

INTEGRATED REPORT 2021



Intelligent. Integrated. Inside.



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01

Antolin today

A history of leadership

For over seventy years, we have been working with the most valuable raw material in the universe: commitment. Thanks to this way of understanding our work, we have been able to transform the trust shown by our customers into specific solutions to contribute to the revolution of the new mobility. With the same enthusiasm as we had on day one and with our trademark refusal to conform, we want to go further: promoting the creation of value in our entire environment and doing this while being proud of what we are today and what we will continue to be tomorrow.



1.1.

Conversation with the Chairman

Ernesto Antolin

Chairman of Grupo Antolin



- › In Grupo Antolin's last report, you summed up the 2020 financial year with two words: responsibility and solidarity. What words or what headline would you use to summarize Grupo Antolin's performance during 2021?

The 2021 financial year has been very complex for the entire industry as a consequence of the global economic effects the pandemic has continued to cause; the most significant being the disruption to the global supply chain, but we should also not forget the inflationary pressure through raw materials and logistics. It is undoubtedly a challenging situation, but the strength of large companies is being demonstrated at this time and I believe that Grupo Antolin has been able to rise to the occasion. Thanks to our teams, who are the heart of our business, we have once again shown our great capacity for adaptation, flexibility and efficiency in responding to this environment.

- › A major milestone this year is approving the new environmental, social and governance objectives to continue developing its sustainable business model. What has been considered when defining these and what does it mean for the company?

The approval of the new objectives is another very important step in our commitment to our activity helping in some way to build a fairer and better planet in all regards: environmental, ethical, respect for Human Rights, development of talent in the new generations and more. As companies we are not isolated entities, but rather key members of the society in which we live, so we have a big responsibility to contribute to its development and well-being. This is even more true for a company with the characteristics of ours, which is so diverse, with many nationalities and operating in dozens of locations throughout

With the determination to be better each day, we continue to build a business model that seeks to have a positive impact on our stakeholders, while moving forward with the strategy to establish ourselves as a provider of innovative and advanced vehicle interior solutions

26 countries; many in small towns where we are the leading employer. With this conviction, the objectives seek to generate value in three main areas –Planet, People and Business– through specific and tangible initiatives, which have been being developed for years, but which will now gain new momentum and strength. The framework for action for all of this is the 2030 Agenda, its associated objectives and goals, and the 10 Principles of the Global Compact to which we have been fully committed since 2004.

- › The automotive industry is facing a particularly challenging situation due to the demands arising from a new way of understanding mobility. How is Grupo Antolin responding to this enormous challenge?

First of all, what we are certain about is that the vehicle will continue to be the main element in the new mobility, as it has been for more than a century, but it will be a completely transformed vehicle that is more focused on people and their real needs. A vehicle that will offer services and features never seen before that will make it a more important space in our daily lives. Connectivity, digitalization and sustainability are the key elements of that transformation. At Antolin, we want to participate through our specialist area, the vehicle interior, to help create a smart space that focuses on the passenger, providing safety, comfort, entertainment and, of course, all this in a more sustainable compartment. The business strategy we launched three years ago follows this road map and we are making progress along the right path.

Our engineering teams are developing sustainable products and solutions that offer a differential value to the customer, who need their key suppliers if they want to meet their environmental objectives

› **What milestones or initiatives within that strategy would you highlight for this financial year?**

I believe that all the work on the development of new solutions that add more value to our products by incorporating electronics and lighting content has been very important. For example, we won the contract for the first touch control unit project, which brings together a sophisticated decorative design, ambient lighting, capacitive switches and electronics into a single part. We have also expanded our strategic partnerships and it is worth highlighting the new joint venture with NAEN that has improved our capacities in advanced electronics in the Chinese market. In terms of innovation, we presented the two new virtual Concept Cars to the market and to the customers. These reflect our vision of the vehicle interior of the future and the innovative solutions on which we are working. We were also at the Shanghai Auto Show for the first time, showcasing our disruptive technologies in three strategic areas: cockpits, electronics and lighting & HMI (Human Machine Interface).

› **As you explained, innovation and technological development play a central role in the strategy. What are the key elements of this commitment to innovation as a core business strategy?**

When we talk about innovation at Antolin, we are not just referring to what happens in the Innovation Department. We are referring to 360-degree innovation as the foundation for a working culture that is always open to new ideas and that promotes boldness with the ultimate goal of seeking the best solution, product or process. It is an innovation that puts the customer at the center and it is a key piece in the development of the company's sustainable business model. Starting from this principle, we are taking advantage of the full potential offered by digitalization and new technologies in the research and development of

processes and products with the idea of adding value. During the year, progress has been made in all fields, from topics very closely linked to the pandemic, such as work on purification systems inside the vehicle, to more disruptive actions such as research into the potential for nano-fibers to improve hydrogen fuel cells. Many advanced industry projects are also being applied at our plants and these allow us to be more efficient and competitive.

› **What progress has been made during 2021 in the objectives of transitioning toward a low-carbon economy and moving towards the circular economy? How has Grupo Antolin contributed to these new demands?**

Innovation and technological development are also behind our progress in the circular economy and support for the decarbonization of the industry.

In this regard, we are working on reducing the weight of the components, which is essential if we are going to help the brands roll out electric vehicles, and on using natural and recycled materials. The best example is the development of overhead systems with sustainable solutions that use material from urban waste and used tires. Few companies in the industry have the experience and knowledge to innovate in traditional products, such as a headliner, and turn them into a more sustainable solution. Meanwhile, we are making great efforts to improve the circular economy in our own value chain by working with our suppliers, as well as the new objectives that we have set to reduce the emissions from our centers with the goal of being a completely carbon neutral company by 2050.

› **Does this profound transformation that the sector is undergoing also imply a change in the way professionals in the sector work? What is the role of a company like Grupo Antolin in this phenomenon?**

If we want to adapt to the rapid changes in our industry, we must strengthen our working culture by improving our people management strategy in all aspects: leadership, talent management and training.

Our responsibility as a company is to create an ideal working environment, one that is safe, diverse, motivating and that encourages continuous learning, and to provide the appropriate tools and knowledge to achieve this. In the area of talent, which is key to the success of any company, employees must be offered training and professional development opportunities and we must ensure that we have the appropriate people that we need today and, above all, that we are going to need in the future. We are therefore strengthening our dual training and young talent development programs and expanding agreements with national and international universities.

› **Let's take a moment to think about the future three years from now. How do you see it as the chairman of a large company like Grupo Antolin?**

We are facing tough challenges due to the stoppage of customer production resulting from the semiconductor crisis and the rise in raw material prices, but we have the ability to overcome them and come out stronger thanks to hard work, commitment and our ambition to be the best, which have been the essential factors, together with the commitment to innovation, in turning us into one of the market leaders in vehicle interiors. This combination will allow us to grow in the coming years in such a way that we can help improve mobility by creating smart interiors in permanent partnership with our customers. I am also confident that we can continue to generate social well-being and wealth in our regions.

At Antolin, our working culture seeks excellence and this means that every person who makes up the company works every day to give the best of themselves



1.2. We are global

Grupo Antolin is a global supplier of technological solutions for the vehicle interior with the most complete and extensive offer on the market. With a presence in **26 countries**, it has nearly **145 plants** in which close to **25,000 professionals** work. Grupo Antolin's activity started over 70 years ago as a modest family business founded in a small workshop in the city of Burgos and it continues to preserve the deep-rooted values of family companies: a long-term vision and a close relationship between the business and the owners and management.

The key to Grupo Antolin's success over these years has been its permanent innovation and the talent and effort of its staff, accompanied by a strategy based on internationalization, as well as management inspired by excellence and continuous improvement. Under these premises, the company has become a Full Service Supplier capable of accompanying the customer in the full product cycle, from conception and design to the manufacture and delivery of the series. All this following a sustainable model that puts all its stakeholders at the center: customers, professionals, investors, the supply chain and society as a whole.

145 factories

26 technical and sales offices

Presence in **26** countries

It has supplied parts for over
580 car models on the market

Present in the **5** best-selling cars
in the world

TIER-1 supplier for
the main vehicle manufacturers

Europe

Germany	Poland
Austria	Portugal
Slovakia	United Kingdom
Spain	Czech Republic
France	Romania
Hungary	Russia
Italy	Turkey

Asia

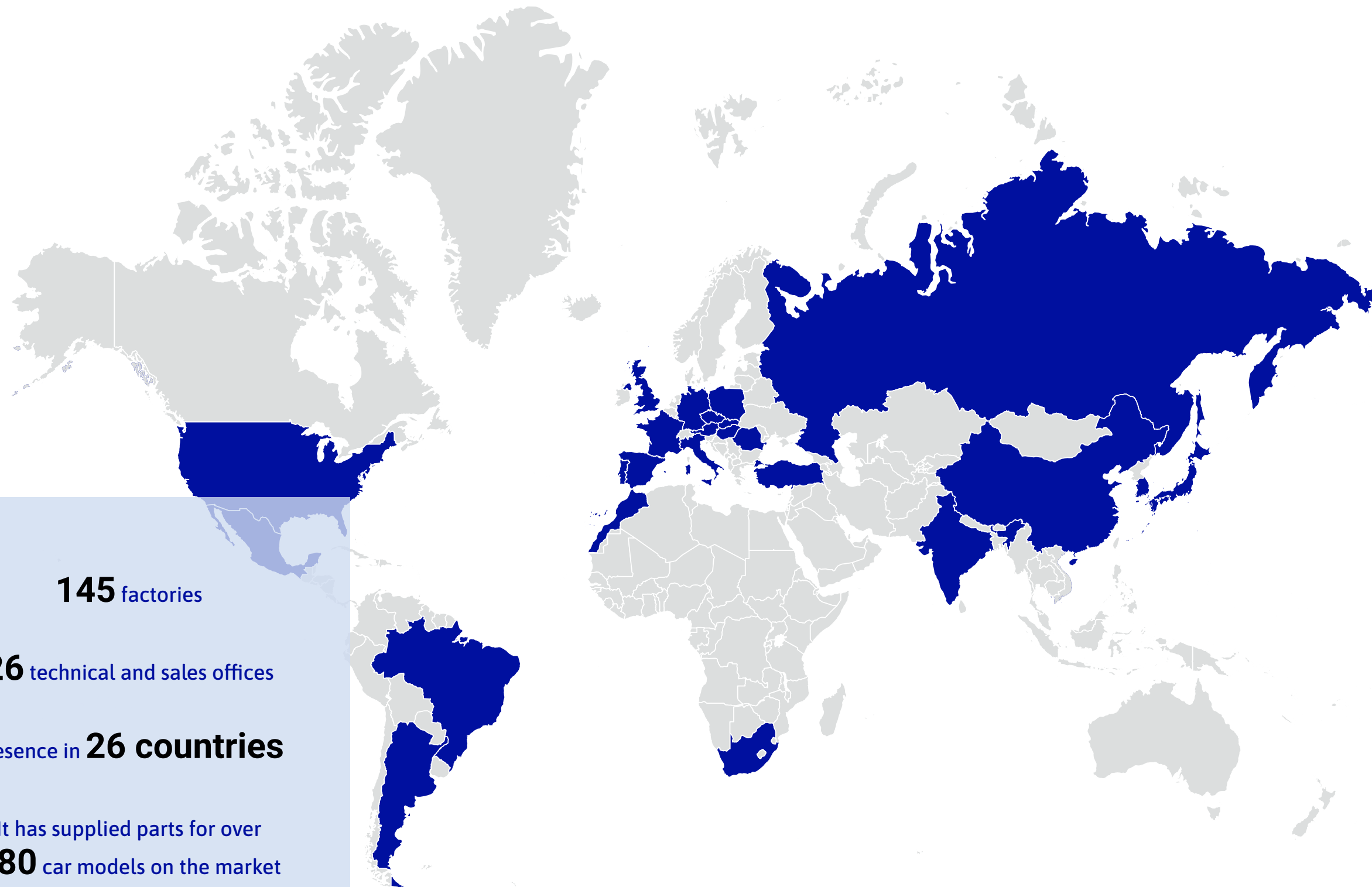
China
South Korea
India
Japan
Thailand
Vietnam

America

Argentina
Brazil
United States
Mexico

Africa

Morocco
South Africa



1.3. 2021 Milestones

Innovation and technology

- ✓ Participation in **virtual CES** to present its two new virtual Concept Cars.
- ✓ Partnership with **Net4Things**: to research the connected car.
- ✓ **Plug and Play and Startup Autobahn** platforms: expansion of the innovative ecosystem.
- ✓ Entry into the **Car Connectivity Consortium**: development of Car Entry Systems.



- ✓ **Joint Venture with NAEN** in China to develop integrated electronic solutions for the vehicle interior.

- ✓ Recognition of a student from the Polytechnic University of Valencia as winner of the Grupo Antolin **Design Challenge**.



- ✓ **New claim**
Intelligent. Integrated. Inside.
Presentation of the new claim as part of the company's new brand positioning, which focuses on leading the change that the industry is experiencing through the interior, the vehicle and people.

- ✓ Creation of the **Automotive Innovation Lab**.



- ✓ Antolin Chengdu: **Volvo Cars Green Energy** award, which recognizes the sustainable supply chain.

Sustainable and responsible business

- ✓ Grupo Antolin-Salttillo received the **Heath and Safety** distinction.
- ✓ Recognition from **Forética** during the JOBS 2030 meeting.
- ✓ Grupo Antolin-Silao received the **Activated Company** distinction from the Sports Commission of the State of Guanajuato (Mexico).
- ✓ Grupo Antolin-Tlaxcala given an award by **Geocycle**.
- ✓ Grupo Antolin-Autotrim recognized by **Asepeyo** for occupational risk prevention.

- ✓ Grupo Antolin renews its commitment **to entrepreneurship with POLO Positivo**.



- ✓ Collaboration with **Unicef** to improve **access to the COVID-19 vaccine**.

- ✓ eBú has received recognition through the **EPD** certificate.
- ✓ Participation in the **Ibercaja Sustainability Week**.
- ✓ For the tenth consecutive year, **Global Compact** has granted Grupo Antolin's Progress Report the Advanced Level.
- ✓ Presence in the **Dossier of Guiding Principles** on Business and Human Rights of the Global Compact.
- ✓ CSR Europe includes Grupo Antolin as an example of good practice in **Workforce transition**.
- ✓ Participation in the **Dual Education forum of Vocational Education in Shenyang**.

- ✓ Presence on the round table of the **Institute of Governance and Society** (Instituto de Gobernanza y Sociedad) **and the Institute of the Company** (Instituto de Empresa).



- ✓ Grupo Antolin-RYA in the European project, **Working Age**.

Winner of awards from its customers

- ✓ Changshu Antolin: award from **Jaguar and Land Rover JLRQ**.

- ✓ Grupo Antolin, **General Motors 2021** award as supplier of the year.



- ✓ Grupo Antolin-Salttillo recognized by **General Motors**.



- ✓ Grupo Antolin-India recognized by **Chennai Ford**.

- ✓ Irauto granted an award by **General Motors**.

- ✓ Trimtec and Intertrim have been given an award by **Honda** in Brazil.

- ✓ Grupo Antolin-Primera (Louisville), winner of the award **Ford Q1**.

- ✓ **Supplier Quality Excellence Award** from General Motors to Grupo Antolin-Salttillo, Grupo Antolin-Michigan, NHK Antolin Thailand and Grupo Antolin-India.

Other Recognitions

- ✓ **City of Burgos** Award for Knowledge and Innovation won by Antolin.



- ✓ Industrial company with the best reputation in Spain according to **Merco Empresas**.

- ✓ Award for the "**inAntolin**" internal communications strategy.

- ✓ **FACYL** recognition for its founding partners on its 20th anniversary.

- ✓ José Antolin Toledano won the **Castile and León Emprende 2021 Lifetime Award**.



- ✓ Grupo Antolin, winner of the Best Internal Brand category at the **Aebrand Awards** (Spanish Branding Association).

- ✓ **Recognition for Maria Helena Antolin** at the end of her term of office as Chair of the Spanish Association of Automotive Suppliers (Sernauto).

Present at leading events

- ✓ Breakfast at Cibeles Palace with the Mayor of Madrid on **International Women's Day**.
- ✓ International Conference on Plastics in the Automotive Industry.
- ✓ Round table on industry during the third edition of the **MOVES** program, organized by the Ministry for Environmental Transition.
- ✓ Participation in the **35th IESE Mobility Conference**.
- ✓ Round table on *Circular economy, an opportunity for the company* at a conference by the **General Directorate for Quality and Environmental Assessment**.
- ✓ Support for the *Choose France* initiative at the 4th International **Business Summit** Event.
- ✓ Round table on the Automotive and Aeronautical sector on the occasion of preparing the **2nd Industrial Promotion Master Plan 2021-2025 of the Regional Government of Castile and Leon (Spain)**.

- ✓ 35th Meeting of the Digital Economy and Telecommunications #santander35 of **AMETIC**.

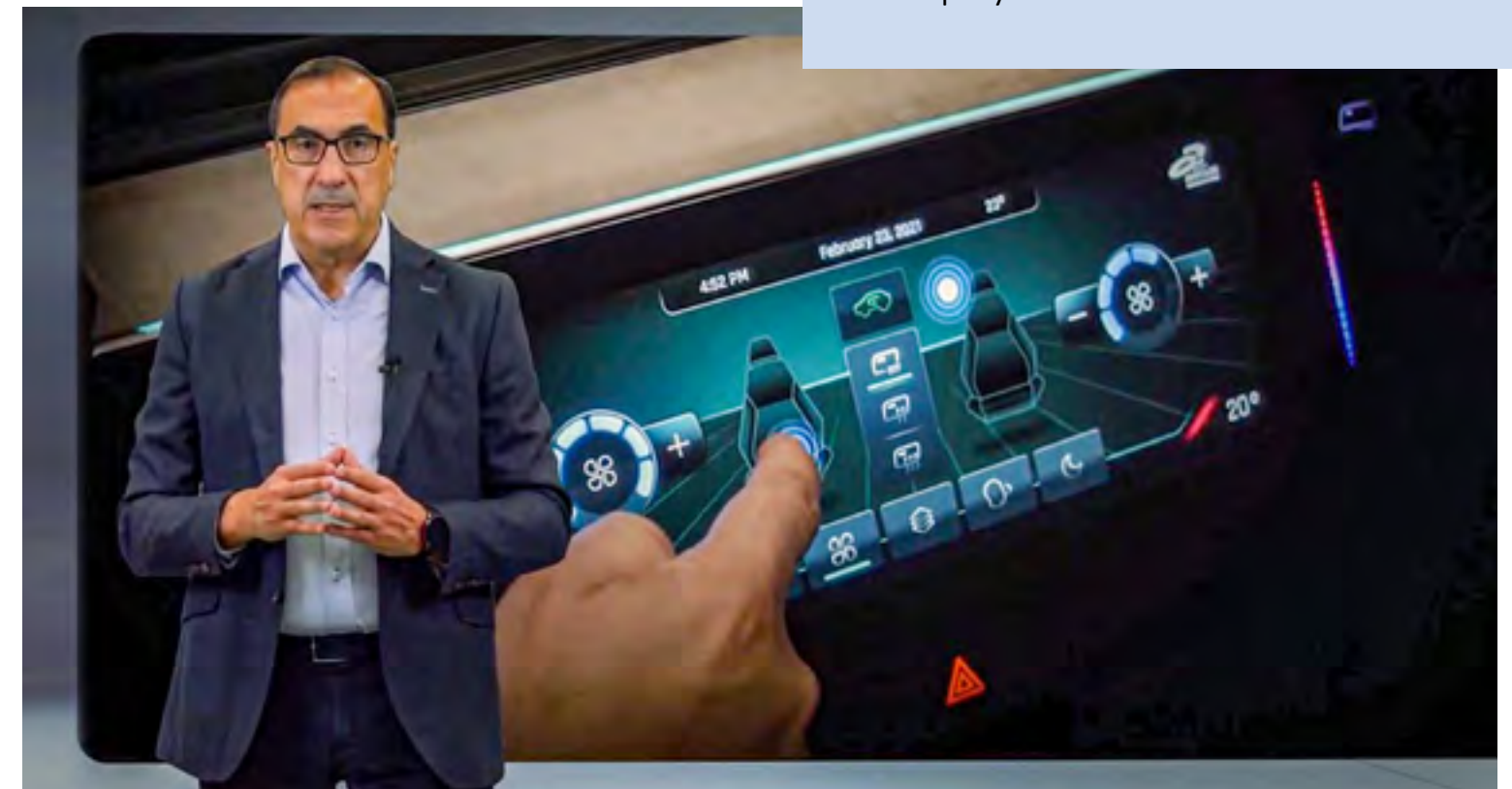
- ✓ 3rd **Women and Leadership** Conference organized by @50&50 within the 2nd Young People and Leadership program, sponsored by Grupo Antolin.



- ✓ **7th European Funds Forum**, the keys to recovery organized by KPMG and the EFE agency.
- ✓ 25th Anniversary of the **Spanish Federation of Technology Centers (FEDIT [Federación Española de Centros Tecnológicos])**.
- ✓ **National Family Business Conference**.
- ✓ **Centennial Conference of the College of Engineers of ICAI**.

Global pride of belonging

- ✓ **Meetings with the CEO:** Virtual meeting of the chief executive with the company's directors.



- ✓ **6th Global Meeting**, the company's main communications event.

- ✓ **3rd Values Awards**, which recognize the employees and teams that best represent the company's values.

- ✓ **Visit by Ernesto Antolin**, Chairman of Grupo Antolin, to several of the company's plants.

- ✓ **13th anniversary of Grupo Antolin-Sibiu**.



1.4.

Key factors for the year

The year in figures

Millions of euros
2020 - 2021

Consolidated sales



Consolidated EBITDA



Consolidated EBIT

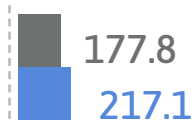


Profit attributable to Grupo Antolin

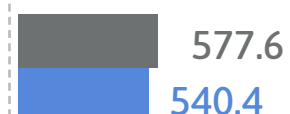


Millions of euros
2020 - 2021

Investment (Tangible and Intangible)



Net equity (Equity + External Partners)



Consolidated average workforce (In number)



■ 2020 ■ 2021

2021 figures prepared in accordance with International Financial Reporting Standards (IFRS-EU), applying IFRS 16.



Global business

145 factories in **26** countries.

Over **100** vehicles launched in 2021 equipped by Grupo Antolin.

Over **80** vehicle brands with Grupo Antolin solutions.

€1,937M in purchases of direct material from first-tier suppliers.

€1,000M of spending with local suppliers.

98% reporting of suppliers identified with conflict minerals.

Investment in R&D+i of **€125.22M**.



Unique talent

1,567 professionals in technology-related jobs.

940,000+ training hours, **37.83** per employee on average.

97.77% of professionals with permanent contracts.

Decrease of **2.46%** in the Frequency Rate and of **16%** in the Severity Rate.



Conscious leadership

10 Board of Directors meetings.

Joint Advisory Board.

Increased female representation in the Management Committee.

5,000+ training hours on Compliance and Human Rights.

59% of direct material suppliers assessed with ESG criteria.



Environment management

27% reduction in total scope 1 and 2 emissions (base year: 2019).

Increased use of renewable electricity by **3.2%**.

113 people dedicated to the prevention of environmental risks.

97 centers certified in ISO 14001.

6 centers certified in ISO 50001.

Extension of the sustainability objectives to the supply chain.

Measurement of the scope 3 footprint for transportation at **44** plants.

€855,000+ of social contributions. (**€34.19** per employee.)



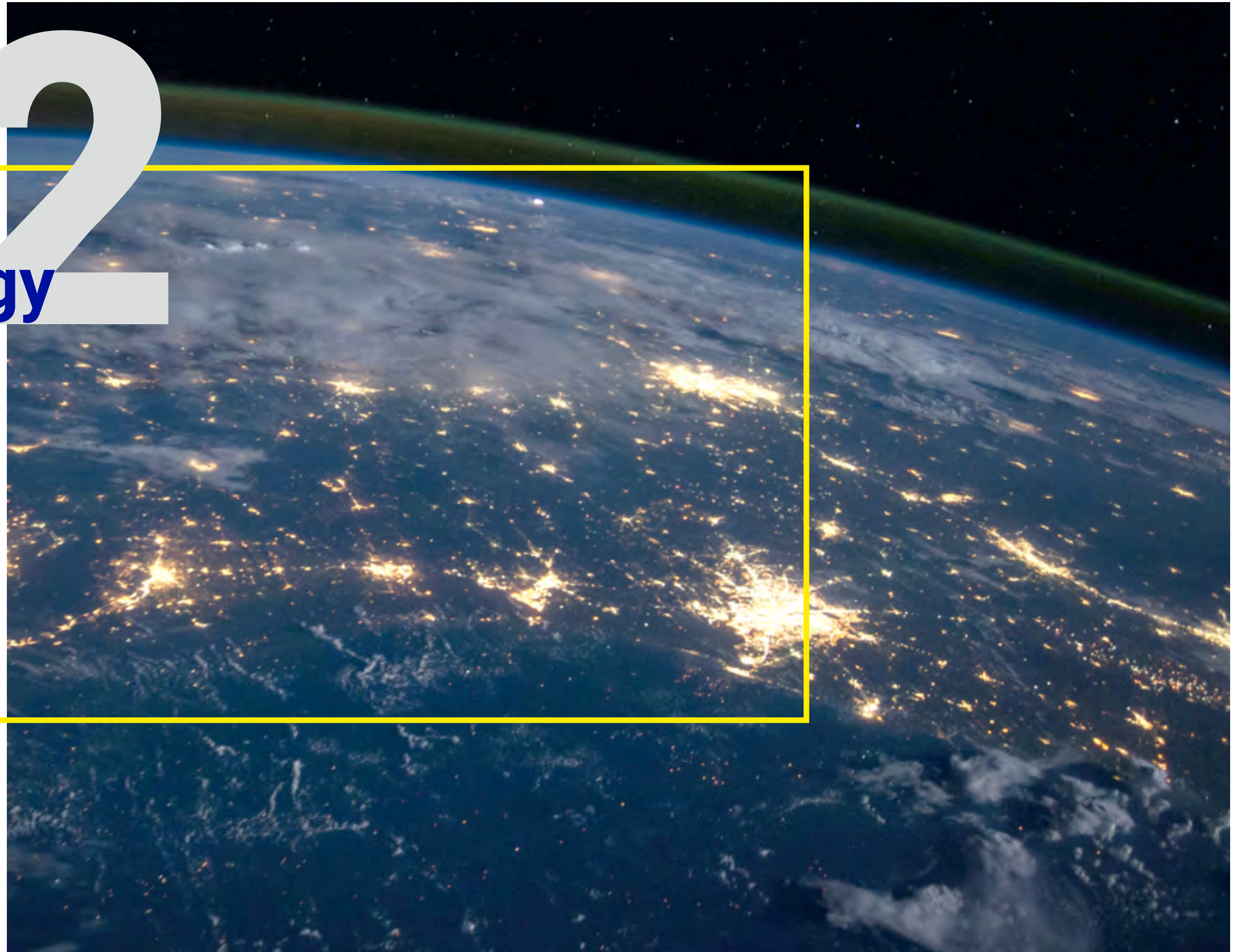
02

Strategy

Sustainable innovation
to make the difference

It is time to write the future. To anticipate tomorrow's changes by working today on the most advanced, sustainable, and innovative solutions on the market, generating value for stakeholders and contributing to a fairer and more prosperous world for all.

This is Grupo Antolin's commitment and this is how it makes the difference.



2.1. A challenging context

The great reset

That was the slogan of Davos 2021 which, in a certain way, reflected global hope about the imminent arrival of vaccines. Science had played its part and provided an effective solution against the pandemic in record time. It was then the turn of political and economic leaders to strive for a sustainable, fair and inclusive recovery.

The road map issued by the **World Economic Forum** at its annual convention outlined seven key points, areas in which the automotive components sector also wants to contribute decisively: *How to save the planet, Fairer economies, Technology for good, The future of work, Fairer companies, Healthy futures and Beyond geopolitics.*

In the Swiss city, the **Global Risks Index** was also presented, which included technological risks –among them, the digital divide– and social risks such as the structural deterioration of job prospects. Faced with this threat, the promise, already part of the 2030 Agenda, to “leave no one behind” once again resonated strongly and united governments and companies behind a common goal.

Stakeholder capitalism has ceased to be an option and has become an ethical imperative. Companies are increasingly expected to act as catalysts for social action and respond to the demands of investors, employees, legislators and society as a whole. Organizations have assumed this responsibility and are transforming their businesses to generate long-term added value in their environments, beyond that measured in terms of financial profitability.

Companies are leading the transformation of the economy toward a model that reconciles financial profitability with sustainable development

A year of progress

Most countries have been in agreement on one thing for the last few years, which remains a common goal, and this is the objective to **decarbonize the economy** to limit the restrict in global temperature to below 2°C, as stated in the Paris Agreement. In this regard, COP26, held in November, appealed to the ambition of countries when it comes to renewing their NDCs (Nationally Determined Contributions) to report annually, instead of every five years, on their objectives to reduce emissions by 2030. To respond to this ambition, the focus was placed, among other issues, on accelerating commitments and actions to reduce vehicle emissions, seeking the support of the automotive industry and its decarbonization strategies.

In Europe, sustainability is at the heart of recovery. Not surprisingly, the **European Green Deal** will receive a third of the €1.8 billion in the NextGenerationEU funds. Several plans with an impact on the automotive sector form part of this framework, such as the strategy for sustainable

and smart mobility and the increase in restrictions on emissions of atmospheric pollutants from vehicles, among others. Work is also being performed on a new **European Union Chemicals Strategy for Sustainability**, and on circularity objectives that are featured in the **European End of Life Vehicles Directive**.

An important initiative for the sector has been the entry into force of the **European Conflict Minerals Regulation** in 2021, through which the Member States must apply monitoring standards. And while the EU is preparing a new Due Diligence Directive, countries such as Germany have gone ahead with their own **law on due diligence in the supply chain**, which introduces a mandatory standard in Human Rights and environmental management for all suppliers of German companies.



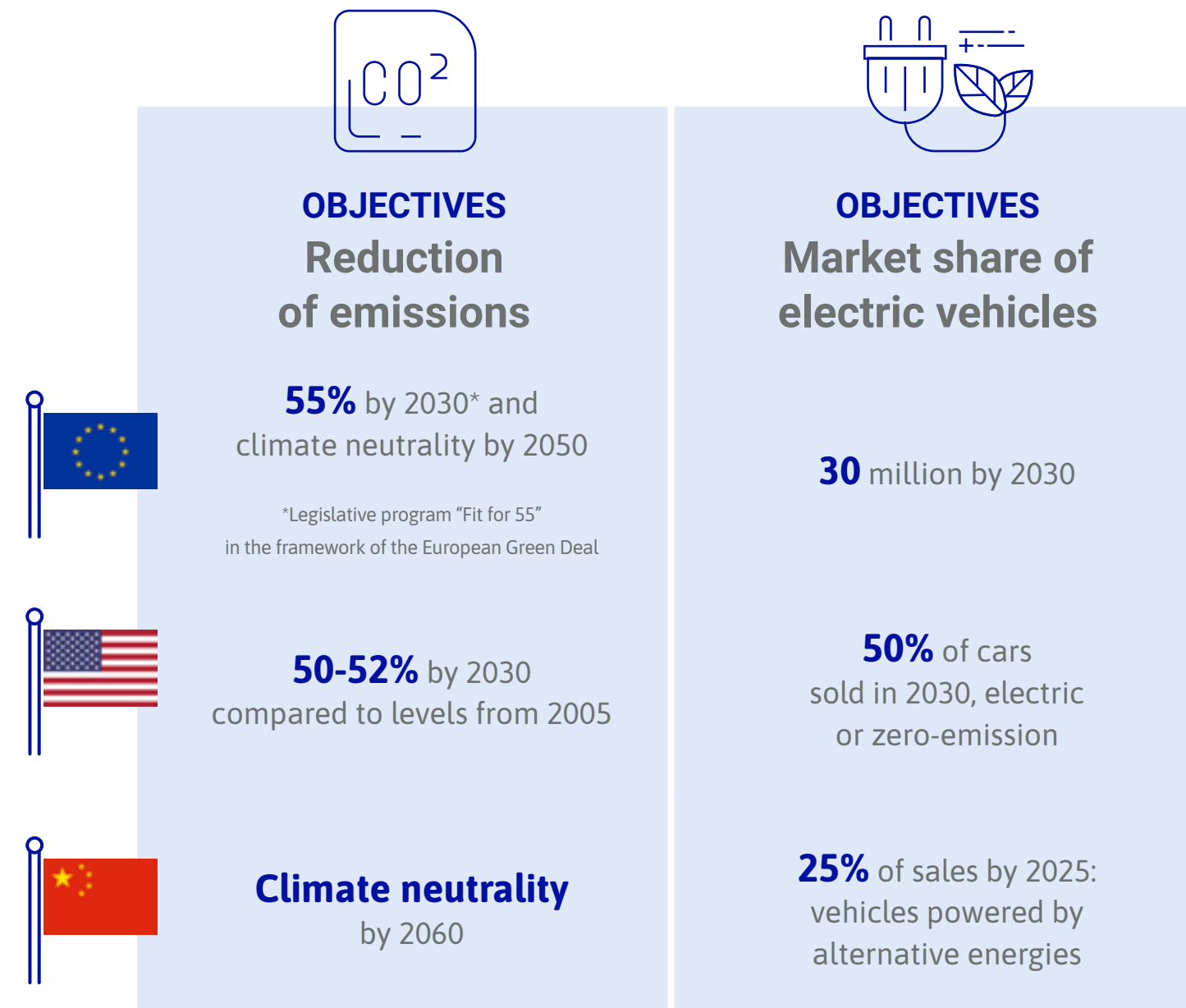


Beyond Europe's borders, the return to pre-pandemic normality has followed different speeds. **The United States**, despite the slowdown caused by congestion in supply chains, ended the year with the highest growth rate since 1984.

The arrival of the Biden administration has brought the fight against climate change back to the forefront of this country's political agenda, with the **commitment to reduce net greenhouse gas emissions by between 50% and 52% by 2030**, compared to the levels in 2005. To achieve this objective, much of the effort is focused on the automotive sector: by 2030, half of new cars sold in the country must be electric or zero-emission.

The American commitment follows in the steps of **China**, the leading market for electric vehicles in the world, and which is aiming for **vehicles powered by alternative energies to represent 25% of sales by 2025**. The producers of electric vehicles in this country account for 40% of the market and, moreover, the production of batteries –the core of the electric car that represents more than 40% of the total cost– is also concentrated in Asia, across South Korea, Japan and finally China, which is again the leader in this sector.

The promotion of this mobility is a key element in the Asian country's plans to accelerate its green transition and achieve climate neutrality by 2060. This ambition was made clear in the joint declaration made with the United States in the framework of COP26 and through which it commits to presenting, in 2022, a comprehensive plan to reduce methane emissions, responsible for around 25% of the current warming.



If we look at Spain, the **Recovery, Transformation and Resilience Plan** set the guidelines for distributing the European funds with a focus on a **green, digital, and inclusive** transformation. Under the scope of this plan, in 2021 the Spanish Government approved the first **PERTE** (Strategic Projects for Economic Recovery and Transformation) **dedicated to the Electric and Connected Car**, in order to create an ecosystem for the development and manufacturing of this type of vehicle and make Spain a European hub for electromobility. The **2030 Safe, Sustainable and Connected Mobility Strategy** was also adopted last year, designed to respond to the mobility challenges of the 21st century and with the coordination of all players in this ecosystem.

Another challenge, included in the Spanish Government's plan, relates to social cohesion and outlines the need to strengthen the digital and technological skills of human capital to ensure a fair transition in the transformation of the labor market. This objective is shared by the automotive sector and it has been working on this for a long time.

The sector, facing a decisive moment

The automotive components industry is at a time unlike any other in its recent history. The present day is marked by structural and circumstantial factors, both endogenous and exogenous, that are shaping the situation in a sector that has always known how to transform its challenges into opportunities. As a result, the sector is adapting to the new mobility trends and leading by example in the face of new regulatory and stakeholder requirements in relation to energy, climate change, raw materials, transparency, cyber security, the future of work, ethics, etc.

This transformation is taking place in a challenging environment of lower profitability as a result of the social and economic consequences of the health crisis experienced over the last two years, which have affected the industry through a severe alteration of the supply chain and an increase in logistics, energy and raw material costs.

The sector is adapting to the new mobility trends and leading by example

An expanded mobility ecosystem

In recent years, new players outside the traditional automotive industry have entered the field of play, such as technology companies, electricity companies, municipal transport bodies, banks, mobility services for business companies, consumers and society. One of the great challenges of the automotive components sector lies in the interconnection between all these new agents.

Industry 4.0^s

At a time when the market is becoming increasingly complex, the sector is understanding again that the best response is to progress with the industry 4.0 model: new manufacturing methods, energy efficiency and maximum optimization of processes for increasingly complex management. All without forgetting the “s” in the reformulation of industry 4.0^s, that is, the version integrating sustainability from start to finish.

Post-COVID-19 scenarios

The impact of the pandemic is reflected in several aspects, from the evolution of supply chains toward a *glocal* model, to the cost reduction policy of the vehicle manufacturers and the difficulties in procuring essential raw materials for the automotive sector.

The new mobility

The new mobility is sustainable, smart, affordable, and safe. Although the pandemic meant a return to the individual use of the vehicle, we expect a gradual return to shared mobility and public transport, where the vehicle is always at the forefront. Consumer concerns about safety reflect multiple dimensions: not only must driving be safe, but the interior of the vehicle must be a bubble of health, well-being and safety for its occupants. Affordability is also more important in a context of uncertainty in which people prioritize the consumption of goods and services with added value.

Disruptive technology

Artificial intelligence, cyber security, connectivity and integrated electronics; these words are no longer foreign in the language of the new mobility. Technological advances and software are becoming a differentiating element for vehicles, waiting for the great revolution that may arrive with 5G. At the same time, greater technological development and connectivity also raise new challenges for the sector, such as those associated with cyber security.



ESG, a factor in profitability

The transformation of the industry toward a decarbonized and sustainable economy is encouraging the investment community to increasingly prioritize ESG (Environmental, Social, and Governance) criteria, on understanding that they lead to greater long-term profitability. Their importance in the business strategy is also growing with initiatives such as the new European strategy on sustainable finance.

Demanding regulations

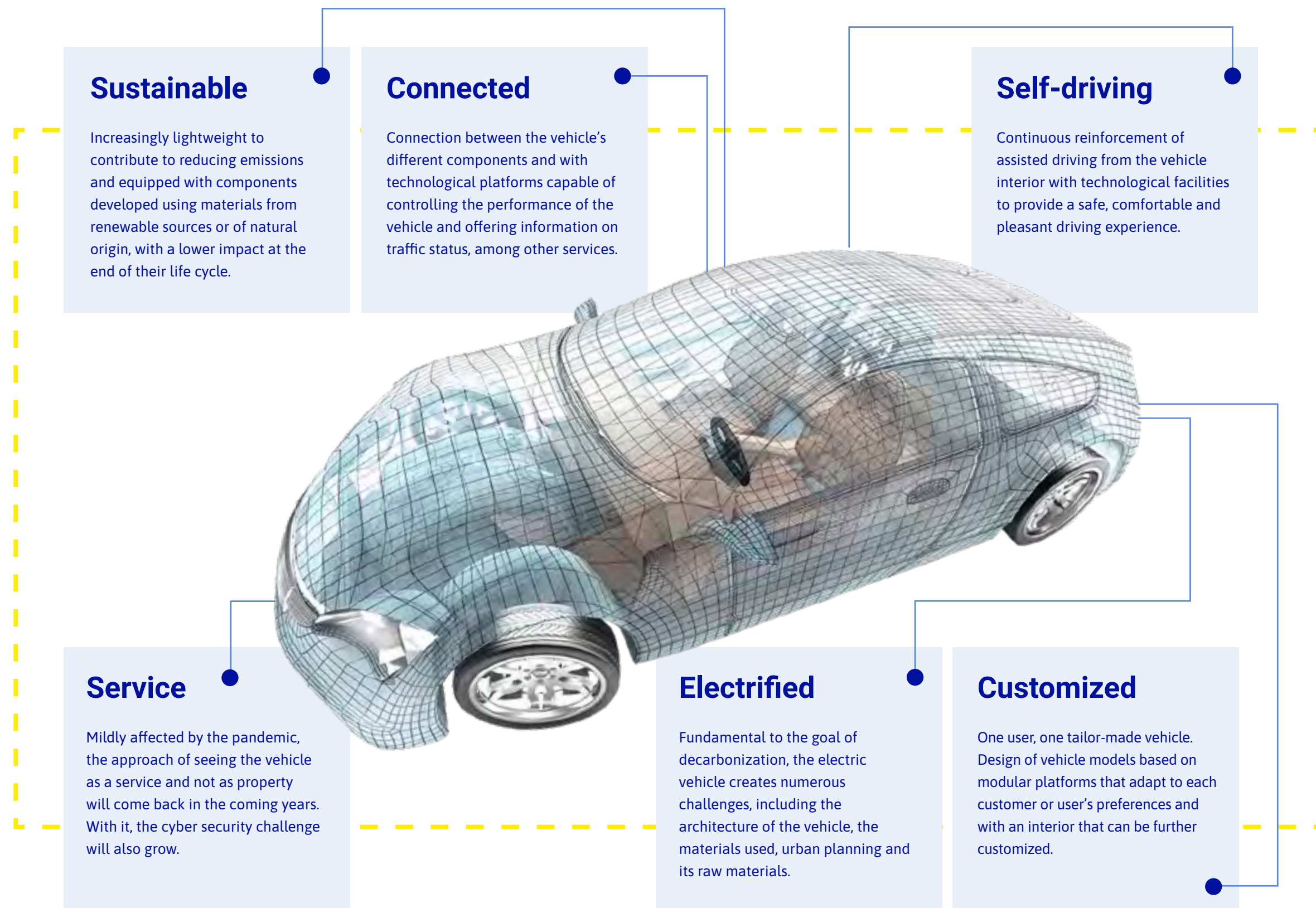
Legislation, which is constantly increasing in all regions, is laying the foundations for the new mobility, which seeks to respond to the new demands of stakeholders and will transform vehicles and their interiors. Legislation covers more than just the fight against climate change, since issues such as cyber security and transparency are also priorities for the sector.

Transformation of talent management

The Fourth Industrial Revolution brings challenges such as the risk of automation of some jobs or the digital skills divide. Added to these are those derived from the pandemic: hybrid face-to-face work and teleworking models and the importance of mental health; not forgetting issues such as diversity and inclusive leadership.

The vehicle of the future is being designed today

Faced with this range of factors, the sector is redoubling its efforts to continue lighting up the vehicle of the future, promoting its electrification, connectivity, autonomy and customization. All this without overlooking the growing trend for business models based on the use of a service rather than its ownership.



2.2. Our strategic approach

Sustainable innovation: always two steps ahead

The automotive industry has been experiencing a true revolution in recent years. Leading this transformation will involve knowing how to anticipate the new challenges and demands of the sector. This has been Grupo Antolin's exact strategic focus from the beginning. Thanks to this, it is able to provide its customers with the most advanced, sustainable and innovative technologies and solutions. The goal is to consolidate its position as a global supplier of technological solutions for the interior of the car of the future.

Grupo Antolin is focused on the development of advanced solutions for the new forms of mobility and the electric, digital and connected car in order to lead the transformation of the vehicle from the interior. Into these solutions are efficiently integrated disruptive technologies, lighting systems, decorative surfaces and electronics, following a strategic product approach known as **Smart Integrator**.

Faced with the current challenging environment and to shape its strategy, **innovation must be, now more than ever, the lever with which to boost the company's competitiveness and**

respond to the needs of the new mobility. With a medium and long-term vision, the company's Innovation Department is exploring new technologies and identifying strategic fields of collaboration with customers, technology-based suppliers and research organizations. It also remains especially on the lookout for innovation trends with the greatest scope and disruptive impact.

Always looking to the medium and long-term, during 2021, the Corporate Innovation Department passed over to the different Business Units the projects that were already sufficiently mature and aligned with Grupo Antolin's business objectives. This will allow for a faster final engineering stage before they can become a technical proposal on offer to customers.

Each and every solution created in this department are conceived as comprehensive elements that bring together sustainable materials, excellent technical features, electronic devices and control software for their associated functions to achieve greater sustainability, comfort and safety on board.

Grupo Antolin is focused on the development of advanced solutions for the new forms of mobility and the electric, digital and connected car



Main projects

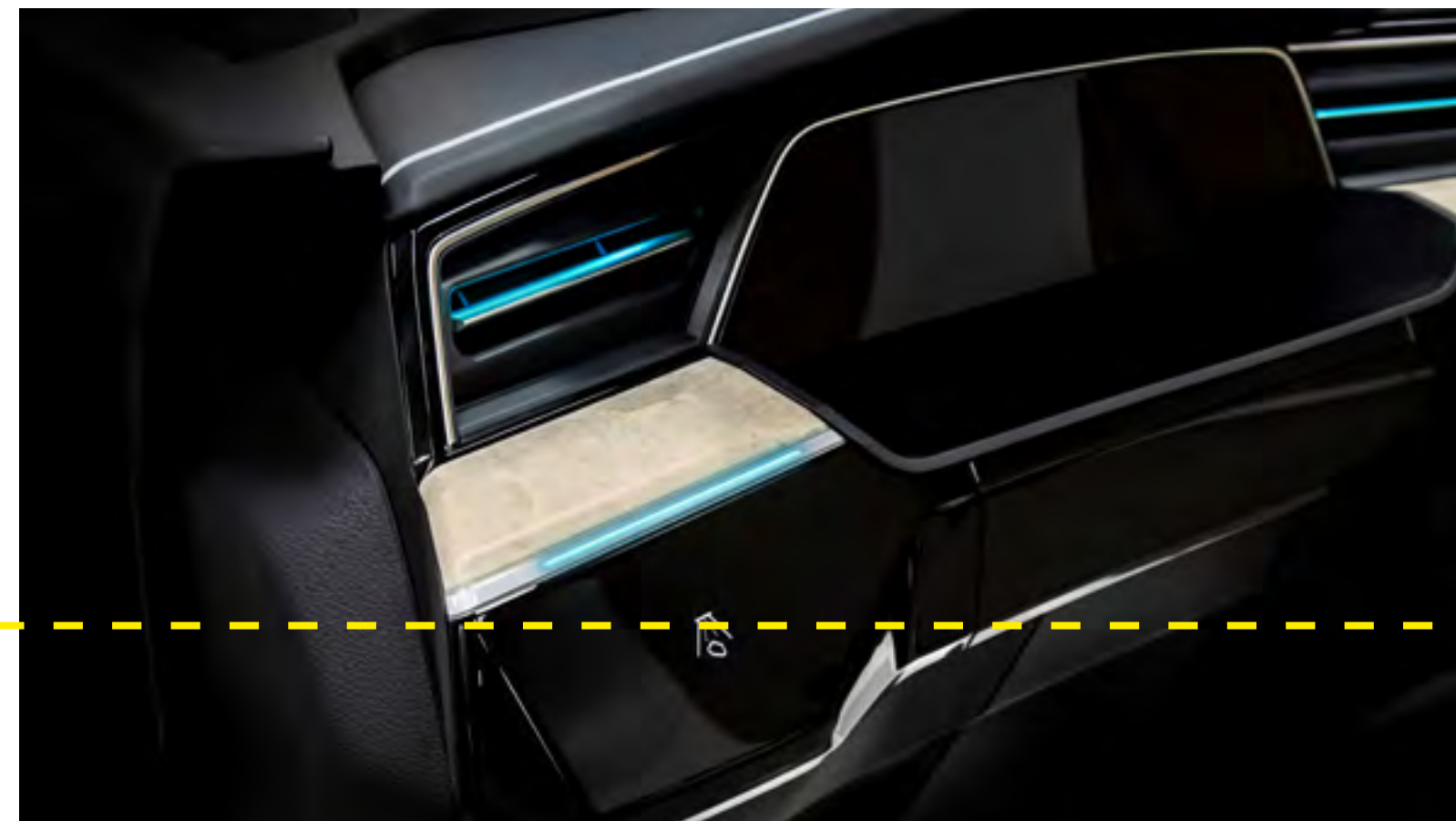
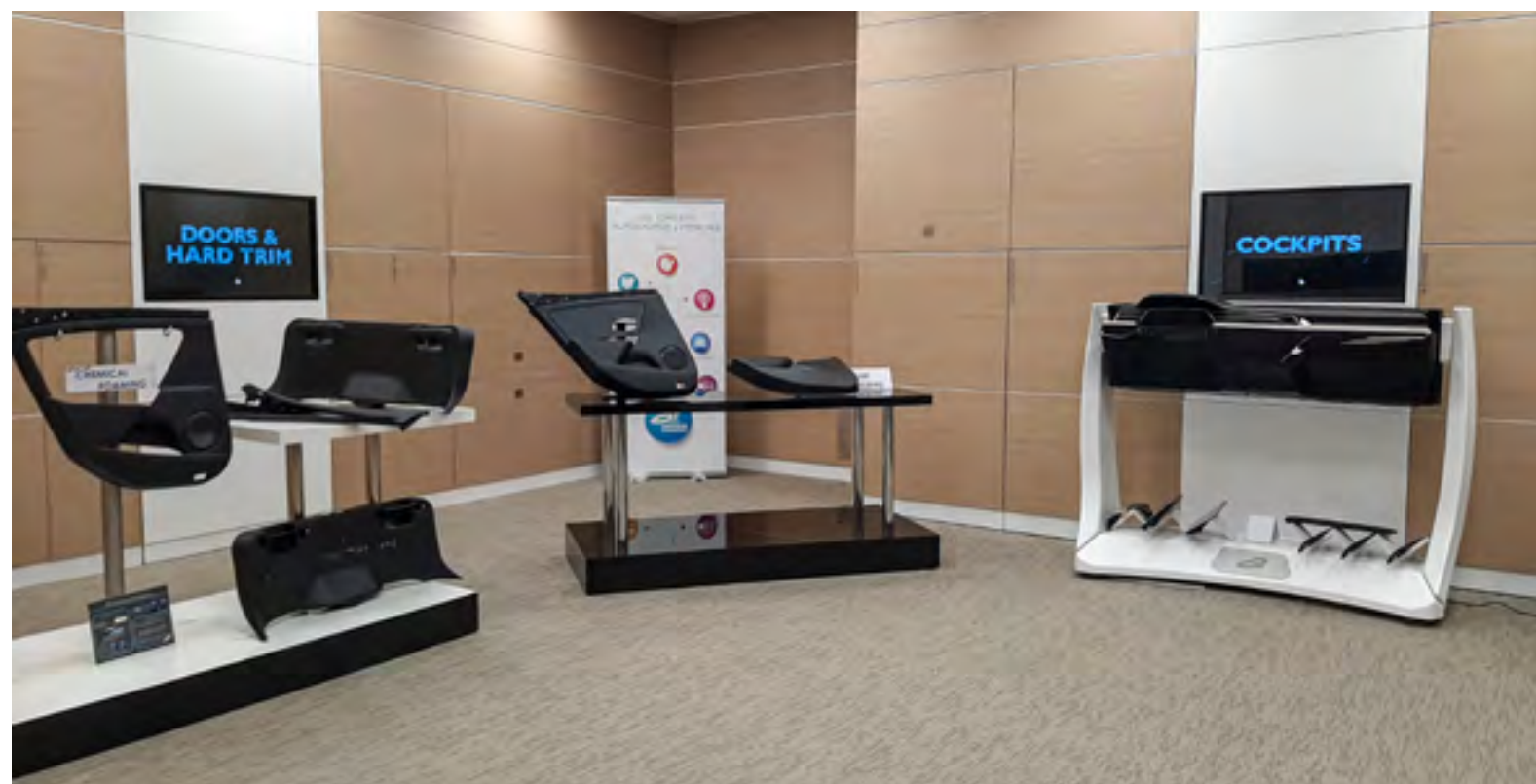
In 2021, the technical activity associated with the programs included in the Strategic Innovation Plan 2019-22, co-financed by the Institute for Business Competitiveness (ICE) of the Regional Government of Castile and Leon (Spain), was completed.

On a technical level, the company ran innovation projects related to:

- Design of the **vehicle interior for new types of mobility**.
- Integration of **advanced features in interior components**.
- **New materials and processes**.

In the current environment, another priority is to contribute to people's safety and make the vehicle a **comprehensive health protection space**. As a result, Antolin is making progress in the development of air purification and surface sterilization systems in the vehicle interior.

Innovation work is becoming increasingly ambitious from a technical viewpoint and is not just limited to the fields of knowledge most directly related to the company's current business. An example of this is the opening of a new line of action in 2021 related to **electrochemical systems for the generation and use of hydrogen** as a future energy option. The work performed in this field highlights the advantages of using carbon nanofibers, produced at Grupo Antolin's facilities, as catalyst support in the ion exchange membranes that constitute the heart of both electrolytic systems that generate H₂ and fuel cells for that gas.



Partnerships: sharing, learning and growing

Grupo Antolin believes in open innovation, cooperation and the transfer of knowledge. For this reason, it has always taken a special interest in establishing an ecosystem of profitable partnerships with companies, startups, and innovation centers in the main markets in which it operates. The aim is:

- To generate new products and/or features, technologies, business models, etc.
- To make improvements to industrial processes to optimize aspects of competitiveness.
- To integrate intelligence into certain components, making use of technologies external to the company's business.

In 2021, it collaborated with various open innovation and entrepreneurship promotion platforms, both local (Polo Positivo, Burgos) and regional (Wolara, initiative promoted by the Regional Government of Castile and Leon). On an international level, its integration into the *Plug & Play* community stands out, this being the world's largest open platform in the field of mobility.

[See Good practice](#)



Objectives 2022

The Innovation Department aims to keep **enriching the company's technological capacity and strengthen its competitive position, always with the goal of meeting the needs and requirements of the customers.**

- Study, monitoring and future vision of new technologies.
- Competitive analysis of trends and technological solutions proposed by customers and competitors.
- Identification of themes and strategic collaborations to create lines of research in the areas with greater future potential.
- Enrichment of the innovation ecosystem.

Innovation in processes

Innovation also plays an essential role in Grupo Antolin's processes. Thanks to the new technologies of Industry 4.0 and digitalization, the corporate culture is more streamlined and the information exchange and management processes are faster and more efficient. All of this with a single objective: to improve the company's competitiveness.

In industrial processes, innovation is used to create a new model: the **smart factory**.

Flexible

Allows the production system to adapt to the changing needs of customers and do this as quickly as possible.

Proactive

Able to anticipate and make decisions in real time.

Focused on the highest quality

Improving both the end product and the manufacturing process to respond to customer requirements.

Sustainable

Guarantees energy efficiency.

Streamlined

Speeds up the production process without compromising on product quality.

Among the numerous advanced manufacturing projects, it is worth mentioning those on smart energy to optimize energy consumption, as well as those on artificial vision and predictive quality to improve the end product and the efficiency of the process.

Good practice

Plug and Play: Grupo Antolin joins one of the largest global innovation communities

One of Grupo Antolin's main objectives is to widen its open innovation ecosystem to make progress in technological solutions that cover the safety, comfort, entertainment and quality needs demanded of vehicle interiors today.

In 2021, the company took another step forward thanks to the partnership established with the platform **Plug and Play**, one of the largest **start-up** communities in the world, with its headquarters in Silicon Valley and a division in Europe, Startup Autobahn. Thanks to this collaboration, disruptive thinking and the exchange of ideas, knowledge and technologies are being promoted to face the challenges and transformation of the automotive industry.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Customers



People



Society





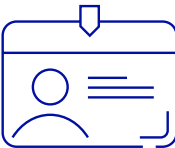



Relationship with stakeholders

Shareholders, supply chain, customers, investors, people, society as a whole. These are just some of the many stakeholders directly impacted by Antolin’s activity and whose needs and demands it in turn builds into its strategic plans and daily management.

This two-way relationship is an enormous responsibility for the company, which it manages through adopting an approach of transparency, listening, trust and dialog with all of them. The aim is not only to incorporate their demands into each process, but to go one step further and involve the different stakeholders in the company’s sustainable business model.

As a consequence of the transformation of mobility, new stakeholders from markets and sectors from outside the automotive industry are being brought in and they must form part of the listening and dialog process for the construction of the future of mobility.

Relationship channels

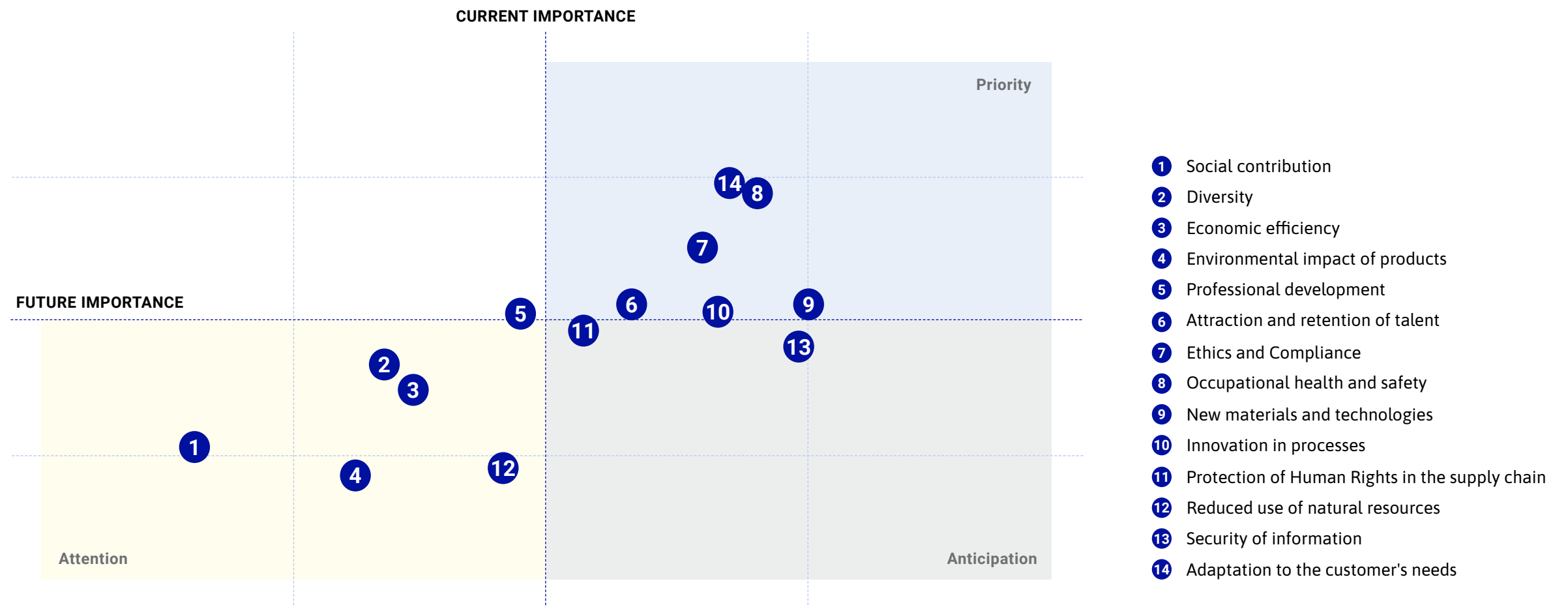
STAKEHOLDERS (from A-Z)	COMMITMENT	CHANNELS / FREQUENCY
<div></div> <div>Customers See 6.2 Customers</div>	Always at the center, their objectives are those of Grupo Antolin.	Daily: announcements and communications, assessments, monographic survey, marketing updates. Constant: Grupo Antolin sales network, social networks. Occasional: audits, benchmarking, Code of Conduct, corporate website, samples, traditional and electronic mail, non-financial statements, press releases, awards, Tech Days, training and seminars, satisfaction surveys, automotive fairs. Bimonthly: customer newsletter. Annual: Annual report, operational contact, ratings.
<div></div> <div>Investors See 6.1 Investors</div>	Mutual trust and maximum transparency of information.	Constant: monographic meetings, investor portal (corporate website), continuous contacts. Monthly: Non-deal roadshows, conferences. Occasional: roadshows. Quarterly: results reports. Annual: Annual report, financial statements, ratings, non-financial statement.
<div></div> <div>People See 6.3 People</div>	A unique talent that Grupo Antolin protects, cares for and promotes.	Daily: Intranet, traditional and electronic mail, operational contact. Constant: calls, monographic meetings, welcome protocol, corporate website, social networks. Weekly: communication platform. 1-2 times/month: communications, project team, internal network, social activities. Occasional: internal campaigns, internal InForma magazine, monographic surveys, press releases, satisfaction surveys, suggestion box, training and seminars, workshops, Basic Work Units (BWUs), internal meetings, meetings with the CEO. Annual: annual convention, annual report, corporate presentation, monographic conventions, Global Meeting, Values Awards, acknowledgments. Triennial: Workplace Climate Survey.
<div></div> <div>Shareholders</div>	Commitment and values, the driver of continuity at this family company.	Regularly: meetings. Biannual: General Shareholders' Meeting.
<div></div> <div>Society See 5.3 Better people for a better future</div>	Contribution to a more prosperous, inclusive and fairer future.	Occasional: conferences, donations, monographic meetings, work teams, patronage and sponsorship, forums, press releases, presentations, social networks, visits, social activities.
<div></div> <div>Supply chain See 6.4 Supply chain</div>	Solid and long-lasting relationships, and a common vision of sustainable development.	Continuous: assessments, Code of Conduct, ratings, Buy One supplier portal. Bimonthly: <i>Innovative Days</i> . Occasional: announcements, communications, audits and inspections, calls, ordinary and electronic mail, training and seminars, special newsletter. Biannual: special campaigns.

Materiality analysis and updating of relevant matters

The environment in which the company operates and the groups with whom it interacts are constantly changing and evolving. For this reason, Grupo Antolin performs a materiality assessment each year, which helps to ensure that the strategy focuses on the correct aspects and allows the company to identify, understand, prioritize and redirect the most relevant aspects for generating value in the business and in the environment in which it operates.

The annual review is based on the materiality study developed in 2017, which identified 14 material issues from an assessment of social and economic trends, the demands of stakeholders, the company's risks and opportunities, as well as the best practices in the industry. These issues were then ordered according to the importance placed on them by the stakeholders and the company, both now and in the future.

As a result of this analysis and the projects derived from it and developed by different areas of the company, Grupo Antolin has been able to direct its efforts towards those issues considered a priority both by the main stakeholders and by the company itself.



In 2021, Grupo Antolin extended the analysis of relevant issues from the concept of **double materiality**, which considers the perspective from outside (environment) to inside (company) and vice-versa (from the company to the environment). In this way, the impact of environmental, social and governance (ESG) issues on the value of the business is studied, as is the impact of the business on its surroundings and the environment on a global scale. This approach is also aligned with the organization's new strategy and with the objectives set for the Planet, People and Business areas for value creation.

The results were obtained from an internal and external analysis, completed with 10 internal corporate, business and geographic interviews. [See methodology in the Appendix](#)

The result was a **list of the most relevant global issues**, which in this report are explained from the viewpoint of the approach and management, grouped into the following blocks.

PLANET



- › Responsible use of materials and components
- › Energy management and efficiency
- › Sustainable innovation

PEOPLE



- › Employment practices
- › Attraction, development, and training
- › Health and safety
- › Commitment, diversity, and inclusion

BUSINESS



- › Business model and ability to adapt
- › Security of information and cyber security

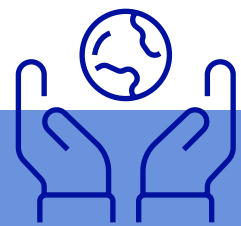
Our commitment: Planet, People, Business

The commitment to sustainable development has been a constant since the founding of Grupo Antolin. It forms part of the culture of everyone who makes up the company and is rooted in each of its processes. Grupo Antolin responsibly assumes the challenges corresponding to it, firstly as a company, but also individually, by each of the people who form it.

Under this premise, the company has focused its efforts on developing a responsible business model that brings together business and purpose and that can create a strategic framework with specific

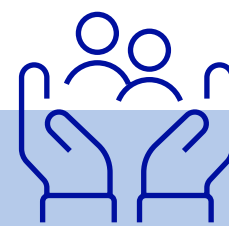
objectives and tangible areas of action. This model is based on three main areas of increased value for the company that allows the global challenges posed by the environment to be turned into business solutions: **Planet, People and Business**.

To make progress with them, Grupo Antolin has set some **new objectives in Environmental, Social and Governance (ESG) aspects**, as well as actions to achieve them, which are part of the company's strategy to be a leading player in the new mobility.



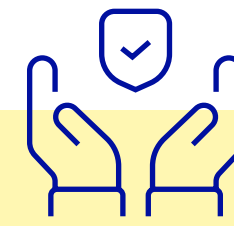
PLANET

[See chapter 5](#) 



PEOPLE

[See chapter 6](#) 



BUSINESS

[See chapter 4](#) 

Commitments

Sustainable economic growth using natural resources in a rational and responsible way, as well as preserving, maintaining and protecting the natural environment and living beings.

Commitment to the unique talent in Grupo Antolin as a source of value generation for the company and society as a whole.

Conscious leadership based on deeply rooted values, a solid governance model and strict ethical and compliance standards.

Objectives

Carbon **neutral** company by 2050

- **Neutral** in CO₂ emissions in its own operations by **2040**.
- **-30% CO₂** emissions by **2028**.

A **circular** business

- Eco-design of products and solutions.
- **Life Cycle Analysis** of its main products.
- **-10%** in non-hazardous waste by **2028**.

Diversity, equity and inclusion, applied to talent

- Diversity and Inclusion focused on **knowledge, values, skills and experiences**.
- **Specific plans** in the tangible dimensions of diversity: gender, disability, age, race, culture and professional profile.
- Increased promotion of **women to managerial levels**.

Zero accidents: a safe and healthy working environment

- **<2.30 reduction in the global frequency index**.
- Reinforcing the commitment to the culture of health and safety.

Committed to a sustainable future

- Promoting initiatives for the economic development of society.

A leader in ethics, integrity and compliance

- **0** confirmed ESG complaints.
- **100%** of people trained in the Code of Ethics.

A responsible supply chain

- **100%** adherence to the Supplier Code of Conduct.
- **100%** of direct material suppliers assessed in **ESG***.

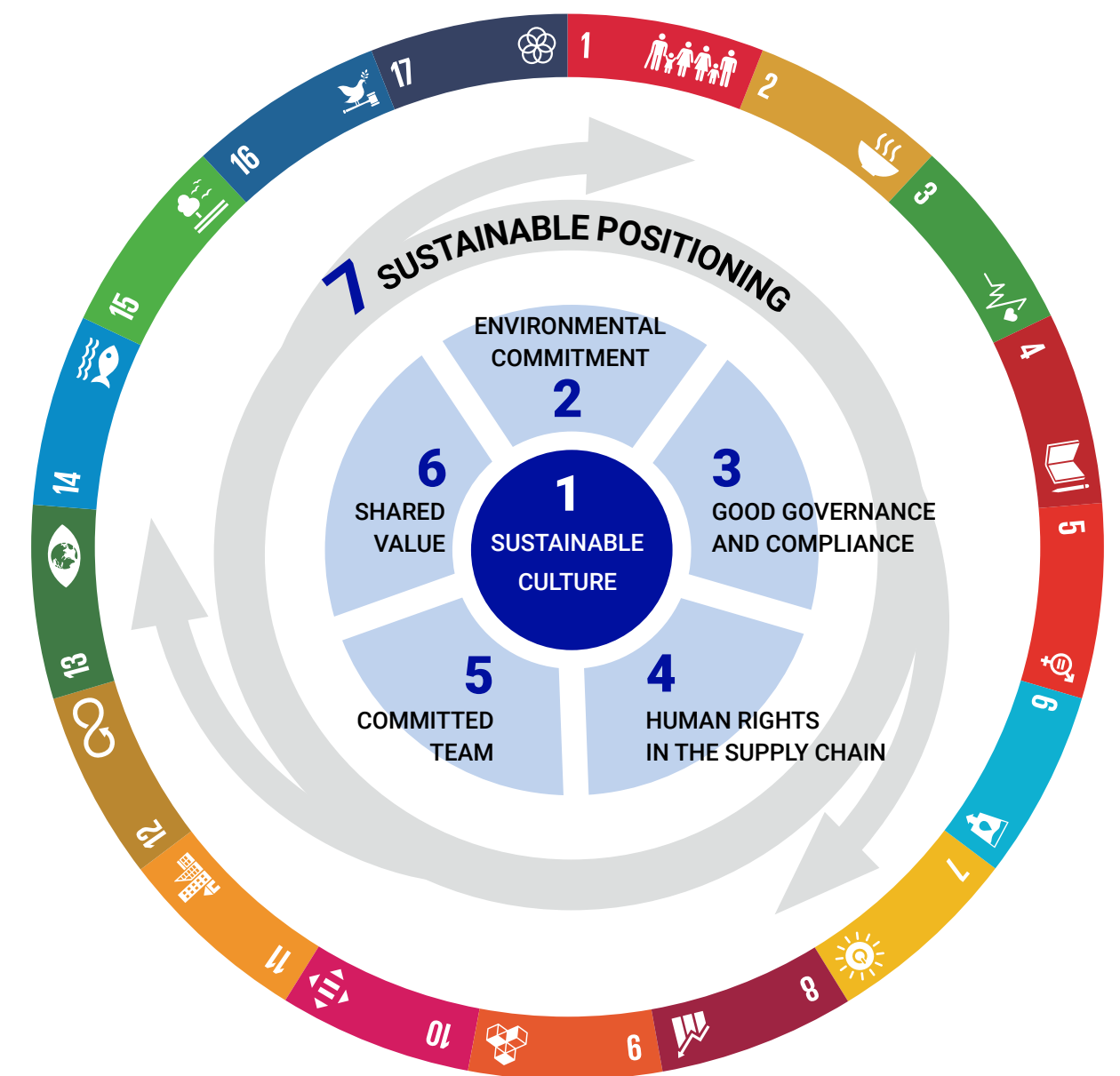
*Environmental, Social and Corporate Governance

Strategic area	Purpose	Scope of action
1 SUSTAINABLE CULTURE	Strengthen and consolidate a culture of sustainability, in keeping with Antolin's Values and Vision, in every aspect of the business and in all regions where the company operates.	<ul style="list-style-type: none"> Awareness and training. Value-based management. Integration and promotion of sustainability in the day-to-day.
 2 ENVIRONMENTAL COMMITMENT	Be a benchmark due to the respect we show to our environment and for our contribution to the fight against climate change and the transition towards a low-carbon economy when carrying out our activity.	<ul style="list-style-type: none"> Strategy and promotion for the circular economy. Fight against climate change. Reduction of emissions. Partnerships to promote sustainability.
 3 GOOD GOVERNANCE AND COMPLIANCE	Adopt the most advanced good governance practices and standards. Integrate and encourage responsible management to generate a culture of transparency, ethics and compliance that ensures the interests of all stakeholders.	<ul style="list-style-type: none"> Corporate Governance structure. Training in ethics, integrity and compliance. Analysis and management of risks. Anti-corruption.
 4 HUMAN RIGHTS IN THE SUPPLY CHAIN	Ensure a commitment to respecting Human Rights throughout our entire value chain. Extend the values of Grupo Antolin, our commitment to the environment and ethical behavior, to our supply chain.	<ul style="list-style-type: none"> Sustainable management of suppliers. Awareness of CSR in the supply chain. Protection of Human Rights.
 5 COMMITTED TEAM	Consolidate the corporate identity of Grupo Antolin on a global level, through a project where employees feel valued, adopt the company's commitments as their own and feel involved in the goals.	<ul style="list-style-type: none"> Attract and retain the best talent – technical and human. Listen and talk to employees. Commitment to different and diverse talent. Promotion of a safe and healthy work culture.
 6 SHARED VALUE	Be the driver of social and economic development in the areas close to our activity, through the creation of shared value. Respond to the main concerns of the community. Maximize our positive impact.	<ul style="list-style-type: none"> Strategic social contribution. Contribution Model: Donations, Financial Support and Sponsorship. Measurement of the impact of the social contribution. Partnerships and relationships with the third sector, both locally and globally.
 7 SUSTAINABLE POSITIONING	Strengthen the recognition of Grupo Antolin for its sustainable performance. Promote the brand and awareness of the company linked to its commitment to corporate responsibility and sustainability.	<ul style="list-style-type: none"> Reinforce the non-financial information reporting system. Sustainable financing strategy. System of relationships with stakeholders. Sustainable discourse. External representation.

Compliance with the ESG objectives is channeled through the **Sustainability Master Plan**, which is the backbone of sustainability throughout the company's entire value chain.

Its strategic working lines are directly and indirectly linked to the areas included in the 2030 Agenda, with the commitment to transform the Sustainable Development Goals into specific measures and actions.

Grupo Antolin contributes indirectly to goals one, two, six and seven; and **contributes directly to the remaining 13 SDGs**



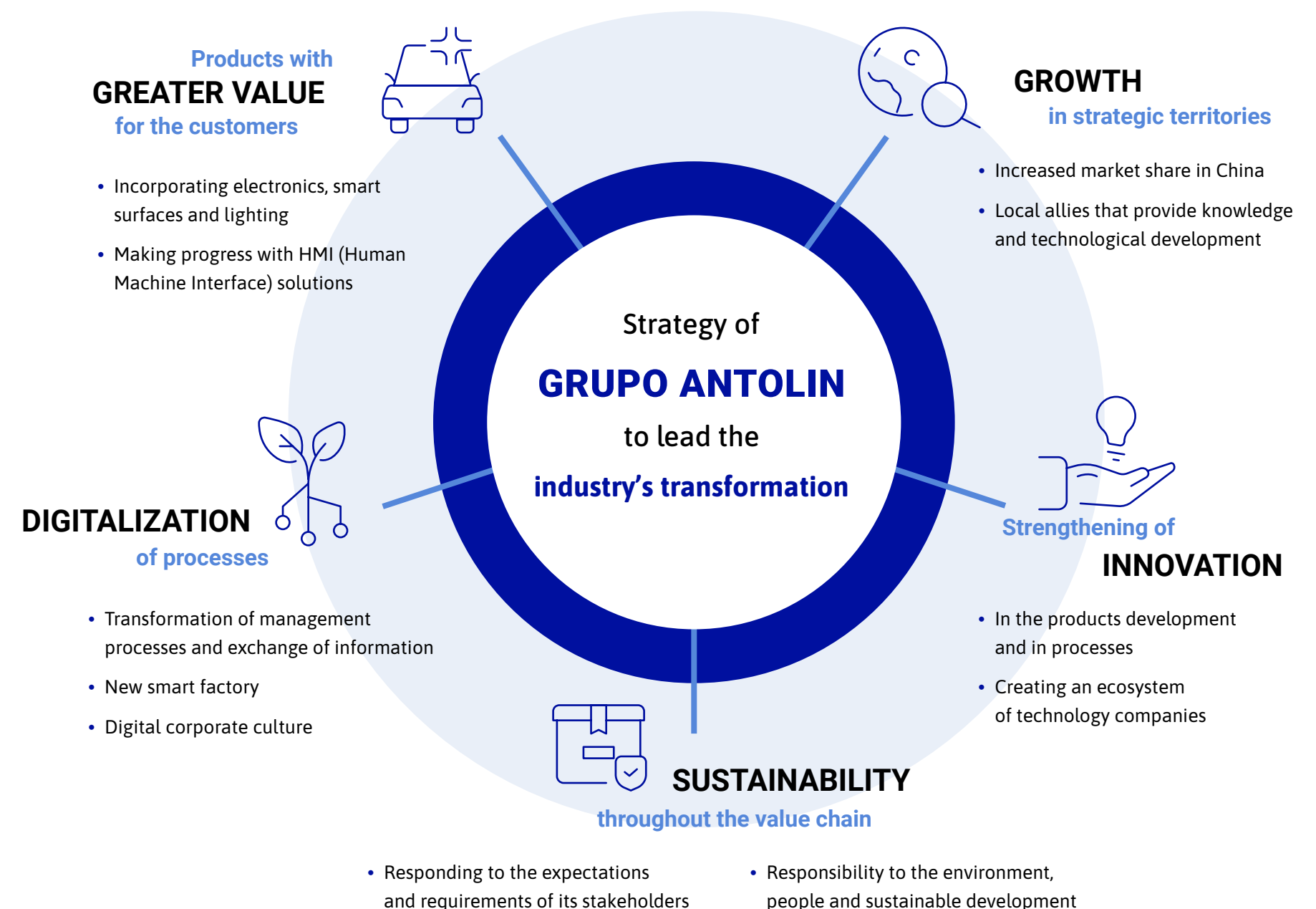
2.3. Towards the future

The future is not written and belongs to those who know how to anticipate it. This is Grupo Antolin's belief and it works tirelessly on this basis every day.

The company's strategy is the cornerstone for contributing to a transformation horizon that will change the mobility sector forever.

In writing the future, there is a decisive turning point: 2030. The so-called "decade of action" will culminate with an analysis of compliance with the 2030 Agenda and the Sustainable Development Goals. From that moment, several unanswered questions will arise: what will the world look like after 2030? And in 2050? What adjectives will we use to describe mobility within 20 years?

There is broad consensus among experts and authoritative voices about certain macro-trends. This includes the World Business Council for Sustainable Development (WBCSD) which outlines in its document, *Vision 2050: Time to transform*, nine transformation pathways that cover areas of business activity essential for society: energy; transportation and mobility; living spaces; products and materials; financial products and services; connectivity; health and wellbeing; water and sanitation; and food.



The technological revolutions to come

Technology will play a role in all aspects of a person's life. Just as the boundaries between online and offline life will blur (the metaverses are already heralding this trend), so will those that separate work and leisure technologies.

Man and machine: peaceful coexistence

Artificial Intelligence will replace many of the jobs we know today. However, people will continue to be responsible for all the activities involving communication skills, empathy, creativity and adaptation. And this, in turn, will create new opportunities.

Demographic explosion and a new geopolitical chessboard

The Earth will have 9.7 billion inhabitants by 2050. Along the way, by 2027 India will have overtaken China as the most country with the highest population. Moreover, Europe will see reductions of up to 10% in 26 countries, and Sub-Saharan Africa will have doubled its population by 2050.

Vehicle(s) of the future

More shared vehicles and increasingly affordable and competitive electric mobility. This is the outlook that is envisaged for the middle of the 21st century. Internal combustion vehicles will not disappear, but they will doubtlessly become more efficient and their emissions less polluting.

03

Business model

Solutions for the vehicle of the future

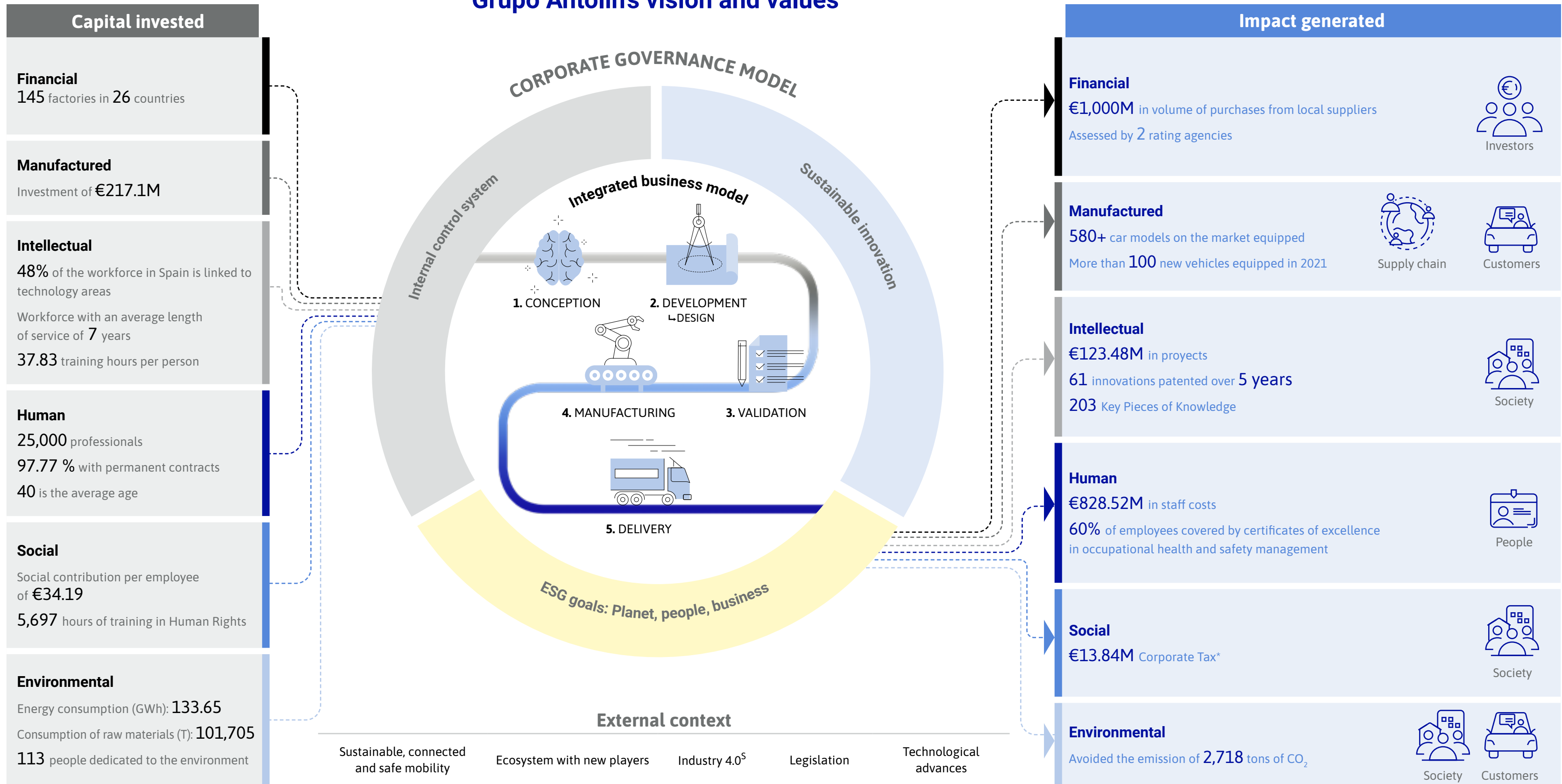
When everything is constantly changing, it is equally important to keep moving and to know how to advance from solid foundations. Grupo Antolin's business model combines its experience of over 70 years with the continuous search for innovation, excellence and quality in everything it does. Finding new approaches to meeting mobility challenges would never be possible without highly qualified, committed, and diverse talent.



3.1. Integrated business model

The **creation of value** is one of Grupo Antolin's raisons d'être. The company invests all the resources available to it –economic, material, intellectual, human, social and environmental– to generate, through its activity, a positive impact on its environment and its stakeholders.

Grupo Antolin's vision and values



*Income taxes paid (unearned).

In 2021, Grupo Antolin's components were in more than 580 vehicle models

Grupo Antolin's value creation process cannot be understood without considering the foundation provided by its **solid Corporate Governance**, sustainable innovation strategy and firm commitment to the ESG goals. At the core of everything is an integrated business model with a great capacity to adapt to the challenges of the environment, which are changing now more than ever as a result of the boom in sustainable and connected mobility.

Grupo Antolin is synonymous with leadership and with being a global benchmark in the **design**,

development, manufacturing and supply of interiors for vehicles. Always at the cutting-edge, the company offers a wide range of solutions that the main brands in the automotive market incorporate into their products. In 2021, components developed by Grupo Antolin were present in more than 580 vehicle models, as well as in the five best-selling vehicles on the market and the top ten in Europe.

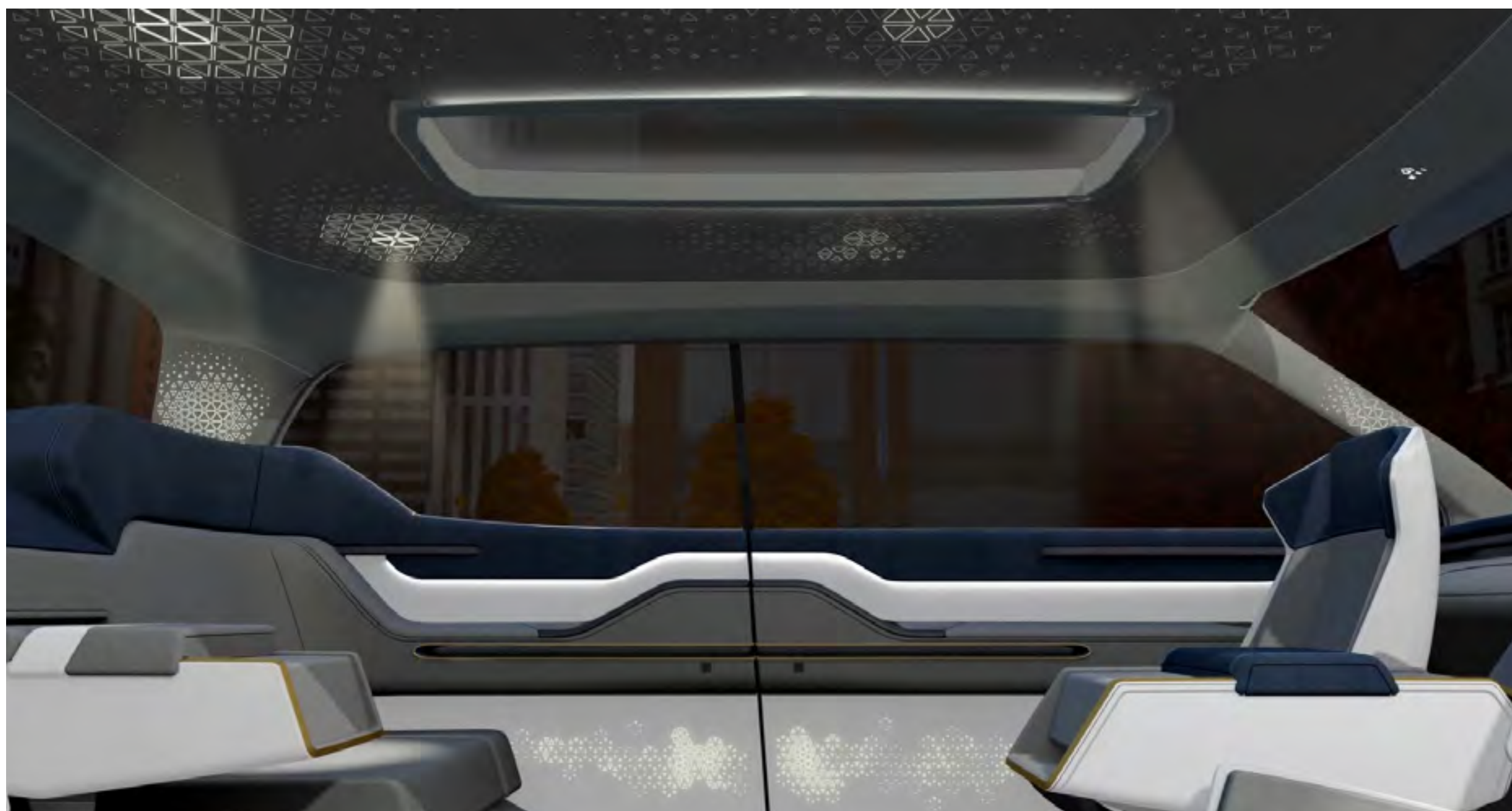
The largest manufacturers in the sector rely on the solidity provided by Grupo Antolin's more than seventy years of experience, and also on its strong

commitment to evolving and remaining at the cutting-edge when it comes to providing quick responses to the challenges of the new mobility. To do this, **innovation** –one of the pillars of the company's business model– is a strategic factor that allows it to integrate new smart solutions into the vehicle interior that are capable of offering new experiences based around more sustainable and safer driving.

However, if there is one thing that really makes the difference at Grupo Antolin and lifts its business model, it is the commitment to attract and retain **diverse and highly qualified talent**. More than 25,000 professionals in 26 countries contribute their knowledge, skills, and ideas to achieving the objectives year after year. Aware of this, the company promotes the training of its staff, encourages their innovative spirit and strengthens the link with Grupo Antolin's values; all this in an environment in which health, safety and well-being in all their aspects is guaranteed.

Together with these elements, **extensive industrial experience, technological leadership**, a strong **diversification of income** and a **strategic geographical expansion** focused on the customer are the great pillars on which the company's financial and operational success is based.

In its eagerness to lead the technological transformation taking place in the automotive sector, Grupo Antolin has positioned itself as an integrator of complex solutions, especially in the areas of electronics and lighting for automotive interior components. In this way, in addition to adding value to its extensive range of products, the company offers its customers the highest performance in multi-technology solutions.



WHAT WE DO AND HOW WE DO IT

1. Conception

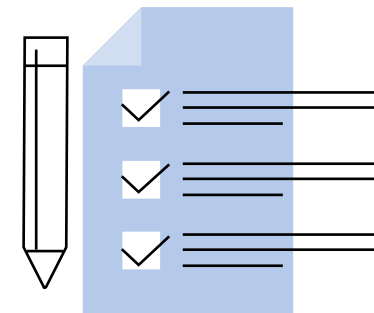
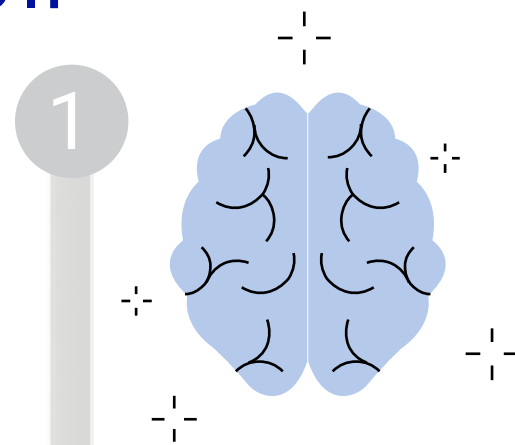
Innovative solution for the needs and expectations of customers and their consumers

26 technical-sales offices
€125.22M in R&D and innovation spend
785 technical solutions
84 active innovation lines
2,607 patents
12 technological solutions available to the market
1,567 people in technology-related jobs

2. Development ↳ Design

Definition of the product and service according to the customer's requirements

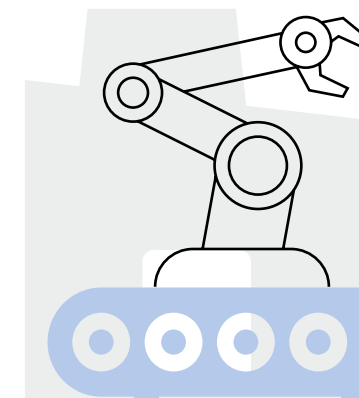
3,229,115 hours of development
44 design and simulation centers
346 projects in the development phase



3. Validation

Acceptance by the customer and the company in charge of the production and supplier appointment

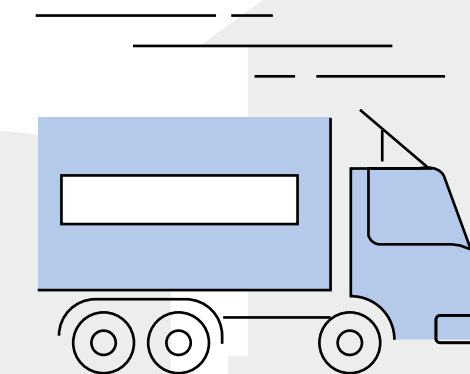
56 STA's (operational level)
€1,937M in volume of purchases from leading suppliers of direct material
2,792 suppliers of direct material
€1,000M in volume of purchases from local suppliers
59% direct material suppliers assessed for ESG



4. Manufacturing

Start of mass manufacturing of the product to the highest quality

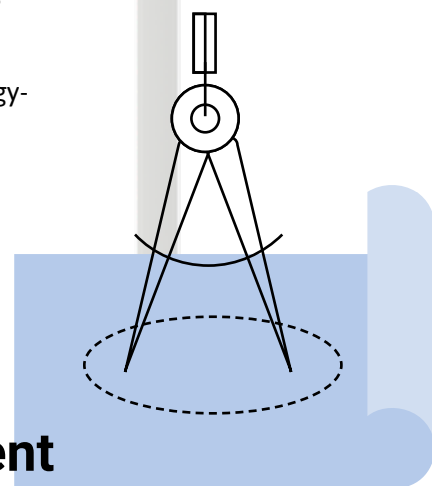
145 factories and JITs
26 countries
€217.1M investment
52 ISO 45001
60% of the workforce covered by ISO 45001 Certification
97 ISO 14001 centers
6 ISO 50001 centers
105 ISO TS16749
3.57 Accident frequency rate



5. Delivery

Sequenced supply of the customer's final product

€4,055.35M in sales
More than 580 vehicle models
More than 80 vehicle brands
49.1% sales in Europe
32.9 % sales in NAFTA
38.5% of sales in doors
37.5% overheads unit sales
16.6% of sales in instrument panels
7.2% of sales in lighting



1

2

3

4

5

Grupo Antolin in the new mobility ecosystem

The automotive sector is experiencing a production and business paradigm shift that is radically transforming its traditional value chain. In recent years, we have transitioned from a linear format to a model in which multiple agents connect and overlap in relation to the different uses of the vehicle and its entire life cycle. It is an entire **flexible and interconnected ecosystem** based on the integration of processes, devices, applications and people.

In this new ecosystem, the **collaboration and interconnection between different value chains** is fundamental: from vehicle manufacturers to operators that guarantee connectivity, technology companies, electricity companies, financial institutions, regulatory authorities and traffic managers, internet providers, fleet managers, data aggregators and infrastructure managers, among many others.

Vehicles are no longer just a means of transport to move from one point to another: they are now the reflection of **increasingly demanding consumers** who want tailor-made, comfortable, sustainable, safe mobility and who demand transparency, flexibility and immediacy from manufacturers. We have switched from journeys to experiences.

Another broad trend that has resurfaced post-pandemic is that, instead of buying their own vehicle, the consumer is opting for **car sharing**: a new mobility solution that is less expensive and more adapted to the real consumption needs in large cities. This new reality requires comfortable and safe interiors that are also especially robust given their continuous use. The car sharing phenomenon has strengthened the vision of the vehicle as a service –and not just as property– in the market.

Companies like Grupo Antolin are ready to connect, interact, cooperate and learn together with new partners, creating **cross-cutting value chains** in which industrial, technological and service companies form a part. All of them must undergo a profound period of transformation in which they will no longer only have to focus their models on production and sales, but also direct them towards the different uses and life cycles of the vehicle.

Grupo Antolin is ready to cooperate with new partners and create new cross-cutting value chains



3.2. Global automotive market

SALES IN 2021

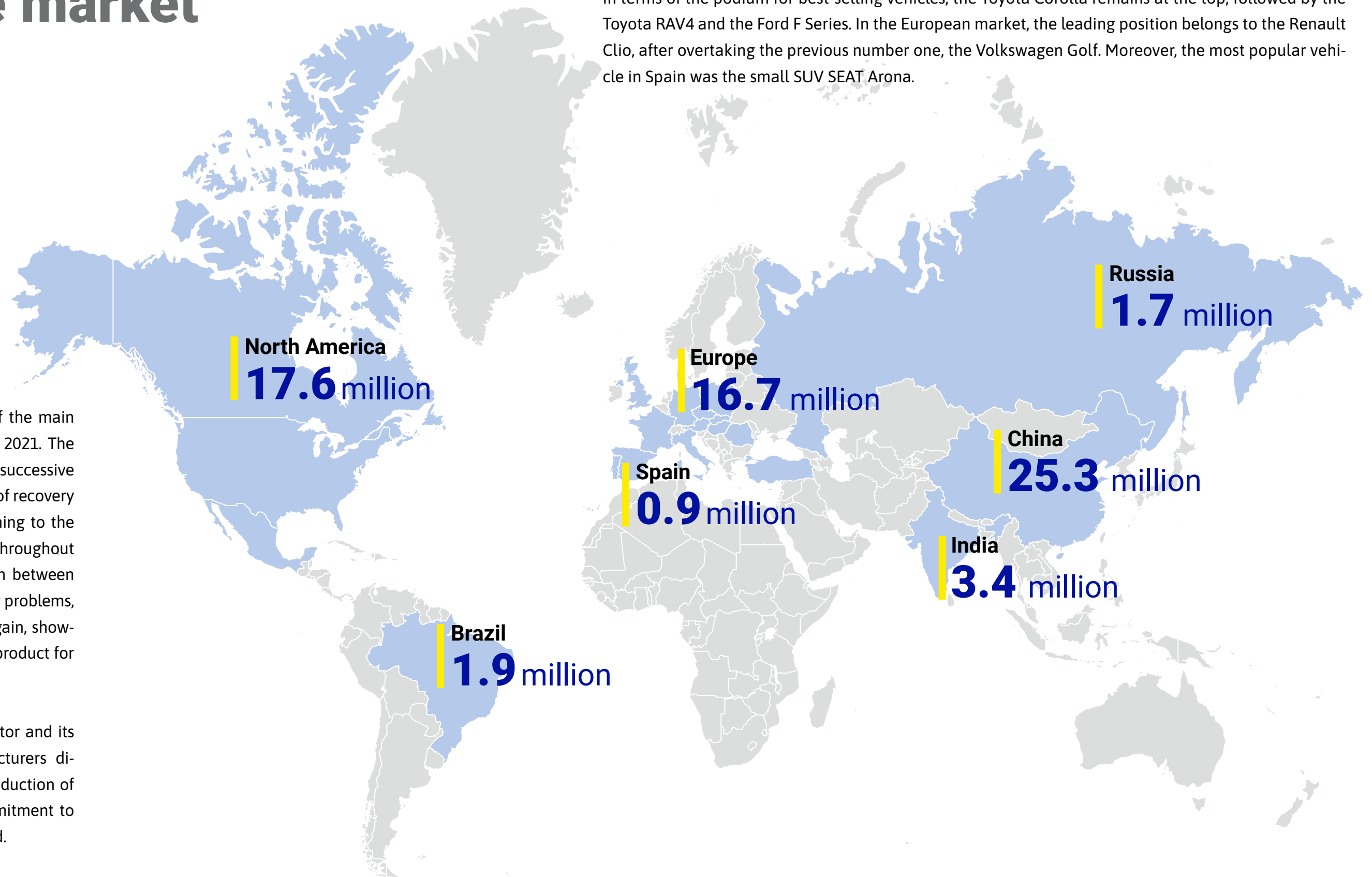
81.1 million vehicles
worldwide

Volatility and uncertainty were two of the main words used to describe the market in 2021. The shortage of semiconductors and the successive variants of COVID-19 affected the rate of recovery and prevented the market from returning to the figures seen prior to the pandemic. Throughout the year there was a strong mismatch between production capacity, reduced by supply problems, and vehicle demand, which shot up again, showing that the car continues to be a key product for people's mobility.











As a result of the resilience of the sector and its spirit of adaptation, vehicle manufacturers directed their strategies towards the production of more profitable models and the commitment to electric vehicles, which has accelerated.

Finally, 2021 finished with over 81 million units sold, a 4% increase compared to 2020 but still a long way from the figures recorded before the crisis.











In terms of the podium for best-selling vehicles, the Toyota Corolla remains at the top, followed by the Toyota RAV4 and the Ford F Series. In the European market, the leading position belongs to the Renault Clio, after overtaking the previous number one, the Volkswagen Golf. Moreover, the most popular vehicle in Spain was the small SUV SEAT Arona.



Grupo Antolin in the Top 10 in global sales

 <p>1</p> <p>Toyota Corolla License plate lamp (China), headliner substrate (Europe and South America), sunvisors (Europe and South America), lighting console, door panels, center console, ambient lighting and multipurpose lamp (Europe), package tray (South America)</p>	 <p>2</p> <p>Toyota RAV4 Lighting console (Russia)</p>	 <p>3</p> <p>Ford F-Series Modular headliner, lighting console</p>	 <p>4</p> <p>Honda CR-V Modular headliner (Thailand), headliner substrate (India), lighting console</p>	 <p>5</p> <p>Toyota Camry Headliner substrate (Europe)</p>
 <p>6</p> <p>Chevrolet Silverado</p>	 <p>7</p> <p>Ram Pick-Up Modular headliner, lighting console, door panels</p>	 <p>8</p> <p>Honda Civic Headliner substrate, side repeater, multipurpose lamp, pillar trim (South America), package tray (South America)</p>	 <p>9</p> <p>VW Tiguan Modular headliner, door panels (North America)</p>	 <p>10</p> <p>Tesla Model 3 Modular headliner (China)</p>

Grupo Antolin in the Top 10 in European sales

 <p>1</p> <p>VW Golf</p> <p>Headliner logistic services, ambient lighting</p>	 <p>2</p> <p>Peugeot 208</p> <p>Headliner substrate, sunvisors, window regulators (plastic), ambient lighting, license plate lamp, central high mounted stop lamp</p>	 <p>3</p> <p>Dacia Sandero</p> <p>Headliner substrate, window regulators, lighting console</p>	 <p>4</p> <p>Renault Clio</p> <p>Window regulators (plastic), door electronics, sunvisors, day running lamp, lighting console, bumper reinforcement</p>	 <p>5</p> <p>Peugeot 2008</p> <p>Sunvisors, window regulators (plastic), lighting console, ambient lighting</p>
 <p>6</p> <p>VW T-Roc</p> <p>Modular headliner, window regulators, lighting consoles</p>	 <p>7</p> <p>Toyota Yaris</p> <p>Sunvisors, lighting console, reading light, headliner substrate (emerging markets)</p>	 <p>8</p> <p>Opel Corsa</p> <p>Window regulators (plastic), sunvisors, lighting console</p>	 <p>9</p> <p>Fiat 500</p> <p>Modular headliner, lighting console, glovebox lamp</p>	 <p>10</p> <p>Citroën C3</p> <p>Window regulators, sunvisors, lighting consoles, central high mounted stop lamp, plastic parts for the door panel</p>

Grupo Antolin in the Top 10 in US sales

1



Ford F-Series

Modular headliner, lighting console

2



Ram Pick-Up

Modular headliner, lighting console, door panels

3



Chevrolet Silverado

4



Toyota RAV4

Lighting console (Russia)

5



Honda CR-V

Lighting console, modular headliner (Thailand), headliner substrate (India).

6



Toyota Camry

Headliner substrate (Europe)

7



Nissan Rogue

Lighting console

8



Toyota Highlander

License plate lamp

9



Honda Civic

Headliner substrate, side repeater, multipurpose lamp, pillar trim (South America), package tray (South America)

10



Jeep Grand Cherokee

Reading lights, multipurpose lamp, illuminated decorative part (speaker), infrared camera module (headliner)



Grupo Antolin in the Top 10 in Chinese sales

1



Nissan Bluebird/Sylphy

Lighting console, sunvisors

2



Wuling Hongguang Mini EV

3



VW Laida

4



Haval H6

5



Toyota Corolla

License plate lamp, headliner substrate, and sunvisors (Europe and South America); lighting console (Europe), door panels, center console, ambient lighting and multipurpose lamp (Europe), package tray (South America)

6



Changan CS75

7



Tesla Model 3

Modular headliner

8



Buick Excelle GT

License plate lamp

9



Wuling Hongguang

10

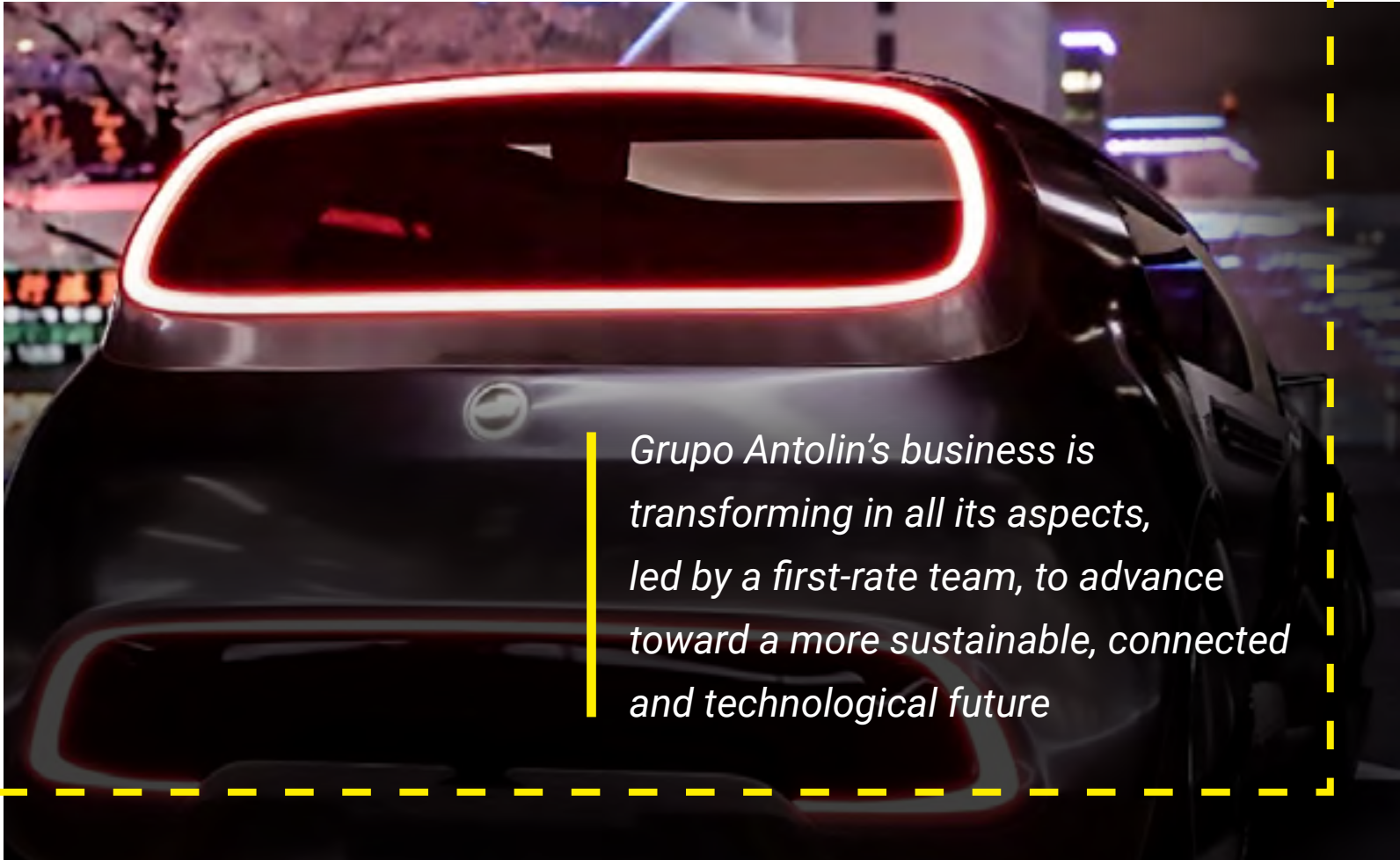


VW Bora

3.3. Business development

In a challenging situation marked by the side effects of the pandemic on the economy and global supply chains, Grupo Antolin's business model once again demonstrated its strength, flexibility, and resilience. The halting of the full recovery of global vehicle production due to the shortage of semiconductors and the rising prices of raw materials, among other factors, limited the increase in Grupo Antolin's sales during the financial year to 2%, at 4,055.4 million euros.

In parallel to the management and adaptation of the business to the situation in the market, the company remained on course in the process of transforming its product portfolio towards integrated and smart solutions for the vehicle interior. If the industry is moving rapidly towards a more sustainable, connected and technological future, Antolin's activity is not far behind. Its business is transforming in all aspects, led by a team of first-rate professionals.



Grupo Antolin's business is transforming in all its aspects, led by a first-rate team, to advance toward a more sustainable, connected and technological future



Overheads Business Unit

From its position of global leadership in the overheads business, the company is working on sustainable and innovative solutions that allow it to evolve the traditional products in this area and therefore consolidate its positioning, offering differential value to the customer. Antolin wants to meet all the needs of vehicle manufacturers in terms of sustainability, weight reduction, customization and improved safety and acoustics of the overhead system and its different elements.

In 2021, extensive innovation work was carried out by integrating lighting solutions into the overhead system that offer multiple design and customization options, as well as improving the comfort of the passenger compartment. As a key technological milestone, the company has developed the first car overhead system from plastic waste and used tires. This sustainable solution is already found in a new Volvo model and combines sustainability with excellent properties

in terms of quality, cost and durability, while achieving a significant weight reduction. This development is an example of the lines of work to support our customers' electric strategies and opens the door to future projects that will consolidate Antolin's sustainable leadership in this market segment.

The Business Unit won significant orders for Ford and General Motors in North America; Tesla in China; Audi and Renault in Europe; and Hyundai in Brazil for both combustion vehicles and the new generation of electric vehicles. In total, it is working on around 130 projects worldwide.



Cockpits and Doors Business Unit

The door and cockpit are two essential elements in the transformation that vehicles are undergoing, both for the features and functionalities they offer and for the extensive technology they can incorporate. Aware of this significant role in its strategy of adding more value to products, Antolin's activity in this business segment focuses on providing advanced products and solutions by combining lighting and decorative surfaces.

The sustainability of cockpit and door components is another central axis of the strategy. The exclusive double slush skin technology, which creates a cockpit trim with an unbeatable texture and finish at half the weight and a competitive cost, is already proving popular with customers in Europe. In doors, chemical foaming projects are being developed to reduce the weight of the part. Work is also being done from the introduction of various recycled materials into the components.

This Business Unit's intense sales effort allowed it to consolidate this activity and launch important cockpit programs in 2021 for Ford, General Motors and Skoda, as well as for Volkswagen, Jeep and Seat. In total, the company has 120 active projects in cockpits and doors.

Lighting & HMI Business Unit

The Lighting & HMI Business Unit is developing over one hundred projects for both its traditional interior and exterior lighting products and for the new HMI (Human Machine Interface) solutions with decorative surfaces and greater electronic content, which open up new possibilities for passenger interaction with the vehicle. Grupo Antolin is capable of fully meeting the demand for smart advanced surfaces with a perfect integration of functions thanks to the close collaboration of this Business Unit with the Electronic Systems team and the support of strategic partners such as Walter Pack and AED.

The HMI and Decorative team continued to define and develop new products, performing sales and promotional activities with customers to demonstrate the company's new capabilities. All this work bore fruit with the awarding of the first Touch Control Unit project, which integrates a sophisticated decorative design, ambient lighting, capacitive switches and electronics into a single part. This project will be entirely produced and developed in Asia for a customer in this market.

It is also worth highlighting several lighting projects in North America with Honda, Stellantis, Nissan and Ford, which consolidate this business in a key market for the company, as well as a contract with the Chinese company Human Horizons



that includes a high content of decoration, electronics, and lighting.

In terms of launches, the first product with ISELED technology was carried out for a BMW doors project, being an example of Grupo Antolin's technological capacity to develop a complete smart lighting system.

Electronic Systems Business Unit

In its second year of activity, the Electronic Systems Business Unit has established a first-rate multinational and multidisciplinary team, improving its technical capabilities and concluding the definition of its product portfolio. Electronic Systems is a key part of the strategy to develop new solutions with greater value for the customer in close collaboration with other units of the company.

Thanks to this commitment to offer customers more advanced solutions, it managed to win the contract to supply a new generation of the Door Control Unit (DCU) for the new electric SUV from the Geely-Volvo group. This project is on a global scale given that it involves the support of its partner AED Engineering in Europe, in the electronic engineering part during the development phase, and in addition the

industrialization will be led by the new partnership sealed in China with Shanghai NAEN Auto Technology.

Thanks to NAEN, Grupo Antolin is strengthening its commitment to the Chinese market, a key element in the company's strategic development, and provides the best technologies with high added value to all its customers. Remaining in China, other DCU and overhead control systems program contracts were won, allowing it to consolidate its position in this market segment.

This Business Unit also collaborated with the company's other departments on an important electronic development for a Volkswagen lighting project in an example of cross-cutting teamwork.

In the past year, the Electronic Systems Business Unit expanded its technical knowledge in order to enrich its portfolio of electronic products, such as Car Entry Systems based on a variety of technologies for the development of digital keys, as well as smart driver monitoring systems (DMS) and occupant monitoring systems (OMS). To do this, it joined the multi-sectoral organization Car Connectivity Consortium (CCC), which is key to accessing and participating in the definition of global standards and the advanced technologies for connectivity between the smartphone and the vehicle.



Good practice

Antolin's Technology at the Shanghai Auto Show Strategic presence in the market with the greatest growth potential



As part of its strategic commitment to the Chinese automotive market –in which it has been present for 20 years–, Grupo Antolin participated in the Shanghai Auto Show for the first time in 2021. The company presented its disruptive technologies in three strategic areas: cockpits, electronics, and lighting & HMI (Human Machine Interface).

Specifically, it exhibited its smart cockpit, called **INSPIRE**, for the first time, which dazzled with its dynamic lighting to create different driving scenarios, backlit surfaces in unique materials, screen decoration module, stitched light guides, smart decorations, natural active surfaces, light projections and driver monitoring system.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Customers



Investors



Society

04

Conscious leadership

The value of
doing things well

Long before ethics, integrity and transparency ceased to be optional for companies, Grupo Antolin already saw these as essential. They reflect our way of understanding our place in the world and setting the pace in the industry, always hand in hand with our founding values and with the belief that responsible management is the only way to transform a company into a business creating real added value for all of society.



4.1.

What moves us:

Vision and Values

Grupo Antolin's **commitment** to society begins with the promotion of an internal culture through which principles such as respect, integrity and ethics are strengthened. That is why the company is advancing in its aim to position itself as a benchmark in the industry due to its responsible management and its values, the same ones that have guided it since its creation over 70 years ago.

VISION

Our vision for the future is to be the leading company in automobile interiors, creating value for our stakeholders.

VALUES

Our values are the pillars that define how Grupo Antolin works in a globalized, competitive and changing environment.



PEOPLE, THE KEY TO SUCCESS

- › Recognize achievements: everyone contributes to success
- › Build a climate of trust
- › Be tolerant with mistakes
- › Listen, communicate: act transparently
- › Teamwork



FAMILY SPIRIT

- › Act honestly
- › Respect others
- › Deal with issues fairly



PASSION FOR A JOB WELL DONE

- › Work with quality
- › Meet your commitments
- › Train yourself permanently
- › Be involved from the beginning



INNOVATION, FUNDAMENTAL TO OUR FUTURE

- › Be flexible and open to new ideas
- › Don't conform, encourage boldness
- › Everything can be questioned, look for the best solution



CONTRIBUTION TO THE DEVELOPMENT OF SOCIETY

- › Be committed to your environment
- › Represent the company's values in society



4.2.

What guides us:

Corporate governance

Management approach

Ethics, integrity and transparency are the three main pillars on which Grupo Antolin’s Corporate Governance is based. With the responsibility that following these three main principles implies, the company adopts sustainability criteria for each and every one of its decisions to ensure the proper functioning of its business activity, looking forward for long-term future and to respond the needs and expectations of its environment and stakeholders.

Grupo Antolin also monitors the trends that set the path in terms of governance and integrates them into its governance model, as well as extending the environmental, social and good governance requirements into the company’s strategy and the development of these criteria in the supply chain.

At Antolin, the promotion of the aspects of sustainability starts with the Board of Directors, setting the strategic lines for the main ESG issues in the business and supervising and analyzing their development. In this task, the Board of Directors has the support and advice of the Advisory Board, made up of diverse profiles with extensive experience in different sectors, as well as in the leadership and supervision of environmental, social and governance issues. The Members of the Advisory Board are directly involved in the monitoring and management of these issues through the Sustainability and Corporate Governance Committee.

To deal with the continuous market challenges and the increase in the company’s size and complexity, Grupo Antolin has chosen to professionalize its governing bodies as a way to guarantee the smooth running of the business and better decision-making.

Corporate Governance Model

Grupo Antolin’s governance and administration bodies are governed by a set of rules and principles that safeguard the smooth running of the company.

- › Articles of Association
- › Internal Corporate Governance Rules
- › [Vision and Values](#)
- › [Code of Ethics and Conduct](#)
- › [Corporate policies](#)
- › Other internal codes, processes and procedures required or recommended through sector-related provisions
- › The Regulations of the Board of Directors and of the Delegated Committees, which were modified at the meeting of the highest administrative body held on December 15, 2021

Another essential part of Grupo Antolin’s governance is its management model, comprised of a set of policies, processes, procedures, guidelines and forms designed to meet the requirements of the international management system standards and internal management needs.

- › IATF 16949. Quality
- › OHSAS 18001. Occupational health and safety
- › ISO 45001. Occupational health and safety. 2019
- › ISO 14001. Environment
- › ISO 17025. Laboratory and Calibration
- › ISO 27001. Security of information
- › UNE 19601. Criminal Compliance
- › ISO 37001. Anti-bribery
- › ISO 50001. Energy efficiency
- › Other internal processes and procedures

Composition of the governing bodies

	Members	Men	Women	% Women	Spanish nationality
Board of Directors	5	3	2	40%	4
Advisory Board	6	3	3	50%	5
Total	11	6	5	45%	9

	Independent	Average age	Over 45 years	Average length of service in years
Board of Directors	0	56	4	14
Advisory Board	6	55	5	3
Total	6	55	9	8

*Environmental, Social and Corporate Governance



Governance of the organization

The **General Shareholders' Meeting** and the **Board of Directors** are the backbone of Grupo Antolin's governance model.

General Shareholders' Meeting

All its members belong to the Antolin family and all the shareholders are represented in it. It is therefore the company's highest decision-making body in which all its members share the same values. It met three times in 2021.

Board of Directors

This body is responsible for the governance, management, administration, strategic decision making and monitoring of the company's most important issues. The Board is made up of five members, two of whom are women, who are elected by the General Shareholders' Meeting for a renewable six-year period. Daily management is entrusted to the Chief Executive Officer and Management Committee. Ten meetings were held in 2021.

During the last year, Grupo Antolin continued making progress in aligning the Board of Directors with the best corporate governance practices, as well as working to comply with the new regulations and the implementation of the company's corporate strategy. In 2021, Miguel Ángel Vicente García was appointed as an external director, replacing Ana Berta Antolin Arribas, as representative of one of the Board's member companies.

Members of the Board of Directors

Ernesto Antolin

Chairman



María Helena Antolin

Vice-Chair



Emma Antolin

Member



Miguel Ángel Vicente

Member



Jesús Pascual

Member



Pablo Ruíz

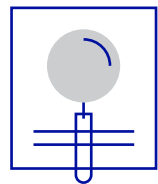
Non-Board Member Secretary

Alberto Guerra

Vice-secretary

Committees

Although all the committees retained their Chairmen in 2021, significant changes occurred in their composition with the approval of the Board of Directors meeting held on December 15, 2021. These changes will take effect in 2022. In this regard, the plan is to rotate the Chair and change the composition, duties and number of members in the different existing committees.



AUDIT COMMITTEE

4

MEMBERS

1

WOMAN

2

INDEPENDENT ADVISORY DIRECTORS

7

MEETINGS

This is chaired by an independent advisory director and it is responsible of: supervising internal control, risk management, internal financial reporting management system (FRMS) and external audit. It also works with the Sustainability and Corporate Governance Committee to analyze the management of conflicts of interest and prepare the formulation of the annual accounts and the Statement of Non-Financial Information (SNFI).



SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE

4

MEMBERS

2

WOMEN

2

INDEPENDENT ADVISORY DIRECTORS

7

MEETINGS

Chaired by an independent advisory director, its name was changed at a meeting of the Board of Directors held on July 22, 2021. It has powers to monitor compliance with the Corporate Governance rules, internal codes of ethics, compliance programs, environmental policies and corporate responsibility. It also supervises the Annual Corporate Governance Report and the preparing of the SNFI, in coordination with the Audit Committee.



APPOINTMENTS AND REMUNERATION COMMITTEE (ARC)

5

MEMBERS

2

WOMEN

2

INDEPENDENT ADVISORY DIRECTORS

7

MEETINGS

It deals with evaluating the remuneration policies of the company and has responsibility for nominating candidates for the Advisory Board and the Board of Directors; as well as, for analyzing candidates for senior management roles. Like the two previous committees, it is also chaired by an independent advisory director.

Advisory Board

It is a consulting body that offers advice on all those decisions corresponding to its area of responsibility, as established in the Board regulations.

Operating as a **joint committee**, it is made up of six independent advisory directors, three men and three women, who sit on different Delegated Committees. All of them have had **outstanding careers** in their respective areas and experience in leading companies and organizations. They also come from different professional backgrounds, which undoubtedly enriches their contribution as advisers to Grupo Antolin.

Under the operation of an extended Board of Directors, the members of the Board of Directors and the independent directors (without voting rights) actively and simultaneously participate in the Board of Directors meetings. The advisory directors also meet independently from the Board of Directors, in order to propose suggestions and recommendations.

The composition of the Advisory Board will be affected in 2022 by the departure of an independent advisory director, as it was agreed in December, moving to a system of five advisory directors instead of the six it had in 2021.

Members of the Advisory Board (from A-Z)

Juan de Antonio



Founder and Chief Executive Officer of Cabify

He has a degree in Telecommunications Engineering from the Polytechnic University of Madrid and an MBA from Stanford University. He is the founder of Cabify, the first Spanish unicorn, one of the most successful and recognized Spanish startups. With a clear focus on innovation and sustainability in the world of mobility and a competitive pricing policy, he has managed to differentiate and position the company in the market. He has worked as a consultant at Boston Consulting Group and was Marketing and Business Development Director at Zero Motorcycles.

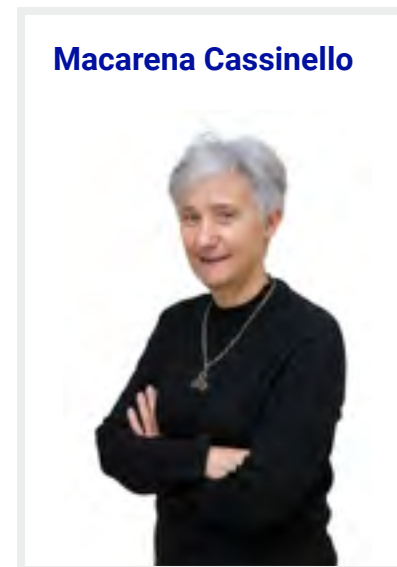
Milagros Caiña



Former Director of Human Resources and Labor Relations at BMW

She has a degree in Business Administration from VWA in Hagen and was the first woman on BMW's board as Director of Human Resources and Labor Relations. Her professional career has been focused on the area of people management and social relations, performing her duties for the railway group Deutsche Bahn AG-DB Mobility Logistics, Schenker AG, in the logistics sector, and Vossloh AG.

Macarena Cassinello



Director at Siemens Gamesa Renewable Energy, Business Expert at Palfinger AG

She has a Senior Industrial Engineering degree from the School of Industrial Engineering of Barcelona (ETSEIB), a Masters in Automotion from the Polytechnic University of Catalonia (UPC) and Global Management Program (GMP) from INSEAD Business School. She started her professional career at SEAT and Nissan, where she held various positions in Spain and Europe. She then joined CNH (Fiat Group), with responsibility in the United States, Europe and Asia. She was Chief Quality Officer at IVECO until 2019 and has been a director at IVECO España and a member of the IESE I-WILL Advisory Board.

Carmen Gómez de Barreda



Independent Director of Red Eléctrica Corporación and Grupo Mutua Madrileña. Proprietary Director of Hispasat

She has a degree in Economic and Business Sciences from Comillas Pontifical University (ICADE) and a Masters in Business Management IESE (Executive MBA) from the University of Navarre and has worked for 30 years in the energy sector with responsibilities in different business groups such as Enagás, Repsol and BP Oil España. She has been Director of Oil Markets in the National Energy Commission, as well as Managing Director of the Strategic Reserves Corporation. She has also been the representative of the Spanish Delegation in the Emergency Questions Group and the Markets Group of the International Energy Agency (IEA). Independent Director of Ezentis Group until 2021, she is currently the Coordinating Director and President of the Sustainability Committee at Red Eléctrica, President of the ARC at Hispasat, as well as President of the Audit Committee at Grupo Mutua Madrileña.

Ramón Sotomayor



Independent Director at Velatia and member of the Board of Directors of Lantero Group, Levantina y Asociados de Minerales and ABE Capital Partners

He has a degree in Industrial Engineering from the University of Portsmouth an MBA from the University of Rutgers. He started his professional career at Ercross España and then joined the ThyssenKrupp Group where he held various positions, including Chief Executive Officer for southern Europe, Africa and the Middle East. He has been an advisory director at Nexus Ibérica and was a member of the Board of Directors and the Appointments and Remuneration Committee of Abengoa until November 2020. Currently he is Independent Director and Chairman of the Appointments and Remuneration Committee at Velatia and member of the Board of Directors of Lantero Group, Levantina y Asociados de Minerales and ABE Capital Partners.

Bernardo José Villazán



Director of the Chair of Connected Industry 4.0 at Comillas Pontifical University ICAI-ICADE

He has a Senior Industrial Engineering degree from Comillas Pontifical University ICAI, is a Graduate in an Advanced Business Management Program (PADE) from IESE Business School, and is qualified in Good Corporate Governance through Instituto de Consejeros Administradores (Institute of Directors and Administrators). Merit Member of the Association and College of Engineers of ICAI and Honorary Member of the Industry 4.0 Observatory. Previously, he was the President of Lucent Technologies, Independent Director and President of the Audit Committee at Laniver, and Independent Director and Chairman of the Appointments and Remuneration Committee of Telvent GIT, a NASDAQ listed company.

Main progress in 2021

Amendment of the Regulations of the Board of Directors and of the Delegated Committees.

Process to review and update the Regulations to adapt them to the latest legal changes regarding the reporting of non-financial information, as well as in relation to internal procedures regarding conflicts of interest. Adaptation of the Regulations to the composition and structural changes in the Delegated Committees.

Progress in the partial reelection of the Advisory Board.

Approval of the departure of one of the independent advisory directors with effect from January 1, 2022 and extension of the term of office for the Chairmen of the Board's Delegated Committees, moving from an annual term to biennial terms.

Self-assessment following the good governance of listed companies standards

of the operation of the Board of Directors and the Delegated Committees of the Board, according to biennial planning and under the guidance of the independent advisor who chairs the Appointments and Remuneration Committee.

Review, assessment and updating of the financial and non-financial risk map.

Among these, the catalog has been updated in coordination with Grupo Antolin's Audit Committee and Risk Committee.

Updating the organization model and risk catalog in matters of criminal compliance, extending it to all companies in Spain,

increasing the number of controls tested by 41.6%.

Through the digitalization of the reporting of required information and the automation project, the **Non-Financial Reporting Management System (NFRMS)**, relating to the main indicators in environmental, social (human resources and health and safety), ethics and compliance matters has been implemented.

Development and implementation of the **Communication and Marketing Plan 2020-2021**.

Launch of the **Next Generation Plan**.

Recognition of the Sustainability Department.

Alignment of the new department's structure and objectives with the company's Strategic Plan.

Stakeholder Materiality: project for customers.

Grupo Antolin's positioning in the *One Client* project.

Strategic plan. New sustainability strategic line with the definition of specific objectives and milestones in environmental, social and corporate governance matters, under the triple perspective of value contribution: Planet, People and Business.

Climate change and circular economy. Review of the strategic lines of action planned for 2021-2022.

EU Taxonomy Project. Identification of environmentally sustainable financial investments and activities in line with the eligibility criteria defined in the regulations with the aim of mitigation and adaptation to climate change, in collaboration with the firm AFI (Analistas Financieros Internacionales).

Monitoring of the action plans derived from the Climate Survey 2019-2021 focused on the material issues identified in relation to sustainability.

Preparation of the 2020 Annual Report under the

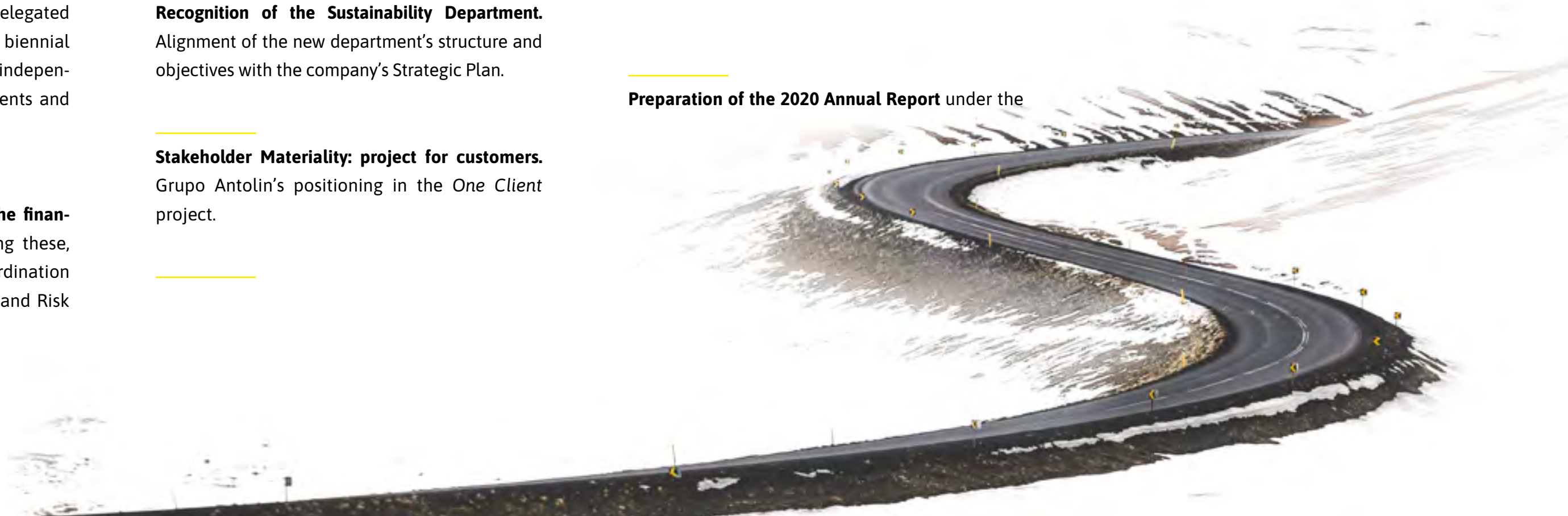
principles defined for preparing the Integrated Report, with an update in the materiality of information and methodology.

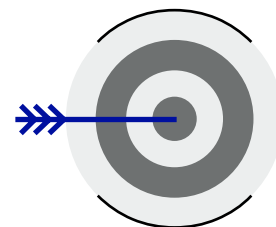
Compliance with the best practice recommendations relating to the preparation of the Statement of Non-Financial Information (SNFI)

in line with the requirements established in Spanish Law 11/2018, of December 28, 2018, on non-financial information and diversity. Verification Report by a third party without qualifications.

Updating of the 2020-2021 Sustainability Master Plan and extension to the 2022 financial year.

Review and update actions related to the **Crisis Management Manual**.





Challenges 2022

In accordance with the expert positioning analyses carried out, the key points of interest identified by institutional investors for the 2022 season for the General Shareholders' Meetings of listed companies, and which Grupo Antolin follows as a model, will be, among others:

→ Review and update the governance-related information **reporting and communication procedures** for rating or assessment agencies.

→ Self-assessment following the **good governance of listed companies standards** of the operation of the Board of Directors and the Delegated Committees of the Board, according to biennial planning and under the guidance of the independent advisor who chairs the Appointments and Remuneration Committee.

→ Development of **non-financial information** and its integrated reporting.

→ Information on corporate transactions.

→ Monitoring of the **EU Taxonomy Project**, as well as the foreseeable developments in regulatory matters regarding the content and scope of the information on environmentally sustainable economic investments and projects, within the framework of adapting the future regulation on the matter to the European framework.

→ Monitoring of the **climate change, decarbonization and circular economy targets**. Analysis of Grupo Antolin's footprint and trends.

→ Continuous adaptation of the **Sustainability Master Plan** to the expectations and needs of the market, stakeholders and the company itself.

→ Updating **new CNMV developments** regarding the best corporate governance practices of listed companies.





Management team

Grupo Antolin's management team is made up of 271 members distributed across the 26 countries in which the company operates. Integrated into this team, Grupo Antolin's Management Committee is formed by 15 leading professionals who have extensive experience in the automotive industry.

The Management Committee has seen a 25% increase in female representation compared to the 2020 financial year, with the appointment of a new Human Resources Director, currently representing 27% of the total members. This trend reflects the company's commitment to promoting talent to positions of great responsibility regardless of gender or other personal circumstances.

Senior management



Ernesto Antolin Arribas
Chairman



María Helena Antolin Raybaud
Vice-Chair



Jesús Pascual Santos
Chief Executive Officer

Management committee



CORPORATE FUNCTIONS

They offer global services to the Business Units and the regions



REGIONS

They work continuously with the Business Units and provide a local vision



BUSINESS UNITS

Responsible for the standardization of products and industrial processes as well as the technical and industrial aspects

Corporate functions



Cristina Blanco
Corporate Finance Director



Fernanda Cardama
Organization and Human Resources Director



Juan Carlos González
Corporate Business and Technology Director



Miguel Marañón
Corporate Sales Director



Miguel Ángel Prado
Corporate Industrial Director



Pablo Ruiz
Corporate Legal Director



Javier Villacampa
Corporate Innovation Director

Business Units



Marta Cuevas
Director of the Lighting and HMI BU



Jorge Juárez
Director of the Electronic Systems BU



Pedro Santesteban
Director of the Overheads and Trunk Trim BU



Fernando Sanz
Director of the Cockpits and Doors BU

Regions



Russ Goemaere
Regional Director NAFTA



Jorge Juárez
Regional Director Asia-Pacific



Miguel Marañón
Regional Director Europe

4.3.

We are setting standards: Ethics and compliance

Management approach

Leading by example is one of Grupo Antolin's hallmarks, especially in relation to full compliance and respect for all laws. This way of understanding its activity is even more deeply rooted today, if that is possible, given the global nature and complexity of the markets and the increase in the reputational risks inherent to the business and its impact on society. The company makes significant effort to generate an internal culture in which every person is a model of responsible behavior in their relationships with others.

As part of the company's **new Environmental, Social and Corporate Governance (ESG) objectives**, Grupo Antolin aspires to strengthen the added value of its business model in which it positions itself as a leader in ethics, integrity and compliance, and extend its responsible management to the entire supply chain.



Business OBJECTIVES

A benchmark in ethics, integrity, and compliance

- › **100%** of people trained in the Code of Ethics
- › A **responsible supply chain**
- › **100%** adherence to the Supplier Code of Conduct
- › **100%** of direct material suppliers assessed in ESG
- › **0** confirmed ESG complaints

Ethics and Compliance Model

As part of the company's Strategic Plan, the **Compliance Master Plan 2017-2024** sets the road map to evolve the organization's initial compliance maturity level to an optimal level by 2024. The aim is for the organization to be able to proactively identify any potential risk and provide an appropriate response.

In addition to the foregoing, it is important to note that Grupo Antolin relies on a series of tools and guides in the daily management of its activity that safeguard its ethical commitment.

CODE OF ETHICS AND CONDUCT

Cornerstone of Grupo Antolin's compliance management system and a guide for the daily behavior of all members of the organization. Compliance with this is extended to all associations with external persons or organizations.

Code of Conduct for Suppliers

Essential in the supply chain selection and assessment processes.

Whistleblowing Channel

Confidential and open to anyone inside or outside the organization.

COMPLIANCE SYSTEM

Set of policies and guides for the control and prevention of practices contrary to the legal system in the territories in which the company operates, as well as those that violate Grupo Antolin's internal regulations.

Corporate Compliance Policy

Framework to effectively define, detect and assess the risks Grupo Antolin is facing due to a potential breach of the regulations.

Anti-corruption policy

Brings together the commitments, guides and policies to fight against any conduct that may be considered an act of corruption or bribery.

Corporate Social Responsibility Policy

Guarantees responsible management of the impact of Grupo Antolin's activity on the environment and society.

Conflict of interest policy

Express declaration that guarantees the absence of conflicts of interest in Grupo Antolin's relationships with its commercial and professional environment.

Gifts and hospitality services policy

Grupo Antolin forbids the promising, offering, receiving or granting of any unjustified benefit to directors, managers, employees or collaborators of any company, business, association, foundation or organization.

Compliance guidelines: donations and contributions

Describes what the purpose of a donation or contribution should be, aligned with the sustainable contribution model established by the company.

Telematic conduct guide

New guide launched in 2021 for the proper use of information and communication technology tools in the workplace.

Committed to Human Rights

Respect for the Human Rights of everyone involved in Grupo Antolin's activity is a priority issue for the company. From a culture based on the principles of **prevention, mitigation and repair**, Grupo Antolin pursues the objective of zero violations both in its organization and in the supply chain.

Grupo Antolin closely follows the trends in this matter and meets the expectations of its stakeholders. Knowing how to listen and understand what a concept as broad as Human Rights means allows the company to anticipate the requirements, as well as integrate this commitment into all the team's decisions and actions.

Human Rights management model at Grupo Antolin

Grupo Antolin is firmly committed to a sustainable business model that combines profitability with the economic, social and environmental prosperity of society, mainly in the countries in which it operates, always considering a Human Rights approach.

1

Public commitment to Human Rights

Grupo Antolin promotes its protection and respect through the Code of Ethics and Conduct, as a guiding document and highest expression of ethics and integrity, interpreted jointly with the rest of the organization's policies that implement each of the Company's principles and commitments.

EXTERNAL REFERENCE FRAMEWORK

- ▶ Universal Declaration of Human Rights.
- ▶ United Nations Global Compact.
- ▶ Agenda 2030 on Sustainable Development.
- ▶ Guiding Principles for Companies and Human Rights.
- ▶ Children's Rights and Business Principles.
- ▶ Directive Guidelines of the OECD for Multinational Companies.
- ▶ Guidelines and principles of the International Labor Organization.
- ▶ Modern Slavery Statement.
- ▶ World Benchmark Alliance. Corporate Human Rights Benchmark Corporate (CHRB).

INTERNAL REGULATORY FRAMEWORK

- ▶ Code of Ethics and Conduct.
 - Code of Conduct for Suppliers
 - Whistleblowing Channel
- ▶ [Strategic plan: Sustainable business model. Planet, People, Business Objectives.](#)
- ▶ [Corporate social responsibility policy: Human Rights Policy.](#)
- ▶ [Conflict minerals policy.](#)
- ▶ Modern Slavery & Human Trafficking Statement.

2

Due diligence procedure

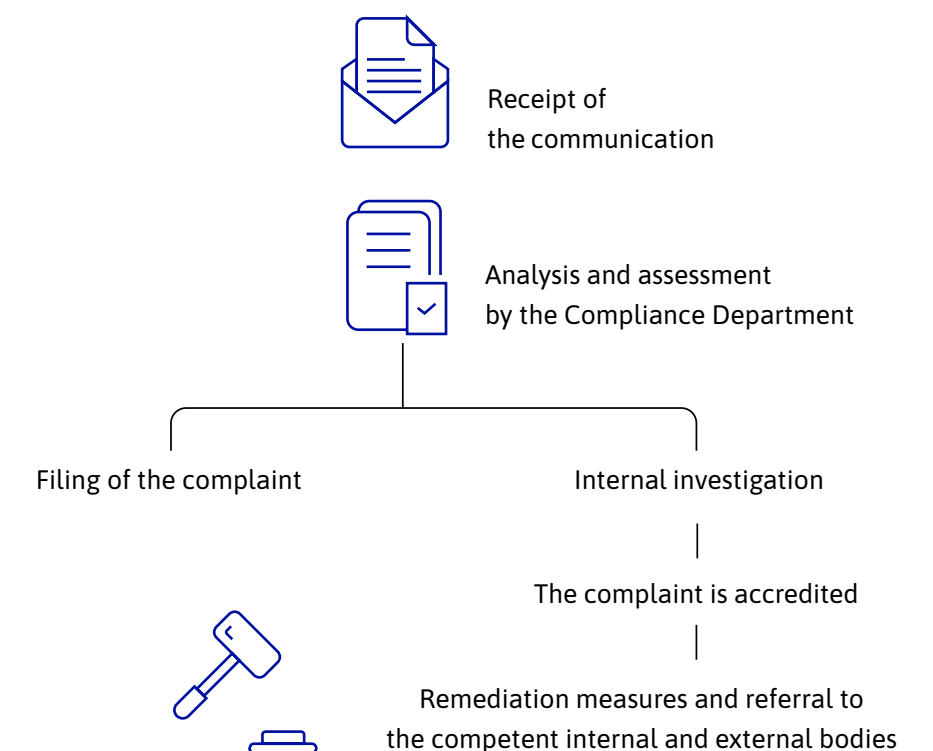
Grupo Antolin is making progress in the process from a dual materiality approach, with several key points

- ▶ Identification of applicable Human Rights based on their impact.
- ▶ Identification of potential conflicts from a prevention and management perspective.
- ▶ Awareness, education and training for 100% of the workforce.
- ▶ Acceptance of the Code of Ethics by 100% of the team.
- ▶ Extension of the commitment and acceptance of the Code of Ethics for suppliers by 100% of the supply chain.
- ▶ Assessment of the Human Rights performance of 100% of direct material suppliers.
- ▶ Promotion of mechanisms that allow for the safe communication of any queries, information or complaints.
- ▶ Research, processing, remedy and follow-up procedures.
- ▶ Continuous monitoring as a measure for anticipating potential risks.

3

Mechanisms for redress

The Whistleblowing Channel is Grupo Antolin's main complaint mechanism, available to all employees and external stakeholders.



Promoting compliance with Human Rights throughout the value chain represents one of the company's priorities for the future, even more so given that the future will bring growing risks such as technological development, accelerated urbanization in developing countries and the consequences of climate change.

In 2021, Grupo Antolin implemented different initiatives to make progress in complying with Human Rights:

- › Coaching and training for its professionals in the area of Human Rights, supported by awareness and education actions.
- › Identification of applicable Human Rights based on their impact for Grupo Antolin, supported by the methodology developed by the Corporate Human Rights Benchmark (CHRB) initiative for the automotive sector.
- › Specific training for the prevention and fight against harassment.
- › Updating of the main Human Rights violation risks linked to the automotive sector within the company's current risk classification in SAP_GRC (Risk Management module).
- › Monitoring of actions and behaviors that could involve a violation of Human Rights.

With the demands that have characterized the company since the beginning, Antolin is progressing, hand in hand with its customers, in reinforcing the promotion of diversity, respect for Human Rights and providing decent working conditions throughout the supply chain. In the United States, it actively works with the Ford Suppliers Diversity and Inclusion team in the Tier "II WIN (Widening the Inclusion Network) Program USA & the Michigan Minority Supplier Development Council", to make progress in meeting the targets set to promote procurement through minority-owned suppliers from socially or economically disadvantaged and underrepresented groups

The company has also taken part in training sessions given by the Volkswagen Group in those countries considered to be at risk where it has a presence. Another important area of action is the fight against human trafficking. At the request of Honda: Grupo Antolin has created a working group under the Human Rights in Transit initiative to take measures to combat this serious violation of Human Rights in the particularly sensitive region of North America.

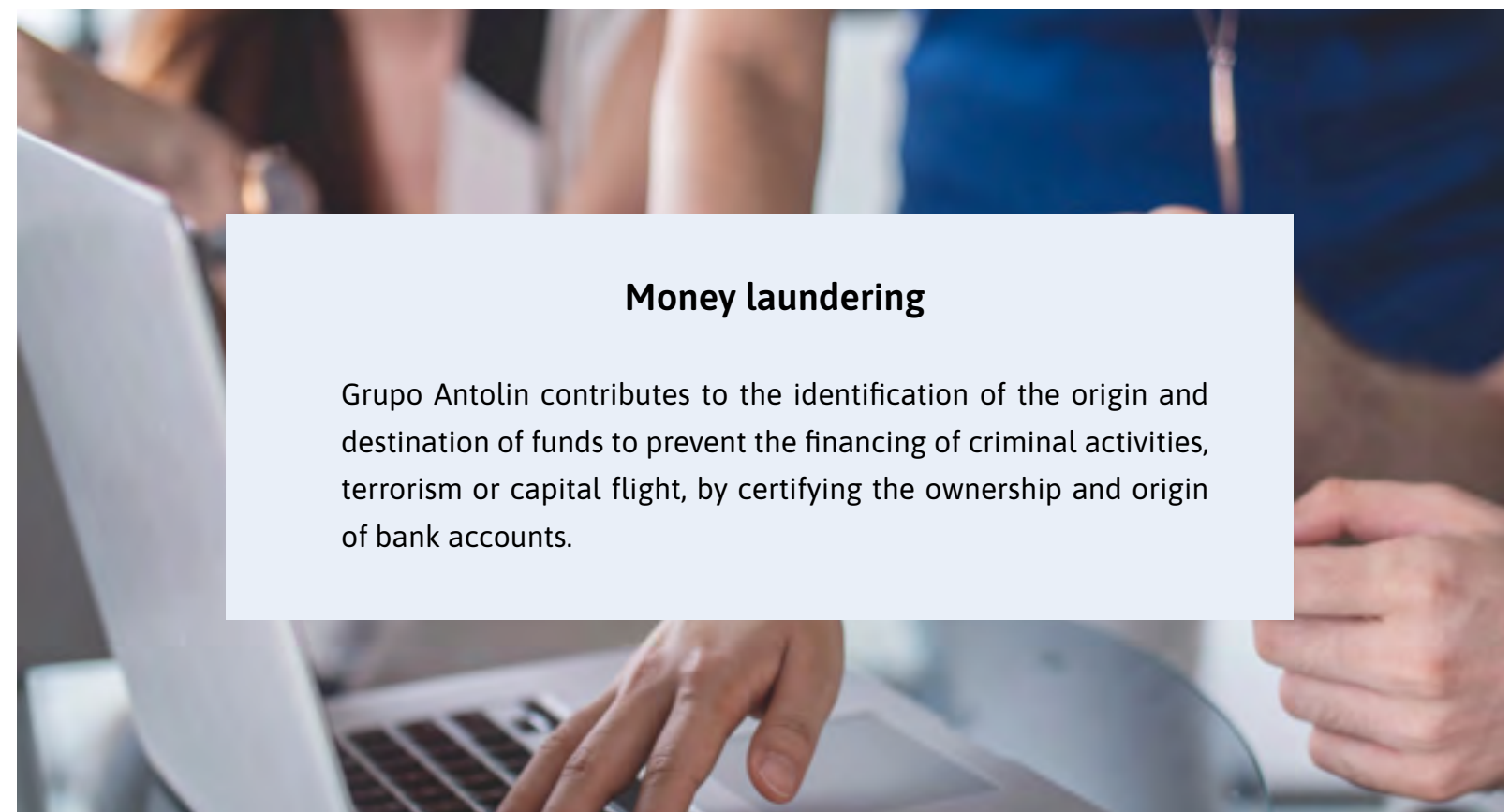
No cases of Human Rights violations were identified in 2021

Fight against corruption and bribery

Grupo Antolin promotes a zero tolerance culture against any form of bribery or corruption, be it active or passive, private or public. To do this, it has a [Global Anti-Corruption Policy](#), aligned with the main international references on corporate responsibility and anti-corruption, such as Principle Ten of the United Nations Global Compact, the recommendations of the Organization for Economic Co-operation and Development (OECD), the United States Foreign Corrupt Practices Act, and the United Kingdom Bribery Act, among others.

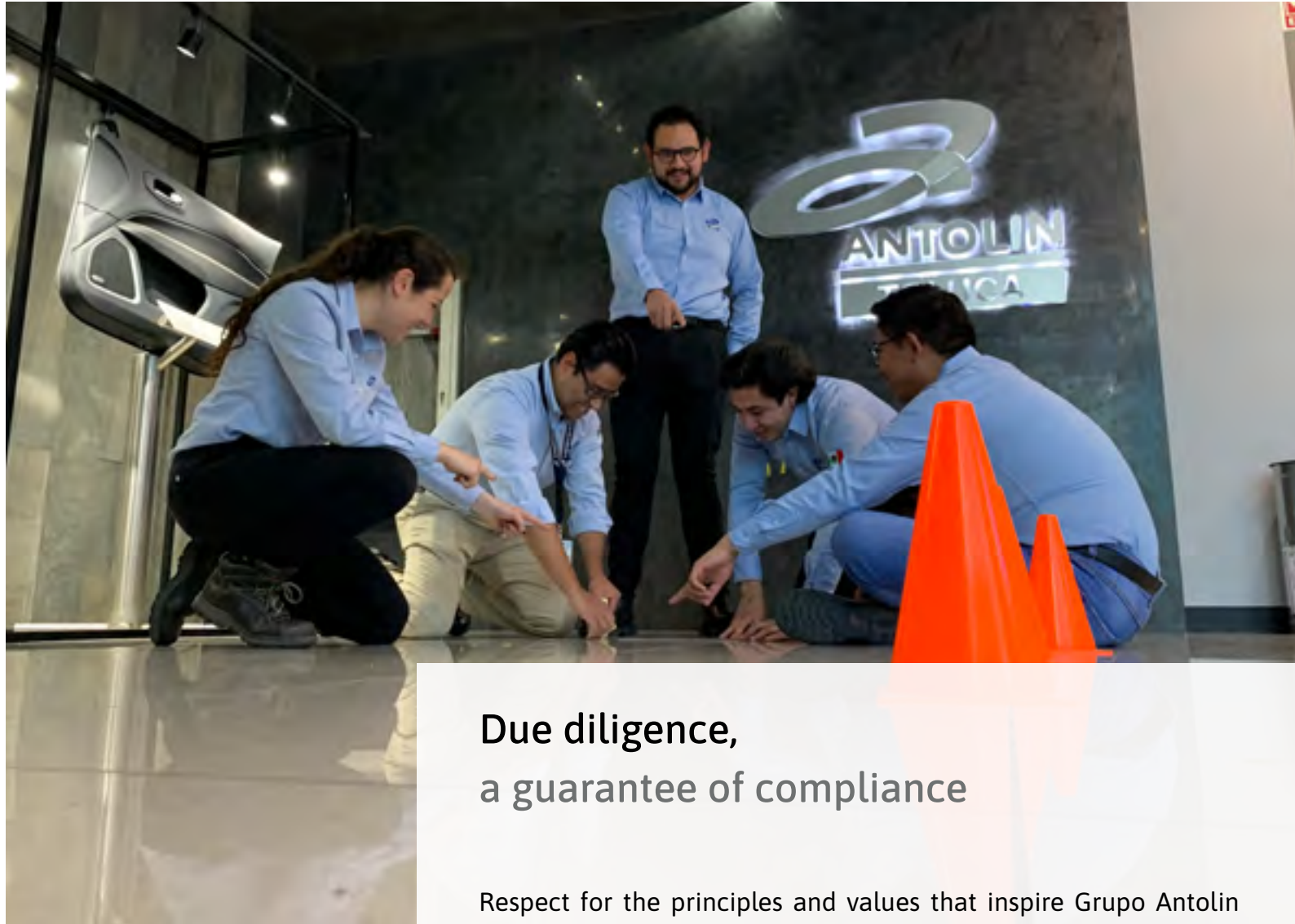
The company also constantly broadens and improves the mechanisms for detecting, correcting and reporting these abusive practices. Proof of this is the certification of the Criminal Compliance and Anti-Bribery Management Systems in accordance with the requirements of the **UNE 19601:2017** and **ISO 37001:2017 international standards**. From a financial viewpoint, Grupo Antolin has various controls implemented through the internal risk control and management system relating to financial reporting (FRMS), developed and assessed by an Internal Auditor.

Another fundamental element of this commitment is the training, educating and awareness of all its professionals. In 2021, Grupo Antolin offered its teams new courses –through its e-learning platform– on issues such as anti-corruption and conflicts of interest. The training is completed with awareness actions such as the one carried out for International Anti-Corruption Day with the publication of a statement and an information video to remind the entire organization of the importance of this zero tolerance.



Money laundering

Grupo Antolin contributes to the identification of the origin and destination of funds to prevent the financing of criminal activities, terrorism or capital flight, by certifying the ownership and origin of bank accounts.



Due diligence, a guarantee of compliance

Respect for the principles and values that inspire Grupo Antolin goes beyond scrupulous internal compliance and also concerns any external people and companies who want to be associated with the organization. That is why it considers it essential to equip itself with due diligence procedures, included within the **Compliance Management System**.

Through these procedures, the company defines, implements and manages the due diligence common to the entire workforce, to people who are in exposed positions within the organization, as well as to third parties linked to Grupo Antolin's activities (customers, suppliers and business partners).

Through the detection of those situations that may entail a risk, the **monitoring methods** defined by the organization are put into place so that they can be appropriately monitored and subsequently validated. This allows action plans to be defined that guarantee the good work of the company and compliance with the governance model.

Grupo Antolin's due diligence mechanisms apply to all of the people and entities who want to work with the organization

Managing conflicts of interest

Grupo Antolin understands a conflict of interest to be a situation that affects the level of objectivity, neutrality or independence of a person due to being unduly influenced by an interest of a personal or financial nature. To identify these cases, Grupo Antolin follows its Conflict of Interest Policy, which includes both prevention and management measures:



Procedures that prevent or control the exchange of information between professionals who participate in activities that may involve a risk, as well as a close supervision of their functions.



Training: teams are informed about the content and approval of the Conflict of Interest Policy through internal notifications.



Certification of conflicts of interest: individual and confidential declaration to be completed by a certain group, which, due to its responsibility and authority, participates in decision-making.



Establishment of a procedure and system for the segregation of functions: a tool that allows us to monitor, manage and control access.



Advice: any employee can communicate or request advice in potential situations of this type, through a private email address for Compliance or the Whistleblowing Channel.

Respect for free competition

Grupo Antolin defends free competition and believes that it has a beneficial effect on the economy as it encourages companies to be more efficient, to innovate and to constantly improve the quality of their products. In an environment where the rules of the game are clear for everyone, Grupo Antolin considers that the freedom of companies to make their own decisions offers the end customer the best options to choose the products or services that best suit their needs.

The company therefore does not allow participation in any activity that may result in a restriction of this right. On the closing date of this report, there were no pending or completed legal actions in the area of competition. In 2021, all the sales teams received training on this matter through a course given by the Compliance department on the Spanish Competition and Antitrust Act.

All claims received through the Whistleblowing Channel are processed, analyzed and assessed by the Compliance Department

Promotion of transparency

Grupo Antolin has established a culture of transparency among all of the people forming part of the company or who maintain a regular relationship with it. The key element is the [Whistleblowing Channel](#), provided to allow for the reporting of possible breaches of the Code of Conduct. The complainant (internal or external) can submit their report through the website, an email address or a PO Box. They have the option to identify themselves or do this anonymously.

All reports made through this channel are processed, analyzed and assessed by the company's Compliance Department. If the procedure continues, an internal investigation is launched. If in the end there is proof of an infringement, measures to be adopted to remedy this are proposed (disciplinary action, reporting to the authorities, system improvements or internal procedures to prevent similar situations in the future), and it is referred to the competent bodies to agree on and impose the corresponding disciplinary action.

Twenty-five complaints were received through the Whistleblowing Channel in 2021, one fewer than in the previous year. Of these, eighteen were substantiated complaints and in response there were eighteen corrective actions. One case of corruption was also recorded, which was responded to appropriately, as well as five reports in the area of Human Rights and discrimination, which were also resolved.



Responsible taxation conduct

Grupo Antolin strictly complies with **current tax regulations both nationally and internationally** in all the countries in which it operates. The corporate tax policy is integrated into the company's Corporate Governance regulations, which are approved by the Board of Directors.

All entities comprising Grupo Antolin contribute fairly to meeting public financial demands, always acting with prudence in the interpretation of the regulations and demonstrating responsibility in their application. Moreover, both in Spain and in all other countries in which it operates, the company wants to comply with, develop and implement good tax practices. And it has committed to having relationships with the Tax Authorities based on the principles of transparency, good faith and fairness.

Security of information

Respecting privacy and guaranteeing the proper processing of the information on professionals, customers and other stakeholders with whom Grupo Antolin interacts is a fundamental element for the company on which to build and retain the trust shown by them all. To do this, the Corporate Information Security Policy is integrated into Grupo Antolin's management model, which guarantees the highest standards of ethics, integrity and compliance in this matter.

The guidelines on which this protection of corporate information resources is based are:



Cyber Security and Security of Information are closely related concepts. Security of information, which encompasses management beyond information systems, including areas such as prototype management or the physical security of buildings, continues to be mostly focused on digital assets. To achieve better adherence to cyber security, in 2021, the responsibility for information security was transferred to the Corporate Information Systems Department.

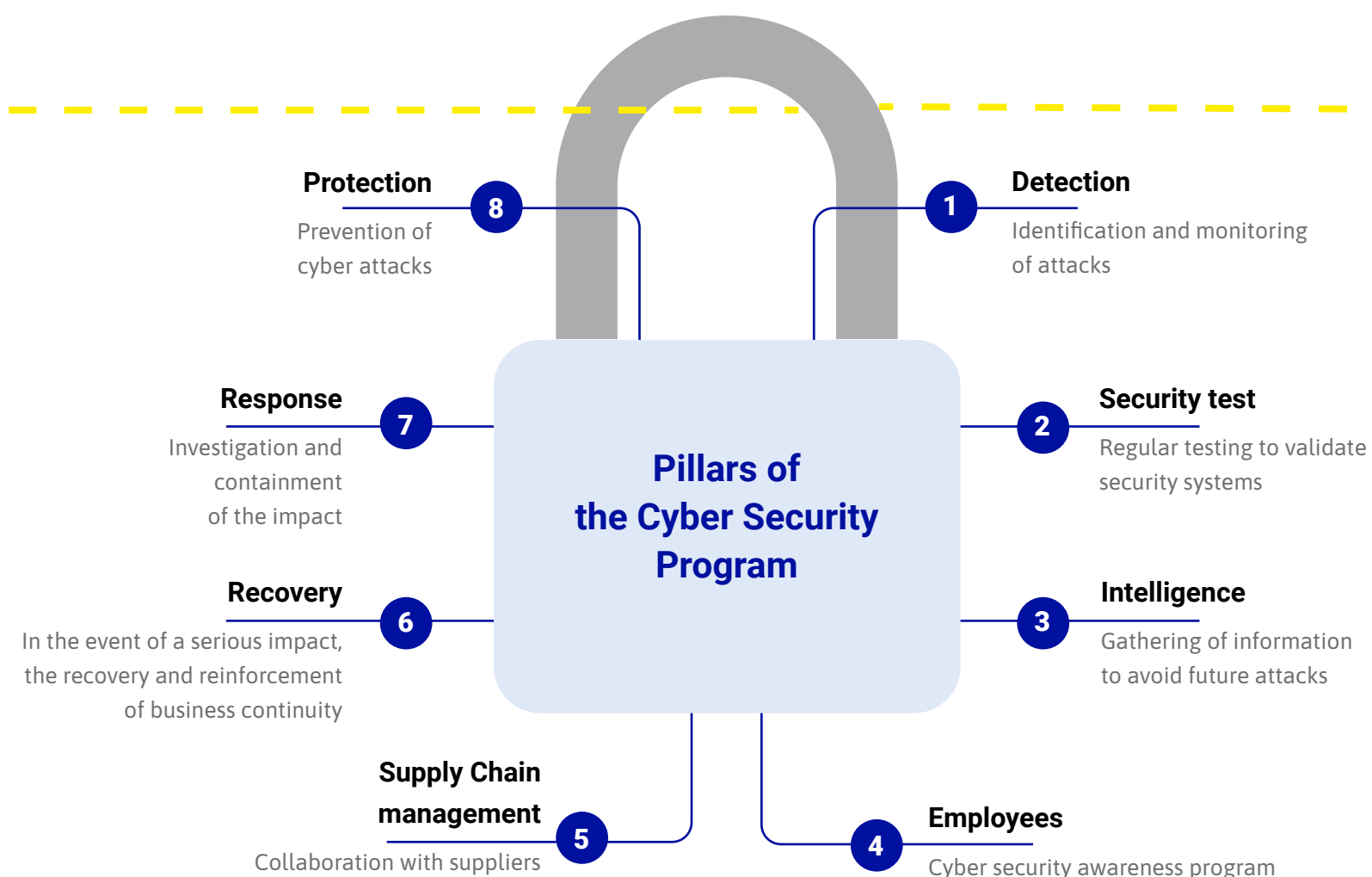
As recognition of the strength of the information security systems, it is worth mentioning the obtaining of the *Very high* label as a result of the audit by TISAX (Trusted Information Security Assessment Exchange). This, together with the ISO 27001 Audit, have been passed with no issues raised.

As a consequence of the digitalization of business activity, robotization and digital tools, driven by the effect of the pandemic, dependence on digital communication for interaction with others has multiplied. As this dependence progresses, the risk of cyber attacks increases exponentially at a company like Grupo Antolin. In this context, Antolin has defined a 360° strategy, based on eight pillars, with the aim of reinforcing the protection of the Company's assets against cyber attacks and cyber crimes.

In 2021, different notification, awareness and training actions have been carried out for the entire workforce who make digital tools their main working method. In addition to raising awareness and informing about the adverse effects of malicious communications (malware), the objective was to make it easier for the user to identify communications or interactions that could lead to potential security breaches in the system and their consequences.

In this way, the company not only commits to properly identifying data and information, but to implementing the control mechanisms required to protect them, and to using them efficiently for its legitimate business needs worldwide. This premise also applies to the management of confidential information provided by its customers.

In addition, the mobility of the future is already raising new information security challenges. As a result, Grupo Antolin is working on new technological solutions by taking into account respect for the protection and privacy of the information obtained in these developments.





Environmental and socio-economic compliance

Grupo Antolin is very happy to respond to any queries or complaints it receives on environmental, social or economic matters. The organization’s ethical and compliance conduct establishes a series of procedures to channel such communication. In 2021, no significant breaches of environmental, social-economic legislation or regulations have been identified.



Training and awareness-rising: key factors for a compliance culture

The investment in training and awareness made by Grupo Antolin not only improves the performance, productivity and competitiveness of the company, but also offers the workforce the possibility to improve their qualifications and enhance their talent and employability. In 2021, new training modules were offered on the ‘Success Factor’ e-learning platform. These are in addition to the course launched last year on Compliance and the Code of Ethics and Conduct.

Among the new training options made available over the last year, it is worth mentioning a **training module on the prevention and combating of harassment**, to recognize the various forms of harassment, respond effectively to potential incidents and understand everyone’s role in preventing harassment and promoting respect.

Beyond this training activity, Grupo Antolin carries out awareness campaigns with posters and other information materials at the work centers, and incorporates new communication tools such as the “weekly compliance flashes” and increasingly popular formats such as videos, podcasts and audiobooks.

	Compliance and Human Rights through the Code of Ethics and Conduct online course*		Anti-corruption and Competition		Data protection and privacy		Conflict of interest and Independence**		Prevention and combating of harassment**	
	Employees	Hours	Employees	Hours	Employees	Hours	Employees	Hours	Employees	Hours
2020	6,237	5,503	1,724	1,249	501	594				
2021	6,783	5,697	1,938	1,404	588	687	1,645	1,316	3,895	2,922

*Cumulative figure since its launch in 2019 as a ratio of the target audience according to the impact of its activity.
**Launched in 2021

4.4.

Preventing and controlling risks

Management approach

Risk management is a fundamental part of Grupo Antolin's strategy and it believes that investing in its prevention and mitigation brings the company closer to its business goals in all the areas where it operates.

To this end, it has an Internal Control system that reflects some key principles:

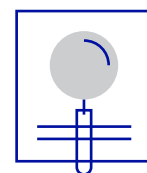
- › Managing risks across the company.
- › Ensuring compliance with the Corporate Risk Management process: identification, assessment, response, monitoring and tracking of the risks and information on them.
- › Establishing the risk levels deemed acceptable by the company.
- › Providing responses to the risks that are consistent and appropriate given the business situation.
- › Regularly reviewing the assessment of risks and the responses to them.
- › Monitoring the controls and strategies related to risk management to verify that they work.
- › Assessing the fulfillment of the activities to identify, assess, respond to, monitor and track the risks and information on them, in accordance with the latest standards.
- › Designing the information systems, internal controls and strategies for managing and mitigating risks.

The bodies involved in Grupo Antolin's risk management are:



Management Committee

Ensures the proper functioning of the Risk Management Model.



Audit Committee

Supervises and manages the company's risk control system.



Risk committee

This is made up of Grupo Antolin's Corporate Risk Manager and representatives from different organizational areas. Its functions include updating and analyzing the company's risk catalog, monitoring and recommending the development of specific action plans.

Risk catalog

Grupo Antolin has a risk catalog that contains the different types of risks identified by the company. It is updated regularly following three criteria: probability of risk occurrence, internal capacity to detect and manage the risk, and impact in the event of the detected risk materializing.

As part of the risk catalog, under non-financial risks, Grupo Antolin has included all risks that do not have a financial origin but do have a quantifiable impact on the business.

Corporate risks

- › **Strategic Risks:** related to the objectives in the Strategic Plan
- › **Operational Risks:** related to the objectives linked to the effective and efficient use of resources
- › **Reporting Risks:** related to the reliability of the supplied information
- › **Compliance Risks:** Related to compliance with laws and regulations

Specific risks

- › Corruption and money laundering
- › Human resources
- › Training
- › Health and safety
- › Environment
- › Suppliers
- › Human Rights
- › Social action and communities

Given Grupo Antolin's strong commitment to promoting sustainability, energy savings and energy efficiency, the company includes several points related to **climate change**: environmental risk, non-compliance with environmental legislation, incidents in the environmental management of production (which includes waste management) and, finally, the risk of climate change.

Risk map

In January 2021, Grupo Antolin's new risk map came into force. This is shared monthly with the Risk Committee and the Management Committee, and also regularly with the Audit Committee for its analysis and review.

In addition to what is called the 'Environment risk' being ranked in ninth place, this risk map includes new risks related to the social and economic consequences of the pandemic for Grupo Antolin, its staff, customers and supply chain.

During the second half of the year, Grupo Antolin updated the catalog of risks and their subsequent assessment. The consolidation of the risks assessed resulted in a new scorecard, which will be regularly monitored from January 2022.

Good practice

Grupo Antolin, the industrial company with the best reputation in Spain

The 2021 edition of the Merco Empresas ranking, the most prestigious corporate reputation monitor in Spain, placed Grupo Antolin among the 100 Spanish companies with the best reputation in the country; specifically, in 92nd place.

Moreover, within the ranking of the companies with the best reputation in the sector, the company achieved first place, becoming the industrial company most valued for its responsible management and its values.

Grupo Antolin has been a feature in Merco Empresas since 2014, when it entered the industrial sector ranking for the first time. For the company, this is a great recognition of its efforts to develop a sustainable business model that generates value for all its stakeholders through processes and products that are environmentally friendly and its commitment to innovation and technological development. All with the clear ambition of becoming a benchmark in the industry thanks to its responsible management and values.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Investors



People



Shareholders



Society



05

Environment management

From commitment
to positive impact

Improving the lives of those people who are affected by our activity, as well as the environments in which we operate.

In short, leaving a positive footprint. This is our view of what having a net positive impact means.

It is a work philosophy in which responsibility, listening, commitment and initiative come together to work for the good of our planet and the people who live on it.



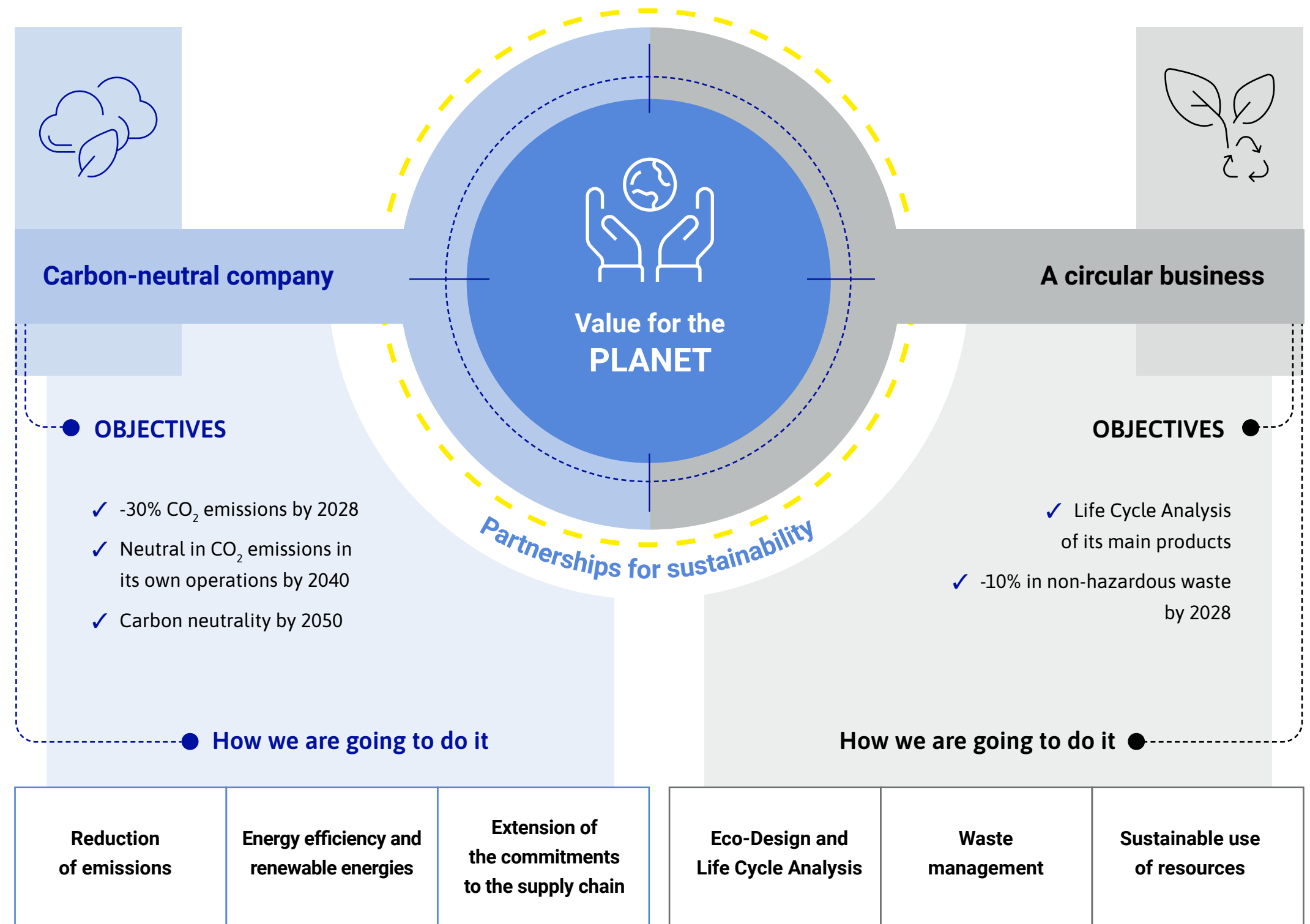
5.1. Reinforced environmental strategy

Grupo Antolin is working to become a business leader for its respect for the environment, its contribution to the fight against climate change and its support for the transition toward a low carbon economy. As part of Value for the Planet, one of the three areas of value creation for the company within its sustainable business model, a new road map has been defined –framed within the company’s strategy– to respond to the challenges that the evolution towards a green economy implies in the sector.

The company has set some **specific objectives and a series of tangible actions** capable of combining economic growth with the use of natural resources in a rational and responsible way, and that contribute to preserving, maintaining and protecting the natural environment and all those living in it. Always under the guidance of the **Paris Agreement** and the **Sustainable Development Goals of the 2030 Agenda**.

The **Value for the Planet** commitment can be seen in **two ways**: first, the environmental footprint generated by the company itself; and second, the one caused by its products. In both cases, Grupo Antolin is working to minimize the impact generated. And it does so by accompanying its customers in achieving their own emission reduction and circular economy commitments, always in collaboration with its supply chain.

A new road map



Grupo Antolin contributes to a ZERO EMISSIONS economy through the comprehensive environmental management of its business model

Prevention of environmental risks

In 2021, the new Sustainability Department, in accordance with the new decarbonization strategy, expanded its responsibility in environmental matters and created a specific area for climate change and the circular economy. This includes the functions of the company's former environmental department.

In addition, each certified company has at least one manager dedicated to environmental management. A total of 113 Grupo Antolin professionals are dedicated to preventing environmental risks.

Grupo Antolin applies the **Precautionary Principle**, coming from its Environmental and Energy Policy, to all stages of its activity, from the design of products, their manufacturing, to the end of their useful life. In addition, the company has guarantees in the form of civil liability insurance to cover possible contingencies in this matter.

Grupo Antolin Environmental Policy

› Environmental and Energy Policy.

It includes the promotion of renewable energy and the extension of Grupo Antolin's sustainability commitments to the supply chain through the Code of Conduct for Suppliers.

› Environmental Management System (EMS).

Based on ISO 14001:2015, this system allows us to identify the main environmental impact every year and establish improvement programs. With the four new centers certified in 2021 (two in the United States, one in Mexico and one in China), there are now 97 with this certification, including the headquarters, the industrial facilities with the greatest environmental impact and some assembly and sequencing centers.

› Energy Management System (EnMS).

System based on the ISO 50001:2018 standard to assess the significant uses of energy. Following the certification of a new center in Spain in 2021, there are six European centers that have an ISO 50001 certified energy management system.

› System of corporate environmental targets to reduce CO₂ emissions compared to sales, at the different centers and regions where the company operates, as an evolution of the Green Program project launched at the company in 2014.



5.2. Toward a positive net impact on the planet

Carbon-neutral company

Management approach

Grupo Antolin is deeply committed to the decarbonization of the automotive industry. To move closer to the ultimate goal of being a carbon neutral company by 2050, it is working on several lines of action:

- ✓ Corporate and product **carbon footprint reduction**.
- ✓ Promoting **innovation and technological development** to reduce the weight of the components produced by Grupo Antolin in response to customer expectations.
- ✓ Improving the **energy efficiency** of production processes and facilities.
- ✓ Promoting the consumption of **energy from renewable sources** and the generation of electricity for self-consumption.
- ✓ Extension of the **decarbonization and responsible business commitments to the supply chain**.

		OBJECTIVES Value for the planet Reduction of emissions	Road map
SCOPE 1 	Direct emissions Associated with combustion processes and greenhouse gases (GHG) related to the activity itself	Carbon neutrality by 2040 -30% CO ₂ emissions by 2028	Consume less -5% energy consumption Consume better 35% consumption of energy from renewable sources Offsetting emissions
SCOPE 2 	Indirect emissions Associated with electricity consumption and district heat derived from its own activity		
SCOPE 3 	Indirect emissions Derived from the supply chain	Carbon neutrality by 2050	> Scope 3 footprint measurement > Extension of the commitments to the supply chain

Reduction of emissions

Grupo Antolin **optimizes all its processes**, from the acquisition of raw materials to the manufacturing, not forgetting storage and dispatch, in order to minimize their polluting emissions. The locating of its plants and ‘Just in Time’ production centers close to those of its customers in the 26 countries where it operates contributes to this.

It is also important to note that, thanks to the monitoring of the **gases used in the cooling and fire extinguishing systems** to detect possible leaks in the facilities and prevent them in the future, in 2021, we could control and avoid the emission of 165 tons of CO₂ from this type of substance in two of the facilities.

The gases used in the cooling and fire extinguishing systems are considered to be other substances that affect the ozone layer. Both facilities are regularly reviewed by maintenance and/or inspection companies to verify the absence of leaks and compliance with the legislation applicable in each country. Once the preventive maintenance controls were performed in accordance with the defined procedures, leaks equivalent to the emission of 254 tons of CO₂ were recorded in 2021.

Moreover, measurements of the outdoor noise emission levels are taken following the current regulations and the relevant corrective measures are applied in the event of any problems detected.

Greenhouse gas emissions	2020	2021
INDICATOR UNIT		
Greenhouse gas emissions by direct consumption of energy (scope 1) (tons of CO ₂ eq) ₍₁₎	29,910	27,910
Greenhouse gas emissions by indirect consumption of electricity (scope 2) (tons of CO ₂ eq) ₍₁₎	196,289	178,308
KPI (UNIT/SALES)		
Greenhouse gas emissions by direct consumption of energy (scope 1) (tons of CO ₂ eq/€ million) ₍₁₎	6.87	6.20
Greenhouse gas emissions by indirect consumption of energy (scope 2) (tons of CO ₂ eq/€ million) ₍₁₎	45.09	39.63

(1) Energy, emissions and non-hazardous waste figures correspond 97.9% (by aggregate sales) to Grupo Antolin’s industrial centers and assembly and sequencing centers (including the headquarters).

Fewer emissions thanks to lighter products

Beyond the manufacturing phase and the emissions caused by its processes, Grupo Antolin is working to reduce vehicle emissions in the **different phases of the life cycle of its products**, with actions aimed at reducing the weight of components and solutions supplied to the customer. This contributes to minimizing the environmental impact of vehicle use.

In this area, it is worth highlighting:

- **Use of structural foaming in the manufacture of interiors.** This achieves a lightweight and stronger internal structure, as well as an outer layer that is pleasant to the touch and on the eye.
- **Development of composite materials with different types and lengths of reinforcing fibers** and the technologies required for their processing.

Grupo Antolin is working on actions aimed at reducing the weight of the components and solutions supplied to the customer



Energy efficiency and renewable energies

Digitalization and advanced industry technology, together with the introduction of energy efficiency criteria into processes, are great allies in achieving the goal of reducing energy consumption by 5% by 2028.

In this area, the **ITOEPP project** (Innovative Technologies for the Optimization of Energy Efficiency in Production Processes) was launched in 2021, with the aim of improving the energy optimization of facilities with large energy consumptions in their production processes. Beginning at two centers in Spain, the initiative seeks to develop a digital platform that transforms the information stored on the use of energy into useful knowledge to optimize this consumption.

Consuming better focuses, as part of its strategic work line, on the consumption of energy from renewable sources to achieve the targets set for reducing emissions in its operations. Over the last year, Grupo Antolin has focused on:

- › The generation of electricity for self-consumption, adding a **new photovoltaic facility in Germany** to the four facilities already operating in Spain and India. At these five centers, around 15% of the energy consumption already comes from renewable energies. This amount will increase in 2022 with the launch of two new projects in Spain and France.
- › The **purchase of 100% renewable electricity** at plants in Slovakia, Czech Republic, Brazil and China. This action will be extended to Spain and Portugal in 2022 following the defined plan, thanks to the agreements signed in 2020 with Acciona and AXPO, respectively.

Thanks to the actions implemented in 2021, 15.2 GWh of renewable electricity have been consumed, 3.2% of the total; and the emission of 2,718 tons of CO₂ into the atmosphere has been avoided.

Electric mobility at Grupo Antolin

The commitment to renewable energy consumption was applied to the area of daily travel in 2021, with the installation of two charging points for electric vehicles and the provision of 100% electric vehicles for the local journeys made by the team in the headquarters.

Extension of the commitments to the supply chain

The past year has been decisive in consolidating a **sustainable supply chain**. The important step taken in 2019 with the launch of Grupo Antolin's Supplier Code of Conduct, as part of its commitment to be considered a responsible business, has been enhanced in 2021 with the preparation and disclosure of **a new road map** with the company's Environmental, Social and Governance objectives.

Rolled out to its entire supply chain, the goal is for 100% of direct material suppliers to be assessed in ESG matters by 2028. This road map also marks the need for the decarbonization and circular economy objectives to be deployed in the same way in its respective supply chains in order to achieve **zero net emissions** by 2050 at the latest.

To reach this target, the company is making progress in the development of a system that allows it to calculate its global carbon footprint. As a first step, it has started to measure part of the **scope 3 emissions from the transportation** of its suppliers at 44 plants –in Europe, the United States and Mexico– thanks to a logistics management tool, and is working to determine which categories of scope 3 emissions established by the *Greenhouse Gas Protocol* are relevant to the organization.



A circular business

Management approach

The balance between progress and sustainability involves decreasing the use of resources, reducing the production of waste and limiting the use of energy. As a leader in the manufacturing of automotive components, Grupo Antolin's commitment is to promote a circular model: **do more with less** through a more sustainable use of resources and incorporating recycled and natural materials. In addition to the environmental benefits, this activity is capable of creating wealth and employment and allows companies to obtain a significant competitive advantage that benefits society as a whole.



OBJECTIVES

Value for the planet

Circular economy

Life Cycle Analysis
of its main products

-10% in non-hazardous waste by **2028**

Road map

- › Eco-design of products and solutions
- › Monitoring and increasing the use of sustainable materials
- › Reducing the use of non-returnable packaging
- › Less waste generation

Eco-Design and Life Cycle Analysis

Beyond the manufacturing phase, the application of the principle of pollution prevention is addressed in certain phases of the life cycle of the components that are supplied to customers.

On its path toward full circularity, Grupo Antolin has a great ally: the promotion of eco-design through the **Life Cycle Analysis (LCA) of its main products**. This tool allows the company to quantify its environmental impact, identify materials or processes with the greatest impact and propose alternatives to reduce it throughout the entire value chain.

Focused on the conception and design of solutions for the mobility market, LCAs have been carried out on various components in recent years, such as window regulator mechanisms made from light magnesium alloys, interior pillars of natural fiber-reinforced composites and fabrics made from bamboo fibers.

As an example, in 2021, Grupo Antolin designed an LCA for a door panel manufactured in Spain. This 'from cradle to door' LCA follows the UNE-EN ISO 14040 standard and considers the impacts generated from obtaining the materials that make up the different components to manufacturing the panel at the facilities.

As well as identifying the main impacts, the LCA is also an **eco-design tool** that allowed us to quantify the impact of the following alternatives in the previous case: use of recycled material, replacement of the polypropylene fabric for a textile material based on bamboo fibers, use of 100% renewable energy and improved efficiency in the cooling process of the injection machines.

The customer and Grupo Antolin, travel companions in reducing the carbon footprint of products

Meeting customer needs and expectations is much more than a mere statement of intent. Grupo Antolin assumes this commitment with the same ambition with which vehicle manufacturers advance in their decarbonization strategies. To do this, joint working through mixed teams made up of professionals from Grupo Antolin and the customer is essential.

One of the first projects carried out by one of these teams focused on the LCA for reducing the carbon footprint of the product in the stages with the greatest environmental impact, in this order:

- › Manufacturing of raw materials, both plastic pellets and fabric (scope 3)
- › Indirect consumption of energy (scope 2)
- › Generation and distribution of energy (scope 3)

Among the projects planned for 2022 is the creation of a **team specializing in LCA** with technical responsibility in the design and development of the company's different solutions. This group will first be trained in conducting the analysis through the use of support software, which is a benchmark in the world and in the industry in decision-making on the Life Cycle Analysis.



All solutions devised in the Innovation Department combine sustainability and advanced technical features

Sustainable innovation

For years, Grupo Antolin has known that innovation and technological development are the only possible way to meet the expectations of its customers and to be an increasingly competitive ally in a market that changes every day. This commitment to innovation no longer makes sense without the adjective ‘sustainable’. For this reason, all the solutions devised in the Innovation Department and transferred to advanced engineering in the company’s Business Units to complete their development, combine sustainable materials, advanced technical features, electronic devices and software for controlling their functions to guarantee greater sustainability, comfort and safety inside the vehicle.

A good example of this is the effort made by Grupo Antolin to reduce the weight of the components manufactured for customers, in response to the increasingly important needs of the main vehicle manufacturers around the world.

Less is more

Faithful to one of the principles of the circular economy that sees all waste as a resource of enormous value for the economy, Grupo Antolin has been promoting measures to minimize the environmental impact of its products for years. Especially relevant is that caused by the **waste from the manufacturing of overhead trims for cars**, whose end point is usually associated with landfill or energy recovery.

To avoid this, in 2005 the company launched the company called “ASH Reciclado de Techos”, dedicated to transforming this waste into boards made from a range of technical materials called **Coretech®**, which has excellent noise insulation properties and protection against moisture. In the past year, Grupo Antolin has made **significant improvements to both the process and the technical features of the final product**. In 2021, ASH also took over the management of fiberglass waste from other external companies and converted 256 tons of waste into more than 34,000 m² of prefabricated board as a substitute for wood.

And it was also during the past year when the **first polyurethane (PU) headliner substrate** on the market saw the light of day, produced through a hot forming process that includes materials made from urban waste, post-consumer plastic waste and tires at the end of their useful life.

[See Good practice](#) 

Finally, another great example of innovation to support the circular economy is **Novaform®**: a process for processing raw materials obtained from recycled plastic and transforming them into components for the vehicle interior.

Waste management	2020	2021
INDICATOR UNIT		
Non-hazardous waste (T) ⁽¹⁾	67,383	68,662
Hazardous waste (T) ⁽¹⁾	3,510	4,259
KPI (UNIT/SALES)		
Non-hazardous waste (T/€ million) ⁽¹⁾	15.49	15.26
Hazardous waste (T/€ million) ⁽¹⁾	0.822	0.947

(1) Energy, emissions and non-hazardous waste figures correspond 97.9% (by aggregate sales) to Grupo Antolin’s industrial centers and assembly and sequencing centers (including the headquarters).



Sustainable use of resources

Grupo Antolin’s management systems, both for quality and for the environment and energy, seek to optimize the consumption of raw materials in all phases of its activity.

In 2021, the company made progress in various initiatives aimed at guaranteeing the efficient and responsible use of natural resources:

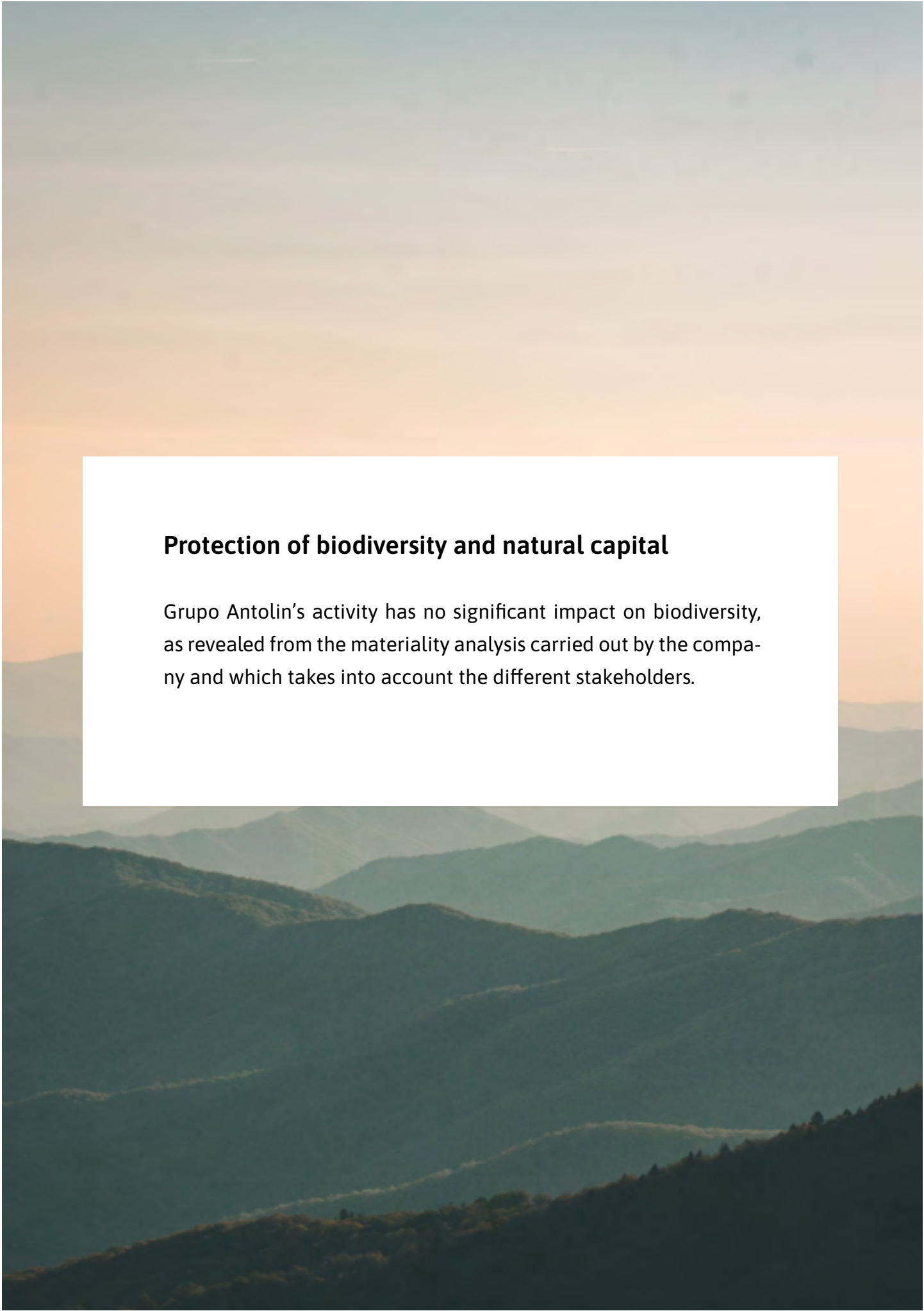
- › Elimination of the oily water hazardous waste.
- › Reduction of paper consumption through the digitalization of certain activities.
- › Composting of organic waste.
- › Recycling of wooden pallets.
- › Partnerships between companies to improve waste compacting and reduce its transportation.

Among the **raw materials** used most by the company, it is worth highlighting polyurethane foam (produced from the chemical components polyol and isocyanate) to manufacture headliner trims; and plastic pellets in the production of parts such as instrument panels, door panels and pillar trim, among others.

Moreover, as a limited natural resource, **water consumption** represents a minor impact on Grupo Antolin’s activity. Its main use is sanitary and, even though it is very limited in the production processes, rational water management is applied, supported by saving and efficiency actions. It was 1,381,513 m³ in total in 2021 and 307.03 m³/million euro of sales.

A good example of what this impact represents is the fact that **60% of the total water consumption comes from its use to generate renewable hydraulic energy** through a turbine at one of the company’s production centers in Austria.

Consumption of raw materials	2020	2021
INDICATOR UNIT		
Consumption of plastic pellets (T)	90,534	84,102
Consumption of polyol/isocyanate (T)	19,619	17,602
KPI (UNIT/SALES)		
Consumption of plastic pellets (T/€ million)	22.9	20.7
Consumption of polyol/isocyanate (T/€ million)	5.4	4.3



Protection of biodiversity and natural capital

Grupo Antolin’s activity has no significant impact on biodiversity, as revealed from the materiality analysis carried out by the company and which takes into account the different stakeholders.

Partnerships for sustainability

As emphasized by the 2030 Agenda, partnerships with different stakeholders are essential for mobilizing and exchanging knowledge, technical capacity, technology and resources to support the fight against climate change and the transition to a circular economy. Grupo Antolin has established an important network of partnerships with leading entities and participates in technical forums to share the company's good practices in environmental sustainability.

Main partnerships in 2021



Forética Circular Economy Action Group

The 2020-2021 edition focused on the ultimate circular ambition for 'the decade of action'. Holding of the benchmark event, the 4th Circular Economy Business Forum.



Forética Climate Change Cluster

Presentation of the report 'Zero net emissions: Companies in Spain facing the challenge of decarbonization'.



Circular Plastic Alliance (CPA)

Collaboration through the 'Design Product Teams for the Automotive Sector at the CPA' working groups.



SERNAUTO Responsible Business Committee

During the year, it strengthened its sectoral knowledge lab, new partnerships with key stakeholders and the measurement of the ESG impact on the sector.

Good practice

New life for resources

Grupo Antolin manufactures the first vehicle overhead system from plastic waste and used tires

Grupo Antolin has developed the first car overhead system on the market produced through a hot forming process that includes materials made from urban waste, post-consumer plastic waste and tires at the end of their useful life.

This overhead system has the same appearance and the same properties as a standard headliner, meaning that the improvement in sustainability occurs without any reduction in the physical properties of the trim. In the first project with this technology developed for a Volvo model, 100% of the fabric, 70% of the core foam and 70% of the framework for the plastic sunroof were obtained from waste that cannot be recycled in any other way.

The objective of this initiative is to reduce waste and energy consumption during the manufacturing of the product and meet the demand for environmentally-friendly vehicle interiors. In this area, Grupo Antolin is working on a new project with recycled structural polyurethane foam, which is also manufactured with electricity from renewable sources.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Customers



Society

5.3.

Better people for a better future

Management approach

The goals set by the 2030 Agenda offer companies a unique opportunity to help create prosperous environments through their commitment to and collaboration with all their stakeholders. This is how Grupo Antolin understands its responsibility in promoting more sustainable and respectful development that can offer fair and equitable growth for everyone. This is reflected in the objectives of the **'Value of people'** part of its road map to make progress with creating a responsible business model.



OBJECTIVES

Value of people

Committed to a sustainable future

- Promoting initiatives for the **economic development of society**

In Grupo Antolin's philosophy, the key to achieving a balance between sustainability and development is to connect economic, environmental and social value in the areas close to the company's activity. This way of understanding its activity is contained in the Management Model, specifically the Contribution Model, which describes how the company wants to and can interact with the environment in which it operates with its stakeholders, in order to build a future of shared prosperity under the three-fold economic, social, and environmental perspective.

Linked to Grupo Antolin's Sustainable Contribution Model, in 2021, it published the procedure for the internal management of requests for collaboration, sponsorship, donation or any other form of contribution received or generated internally in the organization. The procedure is accompanied by a guide that facilitates decision-making for the companies when they receive a specific request or application for a contribution.

The principles that underpin the day-to-day management of Group Antolin are universal. The family business's sustainable spirit comes from inside the business itself and from the beliefs of the people who make up the company.



Internal reference framework

- Strategic lines, commitments, and policies.
- Vision and Values.
- Code of Ethics and Conduct: Donations and contributions.
- Sustainable Business Model.
- Corporate Social Responsibility Policy.
- Sustainability Master Plan.
- Due diligence policy and principles; as well as policies and guides on Corruption and Bribery and against harassment and its prevention.

External reference framework

- United Nations Universal Declaration of Human Rights.
- Agenda 2030: Sustainable Development Goals 3, 4, 5, 7, 8, 9, 10 and 17.
- Principles of the United Nations Global Compact. Principles 1 and 2.
- Guiding Principles of Business and Human Rights.
- Children's Rights and Business Principles.
- United Nations Convention against corruption.
- OCDE (Guidelines for Multinational Enterprises).
- OCDE (Due diligence guidance for responsible business conduct).
- ISO 37001:2017 Anti-bribery management systems.
- UK Bribery Act 2010.

Social contribution

Grupo Antolin defines social commitment as the active and voluntary contribution to the sustainable development of the countries in which it operates, turning challenges into business opportunities. In this vision, the company must horizon scan and, without losing sight of its economic purpose, be aware of its commitment to the stakeholders with whom it interacts. They are connected by a deep-rooted sense of purpose, in such a way that the company can adapt to the needs and requirements demanded at all times.

Grupo Antolin contributes to the sustainable development of the countries in which it operates, turning challenges into opportunities

Social contribution (in euros)		2020	2021
TOTAL		601,281.80	855,552.08
By region	Asia and Africa	151,274.81	338,929.11
	Europe	426,124.35	290,692.80
	Mercosur (Southern Common Market)	826.40	2,943.66
	NAFTA	23,055.38	222,986.51
	Donations and voluntary actions	60,794.76	382,498.01
By contribution type	Sponsorship and patronage	345,572.01	464,991.98
	Emergency responses	194,914.17	8,062.09
Per employee		22.57	34.19

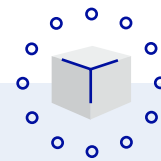


Creation of shared value

Grupo Antolin establishes relationships with many different representatives in a true reflection of the fact that communities, and society as a whole, are increasingly diverse and complex. On a more general level, these links are mainly established with entities and organizations in the academic, environmental, industrial and social areas. On a more local level, these relationships are customized and strengthened depending on the specific commitment and the areas related to it.

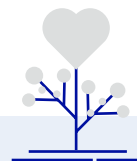
The objective is to establish long-term links capable of enriching both parties and lasting over time, as opposed to one-off contributions, although these may occur at times. These more one-off commitments are usually local and are managed by each company, always in line with the areas of action defined in the Contribution Model.

Among the initiatives carried out in 2021, we can highlight the following:



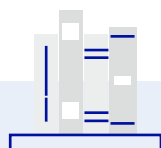
Open innovation, cooperation and knowledge transfer:

- Collaboration with open innovation and promoting entrepreneurship platforms: Polo Positivo (Burgos), Wolaria (Castile and Leon), and Ennomotive (Madrid).
- Integration into the **Plug & Play** community ([see Good practice chapter 2](#)).



Promotion of business action on health and sustainability:

- **European Working age project** (promoting healthy habits in people aged over 50).
- **Grupo Antolin enFORMA Sports Club**.
- Grupo Antolin Sports Club for the children of employees in Burgos.
- Together it's possible: cancer prevention campaigns.
- Participation in local activities in different sporting disciplines.



Education, employability, development of talent and diversity:

- **Design Challenge Award**: with universities and schools around the world.
- Dual vocational training schools in Germany, Spain, the United States and Mexico.
- Internship programs at companies.
- Graduate scholarships and contracts for research assistants at the General Foundation of the University of Burgos.
- CAD modeling 2021.
- Tertiary Education Bursaries South Africa (study scholarships).
- FFL First Lego League Tournament.
- 7th edition of Speed Job Dating.
- **@50&50 #ChicasImparables** (#UnstoppableGirls, female leadership).
- Outsourcing of component assembly activities in Spain to centers that employ people with disabilities.
- Outplacement service in the process of decoupling professionals from the company to facilitate their access to the labor market.



Social and environmental development of the environment:

- **#VacunandoAlMundo (#VaccinatingTheWorld)**: in collaboration with UNICEF, donation of two solar-powered refrigerators for health centers and 499 portable refrigerators for the distribution of vaccines to rural communities.
- **#UnPlatanoPorLaPalma (#ABananaForLaPalma)**: for every dish created using bananas from La Palma and consumed on the menus in the canteen at headquarters, Grupo Antolin made a financial donation to those affected by the volcano.
- **"Village Upliftment Program"** project (in communities in India).
- Big food collection to support local food banks.
- For a good cause: charity Christmas auction among the workforce.
- Environmental volunteering in Spain, India and Mexico.
- Child protection initiatives in Europe, NAFTA and Mercosur.
- Blood and plasma donation campaigns.

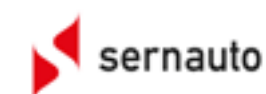
Partnerships for a better future

Grupo Antolin maintains close contact with different stakeholders, both public and private (industrial, business and automobile sector associations). The commitment to its environment leads the company to establish collaborative ties with many national and international institutions and participate in numerous public events around the world.

The main associations and entities with which Grupo Antolin has collaborated in 2021 are:

Automotive

- Grupo Antolin held the Presidency of SERNAUTO (Spanish Association of Automotive Suppliers) for 6 years until the end of 2021.



- Globally, Grupo Antolin collaborates with more than 20 associations from the automotive sector, among which we can highlight:



Innovation

- Grupo Antolin is a member of the Board of the COTEC Foundation.



- Globally, we can mention belonging to associations such as:





Family

- Grupo Antolin is a member of the Family Business Institute.



Academic

- Sponsorship of the Chair of the Connected Industry (ICAI) of the Higher Technical School of Engineering at Comillas Pontifical University.



Business

- It is a member of the Spanish Chamber of Commerce and participates in several committees.

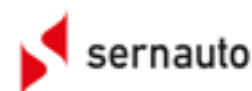


Sustainability

- Since 2004, Grupo Antolin has been committed to the business responsibility initiative of the United Nations Global Compact and to its principles regarding Human Rights, work, the environment and the fight against corruption.



- SERNAUTO Responsible Business Committee.



- Forética: Social Cluster, Transparency and Good Governance Cluster and Climate Change Cluster. Working groups: Circular Economy and the Future of Sustainability.



Cultural

- Member of the Board of the Princess of Asturias Foundation.



- Collaborator in the Burgos Cathedral 8th Centenary Foundation.



Good practice

#VacunandoAlMundo

Children's drawings that help other kids

Grupo Antolin and **UNICEF** joined forces again in 2021. On this occasion, they did so in the #VacunandoAlMundo (#VaccinatingTheWorld) campaign, linking their traditional Children's Christmas Card Drawing Competition to the **COVAX project**, which, in addition to UNICEF, also involves the WHO, the Global Alliance for Vaccines (GAVI) and the Coalition for Epidemic Preparedness Innovations (CEPI). The aim is to ensure that access to vaccination against COVID-19 is a reality for everyone, regardless of their financial resources.

Under the slogan *Make a wish!*, the children of Grupo Antolin's employees participated in the 27th edition of this charity competition with their Christmas drawings related to the company's activity and the automotive world. The winning works, that came from centers in Germany, Brazil, Spain, Hungary, India, Mexico and Romania, were turned into the company's Christmas cards to celebrate the holidays. Thanks to this initiative, Grupo Antolin donated **two solar-powered refrigerators for health centers** and **499 portable refrigerators** to the COVAX project, for the distribution of COVID-19 vaccines to rural communities.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



People



Society

06 Stakeholders

At the center of everything

Like the cardinal points on a compass, our stakeholders set the course for Grupo Antolin. Our definition of success is that in which the profitability of the business and the creation of value for investors, customers, professionals, and the supply chain coexist in perfect harmony. All of them remind us of one of our founding principles, the reason we aspire to be better every day: people, always at the center of everything.



6.1.

Investors

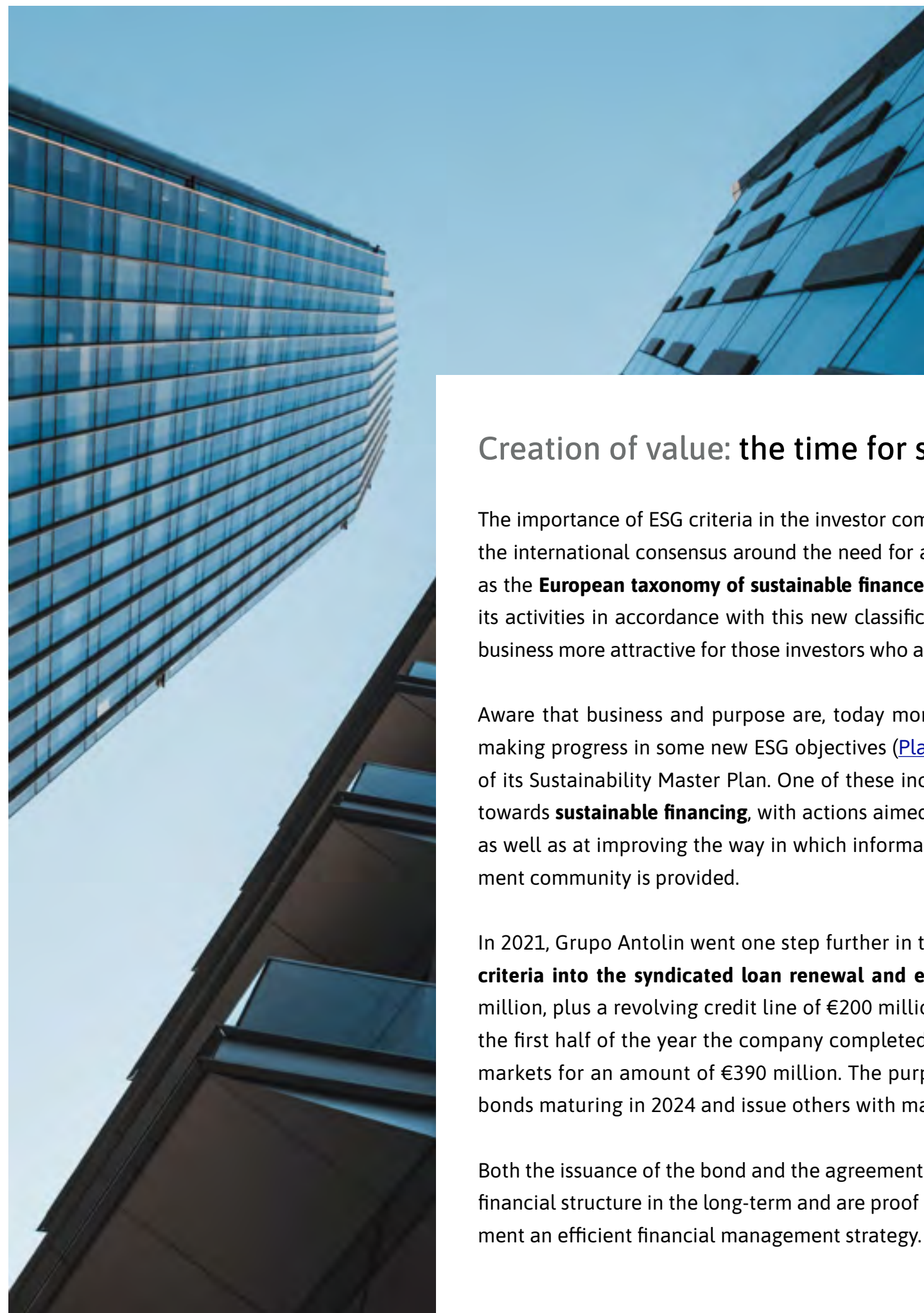


Management approach

Grupo Antolin's adaptation to its environment stems from a rigorous prior internal and external analysis of the organization – teams, processes and practices– through which the company is able to quickly detect its weaknesses and strengths in order to respond to any threat or take advantage of new opportunities. This responsiveness, together with progress in the digitalization of the finance function and strong relationships with the financial community, help mitigate the uncertainty surrounding the current situation in the industry.

Grupo Antolin focuses all its efforts on **generating long-term economic and financial value for its investors**, while integrating sustainability into its entire value chain. All of that while promoting truly tangible sustainable practices and contributing to the development of the local communities in which the company operates.

As well as aligning with the main international commitments on environmental protection, the company is also established as a benchmark in governance matters thanks to its sound corporate governance model and strict ethical and regulatory compliance. Therefore, despite a challenging context, **the company continued to make progress with its value proposal for the investor in 2021**, as well as with greater information transparency for the main indicators required by the financial community.



In 2021, Grupo Antolin incorporated ESG criteria into the syndicated loan renewal and extension process for the first time

Creation of value: the time for sustainable criteria

The importance of ESG criteria in the investor community is growing following the pandemic, thanks to the international consensus around the need for a sustainable and fair recovery for all. Initiatives such as the **European taxonomy of sustainable finance lead the way**, and Grupo Antolin is working to order its activities in accordance with this new classification system, in force from 2022, and thus make the business more attractive for those investors who are committed to sustainable projects.


Aware that business and purpose are, today more than ever, inseparable concepts, Grupo Antolin is making progress in some new ESG objectives ([Planet, People, Business](#) 🖱️) through the strategic lines of its Sustainability Master Plan. One of these includes a prominent area of action involving the path towards **sustainable financing**, with actions aimed at contributing to the sustainability of the business, as well as at improving the way in which information on the main indicators demanded by the investment community is provided.

In 2021, Grupo Antolin went one step further in this direction and for the first time incorporated **ESG criteria into the syndicated loan renewal and extension process**, which amounted to almost €400 million, plus a revolving credit line of €200 million ([see Good practice](#) 🖱️). Beyond this milestone, in the first half of the year the company completed a process of issuing long-term bonds in the capital markets for an amount of €390 million. The purpose behind raising this financing was to cancel the bonds maturing in 2024 and issue others with maturity in 2028.

Both the issuance of the bond and the agreement with the banks add more flexibility to the company's financial structure in the long-term and are proof of its sound financial position and its ability to implement an efficient financial management strategy.

Transparency-based relationship

In its senior management and in all business areas, Grupo Antolin undertakes to promote a rigorous and transparent flow of information to its investors. Thanks to this model, the company can access financial capital more efficiently, boost the profitability of the business and better manage both its corporate reputation and the potential risks associated with its activity.

To ensure this exchange of information and enhance its visibility in the financial area, Grupo Antolin has various communication channels and tools. See [Relationship with stakeholders](#) .



Good practice

ESG goals

Included in the syndicated loan for the first time

Sustainability has become part of the new re-financing agreement signed by Grupo Antolin with its lending banks in 2021. This agreement modifies the syndicated loan that the company had signed and extends its maturity until March 2026. The refinancing includes a sustainability component through the incorporation of key performance indicators (KPIs) linked to environmental, social and corporate governance criteria.

In this way, Grupo Antolin reaffirms its strong commitment to the European Green Deal and shows the active role it wants to play in the transition of the automotive industry toward a low-carbon economy, in the fight against climate change and in supporting the social and economic development of the countries in which it operates.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Investors



Shareholders

6.2. Customers



Management approach

Customer influence is absolutely key at Grupo Antolin. Their needs have always been at the heart of the company's management, which treats them as if they were its own. Customers are its strategic partners with whom it works hand-in-hand, anticipating their needs and developing new solutions and products that respond to the challenges of a constantly changing automotive sector.

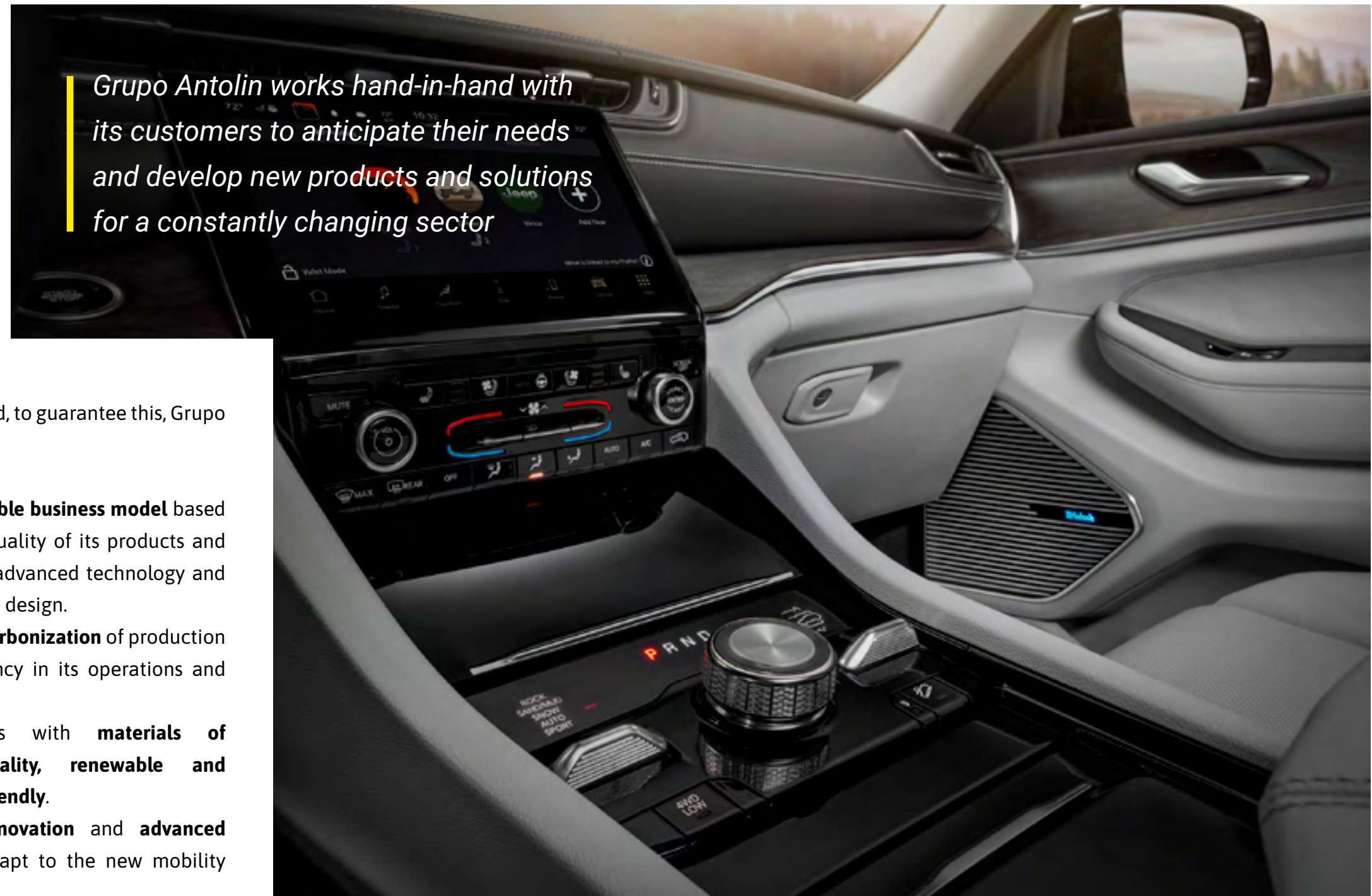
This empathy towards its customers' needs and the flexibility and speed with which it adapts to the pace that they set, have led Grupo Antolin to be recognized as one of the largest first-level suppliers (TIER1) of vehicle interiors.

Customer satisfaction is a priority issue in its

materiality analysis and, to guarantee this, Grupo Antolin focuses on:

- › Ensuring a **sustainable business model** based on flexibility, the quality of its products and services, the most advanced technology and the most innovative design.
- › Promoting the **decarbonization** of production and energy efficiency in its operations and processes.
- › Offering solutions with **materials of the highest quality, renewable and environmentally-friendly**.
- › Committing to **innovation** and **advanced technologies** to adapt to the new mobility paradigm.
- › Guaranteeing **responsible management of the supply chain**.

The model for Grupo Antolin's performance appraisal by its customers follows the recommendations set out in the Global Automotive Sustainability Practical Guidance document within the framework of worldwide sector initiatives in terms of sustainability, such as Drive Sustainability, the Automotive Industry Action Group and the Carbon Disclosure Project (CDP).



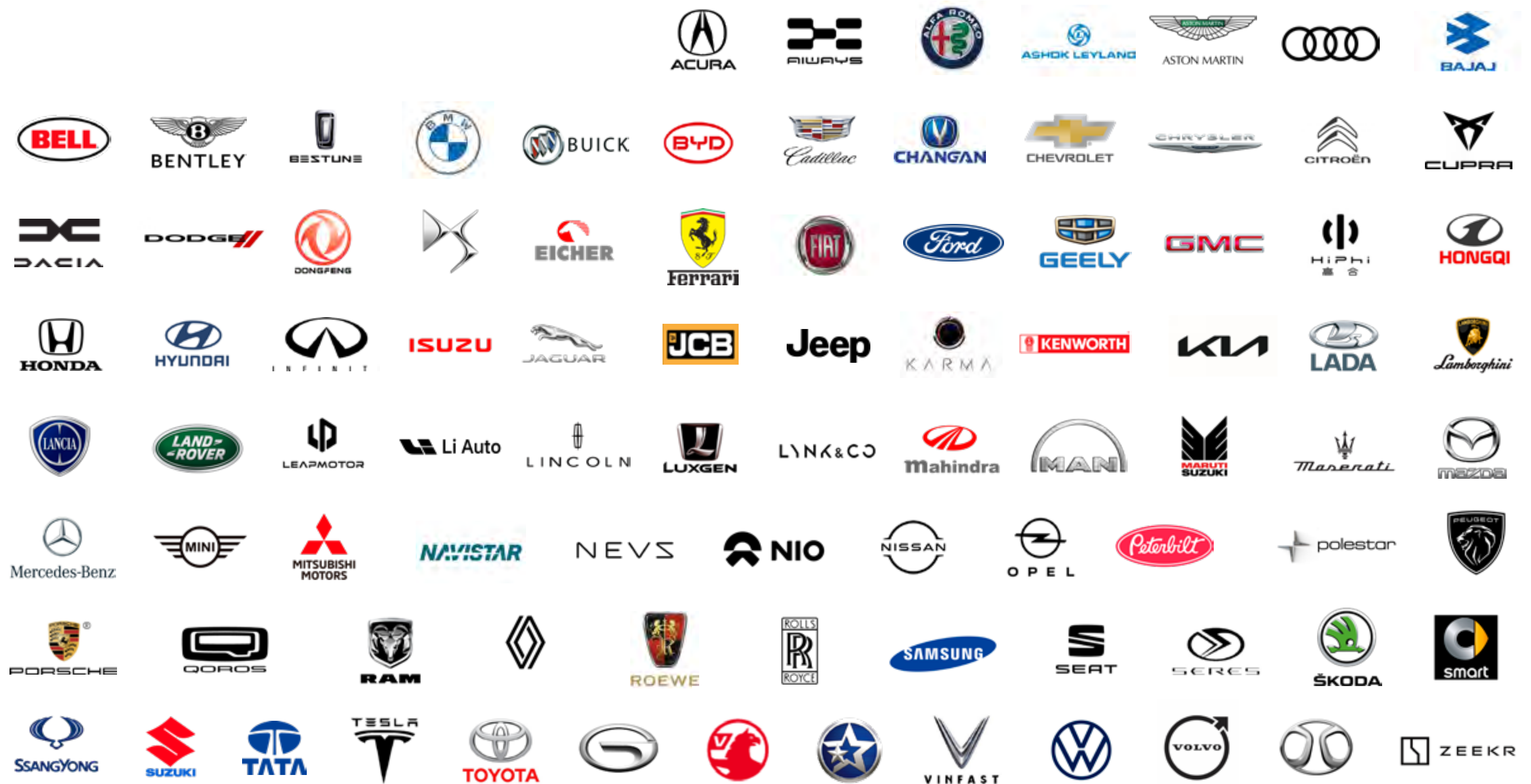
Toward a greater positive impact

As part of the value chain, Grupo Antolin is working to enhance the positive impact of its business and to prevent and minimize the negatives, with some clear objectives: to help its customers meet their commitments derived from the transformation of mobility. In this context, in 2021 Antolin carried out a process of analysis and reflection on its relationship with its customers to identify both strengths and opportunities to improve.

Together with the need to respond to the ESG needs of its customers, the **One Client** project analyzes the present and future requirements with an impact on the business. Based on the result of this work, Grupo Antolin has defined some lines of action as the basis for reviewing its relationships with its stakeholders.

Grupo Antolin's customers

Grupo Antolin has the honor of being a fundamental partner of the world's leading vehicle manufacturers. More than 80 brands from 44 automotive groups with which it collaborates tirelessly to guarantee the best experience for the end user.



Grupo Antolin accompanies its customers in their electrification strategies and its solutions can be found in nearly 100 models with alternative technologies

Featured launches in 2021

The electric vehicle has arrived and will transform mobility as we know it. Gone are the days when the electric car sounded like something from the future. They can now be seen every day on our roads and Grupo Antolin is also leading this revolution. As a company synonymous with innovation, for years it has worked with its customers to support their electrification strategies, the decisive element of their plans for the future designed not only to continue growing, but to do so with the full satisfaction of meeting and even exceeding the industry's decarbonization targets.

Grupo Antolin's solutions and products are already part of nearly **100 models** –both in the production phase and in development– that use alternative technologies, from battery electric vehicles to plug-in hybrids, as well as those powered by solar energy.

For the electric vehicle, Grupo Antolin is developing a series of products that cover two essential needs of this type of vehicle: reducing weight and optimizing its heat and sound insulation. Examples of these new solutions are the double slush cockpit trims, which reduce the weight by up to 40%, and the reduced weight of the frame of panoramic overheads, as well as the ultra-light door modules.

There are many new 100% electric vehicles equipped by Grupo Antolin and the following is a sample of these.



AUDI Q4 E-TRON

- Lighting consoles
- Assembly of door panels



BMW iX3

- USA model: Modular headliner / sunvisors / multipurpose lamps
- Asia model: Modular headliner / sunvisors / multipurpose lamps / pillar trim / ambient lighting



CUPRA Born

- Door panels
- Logistics services (overhead modularity and door panels)
- Reading lights



FIAT 500e

- Modular headliner
- Lighting console
- Glovebox lamp



MERCEDES EQA

- Asia model: Door panels / floor carpet



VOLKSWAGEN ID.4

- Door panels
- Lighting consoles
- Logistics services for the modular headliner
- Exterior emblem (emblem with lighting for the model manufactured in China)



VOLVO C40 RECHARGE

- Headliner substrate (100% panoramic overhead)
- Lightened plastic frame for the panoramic overhead*
- Sunvisors
- Handles
- Lower pillar trims
- Front trunk (frunk**) trim

*Grupo Antolin has created a smart new design for these plastic frames, incorporating a unique design aspect to achieve a 60% weight reduction compared to traditional design solutions on the market. In addition, the overhead has been produced with recycled materials and through a new bonding process that is completely sustainable as it does not involve solvents or generate dangerous emissions.

**FRUNK: front+trunk. With an innovative technology using infrared welding to assemble the cover of this storage area.

Likewise, we also find components developed by Grupo Antolin in combustion engine vehicles launched on to the market in 2021.



CUPRA FORMENTOR

- Door panels
- Window Regulators



KIA SORENTO

- Headliner substrate
- Sunvisors



NISSAN QASHQAI

- Headliner substrate
- Sunvisors
- Lighting consoles
- License plate lamp
- Door panels (Russian model)



MARUTI-SUZUKI SWIFT DZIRE

- Headliner substrate



MERCEDES GLE COUPE

- Modular headliner
- Boot trim



OPEL MOKKA

- Headliner substrate
- Sunvisors
- Window regulators (plastic)



SKODA KUSHAQ

- Door panels
- Headliner substrate
- Ambient lighting (instrument panel)
- Plastic seating parts
- Exterior wheel and wheel arch trims



VW TAIGO

- Modular headliner
- Door panels
- Window Regulators
- Trunk trim



Tech Day with Ford Europe.

Innovation and collaboration: always in plural

The best ideas always come from collaboration and shared interests. This premise drives Grupo Antolin to integrate its customers' objectives from the very start, when the technological solution is just an idea in the R&D department, to the very end, when the final product is received by the vehicle manufacturer.

Along the way, the company challenges itself to live up to its customers' expectations in terms of innovation and sustainability. This means accepting that the needs of today will never be those of tomorrow, which is why anticipating the future is one of the unwavering commitments in its relationship with vehicle manufacturers.

Something that is no less important is working side-by-side, and in the most literal way possible, to find solutions with added value for the vehicle interior. The result of this is the Grupo Antolin **Tech Days**, which in 2021 embraced the virtual format without losing their closeness and connection with the customer.

Over the past year, 19 Tech Days were held with customers, including, among others:

- **Virtual Tech Day with Ford Europe:** presentation of the INSPIRE smart cockpit.
- **Virtual Tech Days with Daimler:** presentation of INSPIRE and the latest innovations in doors and instrument panels.
- **Virtual Tech Day with Nissan United Kingdom and Japan:** involvement of all the Business Units to showcase the innovations in electronics, integration and sustainable proposals.
- **Stellantis, first face-to-face Tech Show in Europe:** event dedicated to showcasing lighting, HMI, decorative and smart integration capacities.
- **Virtual Tech Day with Suzuki:** functionalities such as ambient and dynamic lighting and the integration of natural materials were presented.

Beyond the Tech Days, Grupo Antolin was also present at some of the **leading international events** in the automotive sector.

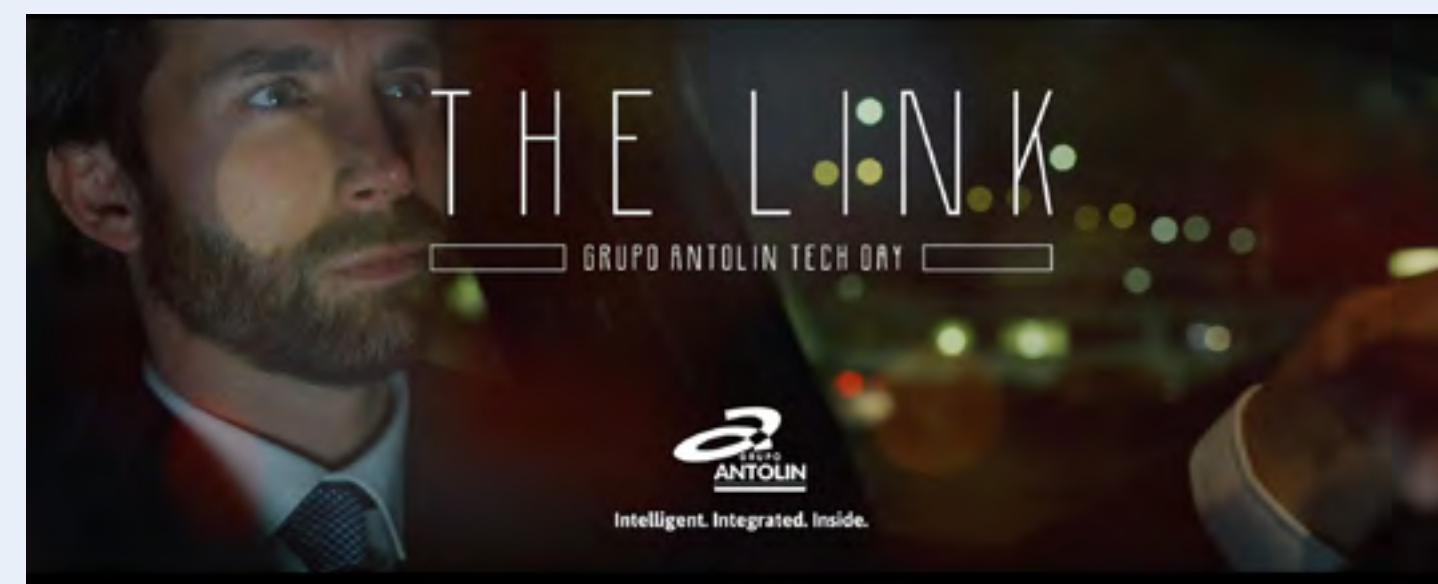
- › Shanghai Auto Show (see [Good practice Business Model](#)).
- › DVN Shanghai International Workshop.
- › Automotive Interiors Stuttgart (with the strategic partner Walter Pack).
- › Presentation of the application of ISELED (Intelligent Digital LEDs) in a European premium model at the 5th Anniversary of the ISELED Alliance.
- › ITB 'Smart Automotive Surfaces' Conference.



Good practice

THE LINK:

the great digital showcase of Grupo Antolin



Grupo Antolin has spent years making great efforts to digitize its value chain. THE LINK is the company's response to a new way of understanding the relationship with its customers in which flexibility, convenience and an efficient use of time prevail.

THE LINK is presented as a digital version of the traditional Tech Days: live and from anywhere on the planet, manufacturers can learn about the latest new developments in the company's product range and discover more about its most innovative solutions.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Customers

6.3. People



Management approach

People are the true engine of Grupo Antolin and the key to its success. Their strong involvement and commitment to their work creates a differential advantage that is reflected in the good results of the business. The feeling and pride of belonging to this family company mean that the employees work with a good team spirit and a great ability to adapt to the circumstances in the environment, however difficult they may be.

Aware that talent is one of its main assets, Grupo Antolin not only pays attention to the specific features and regulatory framework of each country in which it operates, but also shows itself to be especially committed to the need for a **fair transition** in which the digital and technological transformation of the industry leaves nobody behind. A new paradigm that puts people at the center, which understands the new circumstances of professionals after the pandemic and incorporates all dimensions of health, including mental and emotional well-being, into the relationship between the company and its teams.

For the development of a sustainable business model in its '**Value of People**' axis, the company has established some targets to guarantee a safe and healthy working environment and the application to talent management of the principles of diversity, equality and inclusion. A road map that goes back to what forms the starting point for every business, the people, and place them where they should always be, in a preferential position.



People

OBJECTIVES

'The value of people'

Diversity, equality and inclusion, applied to talent

- › Diversity and inclusion focused on **knowledge, values, skills and experiences**.
- › **Specific plans** in the tangible dimensions of diversity: gender, disability, age, race, culture and professional profile.
- › Increased promotion of **women to managerial levels**.

Zero accidents: a safe and healthy working environment

- › **<2.30 reduction in the global frequency index***.
- › Reinforcing the commitment to the health and safety culture.

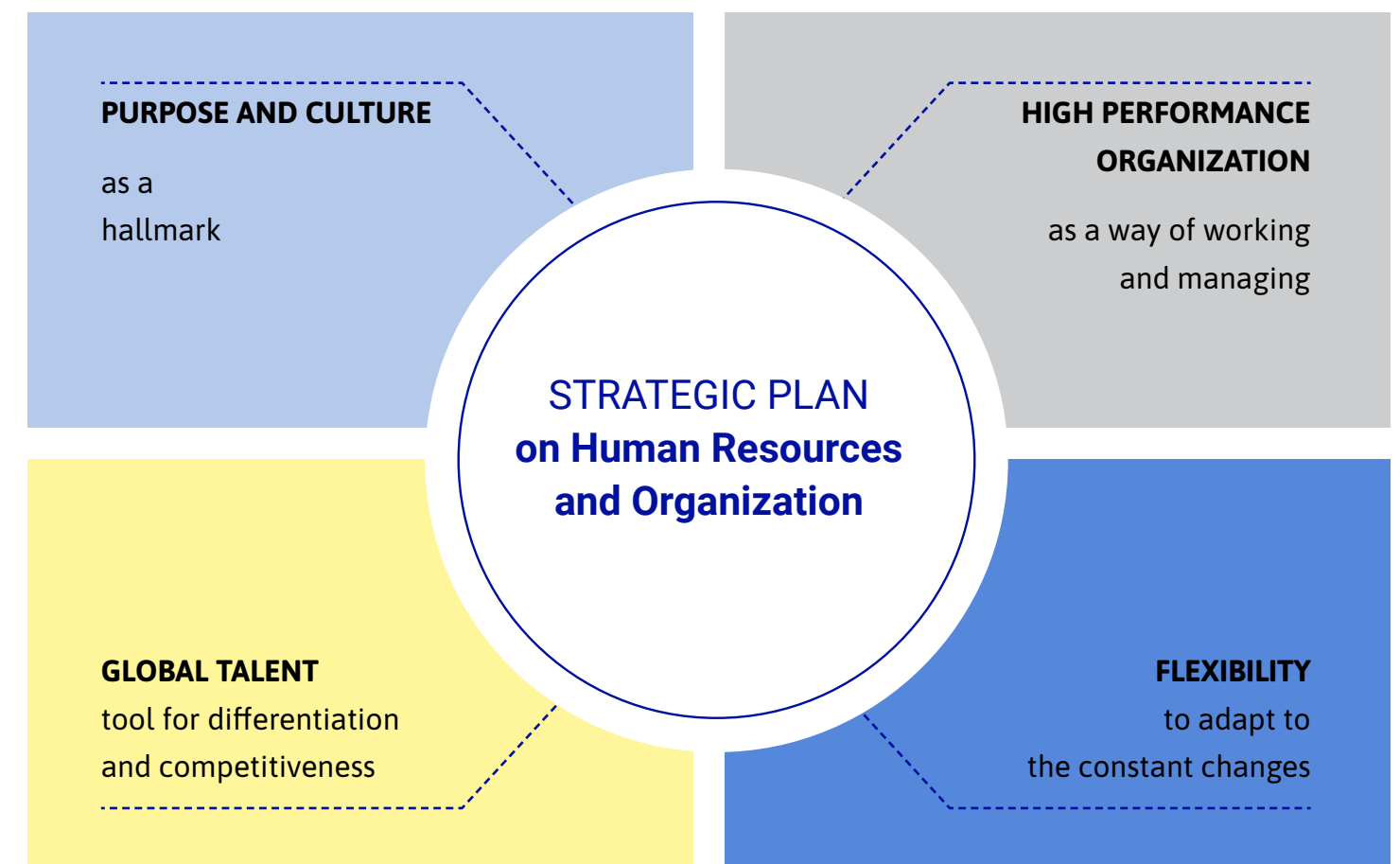
*Work-related accidents and occupational diseases with sick leave/no. of hours worked x 1,000,000

A new road map

The COVID-19 crisis has accelerated the changes that had been taking place for some time within organizations in a push to make processes and decision-making faster and more streamlined. Grupo Antolin is promoting a change in culture based on **inclusive leadership, talent** and the **experience of people**. All of this is always strictly in keeping with the principles and values that distinguish the company today and will continue to do so tomorrow.

In this regard, the **new Strategic Human Resources and Organizational Plan, approved in 2021**, will guide Grupo Antolin in the coming years, enhancing the best of its legacy and favoring an evolution in aspects related to leadership, talent management and agility.

Strategic pillars of the Human Resources Plan



Policies and processes in people management

Internal reference framework

- Vision and Values. People Value.
- Code of Ethics and Conduct.
- Corporate Social Responsibility Policy.
- Sustainable Business Model.
- Strategic Human Resources and Organization Plan.
- Sustainability Master Plan.
- Diversity policy and equal opportunities principle.
- Protocol for preventing gender-based workplace harassment and violence at work.
- Occupational health and safety policy.
- Geographic mobility policy.
- People management model.
- Knowledge management model.

External reference framework

- United Nations Universal Declaration of Human Rights.
- Agenda 2030: Sustainable development goals 3, 4, 5, 8, 10, 16 and 17.
- Guidelines and principles of the International Labor Organization (ILO).
- United Nations Global Compact. Principles 3.4, 5 and 6.
- Diversity Charter.
- European Mobility Charter.
- Occupational Health and Safety System Standard OHSAS 18001:2007 and ISO 45001.
- Local and national legislation and regulations, agreements, pacts and/or those deriving from local, regional, sectoral and international collective bargaining.

Profile of the workforce

As of December 31, 2021, Grupo Antolin's team was made up of **close to 25,000 professionals**, distributed geographically across 26 countries.

Distribution by gender



Distribution by contract type*



■ WOMEN ■ MEN

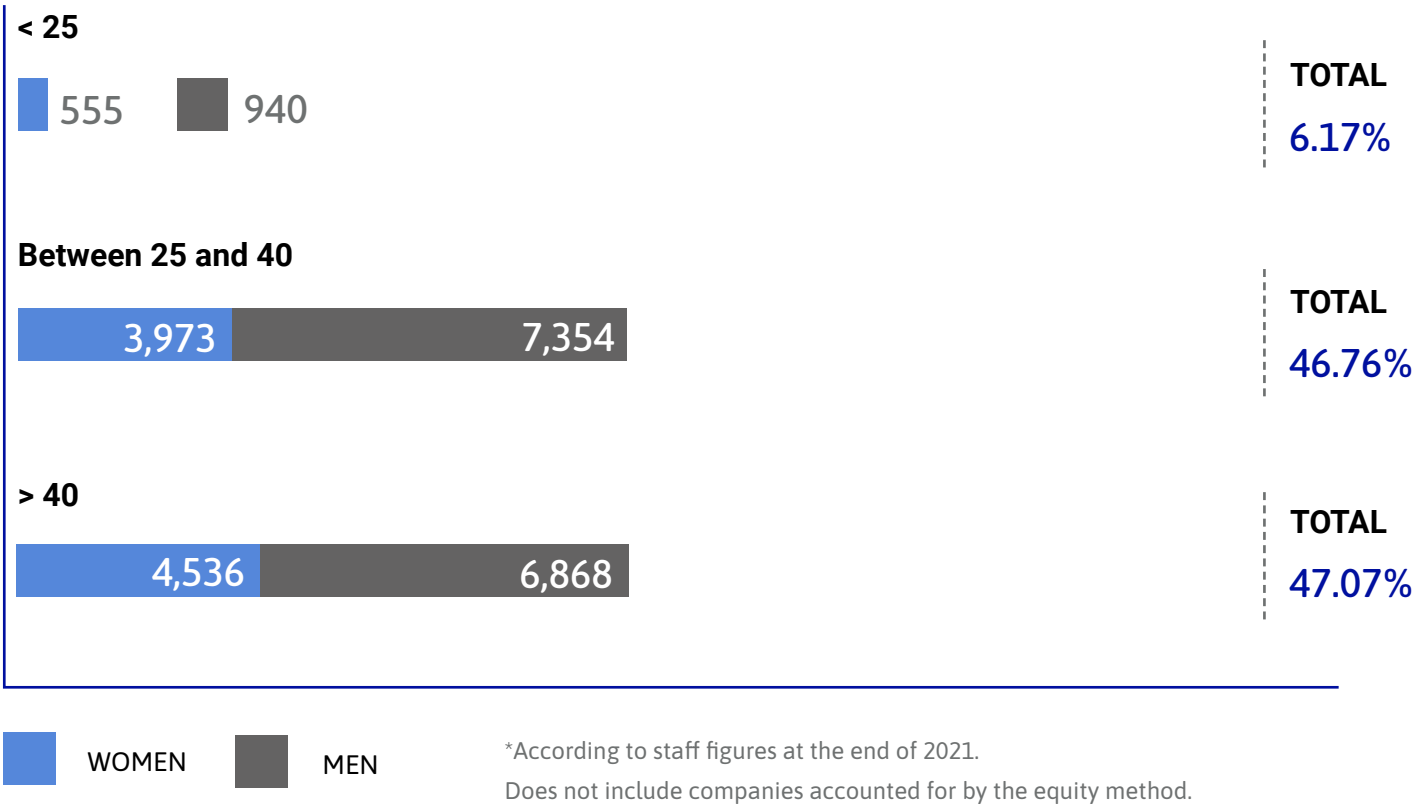
*According to staff figures at the end of 2021.

Does not include companies accounted for using the equity method.

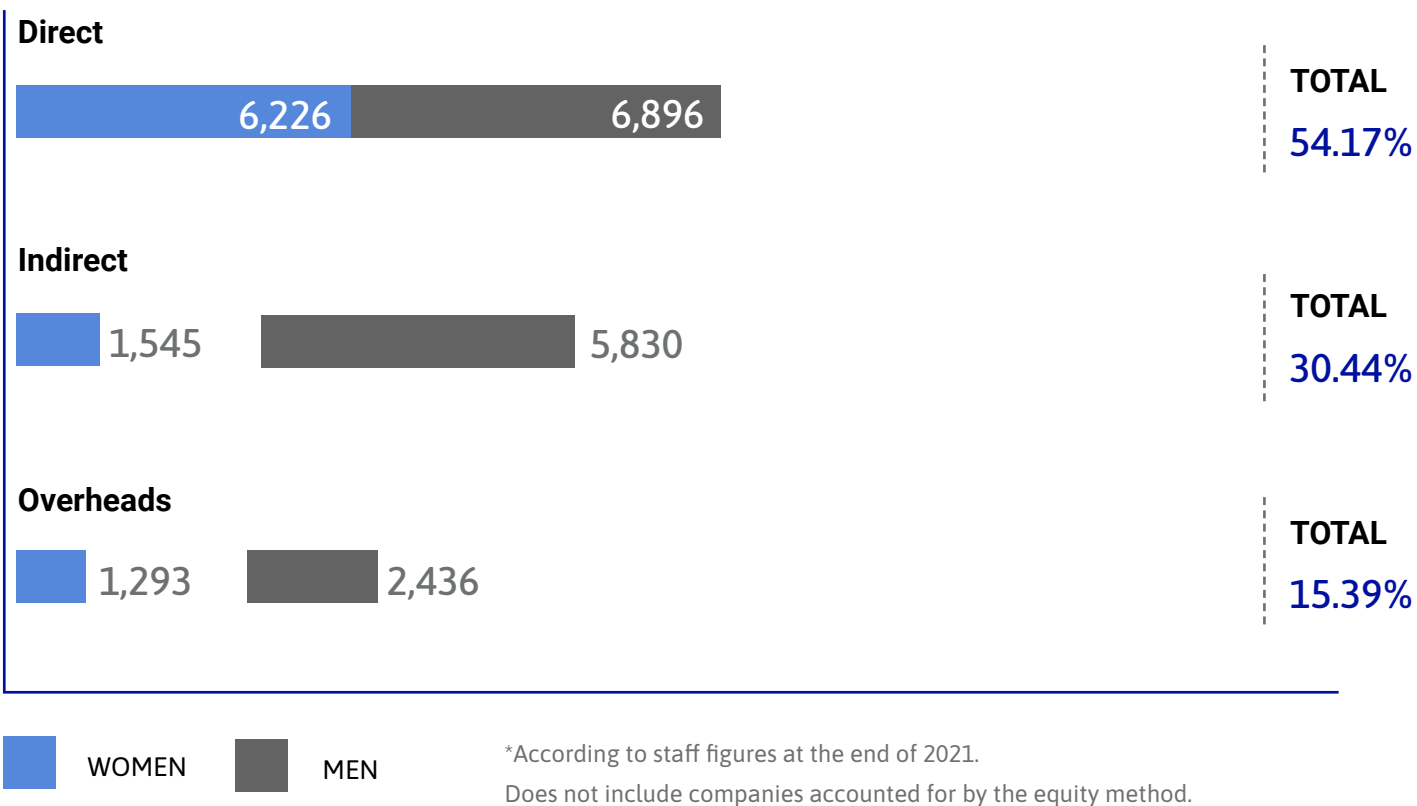
*9 out of every 10
Grupo Antolin
employees have
a permanent contract*



Distribution by age*

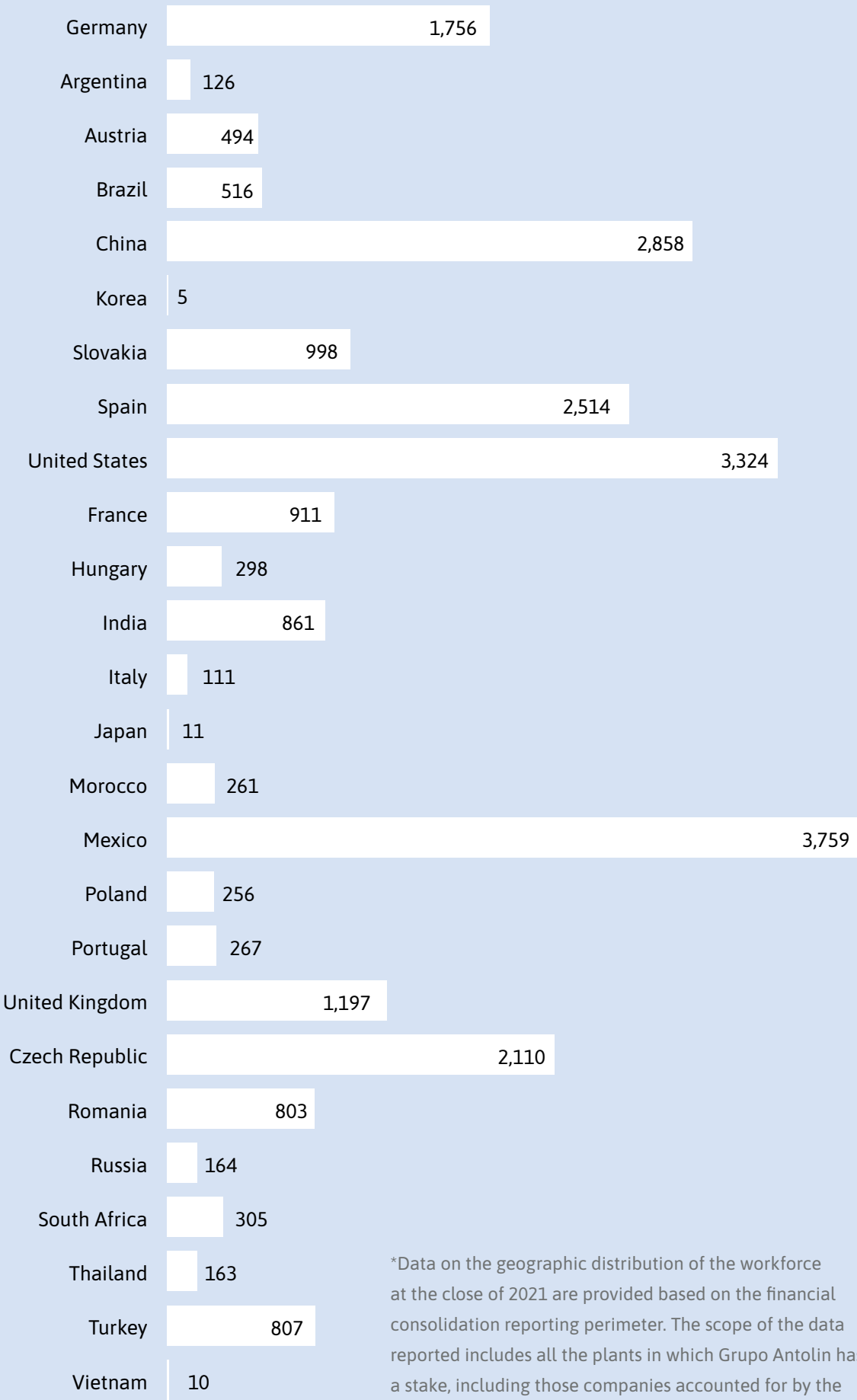


Distribution by type of labor*

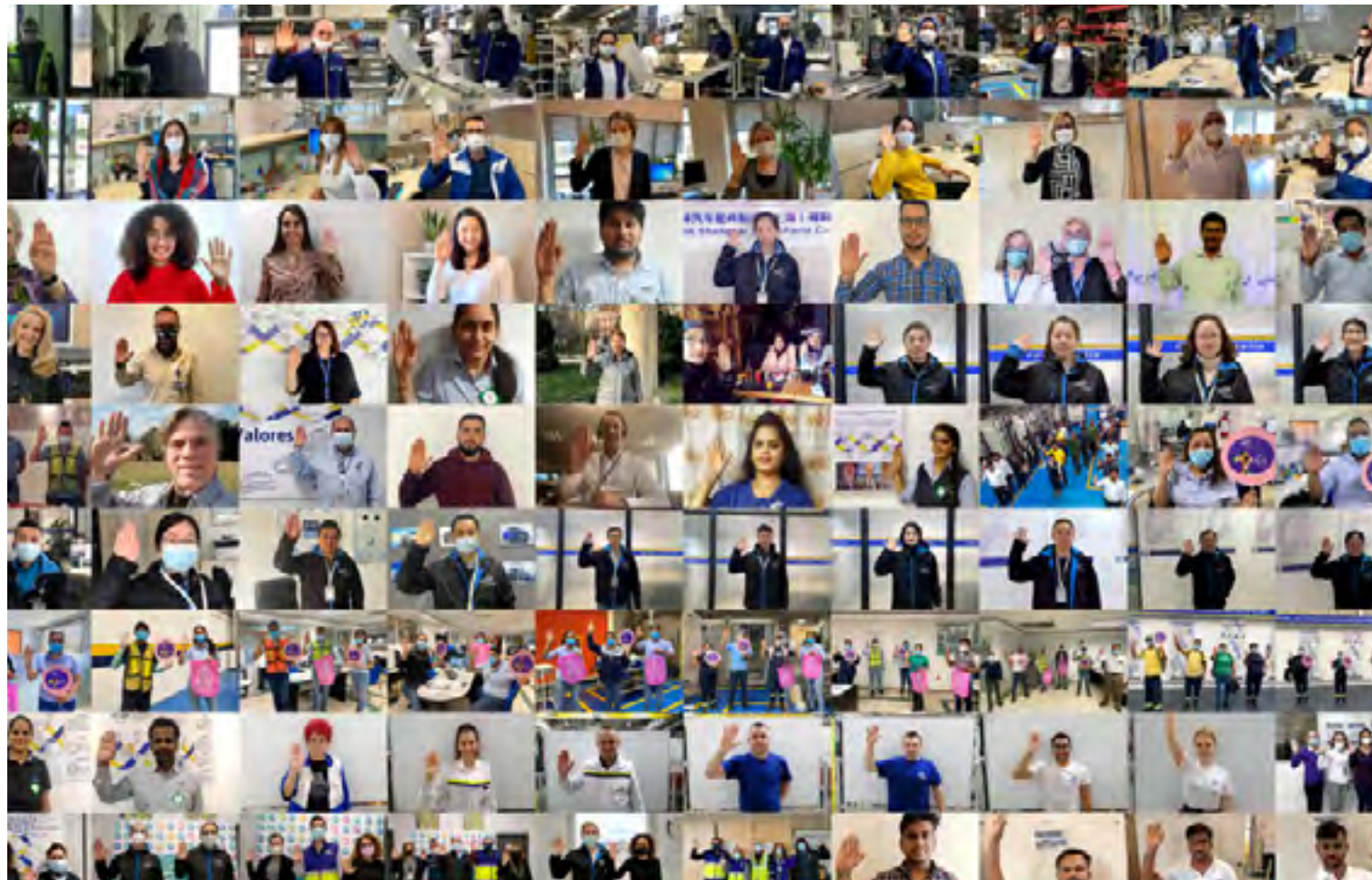


Direct labor: works directly in the production processes / Indirect labor: provides support or performs tasks in the production activity, but does not participate directly in the production process / Overhead labor: works in the corporate departments.

Geographical distribution (in number of people)*



*Data on the geographic distribution of the workforce at the close of 2021 are provided based on the financial consolidation reporting perimeter. The scope of the data reported includes all the plants in which Grupo Antolin has a stake, including those companies accounted for by the equity method.



Cultural diversity: more than 112 nationalities and 40 languages represented in the workforce

Technology jobs

To anticipate the mobility of the future and meet the demands of its stakeholders, Grupo Antolin is committed to employing diverse and highly qualified talent.



1,567
professionals
in technology-related
jobs



48%
of the workforce in
Spain linked to the
technology field



1,448
professionals with an
engineering profile
worldwide, 385 in Spain

Health, safety and well-being: protecting our most precious asset

The impact of the pandemic has led to occupational health and safety playing a fundamental role in the business strategy and being an area of special importance for stakeholders. Now, more than ever, the well-being of the employees has a direct impact on the company's competitiveness and profitability, as well as on attracting and retaining talent.

In particular, in 2021, in addition to continuing to work on strict compliance with the protocol to prevent infections in successive waves and promote the vaccination of its professionals. Grupo Antolin has responded to society's growing awareness of the importance of **mental health** and has integrated it as another element in talent management. People are the engine that makes Antolin work and their care must be comprehensive.

Approach and commitments

The sustainable business model and Strategic Human Resources Plan are the guides for safeguarding the health, safety and well-being of professionals in their work through two major areas of action:



ZERO ACCIDENTS

Creating a safe and healthy working environment with the aim of achieving zero accidents thanks to a gradual reduction in accident rates, in terms of frequency and severity.



UNIVERSALIZING THE VALUES OF HEALTH AND SAFETY

Strengthening compliance with Grupo Antolin's commitments in all regions in which it operates.

- › [Grupo Antolin's Health and Safety Policy](#)
- › Implementation of the Occupational Health and Safety System, based on the ISO 45001:2018 standard, at its work centers. Eight new certificates were obtained in 2021, meaning that at the close of the year the company had 52 certificates for work centers around the world, which is equivalent to 60% of the workforce.



Progress in safety

In 2021, the downward trend in accidents continued: **a 2.46% reduction in the Frequency Rate** and **a 16% reduction in the Severity Rate compared to 2020**. These figures are the result of improvements in the recording, investigation and monitoring of occupational incidents and diseases, the sharing of lessons learned after occupational accidents and the reinforcement of training in and awareness of safety procedures and the use of Personal Protective Equipment.

	2020	2021
OHSAS 18001/ISO 45001 Certificates	41	52
Workforce covered by the OHSAS 18001/ISO 45001 Certificate	49	60
Work-related accidents and occupational diseases with sick leave	176	187
Fatal accidents	0	0
Frequency Rate (Work-related accidents and occupational diseases with sick leave/no. of hours worked) x 1,000,000	3.66	3.57
Severity Rate (Number of days lost due to work-related accidents and occupational disease/hours worked) x 1,000	0.25	0.21

Diversity, equality and inclusion: differences enrich us

Grupo Antolin understands diversity as a competitive advantage and also as a natural process of adapting to an increasingly enriched society and environment. The company’s strategy in diversity, equality and inclusion constitutes an important lever for attracting and retaining talent: the greater the variety of profiles, the larger the range of different ideas and approaches for successfully addressing the challenges of the sector.

Grupo Antolin’s management is deeply committed to this strategy of respect and promotion of diversity and this translates into specific plans that address diversity in its **most tangible dimensions**: functional capacity, age, gender, race, sexual orientation, social and cultural origin and professional profile. These plans are always adapted to the social reality of the regions in which it operates.

Principle of non-discrimination

Non-discrimination is one of the principles contained in Grupo Antolin’s Code of Ethics and Conduct, which governs the company’s behavior in all its activities. This principle not only translates directly to equal treatment and opportunities, but also applies to staff selection processes.

In this regard, the principles of merit and ability are applied under identical conditions for anyone wishing to form part of the company, which is guaranteed with initiatives such as the progressive implementation of the blind CV or the use of a neutral and inclusive language in all phases of the processes.



Gender equality

Grupo Antolin works to achieve real equality between men and women in the workplace through the promotion of inclusive leadership, the training and awareness of all teams and a balance between personal and professional life.

With this objective, the company is making steady progress in progressively increasing the number of women in management positions. In 2021, **female representation in the Management Committee has increased** following the appointment of the new Organization and Human Resources Director.

Moreover, the **Advisory Board has been a gender-equal body since 2020**, thanks to the inclusion of diversity and equal opportunities criteria as part of the selection processes for members linked to the company's governing bodies.

Included among the initiatives applied or promoted by Grupo Antolin in 2021 are the following:

- › The review of the equality plans and their adaptation to regulatory demands in relation to salary recording and remuneration audits.
- › The development of a mandatory training program for the entire workforce on the anti-harassment policy and the protocol for preventing gender-based workplace harassment and violence at work.
- › The participation of employees in different training programs focused on the development of skills and technical development for executive management.

Diversity of profiles

Grupo Antolin encourages the integration of **people with different abilities** into its teams, whether in its own workforce or through collaboration with special employment centers. The company also measures the inclusion of other circumstances, beyond disability, which in certain regions can pose a barrier to a person's employability.

The incorporation of cultural differences is imperative for an organization that aspires to be as diverse as the environments in which it operates. A good example of this is the **People First Diversity & Inclusion Team** project. Launched in the United States, it seeks to generate awareness about how these differences can deeply affect people in an organization; to motivate participants to rethink their behavior towards others and identify diversity problems within the organization that need to be addressed.

In South Africa, the company's centers support public policies to facilitate the participation of the black race and remedy the inequalities created by apartheid with the creation of 'Employment Equality Committees'. The objective of these committees is to ensure equality in all aspects linked to the employee experience.

Grupo Antolin works to achieve real equality between men and women through the promotion of inclusive leadership, training and awareness of all teams

Training and development to make the difference

The new ways of working, which are more streamlined, flexible and collaborative, typical of the digitalization process being experienced by the sector, had already begun in the automotive sector before the outbreak of the pandemic. From 2020, the pace has picked up relentlessly. Companies have had to reinvent themselves, both to respond to the new demands of consumers and to guarantee a fair transition for their employees to the new paradigm, who they support by helping them adapt their skills profiles.

Grupo Antolin has made a significant effort to prepare its teams to respond to these new stakeholder demands and expectations. Training in new technologies to optimize the performance of workers (**upskilling**), together with the expansion and development of their knowledge in line with the objectives set for their adaptation to the new requirements of the position (**reskilling**), are some of the strategic lines defined by Grupo Antolin to improve the company's competitiveness and retain talent.

Some of the most noteworthy initiatives related

to Grupo Antolin's training activity in 2021 were:

- › The **UET Leader** pilot project that offers comprehensive training for team management. [See Good practice](#) 
- › Participation in the **Upskilling4future** project, led in Spain by Forética in partnership with JP Morgan and CSR Europe, in order to undertake a greater analysis of the needs required by the new professions and skills in each sector.

The **Mobility Grid: Short-term mobility opportunities for all industrial roles** program was included in CSR Europe's report on 'The Best Practices Booklet on Workforce Transition' to illustrate how the transformation of human resources can support the employability of vulnerable workers.

The company also sees training as a strategic lever to adapt supply to the demand for professional profiles required by the new mobility. With this belief, **Grupo Antolin is promoting Dual Training programs** in different countries, as well as agreements with universities to strengthen the training paths that help students find employment when they finish their academic studies.



Key technological boost

Grupo Antolin promotes the exchange of internal knowledge in different disciplines, through experts, leaders, knowledge communities and partnerships with key technological centers and entities. In 2021, the exchange between experts in lighting and electronics, two key areas in the company's current strategy, was noteworthy.

The acquisition of the knowledge necessary for the design of disruptive technological solutions, the introduction of tools such as PLM (Product Lifecycle Management) for project management and the Agile methodology for technologies related to Industry 4.0 have guided the training activity in the technical area.

Also in the digital area, it is worth highlighting the commitment of Human Resources to a new approach, based on artificial intelligence and predictive models based on data, to design training and performance appraisal paths tailored to the particular interests of each generation of professionals.

*941,510 training hours
in 2021, 37.83
per employee*

Management, retention and attraction of talent

The organization's success is increasingly founded on the race to attract differential talent. Aware of this decisive competitive lever, in 2021 the Human Resources Department continued to recruit professionals with new technological and digital profiles as a strategic line of work.

In this search for talent, Grupo Antolin is seeking the best professionals and the best people. Therefore, accompanied by a firm commitment to the team and the aim to contribute to a more prosperous future, the company prioritizes the attraction of **talent in keeping with its values**, as well as focusing on knowledge and experience.

Antolin offers its employees an innovative and stimulating environment where they can learn and grow hand-in-hand with the best professionals; an environment in which their contribution is not only recognized but also nurtured and protected, as the company's most valuable asset rightly deserves. This value proposal is greatly

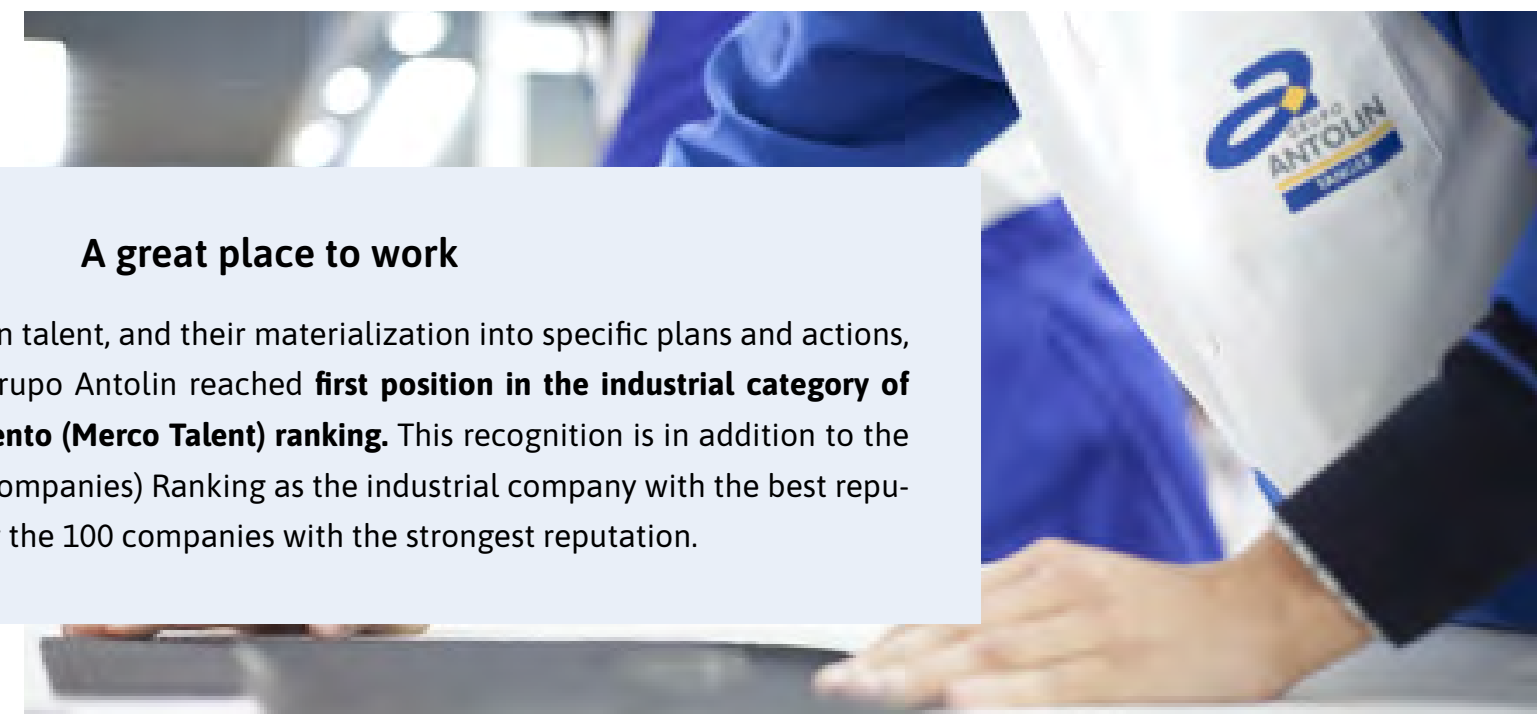
appreciated by its stakeholders and establishes, together with its commitment to innovation and tireless pursuit of excellence, its strong reputation in the sector.

Grupo Antolin also continues to evolve its **organizational model** towards more streamlined structures that promote responsible leadership, employee autonomy and the self-motivation of all professionals regardless of their level.

At this point, the review of the current performance model is of particular importance in order to achieve an integrated vision of the employee experience: greater visibility of learning, promotion and professional development opportunities, and better communication –always 360°– between Grupo Antolin and its people. The objective is to consolidate **relationships based on dialog and active listening** to create a more cohesive organization around a common project.

A great place to work

Efforts to attract and retain talent, and their materialization into specific plans and actions, are paying off. In 2021, Grupo Antolin reached **first position in the industrial category of the prestigious Merco Talento (Merco Talent) ranking**. This recognition is in addition to the Merco Empresas (Merco Companies) Ranking as the industrial company with the best reputation in Spain and among the 100 companies with the strongest reputation.



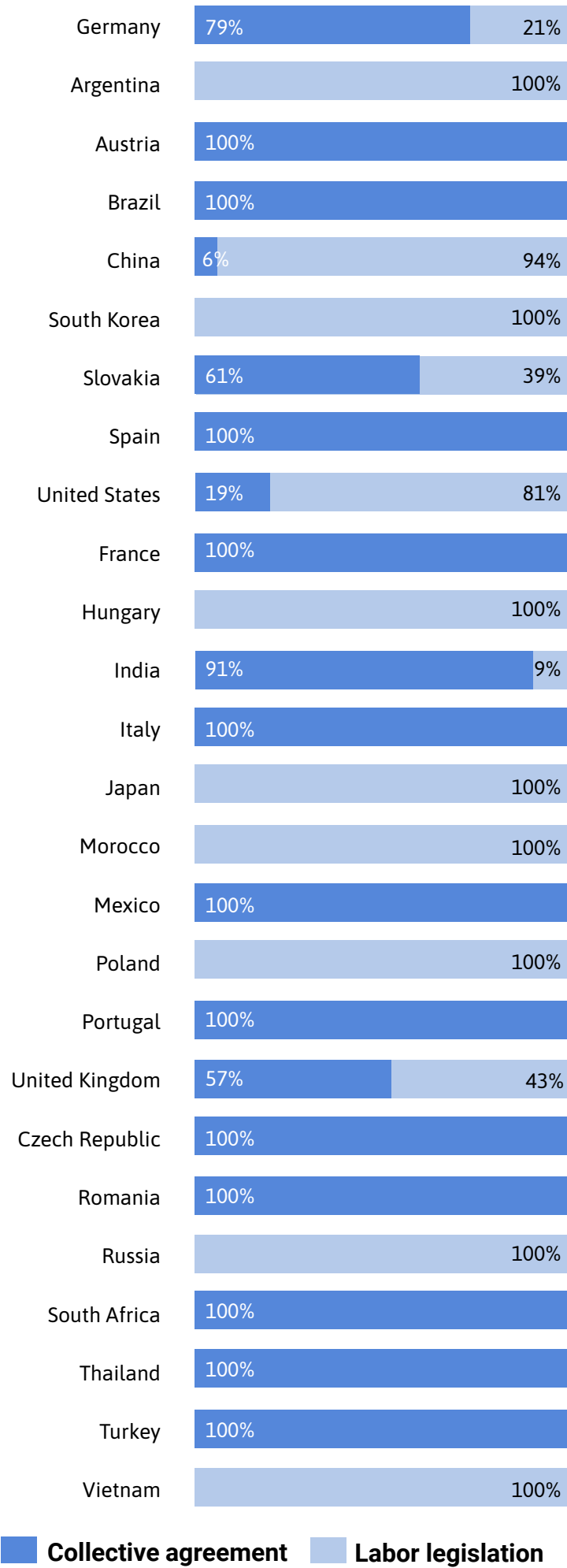
Labor relations

Grupo Antolin recognizes and defends the freedom of association and the effective recognition of the right of all employees to collective bargaining in those countries where it operates.

Convinced of the importance of creating the right spaces and moments to facilitate good communication between workers and unions and/or their representatives, Grupo Antolin has created specific channels for this. Moreover, all the company’s workers have access to a direct participation channel through meetings between the management and the workforce, as well as other channels recognized in the different collective agreements.

Those Grupo Antolin companies that do not adhere to a collective bargaining agreement, pact or instrument are always covered by the labor legislation in force in each country.

Of the total workforce covered by the labor legislation of each country, 69% are covered by a collective agreement



Good practice

Fair transition

Training for the leadership of teams

As part of its commitment to employability and a fair transition, Grupo Antolin launched the UET Leader project. The program seeks to provide comprehensive training to the UET Leader (Unidad Elemental de Trabajo – Basic Work Unit), so that they can manage teams with excellence, through a training plan in technical skills and competencies. The UET Leader is a key position as they are responsible for leading the factory operators, therefore it is essential that they are given the knowledge necessary to understand their work in all its dimensions. The ultimate goal is to improve the development of the products in terms of time, quality and cost.

Offering a very dynamic and digital format, the training program focuses on the knowledge that a leader must have in terms of processes, technology and security, as well as training in management and leadership skills.

The project, developed as part of the Upskilling4future program by CSR Europe and JP Morgan, began with some plants in the United States and will be extended to the other centers in this region before being rolled out to other countries at a later stage.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



6.4. Supply chain



Management approach

In 2021, Grupo Antolin once again demonstrated its enormous capacity for resilience in one of the most complex moments in recent history. The effects of the pandemic led to sharp increases in the price of raw materials, a shortage of semi-conductors and mobility restrictions on people and goods. To deal with this problem, Antolin was capable of intelligently and quickly adapting the management of its supply chain.

The company opted for the centralized management of procurement policies and processes and relied on another key factor: the global presence of teams with a local focus on the ground. No less important was the ability to turn challenges in the procurement processes into an opportunity to speed up the digital transformation processes that had already begun in previous years. In this regard, work has been done to transform the procurement function and create new initiatives that will add value in the coming years. Antolin has been following this path for some time with the commitment to strengthen, with everyone's efforts, a sustainable and environmentally-friendly supply chain.

Sustainable supply chain

Grupo Antolin extends its sustainable development commitment to the entire supply chain. It applies responsibility criteria to the purchases it makes and monitors **ESG risks** both in its suppliers and their collaborators. Among these, respect for **Human Rights** and the detection of possible cases of these being breached are an absolute priority for the company.

Grupo Antolin's relationship with its supply chain is built on a sustainable management system, a robust and effective framework that is underpinned by various instruments.

	2020	2021
No. of direct material suppliers with a relevant impact on environmental, social and governance (ESG) matters	483	453
No. of direct material suppliers assessed on their ESG performance	1,466	1,657
Percentage of direct material suppliers assessed on ESG	52%	59%
No. of panel suppliers with an ESG self-assessment questionnaire completed in the last 3 years	1,466	1,829
No. of suppliers with a result from the self-assessment questionnaire considered 'High Risk'	170	279
Percentage of direct material suppliers that have accepted the Supplier Code of Ethics	67%	78%
Percentage of investment suppliers that have accepted the Supplier Code of Ethics	67%	87%

Responsible supply chain management system at Grupo Antolin

SUPPLIER MANUAL

This ensures that suppliers meet the standards required by Grupo Antolin. Acceptance of the document is binding to be classified as 'active' in the company's Panel of Suppliers and have the opportunity to be chosen to provide future projects.

CODE OF CONDUCT FOR SUPPLIERS

Its approval and application are mandatory for all Grupo Antolin's suppliers and for their suppliers.

BUY ONE PORTAL

Web space designed to guarantee access for the supply chain to the sustainability requirements.

SUPPLIER NEWSLETTER

Launched in 2021 to report on the latest Grupo Antolin new developments and expectations regarding its supply chain.

SELF-ASSESSMENT TOOL

Based on the questionnaire answered by the supplier itself, its performance is assessed in the main dimensions of sustainability: working conditions and Human Rights, business ethics, anti-corruption and bribery and the environment, among others. From these results, Grupo Antolin can identify the global ESG risks in its supply chain, as well as those specific to the collaborators and partners of each supplier.

OECD DUE DILIGENCE FOR MINERAL SUPPLY CHAINS IN CONFLICT-AFFECTED AND HIGH RISK AREAS

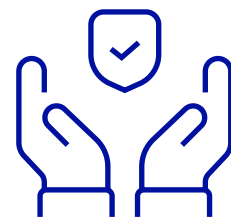
Fundamental guide for monitoring the entire chain and for updating Grupo Antolin's [Conflict Minerals Policy](#)

ROAD MAP FOR THE SUSTAINABLE SUPPLY CHAIN

Approved and communicated to suppliers in 2021, it describes the specific objectives that Grupo Antolin has for its suppliers from the Environmental, Social and Governance perspectives.

Grupo Antolin is fully aware that the development of a responsible business involves sharing this ambition with all its suppliers so that its entire supply chain is aligned with the company's expectations in terms of sustainability.

Therefore, in the framework of the company's new environmental, social and governance objectives, in 2021 some requirements have been established in the most critical aspects of the responsible management of the supply chain, such as reducing the environmental footprint, transition to the circular economy and responsible business management.



Business

OBJECTIVES in the supply chain

Responsible Business

- › 100% adherence to the Supplier Code of Conduct.
- › 100% of direct material suppliers assessed in ESG matters.
- › 100% compliance with the responsible supply of conflict minerals.

Extension to their own suppliers

- › To be recognized as a responsible business.
- › To be carbon neutral.
- › To be a circular business.
- › To extend the commitments and objectives to its supply chain: achieving zero net emissions throughout the entire supply chain by 2050 at the very latest.

Human Rights, an absolute priority

Grupo Antolin maintains a zero tolerance policy to the violation of Human Rights in its supply chain.

Grupo Antolin undertakes to apply the processes and mechanisms that allow it to prevent situations linked to slavery and human trafficking in its operations and its supply chain, regardless of the activity, size or geographic area in which it operates, through the annual signing of the *Modern Slavery and Human Trafficking Statement*, approved by the Board of Directors in 2021.

The company extends its commitment to Human Rights to the acquisition of certain raw materials and, to this end, has a **Conflict Minerals Policy**, whereby it only collaborates with companies that share its respect for Human Rights, business ethics, fair working conditions and environmental responsibility.

At a time when international regulations are making steady progress, the future European Due Diligence Directive and the German Law on due diligence in the supply chain being clear examples, it is important to highlight the path taken by Grupo Antolin in this matter. Always with an eye on continuous improvement, the company follows the guidelines set by the **OECD's Due Diligence** for mineral supply chains in conflict-affected and high risk areas:

*Grupo Antolin has a
Conflict Minerals Policy,
whereby it only collaborates
with companies that share
its respect for Human Rights*

- ✓ Keeping the Conflict Minerals Policy up-to-date and accessible to the public.
- ✓ Appointing a specific multicultural and multidisciplinary work team on conflict minerals.
- ✓ Being aware of and assessing the risks of the supply chain, as well as developing a system that offers a quick response to potential risks.
- ✓ Identifying the suppliers that supply Grupo Antolin with the main conflict minerals (tungsten, tantalum, tin and gold) and applying the mechanisms to find out whether they comply with the OECD requirements.
- ✓ Being a member company of the Responsible Minerals Initiative, a partnership for promoting the intersectoral work of the Responsible Minerals Assurance Process.



In 2021, **98% of the 157 suppliers** identified as suppliers of products with conflict minerals correctly submitted their **Conflict Mineral Reporting Template**. Of the 328 mineral foundries in the supply chain, 254 are eligible and 59 are being audited to determine whether or not they are eligible, therefore, according to the criteria of the Responsible Minerals Initiative (RMI), 95% are eligible as collaborators, while 17 entities (5%) do not meet these criteria.

Always with the desire to raise its demand in a matter that is crucial for the company, in 2021, Grupo Antolin started to monitor the supply chain of another mineral: **cobalt**. It thus seeks to raise awareness in the supply chain about the need to provide information about this mineral. It also wanted to create an initial starting point so that it could set goals for the coming years. The first of these was to obtain at least a 60% response rate among the total of 166 suppliers identified as suppliers of cobalt-containing products. The goal was widely exceeded as this information was received from 68% of suppliers.

	2020	2021
Total no. of active first-tier suppliers	3,448	3,383
Total no. of active direct material first-tier suppliers	2,830	2,792
Total purchase volume from first-tier suppliers (€'000)	2,050,000	2,060,000
Purchase volume from direct material first-tier suppliers (€'000)	1,927,000	1,937,000
Purchase volume from local suppliers (€'000)	1,177,000	1,000,198
Percentage of suppliers of products containing conflict materials with declaration/certification of origin/ compliance	98%	98%

Good practice

Compliance and transparency

Grupo Antolin’s management of conflict minerals

In 2021, Volvo Cars, one of Grupo Antolin’s customers, in collaboration with *Kumi Consulting*, wanted to discover the degree of compliance and transparency of the company and its supply chain with regard to its management of conflict minerals through an audit based on the OECD’s ‘Conflict Minerals Guide’.

Customer satisfaction with Grupo Antolin’s information protocol regarding conflict minerals has not only increased Volvo Cars’ confidence, but also drives the company to keep working for the continuous identification, risk assessment and correct management of this matter in continuous collaboration with its suppliers. The result: one step further in consolidating a responsible and sustainable value chain.

SDGs IMPACTED



MAIN STAKEHOLDERS INVOLVED



Customers



Society



Supply chain

07

Appendix

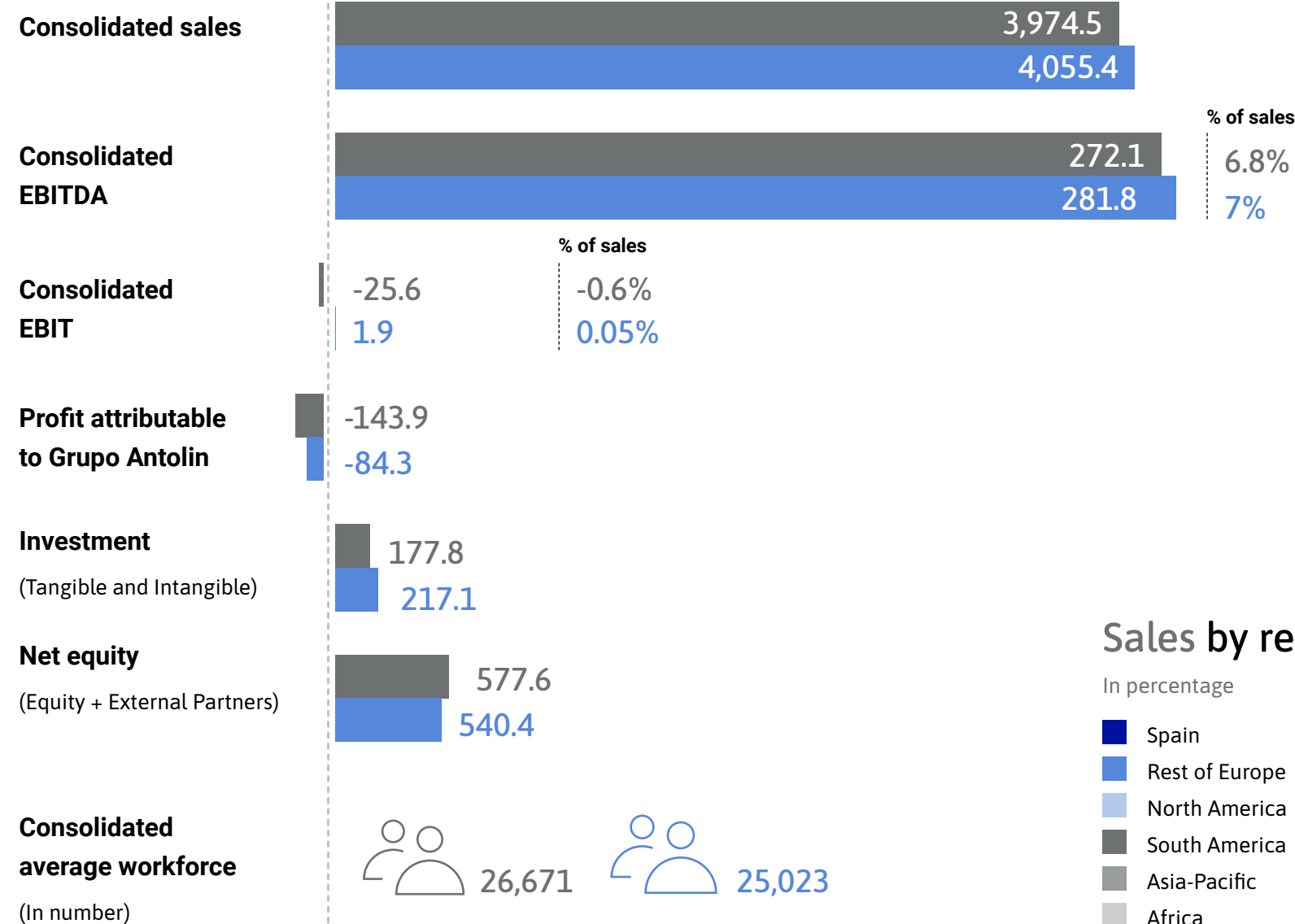
- 7.1. Economic efficiency
- 7.2. Sustainability balance sheet
 - 7.3. Indicators
 - 7.4. About this report



7.1. Economic efficiency

Grupo Antolin in figures

Millions of euros



■ 2020 ■ 2021

Sales by region

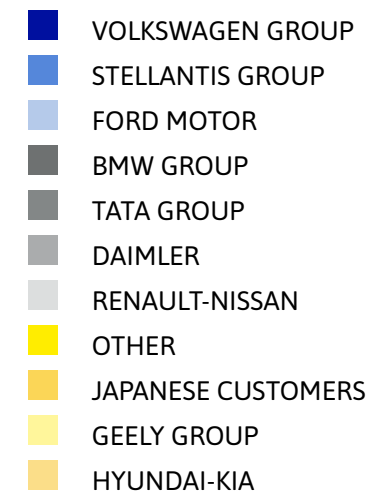
In percentage



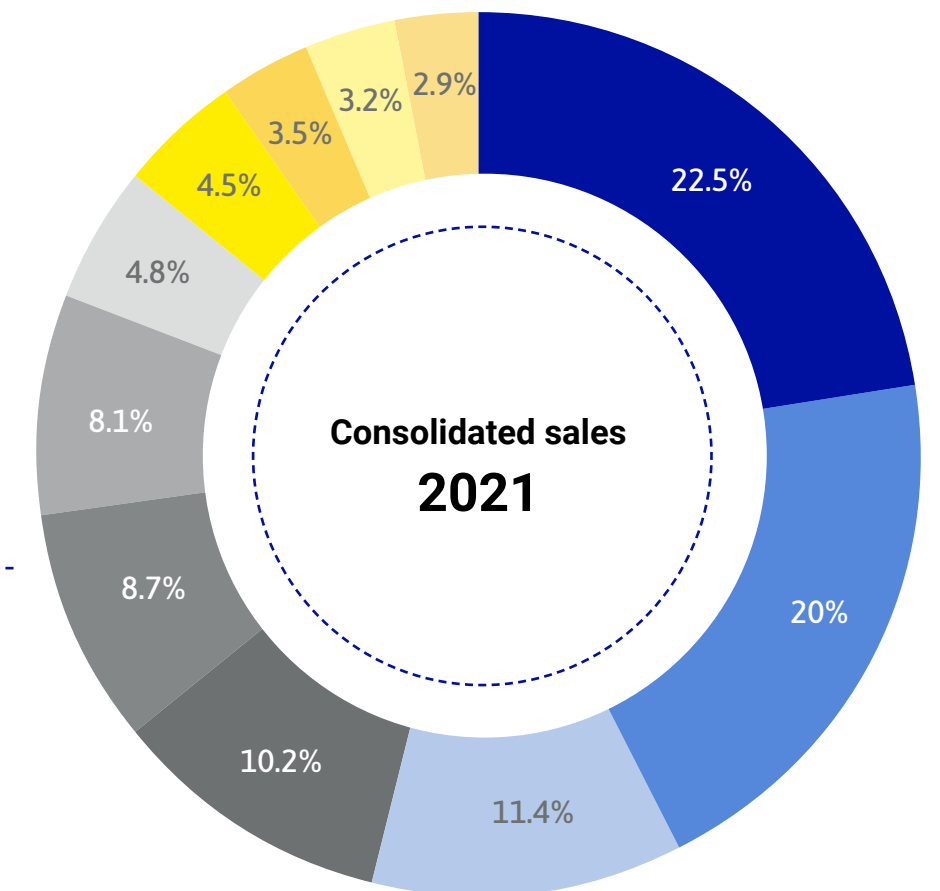
TOTAL 2021
€4,055.35M

Consolidated sales by customer

In percentage

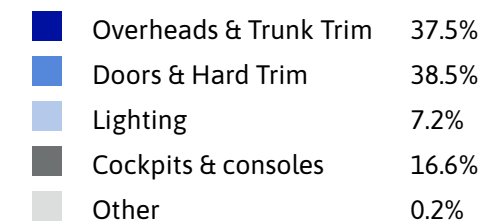


TOTAL 2021
€4,055.35M

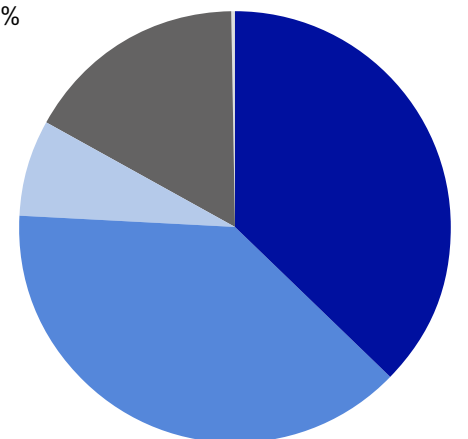


Sales by business

In percentage



TOTAL 2021
€4,055.35M





Ratios

In € million

	2020	2021
FINANCIAL		
Financial Leverage (Net Financial Debt / Equity)	1.54	1.52
Borrowing (Net Financial Debt / EBITDA)	3.92	3.51
Interest Charges Coverage (EBITDA / Net Financial Expenses)	6.36	6.46
ECONOMIC		
R.O.E. (Earning after taxes / Shareholders' Equity + Minority Interests - P&L of the Year)	-18.58%	-11.44%
R.O.A. (Operating Result / 2 years Average Total Assets)	-0.72%	0.06%
R.O.I. (Operating Result / 2 years Average Capital Expenditure)	-1.15%	0.09%

Balance sheet

In € million

	2020	2021
ASSETS		
Goodwill	90.05	90.05
Non-current assets	1,511.13	1,520.91
Current assets	1,774.56	1,652.60
Total Assets	3,375.73	3,263.56
EQUITY AND LIABILITIES		
Net equity	577.59	540.37
Non-current liabilities	1,517.40	1,540.88
Current liabilities	1,280.74	1,182.31
Total Equity and Liabilities	3,375.73	3,263.56

Income statement

In € million

	2020	%	2021	%
Net turnover	3,974.53	100%	4,055.35	100%
Other operating income	87.71	2.2%	129.45	3.2%
Total Operating Income	4,062.24		4,184.80	
Supplies	-2,579.62	-64.9%	-2,668.00	-65.8%
Staff costs	-815.95	-20.5%	-828.52	-20.4%
Depreciation and amortization expenses	-297.69	-7.5%	-279.93	-6.9%
Change in trade provisions	-0.15	-0.0%	-0.02	-0.0%
Other operating expenses	-481.87	-12.1%	-498.20	-12.3%
– Own work capitalized	87.41	2.2%	91.79	2.3%
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	-25.63	-0.6%	1.91	0.0%
Financial income and expense	-53.77	-1.4%	-46.76	-1.2%
Net impairment losses on non-current assets	-36.91	-0.9%	-19.71	-0.5%
Gain / Loss on disposal of non-current assets and others	-9.38	-0.2%	0.87	0.0%
Profit of companies accounted for using the equity method	1.48	0.0%	2.36	0.1%
PROFIT BEFORE TAX	-124.20	-3.1%	-61.32	-1.5%
Corporation income tax	-7.58	-0.2%	-8.47	-0.2%
NET PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	-131.78	-3.3%	-69.79	-1.7%
Profit after tax for the year from discontinued operations		0.0%		0.0%



Income statement

In € million	2020	%	2021	%
CONSOLIDATED PROFIT FOR THE YEAR	-131.78	-3.3%	-69.79	-1.7%
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-12.16	-0.3%	-14.53	-0.4%
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY	-143.95	-3.6%	-84.31	-2.1%
CASH FLOW (Consolidated Profit + Depreciation)	165.91	4.2%	210.15	5.2%
EBITDA	272.06	6.8%	281.85	7.0%
EBITDA without IFRS16 impact	200.32	5.0%	213.53	5.3%

Consolidated sales by customer

In € million	2020	%	2021	%
VOLKSWAGEN GROUP	880.25	22.1%	912.12	22.5%
STELLANTIS GROUP	864.42	21.7%	810.62	20.0%
BMW GROUP	429.53	10.8%	415.62	10.2%
FORD MOTOR	405.97	10.2%	463.47	11.4%
DAIMLER	322.01	8.1%	330.14	8.1%
TATA GROUP	303.17	7.6%	354.76	8.7%
RENAULT-NISSAN	217.07	5.5%	195.85	4.8%
GEELY GROUP	133.76	3.4%	129.80	3.2%
JAPANESE CUSTOMERS (Toyota, Honda, Suzuki)	120.78	3.0%	143.32	3.5%
HYUNDAI-KIA	95.48	2.4%	116.13	2.9%
OTHER (Various and associated companies)	202.08	5.1%	183.51	4.5%
CONSOLIDATED SALES	3,974.53	100%	4,055.35	100%

Cash flow statements

In € million	2020	2021
CASH OR CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	273.66	401.74
CASH FLOWS FROM ORDINARY OPERATING ACTIVITIES	396.58	373.44
Consolidated profit before taxes	-124.20	-61.32
Adjustments	410.34	363.14
Changes in working capital	114.81	85.46
Corporate income tax paid	-4.36	-13.85
CASH FLOWS FROM INVESTING ACTIVITIES	-177.56	-190.38
Dividends received	0.32	0.51
Disposals	6.72	29.61
Tangible and intangible investments	-177.80	-217.11
Other investments	-6.80	-3.39
CASH FLOWS FROM FINANCING ACTIVITIES	-90.95	-144.03
NET VARIATION IN CASH OR CASH EQUIVALENTS FROM CONTINUING OPERATIONS	128.08	39.02
NET VARIATION IN CASH OR CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS		
CASH OR CASH EQUIVALENTS AT THE END OF THE YEAR	401.74	440.76



Consolidated sales by region

By production country / In millions of euro

	2020	%	2021	%
Spain	178.46	4.5%	159.56	3.9%
Rest of Europe	1,827.23	46.0%	1,833.98	45.2%
North America	1,368.11	34.4%	1,336.11	32.9%
South America	42.86	1.1%	59.48	1.5%
Asia-Pacific	507.15	12.8%	593.48	14.6%
Africa	50.72	1.3%	72.75	1.8%
TOTAL	3,974.53	100%	4,055.35	100%

Sales by business

In € million

	2020	%	2021	%
Overheads & Trunk Trim	1,477.94	37.2%	1,520.99	37.5%
Doors & Hard Trim	1,533.29	38.6%	1,559.57	38.5%
Lighting	288.57	7.3%	290.74	7.2%
Cockpits & consoles	668.21	16.8%	675.13	16.6%
Other	6.52	0.2%	8.94	0.2%
TOTAL	3,974.53	100%	4,055.35	100%

R&D+i effort

In € million

	2020	2021
SPENDING ON PROJECTS	116.25	123.48
Central sections	36.08	41.69
Peripheral sections	80.17	81.79
TANGIBLE INVESTMENTS	2.19	1.74
TOTAL R&D+i EFFORT	118.44	125.22

In 2021, Grupo Antolin's R&D and innovation effort represents 3.09% of consolidated sales

Staff

In € million

	2020	%	2021	%
Spain	2,342	8.8%	2,267	9.1%
Rest of Europe	10,972	41.1%	10,328	41.3%
North America	8,514	31.9%	7,455	29.8%
South America	798	3.0%	691	2.8%
Asia-Pacific	3,493	13.1%	3,696	14.8%
Africa	552	2.1%	586	2.3%
TOTAL	26,671	100%	25,023	100%



7.2. Sustainability balance sheet

Intellectual capital	2020	2021
Investment in R&D+i (€ million)	118.44	125.22
Spending on projects (€ million)	116.25	123.48
Tangible investments (€ million)	2.19	1.74
Technical innovations patented in the last 5 years (no.)	75	61
Patents in the last 5 years (no.)	156	142
Innovation projects subsidized (cumulative figure) (no.)	110	111
Improvement groups (no.)	85	148
Good practices (no.)	189	106
Key knowledge items (Management of internal knowledge) (cumulative figure) (no.)	169	203
Lessons learned in projects (Management of internal knowledge) (cumulative figure) (no.)	4,374	4,803
Innovative Day Meetings (no.)	64	65
Active innovation lines (no.)	70	84
Technology solutions available to the market (no.)	6	12

ENVIRONMENTAL CAPITAL NOTES

(1) The energy, emissions, waste and water figures correspond to 97.9% (by aggregate sales) of Grupo Antolin's industrial centers and assembly and sequencing centers (including the headquarters).

(2) The figures for the indirect consumption of energy and emissions in 2021 include electricity and district heating. In 2020 direct energy only included electricity.

(3) The figures on the generation of renewable energy (sale) correspond to the electricity generated in the Grupo Antolin headquarters, which is fed into the electricity distribution network.

(4) The figures on renewable electricity and avoided emissions in 2021 come from the purchase of 100% renewable electricity (6 centers) and the generation of electricity for self-consumption (7 centers). These centers represent 9.4% (by aggregate sales) of Grupo Antolin's industrial centers and the Headquarters. In 2020, renewable energy came exclusively from own generation.

Environmental capital	2020	2021
CONSUMPTION		
Direct consumption of energy (Gwh) ⁽¹⁾	147.42	133.65
Indirect consumption of energy (Gwh) ^{(1) (2)}	497.46	485.94
Consumption of water (m ³) ⁽¹⁾	903,828	1,381,513
Consumption of plastic pellets (T)	90,534	84,102
Consumption of polyol/isocyanate (T)	19,619	17,602
Greenhouse gas emissions by direct consumption of energy (scope 1) (tons of CO ₂ eq/€ million) ⁽¹⁾	6.87	6.20
Greenhouse gas emissions by indirect consumption of energy (scope 2) (tons of CO ₂ eq/€ million) ⁽¹⁾⁽²⁾	45.09	39.63
GENERATION OF WASTE		
Non-hazardous waste (T/€ million) ⁽¹⁾	15.49	15.26
Hazardous waste (T/€ million) ⁽¹⁾	0.82	0.95
RENEWABLE ENERGIES		
Generation of renewable energy (sale) (kWh) ⁽³⁾	522,041	536,360
Generation of renewable energy (self-consumption) (kWh)	821,072	15,221,518
Greenhouse gas emissions avoided by using renewable energy (tons of CO ₂ eq) ⁽⁴⁾	575	2,718
PROCESSES		
Environmental Certifications based on ISO 14001 (no.)	95	97
Energy Certification based on ISO 50001 (no.)	7	6
Quality Certifications based on IATF 16949 (included manufacturing sites and site-extensions) (no.)	106	105
People dedicated to the environment (no.)	113	113



Human resources

PEOPLE

	2020	2021
Average workforce (no.) ⁽¹⁾	26,671	25,023
Total workforce at year end (no.) ⁽¹⁾	25,748	24,226
International mobility (no.)	46	47
Short-term mobility (no.)	34	46
Diversity: women (%)	37.59	37.41
Diversity: men (%)	62.41	62.59
Diversity: nationalities (no.)	129	112
Diversity: languages (no.)	41	40
People with special capacities (no.)	307	275
Workforce average age (years)	40	40
Average seniority (years)	6	7

(1) Excluding employees from plants accounted for by the equity method

EMPLOYMENT

Permanent contracts (%)	97.25	97.77
Temporary contracts (%)	2.75	2.23
Technological employment (R&D+i activities) (%)	6.40	6.70
People in technology-related jobs (no.)	1,647	1,567
People with an engineering profile (internationally) (no.)	1,522	1,448
People with an engineering profile (Spain) (no.)	389	385
Workforce involved in technology activities (Spain) (%)	48.79	48.03
Collective contracts/agreements negotiated (no.)	17	46
Temporary Redundancy Plans Globally (no.)	97	52
Temporary Redundancy Plans Spain (no.)	11	6

Human resources

OCCUPATIONAL HEALTH AND SAFETY

ISO 45001 Certifications (no.)	41	52
Workforce covered by ISO 45001 Certificate (%)	49	60
Global Frequency Index (number of accidents at work and occupational diseases with medical leave/number of hours worked) (no.)	3.66	3.57
Severity index (working days lost for every thousand hours worked) (no.)	0.25	0.21
Fatal accidents (no.)	0	0

TALENT, TRAINING AND DEVELOPMENT

Training per person (hours/person)	37.61	37.83
Staff under PRS criteria (PRS – Performance Review System, data refer to Indirect Labor ('MOI')) (%)	28.1	29.76
Staff under UET's criteria (UET – Work Elementary Unit. Data refer to Direct Labor ('MOD')) (%)	71.9	70.24
Internal promotions (%)	47.73	43.60
Companies with Mobile Production System (no.)	18	31
Internal promotions – executive positions (%)	76	80
Internal promotions – management positions (%)	61	50



Social capital

20202021

MANDATORY TRAINING

As a proportion of the target group based on proximity to the risk

COMPLIANCE AND HUMAN RIGHTS

Online training on the Code of Ethics and Conduct

Employees trained (no.)	6,237	6,783
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Training hours (no.)	5,503	5,697
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Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2021: 93.91%.

ANTI-CORRUPTION AND COMPETITION

Employees trained (no.)	1,724	1,938
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Training hours (no.)	1,249	1,404
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Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2021: 96.80%.

DATA PROTECTION AND PRIVACY

Employees trained (no.)	501	588
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Training hours (no.)	594	687
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Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2021: 96.08%.

CONFLICT OF INTEREST AND INDEPENDENCE

Employees trained (no.)	1,645
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Training hours (no.)	1,316
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Training program launched in 2021. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2021: 94.70%.

PREVENTION AND COMBATING OF HARASSMENT

Employees trained (no.)	3,895
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Training hours (no.)	2,922
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Training program launched in 2021. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2021: 46.71%.

MAIN INDICATORS RELATING TO THE WHISTLEBLOWER CHANNEL

Complaints received	26	25
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Founded complaints received	14	18
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Corruption complaints	3	1
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Human Rights breach complaints	5	5
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Corrective actions	14	18
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OTHER INDICATORS

Communication of the new version of the Code of Ethics and Conduct (%)	100	100
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Monitoring of Human Rights activity by company (%)	100	100
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Meetings and interventions in the governing bodies (no.)	14	8
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Social capital

20202021

SUPPLY CHAIN

Total active tier one suppliers (no.)	3,448	3,383
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Active tier one direct material suppliers (no.)	2,830	2,792
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Total purchase volume from first-tier suppliers (€'000)	2,050,000	2,060,000
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Purchase volume from direct material first-tier suppliers (€'000)	1,927,000	1,937,000
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Purchase volume from local suppliers (€'000)	1,177,000	1,000,198
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Suppliers of products containing conflict materials with declaration/ certification of origin/compliance (%)	98	98
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Direct material suppliers with a relevant impact on environmental, social and governance (ESG) matters (no.)	483	453
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Direct material suppliers assessed on their ESG performance (no.)	1,466	1,657
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Direct material suppliers assessed for ESG (%)	52	59
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Panel suppliers with an ESG self-assessment questionnaire completed in the last 3 years (no.)	1,466	1,829
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Suppliers with a result from the self-assessment questionnaire considered 'High Risk' (no.)	170	279
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Direct material suppliers that have accepted the Supplier Code of Ethics (%)	67	78
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Investment suppliers that have accepted the Supplier Code of Ethics (%)	67	87
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STA's (Supplier Technical Assistants – Responsible for monitoring and developing suppliers) (no.)	69	56
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SUSTAINABLE CONTRIBUTION

By Region: Africa-Asia-Pacific (%)	25.16	39.62
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By Region: Europe (%)	70.87	33.98
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By Region: NAFTA (%)	3.83	26.06
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By Region: Mercosur (Southern Common Market) (%)	0.14	0.34
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By type: Donations, Voluntary Actions and Emergency Responses (%)	42.53	45.65
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By type: Sponsorship and patronage (%)	57.47	54.35
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Contribution per employee (no.)	€22.57	€34.19
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7.3. Indicators

Table of contents GRI standards

GRI code	GRI	Heading	Page	Comments
GRI 102: General Information				
Profile of the Organization				
102-1	Name of the organization	7.4	100	
102-2	Activities, brands, products and services	3.1	25-29	
		3.2	29-33	
		3.3	34-36	
102-3	Location of headquarters	7.4	101	
102-4	Location of operations	1.2	6	
102-5	Ownership and legal form	7.4	100	
102-6	Markets served	1.2	6	
102-7	Scale of the organization	1.4	10	
		6.3	78	
102-8	Information on employees and other workers	6.3	77-84	
102-9	Supply chain	6.4	85-87	
102-10	Significant changes to the organization and its supply chain	3.3	34-36	
102-11	Precautionary principle or approach	5.1	57	
102-12	External initiatives	5.3	67	
102-13	Membership of associations	5.3	67-68	

GRI code	GRI	Heading	Page	Comments
Strategy				
102-14	Statement from senior decision-maker	1.1	4-5	
102-15	Key impacts, risks, and opportunities	4.3	46-52	
		4.4	53-54	
Ethics and transparency				
102-16	Values, principles, standards, and norms of behavior	4.1	38	
102-17	Mechanisms for advice and concerns about ethics	4.2	39	
Governance				
102-18	Governance structure	4.2	39-42	
102-19	Delegation of authority	4.2	39-40	
102-20	Executive-level responsibility for economic, environmental, and social topics	4.2	39	
102-21	Consulting stakeholders on economic, environmental, and social topics	2.2	20	
102-22	Composition of the highest governance body and its committees	4.2	39-42	
102-23	Chair of the highest governance body	4.2	40	
102-24	Nominating and selecting the highest governance body	4.2	40	
102-25	Conflicts of interest	4.3	49	
102-27	Collective knowledge of the highest governance body	4.2	39	



GRI code	GRI	Heading	Page	Comments
Stakeholder engagement				
102-40	List of stakeholder groups	2.2	19	
102-41	Collective bargaining agreements	6.3	84	
102-42	Identifying and selecting stakeholders	2.2	19	
102-43	Approach to stakeholder engagement	2.2	19	
102-44	Key topics and concerns raised	2.2	19	
102-45	Entities included in the consolidated financial statements	7.4	100	
102-46	Defining report content and topic boundaries	2.2	20	
102-47	List of material topics	2.2 7.4	20 100-101	
102-48	Restatements of information	7.4	100-101	
102-49	Changes in reporting	7.4	100	
102-50	Reporting period	-	January 1, 2021 to December 31, 2021	
102-51	Date of most recent report	-	Annual Report 2020	
102-52	Reporting cycle	-	Annual	
102-53	Contact point for questions regarding the report	7.4	101	
102-54	Claims of reporting in accordance with the GRI standards	7.4	100	
102-55	Table of contents GRI	7.3	96-99	
102-56	External assurance	7.4	102-103	

GRI code	GRI	Heading	Page	Comments
Economic aspects				
GRI 103: Management approach				
103-1	Explanation of the material topic and its boundary	4.1	39	
		5.3	65	
		6.4	85	
GRI 201: Economic performance				
201-1	Direct economic value generated and distributed	5.3	65-66	
GRI 204: Procurement practices				
204-1	Proportion of spending on local suppliers	6.4	87	
GRI 205: Anti-corruption				
205-1	Operations assessed for risks related to corruption	4.3	48	
205-2	Communication and training about anti-corruption policies and procedures	4.3	48,52	
205-3	Confirmed incidents of corruption and actions taken	4.3	50	
GRI 206: Anti-competitive behavior				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.3	50	



GRI code	GRI	Heading	Page	Comments
Environmental aspects				
GRI 103: Management approach				
103-1	Explanation of the material topic and its boundaries	5.1 5.2	55-57 58, 61	
103-2	The management approach and its components	5.2	58-64	
103-3	Evaluation of the management approach	5.2	58-64	
GRI 301: Materials				
301-1	Materials used by weight or volume	5.2	63	
GRI 302: Energy				
302-1	Energy consumption within the organization	7.2	93	
302-2	Energy consumption outside of the organization	7.2	93	
302-3	Energy intensity	7.2	93	
GRI 303: Water				
303-5	Water consumption	5.2	63	
GRI 304: Biodiversity				
304-2	Significant impacts of activities, products, and services on biodiversity	5.2	63	
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	5.2	59	
305-2	Energy indirect (Scope 2) GHG emissions	5.2	59	
305-4	GHG emissions intensity	5.2	59	

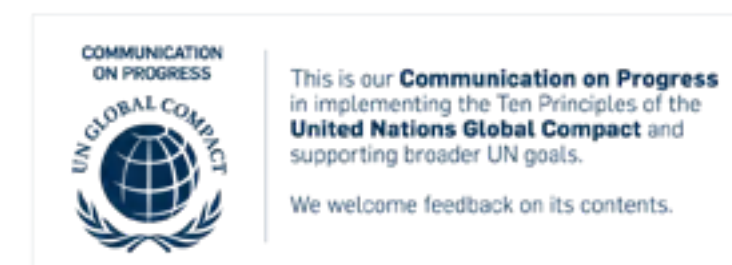
GRI code	GRI	Heading	Page	Comments
GRI 306: Waste				
306-2	Waste by type and disposal method	5.2	62	
GRI 307: Environmental compliance				
307-1	Non-compliance with environmental laws and regulations	4.3	52	
GRI 308: Environmental assessment of suppliers				
308-1	New suppliers that were screened using environmental criteria	6.4	85	
Social aspects				
GRI 103: Management approach				
103-1	Explanation of the material topic and its boundaries	6.3 6.4	77 85	
GRI 403: Occupational health and safety				
403-1	Workers representation in formal joint management-worker health and safety committees	6.3	80	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	6.3	81	
403-9	Work-related injuries	6.3	81	Partially disclosed
GRI 404: Training and development				
404-1	Average hours of training per year per employee	6.3	83	
404-2	Programs for upgrading employee skills and transition assistance programs	6.3	82	



GRI code	GRI	Heading	Page	Comments
GRI 405: Diversity and equal opportunities				
405-1	Diversity of governance bodies and employees	4.2	39	
		6.3	82	
GRI 412: Human Rights assessment				
412-1	Operations that have been subject to Human Rights reviews or impact assessments	6.4	86-87	
GRI 413: Local communities				
413-1	Operations with local community engagement, impact assessments, and development programs	5.3	66-67	Partially disclosed
GRI 414: Social assessment of suppliers				
414-1	New suppliers that were screened using social criteria	6.4	85	
GRI 419: Social and economic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	4.3	52	

Table of contents Global Compact

Aspects	Principle	Heading	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed Human Rights, within their sphere of influence.	4.3	47
	2. Businesses must make sure that they are not complicit in Human Rights abuses.	6.4	85-87
	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	6.3	84
Labor Rights	4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	4.3	47
	5. Businesses should uphold the effective abolition of child labor.	4.3	47
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	6.3	84
Environment	7. Businesses should support a precautionary approach to environmental challenges.	5.2	57
	8. Business should encourage initiatives that promote greater environmental responsibility.	5.2	58-61
	9. Businesses should promote the development and dissemination of environmentally-friendly processes and technologies.	5.2	62
Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	4.2	48



7.4. About this report

The same force and conviction behind Grupo Antolin's understanding of its commitment to sustainable mobility can be extrapolated to compliance with the principles of transparency and clarity with its stakeholders. Reporting rigorously to them all about the great progress made in the last year is part of the organization's ethical and sustainable model. That is why Grupo Antolin makes such an effort to offer detailed, accurate and rigorous information about its activity during 2021.

Information perimeter and scope of consolidation

This Grupo Antolin-Irausa, S.A.U. and Subsidiaries Integrated Report 2021 corresponds to the financial year from January 1 to December 31, 2021. The scope of the information disclosed corresponds to the financial consolidation perimeter defined in 2021. For more information, please see the consolidated accounts for the financial year ending on December 31.

For the preparation of this report, the principles established by the **International Integrated Reporting Council (IIRC)** have been followed. These allow for accurate reporting about how the company is managing to create value over the long term. To reflect Grupo Antolin's commitment to sustainability and contribution to the Agenda 2030 goals and objectives, this report also complies with the requirements specified by the **Essential option of the GRI Standards** (Global Reporting Initiative); taking into account the GRI principles on the preparation of sustainability reports, Law 11/2018 on Non-Financial Information and Diversity, the principles and guidelines of the Global Compact and the ISO 26000 guide.

The information published corresponds to the activities performed by all Grupo Antolin companies and joint ventures applicable to each indicator in the 26 countries in which it has operated during 2021. The only restriction in terms of information published refers to that reserved on the grounds of confidentiality and privacy for the Management and/or the limited ability to obtain information in certain countries.

Updating of material issues: development of the methodology

In the framework of the annual process of reporting the company's corporate information, as an exercise in adapting and communicating its actions to reflect the priorities of its stakeholders, in 2021 Group Antolin went further in the analysis of the material issues using the concept of **double materiality**. Dual materiality includes both the external (environment) to internal (company) perspective and the reverse (from the company to the environment).

As a result, the impact of environmental, social and governance (ESG) issues on the value of the business is examined, as is the impact of the business on its surroundings, mainly people and the environment. This approach is also aligned with the organization's new strategy and with the objectives set for the Planet, People and Business areas for value creation.

The results have been obtained from an internal and external analysis that has consisted of:

Internal analysis

Performed using the information provided by Grupo Antolin in relation to the current management level. The following are some of the items analyzed:

- Risk map of the organization.
- Strategic plan and action lines.
- Grupo Antolin Sustainability Master Plan.
- Internal analysis of the current and potential requirements of its stakeholders, such as the One Client project.

External analysis

Identification of aspects from trends, analysts, international standards and the standards of the sector itself. The following are some of those considered:

- SASB: International standard that offers a specific focus on the car components sector.



- DJSI: where the evaluated aspects of the sector have been identified.



- Environmental and social taxonomy as a tool for determining the relevant areas for financing.

- Drive sustainability: guide from the car manufacturers for the supply chain.



- National legislation (Law 11/2018, Climate Change and Energy Transition Law, Circular Economy Plan) and international legislation (FIT for 55, Green Pact, REACH, Conflict Minerals, Circular Economy Strategy, European Consumer Agenda, Human Rights Due Diligence Directive and Corporate Sustainability Reporting Directive).

- Action plan in the scope of the España Puede (Spain Can) recovery plan.



The analysis has been concluded with **10 internal corporate, business and geographic area interviews**, which have provided the vision and focus necessary to value the aspects from the dual materiality perspective. As a result of the analysis, Grupo Antolin has created a list of the most relevant global issues, which in this report are explained from the viewpoint of the approach and management, grouped into the following blocks.



PLANET

- › Responsible use of materials and components
- › Energy management and efficiency
- › Sustainable innovation



PEOPLE

- › Employment practices
- › Attraction, development, and training
- › Health and safety
- › Commitment, diversity, and inclusion



BUSINESS

- › Business model and ability to adapt
- › Security of information and cyber security

Traceability

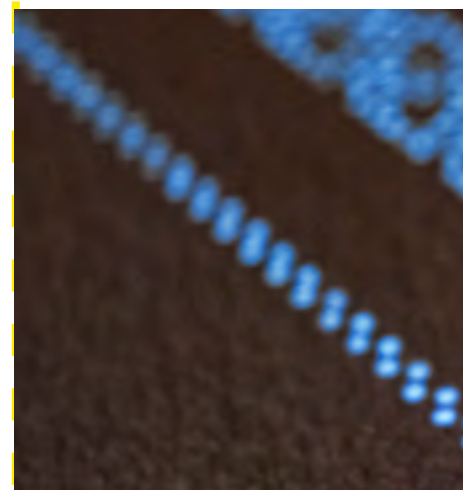
Grupo Antolin ensures the traceability of the information thanks to the internal management system established for the reporting of the data constituting the perimeter of the report. The Marketing, Communication and IR Department, along with the Sustainability Department, have led the process of preparing this report, using the information provided by the rest of the areas in the organization. All of the company's departments have evaluated the projects and actions in their respective scope of activity that stands out when it comes to demonstrating the shared value generated and Grupo Antolin's capacity to overcome the global challenges at the same time as meeting the information requirements of the different stakeholders and the recommendations of the external auditor. The figures that underpin the information reported by Grupo Antolin offer an appropriate level of reliability with respect to the scope and controls applied, in accordance with the company's internal information systems.

The main source of data for the Integrated Report 2021 is the Statement of Non-Financial Information 2021, included as part of the Grupo Antolin consolidated annual accounts. The Statement of Non-Financial Information has received a favorable verification report*, without qualifications, from the company KPMG about its adaptation to the content demanded by Law 11/2018 on non-financial information and diversity and the Global Reporting Initiative standards selected. For information where no international reporting standards exist, the company has defined the calculation and reporting methods. All the economic-financial data underpinning Grupo Antolin's information throughout the report have been externally audited by a third party.

In relation to access to the published information, the Integrated Report 2021 is presented in digital PDF format and can be found in Spanish and in English. There is no printed version. The document is available online and has been adapted for mobile devices, and for Grupo Antolin's website and intranet. It is available to all external stakeholders in general and also to everyone providing their services in any of the company's centers around the world.

In Grupo Antolin's desire to ensure access to the information at all levels of the organization, the key aspects of the report will also be translated into the local language and are disseminated by the Management and the Human Resources teams in each of the companies through the channels enabled for that. This publication is the property of Grupo Antolin.

*The SNFI 2021 verification report and auditor's report on 2021 consolidated financial statements are presented on the next pages.



We would be grateful for your opinion about our 2021 Annual Report

Grupo Antolin | Integrated Report 2021

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Statement of Non-Financial Information 2021

Verification report



KPMG Asesores, S.L.
Pº de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Consolidated Non-Financial Information Statement of Grupo Antolin-Irausa, S.A. and subsidiaries for 2021

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Sole Shareholder of Grupo Antolin-Irausa, S.A.U.

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the Consolidated Non-Financial Information Statement (hereinafter NFIS) of Grupo Antolin-Irausa, S.A.U. (hereinafter the Parent) and subsidiaries (hereinafter the Group) for the year ended 31 December 2021, which forms part of the accompanying consolidated Directors' Report of the Group for 2021.

The consolidated Directors' Report includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. In this respect, our work was limited exclusively to providing assurance on the information contained in the "Appendix II. Table of contents required by Law 11/2018" table of the accompanying consolidated Directors' Report.

Directors' Responsibility

The Directors of the Parent are responsible for the content and authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) based on each subject area in the "Appendix II. Table of contents required by Law 11/2018" table of the aforementioned consolidated Directors' Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding



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compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our review engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 (Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance obtained is substantially lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Parent that participated in the preparation of the NFIS, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Parent's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2021 based on the materiality analysis performed by the Parent and described in the "About this report" section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2021.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2021.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2021 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Grupo Antolin-Irausa, S.A. and subsidiaries for the year ended 31 December 2021 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and selected GRI Standards based on each subject area in the "Appendix II. Table of contents required by Law 11/2018" table of the aforementioned consolidated Directors' Report.



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Use and Distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Ramón Puyó Virués

19 April 2022

Auditor's report on 2021 consolidated financial statements



Auditor's Report on Grupo Antolin-Irausa, S.A.U. and subsidiaries

(Together with the consolidated annual accounts and consolidated directors' report of Grupo Antolin-Irausa, S.A.U. and subsidiaries for the year ended 31 December 2021)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.

P.º de la Castellana, 259C
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Sole Shareholder of Grupo Antolin-Irausa, S.A.U.

Opinion

We have audited the consolidated annual accounts of Grupo Antolin-Irausa, S.A.U. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated statement of financial position at 31 December 2021, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Recoverable amount of non-current assets See notes 7 and 8 to the consolidated annual accounts	
Key audit matter	How the matter was addressed in our audit
<p>At 31 December 2021 the Group has intangible assets with a carrying amount of Euros 381,593 thousand, property, plant and equipment with a carrying amount of Euros 726,473 thousand and goodwill with a carrying amount of Euros 90,046 thousand allocated to the pertinent cash-generating units. At 31 December 2021 impairment of Euros 76,351 thousand has been recognised on intangible assets and Euros 30,367 on property, plant and equipment, of which Euros 16,004 thousand and Euros 3,704 thousand, respectively, were recognised in 2021.</p> <p>The Group calculates the recoverable amount of goodwill annually and tests property, plant and equipment and intangible assets for indications of impairment, for the purposes of determining their recoverable amount.</p> <p>The Group has calculated the recoverable amount of goodwill, intangible assets and property, plant and equipment for which it has identified indications of impairment by applying valuation techniques that require the exercising of judgement by management and the Directors, and the use of assumptions.</p> <p>Due to the high level of judgement and the uncertainty associated with these assessments and estimates, and the significance of the carrying amounts involved, their measurement has been considered a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Assessing the design and implementation of key controls related to the process of estimating the recoverable amount of goodwill and other non-current assets. - Assessing the criteria used by the Directors and Group management when identifying indications of impairment of property, plant and equipment and intangible assets other than goodwill. - Evaluating the methodology and assumptions used by management and the Directors to estimate the recoverable amount applying the discounted cash flow method at cash-generating unit level, with the involvement of our valuation specialists. - Comparing the cash flow forecasts estimated in prior years with the actual cash flows obtained. - Contrasting the information contained in the model used to calculate the recoverable amount with the Group's business plans approved by management. - Analysing the sensitivity of the estimated recoverable amount to changes in the relevant assumptions and judgements, such as the discount rate and the expected future growth rate used to estimate future cash flows. <p>We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</p>



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Capitalisation of development expenses See note 7 to the consolidated annual accounts	
Key audit matter	How the matter was addressed in our audit
<p>In 2021 the Group capitalised development expenses amounting to Euros 86,394 thousand and at 31 December 2021 the Group has capitalised total development expenses of Euros 340,119 thousand under other intangible assets.</p> <p>The capitalisation of development expenses requires an analysis of compliance with the requirements laid down in the financial reporting framework.</p> <p>Where there are reasonable doubts as to the technical success or economic-financial feasibility of the projects, the amounts recognised as assets must be taken directly to the income statement, and there is therefore a risk that the capitalised costs would not meet the criteria set forth in the financial reporting framework for their capitalisation.</p> <p>Due to the judgement associated with the foregoing assessments and estimates, and the significance of the carrying amounts involved, capitalisation of such costs as development expenses has been considered a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Evaluating the design and implementation of the key controls related to the process of recognising development expenses and identifying, where applicable, the expenses that qualify for capitalisation. - Performing tests of detail for a sample of capitalised development expenses, corroborating the amounts capitalised and analysing the supporting documentation prepared by management and which substantiates the technical success and economic-financial feasibility of the projects, assessing the reasonableness of the main assumptions considered. <p>We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Group.</p>

Other Information: Consolidated Directors' Report

Other information solely comprises the 2021 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors' report is defined in the legislation regulating the audit of accounts, as follows:

- Determine, solely, whether the consolidated non-financial information statement has been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.
- Assess and report on the consistency of the rest of the information included in the consolidated directors' report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2021, and that the content and presentation of the report are in accordance with applicable legislation.



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(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Directors' Responsibility for the Consolidated Annual Accounts

The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.



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- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated to the Directors of Grupo Antolin-Irausa, S.A.U., we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

KPMG Auditores, S.L.
On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Miguel Ángel Faura Borruey
On the Spanish Official Register of Auditors ("ROAC") with No. 20429

20 April 2022



Intelligent. Integrated. Inside.

www.grupoantolin.com

