



- 1/ Reduce energy intensity and green-house gas emissions
- 2/ Ensure sustainable management of natural resources
- 3/ Improve our products environmental footprint

Through all actions related to those 3 themes, Novares contributes to 6 of the 17 the United Nations Sustainable Development Goals.



## 1/ Reduce energy intensity and green-house gas emissions

### 1.1/ Purpose and policies

As presented in its Health, Safety, Environment and Energy policy (see page 41), Novares considers that optimizing energy usage of its activities and reducing the carbon footprint of its value chain is a priority. Benefiting from a **solid manufacturing experience**, energy consumption optimization is now part of the Group's standard excellence toolkit, and each plant is empowered to reach assigned reduction objectives. Our approach to responsible energy usage is twofold:

- **Reduce energy consumption** as much as possible, by implementing Energy Efficiency Best Practices in all our plants through a common action plan. Local initiatives are also encouraged and used to enhance the Group action plan.
- **Make use of renewable energy**, whenever possible and relevant. As our manufacturing processes mainly depend on electricity, our priority today is to produce and self-consume more renewable electricity directly on site.

In addition, green-house gas (GHG) emissions of its own operations, i.e. Scopes 1 and 2, have been evaluated at Group level for several years and reported through the Carbon Disclosure Project (CDP) initiative since 2021. This assessment was extended to full indirect, or Scope 3, emissions, for the second time in 2024.



## 1.2/ Corporate monitoring

### Corporate-level key performance indicator

ACT FOR ENVIRONMENT						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Reduce energy intensity and related green-house gases emissions	Optimize our energy	Specific Energy Coefficient (MWH per ton of processed material)	2.90	2.54	2.61	2.4
	Reduce GHG Emissions	Total GHG Emissions Scopes 1&2 vs Turnover Ratio (tCO2eq/ME)5	87 (2022)	79	85	79

<sup>5</sup> Note that Scopes 1 & 2 GHG emissions were recalculated following methodology adjustment.

### Other relevant data

#### Energy consumption

REGION	ENERGY CONSUMPTION (GWH)			
	Electricity	Natural gas	Fuel, LPG	Steam, cold and heat system
Europe, Africa & Middle East	107.0	22.0	0.3	0.0
Americas	81.5	16.0	0.1	0.0
Asia	25.5	1.3	0.5	1.1
Total	214.0	39.2	1.0	1.1

2024 Novares Group energy consumption

In 2024, total electricity consumption decreased by 6% with respect to the previous year, mainly due to lower production volumes and, to a lesser extent, to the implementation of energy savings. The consumption of natural gas also underwent a decrease of 2%, resulting from a combination of favorable weather conditions and implementation of energy saving initiatives.

#### Greenhouse gas (GHG) emissions – All scopes

The GHG emissions assessment was conducted internally following the widely used GHG Protocol methodology (<https://ghgprotocol.org/>). It includes contributions over the complete Novares value chain, from upstream activities to the end of life of the sold products. It was also verified by third-party expert auditor ForvisMazars to confirm assumptions and relevance of obtained results.

GHG EMISSIONS, IN tCO <sub>2</sub> e (**)	
SCOPE 1: Direct Emissions	10071
SCOPE 2 (*): Indirect Emissions related to Energy	83456
SCOPE 3: Other Emissions Upstream / Downstream	2438341
UPSTREAM	
Purchased Goods & Services	298982
Capital Goods	15146
Fuel & Energy activities not related to Scopes 1 & 2	24047
Transportation & Distribution	9546
Waste Generated in Operations	3763
Business Travels	2878
Employee Commuting	12102
Upstream Leased Assets	2638
<b>Scope 3 Upstream Total</b>	<b>369102</b>
DOWNSTREAM	
Transportation & Distribution	7667
Processing of Sold Products	4553
Use of Sold Products	2025638
End of Life Treatment of Sold Products	31381
<b>Scope 3 Downstream Total</b>	<b>2069239</b>

2024 Novares Group Greenhouse Gas (GHG) emissions (\*\*\*)

(\*) : Location-based method

(\*\*) : categories presented are those of the GHG Protocol

(\*\*\*) : categories "Downstream Leased Assets", "Franchises" and "Investments" were considered not relevant.

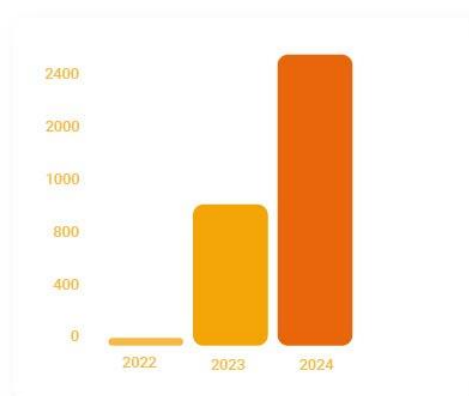
As commonly witnessed in the manufacturing industry, GHG emissions linked to energy usage, i.e. Scopes 1 & 2, only represent a small fraction of the total value chain emissions, i.e. less than 4%. In fact, the vast majority comes from Scope 3, which accounted for 96,2% of the total emissions. Within Scope 3, upstream activities contributed 0,37 MtCO<sub>2</sub>e (14,6%), while downstream activities were significantly higher at 2,07 MtCO<sub>2</sub>e (81,7%). The three most emissive categories are, in decreasing order:

1. Use of sold products, or tank-to-wheel emissions released during the use-phase of vehicles that carry Novares products worldwide, over their full lifetime
2. Purchased goods & services, which are mainly linked to plastic resins and components that constitute finished products
3. Electricity for manufacturing, as the injection and painting processes are electricity-intensive.

The evolution of Scope 1 & 2 emissions vs 2023 results both from reduction of production volume and limited methodology adjustments regarding data completeness and choice of relevant emission factors. With a slightly lower turnover of 1,1 Bn€, this yields an increase of Scopes 1 and 2 carbon intensity to **85 tCO<sub>2</sub>e per Million € turnover**, compared to the 79 achieved the previous year, somewhat offtrack regarding the target set in the Ambition for 2025.

### Photovoltaic renewable electricity production & self-consumption

In 2024, the Group self-consumed 1,24% of its total electricity from locally established **renewable photovoltaic** (PV) power plants, more than twice the amount of 2023. This result confirmed the outstanding dynamics of this now mature technology.



2024 Novares total PV electricity self-consumption, in MWh

### Number of ISO 50001 certified sites

In parallel, the number of ISO 50001 certified sites continued to grow, with 8 production sites certified as of December 2024, i.e. 22% of the total number of plants.

## 1.3/ Our main actions in 2024

- In 2024, we continued our efforts to reduce energy consumption. A few examples of energy efficiency improvement initiatives implemented are presented below:
  - More than 90% of our production plants are now equipped with LED technology for high performance lighting
  - Thermal insulation blankets are installed on more than 70% of our injection molding machines, with significant savings
  - Compressed Air System audits and leak repairs have become standard
  - Two new applications of air compressor heat recovery were put in place in our plants of Villers-Bretonneux, France, and Igualada, Spain.
  - Timers for automatic shutdown of injection machines were successfully tested in our Sesena, Spain, and Gebze, Turkey, plants to become energy efficiency standards.
- Efficient energy management deployment also continued in 2024:
  - The Mioveni plant in Romania was the eighth site in the group to obtain the demanding ISO 50001 certification
  - 3 new plants, in Libercourt, France, Pinghu, China and Chennai, India, implemented a complete energy monitoring system, including fixed measurement devices and data acquisition software for a better understanding of in-situ energy consumption. This brings the number of equipped sites to 5 as of December 31st, 2024.
- Renewable electricity onsite production and self-consumption:
  - We reaped the full benefit of our first 3 Photovoltaic (PV) power plants in Shenyang, China, Mioveni, Romania and Chihuahua 1, Mexico

- New projects came to completion in Chihuahua 2, Mexico, and in Pinghu, China, plants, respectively in June and December
- Several new studies were launched in all regions to continue deployment of this cost-effective and climate-friendly technology.



*Photovoltaic panels installed on the roof of our Shenyang, China, plant.*

- The first full Group-level GHG emissions assessment, i.e. Scopes 1, 2 and 3, was completed in 2024. Methodology, assumptions and results were dully verified by expert third-party auditor ForvisMazars. This extensive work contributed to improve the Group's CDP Climate rating from C to B, an outstanding achievement for an automotive Tier1 of our size.

## 1.4/ Our next priorities

The implementation of our strategy will continue along two main axes:

- Energy efficiency:
  - Complete deployment of our standards in all plants: LED lighting, injection machines insulation, compressed air sealing and automatic timers.
  - Achieve additional energy savings thanks to the energy monitoring system in plants equipped using efficient energy management.
  - Systematically study energy savings options in new manufacturing setups (new site, site extension, new machines, or process systems).
  - Conduct internal audits & measurement campaigns to improve our understanding of energy consumption and identify potential savings.
  - Obtain ISO 50001 certification for at least one additional site, to reach 25% of our production sites certified.
- Decarbonization:
  - Streamline the process to assess our yearly GHG emissions.
  - Develop our capacity to produce our own low-carbon local electricity through installation of new solar power plants in China and Europe.
  - Build a net-zero trajectory in line with the 2025 Paris Agreement and explore mid-term decarbonization options to materialize our commitment, with clear targets and roadmap for Product, Manufacturing and Supply Chain.



## 2/ Sustainable management of natural resources

### 2.1/ Purpose and policies

As presented in its Health, Safety, Environment and Energy policy (see page 41), Novares is firmly committed to **natural resources preservation**. Our approach to responsible natural resources usage is twofold:

1. Novares contributes to reduce raw material consumption by using secondary materials, by reducing its amount of scrap and by recycling of its own production wastes.
2. Novares strives to reduce pollution of water, air, and soil with a constant concern of reducing its water consumption.

Novares Group complies with environmental laws of countries where it operates and deploys the **ISO 14001** standard in all its production sites for efficient management of environmental impacts. It is important to note that Novares' use of water is mainly sanitary and in specific production processes (painting). Overall, the company's impact on water consumption remains at low levels.

### 2.2/ Corporate monitoring

#### Corporate-level key performance indicators

ACT FOR ENVIRONMENT						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Sustainable natural Resources management	Reduce industrial waste	Share of total waste vs total processed material (%)	12.4% (2022)	11,1%	14.99%	10%
	ISO 14001 certification of all our manufacturing sites	Share of ISO 14001 certified plants vs total number of plants worldwide (%)	95%	97%	97%	100%
	Reduce water consumption	Total paintshop water consumption vs TO ratio (m3/M€ TO)	29.9 (2022)	24.6	23.4	27

#### Other relevant data

##### Waste and Water

ENVIRONMENT DATA	YEAR		
	2022	2023	2024
Total waste (tons, T)	10 936	9755	12159
Part of hazardous waste (tons, T)	2 833	1 243	1909
Total water withdrawal(Megaliter, ML)	239	299	239

*Novares Group waste and water withdrawal data*

##### Number of ISO 14001 certified sites

97% of our production sites are now ISO 14001 certified and report environmental data, such as waste generation and water consumption.

## 2.3/ Our main actions in 2024

Complementary to standards and processes, a wide variety of actions were implemented in 2024 for waste reduction, water resources preservation, and air pollution reduction, such as:

### Waste

- A vast program was initiated to deploy our fully updated sprue and scrap regrind policy, under the lead of a Process expert and based on lessons learned in scouting plants, such as Seseña, Spain. Analyses and return-on-investment calculations were carried out in several plants to optimize acquisition and in-flux integration of injection-machine dedicated of central plastic resin grinders, and partnerships with local regrind and compounding actors were established whenever possible for low-volume fluxes and specific quality needs. This program should be completed in 2025.
- In addition, several initiatives were also launched to reduce:
  - Scrap % in all facilities, with both environmental and economic benefits.
  - Volume of hazardous and non-hazardous waste generated on the sites by improving staff awareness (clear and visual sorting area, training actions, daily audits).
- Coordination was reinforced at corporate level:
  - Assessment on scrap and waste costs every year, data collected in sites.
  - Track and report waste quantity and treatment according to local/regional legislation.
  - Share best practices between sites.
- Awareness campaigns were also conducted in several plants.



*Beach rubbish pickup action by our Yantai, China, team*

### Water

- Reduction of water withdrawals
  - 100% of cooling systems are in closed circuit, as a Novares standard. Water is recirculated within the system, thus generating very limited discharge.
  - Monitoring of consumption in sites. Communicating actions and awareness of small, simple steps to save money and leakage reporting in the workshop.
- Several initiatives were also launched by sites to guarantee the absence of pollution in the discharged water:
  - Spill containment systems to prevent rainwater contamination in Arouca, Portugal.
  - Purification system maintenance reinforcement and use biological treatments as an aid in Seseña, Spain.



- Grease traps, replacement of cooling system filters and improved environmental education and waste management in Silao, Mexico.
- Painting line water treatment system in Mioveni, Romania.
- Discharged water quality measurement campaigns to analyze possible contaminations and define countermeasures, conducted internally or with expert contractors in Villers-Bretonneux, France, Gebze, Turkey or São Paulo, Brazil.
- Implementation of filters on drain plates to collect plastic pellets and prevent them from polluting the water environment. Specific cleaning procedures were reinforced, and awareness campaign were launched in our French plants.
- A first Water Security analysis was also conducted in 2024, to anticipate impacts of Climate Change on our own operations in the near future. The Aqueduct online water risk atlas, from the World Resources Institute (WRI), was used for all group sites to assess risks of water stress and water depletion over the upcoming years. Several sites were found exposed to severe water stress, for which specific mitigation actions will be identified and implemented.

### Air pollution

- Our painting lines are equipped with incinerators that effectively eliminate Volatile Organic Compounds (VOCs) from industrial emissions, thereby reducing air pollution.

Several sites have also engaged environment awareness sessions to inform employees about the negative impacts of industrial activities on ecosystems and best practices to reduce them to sustainable levels.



*Tree planting operation in Mioveni plant (Romania)*

## 2.4/ Our next priorities

In 2025, the strategy picks up on 2024 program with the following objectives:

- Continue implementation of best practices for water & waste management:
  - Water: avoid contamination and encourage water recovery.
  - Waste: scrap reduction, internal regrinding of sprue and scrap, waste sorting and valorization.
- Define a specific action plan to mitigate water stress induced risks in concerned plants.

## 3/ Improve our products environmental footprint

### 3.1/ Purpose and policies

In the double context of tremendous threats on our environment and rarefying natural resources, Novares commits to **reduce the environmental footprint of its products**, thus contributing to a more sustainable automotive industry. This approach was and still is at the core of the group's innovation strategy, bringing plastic solutions to its customers, as a light-weight alternative to metals and fossil fuel consumption reduction leverage. Today, we continue to innovate to push the limits further, with a clear focus on climate change mitigation and **decarbonization** of the automotive value chain, both in the usage and manufacturing phases.



*Automotive value chain and Novares contributions to its decarbonization*

Our current **innovation program** for environmental footprint reduction of our products is broken down into four categories:

1. Evaluate, analyze and understand the environmental impact of our products, through the usage of life-cycle assessment.
2. Develop new high-performance and safe products for low-emission e-powertrain systems: Hybrid Vehicles (HEV), Battery Electric Vehicles (BEV) and Fuel-Cell Electric Vehicles (FCEV).
3. Reduce the weight of our products.
4. Introduce recycled and bio-sourced materials in our products.

### 3.2/ Corporate monitoring

#### Corporate-level key performance indicators

ACT FOR ENVIRONMENT						
Priority	Our commitments	KPI	2021	2023	2024	2025 Ambition
Reduce environmental footprint of our product	Integrate environmental aspects in our product conception & development	«Green mobility» innovations vs total innovation projects ratio	46% (2022)	55%	64%	50%
		Number of «Green mobility» Patents	11	5	3	>6

## 3.2/ Our main actions in 2024

### 1) Evaluate, analyze, and understand the environmental impact of our products

- Training campaign on Part Carbon Footprint (PCF) calculation: nearly 100 employees from Engineering and Costing teams worldwide were trained on climate change, decarbonization leverage and carbon footprint cradle-to-gate calculations.
- A raw material emission factor database were created and populated with primary data collected from main plastic resin suppliers, for hundreds of plastic resin references.
- Additionally, a PCF calculation tool was integrated in our internal product cost evaluation SmartQuote, for seamless integration in the RFQ process: PCFs of all Novares products can now be provided to customers for vehicle-level consolidation and low-carbon options are proposed to customers engaged in decarbonization.

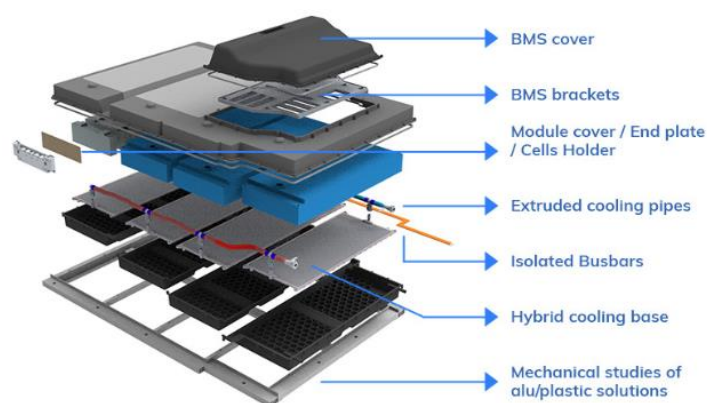
### 2) Develop new high-performance products for low-emission e-powertrain systems

Novares, as a global supplier, leverages its expertise in plastic materials and associated processes to enhance the four main systems of an electric vehicle architecture. Below is an overview of recently developed **Novares solutions**:



#### I. *Battery and Module components*

Novares offers integrated plastic solutions optimized for weight reduction in battery pack components and modules. These plastic applications contribute to efficient battery cooling.

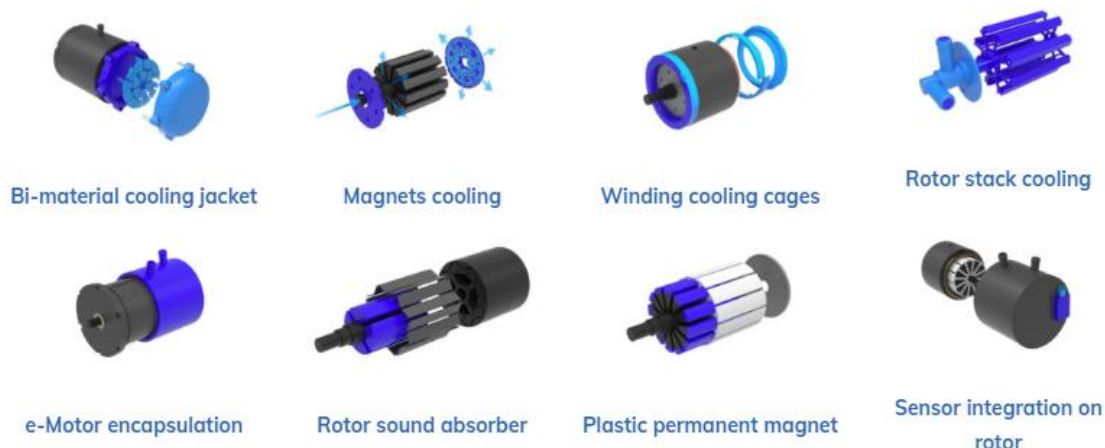


*Exploded view of battery system (source: Novares)*

In 2024, a first business was acquired for endplates destined to a Europe-based battery manufacturer. Our product demonstrated satisfactory performance combined with a significant weight reduction and competitive price.

## II. Electric Motor components

Novares' plastic modules are compatible with all types of vehicles. They enhance safety and comfort, optimize power and space, reduce weight and costs, facilitate information gathering (e.g. rotor temperature).



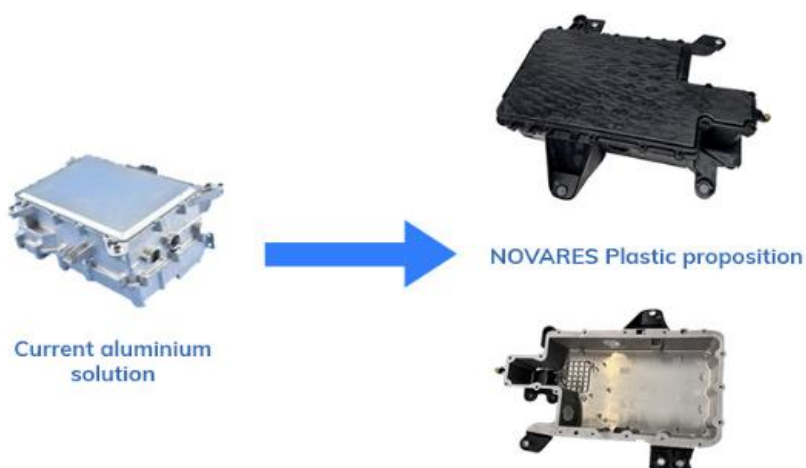
*Plastic components of an electric motor (source: Novares)*

## III. Power Box Components

Novares provides integrated plastic modules for safer and weight-optimized systems, as a disruptive way out of metal options.

These modules

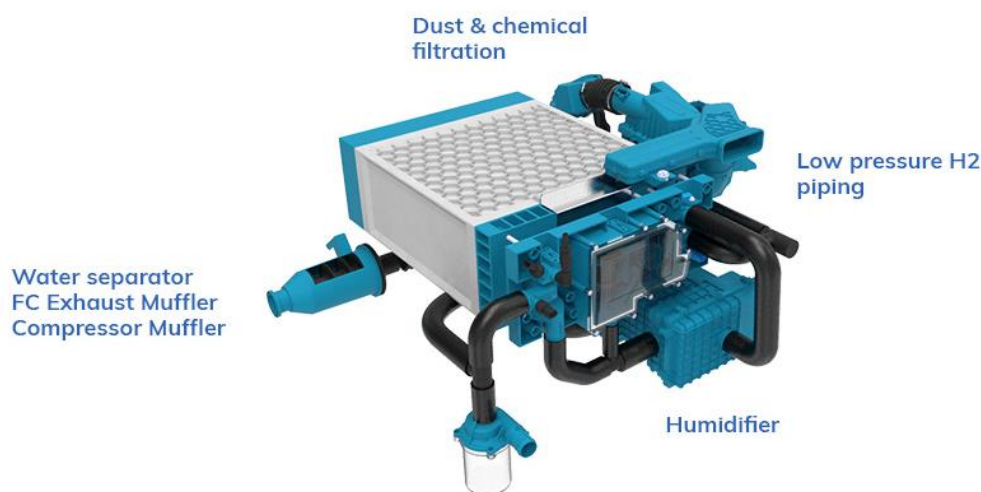
- Offer electromagnetic shielding, efficient cooling, mechanical resistance against impacts, improved Noise, Vibration and Harshness performance, and cost optimization.
- Are lighter than cast aluminum solutions.



*Plastic components of a power box, as alternative to aluminum (source: Novares)*

#### IV. Fuel Cell Components

Novares also offers integrated plastic modules for weight-optimized systems for fuel cells.



*Fuel cell components (source: Novares)*

#### 3) Reduce the weight of our products

Novares develops and offers lightweight solutions derived from the injection process to reduce raw material usage and decrease vehicle energy consumption during use.

- The recently developed "foaming" process technology allows for a weight saving of 5% to 9% compared to a standard injection process. It relies on the use of a chemical blowing agent directly introduced into the hopper of the injection machine. The chemical agent creates foam within the injected plastic, reducing the material's density while maintaining its essential mechanical properties. This process is particularly suited for parts that require a certain rigidity and strength while being lightweight.

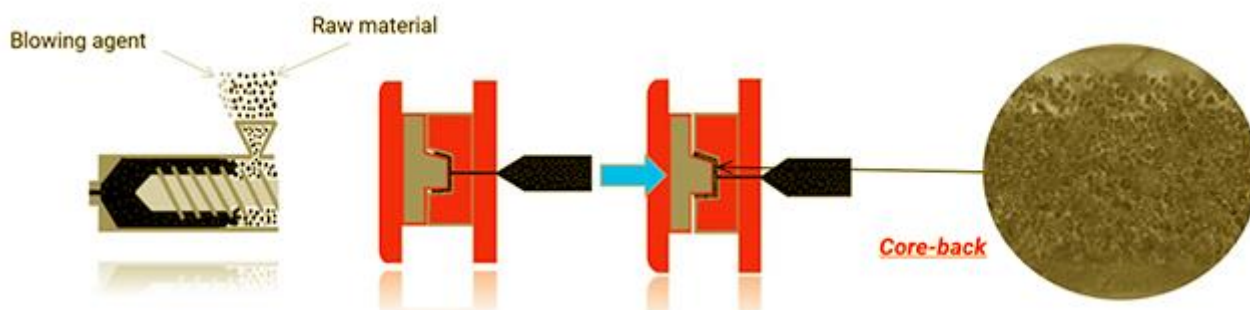


*Detail of plastic part injected with blowing agent (source: Novares)*

- Novares also offers the **"Nova'W8" process**, which offers an even more significant weight reduction, ranging from 20% to 30%. This innovative process also uses a chemical blowing agent directly in the hopper, but it stands out due to its approach to injecting the molten material. Initially, the plastic is injected with a thickness of less than 2 mm. The mold is then



slightly opened several times to achieve the desired final thickness. This technique allows for the creation of extremely lightweight parts without compromising their structural integrity, thus offering optimal performance while minimizing the use of raw materials.



*Process view of the Nova'W8 technology (source: Novares)*

- Another promising project is led in cooperation with British startup TG0. Its purpose is to adapt their Active Plastic to automotive interior Human-Machine Interface (HMI) devices.



Embedding this unique and innovative technology in a window lifter controller (as shown in the picture below) yields notable design simplification, with 80% less components, combined with a 40% weight reduction & a 30% Product Carbon Footprint reduction, and better integration in circular economy through easy dismantling.



*Window lifter controller using active Plastic technology (source: Novares & TG0)*

#### **4) Introduce recycled and bio-sourced materials in our products**

Novares already uses more than 10% of Post-Industrial or Post-Consumer (PIR and PCR, respectively) **recycled raw material** in products currently in production and investigates options to increase this value, including for visible styling and/or high-performance components of its portfolio, on close relationship with expert plastic resin suppliers.

As part of the NOVA CARE Product innovation project, many proposals of enhanced recycled content solutions were made to interested carmakers, as an anticipation of future End-of-Life Vehicle regulation currently being discussed within the EU. Those proposals cover most of our product lines,

including non-visible and, in certain cases, visible parts, as recycled content can be found attractive by certain end-customers.

In addition, Novares initiated a program in 2023 to develop **bio-sourced plastics** to go further in terms of decarbonization potential and circular economy development.

- Replacing synthetic fillers with bio-sourced fillers is one of the first steps. There are several types of fillers – mineral (chalk, talc) or plant-based (hemp, flax) – currently being validated in close collaboration with specialized partners to ensure compliance with demanding requirements of the automotive sector.

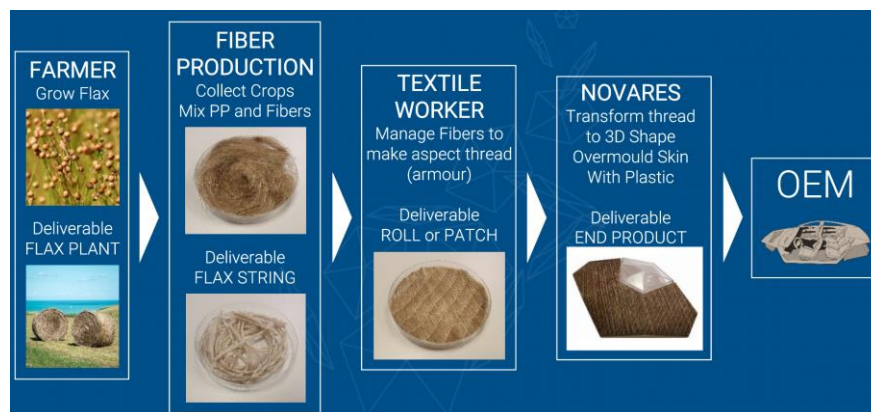


*Samples of products containing various bio-based materials (source: Novares)*

- An innovation project, Natur'In, was signed in 2024 with partners NaturePlast and Terre de Lin, to develop structural parts based on flax, a plant that is cultivated for textile fiber.



It aims to harness the unique properties of flax fibers and bioplastics to create lightweight, robust, and eco-friendly components, furthering Novares' commitment to sustainability and innovation in the plastics sector. First evaluations showed a potential to reduce Part Carbon Footprint by at least 55% with a flax-based structure combined with PP-GF30 resin compared to PC-ABS reference, thus demonstrating great potential for automotive applications.



*Integration of flax fiber into Novares products (source: Novares)*

### 3.3/ Our next priorities

In the upcoming years, further emphasis will be put on product environmental footprint reduction:

- Introduce PCF calculation in Development and Serial Life phases and improve traceability of recycled and bio-sourced raw materials in our product management systems.
- Continue the NOVA CARE Product program with 3 main targets for our plastic parts portfolio:
  - Propose solutions for very low or even negative cradle-to-gate carbon footprint.
  - Increase the share of recycled material issued from the automotive circular economy.
  - Build our virgin material reduction roadmap.
- Improve reuse of painted scrap in all concerned production plants, through cooperation with competent regrind and compounding partners.
- Execute the Nature'In project with partners NaturePlast and Terre de Lin, including real-life performance assessment on a vehicle application and full life-cycle analysis.
- Promote the Active Plastic innovation with partner TGO and evaluate its environmental and carbon benefits.

# Health, Safety, Environment & Energy Policy

*Our HSE-En policy communicated to all internal or external stakeholders:*

	<b>MANAGEMENT COMMITMENT – HEALTH, SAFETY, ENVIRONMENT &amp; ENERGY (HSE-En) POLICY</b>
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March 1st, 2024

NOVARES Group promotes and protects people and environment.

## **Our principles:**

- We respect and care about safety, environment, health and wellbeing of people, whether they are employees, contractors, visitors or neighbors around the world.
- We continuously improve our business processes to meet or exceed legal and regulatory HSE requirements.
- We promote the respect, control and progress of our processes and our organization, in line with the ISO 14001, ISO 45001 and ISO 50001 requirements.
- We provide an environment for open and transparent communication of HSE matters and concerns.
- We recognize that the skills, involvement and discipline of our employees are essential for fulfilling the HSE principles and commitment of our company.

## **Our vision:**

- Zero incidents.
- Safe, secure and healthy working conditions for each and every one working with and for us.
- High quality, safe and environmentally responsible products that meet or exceed the expectations of our customers.
- Responsible use of natural resources.
- Environmental sustainability in everything we do.

## **Our commitment:**

- To measure and prevent any kind of occupational incidents, health concerns and environmental issues.
- To comply with applicable regulations and other requirements we endorse.
- To design, build and operate our facilities in a safe, secure, efficient and environmentally responsible way.
- To contribute to climate change mitigation by evaluating & reducing our greenhouse gas emissions, both direct and indirect.
- To measure, control and reduce our energy consumption.
- To develop both local production and purchase of renewable energy.
- To measure, control and reduce water consumption and limit the use of hazardous materials.
- To measure and optimize waste streams and raw material consumption in our plants, by maximizing reuse and recycling.
- To limit our impact on the environment and preserve biodiversity by monitoring pollution to air and water and complying with regulatory discharge limits.
- To reduce the environmental impact of our products using a lifecycle approach, from raw materials extraction to end of life, as well as ecodesign principles.
- To provide resources, training, equipment and other support to enable fulfillment of this policy.

NOVARES Group commits to continuously improve its HSE-En performance through tracking against our goals and targets and ensure a proactive risk management in our business activities. This policy is fully part of the NOVARES Group strategy and the Group Executive Team ensures its implementation.

## Glossary & Acronyms

**BEV:** Battery Electric Vehicle

**BU:** Business Unit

**CBAM:** Carbon Border Adjustment Mechanism ([https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism\\_en](https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en))

**CDP:** Carbon Disclosure Project (<https://www.cdp.net/en/>)

**CMRT:** Conflict Minerals Reporting Template

**CSR:** Corporate Social Responsibility

**EMRT:** Extended Minerals Reporting Template

**ESG:** Environment, Social & Governance

**FCEV:** Fuel-Cell Electric Vehicle

**GDPR:** General Data Protection Regulation ([https://commission.europa.eu/law/law-topic/data-protection/data-protection-eu\\_en](https://commission.europa.eu/law/law-topic/data-protection/data-protection-eu_en))

**GHG:** Greenhouse Gas

**HSE:** Health, Safety and Environment

**HEV:** Hybrid Electric Vehicle

**ISO:** International Standards Organization

**LMS:** Learning Management System

**NVC / NVD:** Novares Venture Capital / Day

**OEM:** Original Equipment Manufacturer

**PCF:** Part Carbon Footprint

**PCR:** Post-Consumer Recycled

**PFAS:** Per- and poly-FluoroAlkyl Substances

**PIR:** Post-Industrial Recycled

**REACH:** Registration, Evaluation, Authorization, and restriction of Chemicals ([https://environment.ec.europa.eu/topics/chemicals/reach-regulation\\_en](https://environment.ec.europa.eu/topics/chemicals/reach-regulation_en))

**RFQ:** Request For Quotation

**RMI:** Responsible Minerals Initiative (<https://www.responsiblemineralsinitiative.org/>)

**SDG:** Sustainable Development Goal (<https://sdgs.un.org/goals>)

**TISAX:** Trusted Information Security Assessment Exchange (<https://enx.com/en-US/TISAX/>)

**TO:** Turnover

**VOC:** Volatile Organic Compound

**WRI:** World Resources Institute (<https://www.wri.org/>)





**We do much more  
than just plastics**