

GREENER TECHNOLOGIES. CLEANER VEHICLES. A SUSTAINABLE FUTURE.



TI FLUID SYSTEMS

For the past 100 years, we have provided advanced fluid handling and thermal management solutions for increasingly efficient internal combustion vehicles.

Now we are Taking-the-Turn by using our expertise and technologies to support electrification with products designed for hybrid and battery electric vehicles, contributing to a greener and cleaner environment and making the world a better place to live.

We seek to achieve our long-term success in a sustainable, socially responsible, ethical and compliant manner and strive to reduce our impact on the environment by focusing on resource conservation, energy efficiency, renewable energy sourcing and water conservation.

What's in this Sustainability Report

Our sustainability framework

The framework is based on Technology, Talent and Transformation

Read more on [pages 08–10](#)

Engaging with our stakeholders

Engagement is central to our corporate purpose and strategy to achieve long-term success

Read more on [pages 17–18](#)

Initial CSRD⁽¹⁾ Assessment

Initial materiality assessment of the EU ESRS topics ensuring stakeholder engagement

Read more on [page 16](#)

Sustainability performance

Our health and safety expertise focuses on management of workspace hazards potentially affecting employees and on-site contractors

Read more on [pages 54–56](#)

Highlights

Reduction in Scope 1 and 2 GHG emissions

-15%

2023: -15%

Electricity consumed from renewable sources (%)

26.7%

2023: 18.7%

Waste landfill avoidance (%)

83.8%

2023: 88.4%

Lost time injury frequency

1.76

2023: 3.00

Workforce gender diversity split (% female)

32%

2023: 32%

Average hours of salaried employee training

13hrs

2023: 4hrs

⁽¹⁾ Corporate Sustainability Reporting Directive

01

Overview

08

Sustainability approach

29

Environmental

44

Social

59

Governance

66

Appendix

CHIEF EXECUTIVE'S INTRODUCTION



Sustainability is at the heart of our purpose, commercial strategy and how we run our business. Our approach to sustainability is focused on the most material areas where we can make a difference. The very nature of our business means that our commercial success is directly linked to enabling the EV transition and reducing emissions through innovation and product development. Alongside this, we are focused on running our operations sustainably, considering the impact we have on people, the communities in which we operate and the planet.

One of the key highlights of 2024 was the important progress we made with safety, our number one priority. The Group's LTI rate reduced significantly to 1.76 (2023: 3.0) as we continued to roll out our ISO 45001 Occupational Health & Safety Management System, and Behaviour Based Safety programmes. Our focus on continuous improvement means there will always

“

TIFS on Track

Our Taking-the-Turn strategy for a more sustainable future is on track. In 2024, we achieved a significant improvement in Lost Time Injury Frequency, our primary safety KPI, and a step change in reducing Scope 1 and 2 emissions. Our investment in innovation is also paying off as we successfully finalised and launched EV products that will support our customers in developing greener technologies for cleaner vehicles.”

Hans Dieltjens

Chief Executive Officer and President

be more do to, but I believe that we are building a strong safety-first culture based on prevention.

We also delivered a step change in our Scope 1 and 2 emissions which are now 28% lower than our 2021 baseline (2023: 15% lower) and 15% lower year-on-year. The team have made great strides through increasing our use of renewable energy and improving energy efficiency. As a result, we are well on track to deliver our planned 50% reduction in Scope 1 and 2 emissions by 2030.

The Group's future commercial success is in large part linked to our ability to support our customers in developing new, cleaner technologies – and our investment in innovation is paying off. During 2024, we successfully finalised and launched new products that will underpin our EV strategy. Our new electric coolant pump is on track to enter production in the first half of 2025, completing our product portfolio for Modules & Systems and offering BEV manufacturers weight and efficiency

gains. The changing shape of the transition is another source of opportunity, particularly the increasing role for plug-in hybrids. Our new pressurised SPT 2.0 fuel tank is an adaptation of an existing technology to produce a tank that can withstand higher pressures and minimise evaporative emission, and all at a lower cost.

Our Taking-the-Turn strategy for a more sustainable future is on track and I am proud of what the team have achieved in 2024. We have an exciting opportunity to have a positive impact on the world through our contribution to the EV transition, and our focus on innovation and continuous improvement means we are well-positioned to deliver on our ambitions.

Hans Dieltjens

Chief Executive Officer and President

10 March 2025

Highlights

28%

Reduction in Scope 1 and 2 Emissions – In 2024 we reduced our Scope 1 and 2 emissions by 15% compared to 2023 and a 28% reduction in comparison to our 2021 baseline.

1.76

LTI rate – The Group's LTI rate reduced significantly to 1.76 in comparison to the 3.0 in 2023.

OUR PURPOSE FRAMEWORK

Our corporate purpose

Our purpose is to help make vehicles cleaner and greener to protect our environment and make our world a better place to live.

In pursuit of our purpose, we work together with our many OEM customers and suppliers around the globe to design, develop, manufacture and deliver a wide range of award-winning, industry-leading automotive fluid systems, operating in a sustainable manner at all of our manufacturing locations in 26 countries.

Our sustainability mission

As a company, TI Fluid Systems is committed to a sustainable future and improving the environmental and social wellbeing of the communities we operate in.

We strive to provide a workplace that embraces change, promotes diversity and inclusion, and supports the development of our workforce by offering opportunities for continued education. We are dedicated to environmental improvements and decreasing our global emissions to foster a sustainable future. We are committed to working with our stakeholders to develop products for the low carbon economy of the future.

Our core values



Customers

- Ensure our customers are the focus of our business
- Build a foundation for positive, mutual success



Innovation and improvement

- Stay ahead of business challenges
- Develop new methods and skills to improve our business
- Maintain and strengthen a culture of continuous improvement in culture in all areas of our business



Employees

- Hire, develop and retain talented people
- Provide a safe, respectful and inclusive working environment
- Foster teamwork through communication



Compliance

- Comply with all laws applicable to our business, operations, workforce and products
- Demonstrate the highest levels of integrity by embracing our Code of Business Conduct



Environment

- Encourage the prevention of pollution and the conservation of resources



Communities

- Be a responsible member of our communities
- Support local engagement in charitable and other activities that benefit our communities worldwide

OUR BUSINESS AT A GLANCE

About us

In 2024, the Group implemented a change to its organisational structure from a product-based divisional arrangement to a regional-based structure. This was to ensure that we are aligned with our customers and agile to respond to local differences in the speed of transition to electric vehicles.

Our business model leverages our expertise in fluid handling, market-leading positions in safety and performance-critical products, and global reach to help customers meet their efficiency and emissions challenges. It is driven by our purpose, underpinned by our values and supported by a disciplined financial framework.

Our key resources

Product portfolio for all propulsions

Award-winning product portfolio and technologies with strong market positions, catering to all propulsions and well aligned with automotive megatrends

People

Global workforce of over 24,600 employees – committed, resilient and agile

Customer relationships

Trusted relationships built on a track record of delivery

Global footprint

We support our customers globally with 95 manufacturing locations in 26 countries

Financial strength

Track record of profitability, cash conversion and a strong balance sheet

What we do



We design, develop, manufacture and deliver cost-competitive solutions to meet OEM customers' efficiency and emissions challenges

Our differentiators

Design and development

Deep expertise in highly engineered automotive fluid systems

Knowledge of OEM-specific approach to engineering, design and development built over 100 years and through long-term customer relationships

Collaborative, working with customers to innovate

eMICs provide a unique, one-stop shop to work with customers to develop, design, test and prototype innovative products and accelerate development cycles

Manufacturing

Global manufacturing capabilities with economies of scale and a low-cost footprint

Vertical integration contributes to a cost-competitive structure and provides differentiated knowledge of key components

Facilities located close to customers, builds strong relationships at a local level

Delivery

Efficient, just-in-time, delivery

Customer proximity creates significant transportation savings, whilst optimising logistics, reducing supply-disruption risk and minimising environmental impacts

Value created for all stakeholders

Customers

We design, develop and deliver high-quality products critical to customers' performance and safety needs. We collaborate with customers to innovate and develop solutions to support cleaner and greener vehicles.

Employees

We strive to provide our employees with an inclusive and diverse working environment, as well as opportunities to grow and develop through a culture of collaborative learning.

Suppliers

We collaborate and support our supply base so they can provide high-quality products that meet our advanced technology requirements in a cost-efficient manner.

Communities

We are committed to creating a positive legacy in our communities that can be passed to the next generation.

Environment

Our products play a key role in cleaner, greener vehicles, enabling our customers' transition to electrification. We are also committed to improving our own environmental footprint.

Shareholders

We are focused on creating value for shareholders through our financial performance and returns, including a progressive dividend and share buyback programme.

Underpinned by

Culture and values

Six Mindsets for Success

Financial discipline

OUR BUSINESS

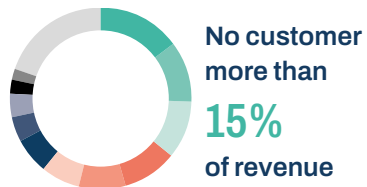
AT A GLANCE continued

What we do

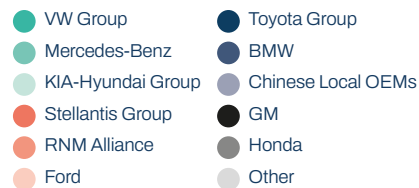
A **global industry leader** in highly engineered automotive fluid storage, carrying and delivery systems and thermal management products and systems.

- **Safety and performance critical** products with high value-add at a low cost
- **Innovating** to improve **efficiency and sustainability**
- Product portfolio catering to all propulsions
- Serving **all major global automotive manufacturers**
- **Competitive, flexible footprint** with 95 manufacturing locations in 26 countries

Diversified by customer



Revenue by customer



Diversified by region

Americas

People
7,000

Manufacturing locations
21

Engineering centres
3

29% of 2024 Group revenue

EMEA

People
10,000

Manufacturing locations
47

Engineering centres
5

42% of 2024 Group revenue

Asia Pacific

People
7,600

Manufacturing locations
27

Engineering centres
6

29% of 2024 Group revenue

Global reach and competitive footprint, close to customers

Propulsion agnostic portfolio

Brake and fuel lines

A range of complete fluid carry assemblies for hydraulic brake and fuel lines that optimise underbody space, cost and installation speed

Durable, cost-effective solutions in plastic, rubber, aluminium and steel

ICE / BEV / HEV

Market position

No. 1

Fuel tanks

Fuel storage and carrying systems including tanks, filler pipes and pump modules

Innovative, lightweight solutions reduce evaporative emissions and meet hybrid standards

ICE / HEV

Market position

Top 3

Thermal management

Refrigeration

Complete range of refrigerant lines and connectors for cabin comfort

ICE / BEV / HEV

Market position

Top 3

Coolant

Coolant lines, connectors, pumps and valves for battery performance

Coolant modules for EVs to reduce weight, increase efficiency and reduce installation time

BEV / HEV

Market position

Top 5

Market-leading positions

MARKETPLACE

Our market macro trends

| Macro trend | Description | Impact | How we are responding | Link to principal risks |
|---|---|---|---|---|
| Transition to electric vehicles | In response to climate change and governmental requirements OEMs are increasingly adopting alternative powertrain and propulsion technologies, including HEVs and BEVs | This EV transition represents both a risk and opportunity for TI. Demand for conventional products for ICE is likely to reduce in-line with volumes. Thermal management products for heating and cooling EVs are likely to drive growth, due to increasing EV volumes and a significantly higher content opportunity. | Our well-invested thermal management facilities are close to OEM production in Morocco, China and Mexico. We continue to invest in our EV product portfolio, developing and launching new products to underpin our EV strategy, including our electric coolant pump. Our five eMICs in Asia, Europe, and North America are also a differentiator in winning new thermal business. | The principal risks are product development changes in technology and global light vehicle production volumes |
| Slowing pace of BEV transition / reducing ICE fade | The long-term transition to EVs and rising BEV penetration is set to continue, but at a slower pace than previously forecast with barriers to BEV adoption including affordability, lack of charging infrastructure and range anxiety | Increased opportunities for conventional products for ICE, slower growth in thermal management for EVs in the short- to mid-term. | Our product portfolio means that we are ideally placed to benefit from the slower than expected decline in ICE vehicle production and associated platform extensions as demonstrated by our revenue and bookings performance in 2024. | The relevant principal risk is global light vehicle production volumes. |
| Increasing role for hybrids in the transition | Alongside the slowdown of BEV growth, industry forecasts now expect that hybrids will play a much larger role in the transition, particularly plug-in hybrids and also range extender EVs. | New opportunities for our conventional products, including our market-leading tanks technology. | Investment in product innovation, including our SPT 2.0 fuel tank for PHEVs – a low-cost solution offering a 5-10% weight reduction while also withstanding higher pressures and minimising evaporative emissions. | The relevant principal risk is global light vehicle production volumes. |
| Reducing ICE emissions & increasing fuel economy | Reduction of emissions from ICE engines and evaporative emissions as well as increasing fuel economy to comply with regulatory requirements. | Opportunities to differentiate based on market-leading technologies. | Regulatory requirements play to the strengths of the Group's existing product portfolio (e.g. double-moulded fuel tanks), and are a focus of future product development. | The principal risks are global light vehicle production volume and regulatory compliance |
| BEV efficiency challenges | To drive increased BEV penetration, OEMs must tackle barriers to adoption, from cost to range anxiety. | Demand for products which directly address BEV manufacturers' needs to increase efficiency by reducing weight and cost. | Development of innovative lightweight products that are easier to assemble and lower cost such as multi-layer coolant lines and thermoplastic refrigerant lines. Integrated modules integrate several functions into a single compact unit are a best-cost solution that reduce weight, improve efficiency and aid vehicle integration. | The principal risk is product development and changes in technology |

DEVELOPMENT OF OUR APPROACH

Our progress

Environmental

We established a senior management committee to further develop and strengthen our energy conservation efforts across our plants. In addition to this, we were able to reduce over 60,000 tonnes of CO₂(e) through the procurement of renewable energy and Energy Attribute Certificates (EACs) globally. We have continued with our waste minimisation targets for landfill avoidance and recycling and are actively reassessing our water consumption targets and goals.

Topics covered include:

- Facilitated the Group's future CSRD reporting requirements by completing our first double materiality assessment
- Reaffirmed our UN Global Compact commitment, and maintained our CDP climate score of B
- Implementation of our science-based GHG emissions reduction targets through development of our Scope 3 data collection.
- Maintained our TCFD disclosure (see 2024 Annual Report and Accounts)
- Increased renewable energy consumption through EACs

Social

Social sustainability is critical to the success of the business. We focus on improving the lives of the more than 24,600 employees in local communities in the 26 countries where we operate. In recognition of the work we have completed for social sustainability we achieved the highest social score of 1 as part of the ISS corporate ESG scoring methodology.

We place the safety of our employees first. The Group continues to implement our Global Health and Safety Management Systems by expanding the Group's ISO 45001 certification across multiple manufacturing sites.

We support our local communities globally across a variety of projects. In 2024, we came together as 'ONE TI' to sponsor aid for natural disasters occurring in locations near our operations and to support the local communities through local charitable and outreach activities.

We continue to have significant activities in our diversity programme as this underpins our talent strategy. We continue our Diversity and Inclusion (DE&I) committees and working groups meet at a regional level.

We have engaged our top leadership in a Diversity Equity and Inclusion (DE&I) accountability workshop. In this we conducted benchmarking against leading industry and global DE&I practices to identify gaps in our current status.

Our Women's Empowerment Networks (WEN) expanded their activities organising Global Allyship Training with leaders from each region across multiple functions. During these workshops, leaders were equipped with practical tools and strategies to identify, challenge, and mitigate biases in the workplace.

Governance

The Group continued to improve its governance by utilising our internal audit team to conduct assessments of our ESG programmes. We already have a diverse Board of Directors, and have continued implementing data protection measures, improving Executive accountability for sustainability-related matters, and communicating with and training employees on important ESG issues.

SUSTAINABILITY APPROACH

In this section

| | |
|--|----|
| Sustainability is embedded in everything we do | 09 |
| Our sustainability strategy | 10 |
| Alignment with UN SDGs | 11 |
| UN Global Compact | 15 |
| CSRD & materiality | 16 |
| Stakeholder engagement | 17 |
| Task Force on Climate-Related Financial Disclosures (TCFD) | 19 |

SUSTAINABILITY IS EMBEDDED IN EVERYTHING WE DO

Overview

Governance remains a top priority for the Board and the Executive Committee in order to promote the strategic development and sustainable success of the Group.

The Group has long recognised the importance of effective corporate governance in supporting the future success and sustainability of our business. Our robust governance framework not only satisfies the provisions of the UK Corporate Governance Code but also supports the effective operation of our business, enabling us to deliver our strategy. The 2024 Annual Report and Accounts covers our governance arrangements, the operation of the Board and its Committees, and describes how the Board discharges its collective responsibilities. The Board's decision-making reflects the balancing of stakeholder interests and how we have engaged is explained in our Section 172(1) statement.

Our approach

Sustainability is integral in propelling the Company towards meeting all its goals. Engineering 'green' products is part of the Company's history and is well integrated into our strategic planning. We are in the business of supporting a cleaner environment. Another key element of our strategy focuses on creating a positive impact on our employees and the communities in which we operate. As a global manufacturer we have the obligation to minimise our impact on the environment and to conserve natural resources.

This strategy is straight forward and simple. It focuses on the areas that are most material to the Group and its stakeholders, and where we can have the greatest impact.

As part of the global automotive supply chain, we have a commercial imperative to ensure that our products help our customers reduce their products' carbon footprint. We are doing this by committing our financial and people resources to our sustainability mission. This can be seen by our investment in research and development along with our investment in our E-mobility innovation centres (EMICs).

Our people are our greatest asset and ensuring that all of our employees return home each day safe and healthy is paramount to our core values and our sustainability programme. We have and continue to invest heavily in safety and the development of our global third-party certified safety management system. We are highly focused on communicating safety-related issues and reviewing these incidents with our entire Company. One of the ways we do this is by communicating across all our locations, whenever a serious injury occurs. This practice of ensuring similar injuries are not repeated in another location is an important part of our Health & Safety policy.

We believe that diversity is the destination and inclusion is the most sustainable way we get to diversity. We are achieving this by ensuring our middle management, not just our senior leadership, are on board with our inclusion strategy.

We've also established a women's empowerment network, which creates a dedicated environment for women in our organisation to grow professionally.

Sustainability in action

The Group's commitment to sustainability can be seen in some of the many related accomplishments and day-to-day operations. Our commitment to the development and engineering of green products resulted in the opening of our 5th and final eMIC in the United States at our corporate office in Auburn Hills, Michigan.

Our diversity and inclusion programme has completed assessments of more than 350 managers on their propensity to be inclusive and provided them with resources to help them become more inclusive. In addition to this we also have regional Diversity Committees. One

of the programmes that the Group established is a women's empowerment network, which creates a dedicated environment for women in our organisation to professionally grow. One of the results of this programme is that women in our organisation are being promoted at a higher rate than men.




We remain highly focused on environmental sustainability and climate-related issues. To this end we have set SBTi near-term targets for Scope 1, 2, and 3 emissions. We completed the purchase of renewable energy through our Energy Attribute Certificate (EAC) procurement programme Globally. The programme reduced our global Scope 2 emissions by over 60,000 tonnes of CO₂(e) in 2024.



OUR SUSTAINABILITY STRATEGY

Overview

Our Taking-the-Turn strategy addresses the transitional risks and opportunities associated with vehicle electrification, as well as the need to operate the business in a more sustainable manner, in order to address climate change and to maintain a diverse and talented workforce. Our Taking-the-Turn strategy reflects three main pillars that combine to drive sustainable growth: Technology (Electrification), Transformation (Sustainability) and Talent (Learning).

| Pillar | Description | Material issues | Our pipeline/targets | Progress made |
|---|--|---|--|---|
|  Technology | At the heart of our Taking-the-Turn strategy is product development and application engineering to support the electrification of the automotive industry. To meet the unique requirements of HEVs and BEVs, we are capitalising on our extensive knowledge of fluid components, lighter-weight materials, systems architecture and manufacturing processes to provide our OEM customers with advanced designs and products, especially thermal management systems, that are efficient and economical. Our technology and advanced products are supporting the automotive industry's transition to greener vehicles. | Environmental <ul style="list-style-type: none"> Impact of products and services Carbon – products and services Resource use Social <ul style="list-style-type: none"> Product | Bookings on lifetime revenue basis in 2024 €0.6 billion HEV €0.5 billion BEV | Nylon-based multi-layer refrigerant lines continue to replace much heavier, aluminium and rubber lines, reducing weight as much as 30–60% depending on the application. To add to our portfolio for Modules & Systems our new electric coolant pump is on track to enter production in the first half of 2025, offering BEV manufacturers weight and efficiency gains. |
|  Transformation | Climate change is a significant issue, and it is critical we decarbonise our industry. We are committed to being an automotive industry leader to reduce greenhouse gas emissions and build a more sustainable future. We recognise that we must also transform our business in line with new standards and expectations regarding the environment and broader business practices that deliver sustainable value to our stakeholders – investors, customers, suppliers, employers and the communities we operate in. | Environmental <ul style="list-style-type: none"> Emissions – effluents Carbon – own operations Land use and biodiversity Water use – scarcity Waste management Social <ul style="list-style-type: none"> Community relations Data privacy and security Governance <ul style="list-style-type: none"> Corporate governance Business ethics | Greenhouse gas emissions 2021–2030 targets: <ul style="list-style-type: none"> 50% reduction of our Scope 1 and 2 emissions and 30% reduction of our Scope 3 emissions, in each case compared to 2021 levels on a like-for-like basis Waste reduction targets: <ul style="list-style-type: none"> 90% landfill avoidance by 2030 80% recycling rate by 2030 | 60,000 tonnes of Scope 2 CO ₂ (e) reduced by EAC purchases. Energy efficiency programme established Development of approach to collecting detailed Scope 3 data. |
|  Talent | Our success is directly linked to our ability to recruit, retain, motivate and develop a diverse and talented workforce ready for the new electrified future. Our 'Fluid Learning' employee development initiative provides our workforce with access to a variety of educational and developmental tools to improve their skills and abilities and enable them to be valuable and enthusiastic participants in our collaborative organisation. | Social <ul style="list-style-type: none"> Human rights Human capital Occupational health and safety | <ul style="list-style-type: none"> Targeting diversity hiring rates that are in line with or greater than the available candidate pool, measured by national university graduation rates for women. Ensure middle management is assessed for and provided training on inclusivity, as a fundamental management tool to ensure our diversity initiatives are sustainable and embraced by the organisation. Provided inclusivity training linked to above-mentioned assessments to further develop these leadership skills. | In 2024, we presented more detailed information on the composition of our company. This includes gender, age, region and role. The percentage of women in salaried positions remained at 32% and the percent of women on our executive committee increased from 14% in 2023 to 30% in 2024. |

ALIGNMENT WITH UN SDGS

Our purpose and sustainability focus aligns with many United Nations Sustainable Development Goals (UN SDGs).

Key












Technology



Transformation



Talent

| SDG | Description | Most relevant SDG targets | Alignment with our sustainability approach | Link to strategy |
|---|---|---|--|---|
|  | End poverty in all its forms everywhere | | We have engaged with our stakeholders and employees in relation to labour and human rights. Each year we complete a pay equity assessment. The results were published in 2024. |   |
|  | Ensure healthy lives and promote wellbeing for all at all ages | <p>3.6: By 2020, halve the number of global deaths and injuries from road traffic accidents.</p> <p>3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p> | <p>Employee safety: We have committed to having all manufacturing locations certified to ISO 45001. Since adopting this in 2021, we have aggressively expanded this certification effort. In 2024 certifications cover 98% of our manufacturing sites on a global basis, 81% of all our locations.</p> <p>At various locations, we promote a variety of health-related programmes, including mobile vaccination clinics, mammogram screening and other wellness programmes. We completed a global Safety Week with a campaign to reduce hand and arm injuries.</p> <p>Product safety: Our parts are safety critical components of vehicles. Ensuring parts are produced to the highest quality and adhere to rigorous safety standards is a core part of what we do. We provide confidence to our automotive customers, as the products we supply are integral to vehicle safety.</p> <p>Environmental monitoring: To minimise the impact to people and the environment we limit the use of hazardous substances as part of our operations. Where certain substances are required, these are strictly controlled, with emissions and effluents monitored.</p> |    |
|  | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. | <p>4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.</p> <p>4.4: By 2030, substantially increase the number of youths and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p> | <p>We have an active training and education component for our employees. This includes process knowledge and skill development training. We have also committed significant resources to educating management on diversity and inclusivity.</p> <p>We are running STEM educational scholarship programmes in several countries resulting in more than 40 scholarship opportunities for women in 2024. Scholarship recipients are also introduced to local TI facilities for potential internships and other extracurricular learning opportunities.</p> |  |

ALIGNMENT WITH UN SDGS continued

Key









Technology



Transformation



Talent

| SDG | Description | Most relevant SDG targets | Alignment with our sustainability approach | Link to strategy |
|---|--|--|---|---|
|  | Achieve gender equality and empower all females | <p>5.1: End all forms of discrimination against all women and girls everywhere.</p> <p>5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> | <p>We have contracted an outside consultant to provide assessments and training on unconscious bias in order to promote a more inclusive business environment, particularly for our female workforce.</p> <p>We have developed formal committees in all operational regions to promote diversity and inclusion and also have active Women's Empowerment Networks in each region.</p> <p>We published more detailed employee data highlighting gender variations across the business. In addition to this, we published figures highlighting our internal pay equity assessment.</p> <p>Regarding Board appointments, our Nominations Committee Terms of Reference includes specific consideration of the benefits of diversity, including gender.</p> |  |
|  | Ensure available and sustainable management of water and sanitation for all | <p>6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.</p> <p>6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p> | <p>We have set water conservation targets for our business groups. We continue to provide strong leadership and stewardship of our water resources. Where we treat water and return it to rivers or local sewerage systems, we do so by meeting the effluent limitations set out by local government.</p> <p>Reporting our water data through the CDP Water assessment highlights the commitment we have to water reporting. Focusing on our water use could have a positive impact on those locations that experience greater water stress.</p> |  |
|  | Ensure access to affordable, reliable, sustainable and modern energy for all | <p>7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.</p> <p>7.3: By 2030, double the global rate of improvement in energy efficiency.</p> | <p>We are actively pursuing renewable energy in our markets. Where appropriate, we are committing to adaptive energy projects to bring more renewable energy to the grid; for example, our MIGreenEnergy commitment in Michigan with DTE, where we have committed to purchasing 100% renewable energy from them for a ten-year period. We purchased over 120,000 MWh of renewable electricity (inclusive of EACs), supporting our global Scope 1 and 2 emissions reduction by approximately 15% this year.</p> <p>We have also started our detailed energy efficiency programme. We have a dedicated team members engaging with operational teams to understand energy savings and opportunities for investment.</p> |  |

ALIGNMENT WITH UN SDGS continued

Key









Technology



Transformation



Talent

| SDG | Description | Most relevant SDG targets | Alignment with our sustainability approach | Link to strategy |
|--|--|--|---|---|
|  | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all | <p>8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.</p> <p>8.3: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> <p>8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p> | <p>Our continued investment, development and technological innovation of our operations in developing economies aligns with this goal. We are supporting increased productivity and growth in these markets alongside the development of a highly-skilled labour force and valuable automotive products.</p> <p>Our Code of Business Conduct and Human Rights policy lays out our requirements related to labour and the inclusive and productive employment for all people regardless of gender, gender identity, race, and/or sexual orientation.</p> <p>Policies are also cascaded into our value chain via our sustainable purchasing programme, through supply chain engagement and the requirement of acceptance of contractual terms and conditions.</p> |   |
|  | Ensure sustainable consumption and production patterns | <p>12.2: By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> <p>12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> <p>12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p> | <p>We track the waste we produce across all of our manufacturing plants and annually publish our waste data. We have set targets to reduce waste to landfill and increase our recycling rates by 2030.</p> <p>We are tracking water use in our manufacturing locations and have initiated targets to reduce our water withdrawal by 2030.</p> <p>We have started work to complete detailed Product Carbon Footprints (PCFs) using a product Life Cycle Assessment (LCA) approach. This will enable us to better understand environmental hotspots within our products. We look to expand this programme in 2025 to meet our environmental targets. We will look to make sourcing decisions with consideration of these environmental criteria. We actively track and report on conflict minerals.</p> |   |

ALIGNMENT WITH UN SDGS continued

Key








Technology



Transformation



Talent

| SDG | Description | Most relevant SDG targets | Alignment with our sustainability approach | Link to strategy |
|---|--|--|--|---|
|  | Take urgent action to combat climate change and its impacts | <p>13.2: Integrate climate change measures into national policies, strategies and planning.</p> <p>13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p> | <p>We have adopted updated GHG reduction targets in line with a 1.5°C model and consistent with the SBTi Science-Based Targets initiative.</p> <p>As a result of our Task Force on Climate-related Financial Disclosure (TCFD) we understand how climate change will impact our business, in the short, medium and long term. This work has led to the development of a strategy to meet these challenges.</p> |   |
|  | Conserve and sustainably use the oceans, seas and marine resources for sustainable development | <p>14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.</p> | <p>We meet or exceed all effluent requirements for discharge to sanitary sewage systems and rivers, albeit discharge to rivers is minimal. Clean fresh water is vital in assuring that estuaries and oceans provide healthy food sources.</p> <p>As we procure transportation, we will assess vendors with lower carbon transport for oceanic transportation needs.</p> |  |

UN GLOBAL COMPACT

We began supporting the UN Global Compact in 2023 and have reaffirmed our support in 2024. The UN Global Compact is the world's largest corporate sustainability initiative, requesting companies align their strategies and operations with ten universal principles.

TI Fluid Systems commits to:

Human Rights

- Support and respect internationally proclaimed human rights
- Ensure we are not complicit in human rights abuses

Labour

- Uphold the freedom of association and the right to collective bargaining
- Eliminate forced and compulsory labour
- Abolish child labour
- Eliminate discrimination in employment and occupation

Environment

- Support a precautionary approach to environmental challenges
- Undertake initiatives to promote greater environmental responsibility
- Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

- Work against corruption in all its forms, including extortion and bribery

We are continuing to embed these core principles into our own global operations and extending these to our broader value chain stakeholders through policy and engagement

WE SUPPORT



CSRD & MATERIALITY

Overview

In 2024, we began work to understand the Company's reporting requirements in relation to the CSRD, the Corporate Sustainability Reporting Directive. The CSRD is a European Union regulation aimed at enhancing and standardising sustainability reporting between companies.

The European Sustainability Reporting Standards (ESRS) mandates companies to perform a double materiality assessment (DMA) to identify material impacts, risks, and opportunities (IROs) in their own operations and within their upstream and downstream value chain. The IROs determined to be material, define the scope of disclosure requirements as laid out in the ESRS, including disclosures pertaining to policies, actions, metrics and targets.

A key component of TI Fluid Systems preparatory work to prepare for the CSRD reporting is to perform a double materiality assessment, which we have been completing with support from an external advisor. The key objective of this assessment is to identify and assess sustainability matters that are material from either; an impact perspective, inside-out; and a financial perspective, outside-in.

The assessment was completed as an internal project at the Group-level to create a holistic and consolidated understanding of sustainability materiality, ensuring that important issues are captured comprehensively across the entire organisation. The methodology used would also allow transition to an artificial consolidation approach if required in the future.

The work included key stakeholder engagement across the business to provide assessment of material topics, with an assessment of the qualitative and quantitative impacts, risks and opportunities for the business. This included consideration of the ESRS general requirements and disclosures, and specific topics within each of the Environmental, Social and Governance themes, considering both direct operations and the Company value chain.

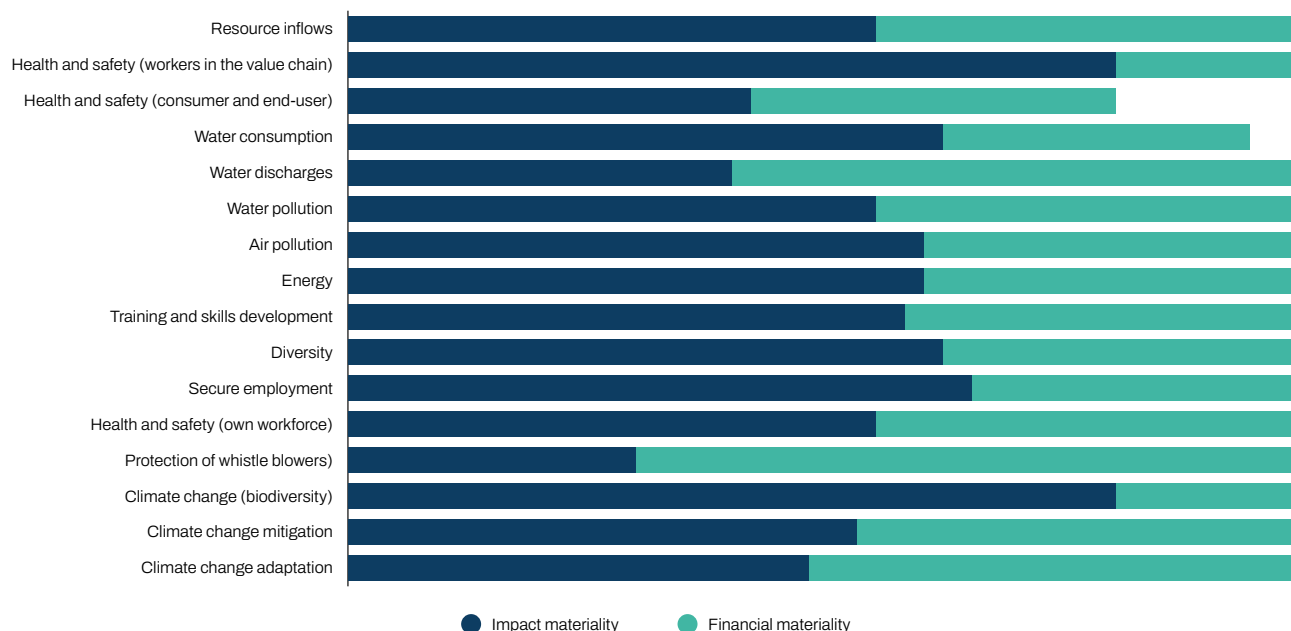
Outcome of current work

The outcomes of this work have enabled us to understand the most material topics to TI Fluid Systems. This has been completed using a scoring methodology of impact materiality that considers the severity and likelihood of an event. Severity includes consideration of the scale of the impact, the scope or reach of the impact and the Irremediability or irreversible nature of the impact. When considering likelihood of the impact

a scaling factor was applied. Financial materiality was assessed based on the magnitude and likelihood of a risk materialising, with categories and score are aligned with our Enterprise Risk Management (ERM) framework.

TI Fluid Systems plan to use this initial DMA and the associated gap analysis to support reporting to the CSRD. These will ensure compliance to the regulatory requirements as this is prepared.

Initial double materiality assessment (DMA)



STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is central to our corporate purpose and strategy to achieve the long-term success and sustainability of our business.

Additional information on stakeholder engagement can be found in our Section 172 disclosures in our 2024 Annual Report and Accounts.

Shareholders

Why we engage

- Quality of governance
- Effectiveness of the Board and management
- Growth potential and profitability
- Share price appreciation
- Dividends

Interests of the stakeholder

- Climate technology that limits GHG emissions, GHG emission reductions, net zero, privacy and social impact
- Diversity, inclusion and equity
- Board diversity
- Corporate governance
- Executive remuneration

How we engage

- Investor meetings
- Annual reporting
- Completion of shareholder survey requests
- Capital markets events

Outcomes

- Adopted updated, science-based GHG emission reduction targets
- Implemented a range of greenhouse gas reduction initiatives in line with stakeholder expectations, including our OEM customers

Employees

Why we engage

- Good communications improves motivation, morale and productivity
- Fosters retention and reduces employee turnover
- Identify issues and solutions quickly
- Identify needs for resources and support

Interests of the stakeholder

- Safe work places
- Commitment to environmental stewardship
- Social concerns
- Diversity and inclusion

How we engage

- Surveys
- Regular newsletters and bulletins
- All-employee meetings
- Management engagement
- Diversity Committees
- Inclusivity assessments and training

Outcomes

- TI established programmes to support diverse hiring in line with local graduation rates
- Employee engagement on diversity and inclusion events
- Expanded ISO safety management scheme

STAKEHOLDER ENGAGEMENT continued

Customers

Why we engage

- Drive revenue growth and business success
- Identify sourcing opportunities
- Align product and technology development with customer needs
- Effectively and efficiently address any supply or quality issues

Interests of the stakeholder

- Using partners with good safety records
- GHG emission reduction
- Net zero
- Renewable energy programmes
- Circular economy
- Recycling
- Safe, high-quality parts

How we engage

- Customer meetings
- Surveys
- CDP
- Ecovadis

Outcomes

- Opened four of five eMICs to support development of thermal management products in collaboration with our OEM customers to support ongoing transition to more efficient HEVs and BEVs
- Better GHG emission reporting, including CDP reporting
- Adopted updated, science-based GHG emission reduction targets

Community

Why we engage

- Promote our reputation as a responsible and ethical business
- Attract, motivate and retain employees
- Conserve resources and reduce our impact on the environment to ensure we are a sustainable business

Interests of the stakeholder

- Clean air, water and land
- Fair and equitable treatment with respect to labour practices
- Community support
- Good corporate citizens

How we engage

- Our global facilities seek to be a responsible member of their local community
- Strive to consistently operate our business to minimise our impact on the environment through energy efficiency, waste reduction, and conservation of resources
- Expansion of our Environmental Health and Safety (EHS) Group has improved our processes to measure, report and assess our GHG emissions and the environmental impact our operations have on the wider community
- Our Code of Business Conduct includes policies to enhance our reputation for excellent business conduct, including anti-corruption, anti-bribery, fair competition (anti-trust), and positive work environment and inclusion (anti-discrimination and anti-harassment)

Outcomes

- Provided support for various charitable functions in our communities
- Annual scholarships in each major region to support women in STEM studies as well as local internship opportunities for recipients

Suppliers

Why we engage

- Build strong, collaborative and strategic relationships to obtain competitive pricing, quality products, reliability of supply, and logistics efficiency
- Ensure we have access to advanced materials and components that meet our technical requirements
- Ensure responsible sourcing and ethical business practices and conduct by our supply base

Interests of the stakeholder

- GHG emissions
- Fair sourcing practices
- Ethical business practices

How we engage

- Our purchasing organisation has regular, extensive contact with our suppliers regarding quoting and sourcing opportunities, delivery logistics, and quality controls and testing
- Our engineering organisation works closely with suppliers on development activities, validation testing, and cost reduction initiatives (value engineering)
- Our business and compliance expectations are in our global supplier requirements manual, on our dedicated supplier portal, and in our purchasing terms and conditions

Outcomes

- Produced several global supplier manuals, policies and provisions to ensure fair and ethical business practices

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The following pages detail the Group's 2024 annual disclosure with respect to the TCFD.

The Group has complied with the TCFD recommendations and recommendations disclosures around governance, strategy, risk management, and metrics and targets.

In accordance with Listing Rule 9.8.6 R(8), the table maps the Group's climate-related financial disclosures in the following section to the specific recommendations and recommended disclosures of the Task Force on Climate-Related Financial Disclosure. The Group has reviewed the Task Force on Climate-related Financial Disclosures – Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures, published in October

2021. There is specific guidance for the automotive sector, as such, we have reviewed and considered the transportation group and all sector guidance contained in the document as we developed our disclosures.

The Group's disclosures are consistent with the TCFD Recommendations and Recommended Disclosures.

| | TCFD recommended disclosures | Reference pages | Consistent |
|---------------------|--|---|------------|
| Governance | Describe the Board's oversight of climate-related risks and opportunities | See Governance – Board of Directors on page 26 | Consistent |
| | Describe management's role in assessing and managing climate-related risks and opportunities | See Governance – Management on page 26 | Consistent |
| Strategy | Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term | See Background and Framework, and Strategy and Financial Planning on pages 21–25 | Consistent |
| | Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning | See Strategy and Financial Planning on pages 22–25 | Consistent |
| | Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | See Strategy and Financial Planning on pages 22–25 | Consistent |
| Risk Management | Describe the organisation's processes for identifying and assessing climate-related risks | See Risk Management on pages 26–27 | Consistent |
| | Describe the organisation's processes for managing climate-related risks | See Risk Management on pages 26–27 | Consistent |
| | Describe how processes for managing climate-related risks are integrated into the organisation's overall risk management | See Risk Management on pages 26–27 | Consistent |
| Metrics and targets | Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | See Metrics and Targets on pages 27–28 | Consistent |
| | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | See Metrics and Targets on pages 27–28 and Sustainability on page 22 of the Annual Report | Consistent |
| | Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets | See Metrics and Targets on pages 27–28 | Consistent |

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

Climate-related risks, opportunities, and financial impacts

Background and framework

Governments, investors, and industry have come to realise that urgent and impactful action to address climate change is needed. Automotive manufacturers in every major market have announced ambitious plans to address climate change through the electrification of the vehicle fleet and significant decarbonisation of their own manufacturing operations and supply bases. In addition to public announcements and press coverage, the Group's commercial and engineering teams are in regular contact with our customers. Over the last several years, we have seen, first hand, the growing investment, activity and momentum around both powertrain electrification and supplier sustainability in the form of advanced development activities and quoting for BEV and HEV programmes as well as business awards that include supplier commitments to reduce greenhouse gas emissions. Likewise, investors, regulators and consumers have clearly communicated the expectation that all businesses must take demonstrable actions to improve environmental sustainability as well as climate-related analysis and disclosures.

As a global supplier and leader in the automotive industry, the Group is committed to supporting vehicle electrification with its advanced products and to reducing CO₂(e) emissions from its operations. The financial impact of climate change on the Group can be viewed as falling into the following broad categories of risks and opportunities:

- **Vehicle electrification.** The Group will have market and technology risks and opportunities as our OEM customers shift to a lower carbon economy by increasing the electrification of vehicles (i.e. HEVs and BEVs replacing ICEs).
- **Changes in operating expenses.** The Group will have operational risks and opportunities highlighted by transitional cost changes for plastics and metals, as it strives to manufacture its products in a more environmentally responsible and sustainable manner.
- **Changes in policy related to carbon price.** The Group may experience operational risks as emerging and expanding carbon price legislation comes into effect. This is likely to represent a risk from increases in energy, raw materials, and operations costs (from GHG emissions). Consequently, costs across the supply chain could be affected (e.g., from increased material and service costs, when carbon price is passed on from suppliers).
- **Direct climate impact.** The Group will have physical risks from climate change. As the world continues to warm up, we will be exposed to increases in heat stress and to a lesser extent other perils, such as flooding, sea level rise, and changing water availability and quality, which could affect some of the Group's global locations. The Group's physical modelling was not updated for the disclosure in 2024, and we have continued to use the model that was developed for the 2023 disclosure.

As part of its overall decarbonisation strategy, the Group is committed to disclosing its potential climate-related risks and opportunities in line with the TCFD recommendations. To enhance

this analysis and quantify the financial impacts of its climate risks and opportunities, the Group engaged a global consulting firm that assists companies on their sustainability journeys. The consultant and its supporting partner who specialises in physical risk modelling assisted the Group in developing two fully compliant scenarios for this report. The data analysis and work completed on the two scenarios was started in early 2023. The Group has updated some of the 2022 data sources with 2023 sources and applied these updates to the scenarios. Specifically, we have updated the following data sets: World bank Inflation data; exchange rates; carbon pricing; EV and ICE sales; and fossil fuel prices.

The main objectives of the work that was completed in 2024 was to provide an update on the risks and opportunities. In our 2023 disclosure our primary objective was related to better identifying and quantifying key transition and physical climate risks and opportunities over the short term (until 2025), medium term (2030), and long term (2050), across different climate scenarios. Please note that our TCFD time periods for short, medium and long term do not directly align to our financial time periods. The Group elected to align our timing for TCFD to our SBTi near term dates and a more commonly aligned climate long-term target date of 2050 consistent with the Paris Agreement. Based on the Group's previous sustainability and climate risk initiatives, peer benchmarking, TCFD guidance, and the consultant's expertise, the Group identified a long list of potential climate risks and opportunities and shortlisted the top six based on the Group's vulnerability and exposure to the different risks and opportunities. We addressed these key risks and opportunities using two climate scenarios. The two scenarios selected were the Business As

Usual (BAU) and Low Carbon (LC) scenarios. The Group then developed quantification approaches, performed desktop research, and collected the data needed to estimate the unmitigated potential financial impact of the six key risks and opportunities, across the short, medium and long term in both the BAU and LC scenarios. The six key risks and opportunities fall into the following four groups of risks and opportunities: vehicle electrification, changes in operating expense related to plastic and metal pricing, changes in policy related to carbon pricing, and direct climate impact.

For the purposes of these disclosures the BAU scenario represents a scenario where minimal additional climate action is taken by governments. It incorporates the policies of governments as currently stated. It aligns with ~2.7°C warming by 2100. The LC scenario assumes that governments will meet their announced climate commitments in full and on time. It aligns with <2°C warming by 2100. It should be noted that the quantification of the six key risks across the two scenarios is not a forecast, and is simply an indication of the potential outcome that could occur, based on the available data. These risks and opportunities are modelled as unmitigated elements; once mitigative measures are taken the level of potential risk and/or opportunity would be subject to change. There are many factors that cannot be accurately modelled that could drastically affect these outcomes.

In line with the disclosure framework recommended by the TCFD, the following discussion of climate-related financial impact will be organised around four elements: strategy and financial planning, governance, risk management, and metrics and targets.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

Strategy

The impacts of climate-related risks and opportunities on the Group's strategy, business and financial planning

Vehicle electrification

The automotive industry is responding to climate change, primarily, through the electrification of vehicle powertrains. Over the next decade, HEV and BEV platforms are forecast to grow dramatically, whilst ICE platforms will decline. This transition in the market represents the most significant risk and the largest opportunity for the Group.

Electrification is at the heart of the Group's strategy. We recognise the risk of a declining addressable market for our ICE products, primarily related to production of fuel tanks, pumps and lines, and the opportunity of an increasing addressable market for our thermal products due to the increased content in EVs.

The Group has modelled the potential financial impact of the expected change in mix between ICE, HEV and BEV platforms over the short, medium, and long term. In 2023, we worked extensively, including with experts to further develop our risks and opportunities related to this transitional market shift and have updated this work in 2024.

The transition to a low-carbon economy, including emerging policies and regulations incentivising low-carbon passenger vehicles and restricting conventional vehicles, will shift demand from

components for internal combustion engine vehicles to components for electric vehicles. This transition will provide an opportunity to increase the Group's revenue.

Our analysis is based on current business awards, S&P Global Mobility forecast production volumes and mix, and management estimates, supported by third-party analysis, for longer-term production volumes and mix, as well as International Energy Agency (IEA) data for global Electric Vehicle (EV) sales projections for 2025, 2030 and 2050. The IEA data includes the following vehicles in their Electric Vehicles (EV) sales assumptions: Battery electric vehicles (BEV), Fuel cell electric vehicles (FCEV), and Plug-in hybrid electric vehicles (PHEV). For consistency, these vehicle types were combined as "EV" in the S&P analysis.

For the BAU and LC Scenarios, the Group's revenue related to EVs was modelled to grow at the same rate as the IEA's global EV sales market projections. Note that the change in EV sales includes growth in the overall vehicle market and the shift from other vehicle types to EVs. This assumption implies that the Group's market share remains constant. The Group recognises electrification as an opportunity to grow the business and revenue from the products we currently manufacture and products we are developing.

Electric car sales had a growth record year in 2022, despite supply chain disruptions, macro-economic and geopolitical uncertainty, and high commodity and energy prices; moreover, the global car market contracted with a 3% reduction in 2022 from 2021. Over 26 million electric cars were on the road in 2022, up 60% relative to 2021 and more than five times the stock in 2018. In 2022, about 70% of the global stock of electric cars were BEVs. Action is now needed to ensure

rapid deployment of EV charging facilities and to enhance electricity networks so that inadequate infrastructure does not hold back their expansion.

According to the IEA, in 2023, just under 60% of new electric car registrations were in China, just under 25% in Europe, and 10% in the United States. In 2023 we continued to see increases in electrification in the three largest markets, China, Europe, and the United States. Based on IEA data the share of electric cars has increased from around 4% in 2020 to 18% in 2023. Electric car sales in 2023 were 3.5 million higher than in 2022 representing a 35% increase year-on-year. Battery electric cars represented 70% of the electric car stock in 2023.

In the BAU and LC Scenarios, widespread policy support helps sales of EVs worldwide to continue their expansion – today, more than 50 countries, with ~60% of the world population, have policies in place to incentivise the uptake of EVs, with 30 countries having set target dates to phase out ICE vehicles in the next two decades.

China is arguably the most important individual market for EVs as more than half of all the EVs on the road today are in China, which has already exceeded its 2025 target for new energy vehicle sales. Europe has the second largest EV market, where one in every four cars sold was electric in 2023. In the US, EV sales represent around 10% of the market.

Currently, the most common policy measures to support EV deployment are fuel-economy and CO₂ emission standards, as well as financial incentives such as purchase subsidies and tax credits that make EVs more cost competitive compared to conventional ICE vehicles. Governments are also supporting the development of EV charging infrastructure,

for example by offering financial incentives for public and private chargers and by stipulating infrastructure requirements in building codes.

At the same time transition to EVs also represents a risk to the Group's manufacturing of ICE related components. This is in large part due to the expected decrease in demand for components specific to conventional fuel automobiles and associated decrease in revenue related to the sale of ICE parts.

This risk was modelled using essentially the same methodology used to model the opportunity. As defined by the IEA, conventional fuel vehicles are defined as vehicles which use an internal combustion engine (ICE), i.e., are powered by fossil fuels. They include HEV, which depend on an ICE.

For the BAU and LC scenarios, the Group's revenue related to ICE vehicles was modelled to decline at the same rate as the IEA's global ICE sales market projections. Note that the change in ICE sales includes growth in the overall vehicle market and the shift from other vehicle types to EVs, assuming that the Group's market share remains constant.

The number of EV models currently available remains much lower than conventional ICE. However, the number of ICE models has dipped across various car markets, more prominently in China, where the number of available ICE options was 8% lower in 2022 than in 2016, versus 3–4% lower in the US and Europe over the same period. This could be driven by contracting car markets and a shift towards EVs from carmakers. It is predicted that the number of ICE models could remain stable, whilst the number of new models shrinks, if carmakers focus on electrification and

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

keep selling existing ICE products rather than increasing budgets to develop new models.

Projections indicate that by 2030, sales of ICE cars will increase from 63.8 million in 2023, to around 67.5 million in the BAU scenario and 39.4 million in the Low Carbon scenario.

Revenue expansion from new thermal products and systems, including opportunities for M&A and/or joint ventures for adjacent thermal products, have not been taken into consideration in the model and would create further revenue growth opportunities.

Changes in operating expense related to plastic and metal pricing

Plastic and metals are the two largest raw material components that the Group purchases on an annual basis. Both of these materials are expected to see a potential significant change in cost in the future.

Plastic prices will be impacted due to a rise in input costs specifically associated with the change in price of oil due to climate change. The change in plastic cost is likely to be passed from supplier to the Group. Data from IEA was used for the crude oil pricing in 2023 as well as forecast prices for 2025, 2030, and 2050.

For this modelling the changes in plastic prices depend primarily on changes in oil prices. This correlation was tested through a regression analysis, which indicated that the strong historical correlation between plastic and crude oil prices will continue through 2050. The modelling assumes that the Group's revenue will change at the same rate as the S&P market projections up to 2030. From 2030 to 2050, the estimated growth rate was calculated by using the S&P data source for the years available beyond 2030 (2030–2035) to

provide a conservative estimate, and this value was 1.3% p.a.

This modelling is significantly limited by a lack of credible, peer-reviewed data on the forecast price of plastic under the different climate scenarios. In both scenarios, the 2023 baseline price for crude oil based on the actual price as published by the IEA (82 USD/barrel) was used. From that, oil prices are projected to decrease across the short, medium, and long terms (based on information sourced from the 2023 IEA World Energy Outlook), which indicated a decreasing trend in the price of plastic. However, this assumes that there are no other variables influencing the price of plastic, which is unlikely. Additionally, the analysis does not account for changes to the types of plastic used, or technical enhancements to production and recycling methods (e.g., the possible impact of the prevalence of bioplastics has not been accounted for in this analysis). Therefore, this estimate could shift based on external factors affecting the price and availability of plastic, and of oil.

Cost increases associated with metals represent another transitional risk to the Group. Increasing pressure to decarbonise metals, such as steel and aluminium, will lead to increase in production costs for manufacturing low carbon alternatives in the medium to long term, resulting in higher prices. Similarly, for metals such as copper, that are critical energy transition materials, a rapid increase in demand is expected to increase prices.

The Group used the same data from our Scope 3 Category 1 calculations, raw material procurement spend and quantity coupled with the following data sets to quantify the transitional risk associated with metal prices:

- data from Mission Possible Partnership: 2022, 2025, 2030 and 2050 global average steel and aluminium prices
- data from International Monetary Fund (IMF): 2022, 2025, 2030 and 2050 global average copper prices

This modelling applies the same assumption for the Group's revenue as that applied for plastic prices (see above). Increase in metal prices includes the impacts from increased demand and higher production costs to produce low-emission materials, and does not include changes in cost of carbon pricing which is modelled separately. For steel and aluminium, the LC scenario is aligned with the Mission Possible Partnership's 2050 Net Zero pathways. Similarly for copper, a Net Zero 2050 scenario was used as the LC scenario.

Metals such as steel and aluminium are highly energy intensive, and current-day manufacturing methods reliant on fossil fuels make them very carbon intensive materials. The energy transition is therefore expected to increase the price of such metals in the LC scenario, due to the adoption of low carbon technologies and fuels (such as green hydrogen, electrification, carbon capture utilisation and storage). Furthermore, prices of energy transition metals such as copper are expected to increase due to high demand in the automotive and renewable electricity sectors. Therefore, it is anticipated that this will lead to higher prices in the medium to long term under the LC scenario.

In the BAU scenario, metal prices are expected to remain relatively flat, as limited investments in greener technologies are assumed, and emphasis is placed on improving energy efficiency.

Changes in policy related to carbon pricing

The Group is expected to face the transition risks associated with increases in carbon prices and the cost of energy.

Emerging and expanding carbon price increases energy, raw materials, and operations costs (from GHG emissions). Consequently, costs across the supply chain could be affected (e.g., from increased material and service costs, when carbon price is passed on from suppliers).

In modelling this transition risk, the Group's total 2023 Scopes 1 & 2 GHG emissions and proportion allocated to each country of operation were used along with projections for 2024–2030 GHG Emission. Due to a lack of a single data source providing carbon pricing inputs for all geographies and scenario timeframes, a hybrid approach has been used to compile the carbon pricing inputs, using data from the following sources:

- World Bank: Current carbon price by country in 2023
- IEA (International Energy Agency): Projected carbon price by country, for the EU, the US, the UK, Canada, and China, for medium and long term
- NGFS (Network for Greening the Financial System): Current and projected carbon price by country, for all other geographies, for medium and long term

This approach estimates the impact of changes in carbon pricing from Scopes 1 & 2 emissions from our own operations only, and does not include carbon pricing impact on purchased goods and services. Carbon pricing levels in 2025 (for quantification of short-term impact) assumed

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

a linear change in carbon prices between 2023 and 2030.

For short and medium term, emissions projections have been developed internally. In the long term, for the BAU scenario, it was assumed that emissions remain constant at 2030 levels between 2030 and 2050. For the LC scenario, it was assumed Net Zero emissions are achieved by 2050 and emissions reduce linearly between 2030 and 2050.

The analysis does not include potential cost impact from applications of carbon price to high-carbon materials such as metals and the increased supplier costs from material carbon tax passed to the Group, due to limited information on the evolution of emission intensity of materials and services currently being purchased.

80% of the Group's Scope 1 & 2 emissions are from seven geographies: the United States of America, China, Poland, Germany, Mexico, India, and South Korea. Introduction or expansion of carbon pricing legislation in these geographies could pose significant risk of increasing operating expenditure. Existing and scheduled CO₂ pricing schemes are reflected in the BAU scenario, which covers electricity generation, industry, energy production sectors, and other end-use sectors (e.g., aviation, road transport and buildings), where applicable.

In the LC scenario, higher CO₂ prices are assumed across all regions with Net Zero emissions pledges, which represent more aggressive prices than the BAU scenario. In the EU, for example, in the LC scenario, carbon prices are expected to increase by 130% by 2050 (compared to the baseline year), compared to 56% increase during that same period under the BAU scenario.

The Group is currently not covered by existing regulated carbon pricing schemes, even in regions like the EU, as the Group is not a heavy emitter. The Group may or may not be affected by these schemes, as the scope of future carbon pricing schemes evolve. The quantification approach reflects a conservative estimate, assuming the Group is subject to carbon pricing in all geographies of operation.

Direct climate impacts

The Group may face potential physical risks from climate change, such as increases in heat stress, drought, flooding, sea level rise, and changing water availability and quality, which could affect the Group's locations and operations and the need to re-locate several operations. As part of our effort to better quantify our physical climate risks the Group has improved the robustness of the climate evaluation.

Physical impacts were assessed based on the analysis of climate risks exposure data from an external adviser, for 126 of the Group's sites. For each location, the external adviser provided climate risk metrics for different climate perils than may be expected to be relevant for different points in time for the BAU and LC climate scenarios. The table below describes the metrics used to assess the physical risks of each climate peril.

| Peril | Unit | Metric |
|--------------------------|--------------------|--|
| Heat waves | Events/year | Absolute heat wave: Annual count of three-day periods with high temperature above local historical 95th percentile temperature |
| Cold waves | Events/year | Days per year with temperature lower than threshold – depending on location this is either 0 or -10 (°C) |
| Wildfires | Events/1,000 years | Number of wildfires expected in a 1 square km grid cell per 1,000 years |
| Flooding | % probability | Probability of 0.3m flood occurrence |
| Severe storms | Days/year | Days per year where environmental conditions are conducive to severe thunderstorms |
| Wind | % probability | Probability of 119 km/h wind occurrence |
| Precipitation | % probability | Probability of 150mm precipitation occurrence |
| Rising mean temperatures | Days/year | Days per year with temperature exceeding the local historical 99th percentile temperature |
| Sea level rise | % fraction flooded | Fraction of land within the 90m grid cell inundated by high tide |
| Droughts | Fraction | Total water stress: Human water demand over water supply for the local and upstream watersheds |

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

The most significant direct climate impact relates to increasing heat stress potentially leading to decreasing productivity, loss of working hours, impact to employee health, and increased costs related to cooling. The Group gathered data from 126 sites including offices, research and development centres, and manufacturing and assembly sites. These data included site coordinates, site description, building value, inventory value, contents value, site profit, indication of the presence of a basement and cooling system, and an estimation of the physical intensity of the work performed.

Cooling costs due to increased heat stress were modelled using a climate risk analysis model of an external adviser which estimates an asset's annual additional electricity consumption for cooling based on its occupancy, size, and the projected annual number of cooling degree days. The average annual electricity consumption cost for an asset is estimated using the provided electricity price.

Productivity costs due to increased heat stress were modelled using the external adviser's approach which estimates the proportion of annual work hours lost based on the physical intensity of work performed, cooling system prevalence, and projections of wet bulb globe temperature (WBGT) from the external climate risk analysis model. The model is derived from the International Organisation for Standardisation (ISO) guidance on work/rest ratios necessary to keep the internal body temperature of workers within safe limits. The external climate data does not consider any existing adaptation measures currently in place at the Group's site locations (beyond the presence of a cooling system), which might reduce impact.

Exposure to heat stress was also modelled using the external climate risk analysis model, which is most useful for understanding the trend of climate peril metrics over time, and how climate perils differ under three different climate scenarios (i.e., High Carbon, Business as Usual and Low Carbon). A High Carbon scenario is represented by temperatures that are $>4^{\circ}\text{C}$ global mean temperature warming by 2100 and is only used in addressing the physical risk. The high carbon scenario was only completed for physical risks and as such was not used comprehensively in this disclosure. When analysing site exposure to a specific peril metric and time period, we utilised the 5th and 95th percentile results associated with that metric provided in the output data.

The modelling across each scenario for heat stress (and most of the other climate perils analysed) shows similar results through 2050. Beyond 2050, a distinct divergence between the climate impacts on the three scenarios is observed. This trend corresponds to the delay between when policies on climate change are implemented, and when they begin to have an effect on climate.

Exposure to heat stress is measured by the number of heat waves occurring for the particular location, time period, and climate scenario of interest. A heat wave is defined as a three-day consecutive period with the daily high temperature exceeding the local historical 95th percentile temperature.

The Group's exposure to heat stress was significantly higher than other climate perils. In the BAU scenario, 57% of the total number of manufacturing and office locations are expected to be at risk from heat stress in 2050. 'At risk' is defined as at least five heat waves annually. By 2060, this value rises to 90%, and by 2070, 99% are expected to be at risk from heat stress.

Heat stress exposure is high across all of The Group's operating geographies (i.e., at least one site in each country is at high risk). However, sites in South America (e.g., Brazil, Colombia), South Africa, and Indonesia are especially at risk due to the significant increase in risk from 2020 to 2050.

Losses associated with heat stress are predominately from lost worker productivity. These losses could be mitigated through the installation of cooling systems (where none exist currently) or by increasing the cooling load of existing systems. The operational cost of electricity for cooling sites is expected to be significantly less than the loss associated with worker breaks due to heat stress. The analysis focused on the impact on operating costs, and there could be significant capital expenses associated with installing or retrofitting cooling systems, which has not been modelled in this analysis.

The highest total heat stress losses in this model are noted in Mexico, China, India and Thailand, driven by losses in worker productivity. Cooling cost is a relatively small portion of the total heat stress losses. The main sources of cost of cooling are in Mexico, China, Spain and the United States, driven by the higher price of electricity and the number of sites with cooling systems installed.

Where we have identified long-term risks, we expect that our existing business processes will be sufficient to mitigate and manage the risks. For example, we will be able to locate new operations (or relocate existing operations) through our property lease acquisition and renewal procedures, which are being updated to incorporate climate-related issues. As our understanding of the longer-term impacts of climate change are better understood, we will continue to further assess our risks and refine our financial planning, as appropriate.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

Summary of key climate risks and opportunities

The table below summarises our assessment of key climate risks and opportunities as discussed above.

Key ● High impact: >€50m ● Medium impact: €10–50m ● Low impact: <€10m

| | Vehicle electrification | Change in plastic price | Change in metal price | Change in carbon price and cost of energy | Increase in heat stress and cooling costs |
|--------------------------------------|--|--|--|--|--|
| Type | Transition | Transition | Transition | Transition | Physical |
| TCFD category | Market | Market | Market | Policy & Legal | Acute |
| Primary potential financial impact | Change in revenue | Change in operating costs | Change in operating costs | Change in operating costs | Change in operating costs |
| Unmitigated financial impact: | | | | | |
| BAU scenario | | | | | |
| Short term | ● | ● | ● | ● | ● |
| Medium term | ● | ● | ● | ● | ● |
| Long term | ● | ● | ● | ● | ● |
| LC scenario | | | | | |
| Short term | ● | ● | ● | ● | ● |
| Medium term | ● | ● | ● | ● | ● |
| Long term | ● | ● | ● | ● | ● |
| Mitigation | <ul style="list-style-type: none"> Close monitoring and proactive response to changes in customer demand is actively being completed by our commercial and engineering teams Active development of new and enhanced products to support electrification Defined strategy to address changes in market dynamics Continued product portfolio that addresses both ICE and EV contents | <ul style="list-style-type: none"> Close collaboration with supply chain Diversification and location of supplier base to help manage costs Purchasing is monitoring our commodity costs actively Purchasing is engaged with our engineering teams with respect to looking at LCAs and using this to potentially alter plastic options to lower-carbon options | <ul style="list-style-type: none"> Close collaboration with supply chain Diversification and location of supplier base to help manage costs Purchasing is monitoring our commodity costs actively Purchasing is engaged with our engineering teams with respect to looking at LCAs and using this to potentially alter recycled metal content The engineering team is actively looking at alternative materials that can be substituted for traditional metallic applications | <ul style="list-style-type: none"> Targets and measures to reduce Scopes 1, 2 & 3 emissions Active evaluation of options for decarbonisation and renewable energy sources Close monitoring of regulatory development and proactively responding to evolving conditions The legal team, sustainability/ EHS team is actively engaged in evaluation of legislation through various working groups, list servers, and other publicly available sources of information Assess options and mechanism of passing cost increase through to customers | <ul style="list-style-type: none"> Annual analysis of physical risks covering all sites Footprint management through lease acquisition and renewal The Group began developing business continuity and emergency plans over five years ago, which are in place and regularly updated for certain key sites |

The Group did track lost work days related to heat and cold exposure in 2024. We did not experience any event that closed a physical location in 2024 related specifically to heat or cold exposure.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

Governance

The Group's governance around climate-related risks and opportunities

Board of Directors

The Board, directly and through its committees, provides significant governance and oversight of climate-related matters.

Over the course of several years, the Board has reviewed, refined and approved the Group's strategy to address vehicle electrification driven by climate change. The Board provides ongoing oversight and receives regular updates from Executive management on relevant metrics in order to assess the execution of the strategy, and whether any changes to the strategy are needed, including engineering and commercial resources, product portfolio and technology roadmap, EV business awards and opportunities, and the status of the inorganic process.

The ESG Committee of the Board provides guidance and oversight on all elements of the Group's sustainability programme, including the scope of environmental initiatives to address the sustainability transition driven by climate change. The ESG Committee meets regularly with senior management throughout the year and reports to the Board on its activities and sustainability progress by the Group. In particular, the ESG Committee reviewed and recommended the adoption of the Group's recently approved Scopes 1, 2 & 3 emissions reduction targets. For more information on the ESG Committee see pages 90–91 of the Annual Report.

The Remuneration Committee of the Board, with input from the ESG Committee, establishes performance targets for the Group's Annual Bonus and Long-Term Incentive Plans, which align with both the Group's electrification strategy and its sustainability transition in order to align senior management with interests of the Group's wider stakeholders. The Remuneration Committee regularly reports to the Board on its activities. See the Statement by the Chair of the Remuneration Committee on pages 76–77 of the Annual Report.

In addition, the Board reviews and approves the Group's annual budget and Medium-Term plan to ensure that the financial and human resources needed to implement the Group's electrification strategy and environmental initiatives are properly contemplated and included in budgets and business planning.

Management

Within the Group's management, the Executive Committee (CEO and other C-level Executives and Executive Vice Presidents), together with the Global EHS Director and the Vice President Risk & Global Controller, are primarily responsible for identifying and assessing climate-related impacts and leading the implementation of the Group's electrification strategy and sustainability transition.

Several cross-functional teams, led by the Global EHS Director, have been established to manage specific aspects of the Group's environmental initiatives, including arrangements to increase the Group's use of renewable-sourced electricity and identifying capital expenditure and other energy conservation projects to reduce the level of the Group's CO₂(e) emissions. The Global EHS Director, with support from the Group's Risk

& Controls function, is responsible for assessing potential direct physical climate-related impacts.

Budgeting and action plans relating to the Group's electrification strategy and environmental initiatives are communicated to the entire organisation in a top-down manner and are incorporated into the Group's annual budget and the Medium-Term Plan.

Risk management

The processes used by the organisation to identify, assess and manage climate-related risks

Generally. At this stage, most climate-related risks appear to be included within already-identified and assessed risk categories: production volume, technology change, regulation, competition and customer pricing and pressure, and business continuity. In other words, climate change appears to be increasing the pace and intensity of previously identified risks rather than presenting fundamentally new or different risks to our business. For more information on our process to identify and assess risks, see our Principal risks and uncertainties on pages 24–35 of the Annual Report.

The Group will ensure a timely and comprehensive overview of potential disruption and opportunities from climate change to the business. To effectively complete this, it is necessary to regularly (i.e., annually) review the business' vulnerabilities to both physical and transition risks, as well as assess potential opportunities. New information

from the latest release of scientific evidence (e.g., climate scenarios, regional projections and climate modelling of climate perils) could help refine the current risks and opportunities assessment results. Such a regular review should also cover those considered as 'low' risk because some of the impacts of climate change could be non-linear and abrupt.

The Group's Executive Risk Committee did review our principal risks in 2024 and made minor adjustments to certain risks.

Vehicle electrification. We identify, assess and manage the impact of vehicle electrification through our existing commercial, engineering and purchase processes. For the medium term, we work closely with our customers through the commercial and engineering organisations to understand their fluid system requirements, and to identify advanced engineering and quoting opportunities for upcoming vehicle programmes. For the long term, we not only utilise planning and development information from our customers, but also refer to production volume forecasts from S&P Global Mobility and other industry sources. All quoting and pricing arrangements go through our screening process to ensure that business awards meet expected financial metrics. Necessary capital investments must, depending on magnitude, be approved by various levels of management and, in certain cases, the Board.

Changes in operating expense. Environmental initiatives to progress our sustainability transition are identified, assessed and managed by cross-functional teams, led by the Global EHS Director, who works with divisional and regional management, including country and plant-level management within our existing

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

operations, manufacturing engineering and capital expenditure processes. The Group's actions, with respect to its sustainability transition, are being transitioned to a 1.5°C scenario in conjunction with the submission of our CO₂(e) emissions reduction targets.

To better assess plastics prices, we plan to regularly review data and analyses related to the transition away from fossil fuel-based plastics to bio-based plastics. This could have significant impacts on the quantification of the plastic price risk that is presented in this analysis, as the current quantification approach does not consider the shift from fossil fuel-based to bio-based products. Emerging information related to the projected ratio of bio-based plastics to fossil fuel-based plastics in different climate scenarios and the cost premium of bio-based plastics is likely to be further developed in the coming years, which will bring new insight to quantification analyses. The Group will continue to monitor the availability of low-carbon metals and alternatives as well as our metals procurement data. The Group's Purchasing function is actively working on improvements to our supplier sustainability initiatives and we anticipate additional supplier specific data to be more readily available and fully vetted in the coming years. We anticipate an additional set of primary data being collected from the upstream supply chain in 2025 in conjunction with a purchasing programme being developed to assess the supply chain's progress on sustainability.

Changes in policy related to carbon price.

For future disclosures, the Group will develop a more robust emissions trajectory beyond 2030, by incorporating a long-term decarbonisation strategy. This will improve the accuracy of long-term (2050) carbon pricing impacts. As our

supplier sustainability programme matures, we intend to use that data to include potential impacts of carbon pricing on the price of relevant carbon-intensive materials.

Keeping abreast of regulatory change will be critical to the fundamental understanding of policy changes and the effects those changes may have on associated carbon pricing.

Direct climate impact. Physical impacts were assessed based on the analysis of climate risk exposure data for 126 of the Group's sites based on an external risk model. For each location, the model provided climate risk metrics for different climate perils, expected for different years for the BAU and LC climate scenarios. The following physical risk metrics were evaluated in the model: heat waves, cold waves, wildfires, flooding, severe storms, wind, precipitation, rising mean temperatures, sea level rise and droughts.

The most significant direct climate impact is related to increasing heat stress potentially leading to decreasing productivity, loss of working hours, impact to employee health, and increased costs related to cooling. We will continue to monitor our operations with respect to dealing with elevated temperatures. For example, in India this year several extended periods of elevated temperatures were reported. Our EHS and operations teams are in regular contact with the operations to ensure that employees have a safe and healthy work environment.

Metrics and targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Metrics

Vehicle electrification. The Group tracks its annual revenue, as well as expected lifetime revenue for new business awards by location, division, country and region, as well as vehicle programme/platform type (ICE, HEV and BEV) in order to monitor progress with respect to our vehicle electrification strategy.

Sustainability transition. In 2024, the Group tracked the following metrics to assess risks and opportunities in line with our sustainability transition. We monitor Scope 1 & 2 emissions at the global level with respect to our targets. Additionally, we also monitor the Scope 1 & 2, energy consumption, water and waste data as shown below. As we continue to mature our systems we will likely add energy conservation targets and redefine our water conservation metrics.

- Scope 1 CO₂(e) emissions by location, division, country and region
- Scope 2 CO₂(e) emissions by location, division, country and region
- Energy consumption including fuel and purchased or acquired electricity
- Energy generated at our locations

- Water withdrawals, discharges and consumption
- Waste generated at our sites

Scopes 1 & 2 emissions are calculated using market and location-based GHG Protocol methodology. In our annual reporting, we provide market-based emission reporting that is rolled up for the entire Group. Location-based reporting remains publicly available via our CDP disclosure.

Scope 3 CO₂(e) emissions are relevant to our business. Consistent with the GHG Protocol, we have developed a Scope 3 emissions inventory for 2021 to 2024. Our Scope 3 emissions are developed according to the GHG Protocol and primarily use the US EPA EEIO database for spend-based calculations.

Our total 2021 baseline year Scope 3 emissions were 1,051,797 tonnes of CO₂(e). This represents approximately 80% of our total emissions mass in 2021. In 2024, our Scope 3 emissions were 1,157,841 tonnes of CO₂(e), representing 86% of our total Group-wide emissions.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) continued

| No. | Category of Emission | 2021 | 2021 Revised | 2022 | 2022 Revised | 2023 | 2024 |
|--------------|--|------------------|------------------|------------------|------------------|------------------|------------------|
| 1 | Purchased Goods & Services | 895,021 | 726,208 | 934,094 | 755,386 | 739,419 | 819,619 |
| 2 | Capital Goods | 187,329 | 131,027 | 135,586 | 98,691 | 92,662 | 88,988 |
| 3 | Fuel & Energy-Related Activities | 62,969 | 62,969 | 66,908 | 66,908 | 69,356 | 49,885 |
| 4 | Upstream Transportation & Distribution | 11,159 | 36,455 | 39,325 | 53,478 | 105,182 | 118,775 |
| 5 | Waste Generated in Operations | 5,660 | 5,660 | 4,031 | 4,031 | 3,305 | 2,793 |
| 6 | Business Travel | 971 | 980 | 2,354 | 2,376 | 3,492 | 2,544 |
| 7 | Employee Commuting | 42,206 | 42,206 | 43,618 | 43,618 | 37,827 | 31,009 |
| 8 | Upstream Leased Assets | 318 | 318 | 360 | 360 | 370 | 496 |
| 9 | Downstream Transportation & Distribution | – | 29,372 | – | 34,268 | 34,601 | 34,925 |
| 10 | Processing of Sold Products | – | 15,396 | – | 7,495 | 7,087 | 7,075 |
| 11 | Use of Sold Products | – | – | – | – | – | – |
| 12 | EoL of Sold Products | 1,206 | 1,206 | 1,462 | 1,462 | 1,847 | 1,733 |
| 13 | Downstream Leased Assets | – | – | – | – | – | – |
| 14 | Franchises | – | – | – | – | – | – |
| 15 | Investments | – | – | – | – | – | – |
| Total | | 1,206,839 | 1,051,797 | 1,227,738 | 1,068,073 | 1,095,148 | 1,157,841 |

(1) Our products do not directly consume energy and, therefore, no indirect use phase emissions are included in our Scope 3. The Group is working on methodology which may allow us to realistically calculate emissions for this category and may include the Use of Sold Products future Scope 3 reporting.

(2) TIFS has no downstream leased assets, franchises or investments.

Direct climate impact. Given the relatively gradual and long-term nature of direct climate impact on our operations (weather, water and flooding), we do not currently have applicable metrics as these risks would be expected to be handled as part of our normal footprint and facility management processes.

Targets

Vehicle electrification. The Group establishes annual booking targets for HEV and BEV programmes, which are incorporated into the Annual Bonus Plan as performance criteria. See the Remuneration report on pages 80–89 of the Annual Report for more information.

Changes in operating expenses. Future KPIs for plastics and metals are currently under consideration. See Sustainability on pages 22–23 of the Annual Report for more information.

Changes in policy related to carbon pricing

The Group updated its targets for the absolute reduction of Scopes 1, 2 & 3 CO₂(e) emissions and also established water conservation objectives. As legislation changes this will be monitored closely. A longer-term decarbonisation evaluation of our supply chain will be considered as our supplier sustainability programme matures.

Direct climate impact. Given the relatively gradual and long-term nature of direct climate impact on our operations (weather, water and flooding), we do not currently have applicable weather-related targets as these risks would be

expected to be handled as part of our normal footprint and facility management processes.

We have clearly identified GHG and waste management targets. The Group has committed to reduce absolute Scope 1 & 2 GHG emissions 50% by 2030 from a 2021 baseline year. The Group also committed to reduce absolute Scope 3 GHG emissions 30% within the same timeframe.

In 2023 the Group set waste-related targets. A key element of our business' sustainability is built around management of the non-hazardous and hazardous waste that the Group generates. Our focus is based around the following four elements: Reduce, Reuse, Refurbish, Recycle. In 2022, our EHS teams established a new baseline waste generation volume that incorporates hazardous and non-hazardous waste generation. We have been working on waste minimisation and reduction for years. With this new baseline established we have set a new waste minimisation target and new landfill avoidance target. The targets are 90% landfill avoidance and 80% recycling rate for waste materials by 2030. We continue to make progress towards achieving these targets and fully anticipate meeting them ahead of the 2030 deadline.

ENVIRONMENTAL

In this section

| | |
|---------------------------------|----|
| Environment | 30 |
| Carbon – own operations | 31 |
| Carbon – supply chain | 34 |
| Carbon – products and services | 35 |
| PCF: Accumulator IHX case study | 37 |
| Water use | 38 |
| Water stress | 39 |
| Waste management | 40 |
| Biodiversity | 42 |

ENVIRONMENT

Highlights

Greenhouse gas reduction

-15%

2023: -15%

Landfill avoidance

83.8%

2023: 88.4%

Waste reduction

79.7%

2023: 79%

Overview

Our commitment to environmental sustainability is based on our view that we and all multinational companies have a responsibility to our employees, their families, and our community's future to conserve natural resources and protect global ecosystems to support health and well-being, now and in the future. Because so many of the decisions that we make today will not have an immediate impact on the environment or ecosystems, we need to maintain forward-looking goals and targets. We have embedded sustainability into the fabric of the Company as we work towards greater alignment to the UN Brundtland definition 'meeting the needs of the present without compromising the ability of future generations to meet their own needs'.

ISO 14001

At the heart of our environmental management programme is our ISO 14001 certification. This represents our commitment to continuous improvement of environmental issues in our operations. We are certified at 97 plants which represents 98% of our total manufacturing sites.

Our goals

We have set clear goals and commitments to targets in order to help protect the environment, these include the following:

- SBTi-approved GHG reduction targets
- Scope 1 and 2 50% absolute reduction from a 2021 baseline by 2030
- Scope 3 30% absolute reduction from a 2021 baseline by 2030
- Landfill avoidance: 90% landfill avoidance (i.e., 90% of our waste must not enter landfills) by 2030
- Recycling: 80% recycling rate by 2030
- 2025 commitment to reassess and establish global energy efficiency and water conservation targets.

Our progress

We have already started reducing our greenhouse gas emissions for Scope 1 and 2 emissions with a reduction of circa 15% in the last year 28% from our baseline in 2021.

Our purchasing team is engaging with our suppliers to establish programmes to drastically reduce our Scope 3 emissions. Purchased goods and services represented 29% of our Scope 3 emissions in 2024 and as such is the most critical Scope 3 Category for us to address.

We continued to disclose to the Task Force on Climate-related Financial Disclosures (TCFD) which includes the physical effects of potential climate change scenarios on the business this in turn informs the Company's future strategic decision-making.

We have continued to review our direct impact on the environment and biodiversity through the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations. The TNFD recommendations provide a way for organisations to disclose their nature-related issues, aligned with the global sustainability reporting baseline, existing and emerging regulatory requirements and in response to growing demands from investors for more information on these issues. Assessing terrestrial ecosystems also helps align the Company to the UN SDG goal 15 Life on Land by helping us gain valuable understanding about biodiversity and the sustainable use of land.

CARBON – OWN OPERATIONS

Carbon – own operations refer to a company's management of risks related to its own operational energy use and GHG emissions (Scope 1 and 2).

Our ambition

We are working to achieve our SBTi-approved targets, a 50% reduction of our Scope 1 and 2 and a 30% reduction of our Scope 3 emissions by 2030 compared to 2021 levels on a like-for-like basis.

Reduction in energy consumption

One of the critical areas of our GHG emission reduction strategy is the reduction of energy consumption across our manufacturing footprint. In 2024, we have built on the energy efficiency programme that was initiated in previous years. We have surveyed our plants with respect to the building envelope and energy consuming processes and completed a selective audit process. We have now developed energy efficiency management teams in the Europe, Middle East & Africa (EMEA), North America and Asia Pacific regions. These teams are in the process of reviewing plant-level energy efficiency and conservation potential. We have also set operational energy and emissions reduction targets to ensure alignment to our long-term corporate emissions targets.

Energy consumption

| Energy Consumption (MWh) | 2021 Baseline | 2023 | 2024 |
|---|---------------|---------|----------------|
| Total energy | 616,089 | 635,788 | 598,634 |
| Total fuel (non-renewable) | 130,339 | 129,822 | 115,411 |
| Total cooling/heating/steam | 0 | 3,506 | 2,857 |
| Total electricity | 485,750 | 502,460 | 480,366 |
| Total electricity (renewable)* | 12,360 | 91,967 | 125,481 |
| Total electricity (renewable generated) | 1,288 | 1,996 | 2,754 |
| Total renewable energy consumption* | 13,648 | 93,963 | 128,235 |

* Inclusive of EACs

Energy intensity ratio

- Total energy Intensity: 178MWh/Million Euro
- Total renewable energy intensity 38MWh/Million Euro

The total energy intensity ratio assumes the total global energy use divided by the global annual revenue for 2024. The total renewable energy intensity also uses the global revenue for the intensity ratio.

Greenhouse gas emissions

Overall we have seen a reduction in GHG emissions in Scope 1 & 2 categories from 2023 to 2024, 220,208 tCO₂e to 186,378 tCO₂e or approximately 15% decrease, respectively. We noted a decrease in our total energy consumption by approximately 6% compared to 2023. It was possible to also achieve this decrease in emissions with a 4.4% decrease in revenue compared to the previous year. As such, we have now achieved a 28% reduction in our Scope 1 & 2 emissions from our 2021 baseline.

Summary of Scope 1 and 2 GHG

| Reporting year | Total Scope 1 Emissions | Total Scope 2 Emissions |
|----------------|-------------------------|-------------------------|
| 2021 | 27,763 | 231,105 |
| 2022 | 30,383 | 229,185 |
| 2023 | 27,105 | 193,103 |
| 2024 | 24,136 | 162,242 |

Methodology and assumptions

Including direct Scope 1 and 2 emissions, and indirect Scope 3 upstream and downstream emissions. TI Fluid Systems uses the consolidation approach of Operational Control as per the Greenhouse Gas Protocol Standard.

Gases included in the calculation

CO₂e emission factors used include the seven main GHG gases recognised by the Kyoto agreement. Zero biogenic gases are included in this calculation.

Base year

Building on the detailed emissions calculations completed in 2020, 2021 was selected as the base year, as the COVID-19 pandemic in 2020 led to our plants being closed for extended periods of time and sales significantly reduced providing a less accurate reflection of our total emissions.

Global warming potential (GWP) rates used

Based on IPCC AR5 over a 100-year period UK Government (Department for Energy Security and Net Zero, 2024).

Location-based data: see CDP submission

Global carbon emissions intensity

| Reporting year | Operational Scope 1 & 2 (tCO ₂ e) | Value chain total Scope 3 (tCO ₂ e) |
|----------------|--|--|
| 2021 | 87.54 | 355.70 |
| 2022 | 79.43 | 326.83 |
| 2023 | 62.63 | 311.48 |
| 2024 | 55.46 | 344.56 |

Assumption: The carbon intensity ratio assumes the total global carbon emissions divided by the global annual revenue for 2024.

CARBON

– OWN OPERATIONS continued

CDP public disclosure

We believe in, and are committed to, conserving natural resources and protecting the environment for the benefit of our employees and communities, as well as for future generations. This commitment to environmental responsibility and sustainability is reflected in our business strategy, objectives and commercial priorities.

Transparency is an essential element of our environmental policy. We have been publishing our environmental data through CDP since 2022, a global non-profit organisation that is the world's leading repository of environmental data. Disclosing environmental data via CDP has become a best practice, with over 23,000 companies doing so in 2023 – a record for the organisation.

We received a B rating from CDP for our 2024 disclosures. As part of our disclosure, we completed detailed questionnaires covering our environmental policies and governance, energy consumption, greenhouse gas emissions, waste generation, and water use.

We have committed to a programme of continuous improvement regarding the manner and method in which we collect and verify energy, waste and water consumption data across all our global locations. We are dedicated to ensuring greater amounts of renewable electricity as part of our operations and have established energy efficiency programmes to reduce energy consumption.

Our CDP data is available by visiting the CDP home page (www.cdp.net/en). Please note that you will need to register with CDP to view any company that has made its data publicly available, including ours.

Energy attribute certificates

Energy attribute certificates (EACs), are one of the most commonly used, and widely accepted, forms of renewable electricity purchasing worldwide. EACs represent a key component of our renewable energy purchasing programme around the world. These certificates differ by name depending on the country of origin. In Europe, they are called GOs or GOOs, in the US and Canada they are RECs, and in most of the rest of the world they are known as I-RECs.

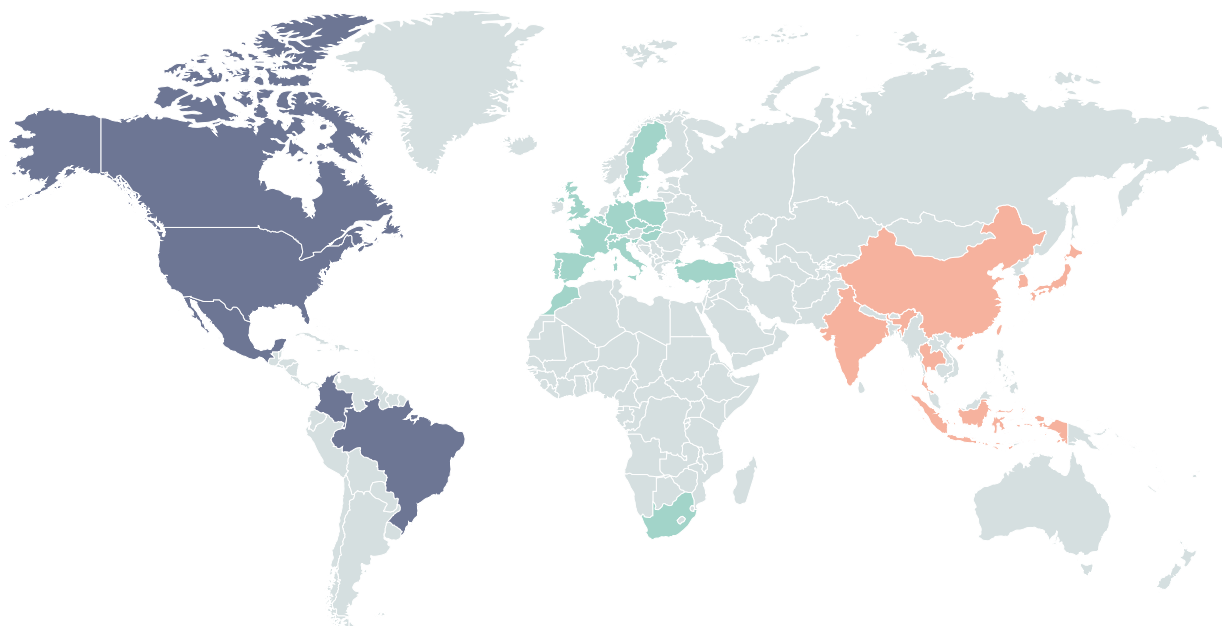
In 2024, we purchased 119,515 MWh of renewable power EACs on a global basis and retired these certificates for operations in countries located on

four continents. We purchased GOs for Europe through an Association of Issuing Bodies (AIB) accredited source, RECs in the US, and I-RECs in China, Mexico, Poland, and South Africa.

We are actively engaged with our customers for specific projects to provide renewable energy at certain locations. Most of these projects begin in 2025 or 2026 but we have already started to decarbonise these locations.

| Region or country customer commitment | Regional or country specific EAC MWh purchase |
|---------------------------------------|---|
| China | 67,715 |
| South Africa | 1,058 |
| USA | 11,556 |
| Europe | 35,291 |
| Poland | 3,345 |
| Mexico | 4,953 |
| Morocco | 676 |

Note to all purchases, so these reduced our global emission of CO₂ by 60,783 tonnes.



CARBON

– OWN OPERATIONS continued

CASE STUDY

EMEA energy efficiency strategy and targets for 2024-2030

In response to the increasing global demand for sustainable manufacturing practices, our Company has outlined a comprehensive strategy aimed at significantly improving energy efficiency and reducing greenhouse gas (GHG) emissions across all production plants in the EMEA region.

2024 Targets for energy consumption reduction

Our SBTi emission targets remain a key focus as we look to employ a combination of enhanced energy efficiency measures; the integration of renewable energy sources into our production processes, and the reduction of emissions from energy-intensive operations.

We established detailed energy reduction targets for 2024 to decrease our overall energy consumption across all our production facilities in the EMEA region. These targets are designed to focus on improving energy efficiency in our operations by ensuring that our energy consumption is reduced through non-investment projects, our 'quick wins'. Achieving these targets will require a concerted effort from all levels of the organisation, involving energy management improvements, equipment updates, and the adoption of new and advanced technologies that enable better resource utilisation.

Launch of on-site energy assessments

Starting in January 2025, we launched a series of on-site energy assessments within the region in collaboration with the EMEA energy efficiency team. These assessments will eventually be conducted at each production plant to identify areas for improvement, assess current energy management practices, and evaluate the effectiveness of existing energy-saving initiatives. The insights gained from these assessments will guide the development of tailored action plans to reduce energy consumption further and enhance the overall performance of each plant. The on-

site assessments will be an essential step in ensuring that our facilities meet the energy efficiency standards required to achieve our long-term sustainability goals. These action plans can also be shared with and act as guidance for other production facilities to achieve their plant-specific targets.

Development of energy management system (EMS)

A critical component of our energy efficiency strategy is the establishment of a robust Energy Management System (EMS). As part of this effort, we will develop and implement an energy monitoring system that will allow us to track plant-specific energy consumption in real-time. This system will integrate already existing production data with energy usage metrics to create a comprehensive overview to understand how energy is consumed across different operational processes. By doing so, we will be able to establish more effective Key Performance Indicators (KPIs) to measure our energy efficiency performance. These KPIs will serve as a foundation for continuous improvement, providing the data needed to identify opportunities for energy savings, optimise processes, and ensure that our energy use is aligned with our broader sustainability goals.

Our energy efficiency strategy and initiatives will not only improve our operational efficiency but also contribute to the broader company sustainability strategy and future for our Company and the clients we serve.



CARBON – SUPPLY CHAIN

Our purchasing team has continued the development of a Sustainable Procurement programme to engage the supply base.

Sustainable procurement is an area of growing importance for the business, moving in recent years from a programme that is nice to have, to one that is 'a must have'. Sustainability requirements are cascaded from our own customers and they represent not just as a means to ensure compliance but a wider part of ESG and social responsibility. The programme that our purchasing team is developing and putting in place will make sustainability a part of their procurement process and will drive our own sustainability requirements into the value chain.

We believe that this programme will have ongoing benefits for the Company across the near term by putting in place an evaluation of suppliers.

This programme will allow us to avoid risks in terms of legal and ethics as well as protect our brand image.

- We will have a better understanding of how the supplier base complies with local legislations
- Understand what efforts are being undertaken to minimise carbon emissions
- Evaluate what suppliers are doing with respect to protecting human rights, preventing child labour and ensuring health and safety within the organisation and in their own enterprise

Our leadership have a demonstrated commitment to sustainability and have already embraced the Sustainable Purchases policy. The purchasing team is now working on the following elements of the programme:

- Supplier ESG Evaluation – Procurement professionals will evaluate suppliers' environmental and social performance as part of the supplier selection process. Suppliers who do not meet the sustainability criteria may be asked to make changes in their programmes or risk being disqualified
- Supplier Performance Monitoring – Purchasing will monitor suppliers' performance regularly to ensure that they continue to meet sustainability requirements
- Training and Awareness Programmes – Purchasing will create a sustainable procurement training and awareness programme to help the supply base better understand the importance of sustainability, and our requirements for partnering moving forward
- Sustainability Reporting and Communication – Purchasing will develop reporting practices, maintaining transparency on sustainability goals and assessments of the supply base. This will provide clear communication to all stakeholders, as well as prospective customers, suppliers, and partners about the Company's progress and the impact it's making on the environment and society



CARBON

– PRODUCTS AND SERVICES

Our OEM customers are focusing on reduction of their CO₂ footprint. Therefore, the Group has developed material optimisation initiatives to support our customers. These initiatives address four key areas:

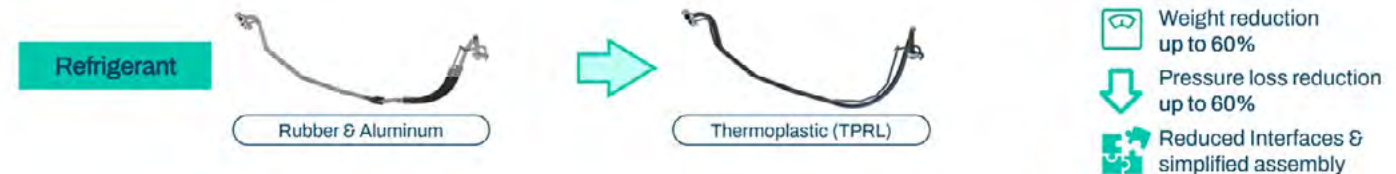
- Thermoplastic refrigerant lines
- Multilayer tubes
- Bio-based rubber
- Quick-connectors

Replacement of aluminium and rubber with plastics. Thermoplastic refrigerant lines (TPRL)

The conversion of air conditioning (AC) lines from aluminium to plastic multilayer tubes leads to a significant weight reduction of 40% to 60%. Due to this material change, less CO₂ is needed during the production process.

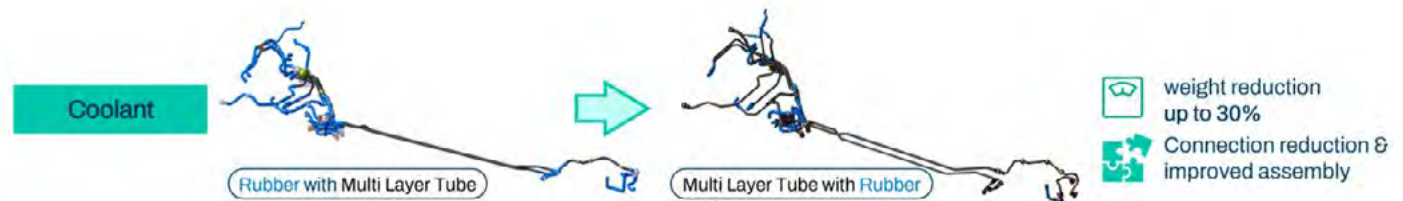
By eliminating the hose couplings, leak paths and permeation can be reduced, minimising refrigerant losses into the atmosphere. In addition, product efficiency is significantly increased due to lower pressure drops.

The usage of plastics enables us to integrate sensors and valves into the TPRL.



Material change for reduced rubber content in coolant lines. Multilayer tubes

We have optimised the material usage in our multilayer coolant lines. This leads to a significant reduction of rubber by increasing the usage of plastics. Replacing rubber with plastics reduces our CO₂ footprint by 30% in the production of these products.



CARBON

– PRODUCTS AND SERVICES continued

Sustainable material development. Bio-based ethylene propylene diene monomer (EPDM)

Bio-based materials refer to new materials and chemicals manufactured from renewable biomass such as grains, legumes, stalks and bamboo and wood powders. It also includes bio-based chemicals such as bioalcohols, organic acids, alkanes and olefins obtained from biosynthesis, bio-processing and bio-refining processes. Can also include bio-based plastics, bio-based fibres, sugar, engineered products, bio-based rubber and plastic materials obtained from biomass thermoplastic processing.

Using bio-based materials, we can reduce our dependency on fossil resources as well as our carbon footprint.

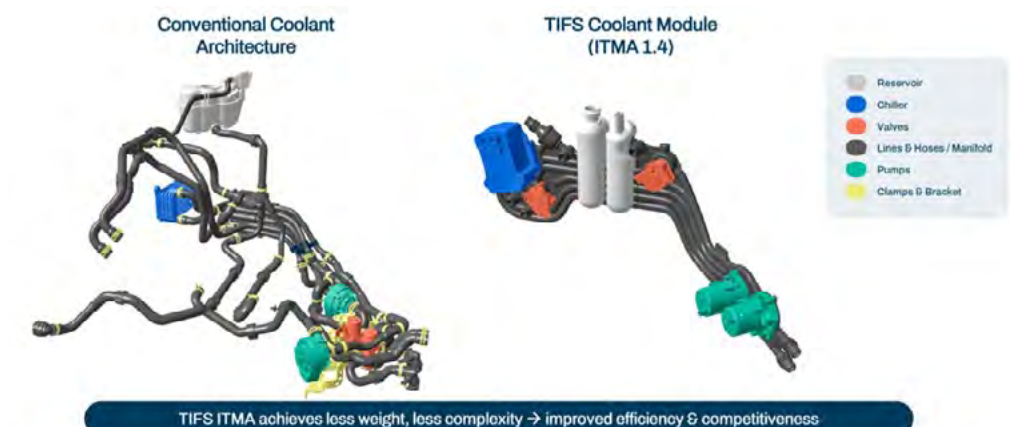
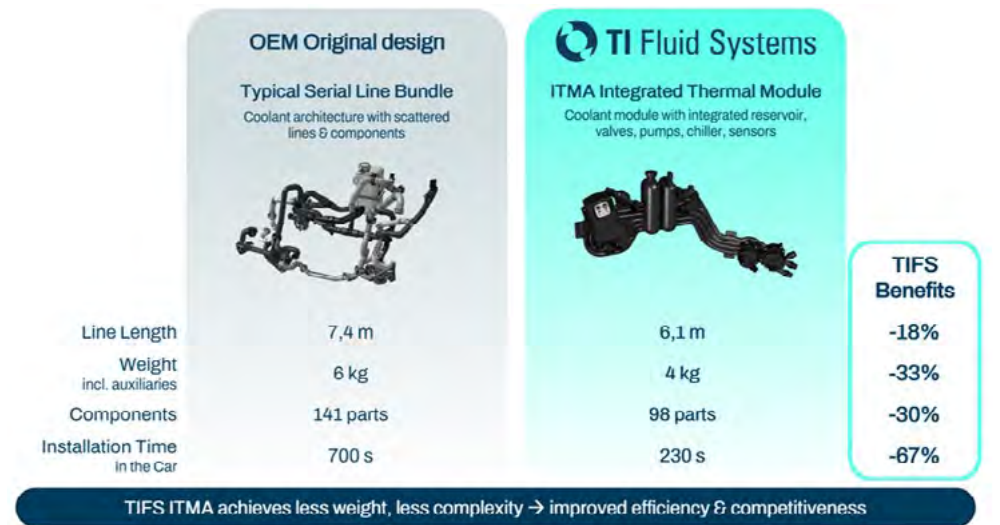
Material change from polyamide to polypropylene (PA to PP). Quick connectors (QCs)

The Group developed and validated QC out of PP material. Before QCs were produced with PA. The usage of PP material lowers the CO₂ footprint by 50% compared to PA.

Modularisation to maximise thermal management efficiency. Integrated thermal manifold (ITMA)

The classical coolant architecture is a complex system with long line length, high weight and a significant number of components requiring a long installation time. The Group has therefore developed a compact and optimised coolant module, the ITMA. This coolant module integrates the reservoir, valves, pumps, chiller and sensors reducing the line length, connections and components, resulting in weight savings.

As the ITMA is a blow-moulded part, 75% of the PP regrind is re-used, which reduces the waste.



CARBON

– PRODUCTS AND SERVICES continued

Product Life Cycle Assessment

To build on our understanding of product-specific carbon emission reductions we have started to develop our capability to complete Product Carbon Footprints (PCFs) using the Life Cycle Assessment (LCA) methodology. This method is used to evaluate the environmental impacts associated with stages of a product's life cycle. We will be completing calculations from the extraction of raw materials (cradle), the manufacturing phase to when the product leaves the factory boundaries (gate). The focus of these studies will be on carbon emissions, using this methodology to develop and understanding of our product carbon footprint. We are in the process of developing a dedicated team to complete detailed assessments for our products. This will enable us to better understand our product-related carbon emissions and support greater engagement throughout our value chain.



CASE STUDY

PCF: Accumulator IHX

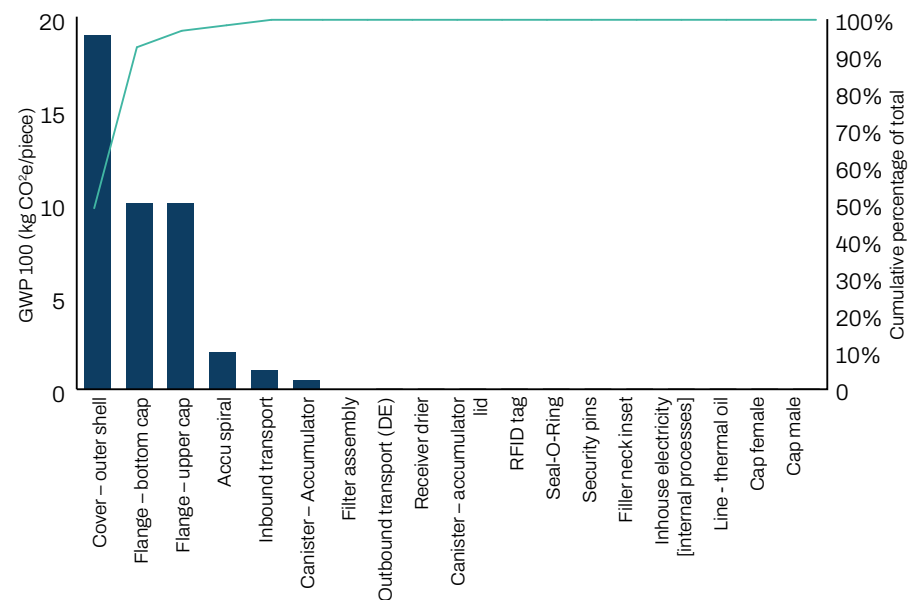
In 2024, we completed a Product Carbon Footprint of our Accumulator IHX product as shown right. This is a product that is in the development phase and will be assembled in our Jablonec Plant, Czech Republic.

The study involved the creation of a life cycle inventory model in Sphera's software package (formerly GaBi). The results demonstrated that the raw material components had the greatest impact on the carbon emissions. The figure below gives an overview of the contribution to GWP100 of the different components of accumulator IHX. The particular hotspots associated with this product were the aluminium components, cover or shell and upper and bottom caps which accounted for ~98% of the total carbon emissions. Electricity for smelting is the key contributor to the carbon footprint of primary aluminium production.

The results from this study will inform TI Fluid Systems of our carbon footprint hotspots for the manufacture of the Accumulator IHX so that we are better equipped to take pertinent product design and strategic decisions. Furthermore, it will provide TI Fluid Systems and our customers with key environmental impact data. This will allow both parties to better assess the product and make meaningful design and material sourcing decisions that will likely affect the PCFs completed in the future.

Baseline scenario

IPCC AR5 GWP 100 excluding biogenic CO₂



WATER USE

Water use focuses on water scarcity and how effectively a company uses its water supply.

Our ambition

Reduce water use, especially in areas with high water scarcity risks. Protect the quality of water in the communities where we work and live.

Water recycled and reused

We are implementing a strategy to reduce the use of water and increase our conservation efforts, particularly in water scarcity areas. In 2023, we looked at the targets that we put in place and have decided to modify these targets in 2024.

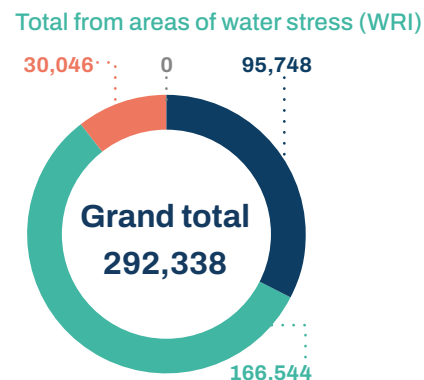
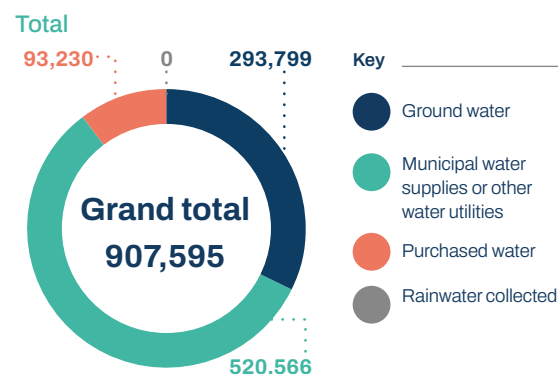
These targets will focus on operations that use water in production and will be a more robust measure for the Group to track consumption. The majority of our facilities do not use water in conjunction with production of parts. We are establishing better controls on the data for water consumption and ultimately the fate of the water that we use, for example evaporative loss, sewerage.

The majority of the water that we use is related to non-contact cooling. As such, much of this water is discharged to local sanitation departments. We have several initiatives to minimise the volume of water that we use in our production environment.

Water sources significantly affected by withdrawal of water

None.

2024 water withdrawal



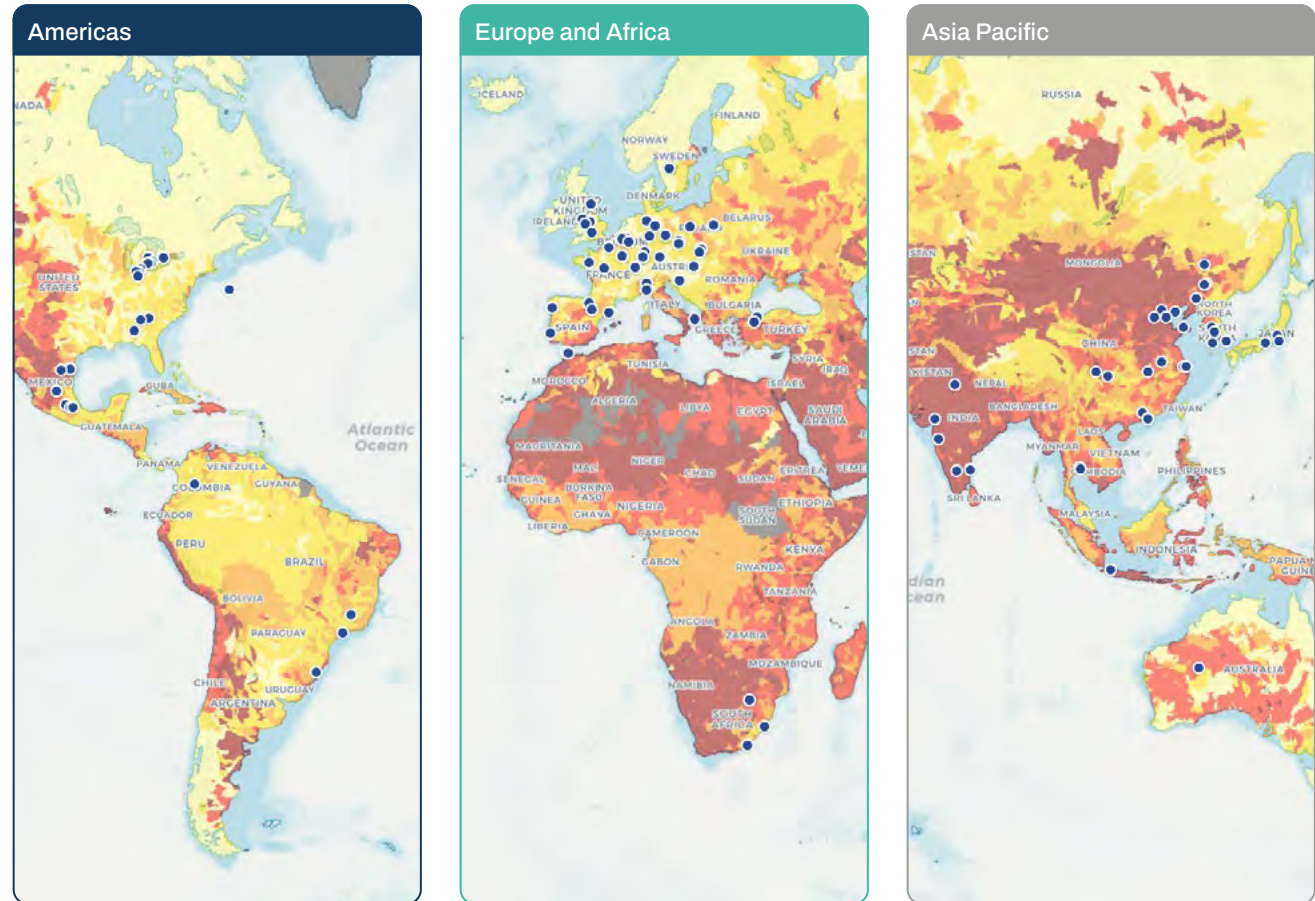
WATER STRESS

Water stress is a critical global issue, characterised by the imbalance between water demand and supply. It is the ratio of water demand to renewable supply and measures the competition for local water resources. The smaller the gap between supply and demand, the more vulnerable a place is to water shortages. Addressing this challenge is essential for sustainable development and the wellbeing of communities and ecosystems.

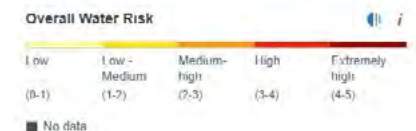
The World Resources Institute (WRI) has created the Aqueduct tools to help organisations, governments, and communities understand and manage water risks. The Aqueduct Water Stress Projections Data provides insights into changes in water supply, demand, stress, and seasonal variability. It can also be used to assess water stress for the coming decades, considering climate and economic growth scenarios. We have used the WRI Aqueduct tool to complete an assessment across all of TI Fluid Systems locations. This work highlighted plant locations and regions where it is expected the Company may experience water stress more readily.

According to these projections, 20 out of 126 locations are at extremely high risk of water stress, as defined by the WRI Aqueduct tool. Water stress is highlighted as a risk by the tool in the following countries: India, China, Morocco, South Africa, Indonesia, Mexico, Italy, Thailand, Portugal and Brazil.

As a result of water stress at one of our plants located in Mexico City, we actively manage the water that is needed by transporting this from a region of lower water stress. In countries and locations where water stress is prevalent, as highlighted by the WRI Aqueduct tool, it will be important for us to ensure closer monitoring of the amount of water being used. It will be critical to ensure water reduction targets are set and adhered to, reducing the impact this could have on the environment and the broader community.



The Aqueduct Water Risk Atlas is a detailed, high-resolution platform that maps and analyses current and future water risks worldwide.



WASTE MANAGEMENT

Generation of waste

A key element of our business's sustainability is built around management of the non-hazardous and hazardous waste that the Group generates. Our focus is based around the following four principles: Reduce, Reuse, Refurbish, Recycle.

Reduce

Over the past several years we have worked with suppliers and customers on the development of reusable containers. The use of reusable containers reduces the amount of waste generated, particularly for wood and cardboard waste streams. We have a very strong scrap reduction initiative. Our operations, quality, and environmental teams work together to try to reduce scrap production. Scrap rates have been set as business KPIs and are tracked monthly. The reduction of scrap is an important waste and raw material conservation effort.

Reuse

Several elements of the business have found ways to reuse material and resources to minimise the generation of waste. Both of our divisions have programmes where we collect scrap plastic that has been either blow-moulded or injection-moulded that can be mechanically reground and reused in certain products we produce. This reuse is an important step used to both minimise waste generation and conserve raw materials.

Refurbish

Several of our plants are involved in returning slightly used or damaged wood pallets for refurbishment. This prolongs the life of the pallet and ultimately reduces the need to harvest additional wood for pallet construction.

Recycle

The Group has a strong recycling culture. Our plants have sought out recycling opportunities for cardboard, wood, plastics and metals for many years. This culture supports our significant landfill avoidance.

Our ambition

We have been working on waste minimisation and reduction for years. In 2022, our EHS teams established a new baseline waste generation volume that incorporates hazardous and non-hazardous waste generation.

We have established our target for 2030, which are 90% landfill avoidance and 80% recycling rate for waste materials.

Waste disposal

As our sustainability initiatives develop, we are selecting waste vendors that have strong approaches to sustainability. In some regions we have our food waste and other organic waste completely segregated, supporting landfill avoidance. We have many plants that are able to divert certain waste streams to energy facilities. Finding and using responsible and sustainable waste management partners is a key focus for our Board, Executive Committee, and our employees. We are committed to minimising our impact in the communities where we operate and live.



WASTE MANAGEMENT continued

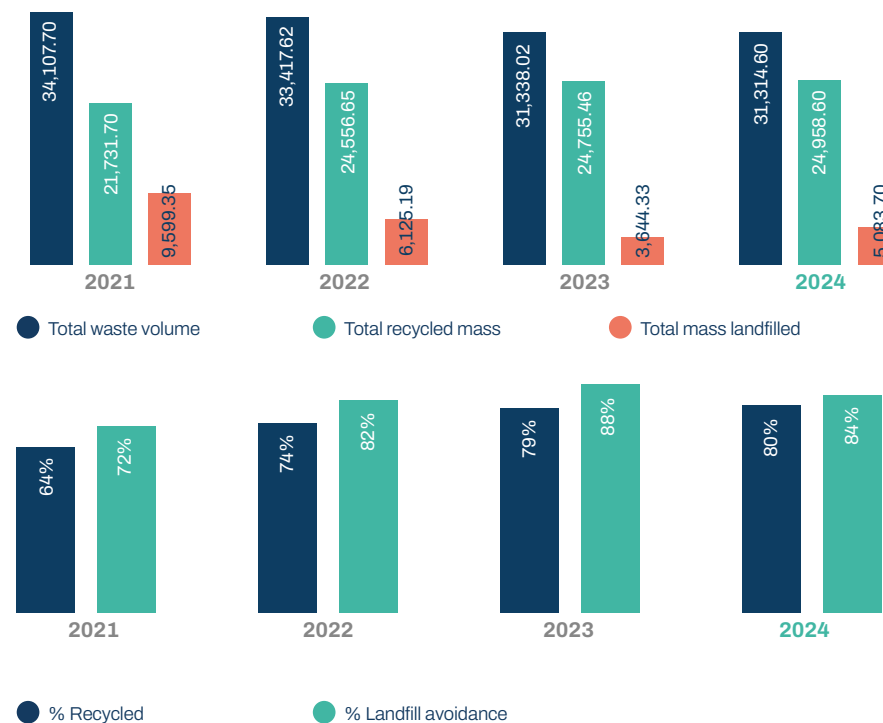
Hazardous waste generation

| (metric ton) | 2021 | 2022 | 2023 | 2024 |
|--|----------|----------|----------|-----------------|
| Hazardous total | 2,233.70 | 2,035.93 | 2,242.31 | 1,873.48 |
| (i) Reuse (hazardous) | 43.76 | 43.93 | 18.03 | 31.23 |
| (ii) Recycling (hazardous) | 575.83 | 738.30 | 917.08 | 842.57 |
| (iii) Composting (hazardous) | 0.00 | 0.00 | 1.50 | 0.00 |
| (iv) Recovery, including energy recovery (hazardous) | 117.85 | 329.40 | 472.93 | 382.92 |
| (v) Incineration (mass burn) (hazardous) | 355.46 | 362.76 | 216.31 | 202.91 |
| (vi) Deep well injection (hazardous) | 0.00 | 0.00 | 0.00 | 0.00 |
| (vii) Landfill (hazardous) | 225.74 | 123.20 | 86.20 | 45.94 |
| (viii) On-site storage (hazardous) | 602.50 | 124.34 | 88.19 | 0.38 |
| (viii)) Other (hazardous) | 312.56 | 313.99 | 442.06 | 367.54 |

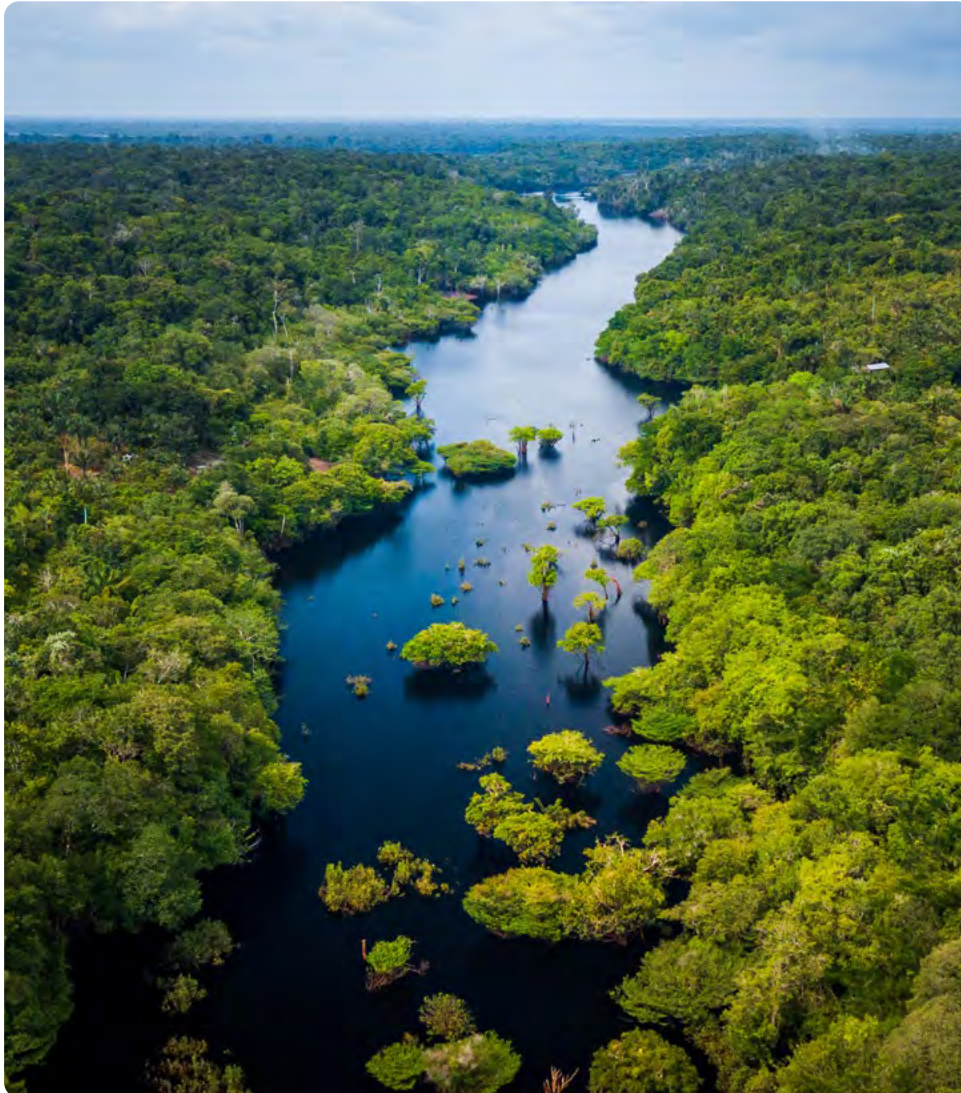
Non-hazardous waste generation

| (metric ton) | 2021 | 2022 | 2023 | 2024 |
|--|-----------|-----------|-----------|------------------|
| Non-hazardous total | 31,874.00 | 31,381.69 | 29,095.71 | 29,441.09 |
| (i) Reuse | 4,885.48 | 4,555.77 | 5,130.82 | 5,750.64 |
| (ii) Recycling | 15,691.10 | 18,306.67 | 17,652.05 | 17,257.18 |
| (iii) Composting | 60.81 | 193.13 | 227.13 | 263.09 |
| (iv) Recovery, including energy recovery | 356.83 | 389.43 | 335.90 | 430.97 |
| (v) Incineration (mass burn) | 714.02 | 825.96 | 855.08 | 1,039.25 |
| (vi) Deep well injection | 0.00 | 0.00 | 0.00 | 29.76 |
| (vii) Landfill | 8,752.60 | 5,857.95 | 3,469.94 | 2,745.61 |
| (viii) On-site storage | 18.51 | 19.70 | 0.00 | 0.00 |
| (viii) Other | 1,394.65 | 1,233.06 | 1,424.79 | 1,924.59 |

Waste KPIs



BIODIVERSITY



In 2023, we began to assess our footprint relative to biodiversity. This data is part of the content that is recommended for disclosure by the Taskforce on Nature-related Financial Disclosures (TNFD) which is also consistent with the Global Reporting Initiative (GRI) section 304 Biodiversity disclosures. This initial assessment looked to evaluate our own sites that are in or adjacent to protected areas and areas of high biodiversity value. Subsequently we have built on this work as part of our recent assessment adding additional biodiversity frameworks.

Methodology

The initial assessment included publicly available data from **International Union for Conservation of Nature (IUCN)** and www.keybiodiversityareas.org on key biodiversity areas (KBAs). Based on this assessment we determined that five TI Fluid Systems facilities globally were within or adjacent to a KBA in accordance with the GRI 304 standard on biodiversity.

KBAs are defined by the IUCN as 'sites contributing significantly to the global persistence of biodiversity, in terrestrial, freshwater and marine ecosystems' as documented through a global standard for the identification of KBAs.

Using the information provided by these sources, including boundary locations for KBAs, and cross-referencing to our locations we can determine which locations are within or adjacent to our operations. Whilst no set definition of 'adjacent to' has been defined by GRI 304, we defined adjacent to as any site that is located one kilometre or less from a KBA's edge. We mapped our locations with the current KBAs using ArcGIS. We have added to this analysis using the ENCORE biodiversity

modelling and WWF Biodiversity Risk assessment frameworks.

ENCORE Biodiversity Tool & Results

The ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool is an online tool that can be used to help companies understand impacts and dependencies on natural capital. This provided a sector-specific assessment for motor vehicle part manufacture without the use of plant or location data. The results of this work highlighted sector-specific considerations for environmental impacts, the potential risks relating to disturbances (e.g. noise, light) and risk of emissions), pollutants to water and soil).

WWF Biodiversity Tool & Results

The WWF Biodiversity Risk Filter Tool allows the assessment of biodiversity-related risks at our various plant locations. The risk factor is comprised of the following indicators: Protected Areas (PA), Key Biodiversity Area (KBA), Ecosystem Condition, Delineated Areas and Range Rarity. Overall, TI Fluid systems has an environmental risk score of 2.5 globally. This is primarily driven by the proximity of our sites to protected areas in comparison to the other indicators. This is considered within the WWF low-risk scoring bracket (1.9-2.6). The specific protected area risk score was 2.8, a medium risk; as such in some locations it will be important to evaluate this in more detail.

BIODIVERSITY continued

KBA Detailed results – KBA assessment.

Our initial analysis highlighted the five locations within a KBA as shown in the table below. Given our large global footprint we have a very small impact globally on KBAs with operations located inside four different KBAs. Our operations occupy a minuscule percentage of the KBAs that we are within or adjacent to.

| Operations located in or adjacent to KBAs | Area (m ²) | Biodiversity type | Species listed in the KBA | Percentage of KBA covered by our operations | IUCN red list plant and animal species |
|---|------------------------|---------------------------------|--|---|---|
| Durban, South Africa | 266 | Terrestrial | Afraxalus spinifrons, Hemisus guttatus, Hyperolius pickersgilli, Natalobatrachus bonebergi, Geronticus calvus, Grus paradisea, Zoothera guttata, Argyrolobium longifolium, Cassipourea gummiflua, Cola natalensis, Fimbristylis aphylla, Hydrostachys polymorpha, Pronium serratum, Siphonochilus aethiopicus, and Stangeria eriopus | 0.00000095 | 0 – Critically endangered 3 – Endangered 4 – Vulnerable 2 – Near threatened 4 – Least concern |
| Santafe, Colombia | 26,082 | Terrestrial, Freshwater | Chlorostilbon poortmani, Cistothorus apolinari, Conirostrum rufum, Rallus semiplumbeus, and Synallaxis subpudica | 0.00014 | 0 – Critically endangered 2 – Endangered 0 – Vulnerable 0 – Near threatened 3 – Least concern |
| Leipzig, Germany | 1,812 | Terrestrial | None listed | 0.00072 | 0 – Critically endangered 0 – Endangered 0 – Vulnerable 0 – Near threatened 0 – Least concern |
| Tangier, Morocco B1 | 3,119 | Terrestrial, Freshwater, Marine | Pelobates varaldii, Charadrius alexandrinus, Otis tarda, and Genista ancistrocarpa | 0.000014 | 0 – Critically endangered 2 – Endangered 1 – Vulnerable 0 – Near threatened 0 – Least concern |
| Tangier, Morocco B3 | 5,000 | Terrestrial, Freshwater, Marine | Pelobates varaldii, Charadrius alexandrinus, Otis tarda, and Genista ancistrocarpa | 0.000022 | 0 – Critically endangered 2 – Endangered 1 – Vulnerable 0 – Near threatened 0 – Least concern |

SOCIAL

In this section

| | |
|------------------------------|----|
| Social | 45 |
| Our people | 46 |
| Diversity and inclusion | 47 |
| Community relations | 48 |
| Data privacy and security | 50 |
| Human rights | 51 |
| Human capital | 52 |
| Occupational health & safety | 54 |
| Product safety | 57 |
| Responsible purchasing | 58 |

SOCIAL

Highlights

Lost time injury frequency

1.76

2023: 3.00

Occupational health and safety management system

96

2023: 96

Applicable UN SDGs



Overview

Our strength as a global automotive supplier is directly tied to the talent and perspectives of our staff, management and Board leadership. We are committed to treating every team member with respect and creating a culture that values and promotes ethical business practices, compliance, diversity and inclusion. Our core values promote our social programmes by respecting our employees, creating positive, long-term relationships with our customers, and making constructive contributions to the communities in which we operate. Consistent with our investment in our people, we have continued to develop and improve our global safety and diversity programmes.

Our goals

We have a strong commitment to the protection of our employees. We continue to provide a safe and inclusive workplace environment with LTIF well below European and US manufacturing average rates. Our LTIF targets aim to reduce lost time injuries across our operational footprint.

Our commitment to inclusivity remains strong and we continue to invest in our diversity and inclusion programmes.

Our progress

We have ISO 45001 occupational health and safety management systems across 96 global locations, which accounts for 98% of our manufacturing sites. We are actively expanding this programme to include all of our global testing centres and eMICs in 2025. We implemented global campaigns including the Global Safety Week and cancer awareness campaigns for Pink October and Blue November. Additionally, locations developed local campaigns to promote safety awareness for defensive driving and traffic safety (Brazil), first aid (India) and safety improvements (Mexico). The Company also supported employee wellbeing by sponsoring runs in various countries, including the US, Germany, Poland and Brazil.

Throughout 2024, we organised a variety of activities to promote health and safety, inclusivity and diversity in the workplace. These included the Women in Leadership campaign including a special event during International Women's Day, initiatives focused on mental health and neurodivergent individuals in the workplace, and celebrations of Pride Week in June, and Diversity Week in November. These global and

local activities engaged our employees from all around the world, fostering a more inclusive and supportive work environment.

We also engaged our top leadership in a DEI Accountability Workshop where we conducted benchmarking against leading industry and global DEI practices to identify gaps in our current status. The workshop included discussions on building upon our existing foundation, aiming for practical outcomes that directly impact our business's growth and competitive edge. This session focused on understanding what works, identifying what we're missing, and adapting strategies to achieve tangible results.

From a Talent Management perspective, we conducted a comprehensive Talent Review for our top 300 senior leaders, evaluating their performance and potential. This review also incorporated diversity KPIs to guide decisions on development programmes to further enhance our leadership depth and succession pipeline.



OUR PEOPLE

As part of our ongoing commitment to transparency and progress in social and diversity initiatives, we are pleased to provide an updated report on workforce diversity data. In addition to the gender diversity data of our senior management team, this includes a detailed breakdown of gender representation within our salaried workforce, highlighting the distribution of men and women across various regions in our global organisation. Additionally, we present insights into diversity across different roles within the Company, illustrating how representation varies from management positions to white-collar employees, both globally and regionally.

Pay equity

Each year, our Global Compensation group conducts a comprehensive review of pay equity, focusing on ensuring gender pay equity across our salaried workforce worldwide. In this analysis, employees are grouped based on country, job code, experience, and qualifications, allowing for detailed comparisons within similar roles. When potential pay equity variances are identified, we collaborate closely with our local HR Business Partners to understand these differences and implement corrective actions as needed.

In 2024: 100% of salaried women globally were included in our pay equity analysis.

Our pay equity analysis highlighted circa 99% pay equity for salaried women and 1% of salaried women globally received an adjustment to base salary due to unexplained pay equity variances.

Employee turnover

Turnover data helps us identify trends, improve retention, and enhance employee satisfaction. Sharing this information demonstrates our commitment to accountability and continuous improvement. We have presented our employee voluntary turnover data for 2023 and 2024, highlighting the regional variability seen across the Company.

Senior management

| Gender | Male | % Male | Female | % Female | Total |
|---------------------------------------|------|--------|--------|----------|-------|
| CEO | 1 | – | – | – | 1 |
| Executive Committee | 7 | 70% | 3 | 30% | 10 |
| Direct Reports to Executive Committee | 61 | 75% | 20 | 25% | 81 |

Total workforce (as of December 2024)

| | Global | | | Americas | | | Europe, Middle East & Africa | | | Asia Pacific | | |
|--------------|---------------|--------------|---------------|--------------|--------------|--------------|------------------------------|--------------|---------------|--------------|--------------|--------------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Managers | 989 | 311 | 1300 | 247 | 93 | 340 | 494 | 156 | 650 | 248 | 62 | 310 |
| White collar | 1,723 | 967 | 2690 | 379 | 257 | 636 | 730 | 443 | 1173 | 614 | 267 | 881 |
| Blue collar | 13,892 | 7,544 | 21,436 | 3,467 | 2,962 | 6,429 | 5,393 | 3,278 | 8,671 | 5,032 | 1,304 | 6,336 |
| Total | 16,604 | 8,822 | 25,426 | 4,093 | 3,312 | 7,405 | 6,617 | 3,877 | 10,494 | 5,894 | 1,633 | 7,527 |

Salaried workforce age data (as of December 2024)

| Age | Global | | | Americas | | | Europe, Middle East & Africa | | | Asia Pacific | | |
|--------------|--------------|--------------|--------------|------------|------------|------------|------------------------------|------------|--------------|--------------|------------|--------------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| <30 | 161 | 113 | 274 | 66 | 43 | 109 | 55 | 41 | 96 | 40 | 29 | 69 |
| 30-50 | 1,632 | 856 | 2,488 | 294 | 181 | 475 | 679 | 410 | 1089 | 659 | 265 | 924 |
| >50 | 919 | 309 | 1,228 | 266 | 126 | 392 | 490 | 148 | 638 | 163 | 35 | 198 |
| Total | 2,712 | 1,278 | 3,990 | 626 | 350 | 976 | 1,224 | 599 | 1,823 | 862 | 329 | 1,191 |

Comparing data from 2023 to 2024 we have seen a reduction in voluntary turnover rates globally and across all regions respectively. The largest percentage reduction in turnover was seen within the Americas Region.

In 2024, we initiated a comprehensive Talent Review process for our top 300 senior leaders, which included an assessment of the risk of loss. This proactive approach aims to mitigate risks and retain our talent.

Voluntary turnover (12 months rolling)

| | 2023 – Total December | 2024 – Total December |
|------------------------------|-----------------------|-----------------------|
| Americas | 18.8% | 13.4% |
| Europe, Middle East & Africa | 7.2% | 4.2% |
| Asia Pacific | 9.6% | 6.8% |
| Total | 11.9% | 8% |

DIVERSITY AND INCLUSION

We recognise the importance of diversity in enhancing our culture and driving strong business performance, and we strive to create an open and inclusive environment where our employees, Directors, suppliers, and customers are valued and respected. We believe it's our responsibility to respect and uphold the rights of our people – including women, minorities and other protected groups – and do not tolerate discrimination or harassment. We are committed to creating an inclusive workplace and welcoming ideas and perspectives from all backgrounds and cultures to build better products and enhance the communities we serve. We believe our commitment to human rights and a workforce free from discrimination and

harassment is evident in our Human Resources, Safety, and Purchasing policies and practices.

We manage our diversity and inclusion practices with clear objectives from our Board and Executive Committee with alignment and commitment at all levels within the organisation. In addition to our global practices, each region is empowered to implement localised programmes to further drive performance and development in line with the needs of the business and the local labour market.

The regional councils exist to further promote a diverse and inclusive culture locally and establish priorities and initiatives for each region. Each respective council has individuals or sub-committees focused on topics such as training,

talent retention, and communications. The D&I Councils receive support through corporate human resources to help guide and inform their initiatives, and monthly, representatives from all three councils meet with the D&I Director to report on progress, share ideas and resources, identify new goals or focus areas, and plan upcoming initiatives.

In addition to our regional diversity councils, employees have established Women's Empowerment Networks (WEN) in each region. WEN are voluntary, employee-initiated groups of employees who gather socially and share ideas and similar interests outside normal work groups. These groups also help engage, retain and develop employees through personal development

activities, peer support and mentorship, and direct interaction with senior leadership.

The WEN expanded their activities in 2024 organising a Global Allyship Training with leaders from each region across multiple functions. During the training, participants engaged in activities designed to increase their knowledge, skills, and awareness on how to be active allies and advocates for underrepresented groups. The workshop provided a comprehensive understanding of how to challenge discrimination, break down barriers, and promote fair and equitable outcomes. Additionally, leaders were equipped with practical tools and strategies to identify, challenge, and mitigate biases in the workplace.



Aline Hay
Quality Director Europe
Central and South
France



International Women's Day
#InspireInclusion #WD2024

What does "Inspire Inclusion" mean to you in the context of TI Fluid Systems?

"Inspire Inclusion" holds personal significance for me due to my unique background. I was born in a refugee camp at the Thailand-Cambodia border in 1981, to parents who escaped the tragic Khmer Rouge regime of Pol Pot from 1975-1979. I arrived in France around 1983 and have lived there since, experiencing both positive and negative aspects of not being a native French person.

I've been with TI for nearly 13 years, starting as an SQA engineer, then becoming SQA manager, Plant Quality Manager at TI Chalons, and now, as of January 1st, 2024, I've transitioned to the role of Quality Director for Europe Central and South.

I don't fit the typical director mold due to my background. However, despite all these factors, I want to emphasize that in our company and the world, your value isn't defined by your origins, background, appearance, or anything else. It's about you as an individual, with your unique culture, mindset, and the work you put in.

COMMUNITY RELATIONS

Our Core Values promote our social programmes by highlighting we value our employees, seek to form enduring relationships with our customers, and make positive contributions in the communities where we operate.

Our ambition

We operate in 26 countries worldwide. Our people and operations are encouraged to develop a local strategy to make positive contributions to their communities through participation in local events. In 2024, our employees participated in and contributed to many community and charitable projects across the world.

In 2024, we came together as ONE TI to sponsor aid for natural disasters occurring in locations near our operations and to support the communities through local charitable and outreach activities.



COMMUNITY RELATIONS continued

In Spain, we contributed donations to support flood relief efforts in Valencia. In the United Kingdom, we partnered with a local hospice to raise funds through various employee-engaging activities. In Poland and the US, we organised blood drives. In South Africa and Brazil, we supported local organisations that provide services to underrepresented communities with donations. In December, employees across most of our operating countries came together to spread joy during the Christmas season by organising toy drives for children. Our corporate office in Michigan, US has participated for the past few years in joining thousands of individuals helping to clear blight and beautify one of Detroit's local communities. The 2024 project took place in the community surrounding the former Winans Academy/Dominican High School property on September.

In 2024, we continued our scholarship programme to support and provide opportunities for female and minority students in need to pursue their STEM (science, technology, engineering and mathematics) studies at colleges and universities in countries where we have significant operations. Programmes are currently in place in the United States, China, German, Poland and Mexico. In total, we supported 49 students in 2024 to pursue their college degree and we are looking to continue the programme in 2025.



DATA PRIVACY AND SECURITY

TI Fluid Systems is committed to safeguarding the privacy of our stakeholders and has established a robust Data Protection Programme to ensure compliance with applicable laws.

At the core of this, sitting alongside our Information Security Policy and Record Retention policies, is our Data Protection Policy (the policy) which details the general data protection principles, responsibilities and expectations of the Company regarding the handling of the personal data of our employees for legitimate business purposes as required by law or with individual consent.

Regular training is delivered to ensure knowledge regarding the processing of such data is current, and all employees annually confirm their ongoing commitment to the policy. The policy is available on the intranet, in our employee HR Gateway and at our facilities. Our privacy notice is available on our website and linked in email footers.

Information audits are performed locally throughout Europe, recording the categories of personal data held, the purpose of the processing, the technical and organisational security measures in place to safeguard such information and the lawful basis of the processing according to the General Data Protection Regulation.

Where personal data is required to be transferred between Group entities, this is done so in accordance with the Standard Contractual Clauses incorporated in our international Data Transfer Agreement and updated in line with applicable EU Commission publications.

As well as ensuring the internal safeguarding of stakeholder data, we have adopted measures to ensure such requirements are met by relevant third-party service providers through data processing agreements.

The establishment of a dedicated email (privacy@tifs.com) for queries, requests and reporting of potential and actual data breaches, ensures timely management of queries and prompt investigation of reports. We have recently updated our Incident Response Plan to ensure clear direction on incident management to all stakeholders and prompt and thorough investigation of data breaches.

The Group continues to closely monitor developments in the privacy landscape and update our Data Protection Programme as necessary.



HUMAN RIGHTS

Human rights focus us on how we manage and respect fundamental human rights within our operations. Emphasis is on measures taken to protect civil and political rights, as well as economic, social and cultural rights, including child and forced labour.

Our ambition

We are committed to conducting business in an ethical and professional manner at all times. The foundation of our Human Rights policy is respect for the fundamental and essential human rights of our employees, customers, suppliers and other stakeholders.

Our Human Rights policy aligns with internationally recognised human rights standards, including the United Nations Guiding Principles on Business and Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. Our Human Rights policy is intended to serve as a supplement to our Code of Business Conduct. Our management team works to eliminate the risk of human rights violations in all areas of our business across all global locations. We recognise the diverse racial, social, and economic conditions where we operate and seek to uniformly apply our Human Rights policy and Code of Business Conduct at all locations. Consistent with our commitment to fundamental human rights, we seek to maintain the highest standards and values across all locations whilst fully complying with any specific human rights regulations applicable to the jurisdictions where we operate.

We are a signatory to the UN Global Compact. The UN Global Compact aligns well with our core values.

The Group is committed to doing business ethically. We fully support generally accepted human rights conventions as reflected in our Human Rights policy as well as Code of Business Conduct and in our annual Modern Slavery Statement.

We take the protection of human rights seriously and have zero tolerance for the use of slave and child labour.

We had all of our management and staff employees individually commit to our Human Rights policy to reinforce our dedication to human rights at every level of our organisation and continuously strive to create a workplace that not only complies with legal standards but also exemplifies the highest ethical standards.

To reinforce transparency and accountability, we provide a confidential reporting hotline (Vault) for employees to voice concerns about ethical matters or potential compliance issues. This hotline ensures that every employee has a secure channel to contribute to our collective commitment to ethical conduct, fostering an environment built on trust, openness, and adherence to the highest standards of business ethics.

Freedom of association

We appreciate and seek clear and efficient communication which comes from engaging with our workforce directly. We also recognise that employees in many jurisdictions may freely choose to organise under a trade union for purposes of collective bargaining, in which case we seek to engage in constructive dialogue with employee representatives.

Union association and representation is supported where requested as per our Human Rights Policy. To support greater transparency on our social reporting data, we have presented figures that show the percentage of workforce covered by collective bargaining agreements in 2024. These figures highlight regional variability in union association and representation.

| | 2024 – Total | | | |
|---|--------------|------|------|-------|
| | AMER | EMEA | APAC | Total |
| % | 61% | 76% | 35% | 60% |



HUMAN CAPITAL

2024 Global – Salaried workforce

Key product training

23,079 hrs

Male

10,876 hrs

Female

Skill development training

14,262 hrs

Male

6,720 hrs

Female

Our strength as a global Tier 1 automotive supplier is directly linked to the talent and diversity of our staff, management and Board. We are committed to treating individuals with respect, and to building and maintaining a culture that values and promotes ethical business practices, inclusion and career development opportunities. We welcome employees with diverse perspectives who share our vision of a world marked by knowledge and compassion, and encourage a culture of continuous learning.

Our people are considered for employment, training, career development and promotion on the basis of their abilities and aptitudes, regardless of age, gender, gender identity, sexual orientation, religion or ethnic origin. These messages are reinforced by our Core Values.

We have maintained our Six Mindsets for Success, as such, our human capital strategy is built on attracting, developing and retaining the talent required to position for the future of our industry. We provided over 33,000 hours of key product and process knowledge training and over 20,000 hours of skill development training through our Fluid Learning platform and local initiatives. The chart below represents the distribution of the training hours by gender for our salaried population.

On an annual basis we collect information on employee performance and potential to support individualised development and succession planning. In 2024, 92% of our employees participated in goal-setting discussions with their managers where they discussed both performance and development goals. We also conducted a comprehensive Talent Review for our top 300 senior leaders which included their performance and potential. This review also incorporated diversity KPIs to guide decisions on development programmes to further enhance our leadership depth and succession pipeline. We manage succession for Executive-level leadership positions centrally, reporting plans and actions to our Board of Directors.



HUMAN CAPITAL continued

Code of Business Conduct

We expect all employees to conduct business in accordance with our Code of Business Conduct (COBC), and all applicable laws, rules, and regulations of the jurisdictions that apply to our business activities.

Compliance with our COBC and all applicable laws, both in letter and in spirit, is the foundation on which our ethical standards are built.

The Code of Business Conduct addresses the following:

- Gifts, loans and other benefits to employees
- Conflicts of interest
- Confidential information
- Record keeping
- Business-related expenses
- Facilitation payment to government employees or officials
- Competition and fair dealing
- Positive work environment
- Intellectual property
- Product safety and quality
- Environmental standards
- Workplace health and safety

All salaried employees receive regular training on the COBC and compliance issues relevant to their function. In addition, employees are required to annually certify their understanding and compliance with the COBC.

Through 2024 employees had the opportunity to engage with several of our Board members during their visits to our locations. In October we hosted a Lunch & Learn where our talent from different functions in the corporate office in Auburn Hills had the opportunity to engage with our Board member Mr. John Smith to learn more and discuss about the Board structure and focus, Company strategy and leadership. In November, our Engineering Team had the opportunity to showcase our latest technology and walk several Board members through our main projects in a tour at our E-MIC facility.

We take our employees' health, both physical and mental, seriously, and we continue to have programs to support our employees. These include a Global Employee Assistance Programme across all countries which provides resources for our employees' emotional and mental health, a robust health and safety programme ensuring our workplaces are safe, a feedback loop with employees through skip-level meetings, town halls, employee engagement surveys and a confidential hotline for employees to address potential issues they might have in their location.

All salaried employees receive regular training on the COBC and compliance issues relevant to their function. In addition, employees are required to annually certify their understanding and compliance with the COBC. The chart below illustrates the percentage of employees who completed the annual training and certification on the COBC and Human Rights policy.

COBC & human rights training:

| | 2024 – Total | | | |
|--------------|--------------|--------|--------|--------|
| | AMER | EMEA | APAC | Total |
| COBC | 98.46% | 98.76% | 97.91% | 98.43% |
| Human rights | 98.76% | 98.93% | 98.24% | 98.68% |

Six Mindsets for Success

Embrace change

In order to succeed, we can't keep doing things the same way we used to. Change is necessary.

Become the expert

Be dedicated to your own technical and professional development to be the best you can be in your career.

Be a continuous learner

Go out and seek opportunities to learn every day. Do not wait for someone to tell you to learn.

Innovate

Find ways to be innovative in your work, team, and function.

Win as a team

The only way to win as a Company is by winning together. There is no 'us' versus 'them', just WE.

Own inclusion & engagement

Understand and live the idea that inclusion and engagement 'starts with me'.

OCCUPATIONAL HEALTH & SAFETY

Our ambition

To have world-class safety for all our locations.

The health and safety of our employees remains an overarching priority and is central to everything we do. We focus on safe working environments and eliminating work-related injuries and illnesses. We are developing a much stronger health and safety culture. This is the result of a multi-year effort to improve reporting, communication and provide better training programmes for our plants to improve health and safety at all our facilities.

In 2024, we built on the foundations set in 2023, where we significantly expanded our safety management system (a third-party verified system) which covers 96 of our manufacturing locations under the ISO 45001 Occupational Health and Safety Management System. 81 locations are certified under a multi-site certificate and the remaining 15 certified sites hold a China-specific certificate. We are actively expanding this programme to include testing centres and eMICS in 2025. Currently our certification to ISO 45001 covers 81% of all our locations (i.e., manufacturing plants, offices, warehouses, tech centres, eMICS, and satellite locations).

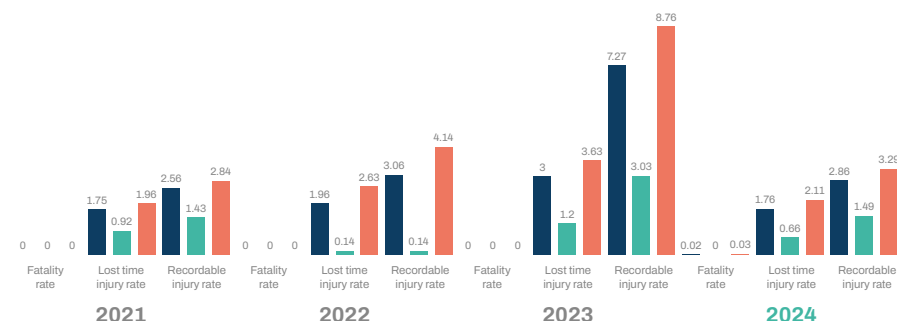
All potentially life-threatening incidents and lost time injury frequency (LTIF) rate for the organisation as a whole are reported to the Executive Committee. This information, with a detailed breakdown of injury by plant and open injury reports, is provided to each regional President on a monthly basis. The corporate safety team helps to steer and implement policies and programmes approved by the Corporate Safety Steering Committee.

At a local level, each plant is required to have a Safety Committee that comprises the plant manager, at least one other senior manager, and operators and supervisors working on the plant floor. The mandates of local Safety Committees vary depending on the plant but, generally, include hazard identification and assessments, accident investigations, safety audits, safety training and recommending personnel protective equipment.

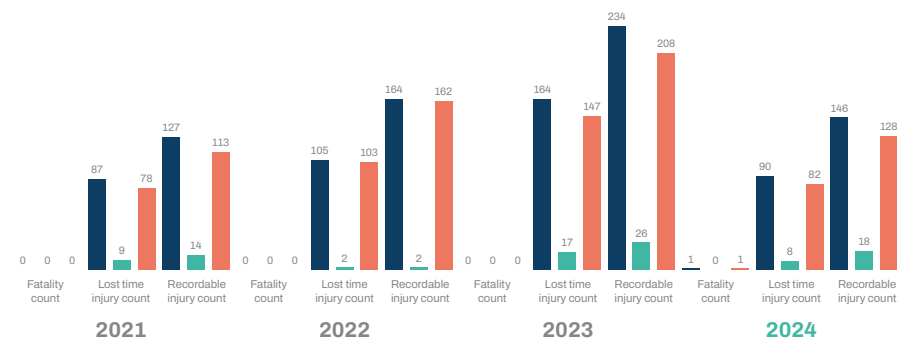
LTIF for the period 2021 to 2024 is presented in the following graphic. From 2021 to 2022 our LTIF increased slightly, we believe this is in large part to continued reporting improvement in our APAC region, specifically India. In 2023 we had a foodborne illness event that effected one plant and resulted in a significant number of employee illnesses that resulted in lost time incidents. As a result we experienced a significant increase in our 2023 LTIF. With continued effort made from the top-down by our EXCO and management teams as well as bottom-up from our front line workforce we were able to return our LTIF to 2021 levels.

In 2024, we tragically lost a full-time employee due to an industrial accident. While performing their duties, the employee encountered a hazardous situation that led to this tragic incident. In response, the Company immediately implemented countermeasures, notified relevant parties, and conducted a formal global review to ensure that the conditions present at the time of this accident cannot occur in the future at any of our facilities. We have not had any contractor-related fatalities.

Safety reporting injury rates for full-time employees and contractors – 2021 to 2024



Safety reporting number of injuries for full-time employees and contractors – 2021 to 2024



Key ● All employees ● Visitors, contractors, and temps ● Ti Fluid Systems full-time

'All employees' includes TI Fluid Systems full-time employees and all contractors. Contractors is defined as a person or company that undertakes a contract to provide materials or labour to perform a service or do a job.

OCCUPATIONAL HEALTH & SAFETY continued

Occupational health and safety focuses on the management of workplace hazards affecting a company's employees and on-site contractors. We believe that the safety of our employees around the globe is our highest priority. Health and Safety is, and must remain, the top focus and responsibility of each employee and should never be compromised for any other financial or other business objective. We are committed to driving and continually improving our occupational health and safety (OH&S) culture by developing and applying effective standards and practices appropriate to the risks and opportunities associated with our business activities.

Our Global Occupational Health and Safety Policy, Procedures and ISO 45001 Management System allow us to provide and maintain a healthy and safe working environment by eliminating hazards, reducing health and safety risks, and raising awareness among employees, contractors, visitors, and others who may be impacted by our operations.

TI Fluid Systems Key Health & Safety Principles:

- Provide an environment where work-related health and safety risks are controlled to prevent injuries and occupational ill health.
- Comply with all legal and other applicable OH&S requirements and conform with relevant international standards by implementing continuous improvement programmes.
- Implement an effective OH&S management programmes, integrated with ongoing business activities. This includes the identification, assessment and control of OH&S risks and opportunities. Through a process of risk assessment activity completed on a regular and ongoing basis for all manufacturing locations.

Further details of our Occupational Health and Safety Principles are included as part of our publicly available OH&S Policy.



OCCUPATIONAL HEALTH & SAFETY continued

CASE STUDY

Global Safety Week – Hand and arm injury awareness campaign

Advancing Safety Together: 2024 Global Safety Week

Global Safety Week emphasised the value of safety, health, and well-being among employees. Before the event took place, our Corporate Environmental, Health, and Safety (EHS) teams unveiled the theme for 2024's event – Advancing Safety Together. The specific focus of this global campaign was on reducing the incidence of hand and arm injuries, which are among the most common workplace injuries worldwide.

We set out on a clear mission to foster a positive safety mindset that would enable us to continually enhance our safety culture. Setting up activities that add real value to our global teams, we helped to raise awareness of the importance of safety and well-being in the workplace and celebrate our existing safety successes.

To ensure that our safety messages reached every corner of our organisation, we translated and distributed training materials and information packs to our global teams. This year we had an incredible response to our safety week quiz with 2895 entries in total, with the lucky winners in each region taking home prizes for their engagement and attention to detail.

Safety Week activities were hosted all over the world and included a diverse set of offerings and activities:

In Reynosa, Mexico one of our plants had a full week of events, starting with an opening ceremony held by the management team, games and quizzes, and most importantly, site tours focusing on identifying and fixing hand and arm hazards at various workstations.

In Changchun, China, activities were planned that engaged all 820 employees across the site. Over 150 hand and arm hazards were identified through hazard observation events. The management team were involved with activities that extended to non-production areas, including knife safety training for canteen workers.

In Wapienica, Poland, the team took a creative approach using short videos and training to highlight hand and arm injuries and the dangers of working while being distracted. The team also held escape room games with all departments, management training on safety prevention knowledge, and numerous safety-related games and quizzes for all employees to get involved with.

It is a testament to the success of this year's Safety Week, that in 2024 we saw a reduction in hand and arm injuries as a percentage of all TIFS incidents, down 20% compared to 2023. The percentage of all hand and arm injuries resulting in lost time from work were down 10% and over half the number of days were lost due to this type of injury compared to 2023.

Our Safety Week campaign was built around the core principle of Advancing Safety Together, and it provided us with a platform to highlight the vital role of safety, health, and well-being in the workplace. We look forward to continuing our pursuit of safety, health, and well-being together as one global team. We want to thank all those who participated, and we are excited about making Safety Week at TI an annual global event.



PRODUCT SAFETY

TI Fluid Systems Quality Management System (QMS) has been designed and developed to identify, mitigate and control risks associated with product safety, to ensure that our products are consistently reliable and comply with all applicable customer, industry, legal and government regulatory requirements.

Our product safety controls start with identifying new emerging requirements, including implied statutory, regulatory and customer requirements, including requirements. Once we have identified the relevant product safety characteristics, we assign our Safety, Regulatory and Functional (SRF) symbols, which flow through design and development, and into our manufacturing processes, including through to our supply chain. Each SRF process has documented controls and detailed reaction plans to be taken in the event it becomes necessary, such as a change condition evaluation.

TIFS priority is to ensure that the importance of product safety is understood and prioritised by all our employees and, to support this, we develop common global standards and provide continuous training.

Our Customer Safety or Critical Concern Process (CSCC) provides clear direction regarding concerns that could be classified as safety or critical in nature and that could impact the performance of saleable products. In the event that a performance concern is suspected, internally or externally, our teams initiate the CSCC process, triggering a structured approach to analyse, classify and communicate the issue within the organisation. Potential critical or safety concerns are automatically logged, escalated and monitored via our portal through to conclusion by senior staff members working with team members on appropriate resolution of the issue.

Mandatory lessons learned from each safety or critical concern event is used to drive product and process improvements across the organisation. Corrective actions are cascaded across similar products and manufacturing lines to prevent future issues, with product guidelines updated for reference during advanced product quality planning (APQP) team design reviews.

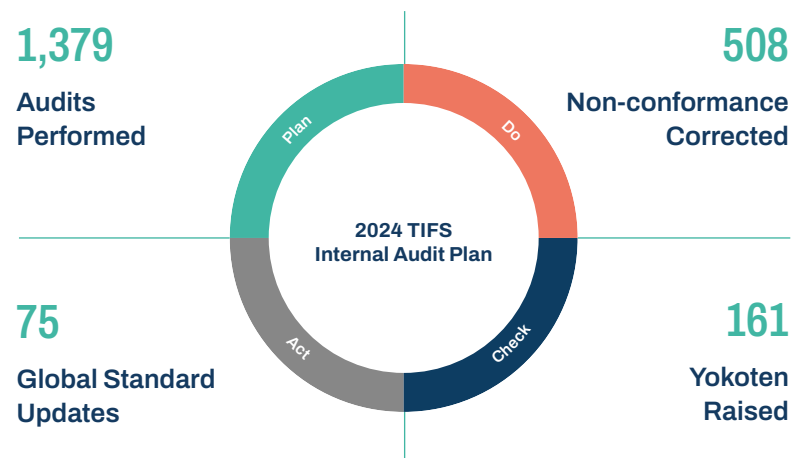
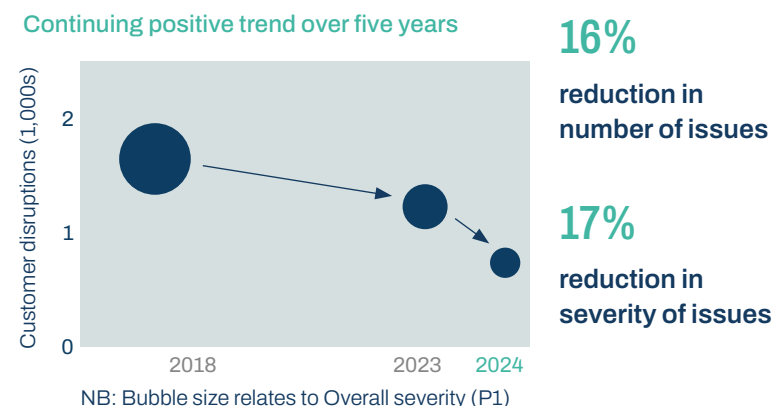
Finally, we continuously conduct on-site audits to verify that product safety-related practices comply with the latest knowledge and documented procedures.

2024 Product quality metrics

| | | |
|-----------------------|--|----------|
| Customer satisfaction | Quality Performance Recognition Awards | 14 |
| | Customer Quality (PPM) | 3 |
| | IATF Certified Sites (Re-Certified) | 118 (93) |
| | | |
| Product safety | Product Safety Involuntary Recalls | 0 |
| | Product Safety Voluntary Recalls | 2 |
| | Units Recalled | 480 |
| | | |

Our QMS is driving continuous improvement

Despite the challenges post COVID-19, our teams have continued to drive improvements.



RESPONSIBLE PURCHASING

Definition of material issue

Integrating issues related to supplier sustainability into our purchasing methodology for selecting vendors and rating vendors is critical to understanding where our network of suppliers are in their sustainability journey.

Our ambition

Develop a formal system for promoting and monitoring the sustainability of our supply chain. Creation of a systematic methodology for evaluation of sustainability status within the supply chain.

Setting standards

Our purchasing team elected to use ISO 20400 Sustainable procurement guidance as the keystone for developing our sustainable purchasing programme and other ESG improvements within the purchasing function. This work will promote the use of more ESG concepts in both our purchasing strategies and sourcing process, in turn leading to a more sustainably sourced supply base.

Assessing suppliers and supplier engagement

In 2024, the purchasing team reviewed the sustainability reporting environment for the value chain, considering internal processes and methods to enhance data collection through dedicated external platforms. In 2025, the purchasing team will integrate the sustainability data collection method as part of the broader assessment criteria of the supplier network. This will include environmental factors such as greenhouse gas emissions and social sustainability factors including anti-corruption, human rights and evaluation of sustainability-related policies in the upstream supply chain, in addition to those already considered.

Development of a sustainable purchasing programme

Following the formalisation of our Global Sustainable Purchasing policy in 2023, which established the formal mechanism for compliance with our Safety, Environmental, and Human Rights policies by our supply base. We have strengthened this policy with formal links to our COBC policy and terms and conditions, and clarity regarding our supplier grievance mechanism. Any ethics concerns with a TI Fluid Systems employee or practice can be reported to this internal channel. It can also be used to support suppliers in reporting concerns regarding business-related human rights abuses.



GOVERNANCE

In this section

| | |
|----------------------|----|
| The Board | 61 |
| Corporate governance | 62 |
| ESG Committee report | 64 |
| Business ethics | 66 |

THE BOARD

The Board

Hans Dieltjens

Chief Executive Officer
and President

Tim Cobbold

Independent
Non-Executive Chair

Elaine Sarsynski

Independent
Non-Executive Director

Julie Baddeley

Independent
Non-Executive Director

Trudy Schoolenberg

Senior Independent Director

Alexander De Bock

Chief Financial Officer

Susan Levine

Non-Executive Director

John Smith

Independent
Non-Executive Director

Jane Lodge

Independent
Non-Executive Director

Stephen Thomas

Non-Executive Director

Committees

Nomination Committee

Chair

Tim Cobbold

Members

Julie Baddeley

Trudy Schoolenberg

Key responsibilities

Evaluating the
size, structure and
composition of
the Board

Assisting the Board
in relation to the
composition of the
Board, including
evaluating the balance
of skills, knowledge,
experience and
diversity

Consideration of
succession planning

Audit & Risk Committee

Chair

Jane Lodge

Members

Elaine Sarsynski

John Smith

Key responsibilities

Reviewing and
monitoring the
integrity of the financial
statements

Ensuring effective
systems of internal
controls, internal audit
and risk management
are maintained

Advising on the
appointment of the
external auditors and
monitoring non-audit
work undertaken by
the external auditors

Remuneration Committee

Chair

John Smith

Members

Julie Baddeley

Jane Lodge

Key responsibilities

Setting the
Remuneration policy
for all Executive
Directors and the Chair

Determine
remuneration
packages, including
bonuses and awards,
for Executive Directors
and Executive
Committee in
consultation with
the Chair and Chief
Executive Officer, as
appropriate

ESG Committee

Chair

Elaine Sarsynski

Members

Julie Baddeley

Alexander De Bock

Hans Dieltjens

Susan Levine

Key responsibilities

Recommending
the overarching
Environmental, Social
and Governance
(ESG) vision and
strategy road map to
the Board in order to
ensure sustainability
priorities are met

Monitoring the
Group's corporate
responsibility,
sustainability
and stakeholder
engagement activities

The Executive Committee

Not a formal Committee of the Board, the Executive Committee is established and led by the CEO and President and is comprised of the principal business and functional leaders it is responsible for executing strategy and the day-to-day management of the business.

CORPORATE GOVERNANCE

Our ambition and sustainability governance

Our ambition

Sustainability governance remains a top priority for the Board and Executive Committee in order to promote the strategic development and sustainable success of the Group.

The Group has long recognised the importance of effective corporate governance in supporting the long-term success and sustainability of our business. Our robust governance framework not only satisfies the provisions of the UK Corporate Governance Code but also supports the effective operation of our business, enabling us to deliver our strategy. The Annual Report and Accounts covers our governance arrangements in general, the operation of the Board and its Committees, and describes how the Board discharges its collective responsibilities. The Board's decision-making reflects the balancing of stakeholder interests and how we have engaged is explained in our Section 172(1) statement.

Sustainability governance

The ESG Committee was established in 2021 to support the Board to fulfil its oversight responsibilities for ESG matters. The Terms of Reference are available on our website. As a leader in the automotive industry, we recognise the part the Group plays in the global community. Environmental and social performance is now a part of the wider management team's strategic objectives for 2024 and beyond. Sustainability targets have also been included as a performance element of our Long-Term Incentive Plan for Executive Directors and senior management. The alignment of our purpose and strategy using our remuneration will ensure we will continue to develop and supply products to support hybrid and battery electric vehicles in the most sustainable way. Colleagues from different areas of the business attend the meetings and support the discussions. Elaine Sarsynski, Committee Chair, regularly reports to the Board on key sustainability issues considered by the Committee, and our VP of Sustainability and EHS acts as a liaison between the Committee, senior management and the wider workforce.

Sustainability progress

The ESG Committee of the Board has shown its commitment to operating our business in a more environmentally responsible and sustainable manner to provide long-term success for all stakeholders. There is particular focus on the enhanced measurement and reporting of our carbon footprint, including Scope 3, and establishing appropriate CO₂(e) emissions reduction and water conservation targets. Additionally, we have more robust safety procedures to protect our workforce and developed initiatives to promote further diversity within our organisation.

The approved SBTi targets will reduce our Scope 1 and 2 CO₂(e) emissions by 50% by 2030. We have already begun implementing conservation and renewable energy programmes to achieve these objectives.

Other initiatives continue to be supported; our social initiatives include updating and enhancing our safety procedures and processes, and updates to our COBC policy. Other initiatives and educational programmes to promote ethics, diversity and inclusion within our organisation are also underway.

In addition, in 2024, the Board has continued to incorporate environmental performance targets as a significant element of our long-term incentive programme for Executive Directors and senior management, as described in more detail in the Remuneration report in the latest Annual Report.

The Board of Directors recognises that sustainability is essential to the Group's long-term success and that sound environmental, social and governance practices are fundamental and necessary to a sustainable business.

ESG Committee

To assist the Board in its oversight of ESG matters, the ESG Committee was formed in 2021. The Committee was charged with recommending the overarching sustainability vision and strategy to the Board, together with annual plans and targets for ESG matters, as well as supporting management to prioritise sustainability within the Group's overall corporate strategy. The Committee seeks to solicit and understand the views of the Group's stakeholders to inform the Group's long-term strategic decisions and identify the relevant sustainability priorities that most significantly impact the Group and its stakeholders including its reputation and public interest role.

CORPORATE GOVERNANCE continued

Integration of ESG into all aspects of the business through cross-functional teams

We have a top-down approach to facilitate ESG integrations across the business. The Board and senior management understand the value and relevance of ESG initiatives and engage regularly to ensure employee and supplier awareness. Cross-functional teams are working to establish and communicate our initiatives, KPIs, goals, strategies, and long-term vision for our ESG programmes.

Consideration of ESG in determining Executive remuneration

The decision to link a significant portion of the long-term incentive to sustainability, favouring the quantitative environmental measure and the quasi-quantitative social measure, was supported by the ESG Committee. The inclusion of the reduction of Scope 1 and 2 emissions is in line with specific long-term public commitments made to our customers, so this is well aligned to the business imperative.

The Committee is aware that having 25% of the long-term incentive allocated to sustainability is at the 'high end' of expectations, but felt this was appropriate as it aligns directly with the overall role of the Group in helping the automotive business through the transition away from fossil fuels.

The Committee was insistent, however, that the measures used should be quantitative and/or independently assured to provide confidence that genuine progress had been delivered and that the targets were suitably challenging.

Sustainability governance framework

Board of Directors

The Board of Directors recognises that sustainability is essential to the Group's long-term success and that sound environmental, social and governance practices are fundamental and necessary to a sustainable business.

ESG Committee

To assist the Board in its oversight of ESG matters, the ESG Committee was charged with recommending the overarching sustainability vision and strategy to the Board, together with annual plans and targets for ESG matters, as well as supporting management to prioritise sustainability within the Group's overall corporate strategy. The Committee seeks to solicit and understand the views of the Group's stakeholders to inform the Group's long-term strategic decisions and identify the relevant sustainability priorities that most significantly impact the Group and its stakeholders, reputation and public interest role.

ESG COMMITTEE REPORT



“

As the Chair of the ESG Committee, I am pleased to present our 2024 report. The Committee has been instrumental in guiding and overseeing the Group's sustainability programme, ensuring that we continue our sustainable journey. We regularly report our activities and progress to the Board, maintaining transparency and accountability.”

Elaine Sarsynski
ESG Committee Chair

Dear shareholder,

I am pleased to present the ESG Committee report for the year ended 31 December 2024.

The Committee supports the Board to fulfil its oversight responsibilities with respect to sustainability matters. The Committee's Terms of Reference are available on our website and were revised in 2023.

We recognise that the Group, as a leader in the automotive industry, has an obligation to operate its business in an environmentally responsible and sustainable manner in order to provide long-term success for all stakeholders. As such, the Group's strategy includes sustainability as a core element.

From an environmental standpoint, it is critical to address climate change not only by supporting vehicle electrification with an expanded product portfolio, but also by decarbonising the Group's operations, reducing waste and conserving water.

On behalf of the Group, I am pleased to report that the Group progressed on all fronts in 2024.

The Group gained approval in 2023 from SBTi for its CO₂(e) emissions reduction targets that call for a 50% reduction of Scope 1 and 2 emissions and a 30% reduction of Scope 3 emissions, in each case, by 2030 on an absolute basis from a 2021 baseline. During 2023, the Group implemented several key elements of its GHG reduction strategy, and we were able to report a 15% decrease in CO₂ emissions compared to baseline. In 2024, we have continued these programmes, and I am proud to report that the Group has decreased its CO₂ emissions by 28% compared to the 2021 baseline.

I am pleased to announce that the Group received a B grade for Climate Change from CDP. CDP serves as the Group's reporting mechanism for SBTi targets and remains a crucial platform for transparent disclosure, to which we are committed to reporting.

On the social side, the Group has taken a number of steps to support safety, diversity and inclusivity.

In 2024, teams around the world have implemented enhanced safety processes to protect our workforce, including expanding our ISO 45001 safety management framework to cover our manufacturing locations. We have agreed on a project with our management team to expand this certification programme to cover all of our testing centres and eMIC locations in 2025. The Group also supported its annual Global Safety Week campaign to bring awareness to hand and arm related accidents in the workplace. A highlight of the Group's 2024 activities included achieving an ISS Social score ranking of 1, outperforming our internal goal setting.

To further support our employees, we have continued diversity and inclusivity training and assessments for the entire senior management team. Progress will be tracked by monitoring

Committee membership

| | Meetings attended |
|-------------------------------|-------------------|
| Elaine Sarsynski (Chair) | 4/4 |
| Susan Levine ⁽¹⁾ | 1/2 |
| Julie Baddeley | 4/4 |
| Hans Dieltjens | 4/4 |
| Alexander De Bock | 4/4 |
| Meetings held during the year | 4 |

⁽¹⁾ Susan Levine retired from the Board of Directors at the conclusion of the 2024 Annual General Meeting.

2024 highlights

- Facilitated the Group's future CSRD reporting requirements by completing our first double materiality assessment, conducting a comprehensive evaluation of ESRS reporting requirements, and performing an initial gap analysis along with preparing our CSRD sustainability statements
- Expanded the Group's ISO 45001 certification across multiple manufacturing sites
- Achieved an ISS Social score of 1
- Completed a significant step toward developing and enhancing our approach for Scope 3 emission data collection in 2025

Focus for 2025

- Implementation of the Group's renewable electricity plan and energy efficiency initiatives
- Begin collecting primary data from the upstream supply base for Scope 3 Category 1 Purchased Goods and Services and Category 2 Capital Goods -emissions calculations
- Evaluate potential net zero pathway for the Group
- Monitor progress on the Group's CO₂(e) emissions reduction targets
- Complete Life Cycle Analysis and Product Carbon Footprint calculations for select products

ESG

COMMITTEE REPORT continued



against gender diversity targets, which are based on local university graduation rates.

In order to connect to our larger communities and prepare the next generation of women to succeed in the automotive industry, the Group committed to funding scholarship programmes in Germany, Poland, Mexico, the US and China for female students enrolling in universities to study STEM subjects. In 2024, the Group awarded 49 scholarships. These scholarship recipients are also introduced to local TI facilities for potential internships and other extracurricular learning opportunities.

Both environmental and social targets are included as a performance element of our Long-Term Incentive Plan for Executive Directors and senior management. The alignment of remuneration with our purpose and strategy ensures that the Group will continue to focus on manufacturing products and supporting our customers in the most sustainable way.

The Committee is very pleased with the Company's work this year to build a more sustainable business. We will continue to review measures and targets to gauge progress and ensure accountability at all levels of the organisation.

I look forward to updating you on the Group's continuing sustainability journey.

Elaine Sarsynski
ESG Committee Chair

10 March 2025

BUSINESS ETHICS

Business ethics focuses on the management of general professional ethics, such as accounting controls, employment practices, legal compliance, anti-competitive practices, bribery and conflicts of interest.

Our ambition

Our goal is to integrate ethics and compliance into our organisational culture, empowering our employees to make ethical decisions and encouraging them to speak up if they have any concerns.

Communication and awareness

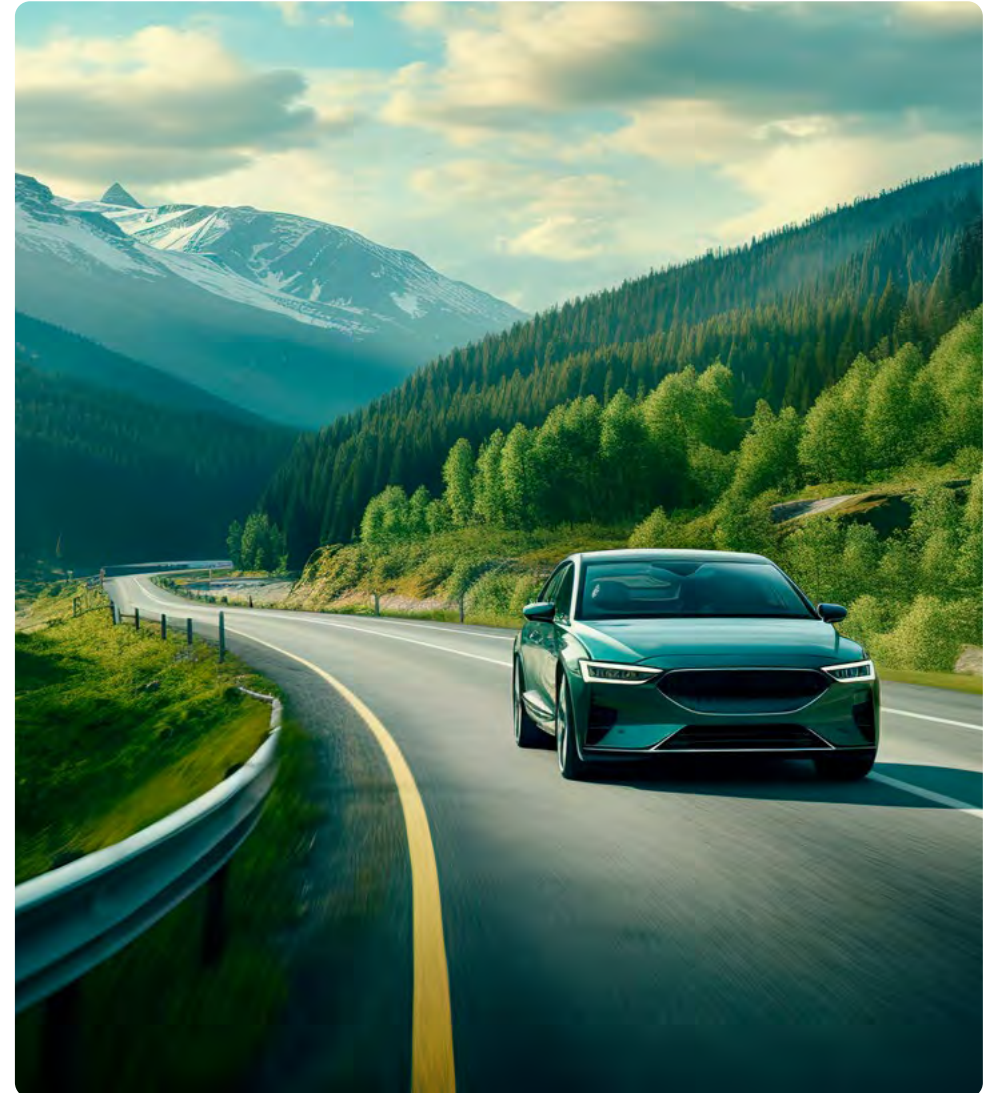
We understand that creating a culture of ethics and compliance within our Company goes beyond one-time training sessions. It requires a continuous learning process and reinforcement. Over the last few years, we have been gradually implementing various initiatives to improve communication and awareness of ethics and compliance within the organisation. Some of these include displaying posters promoting our speak-up hotline and rolling out globally our new app-based, speak-up, platform, featuring ethics and compliance messages on our intranet homepage, and using all-employee meetings as an opportunity to educate a wider employee base.

Education and development

Each year, our salaried employees are required to complete certification of our Code of Business Conduct. In addition, targeted training is provided in specific areas of the business. We have also implemented an employee learning and development platform to offer ethics and compliance education to our salaried staff. These efforts aim to increase understanding of our business policies and practices in order to minimise and mitigate ethics and compliance risks for our employees and Company.

Engaging our value chain

In 2024, we have integrated the COBC into the Sustainable Purchases Programme thereby linking our COBC throughout our supply chain. Additional clarity was provided regarding our supplier grievance mechanism in the sustainable purchases policy. Any ethics concerns with a TI Fluid Systems employee or practice can be reported to this internal channel. It can also be used to support suppliers in reporting concerns regarding business-related human rights abuses.



APPENDIX

In this section

| | |
|---------------------------------------|----|
| GRI Content Index | 68 |
| Topic-specific disclosure obligations | 70 |
| GRI 300: Environment | 71 |
| GRI 400: Social | 73 |
| SASB Index | 75 |
| TCFD Index | 76 |
| UN Global Compact Index | 77 |
| Glossary | 78 |

GRI

CONTENT INDEX

This report was prepared in accordance with the Global Reporting Initiative (GRI) standards. The consolidated set of GRI Sustainability Reporting Standards 2022 served as the basis. The following index gives the page references for required information and provides information on the completeness of the answer.

General disclosures

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|--|---|---|-----------------------------------|
| 1. The Organisation and its Reporting Practices | | | |
| 2-1 | Organisational details | 04–05 | Partially reported |
| 2-2 | Entities included in the organisation's sustainability reporting | See CDP reporting at www.CDP.net | Partially reported |
| 2-3 | Reporting period, frequency, and contact point | N/A | Not reported |
| 2-4 | Restatements of information | N/A | Not reported |
| 2-5 | External assurance | N/A | Not reported |
| 2. Activities and Workers | | | |
| 2-6 | Activities, value chain, and other business relationships | 02, 04–05, 17–18 | Partially reported |
| 2-7 | Employees | 05, 46 | Partially reported |
| 2-8 | Workers who are not employees | N/A | Not reported |
| 3. Governance | | | |
| 2-9 | Governance structure and composition | 60–62 | Partially reported |
| 2-10 | Nomination and selection of the highest governance body | N/A | Not reported |
| 2-11 | Chair of the highest governance body | 60 | Fully reported |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 60 | Partially reported |
| 2-13 | Delegation of responsibility for managing impacts | 60 | Partially reported |
| 2-14 | Role of the highest governance body in sustainability reporting | 60 | Partially reported |
| 2-15 | Conflicts of interest | N/A | Not reported |
| 2-16 | Communication of critical concerns | 19,30–32, 35–37, 54, 57 | Partially reported |
| 2-17 | Collective knowledge of the highest governance body | N/A | Not reported |
| 2-18 | Evaluation of the performance of the highest governance body | N/A | Not reported |
| 2-19 | Remuneration policies | N/A | Not reported |
| 2-20 | Process to determine remuneration | 60, 62 | Partially reported |
| 2-21 | Annual total compensation ratio | N/A | Not reported |

GRI

CONTENT INDEX continued

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|---|--|-----------------------------|-----------------------------------|
| 4. Strategy, Policies, and Practices | | | |
| 2-22 | Statement on sustainable development strategy | 02, 07, 09–10, 11–15 | Partially reported |
| 2-23 | Policy commitments | 09, 32, 50–53, 55, 58 | Partially reported |
| 2-24 | Embedding policy commitments | 09, 32, 50–53, 55, 58 | Partially reported |
| 2-25 | Processes to remediate negative impacts | N/A | Not reported |
| 2-26 | Mechanisms for seeking advice and raising concerns | N/A | Not reported |
| 2-27 | Compliance with laws and regulations | N/A | Not reported |
| 2-28 | Membership associations | N/A | Not reported |
| 5. Stakeholder Engagement | | | |
| 2-29 | Approach to stakeholder engagement | 17–18 | Fully reported |
| 2-30 | Collective bargaining agreements | 51 | Partially reported |
| GRI 3 | | | |
| Disclosures on Material Topics | | | |
| 3-1 | Process to determine material topics | 16, 20 | Partially reported |
| 3-2 | List of material topics | 16, 25 | Partially reported |
| 3-3 | Management of material topics | 25–27, 38–39, 47, 52–55 | Partially reported |

TOPIC-SPECIFIC DISCLOSURE OBLIGATIONS (BY MATERIALITY)

GRI 200: Economic

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|------------|--|-----------------------------|-----------------------------------|
| 201 | Economic Performance | | |
| 201-1 | Direct economic value generated and distributed | N/A | Not reported |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 19-28 | Partially reported |
| 201-3 | Defined benefit plan obligations and other retirement plans | N/A | Not reported |
| 201-4 | Financial assistance received from government | N/A | Not reported |
| 202 | Market Presence | | |
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | N/A | Not reported |
| 202-2 | Proportion of senior management hired from the local community | N/A | Not reported |
| 203 | Indirect Economic Performance | | |
| 203-1 | Infrastructure investments and services supported | N/A | Not reported |
| 203-2 | Significant indirect economic impacts | N/A | Not reported |
| 204 | Procurement Practices | | |
| 204-1 | Proportion of spending on local supplier | N/A | Not reported |
| 205 | Anti-Corruption | | |
| 205-1 | Operations assessed for risks related to corruption | N/A | Not reported |
| 205-2 | Communication and training about anti-corruption policies and procedures | 18, 53, 58 | Partially reported |
| 205-3 | Confirmed incidents of corruption and actions taken | N/A | Not reported |
| 206 | Anti-Competitive Behaviour | | |
| 206-1 | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | N/A | Not reported |
| 207 | Tax | | |
| 207-1 | Approach to tax | N/A | Not reported |
| 207-2 | Tax governance, control, and risk management | N/A | Not reported |
| 207-3 | Stakeholder engagement and management of concerns related to tax | N/A | Not reported |
| 207-4 | Country-by-country reporting | N/A | Not reported |

TOPIC-SPECIFIC DISCLOSURE OBLIGATIONS (BY MATERIALITY) continued

GRI 300: Environment

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|------------|---|-----------------------------|-----------------------------------|
| 301 | Materials | | |
| 301-1 | Materials used by weight or volume | N/A | Not reported |
| 301-2 | Recycled input materials used | N/A | Not reported |
| 301-3 | Reclaimed products and their packaging materials | N/A | Not reported |
| 302 | Energy | | |
| 302-1 | Energy consumption within the organisation | 31–32 | Fully reported |
| 302-2 | Energy consumption outside of the organisation | 31–32 | Fully reported |
| 302-3 | Energy intensity | 31 | Fully reported |
| 302-4 | Reduction of energy consumption | 31 | Partially reported |
| 302-5 | Reductions in energy requirements of products and services | N/A | Not reported |
| 303 | Water | | |
| 303-1 | Interactions with water as a shared resource | N/A | Not reported |
| 303-2 | Management of water discharge-related impacts | N/A | Not reported |
| 303-3 | Water withdrawal | 38–39 | Fully reported |
| 303-4 | Water discharge | N/A | Not reported |
| 303-5 | Water consumption | N/A | Not reported |
| 304 | Biodiversity | | |
| 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity outside protected areas | 42–43 | Fully reported |
| 304-2 | Significant impacts of activities, products, and services on biodiversity | N/A | Not reported |
| 304-3 | Habitats protected or restored | N/A | Not reported |
| 304-4 | IUCN Red List Species and national conservation list species with habitats in areas affected by operations | 43 | Fully reported |
| 305 | Emissions | | |
| 305-1 | Direct (Scope 1) GHG emissions | 31 | Fully reported |
| 305-2 | Indirect (Scope 2) GHG emissions | 31 | Fully reported |
| 305-3 | Other indirect (Scope 3) GHG emissions | 28, 31 | Fully reported |
| 305-4 | GHG emissions intensity | 31 | Fully reported |

TOPIC-SPECIFIC DISCLOSURE OBLIGATIONS

(BY MATERIALITY) continued

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|------------|--|-----------------------------|-----------------------------------|
| 305-5 | Reduction of GHG emissions | 28, 30–33 | Partially reported |
| 305-6 | Emissions of ozone-depleting substances (ODS) | N/A | Not reported |
| 305-7 | Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions | N/A | Not reported |
| 306 | Effluents and Waste 2016 | | |
| 306-3 | Significant spills | N/A | Not reported |
| 306 | Waste 2020 | | |
| 306-1 | Waste generation and significant waste-related impacts | 40–41 | Partially reported |
| 306-2 | Management of significant waste-related impacts | N/A | Not reported |
| 306-3 | Waste generated | 40–41 | Fully reported |
| 306-4 | Waste diverted from disposal | 40–41 | Fully reported |
| 306-5 | Waste directed to disposal | 40–41 | Fully reported |
| 307 | Environmental Compliance | | |
| 307-1 | Non-compliance with environmental laws and regulations | N/A | Not reported |
| 308 | Supplier Environmental Assessment | | |
| 308-1 | New suppliers that were screened using environmental criteria | N/A | Not reported |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | N/A | Not reported |

TOPIC-SPECIFIC DISCLOSURE OBLIGATIONS (BY MATERIALITY) continued

GRI 400: Social

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|------------|--|-----------------------------|-----------------------------------|
| 401 | Employment | | |
| 401-1 | New employee hires and employee turnover | 46 | Partially reported |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | N/A | Not reported |
| 401-3 | Parental leave | N/A | Not reported |
| 402 | Labour/Management Relations | | |
| 402-1 | Minimum notice periods regarding operational changes | N/A | Not reported |
| 403 | Occupational Health and Safety | | |
| 403-1 | Occupational health and safety management system | 45 | Partially reported |
| 403-2 | Hazard identification, risk assessment, and incident investigation | N/A | Not reported |
| 403-3 | Occupational health services | 45, 54–56 | Partially reported |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 45, 54–56 | Partially reported |
| 403-5 | Worker training on occupational health and safety | N/A | Not reported |
| 403-6 | Promotion of worker health | 45, 54–56 | Partially reported |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | N/A | Not reported |
| 403-8 | Workers covered by an occupational health and safety management system | N/A | Not reported |
| 403-9 | Work-related injuries | 54 | Fully reported |
| 403-10 | Work-related ill health | 54 | Fully reported |
| 404 | Training and Education | | |
| 404-1 | Average hours of training per year per employee | 01, 52 | Partially reported |
| 404-2 | Programmes for upgrading employee skills and transition assistance programmes | 52–53 | Partially reported |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | N/A | Not reported |
| 405 | Diversity and Equal Opportunity | | |
| 405-1 | Diversity of governance bodies and employees | 46, 60–61 | Partially reported |
| 405-2 | Ratio of basic salary and remuneration of women to men | 46 | Partially reported |
| 406 | Non-discrimination | | |
| 406-1 | Incidents of discrimination and corrective actions taken | N/A | Not reported |
| 407 | Freedom of Association and Collective Bargaining | N/A | Not reported |
| 407-1 | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | N/A | Not reported |
| 408 | Child Labour | | |
| 408-1 | Operations and suppliers at significant risk for incidents of child labour | N/A | Not reported |

TOPIC-SPECIFIC DISCLOSURE OBLIGATIONS

(BY MATERIALITY) continued

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|------------|--|-----------------------------|-----------------------------------|
| 409 | Forced or compulsory labour | | |
| 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour | N/A | Not reported |
| 410 | Security Practices | | |
| 410-1 | Security personnel trained in human rights policies or procedures | N/A | Not reported |
| 411 | Rights of Indigenous Peoples | | |
| 411-1 | Incidents of violations involving rights of indigenous peoples | N/A | Not reported |
| 412 | Human Rights Assessment | | |
| 412-1 | Operations that have been subject to human rights reviews or impact assessments | N/A | Not reported |
| 412-2 | Employee training on human rights policies or procedures | 53 | Partially reported |
| 412-3 | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | N/A | Not reported |
| 413 | Local Communities | | |
| 413-1 | Operations with local community engagement, impact assessments and development programmes | N/A | Not reported |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | N/A | Not reported |
| 414 | Supplier Social Assessment | | |
| 414-1 | New suppliers that were screened using social criteria | N/A | Not reported |
| 414-2 | Negative social impacts in the supply chain and actions taken | N/A | Not reported |
| 415 | Public Policy | | |
| 415-1 | Political contributions | N/A | Not reported |
| 416 | Customer Health and Safety | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | N/A | Not reported |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | N/A | Not reported |
| 417 | Marketing and Labelling | | |
| 417-1 | Requirements for product and service information and labelling | N/A | Not reported |
| 417-2 | Incidents of non-compliance concerning product and service information labelling | N/A | Not reported |
| 417-3 | Incidents of non-compliance concerning marketing communications | N/A | Not reported |
| 418 | Customer Privacy | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | N/A | Not reported |
| 419 | Socioeconomic Compliance | | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | N/A | Not reported |

SASB INDEX

The following index shows TI Fluid Systems' sustainability activities described in the context of the industry-specific reporting standards of the Sustainability Accounting Standards Board (SASB) for automotive suppliers (Automotive Parts).

| Disclosure | Description | Comments/ page reference | Completeness (self assessment) |
|-----------------------------------|--|-----------------------------|-----------------------------------|
| Energy Management | | | |
| TR-AP-130a.1 | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | 31 | Partially reported |
| Waste Management | | | |
| TR-AP-150a.1 | (1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled | 40–41 | Partially reported |
| Product Safety | | | |
| TR-AP-250a.1 | Number of recalls issued; total units recalled | 57 | Partially reported |
| Design for Fuel Efficiency | | | |
| TR-AP-410a.1 | Revenue from products designed to increase fuel efficiency and/or reduce emissions | Annual Report page 09–10 | Fully reported |
| Materials Sourcing | | | |
| TR-AP-440a.1 | Description of the management of risks associated with the use of critical materials | N/A | Not reported |
| Materials Efficiency | | | |
| TR-AP-440b.1 | Percentage of products sold that are recyclable | N/A | Not reported |
| TR-AP-440b.2 | Percentage of input materials from recycled or remanufactured content | N/A | Not reported |
| Competitive Behaviour | | | |
| TR-AP-520a.1 | Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations | N/A | Not reported |
| Activity Metrics | | | |
| TR-AP-000.A | Number of parts produced | N/A | Not reported |
| TR-AP-000.B | Weight of parts produced | N/A | Not reported |
| TR-AP-000.C | Area of manufacturing plants | N/A | Not reported |

TCFD INDEX

The following index shows our sustainability activities described in the context of the disclosure recommendations for climate reporting by the Task Force on Climate-related Financial Disclosures (TCFD). References are made to TI Fluid Systems plc's 2024 Annual Report.

| | TCFD recommended disclosures | Reference pages | Compliance |
|---------------------|--|---|--|
| Governance | Describe the Board's oversight of climate-related risks and opportunities | See Governance – Board of Directors on page 26 | Consistent |
| | Describe management's role in assessing and managing climate-related risks and opportunities | See Governance – management on page 26 | Consistent |
| Strategy | Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term | See background and framework and strategy and financial planning on pages 21–25 | Consistent |
| | Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning | See strategy and financial planning on pages 22–25 | Consistent |
| | Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | See strategy and financial planning on pages 22–25 | Consistent except only one scenario used for sustainability transition |
| Risk management | Describe the organisation's processes for identifying and assessing climate-related risks | See risk management on pages 26–27 | Consistent |
| | Describe the organisation's processes for managing climate-related risks | See risk management on pages 26–27 | Consistent |
| | Describe how processes for managing climate-related risks are integrated into the organisation's overall risk management | See risk management on pages 26–27 | Consistent |
| Metrics and targets | Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | See metrics and targets on pages 27–28 | Consistent |
| | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | See metrics and targets on pages 27–28 and sustainability on page 22 of the Annual Report | Consistent |
| | Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets | See metrics and targets on pages 27–28 | Consistent |

UN GLOBAL COMPACT INDEX

The following index serves as support for the 2024 Communication on Progress for TI Fluid Systems in relation to the implementation of the principles of the UN Global Compact and, in this regard, presents the sustainability activities described in the context of the principles of the UN Global Compact.

| Topic area | Principle | Page reference |
|-----------------|---|----------------|
| Human rights | 1. Businesses should support and respect the protection of internationally proclaimed human rights. | 11–14, 51 |
| | 2. Make sure that they are not complicit in human rights abuses. | 11–14, 51 |
| Labour | 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | 51 |
| | 4. The elimination of all forms of forced and compulsory labour. | 51, 53 |
| | 5. The effective abolition of child labour. | 51 |
| | 6. The elimination of discrimination in respect of employment and occupation. | 47 |
| Environment | 7. Businesses should support a precautionary approach to environmental challenges. | 30 |
| | 8. Undertake initiatives to promote greater environmental responsibility. | 30 |
| | 9. Encourage the development and diffusion of environmentally friendly technologies. | 10, 35–37 |
| Anti-corruption | 10. Businesses should work against corruption in all its forms, including extortion and bribery. | 18, 65 |

GLOSSARY

| AEVs | autonomous electric vehicles |
|----------------|--|
| AI | artificial intelligence |
| BEVs | battery electric vehicles |
| D&I | diversity and inclusion |
| eMIC | e-Mobility Innovation Centre |
| EVs | electric vehicles |
| GDI | gasoline direct injection |
| HEVs | hybrid electric vehicles |
| HPD | high-pressure diesel |
| ICE | internal combustion engine |
| LEVs | low emissions vehicle |
| LTIF | lost time injury frequency |
| OEM | original equipment manufacturer |
| PHEVs | plug-in hybrid electric vehicles |
| PZEV | partial zero emissions vehicle |
| SBTi | Science Based Targets initiative |
| SCR | selective catalytic reduction |
| SIB | ship-in-a-bottle |
| STEM | science, technology, engineering, and maths |
| TAPT | tank advanced process technology |
| UN SDGs | United Nations Sustainable Development Goals |



TI Fluid Systems plc, Corporate Offices

2020 Taylor Road
Auburn Hills, Michigan 48326
United States of America

Tel: +1 248 296 8000

TI Fluid Systems plc, Registered Office

4650 Kingsgate
Cascade Way
Oxford Business Park South
Oxford OX4 2SU
United Kingdom

Tel: +44 (0) 1865 871820

www.tifluidsystems.com

Incorporated and domiciled in the United Kingdom
Registered number 09402231

