

05 Conscious leadership

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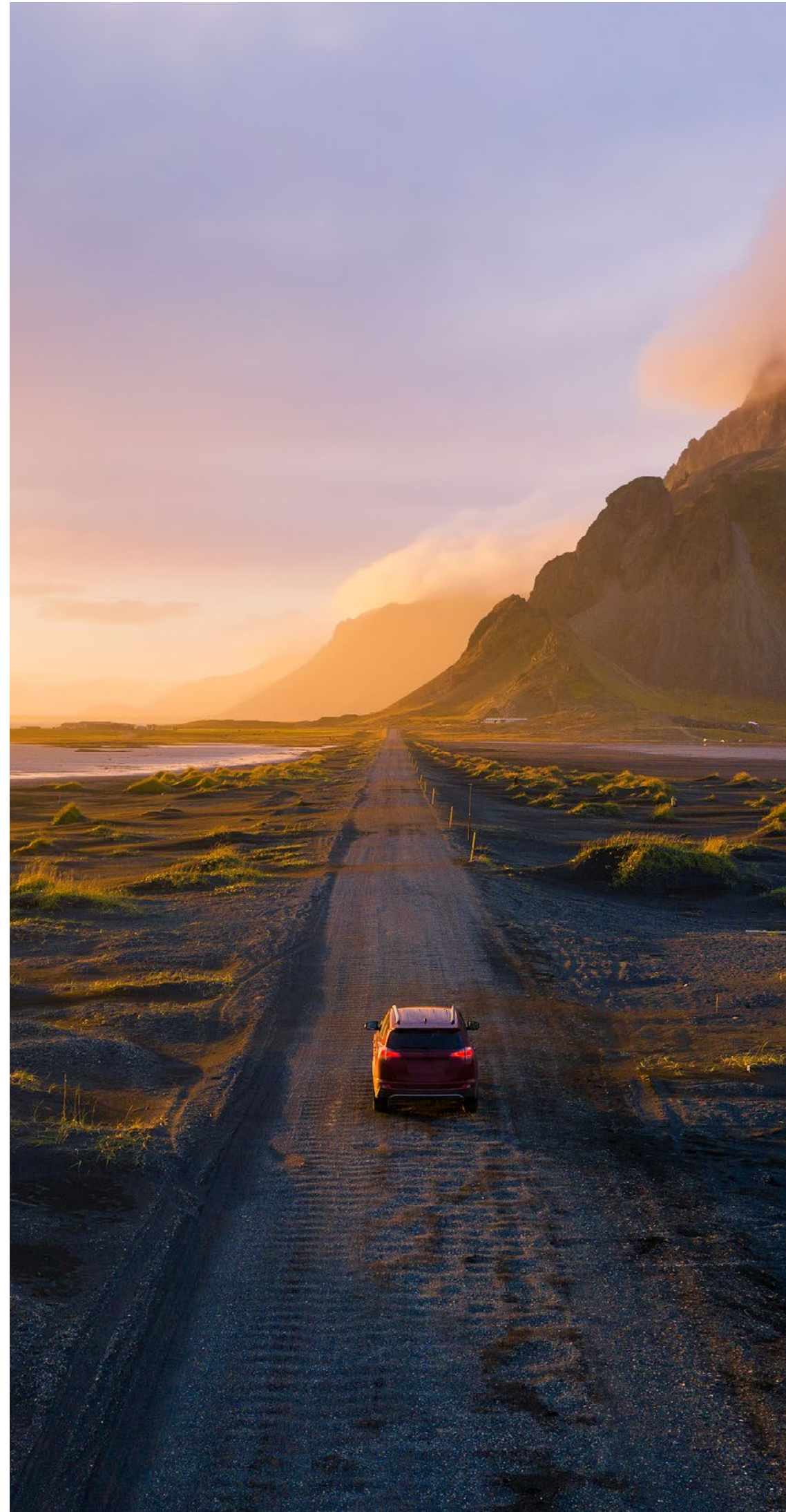
05.1

Responsible governance: our guide

Management approach

Responsibility and **demands** set the course at Antolin. Aware that these are two essential pillars for a company committed to the highest standards, Antolin is working to ensure the professionalism of its governing bodies as a guarantee of the smooth running of the business and better decision making.

Through principles based on ethics, integrity, and transparency, Antolin's corporate governance seeks to respond to the increasingly demanding requirements of regulators, investors, customers, employees, and other stakeholders who interact with the company. It also makes use of the **main trends** and **best practices** in governance, ethical behavior, and regulatory compliance, such as those established by the Spanish National Securities Market Commission (CNMV) for the corporate governance of listed companies.



Corporate governance model

Antolin's Corporate Governance Model comprises the set of rules and principles that ensure the smooth running of the company's governing and administrative bodies. It incorporates all the internal regulations, comprising:

- Articles of Association.
- Internal Corporate Governance Rules.
- [Vision and Values.](#)
- [Code of Ethics and Conduct.](#)
- [Corporate policies.](#)
- Internal codes, processes, and procedures aligned with sector-related provisions.
- Regulations of the Board of Directors and of the Delegated Committees.
- Regulations of the Advisory Board.

In parallel, ensuring the company's success in the short, medium and long-term also requires a strong commitment from its leaders to reinforce the compliance culture, which has been followed over the years. To do this, Antolin's management model is made up of a series of policies, processes, procedures, and guidelines—including several integrated systems—aligned with international management system standards:

- 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.
- ISO 27701. Privacy.
- UNE 19601. Criminal Compliance.
- ISO 37001. Anti-bribery.
- ISO 50001. Energy efficiency.
- Other internal processes and procedures.



Governance of the organization

Antolin is **100% owned by the Antolin family**. It is a family business with a single shareholder, owned equally by two branches of the family. Each of them is, in turn, indirectly represented by companies that decide the members of the governance structure, always having the same values. Each branch holds more than 5% of the voting rights.

The family governing body is the company's highest decision-making body. The family regulates its participation in Antolin through a family protocol that clearly defines its functions, the succession plan, and its relationship with the Board of Directors, the latter maintaining its independence.

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

Antolin's governance model is a two-tier system that **has a Board of Directors and an Advisory Board, supported by the delegated committees**, formed by executive members, non-executive members, and independent advisers. The functions of Chair and CEO are performed by two different people.

General Shareholders' Meeting

As the sole shareholder, it adopted two decisions in 2022 (on May 17 and June 28), with the attendance of the entire Board of Directors.

Board of Directors

An effective Board of Directors is vital for good corporate governance. Antolin has defined specific procedures and practices to ensure the accountability of its board in clear alignment with the interests of the shareholders.

Antolin wants to lead the change that the sector is undergoing from the car interior, giving new momentum to the transformation process with a review of the company's strategy and the definition of new, more ambitious objectives. In line with the analysis of the current situation, its strengths and the future challenges facing the automotive industry, the Board of Directors, at its meeting held on May 17, unanimously approved the appointment of Ramón Sotomayor Jauregui as the new Chief Executive Officer for this new era. Ramón Sotomayor has been a member of the Advisory Board for the past four years and has been a member of the Audit and Sustainability and Corporate Governance Committees, acting as Chairman of the latter.

The Board of Directors is made up of five members —two women and three men currently—who are elected individually by the General Shareholders' Meeting for a renewable six-year period. **Women represent 40% of the composition of the Board of Directors**, in line with the new European standards on gender balance on Boards of Directors, which require this percentage in listed companies.

Responsible for the management, administration, strategic decision-making, and supervision of the company's most important issues, it entrusts its day-to-day management to the Chief Executive Officer and the company's Executive Committee.

The Board met ten times in 2022, with 100% attendance by all its members, making progress in its alignment with best practices according to the good governance standards for listed companies and in monitoring the main legislative developments, including those arising from the European sustainable finance project.

In accordance with the generally accepted standards of good corporate governance, Antolin's Board of Directors undertakes to regularly evaluate its composition, operation, conflicts of interest, rights, and duties as directors. Led by the Chair of the Appointments and Remuneration Committee and based on individual structured interviews, a final report is prepared and submitted to the Board of Directors. This contains all the assessments and recommendations for improvement presented in aggregate form.

Advisory Board

This is the advisory body that provides support and advice to the Board of Directors in relation to running the business and strategic decision-making. Since its establishment in 2018, it has been a key element in monitoring and implementing best practices in good governance within the company, as well as in the commitment to the transparency and professionalism of its governing bodies.

The members of the Advisory Board are independent advisers, who form part of and chair the various delegated committees. All of them have in common distinguished careers, experience in leading companies and organizations, and different professional profiles and backgrounds, which enriches their contribution to Antolin. Women represent 75% of the total number of members.

Following the departure of Ramón Sotomayor —appointed Chief Executive Officer of Antolin in May 2022—the Advisory Board is made up of four directors, compared to six in 2021. Three of them are women.

Under the operation of an extended Board of Directors, they actively and simultaneously participate, without voting rights, in the Board of Directors meetings. Furthermore, **in 2022, they met autonomously on eight occasions, with 100% attendance by their members.**



Women represent 75% of the total number of members of the Advisory Board



Members of the Board of Directors



Ernesto
ANTOLIN

Chair of the Board of Directors and member of the Delegated Appointments and Remuneration Committee, he took over as Chair of Antolin in 2014 as part of the established generational handover. He is Executive President of Canea, S.L., the family office of his branch of the family. He has a postgraduate degree in Law from Boston University (USA), along with 30 years of international experience in the automotive sector in the areas of strategy, marketing, industry, and business diversification. He started his professional career at Antolin as assistant to the management at several production plants, coordinating the activities of production, logistics, engineering, quality, human resources, and finance. Subsequently, he was responsible for launching industrial operations in Eastern Europe and was Regional Director for Central-Eastern Europe, managing all the sales activities for German customers. He participated in the launch of industrial and sales operations in North America. In 1997, he became Vice-Chair of Antolin, heading the New Business Division, developing the company's strategy for the African and Asia-Pacific Regions, and establishing sales agreements with partners and the acquisition of new companies, as well as the introduction of new markets.



María Helena
ANTOLIN

Vice-Chair of the Board of Directors, she is currently Vice-Chair and Director of Branding, Marketing, Communication, and Corporate Affairs at Antolin. She has a degree in International Business & Business Administration from Eckerd College, St. Petersburg, Florida (USA) and a Master's degree in Business Administration from Anglia University, Cambridge (UK) and the Polytechnic School of Valencia (Spain). At Antolin, she has held various positions related to quality, strategy, and excellence. She has been Director of Human Resources Development, Director of Improvement Operations Strategy, and Corporate Industry Director. In addition to her duties at Antolin, she is an External Director of Iberdrola; member of the Board of Directors of DANOSA and member of its Appointments and Remuneration Committee; member of the Advisory Board of Banco Sabadell Urquijo; French International Trade Advisor, Spanish section (CCE); and Vice-Chair of CEOE, as well as Chair of its Mobility Board. She is also a member of the Board of Directors of SERNAUTO, the Spanish Automotive Equipment and Components Manufacturers Association, which she chaired until 2021.



Emma
ANTOLIN

Member of the Board of Directors and the Audit, and Appointments and Remuneration Committees, as well as Sustainability and Corporate Governance Committees. She is the Executive President of Injat Investment Office, the family office of her branch of the family. With over 14 years of experience in several departments of the company, she is currently the Director of Corporate Social Responsibility and Sustainability. She combines her professional activity with her academic work as an associate professor at IE Business School in governance and corporate responsibility programs and collaborates with business schools such as EDEM. She has a degree in Psychology from the Pontifical University of Salamanca and a Master's in Financial Management from the IE Business School. She has completed her training with specialized programs in finance, negotiation, sustainability and family business at the University of Cambridge, Harvard Business School, INSEAD and IMD.



Miguel Ángel
VICENTE

Member of the Board of Directors and the Delegated Sustainability and Corporate Governance and Audit Committees since 2021. He has a degree in Industrial Engineering from ENSAI University in Strasbourg (France) and a Master's in Business Administration from INSEAD in Fontainebleau (France), as well as a Master's degree in Motors from the IFP School in Paris (France). With over 40 years of international experience in the automotive sector, he has worked for groups such as Renault, as a manager in the areas of research, engineering, quality, manufacturing, and procurement in France, Mexico, and Spain. Member of the Executive and Management Committees, as COO (Chief Operations Officer) of Antolin from 2017 to December 2020, he began his professional career at Antolin in 1992, holding various positions in the company as head of the corporate divisions for sales, industry, and operations in Europe-Mercosur and North America, and head of the Doors segment.



Ramón
SOTOMAYOR

He has a degree in Industrial Engineering from the University of Portsmouth and an MBA from the University of Rutgers. He started his professional career at the ThyssenKrupp Group where he held various positions, including that of 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. Until his appointment as Chief Executive Officer of Antolin, he was an independent director and Chair of the Appointments and Remuneration Committee of Velatia and a member of the Board of Directors of Grupo Lantero, Levantina y Asociados de Minerales, ABE Capital Partner, and a member of the Advisory Board of Sidenor.

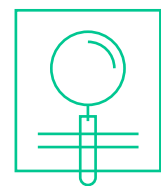


Committees

Antolin has **three delegated committees reporting to the Board of Directors, made up of company executives, non-executive members, and independent advisory directors.** The committees meet every two months following the action principles and basic rules of organization and operation defined in the Regulations of the Board of Directors and Delegated Committees approved in 2021.

Each of the committees prepares the annual schedule of meetings, which are held at least seven days before each of the Board of Directors meetings. On a monthly basis, prior to the official meetings, follow-up sessions are held on specific topics of relevance to the company.

In 2022 there were new Chairs and a change in the composition and number of members of the existing committees. All members and changes have been endorsed by the Appointments and Remuneration Committee and approved by the Board of Directors.



AUDIT COMMITTEE

- 4 members
- 2 independent advisory directors
- 2 women
- 7 meetings

This is chaired by a female independent advisory director who oversees risk management, the internal financial reporting management system (FRMS), and the external audit. Other functions also assumed by this committee include, first, analyzing the management of any conflicts of interest that may arise; and, second, preparing the formulation of the annual accounts and the Statement of Non-Financial Information (SNFI). These last two tasks are carried out in coordination with the Sustainability and Corporate Governance Committee.



APPOINTMENTS AND REMUNERATION COMMITTEE (ARC)

- 3 members
- 1 independent advisory director
- 2 women
- 7 meetings

Also chaired by a female independent advisory director, its task is to propose, evaluate, and ensure compliance with the remuneration policies established by the company and remuneration structures aligned with long-term results. It is also responsible for proposing candidates for the Advisory Board and the Board of Directors, as well as analyzing senior management candidates.

It should be noted that the full Board of Directors reserves the power to approve the remuneration policy for senior managers, the remuneration of directors, within the limits established by law and by the General Shareholders' Meeting, as well as, in the case of executives, the additional remuneration for their executive functions and other conditions that their contracts must respect.

Under the name of the Appointments and Remuneration Committee's profile of suitability and responsibility, the company has a policy that describes the conditions and requirements to be met by independent directors, as well as the processes applicable to their evaluation in accordance with the applicable regulations and recommendations.



SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE

- 4 members
- 2 independent advisory directors
- 2 women
- 7 meetings

As befits a company that has internalized its role in society and in the new stakeholder capitalism, sustainability is at the core of decision making. Antolin sets the strategic lines to be followed in the main environmental, social, and governance aspects of the business through its Board of Directors, which has support and advice from the Advisory Board, as well as in the leadership and oversight of environmental, social, and governance aspects. As a result, the advisory directors are directly involved in the monitoring and management of these issues through the Sustainability and Corporate Governance Committee.

This committee is chaired by an independent advisory director, with powers to supervise compliance with corporate governance rules, internal codes of ethics, compliance programs, and environmental and sustainability policies. It is also responsible for overseeing the Annual Corporate Governance Report and the preparation of the Statement of Non-Financial Information, in coordination with the Audit Committee.



Members of the Advisory Board (From A-Z)



Milagros
CAIÑA

Former member of the Executive Board of BMW AG, as head for Human Resources, Labor Relations, and Real Estate. 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, Labor Relations and Real Estate. A member of executive boards in various companies for more than 16 years and with 30 years of experience in the mobility sector, her professional career has been focused on the area of people management and company relations, performing her duties for the railway group Deutsche Bahn AG-DB Mobility Logistics, Schenker AG, in the logistics sector, and Vossloh AG. She has also been a Member of the Presidium of the BDA Germany, the decision-making body of the Confederation of German Employers' Associations and chair of its Employee Pension Plan Committee. Her professional career is complemented by being a former member of the Advisory Board of Kühne Logistics University, Hamburg and Bayrische Elite-Akademie in Munich.



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), with a Master's 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, Coordinating Director, and Chair of the Sustainability Committee of Red Eléctrica Corporación. Independent Director and Chair of the Audit Committee of Grupo Mutua Madrileña. Proprietary Director and Chair of the Appointments and Remuneration Committee of Hispasat. She has a degree in Economic and Business Sciences from Comillas Pontifical University (ICADE) and a Master's 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 Markets in the National Energy Commission, as well as Managing Director of the Strategic Reserves Corporation of Petroleum Products (CORES).



Bernardo José
VILLAZÁN

Director of the Chair of Connected Industry 4.0 at Comillas Pontifical University ICAI-ICADE. 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 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. He was a director of the sustainable packaging company PackBenefit and the IPS Group, a consulting firm specializing in industrial projects linked to sustainability. Since October 2022, he has been a member of Indra's Board of Directors as an Independent Director and a member of the Sustainability and the Appointments and Remuneration Committees.

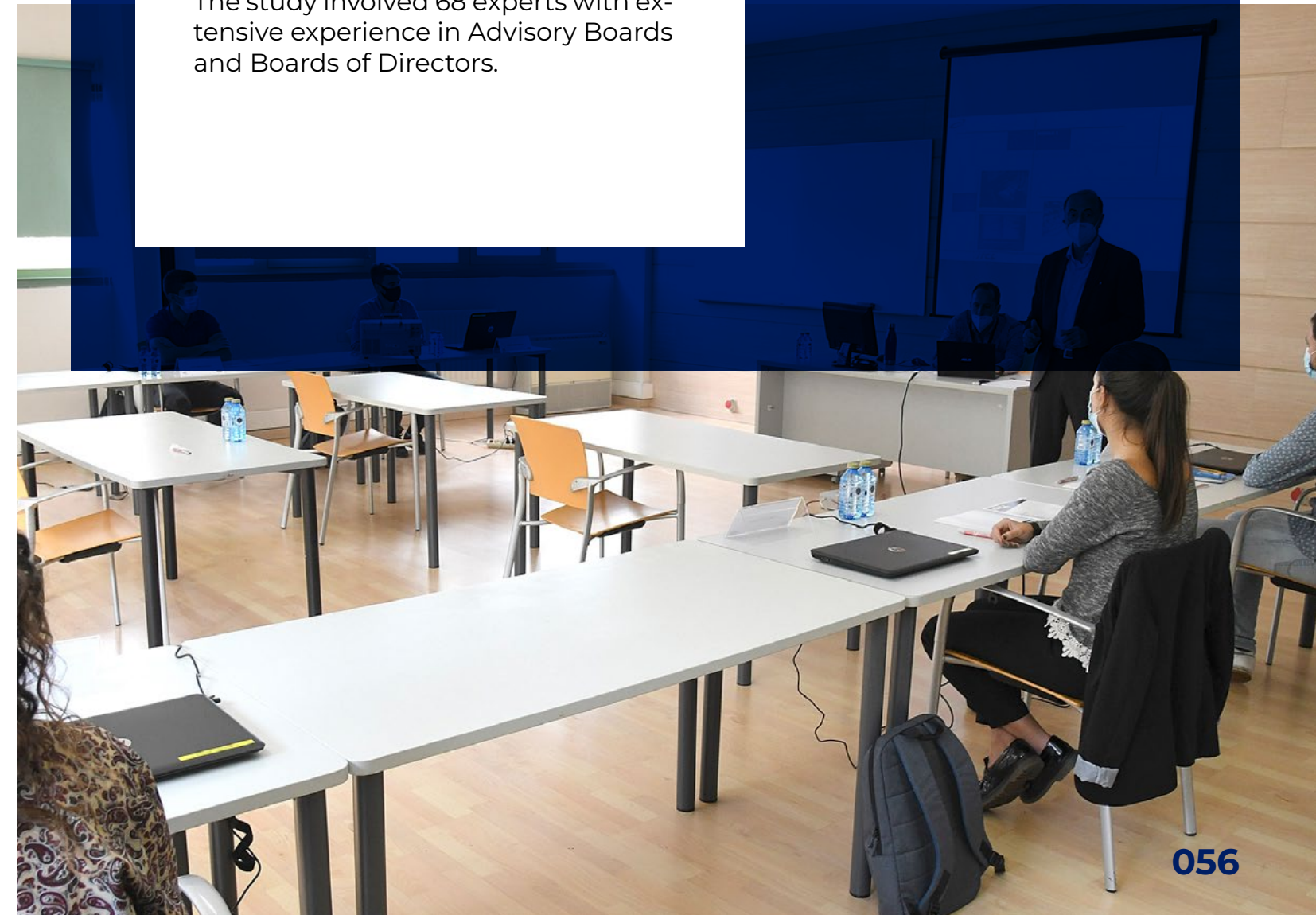
» Best practice

Antolin in the study “Advisory Boards in Spain”

In 2022, Antolin participated in the “Advisory Boards in Spain” study, conducted by the consultancy firm Exec Avenue. The study offers an in-depth analysis of the role of this body in companies, its type and its remuneration, as well as details of practical cases at companies such as Antolin. The study involved 68 experts with extensive experience in Advisory Boards and Boards of Directors.

“Advisory Boards in Spain” also gathers the opinion of the most relevant knowledge centers on governance in Spain, such as the Institute of Governance and Society, the IESE Business School, the Esade Corporate Governance Center, the AED and KPMG School of Directors, the Woman Forward Foundation, and the Institute of Corporate Governance.

[Click here for the full study](#)





Composition of the governing bodies in 2022

	Members	Independent	Executive	Non-Executive	Men	Women	% Women	Average Age	Over 45 (%)	Spanish nationality (%)	Average length of service of the Board members
Board of Directors	5	0	4	1	3	2	40%	56	80%	44%	13
Advisory Board	4	4	0	0	1	3	75%	58	100%	33%	4
Total	9	4	4	1	4	5	60%	55	89%	78%	9

	Ernesto Antolin	María Helena Antolin	Emma Antolin	Miguel A. Vicente	Ramón Sotomayor	Macarena Cassinello	Milagros Caiña	Carmen G. de Barreda	Bernardo Villazán
GOVERNING BODIES									
<i>Board of Directors</i>	Chairman	Vice-Chair	Member	Member	Member				
<i>Advisory Board</i>						Advisory Director	Advisory Director	Advisory Director	Advisory Director
<i>Audit Committee</i>			Member	Member		Chair			Member
<i>Appointments and Remuneration Committee</i>	Member		Member				Chair		
<i>Sustainability and Corporate Governance Committee</i>			Member					Member	Chairman
MEMBERS									
<i>Executive</i>	•	•	•		•				
<i>Non-executive</i>				•					
<i>Independent</i>						•	•	•	•
<i>Represents >3% of the company's shares</i>	•	•	•	•					
<i>Average length of service >9 years</i>	•	•							
TRAINING, SKILLS, AND EXPERIENCE									
INDUSTRIAL	•	•		•	•	•	•	•	•
Executive from same industry/sector	•	•		•		•	•		
FINANCIAL			•					•	•
RISKS	•		•	•		•	•	•	•
SUSTAINABILITY		•	•	•	•		•	•	•
Environmental · Social · Governance									
OTHER	•	•	•	•	•	•	•	•	•
Experience in international environments									



2022: a year of progress

2022 ACTIVITIES PLAN: MAIN ISSUES SUMMARY	Board of Directors	Audit Committee	Appointments and Remuneration Committee	Sustainability and Corporate Governance Committee
ESG rating agency methodology study Reporting and updating of evaluations: Moodys The ESG Solutions, Sustainalytics, S&P CSA, CDP Materiality analysis based on results relating to the improvement of policies, processes, and management				●
Process to prepare, monitor, and submit the Statement of Non-Financial Information as part of the annual accounts for the 2021 financial year and the integrated information	●	●		●
Updating of regulatory new developments and advances on European Taxonomy, as well as confirmation of non-applicability to Antolin-Irausa, S.A.U.				●
Updating of the decarbonization targets and road map in the fight against climate change in line with the trends and commitments of the investment market, sector, and customers	●			●
Review and updating of the strategic pillars of responsible business: Planet, People, and Business, within the framework of the transformation process and review of the company's strategy				●
Related-party transactions by Antolin's Directors		●		
Updating and approval of the Modern Slavery Act with a scope covering all of the company's businesses	●			●
Updating of commitments and approval of corporate policies on Compliance, Anti-Corruption, Corporate Social Responsibility and Human Rights, and Environment and Energy	●			●
New remuneration system applicable to the CEO with sustainability targets: Long-Term Incentive (2022-2024): 15% reduction in Scope 2 CO ₂ emissions by 2024 (base year: 2021) 2022 MBO: 2022 5% reduction in Scope 1 and 2 CO ₂ emissions by 2022 (base year: 2021)	●		●	●
Monitoring report on ESG indicators and associated targets linked to revolving credit				●
Submission and approval of the Gear up Our Ambition (GOA) 2022-2026 transformation project	●	●	●	●
New organizational structure of the company linked to the GOA transformation process	●	●	●	●
Reputational Risk Management Manual, communication and awareness plan	●	●	●	●
Updating of the Criminal Risk Organization and Management Model for the 2022 financial year	●			●
Evaluation of the external audit firm		●		
Updating of the One Client project: customer requirements and company positioning				●
Information and monitoring: <ul style="list-style-type: none"> ● Progress on digitalization projects such as the One Global Finance project ● Simulation of the fiscal impact of the OECD Pillar II ● Antolin's financing covenants ● Special Purpose Entities ● Incorporation of Antolin's Captive Insurer in the United States ● Auditing of information systems outsourced to KPMG ● Progress in cyber security 		●		
Monitoring of activity in the whistleblowing channel: complaints and claims received during the year together with the conclusions, action plan, and necessary considerations	●	●		●
Review of the Compliance Management System				●
Review of the Privacy Management System				●
Risk Management Model: <ul style="list-style-type: none"> ● Process to review and update the corporate risk catalog ● Presentation of scorecard and review of indicators (KRIs) ● Pending evaluation linked to the new organization 		●		●



2023 Challenges : anticipation, agility, transformation and resilience

Review the structure and responsibilities of the delegated committees with an expansion and adjustment of the matrix of knowledge, experience and skills required to address the challenges of the mobility of the future, promote growth and the transition to a sustainable economy, and respond well to a complex, uncertain and volatile context.

Regularly monitor the objectives defined within the GOA —Gear Up our Ambition— transformation program to initially maximize business results and operational efficiency.

Strengthen the Board's leadership based on its commitment to its roots and values and focus on the company's future, through listening and dialog as a basis for attracting, retaining and looking after talent. This forms part of Antolin's strategy to be the leading employer, thanks to the action plans to retain and develop its professionals.

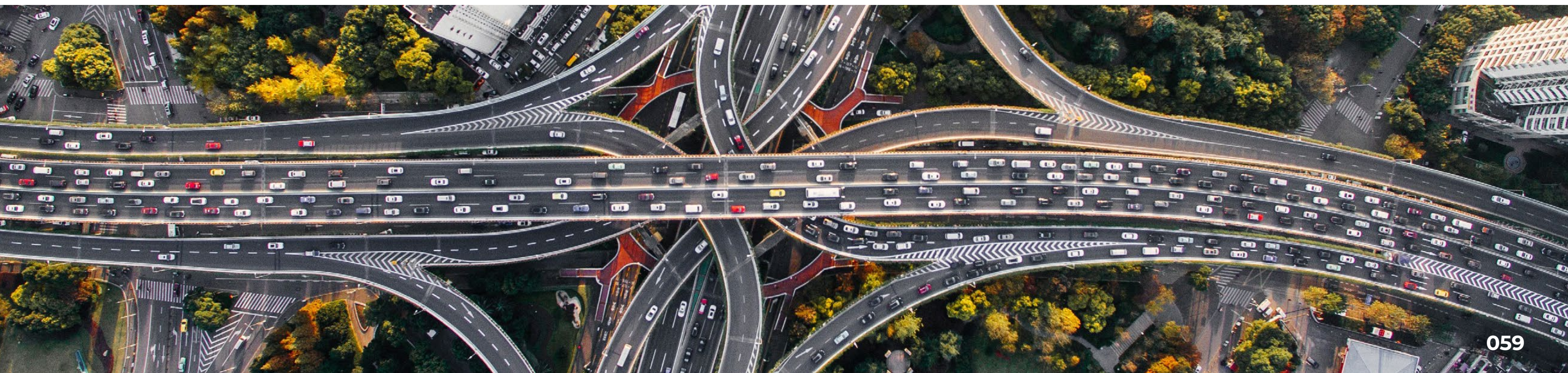
Promote the corporate culture of purpose to generate greater value in our current business, while developing a project for solid and credible long-term growth; facilitating the alignment of strategies, goals and objectives throughout the organization with the expected performance.

Define the company's new risk catalog in accordance with Antolin's new organizational structure, transformation strategy and environment, including the actions to be taken to mitigate each of the identified risks, the potential residual effect that risks may have on the strategy and operations, together with a possible mechanism for early warning of risks.

Monitor, in advance and regularly, the regulatory developments in environmental, social and governance matters and their correct integration into the different areas of the organization from their corresponding areas of responsibility.

Strengthen the information reporting and control systems to guarantee the quality, reliability and good governance of the data, for their correct analysis and management within the framework of the company's informed decision-making process; as well as supervise their use, progress and quality reporting.

Intensify Board's role in the internal and external visibility of Antolin's value, in response to the increasing demand for transparency from the different stakeholders and for the prevention of greenwashing throughout the value chain.





Management team

In a sector as competitive and in constant transformation as the automotive components industry, Antolin has the guarantee that comes with having a management team with extensive experience and recognized success in different fields. It is made up of more than 270 people from across the 26 countries where the company operates. At the head of this team is the Antolin Extended Executive Committee, which has eight men and two women. The Committee, formed last year, includes professionals with extensive experience within the company, along with international profiles who have joined Antolin to provide a global and transformative vision of the industry.

As part of the GOA Transformation Plan, the company has implemented a **new organizational structure that is simpler, more uniform, and makes it possible to roll out operational excellence across the organization, while putting the customer at the center of decision-making.** The key changes are:

- Setting up the **Transformation Department**, which will unlock initiatives to improve performance across Antolin. It will foster continuous improvement projects, develop Advanced Industry plans, identify best practices for implementation throughout the organization, and build a culture of operational excellence.
- The Sales Department is now **Customer Development** with global account managers tasked with devising strategies for customers that meet their expectations and requirements.
- The **Business Units** (BUs) are arranged into two areas to separate the mature businesses from their more technological counterparts and thus better unlock the potential of each one:
 - **Product Systems:** organized into four business units (BUs): Overheads, Doors and Hard Trim, Cockpits & Central Consoles, and Components and JIT.
 - **Technological Solutions:** Lighting, HMI, and Electronics BU. This area also includes the Innovation Department which is to ramp up its role as a business generator for the company.



Ernesto Antolin Arribas
Chairman



María Helena Antolin Raybaud
Vice-Chair

EXECUTIVE COMMITTEE



Ramón Sotomayor
Chief Executive Officer



Javier Alonso
Chief Transformation Officer



Cristina Blanco
Chief Finance Officer



Fernanda Cardama
Chief Human Resources Officer



Miguel Marañón
Group Executive Vice President Customer Development



Christophe Ancey
Group Executive Vice President Product Systems



Jorge Juárez
Group Executive Vice President Technology Solutions

EXTENDED EXECUTIVE COMMITTEE



Russ Goemaere
Group Executive Vice President North America



Benoit Schlumberger
Group Executive Vice President Asia



Sergio Freitas
Group Executive Vice President Supply Chain*

*To join in 2023.



05.2

Ethical behavior and compliance: our best guarantee

Management approach

Antolin is aware that what it does is important, but **how it does it is what really makes the difference**. Being a benchmark in conscious leadership means making significant effort to go beyond the legislative requirements and demands. Following the principle of compliance, the company works every day to establish an internal culture based on ethics, respect, and integrity. An exemplary culture where each and every one of the people comprising the company follows a model of responsible behavior in their relationship with others.

As part of the “Business with added value” pillar in the company’s ESG goals, Antolin aims to reinforce this behavior among its professionals through the Code of Ethics and Conduct and, at the same time, extend its high ethical standards to its entire supply chain.

A BUSINESS WITH ADDED VALUE

A leader in ethics, integrity, and compliance

- 100% of confirmed reports resolved
- 100% of people trained in the Code of Ethics

Ethics and compliance model

The reference framework that lays the foundations in terms of ethics and compliance is set out in the Compliance Master Plan 2024. Following this road map, Antolin is in an evolutionary process with which it aims to reach an optimum level of compliance maturity. The aim is for the organization to be able to proactively identify any potential risk and offer an appropriate response.

In the daily management of its activity, Antolin has a series of policies and tools that guarantee ethical behavior in accordance with the laws, regulations, and principles of reference in each area and region.

- [Code of Ethics and Conduct](#)

Essential element of 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 processes for the selection and assessment of all suppliers and subcontractors, in each and every process for procurement, manufacturing, and/or supply of products or services.

- [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 Antolin’s internal regulations.

- [Corporate Compliance Policy](#)

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

- [Anti-Corruption Policy](#)

Encompasses the commitments, guides, and policies to tackle any conduct that may be considered an act of corruption or bribery.

- [Corporate Social Responsibility and Human Rights Policy](#)

Guarantees a responsible management of the impact of Antolin’s activity on the environment, people, and society.

- [Conflict of Interest Policy](#)

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

- [Gifts and Hospitality Policy](#)

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.

- [Corporate Privacy Policy](#)

Company principles and commitments regarding the processing and protection of personal data, in accordance with applicable data protection laws and internal procedures.

- [Anti-Trust Policy](#)

Framework of action to prevent any employee, collaborator, or third party representing or maintaining commercial relations with the company from engaging in anti-competitive practices, guaranteeing fair and effective competition in those markets and regions where Antolin operates; promoting the establishment of a compliance culture, protecting its reputation, and defending the values set out in the Code of Ethics and Conduct.

- [Prevention and Combating of Harassment Policy \(Anti-Harassment Policy\)](#)

Corporate policy to prevent and act appropriately in any situation of harassment in the workplace.

- [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](#)

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



Human rights: at the core of decisions

Antolin believes in and promotes a sustainable business model that combines the search for profitability with economic, social, and environmental prosperity. It does so from the absolute conviction that its founding values point the way: all its decisions and actions must be upright, ethical, transparent, and respectful of human rights.

The company follows trends and regulations in this area closely, especially the proposed European directive on corporate due diligence in sustainability, and is already **making progress in the human rights due diligence process from the perspective of dual materiality.**

The compliance department is responsible for ensuring compliance with human rights commitments in all geographies where Antolin is present. All this with the ambition of strengthening a culture of prevention, mitigation, and redress with the aim of processing, investigating, and resolving 100% of human rights claims. A goal achieved in 2022.

In accordance with the framework set by the **Guiding Principles of Business and Human Rights**, Antolin's human rights management model follows three steps:

1. Public commitments to human rights
2. Due diligence procedure
3. Mechanisms for redress

Public commitments to human rights

The company promotes the protection of and respect for human rights through the Code of Ethics and Conduct, as a guide and maximum expression of ethics and integrity.

Both the Code of Ethics, available in 22 languages, and the Corporate Social Responsibility and Human Rights Policy, updated in 2022, are part of the corporate governance model and come directly from the company's Board of Directors, the latter at the proposal of the Sustainability and Corporate Governance Committee.

Given the challenges that Antolin must face, the continuous analysis of trends, stakeholder expectations, and regulatory requirements is essential as a tool for anticipating, listening, and responding to relevant issues for the planet, people, and society.

Internal reference framework

- Code of Ethics and Conduct.
- Sustainable Business Model. Strategic objectives: Planet, People and Business.
- Corporate Social Responsibility (CSR) and Human Rights Policy.
- Modern Slavery and Human Trafficking Statement.
- Conflict Minerals Policy.

External reference framework

- United Nations Universal Declaration of Human Rights.
- Agenda 2030: Sustainable Development Goals 3, 4, 5, 7, 8, 10, 16 and 17.
- Principles of the United Nations Global Compact: Principles 1, 2, 3, 4, 5, and 6.
- Guiding Principles of Business 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 (ILO): Conventions 29, 87, 98, 100, 105, 111, 138, 182.
- The Global Sullivan of Corporate Social Principles.
- Section 1502 on conflict minerals of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- World Benchmark Alliance. Corporate Human Rights Benchmark Corporate (CHRB).
- German Due Diligence Law.



Picture from Antolin's photography competition to celebrate Cultural Diversity Day



Due diligence procedure

True to its desire to anticipate and continuously improve, Antolin is moving forward in its due diligence process with the following 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 Conduct for suppliers** by 100% of the supply chain.
- **Assessment** of the human rights performance of **direct material suppliers** to reach 96% by 2026.
- Promotion of mechanisms that allow for the **safe communication** of any queries, information, or complaints.
- **Research, processing, redress, and follow-up** procedures.
- Continuous **monitoring** as a measure for anticipating potential risks.

In 2022, Antolin —already a member of the Business and Human Rights working group of the Spanish Global Compact Network— joined the United Nations Business & Human Rights (BHR) Accelerator program in order to further strengthen its human rights due diligence processes.

Another milestone in this area in the last year was the launch of a due diligence training course for Antolin employees. This course is in addition to the training already offered on issues such as the Code of Ethics and Conduct, and the prevention of harassment.

The company also continues to take steps to roll out these commitments to its supply chain and is working to reduce the risks of human rights violations in all links, with special attention being paid to suppliers of conflict minerals.

Integration of human rights into risk management

The integration of human rights into Antolin's **risk management system** in 2018 has facilitated the establishment of systems and processes to address potential impacts on human rights caused both by the company in its ordinary activities and actions, and by the people who are directly or indirectly related to it in the performance of their activity.

Management and monitoring is carried out in the SAP GRC tool, through its Risk Management module, as part of the due diligence process implemented by the company.

The key points of the process include the identification of applicable human rights based on their impact for Antolin, supported by the methodology developed by the Corporate Human Rights Benchmark (CHRB) initiative for the automotive sector. The CHRB methodology allows the performance of organizations in the sector to be evaluated in a comparable manner, based on how they address their risks and impacts from their policies, processes, and practices. For prevention purposes, the Compliance department carries out a monthly monitoring of each company —with traceability in the risk map itself— concerning any possible incident that could affect Antolin's commitment.



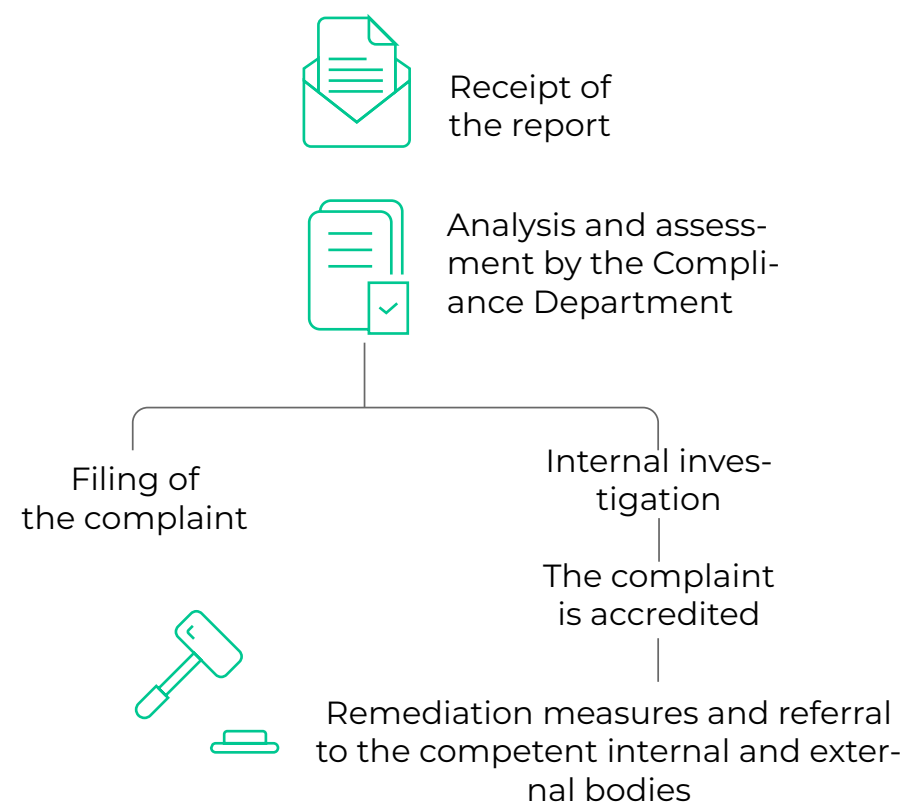
Mechanisms for redress

Since 2010, Antolin has had an **international Whistleblowing Channel** to deal with reports related to possible breaches, conduct, or actions contrary to the values, commitments, and principles contained in the Code of Ethics and Conduct, policies and regulations, including possible violations of human rights.

Open to everyone providing their services at any of Antolin's companies, the whistleblowing channel is also accessible to other stakeholders outside the organization through the intranet, website, and email.

In 2022, two cases related to workplace harassment were identified, investigated, and resolved, along with three complaints related to a lack of respect and fair treatment in the workplace. The total number of complaints was the same as in 2021 and the year ended with **100% of confirmed human rights complaints having been resolved**, in line with the company's targets.

All complaints were made internally by Antolin employees—with none resulting in legal proceedings—and were addressed by the company through action plans and remediation measures such as: disciplinary actions, coaching and training, cessation of professional activities, awareness raising, or monitoring of actions and conduct.



Zero tolerance for corruption and bribery

Antolin promotes a zero tolerance culture against any form of bribery or corruption, be it active or passive, private or public. To this end, it has an **Anti-Corruption Policy**, which was updated and approved by the Board of Directors in 2022, with the aim of incorporating the action principles that Antolin has been applying, as well as all the requirements and improvements derived from the implementation of the business model established through the compliance and anti-bribery management system.

This policy is 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.

Moreover, in order to meet the commitments described in the Global Anti-Corruption Policy, Antolin has established a **Global Compliance Management System**, based on the principle of transparency and due control. All of this without losing sight of the constant need to improve the mechanisms for detecting, correcting, and reporting these abusive practices.

Strong evidence of the company's progress in this regard 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**. The latter was renewed in 2022 following a successful audit process.

Another fundamental element of this commitment is the **training, educating, and awareness of all its professionals**. In fact, during 2022 Antolin developed and implemented new e-learning courses and training on its Success Factor platform, which are in addition to those launched in previous years in areas related to corruption, such as conflicts of interest and the prevention or fight against harassment.

In addition, to mark International Anti-Corruption Day, the company launched a global statement to the entire organization, together with an informative video, with the aim of emphasizing the principle of zero tolerance for corruption.

Influence of stakeholders or lobbies

Antolin guarantees legality, transparency, and integrity in all those practices, negotiations, and strategies of influence or lobbying.

In 2022, the company did not make any contributions to or cover any expenses of political campaigns, political organizations, pressure groups or lobbying organizations, trade associations, or other tax-exempt groups.

Combating money laundering

From a financial viewpoint, 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. In this regard, the Anti-Corruption Policy expressly includes a ban on performing any transactions with assets known to come from criminal activity, with the adoption of internal procedures for the prevention of money laundering.

In view of all the aforementioned measures, the company also contributes to the identification of the source and destination of funds to prevent the financing of criminal activities, terrorism, or capital flight, through the certification of the ownership and origin of bank accounts, together with the establishment of financial controls contemplated by the internal control over financial reporting system (ICFR).



Due diligence, a guarantee of compliance

Respect for the principles and values that inspire Antolin is a fundamental factor in the correct operation of the company and, moreover, it is conceived from a cross-cutting approach. For this reason, the company has considered it essential to equip itself with due diligence procedures, included within its **compliance management system**.

Through these procedures, the company defines, implements, and ensures strict compliance with the law, making sure that, both internally and externally, its partners, customers, suppliers, and any external person or entity that wants to be linked to the organization, behave in a way that follows the values, ethical standards, and corporate responsibility that define Antolin.

Within the framework of the aforementioned management system, those situations that may pose a risk are monitored so that, once detected, the **monitoring mechanisms** are activated for their correct follow-up and subsequent validation. This allows the creation of action plans that guarantee good practice and compliance with the governance model.



Managing conflicts of interest

Antolin understands a conflict of interest to be any scenario in which a person, influenced by personal or financial interest, could see their levels of objectivity, neutrality, or independence impaired. In order to identify and, consequently, mitigate these cases, the company applies 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 the close supervision of their functions.
- **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.
- **Advice:** any employee can communicate or request advice in potential situations of this type, through a private email address for the Compliance Department or the Whistleblowing Channel.
- **Training:** teams are informed about the content and approval of the Conflict of Interest Policy through internal notifications, which also promote a culture of compliance and respect for the law.
- **Establishment of a procedure and system for the segregation of functions:** a tool that allows us to monitor, manage, and control the accesses implemented.



The due diligence mechanisms apply, both internally and externally, to all of the people and entities who want to work with Antolin



Respect for free competition

Antolin defends free competition and believes that it has a beneficial effect on the socio-economic development of society as a whole, 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, Antolin considers that the freedom of the business sector to make its own decisions offers the end customer the options to choose the products or services that best suit their needs.

In fact, in order to guarantee the protection of fair and effective competition, Antolin has defined guidelines for action within the framework of its **Antitrust Policy**, which are applied in all the markets where it operates. Following these practices, the company establishes —within the compliance system— a model for the management and control of anti-competitive risks. In this way, the company 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 anti-trust area. Moreover, since 2021, all the sales and management teams have received specific training through a course given by the compliance department on Spanish Antitrust Law and anti-competitive practices.

Promotion of transparency

Antolin is governed by the firm conviction that transparency must emanate from the core of the business and reach all the people who make up the organization or are related to it. The cornerstone of this internal culture is the **whistleblowing channel**, set up to facilitate the reporting of any 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 complaints are processed, analyzed, and assessed by Antolin's Compliance Department. If the procedure is continued, 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.

Thirty-four complaints were received through the Whistleblowing Channel in 2022, nine more than in the previous year. Of these, 17 were substantiated complaints that were addressed, in all cases, with corrective actions. There were also three cases of corruption related to misappropriation of company assets, which were dealt with appropriately, as well as four complaints in the area of human rights and discrimination, which were also resolved.

Responsible taxation conduct

In line with its corporate tax policy, which is integrated into the company's corporate governance rules, Antolin strictly complies with the **tax regulations in force at both the national and international level**, and always aims to prevent possible tax risks and discrepancies.

Beyond adopting the duty to contribute fairly to government spending, following the principle of prudence in the interpretation of the rules and responsibility in their application, Antolin redoubles its efforts to implement and develop **best practices in tax matters** in all the countries in which it operates. The company's commitment is to maintain relations with the tax authorities based on three principles: transparency, good faith, and fairness.



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



Security of information and cyber security

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

The **new mobility** continuously poses new challenges for information security. This is why Antolin is working on new technological solutions, always taking into account respect for the protection and privacy of the information obtained in these developments.

The guidelines on which the protection of corporate information resources is based at Antolin are:

- Protection of personal data
- Security of information (systems within the company)
- Cyber security (protection against external attacks)

Information security management—which, beyond information systems, also covers areas such as prototypes or the physical security of buildings—continues to focus on digital assets. In order to achieve better coordination with the closely related field of cyber security, information security has been part of the scope of responsibility of the Corporate Information Systems department since 2021.

Antolin's security systems have the "very high" certification as a result of the TISAX (Trusted Information Security Assessment Exchange) audit, which was passed—just like the ISO 27001 audit—with no non-conformities.

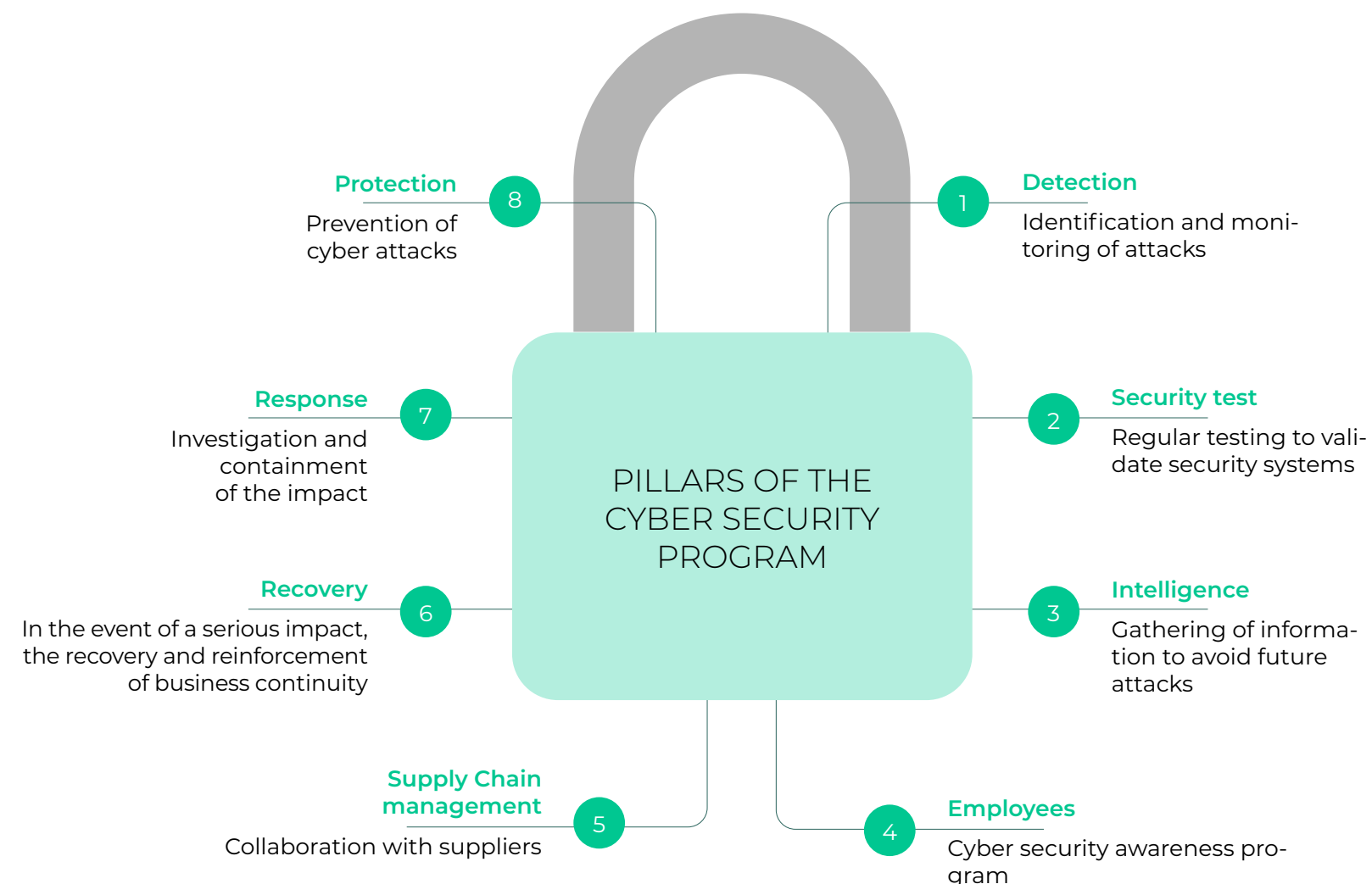
360° strategy in cyber security

The digitalization of business activity, robotization, and growing use of digital tools have increased companies' exposure to cyber risk. In its eagerness to control and prevent risks, Antolin has a 360° strategy aimed at strengthening the protection of the company's assets against cyber attacks and cyber crime through eight pillars.

In 2022, Antolin continued to promote **communication, awareness raising, and training actions for all employees** who use digital tools as their main working method. The most important milestone in this area was the launch of an online course on information security for the entire workforce, together with another on respectful communications and the correct use of email.

In addition to raising awareness and informing people about the adverse effects of malware, the company is focusing its efforts on making it easier for the user to identify communications that could lead to potential security breaches in the system. Antolin also undertakes to implement the necessary control mechanisms to protect its information.

In the area of international data protection, Antolin went one step further in 2022 by receiving **approval of its Binding Corporate Rules (BCR) from the European and Spanish Data Protection Authorities**, after demonstrating that it has the appropriate processes and policies in place to protect the information and personal data of the entire organization





Training and awareness-raising: building a compliance culture

People are one of Antolin's main assets. They are the ones who make it possible for the company to maintain its leadership and be better every day. Therefore, with the aim of strengthening this culture of ethics and compliance in all of them, significant resources are being dedicated every year to their training and awareness.

Thus, in 2022 Antolin offered its employees new online training programs, developed based on approaches for estimating risk and materiality:

- Due diligence with third parties
- Security of information
- Respectful communications

These courses strengthen the already existing training on offer for different topics: Code of Ethics and Conduct, anti-corruption, privacy and data protection, antitrust, conflict of interest, due diligence with third parties, prevention of harassment and discrimination.

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

Compliance training

	Compliance and Human Rights through the online Code of Ethics and Conduct 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
2021	6,783	5,697	1,938	1,404	588	687	1,645	1,316	3,895	2,922
2022	9,006	7,205	2,224	1,601	756	794	1,815	1,452	6,995	5,246

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

**Launched in 2021.

Breakdown of figures in 2022 by gender, category and geographical area

Compliance and Human Rights through the online Code of Ethics and Conduct course

	By gender		By category							By geographical area				
	Male	Female	SL	IL	DL	Executive	Middle Management	Operator	All other personnel	Spain	Europe	Asia, Middle East and Africa	North America	Mercosur
Employees	6,480	2,526	4,281	4,684	41	264	1,257	7,426	59	1,196	4,146	1,437	1,911	316
Hours	5,184	2,021	3,425	3,747	33	211	1,006	5,941	47	957	3,317	1,150	1,529	253

*Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2022: 91%.

Anti-corruption and Competition

	By gender		By category							By geographical area				
	Male	Female	SL	IL	DL	Executive	Middle Management	Operator	All other personnel	Spain	Europe	Asia, Middle East and Africa	North America	Mercosur
Employees	1,647	577	1,460	763	1	298	1,001	914	11	393	953	370	438	70
Hours	1,186	415	1,051	549	1	215	721	658	8	283	686	266	315	50

*Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2022: 97%.



Data protection and privacy

	By gender		By category							By geographical area				
	Male	Female	SL	IL	DL	Executive	Middle Management	Operator	All other personnel	Spain	Europe	Asia, Middle East and Africa	North America	Mercosur
Employees	376	380	611	145	0	36	124	596	0	149	300	117	169	21
Hours	395	399	642	152	0	38	130	626	0	156	315	123	177	22

*Training program launched in 2020. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2022: 95%.

Conflict of interest and independence

	By gender		By category							By geographical area				
	Male	Female	SL	IL	DL	Executive	Middle Management	Operator	All other personnel	Spain	Europe	Asia, Middle East and Africa	North America	Mercosur
Employees	1,370	445	1,164	651	0	259	949	599	8	348	751	298	358	60
Hours	1,096	356	931	521	0	207	759	479	6	278	601	238	286	48

*Training program launched in 2021. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2022: 93%

Prevention and combating of harassment

	By gender		By category							By geographical area				
	Male	Female	SL	IL	DL	Executive	Middle Management	Operator	All other personnel	Spain	Europe	Asia, Middle East and Africa	North America	Mercosur
Employees	4,920	2,075	3,146	3,822	27	247	1,118	5,589	41	1,072	3,101	1,183	1,376	263
Hours	3,690	1,556	2,360	2,867	20	185	839	4,192	31	804	2,326	887	1,032	197

*Training program launched in 2021. People trained as a proportion of the target group based on proximity to the risk, cumulative to 12.31.2022: 83%.

Environmental and socio-economic compliance

Antolin's ethical and compliance culture is the foundation for a series of procedures implemented to channel communications regarding environmental, social, or economic breaches. In addition to receiving these queries or complaints, the company is committed to providing a response in a timely manner.

In 2022, no significant breaches of environmental or social-economic legislation or regulations have been identified.





05.3

An effective culture of risk management

Management approach

Antolin considers risk management as an essential task to guarantee both long-term financial planning and the organization's flexibility when faced with possible crises. The company has an **internal control system** to identify, manage, and monitor all risks that could threaten the achievement of its objectives. This model covers 100% of current and newly created operations.

The following **key principles** govern Antolin's risk management:

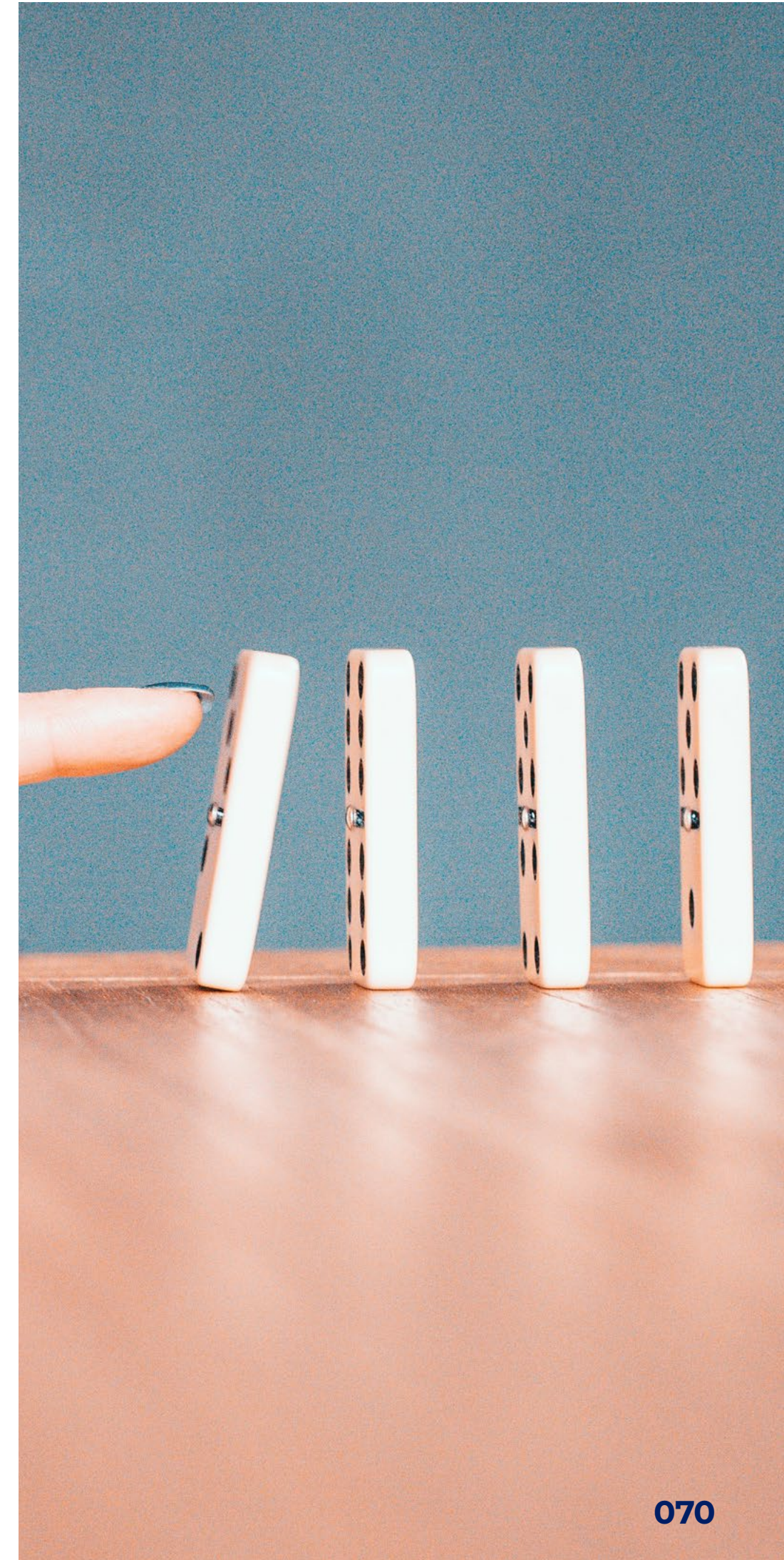
- Managing risks across the company, with no exceptions.
- Ensuring compliance with the corporate risk management process, which includes identification, assessment, response, monitoring, or tracking, and information.
- Establishing the risk levels deemed acceptable by the company.
- Providing consistent risk responses, appropriate to business conditions and the economic environment.
- Regularly reviewing the assessment of risks and the responses designed.
- Monitoring the controls and strategies related to risk management to ensure that they work.
- Regularly assessing the fulfillment of the activities to identify, assess, respond to, monitor, or 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.

These principles are not the only factors as Antolin's success in this area cannot be explained without talking about its genuine **risk management culture**. A culture that encompasses the entire company, from senior management (with risk management metrics in financial incentives) to employees at all levels (through training and awareness raising), with special attention to the professionals most exposed to risks within the organization.

Roles and responsibilities in risk management

The bodies involved in Antolin's risk management are:

- **Board of Directors.** The right to approve Antolin's risk control and management policy is reserved for its meetings in plenary session.
- **Audit Committee.** As a result of delegation by the Board of Directors, this is the body responsible for supervising the effectiveness of the company's internal control, internal audit, and financial and non-financial risk management systems.
- **Sustainability and Corporate Governance Committee.** This is responsible for assessing everything related to the company's non-financial risks, ensuring the existence of a protocol to mitigate these risks and their inclusion both in the organization's global risk map and in the mitigation programs, in coordination with the Audit Committee.
- **Executive Committee.** This ensures the proper functioning of the risk management model, and is responsible for implementing and managing the strategy, culture, people, processes, and technology that constitute the company's risk management model, among other functions.
- **Risk Committee.** Led by the corporate risk manager and made up of representatives from different organizational areas, it is responsible for analyzing and updating the risk catalog and promoting the implementation of action or contingency plans.





Antolin's risk catalog

Antolin's risk catalog includes the different types of risks that could affect the company's financial growth or activity in the markets in which it operates. It is updated with a certain frequency in accordance with three criteria: probability of risk occurrence, internal capacity to detect and manage the risk, and impact in the event of the detected risk materializing.

The company also incorporates into this risk catalog —classifying them as “non-financial”— those risks that, while they do not have a financial origin are becoming increasingly important to companies as they may have an impact on their business plans and results.

Classification of Antolin's risk catalog

Corporate risks

- » **Strategic Risks:** related to the objectives of 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

Risks associated with climate change

The consequences of climate change are one of the most important factors when assessing the risk derived from a possible increase in the prices and availability of raw materials, especially the components most used in the manufacturing processes in this sector.

Aware of this, Antolin has identified a series of risks —political, legal and reputational, technological, market, and physical— related to climate change to which it may be exposed; and following their assessment, it has established a specific plan with the following measures:

- To assess the company's vulnerability to the impacts of climate change.
- To reduce its exposure to physical impacts or strengthen its adaptive capabilities.
- To mitigate their consequences on assets (buildings, equipment, etc.) and operations.

As part of Antolin's corporate risk policy, the insurer FM Global annually assesses the climate risk of the company's main plants around the world. In 2022, seven plants received the highest rating that a company can obtain for their safety systems, according to this insurer's standards. With the addition of these seven, there are now **thirty plants that hold the HPR (Highly Protected Risk) rating**, with another six plants expected to obtain it in the near future.

Another achievement in 2022 was the assessment by the Carbon Disclosure Project (CDP), in which **Antolin received a B both in the CDP Climate Change Index and in terms of risk management processes** (an average rating for the sector) **and risk communication** (above average for companies in the sector).

As part of its vocation for continuous improvement, Antolin is already working so that in the future it can identify, assess, and quantify the financial impact of climate-related risks and opportunities, with the aim of responding to the requirements of **Spanish Law 7/2021 on Climate Change and Energy Transition**, and the **recommendations of the TCFD** (Task Force on Climate-Related Financial Disclosures).

Roles and responsibilities in climate change risk management

- **Risk Committee.** This promotes the application of the action and/or contingency plans agreed with the risk management function. It also performs a monthly assessment of the KRIs (Key Risk Indicators), in which it evaluates the absence or inadequacy of a contingency plan covering both preventive management and recovery in the event of a natural catastrophe.
- **Managing Director.** With the support of the other management functions, this person establishes the actions to be implemented in the event of an emergency; and reviews and verifies its contingency plan, as well as its effectiveness and updates.
- **Risk officers.** These people are responsible for training and raising awareness of staff members affected about these risks and how to address them in the management model. These training sessions must always be held before the deadline defined by the contingency plan.



05.4

A good relationship with the investor community

Management approach

The ability to adapt to the environment, the commitment to progressing in the digitalization of the finance function, and the strong relationships with the financial community are key levers at Antolin to mitigate the uncertainty derived from the current context. The company is convinced that the evolution of the finance function must be oriented towards strategic, business, and value creation aspects, in addition to providing support to the decision-making process at the highest level of the organization. The result of this evolution will be an area focused on change and strategic transformation, anticipating environmental trends, while conveying confidence and security to all its stakeholders.

In 2022, the activity of Antolin's financial department was influenced by the challenging market conditions, such as the war in Ukraine and its impact on the energy market, the persistence of bottlenecks in the supply chain, and the inflationary spiral.

This is a complex scenario and one which the company was able to navigate thanks to the professionalism of the team and the conviction that rigor and discipline in the financial area are essential to meet the obligations agreed with bondholders and lenders, and thus be able to contribute to the sustainability of the business. Proof of this is that during the past year, Antolin's analysts and investors have continued to show their confidence in the company's evolution and prospects.

At the same time, Antolin continues to consolidate its value proposition for investors as a responsible business model, and 2022 was a year of progress in terms of ESG and information transparency on the main indicators required by the financial community.



One Global Finance: more effectiveness and efficiency

One of the main milestones in Antolin's financial area in 2022 was the implementation of the 'One Global Finance' project in Spain, the United Kingdom, the Czech Republic, and Slovakia. This project aims to optimize the processes that make up the finance function, and to increase the efficiency and effectiveness of the area through digitalization and standardization in all its activities.

In addition to improving the resources allocated to the more administrative and operational areas, 'One Global Finance' will allow Antolin to strengthen the more strategic activities with greater weight in the company's decision-making process.



Transparency and continuous dialog

In its management and in all business areas, 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, Antolin has various communication channels and tools.

Antolin's Investor Relations department is responsible, among other duties, for ensuring that the information provided to the market —mainly rating agencies, analysts, and institutional fixed-income investors— is conveyed fairly, symmetrically, and in a timely manner.

It also maintains a permanent, constructive, effective, and transparent dialog with analysts and investors. Any financial market agent can request a meeting in order to learn about the company's situation and future prospects in detail. The Investor Relations department regularly and personally responds to questions from analysts and institutional investors in fixed income and socially responsible investment.

Channels and tools for communication with investors

In order to facilitate accessibility, an understanding of the information, and the involvement of bondholders, there is a communication channel with the investors area through **email** (inversores@grupoantolin.com) and a specific **telephone line** (+34 947 477727).

Antolin also has an investor area on its **website**: www.antolin.com/es/investors.

For the quarterly presentation of the earnings reports, the company publishes the relevant documents both on its website and on the Luxembourg Stock Exchange. It also holds a conference call, attended by the company's management, for market agents. In 2022, four conference calls on the company's earnings were held and it attended the Deutsche Bank 26th Annual European Leveraged Finance Conference in person.



2022, a year of improvement and recognition by the main ESG rating agencies

Another step in sustainable finance

The importance of the ESG criteria in the investor community has gained momentum in the post-COVID era, thanks to the consensus around the need for a just and sustainable recovery. Step-by-step, sustainable finance is becoming established as a key lever in mobilizing resources to address the major challenges of the time, with the European Union's Sustainable Finance Action Plan and taxonomy as figureheads.

Sustainable finance is leading the way and Antolin is no exception. In 2022, the company focused on **monitoring and complying with the ESG criteria incorporated into the process for the renewal and extension of the syndicated loan** carried out in 2021. Since then, this long-term credit line has had two specific sustainability metrics: one related to CO₂ emissions and the other to employee accident rates.

The improvement in environmental, social, and governance performance continues to bear fruit, and we can already look back on a year of recognition and increased ratings from the main ESG rating agencies. In 2022, both Sustainalytics and Moody's The ESG Solutions gave a better rating.

In addition, the prestigious Carbon Disclosure Project (CDP), a benchmark in the assessment of companies' environmental performance, also raised its rating in 2022 compared to the previous year. Ecovadis has maintained its silver rating, pending reassessment at the close of the report.

All this contributes to the company being better positioned with regard to the investor community and, therefore, having a greater capacity to access financial capital in the medium and long term.

