Sustainability Report 2024

SEWS CABIND

Connect with Innovation

SUMITOMO ELECTRIC GROUP

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Letter to Stakeholders

Dear Stakeholders,

With great responsibility and awareness, Sews-Cabind Group is pleased to present, for the first time, its Sustainability Report, prepared in accordance with the new Corporate Sustainability Reporting Directive (CSRD) of the European Union.

This document represents an important milestone in the path of transparency and commitment that our company intends to pursue in the field of environmental, social, and governance sustainability.

The preparation of this first Sustainability Report represents for us a moment of reflection and in-depth analysis of our current performance, as well as a fundamental starting point to define and strengthen future objectives. In particular, the double materiality analysis process has allowed us to carefully examine both the positive and negative impacts of our activities on the environment and society, as well as the related financial impacts. This approach enables us to have a comprehensive and integrated view of the challenges and opportunities related to sustainability.

Sews-Cabind Group firmly believes that sustainability represents not only an ethical duty but also a strategic opportunity to ensure the long-term and responsible growth of our business. The sustainability challenge is deeply felt not only by our company but also by the parent company in Japan, which provides us with valuable strategies and support, strengthening our commitment and our ability to act effectively.

For this reason, we intend to progressively increase our commitments in this area, adopting increasingly virtuous and transparent practices, and actively involving all our stakeholders in this shared journey. Through this first measurement, we have been able to more clearly identify the areas where improvement is needed and the essential data to be collected to effectively monitor our impact and contribution to sustainability.

We trust that this Sustainability Report will be a useful tool to strengthen the dialogue with you, our partners, customers and suppliers and to consolidate the mutual trust that forms the basis of our success.

Thank you for your attention, and we wish you a pleasant reading.

Best regards,

Presenting the Group

Sews-Cabind Group is a multinational company based in Collegno near the city of Torino, in the northwest of Italy. It is owned by the Sumitomo Electric Group (SEG) through the holdings of the multinational companies Sumitomo Wiring System Ltd (SWS) and Sumitomo Electric Industries Ltd. Sews Cabind S.p.A. owns 100% of Sews Cabind Poland and Sews Cabind Albania, and 99.5% of Sews Cabind Maroc (0.5% owned by Sews Cabind Poland).

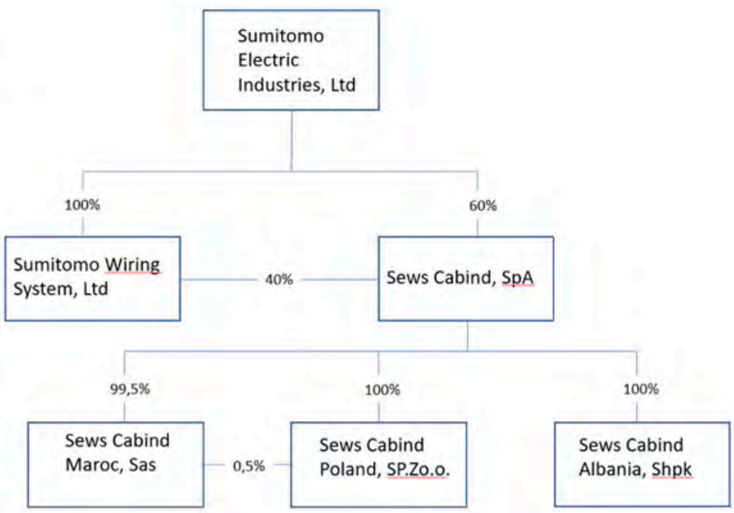


Figure 1 Sews Cabind Group corporate control

SC's core business is focused on the development and production of wiring harnesses for passenger cars, heavy and light industrial vehicles, agricultural machinery, construction machinery and forklifts.

The Group supplies custom products to clients such as **CNHi, Stellantis, and IVECO**. For this purpose, its main **suppliers are raw material providers for wires production and assembly, and service providers.**

SC owns **8 production plant** and operates **in 3 countries** with subsidiaries managing the local production sites:

SEWS-CABIND Maroc S.A.S

SEWS-CABIND MAROC is a company specialized in the production of **wiring harnesses and electrical wires**.

Established in 2001 as a subsidiary of SEWS-CABIND Italy, it has since become an integral part of the Sumitomo Electric Industries Group's operations in North Africa.

In 2013, the company relocated its headquarters from its original site in Casablanca to the newly inaugurated Aïn Harrouda plant, located approximately 30 kilometers away in the neighboring city of Mohammedia. As a result, many of the employees based at Aïn Harrouda are among the longest serving across all Sumitomo Electric Group sites in Morocco.

Today, SEWS-CABIND MAROC operates four manufacturing facilities: **Aïn Harrouda, Berrechid 1, Berrechid 2, and Aïn Sebaâ.** Together, these sites **employ over 10,000 people, forming a strong and diverse workforce.**

SEWS-CABIND MAROC is also deeply engaged in **corporate social responsibility**, regularly organizing initiatives that involve both employees and their families. One of the most successful of these is the annual "**Clean-Up Day**," which consistently sees high participation and reflects the company's commitment to reducing environmental impact.

SEWS-CABIND Poland sp.z.oo

SEWS-CABIND POLAND specializes in the production of low voltage insulated electrical cables by using copper drawing processes and insulation extrusion. It has been **active in the Polish market since 2001, the year it joined the Sumitomo Electric Group**.

The company's headquarters is located in **Żywiec**, a scenic town nestled in the Żywiec Valley, approximately 90 kilometers southwest of Kraków, Poland's historic capital.

Shortly after its establishment, the company acquired the Leśnianka plant in Żywiec, laying the foundation for its manufacturing operations. **By 2003, SEWS-CABIND Poland expanded its capacity by leasing the Grunwaldzka site**, that underwent significant **extensions in both 2004 and 2013** to meet growing customer demand and support production scale-up.

Today, SEWS-CABIND Poland operates **two manufacturing sites, both located in Żywiec, and employs over 1,200 people—making it one of the region's largest private employers.** The company manufactures **more than 900 different types of wiring harnesses** for the automotive industry and supplies components to various customers in the European automotive sector. Operations are supported by the application of **World Class Manufacturing (WCM)** practices, aimed at improving productivity, quality, and efficiency.

Safety is managed in line with the Sumitomo Electric Group's "safety first" principle and remains an important aspect of SEWS-CABIND Poland's operations.

In keeping with the broader values of SEWS-CABIND, the company also carries out several **CSR initiatives**. Since 2012, it has participated annually in **World Clean-Up Day**. In addition, the company organizes events such as Open Days and Family Days, which allow employees and their families to visit the workplace and take part in activities. The company also regularly hosts **Open Days** and **Family Days**, providing children and families the opportunity to visit the workplace, enjoy recreational activities, and connect more closely with the work culture.

SEWS-CABIND Albania Sh.p.k

SEWS-CABIND Albania SHPK (SEWS-CA) is a manufacturing company specializing in wiring harnesses and has been fully operational since the end of fiscal year 2020. **Established in August 2019 as a new entity within the Sumitomo Electric Group**, the company began preliminary activities in October of the same year. Since then, SEWS-CABIND Albania has experienced steady growth.

Located near Tirana, SEWS-CA operates **three production units within a single plant**, and has become both the **first and largest wiring harness manufacturer in Albania** and places strong emphasis on the implementation of lean manufacturing principlese.

The company aims to establish itself as an attractive workplace for recent high school graduates and university alumni interested in developing professional expertise in the industrial and automotive sectors. The company serves a strategic role within the broader SEWS-CABIND Group by producing wiring harnesses for current and future client projects, thus supporting and complementing the operations of other group manufacturing sites.

As with all companies under the SEWS-CABIND umbrella, SEWS-CA is firmly committed to adopting the core principles of the Sumitomo Electric Group, not only in terms of manufacturing excellence, but also in cultivating a strong team culture grounded in the Sumitomo Spirit. From its foundation, the company has placed a high priority on building meaningful relationships with the local community, aspiring to support regional development through mutual respect and cooperation.

In **Italy**, SCI serves as the Group’s headquarters (in Collegno, near the city of Torino), centralizing **all corporate functions and customer-focused business units**, while also hosting the Group’s **top management and strategic decision-making bodies**.

The site plays a central role in innovation, serving as the core location for design, product development, and the prototyping of electric wiring systems.

Figure 2 Sews Cabind Italy, Collegno

The companies that are part of the Group are hereafter referred as:

SEWS CABIND GROUP - SC
SEWS CABIND ITALY - SCI
SEWS CABIND POLAND - SCP
SEWS CABIND MAROC - SCM
SEWS CABIND ALBANIA - SCA

The evolution of Sews-Cabind

SC originated from Cabind Automotive S.p.A., a company initially specialized in wiring systems for household appliances such as washing machines, refrigerators, and dishwashers.

The collaboration with Sumitomo Wiring Systems Ltd. began in 1996, fostering a long-term partnership grounded in the exchange of Japanese and Italian technical expertis

In 2001, Cabind Automotive was acquired by the Sumitomo Electric Group (SEI and SWS), leading to the establishment of SC as a dedicated player in the automotive sector. That same year, the Group expanded its footprint by acquiring Cabind Automotive's subsidiaries in Morocco, Poland and Albania.

The timeline (Fig.3) illustrates the key milestones in this evolution and SC's international growth trajectory.

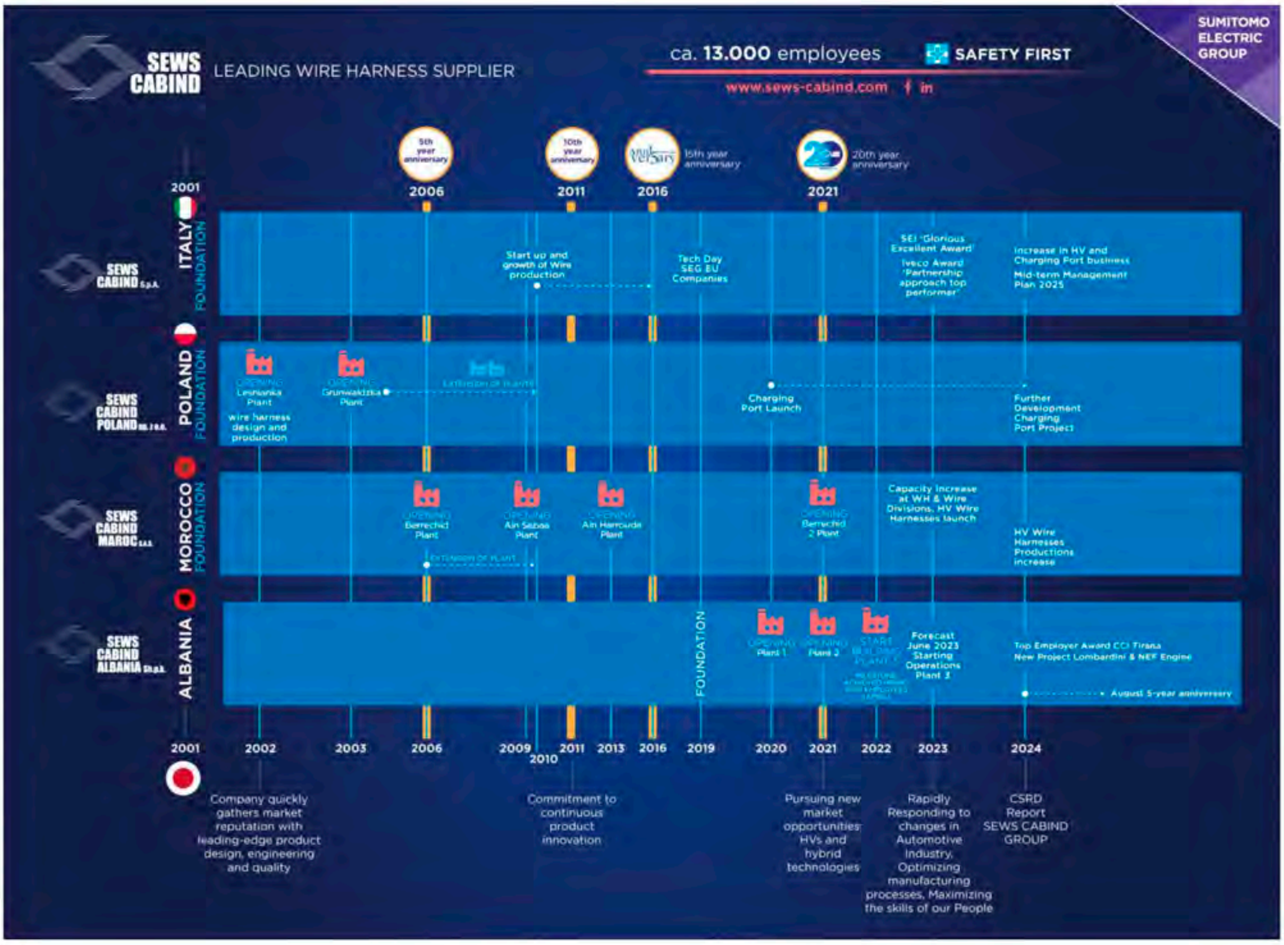


Figure 3 Timeline of SEWS-CABIND Group's growth and global expansion (2001–2024)

The Double Materiality Analysis Process

IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities

Sews-Cabind carried out its double materiality assessment in alignment with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

This process was conducted with the support of external consultants and in close coordination with other companies within the EMEA region, namely **Sumitomo Electric Wiring Systems (Europe) Ltd** (SEWS-E), **Sumitomo Electric Hartmetall GmbH** (SHG), and **Sumitomo Electric Bordnetze** (SEBN), ensuring a harmonized methodology and a consistent evaluation of ESG topics across the group.

During the course of the project, SCI carried out a thorough review of its materiality analysis and identified the need to re-assess the IROs related to the topics of *Pollution*, *Water Management*, and *Other Work-Related Rights*.

Although these topics remained within the material scope for the other entities involved in the project, SCI's re-evaluation was based on the specific nature of its operations and value chain (see "Reclassification of Non-Material Topics" in "Step 5: Double Materiality Matrix").

The Double Materiality analysis process followed a structured **five-step approach** to identify and evaluate environmental, social, and governance topics relevant to SCI's operations and stakeholders.

Step 1: Status Quo and Value Chain Analysis

The first phase of SCI's double materiality assessment focused on building a solid understanding of the company's business model and ESG readiness.

The process began with a comprehensive **status quo analysis**. This involved reviewing a wide range of internal documents, including existing ESG policies, organizational structures, and governance frameworks. In addition, relevant external sources such as publicly available CSR and compliance documents from company website and competitor benchmarks were examined to gain a broader view of the company's positioning within the sustainability landscape.

In parallel, a **value chain analysis** was conducted to map SEWS-CABIND's activities from upstream suppliers through own operations to downstream activities. The analysis was informed by **internal workshops** and served as a crucial foundation for identifying and assessing potential impacts, risks, and opportunities across the value chain.

Focus: Sews-Cabind's value chain

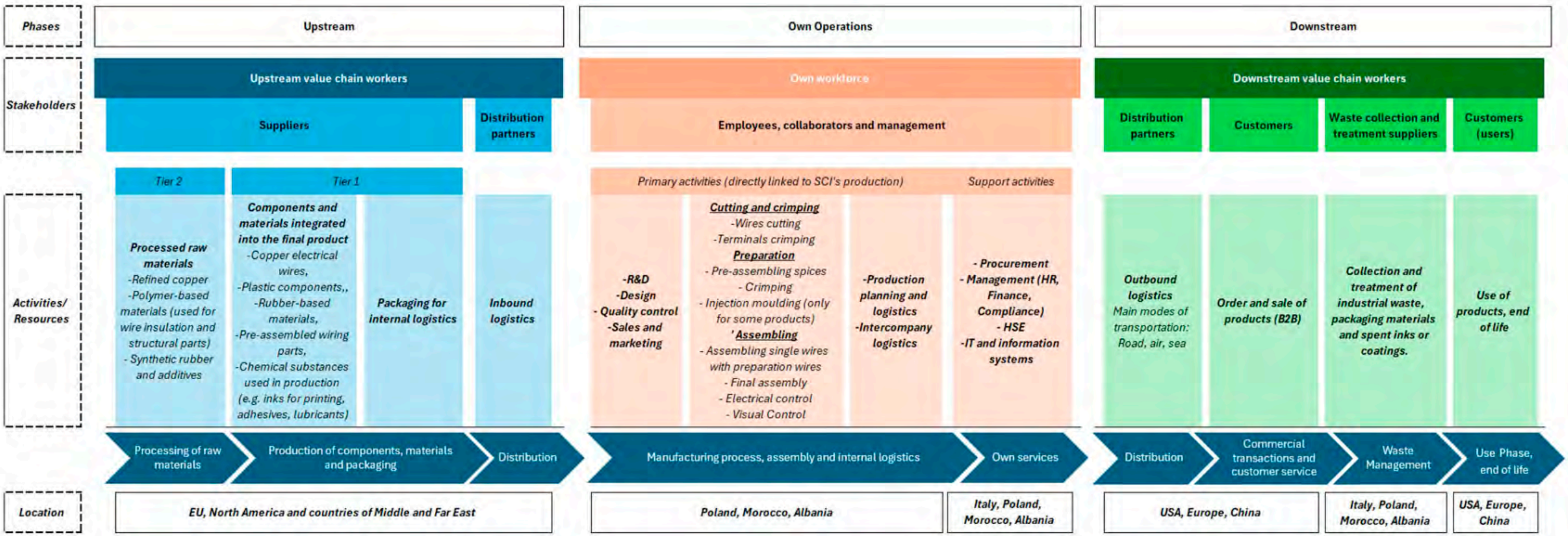


Figure 4 SCI's value chain representation

The **upstream** segment of the above representation includes **Tier 1 and Tier 2 suppliers**, with main sourcing geographies located in the **EU, North America, and countries in the Middle and Far East.**

Tier 3 suppliers have been excluded from the value chain analysis due to the challenges in directly collecting primary data from them, as well as the limitations imposed by customer specifications and the need for secondary data in the early years of reporting under the CSRD guidelines.

The **downstream** part of the value chain covers **B2B customer relationships**, **product use, and end-of-life management**. **Sales** are geographically concentrated in the **USA, Europe, and China**.

Additionally, the company identified **transportation (inbound and outbound)** —predominantly via road, air, and sea — as a relevant operational element with potential sustainability implications.

Within Sews-Cabind's **own operations**, production is based primarily in **Morocco, Poland, and Albania**, where the company employs a workforce composed largely of blue-collar workers.

Below, the main activities that are integral to Sews-Cabind's operations are listed. The table following the description outlines the specific locations where these support activities are carried out within Sews-Cabind's operations.

- **Research and development (R&D)** are carried out by SCI which develops and owns all the technical intangibles, such as know-how, patents and software, used in the manufacturing process of new harnesses.

- **Procurement** and negotiation with global suppliers of raw materials is carried out by SCI, which is responsible for negotiating the terms for the entire Group.

- **Production** of finished harnesses takes place in in plants in Morocco (76%), Poland and Albania (24%%), while the prototyping is located in the Italian plant.The subsidiaries comply with the Group's standards and customer requests and adapt to the times and methods agreed with SC.The harness production follows two steps:
  1) the raw material (copper) is transformed into a semi-finished product, which is the copper wire. In SC Group the production of the wire production meets 35% of its needs, the remaining part is purchased by third parties.
  2) Wires are assembled together with the plastic components and connectors following the design of the specific vehicles in which it will be installed and obtaining the finished product.

- **Marketing** is managed by the Sales and Marketing department of SCI which communicates directly with actual and potential customers to sell the products manufactured by the Group's foreign subsidiaries.

- **<u>Production planning and logistics (PP&L)</u>** is managed by the PP&L department of SCI which supports the Group's operations. It manages customer orders for the Group, plans production to balance customer orders according to the production capacity of the foreign plants, and takes care of the logistics of raw materials supply.

ACTIVITY	COMPANY	DESCRIPTION
R&D **Procurement** **Sales and Marketing**	***SCI***	It has its headquarters in Collegno near Turin, where the top management operates from. All corporate functions - product research and development, administrative and human resources - and customer-oriented business units are centralized here.
Procurement **Production**	***SCP***	It specializes in the production of harnesses and operates as a contract manufacturing company for the products requested by SCI, according to the technical specifications, quality standards, times and quantities requested by the customer.
Procurement **Production**	***SCM***	It specializes in the production of cables and harnesses and operates as a contract manufacturing company for the products requested by SCI, according to the technical specifications, quality standards, times and quantities requested by the customer.
Procurement **Production**	***SCA***	It specializes in the production of harnesses and operates as a contract manufacturing company for the products requested by Sews Cabind Italia, according to the technical specifications, quality standards, times and quantities requested by the customer.

Corporate Logistic flows

The following scheme details how materials and products are moved across the Group's European and international operations.

SC's corporate logistic structure spans several countries and is organized around three main elements:

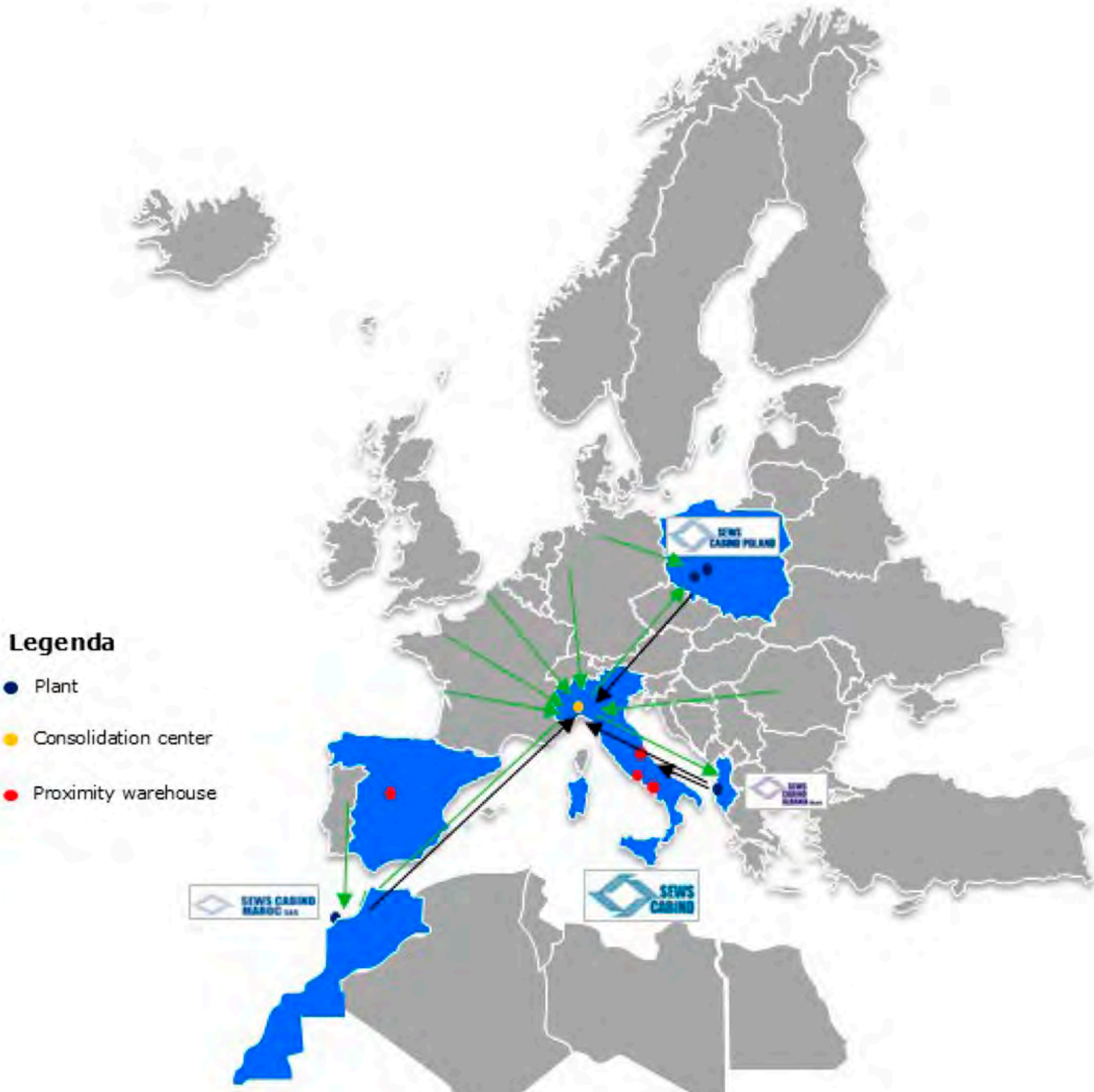


Figure 5 Corporate logistic network

- **Plants (Blue dots):** These include production sites in Poland (2), Morocco (4), and Albania (1).
- **Consolidation Center (Yellow dot):** During the reporting year, the Consolidation Center was located in Gerbole di Volvera, Italy, and was moved to Tortona starting from the following FY. It serves as the central hub for aggregating and dispatching components and materials across the Group.
- **Proximity Warehouses (Red dots):** These are third party-managed storage facilities situated close to customers to ensure fast and efficient distribution.

Two main categories of flows are represented:

- **Inbound (Green Arrows):** These refer to the supply of raw materials and components from suppliers. Goods are sourced from across Europe and the rest of the world and are primarily routed through the consolidation center. Exceptions include direct shipments to Morocco or Poland when more efficient (for example, copper wire produced in Morocco is shipped directly without routing through Italy).
- **Outbound (Black Arrows):** After assembly at one of the production plants, finished wiring harnesses are shipped either back to the consolidation center or directly to proximity warehouses in Italy and other markets. From there, they are distributed to clients, either via SC's logistics or by the customers themselves, depending on commercial agreements.

At the heart of the logistics strategy is the effort to optimize the flow of materials, reducing inefficiencies such as half-loaded trucks. This approach minimizes waste and ensures that transportation costs are kept as low as possible and unnecessary inbound and outbound flows are avoided wherever feasible.

In particular, the company places great importance on maximizing the capacity of trucks to ensure that each transport is as efficient as possible, both from an economic and environmental perspective.

Focus: Sews-Cabind's stakeholders

Stakeholder mapping represents a critical first step in identifying actual and potential IROs along the value chain, as stakeholders are both the ones most directly affected by the company's activities and key sources of insight into material sustainability concerns.

In addition to the regulatory and strategic framework provided by the ESRS, the selection of stakeholder groups was guided by the "Multistakeholder Capitalism" framework adopted by Sumitomo Electric Industries (SEI), as outlined in the Group's Integrated Report.

Based on this model, Sews-Cabind decided to involve *Customers*, *Suppliers*, and *Employees*—groups that align directly with SEI's stakeholder categories and map them along the value chain.

The *Shareholders/Investors* group was excluded from the engagement process because SEI, as the Group's sole shareholder, was already actively involved in the materiality assessment through regular project coordination meetings.

Similarly, the *Regional Communities* group was not included, as no meaningful contact point could be identified to ensure relevant input.

To better reflect the operational structure of the company, Sews-Cabind also chose to include *Business Partners*, who play a key role in daily operations and could provide valuable insight on sustainability topics.

Figure 6 SCI's relevant stakeholders selection

The following table outlines the Company's main stakeholder engagement activities, highlighting the methods of interaction with each group and the commitments made to ensure transparency, dialogue, and adherence to ethical principles. The aim is to strengthen relationships with strategic partners, ensure clear and continuous communication, and promote sustainable practices across all areas of business. Below are the initiatives carried out for each stakeholder category.

Stakeholder group	Engagement activities
Employees	Monthly departmental meetings to share updates on the company's and the Group's performance.
	Dedicated, confidential channels for whistleblowing and reporting concerns.
	A dedicated communication channel (including email) for reporting health, safety, and environmental issues in the workplace.
	Assurance of high standards in health, safety, and environmental management, aligned with Group standards and ISO certifications.
	Ongoing training on Group principles and compliance with safety regulations.
	Access to all Group policies and procedures through the intranet platform "Arxivar."
	Regular meetings with employee representatives (where applicable).
Customers	Commitment to maintaining customer trust and business continuity in line with ethical principles and the Sumitomo Spirit.
	A dedicated communication channel with assigned staff to manage customer relationships.
	On-site staff stationed at customer premises to provide maximum support and ensure rapid communication.
Suppliers and Business Partners	Collection of sustainability-related data and information through questionnaires on a dedicated platform and compilation of results.
	Alignment on quality and sustainability goals.
	Sharing of the Supplier Code of Conduct, outlining the Group's expectations on environmental, social, and governance (ESG) criteria.
	Business conduct in line with the Group's ethical principles.

Table 1 Stakeholder Engagement Activities for Sews-Cabind's Key Stakeholders

Step 2: Identification of ESG Topics – Longlist and Shortlist

Based on the findings from the first phase, Sews-Cabind developed a comprehensive list of potential material sustainability topics through a structured and research-driven process. The **longlist** was built based on the full set of sustainability matters outlined in ESRS 1, AR16 and was further enriched with topics drawn from additional input sources, such as SASB, GRI, and CDP. In addition, the company's own internal documentation—such as the 2030 Vision, the supplier code of conduct, and insights from EcoVadis assessments — provided important context, as well as peer and industry reports from comparable organizations. This structured and layered approach resulted in a total of **129 longlist topics**, forming the initial foundation for subsequent prioritization and materiality analysis.

To refine the longlist of ESG topics into a focused and relevant shortlist, SEWS-CI applied a three-step process involving **mapping, relevance analysis to SEWS-CI's business model, and clustering**. The outcome was a concise shortlist of **13 key ESG topics to be evaluated in the double materiality assessment.** This step factored in SEWS-CI's business relevance, frequency of topic mentions, alignment with ESRS structure, and peer comparisons.

The final shortlist was validated through **internal discussions with the SEWS-CI core team**.

Step 3: Identification of Impacts, Risks, and Opportunities (IROs)

For each of the 13 shortlisted sustainability topics, Sews-Cabind identified specific **impacts, risks, and opportunities (IROs)** through a combination of desktop research, expert input, and stakeholder engagement. This included:

- **Negative and positive impacts** from an **inside-out** perspective – considering how Sews-Cabind's operations affect society and the environment. Impacts can be actual or potential, across short-, medium- or long-term horizons, and reversible or irreversible.
- **Risks and opportunities** from an **outside-in** perspective – analyzing how sustainability-related trends, regulations, or events could affect Sews-Cabind's financial position, cash flow, access to finance, or cost of capital.

A total of **55 IROs** were identified across **environmental topics**, which include climate change, pollution, water management, biodiversity and ecosystems, waste, and resource use including circular economy.

The **social dimension** accounted for the largest share, with **76 IROs** identified, covering topics such as working conditions (own workforce and value chain), equal treatment and diversity, other work-related rights, affected communities, and consumers and end-users.

Lastly, **31 IROs** were defined under the **governance** category, focusing on business conduct, ethics, and risk management.

Identified IROs were then **validated through internal workshops** covering environmental, social, and governance dimensions, and were reviewed to detect any blind spots or to refine definitions as needed.

The process was further strengthened through the **involvement of 4 categories of external stakeholders (see below box "Stakeholder engagement during double materiality analysis"),** who were engaged via a structured **online survey aimed at collecting both qualitative and quantitative input on SEWS-CI's actual and potential impacts on society and the environment.**

Survey participants were first asked to indicate their stakeholder affiliation and then to review a list of predefined sustainability topics—such as climate change—by identifying related positive and negative impacts stemming from the company's activities. They were also invited to describe the nature of these impacts, assess their severity on a low-to-high scale, and propose any additional relevant topics.

This feedback was carefully analyzed and directly **integrated into the IRO identification and assessment process.** Out of 56 invited participants, 45 completed the survey, representing a cross-section of stakeholder groups including business partners, customers, employees, and suppliers. In total, 339 individual impacts were identified. **Each response was reviewed for completeness and mapped to existing internal IROs, resulting in 330 impacts being successfully aligned with SEWS-CI's framework**. A notable outcome of the survey was the recurring mention of the positive impact of "collaboration between different nationalities," which was cited by eight different stakeholders. This led to an increased materiality score for two existing IROs. Furthermore, one entirely new impact—unmatched to any existing IRO—resulted in the creation of a new IRO.

STAKEHOLDER ENGAGEMENT DURING DOUBLE MATERIALITY ANALYSIS

Key internal and external stakeholders were involved at various points during the project. The engagement was structured across the five steps of the assessment process—from the initial status quo and environmental analysis to the final validation of the double materiality matrix.

- **Sews-Cabind's core team** played a central role throughout all phases, participating consistently in document provision, value chain analysis, validation meetings, impact and risk workshops, webinars, surveys, and the final validation and executive sessions.
- **An extended team of internal experts** was involved on an "as needed" basis, especially during workshops focused on impact and financial materiality. Their input was essential in enriching the technical understanding of key topics, although their involvement in validation sessions and broader surveys was limited.
- The **executive team** had a more limited but strategic involvement, primarily participating in the final executive session to validate outcomes.
- **External stakeholders**, were included to inform the **identification of material ESG topics.** To this end, Sews-Cabind involved the **four key external stakeholder groups**, identified based on ESRS guidance and relevance to the company's operations (see chapter Focus: Sews Cabind's external stakeholders)

Step 4: Assessment of Impacts, Risks, and Opportunities

A detailed assessment was carried out for each identified impact, risk, and opportunity.

The process involved a **pre-assessment of both impact and financial materiality**, carried out by external consultants using structured criteria.

This **pre-assessment was then validated in dedicated sessions with SEWS-CI stakeholders** to ensure relevance and alignment with business realities.

A **scoring system** was applied to quantify the materiality of each IRO, integrating both impact and financial perspectives. The analysis drew on a combination of internal and external sources, including SEWS-CI's CSR Book 2023, the Sumitomo Supplier Code of Conduct, the 2030 Vision, as well as insights from external stakeholder surveys.

Impact materiality assessment criteria

- **Likelihood** that a potential positive or negative impact would occur
- **Severity** evaluated across three dimensions:
  1) **scale** of the impact (i.e., how significant it is)
  2) **irremediability** (i.e., how difficult it is to reverse or compensate)
  3) **scope** (i.e., how widespread the effects are)

In line with ESRS guidelines, both **actual and potential** impacts were evaluated: actual impacts refer to effects that have already materialized as a result of the company's operations, while potential impacts describe outcomes that could reasonably be expected to occur in the future.

The diagram below illustrates the framework used to assess actual and potential negative impacts.

Figure 7 Scoring criteria for impact assessment based on ESRS guidelines, illustrating the dimensions of likelihood and severity

Each of the severity-related criteria—**scale**, **irreversibility**, and **scope**—was rated on a scale from **1 to 5**, where higher scores indicate greater impact or severity. The irremediable character criterion, which evaluates how difficult it is to reverse or compensate for damage, **does not apply to positive impacts**, since, by nature, they do not require remediation.

The **likelihood** of the impact occurring was rated separately on a scale from **1 to 4**, reflecting how frequently the impact is expected to happen, from "less than once in 10 years" (score 1) to "more than twice a year" (score 4).

To calculate the **total impact score**, the **severity dimensions** (scale, irremediable character and scope for negative impacts; scale and scope for positive impacts) were **averaged** and then **multiplied by the likelihood** score. This approach produced a score between **1 and 20**, which was then used to determine the materiality of the impact.

A score above the **materiality threshold of 10** was considered material and required disclosure in sustainability reporting.

Risk and Opportunity assessment criteria

- **Magnitude of the potential financial effects** on various forms of capital, including financial, human, and natural capital.
- **Probability of occurrence** that a risk or opportunity would materialize—excluding the effect of existing mitigating controls

The **likelihood** criterion, or probability of occurrence, was scored on a scale from 1 (low) to 4 (very high), while the **magnitude** was evaluated on a scale from 1 to 5, based on the estimated financial impact in yen or euros—ranging from less than €60,000 to more than €30 million.

The product of the likelihood (i.e., probability of occurrence) and magnitude scores resulted in a **risk or opportunity score**, which was then used to determine the materiality of each issue—guiding prioritization and disclosure decisions under the CSRD framework. All individual risk and opportunity scores were compared against a **materiality threshold set at 10**. Scores exceeding this threshold were considered material and included in the set of topics that required reporting.

All IROs ratings align with Sumitomo's internal risk management framework to ensure consistency and facilitate smooth integration into existing risk processes.

Likelihood – Probability of occurrence

Very high	4	More than twice a year
High	3	More than once in 1 to 3 years
Medium	2	More than once in 3 to 10 years
Low	1	Less than once in 10 years

Magnitude – **Risk** – Magnitude of potential financial effect

Very high	5	5 billion yen (30 Mio. EUR) or more
High	4	1 billion yen (6 Mio. EUR) to < 5 billion yen (30 Mio. EUR)
Medium	3	100 million yen (600.000 EUR) to < 1 billion yen (6 Mio. EUR)
Low	2	10 million yen (60.000 EUR) to < 100 million yen (600.000 EUR)
Very low	1	< 10 million yen (60.000 EUR)

Figure 8 Scoring criteria for risks and opportunities assessment based on ESRS guidelines, illustrating the dimensions of likelihood and magnitude

Step 5: Double Materiality Matrix

The final step involved consolidating the results of the IRO assessments into a list of **assessed material topics**.

As mentioned in step 4, after individual IROs were assessed, **thresholds** were established to **filter out** those with very low scores—specifically those in the **bottom 10%**—to ensure that only relevant IROs contributed to topic-level scores. The definition of minimum score requirements was essential to **avoid inflating or skewing results with data of negligible significance.**

The calculation of **double materiality scores** included only those **IROs that exceeded the defined threshold (score ≥ 4)**.

For both dimensions, **topic scores were computed as the average of the included IRO scores.** The results were reviewed to ensure that no unexpectedly important topics were excluded and that no irrelevant ones were included.

Topics were then plotted on a double materiality matrix (Fig.9), visually mapping each topic's scores across the two dimensions.

The matrix is divided into four quadrants:

- **Bottom right (Impact)**: Topics with high or very high impact materiality but lower financial materiality.
- **Top left (Financial)**: Topics with high or very high financial materiality but lower impact materiality.
- **Top right (Financial AND Impact)**: Topics that are material from both perspectives.
- **Bottom left**: Topics that are **not material** in either dimension, and are generally excluded from mandatory reporting.

The double materiality assessment conducted by Sews-Cabind resulted in the identification of 7 out of 13 shortlisted sustainability topics as material, namely:

- **3 Environmental topics**: Climate Change, Waste, Resource use including Circular economy;
- **3 Social topics:** Working Condition of Own Workforce, Equal treatment and Diversity, Working conditions in the value chain;
- **1 Governance topic:** Business conduct, ethics & risk management.

All the above-mentioned topics **were deemed material from an impact materiality perspective**.

Reclassification of Non-Material Topics

Following the completion of its first double materiality assessment, SCI’s internal experts conducted a review of the initial results to ensure internal consistency and alignment with the company’s actual operational context.

As part of this process, SCI re-evaluated the relevance of certain topics, leading to the reclassification of *Pollution*, *Water Management*, and *Other Work-Related Rights* from material to non-material. This decision followed a detailed reassessment of the associated IROs, which showed lower likelihood and severity scores than previously estimated.

In particular, the company's operational processes were found to have minimal direct environmental impact, with negligible emissions and water use largely limited to civil purposes such as sanitation and catering. Likewise, topics related to other work-related rights were determined to carry lower risk and scope of impact due to the specific characteristics of the company and its overall approach to these issues.

Below is the visual representation of SEWS-CI's double materiality matrix (Fig.9).

As part of this sustainability reporting exercise, the results of both the double materiality analysis and the stakeholder engagement process were shared with the Board of Directors and the Steering Committee (see the *Sustainability Governance* chapter for a description of the role of the governance and control bodies in relation to sustainability matters).

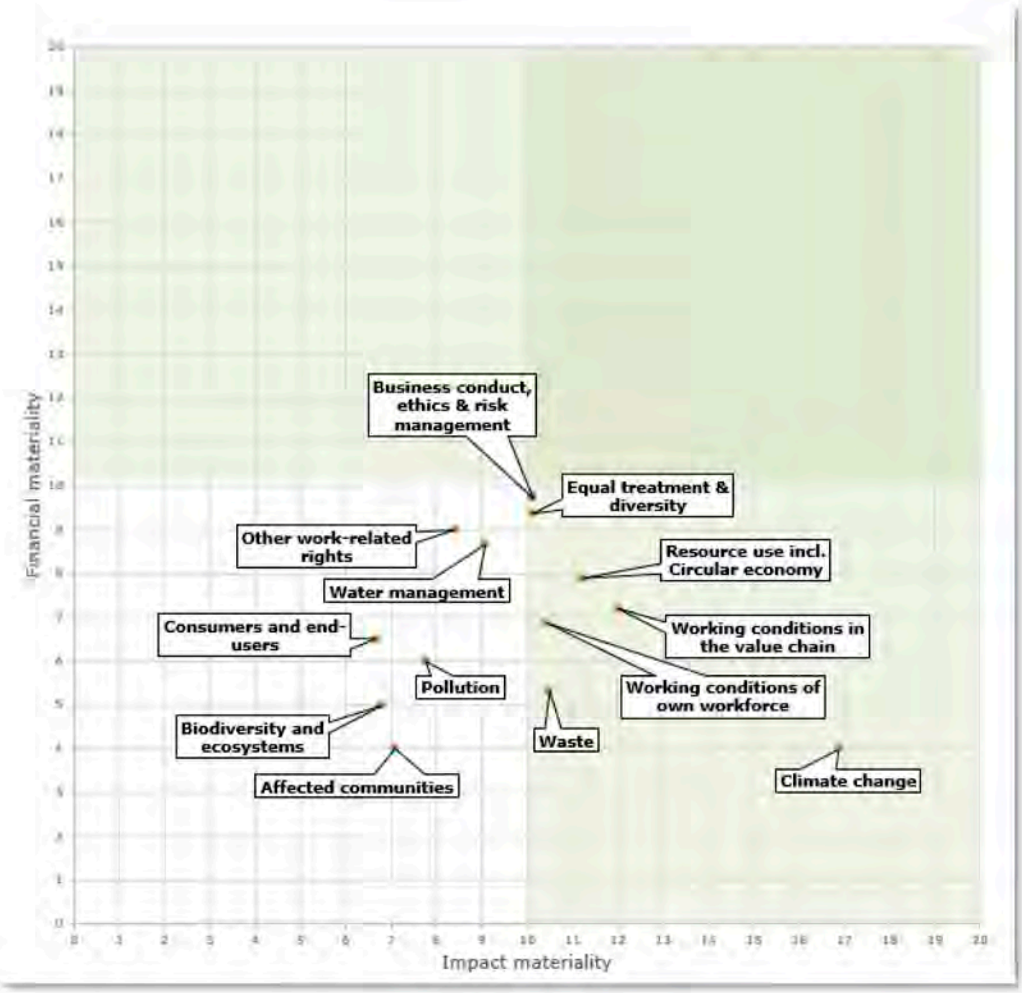


Figure 9 SCI Double Materiality Matrix

SEWS CABIND
Connect with Innovation

The following table (Fig.10) provides a detailed overview of the updated double materiality assessment. Red cells indicate that the topic did not meet the materiality threshold, either in terms of impact or financial materiality.

● Environment ● Social ● Governance

ESG dimension	Topic ID	Shortlist topic	Impact Materiality	Financial Materiality	Topic material? yes/ no
E	001	Climate change	16,89	4,00	yes
	002	Pollution	7,78	6,00	no
	003	Water management	9,07	8,67	no
	004	Biodiversity and ecosystems	6,80	5,00	no
	005	Waste	10,50	5,33	yes
	006	Resource use incl. Circular economy	11,22	7,88	yes
S	007	Working conditions of own workforce	10,43	6,88	yes
	008	Equal treatment & diversity	10,11	9,38	yes
	009	Other work-related rights	8,42	9,00	no
	010	Working conditions in the value chain	12,00	7,20	yes
	011	Affected communities	7,08	4,00	no
	012	Consumers and end-users	6,67	6,50	no
G	013	Business conduct, ethics & risk management	10,14	9,75	yes

Figure 10 Final topic scores for double materiality assessment

The Spirit of Sumitomo

The Sumitomo Electric Group plays an essential role in shaping the Sews-Cabind spirit and identity, including sustainability ambitions.

Enriching lives and the world

Toward the Realization of a Sustainable Society - The Sumitomo Electric Group's Challenge

Resolving global issues through the creation of new value. Therein lies the mission and responsibility of the Sumitomo Electric Group.

Sumitomo's Business Philosophy

The Sumitomo Electric Group has a history spanning more than 100 years, and the cornerstone of its values has been Sumitomo's Business Philosophy. Sews-Cabind has inherited philosophies that still holds true today, such as "place prime importance on integrity and sound management without pursuing easy gains" and "benefit for self and others, private and public interests are one and the same."

Sumitomo Electric Group's Corporate Mission Statement

The Management Principles state Sumitomo Electric Group Mission as "to achieve prosperity and realize dreams through sound business activities." Based on the values presented here, Sews-Cabind shares the corporate aim to be a global organization that constantly stays a step ahead in dealing with change, creates new value, and contributes broadly to society.

Sumitomo Electric Group's *Codes*

Sews-Cabind has positioned:

- the *Sumitomo Electric Group Code of Conduct* and
- the *Sumitomo Electric Group Suppliers Code of Conduct*
- as cornerstones for strategic development and decision-making process.

Figure 11 Sews-Cabind shared challenge for a sustainable society

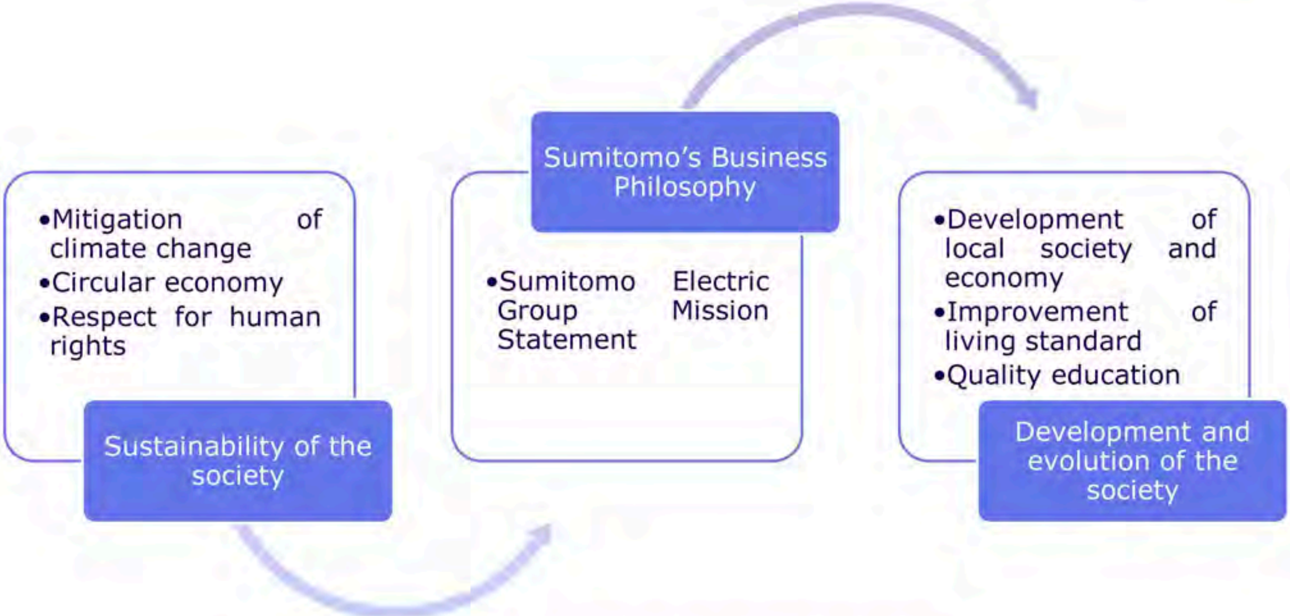


Figure 12 The Sumitomo Electric Group key social issues

Masayoshi Matsumoto
Representative Director
Chairman and Chief Executive Officer

Creating corporate value through "Goho Yoshi" (Five-Way Win)

At Sumimoto Electric Group, we believe that corporate growth must go hand-in-hand with social contribution. Guided by the Sumitomo Spirit and the principle of "Benefit self and others, private and public interests are one and the same," we aim to deliver value to all stakeholders (employees, customers, suppliers, communities, and shareholders). Through our long-term vision "2030 Vision", we are committed to sustainability, innovation, and building a safer, greener, and more comfortable society. We call this approach "Goho Yoshi" - a Five-Way Win for all.

Figure 13 Message from the Sumitomo Electric Group Top Management (Integrated Report 2024, pp. 2–3)

Osamu Inoue
Representative Director, President & Chief Operating Officer
Chairperson of the Sustainability Management Promotion Committee

Advancing sustainability across the Group under unified leadership

Under the leadership of the Sustainability Management Promotion Committee, Sumitomo Electric Group is strengthening its organization-wide efforts to address key sustainability challenges. These include environmental responsibility, respect for human rights, promotion of diversity and inclusion, and ethical procurement throughout the global supply chain. Through proactive stakeholder engagement and by transforming social issues into business opportunities, the Group aims to achieve both sustainable corporate growth and meaningful contributions to society.

Figure 14 Message from the Sumitomo Electric Group President & COO
(CSR Book 2024, p.5)

Sews-Cabind has internalized the Business Principles of the parent company applying them every day in its operations. These are 5 articles based on the philosophical Aphorisms of Monjuin "Monjuin Shigaki" written by Masatomo Sumitomo (1585-1652), founding father of the House of Sumitomo. Sews-Cabind carries on the legacy of these principles and adheres to them when conducting its business. The following concepts describe the identity and character of both the entities.

萬事入精

Banji-nissei

"Do your sincere best, not only in business, but also in every aspect of your life"

This pivotal teaching comes from the preamble in Monjuin Shiigaki. It urges to pay attention to any matters including business, work wholeheartedly on everything, persist in sincere and careful effort, and cultivate good character. Accordingly, each individual shall not focus only on making money but also on cultivating the character and grow into better human beings.

信用確実

Shinyo-kakujitsu

Article 1 of the Business Principles - "Place importance on integrity and good management"

Article 1 emphasizes the importance of integrity and being trustworthy of others when dealing with customers, shareholders, investors, employees and local communities. The commitment to satisfy these stakeholders and the ever-increasing expectations of society is constant.

In such circumstances, each individual shall carry out their daily activities not only in compliance with the laws and regulations, but also with a conscious desire to meet society's expectations and deserve its trust.

不趨浮利

Fusu-furi

Article 2 of the Business Principles - "Never sacrifice integrity for easy profits"

Article 2 conveys the importance of working proactively and profitably by responding in a quick and appropriate way to changes in society. It urges commercial interests to be in harmony with the public interest, to avoid reckless or imprudent actions for easy profits.

Figure 15 The Business Principles of the Sumitomo Electric Group

In internalizing the Sumitomo's Principles, Sews-Cabind aims to:

- Contribute to the global community by being successful in business.
- Satisfy the customer by having commercial activities of the highest quality.
- Build the future of the company with creativity and innovation.
- Foster a dynamic and positive corporate culture that respects individuality.
- Maintain solid business ethics based on reliability and trust.

These principles have been embodied throughout Sumitomo's long history. For example, in the late 1800s, Teigo Iba, the second Director General of Sumitomo, made the groundbreaking decision to relocate the copper smelting facilities from the Besshi copper mine to an uninhabited island in the Seto Inland Sea. This drastic move aimed to reduce air pollution caused by sulfur dioxide emissions—demonstrating a level of environmental awareness and responsibility long before such concepts were common in industry.

To restore the surrounding environment, Iba also launched an ambitious reforestation program on the mountains of Besshi, which had been devastated by mining operations. Over one million trees were planted each year, and this environmental restoration effort became a model followed by his successors, spreading eventually to a nationwide movement. Later, in 1939, a desulfurization and neutralization facility was built to further reduce emissions, reinforcing the group's long-term commitment to environmental preservation.

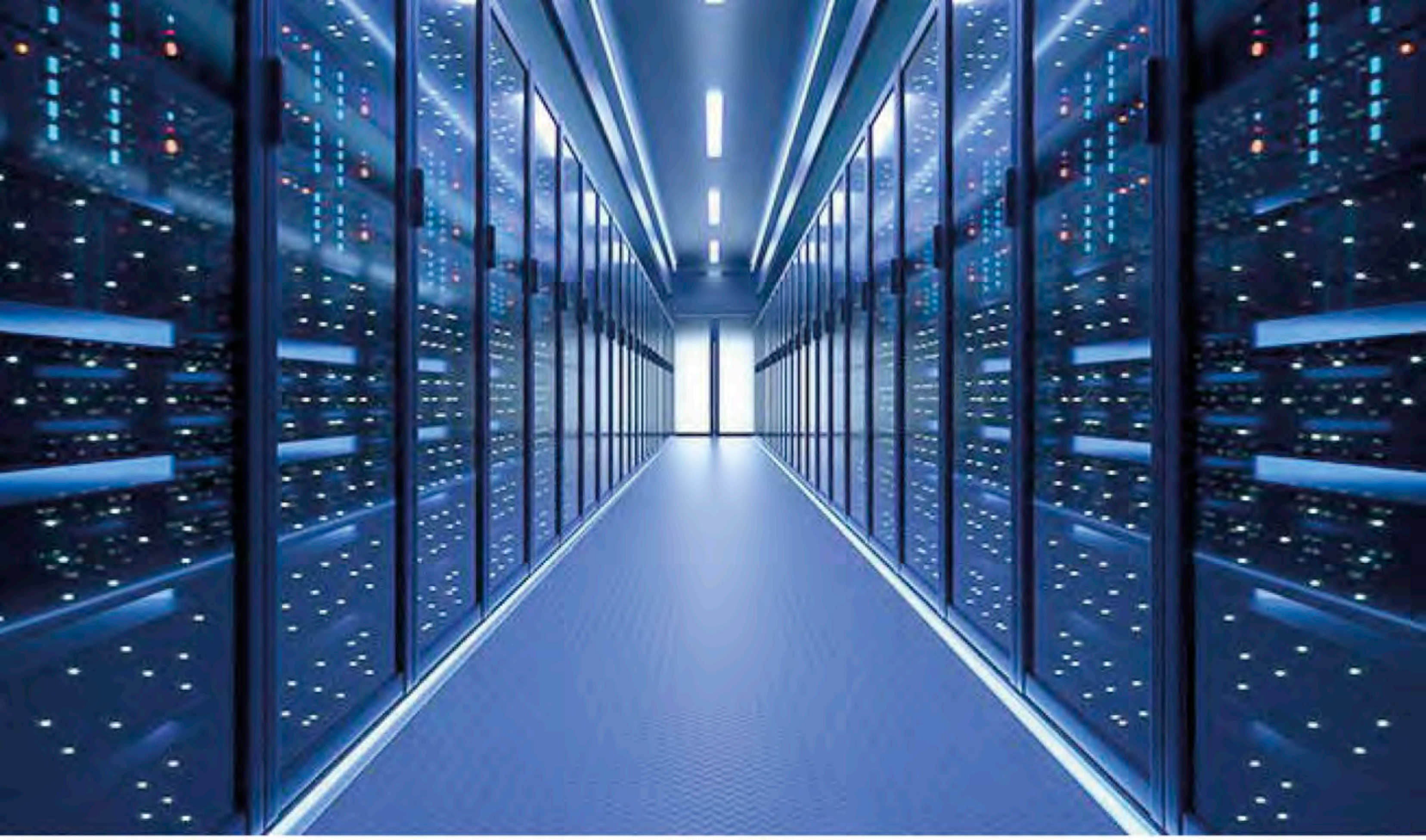
Further exemplifying these values, in the aftermath of the Great Kanto Earthquake in 1923, Sumitomo Electric provided critical electrical cables and wiring at pre-disaster prices, despite the surge in copper costs, to support reconstruction efforts. This act of solidarity and social contribution reflected the core belief in putting public good above immediate profit.

Even in internal relations, the Sumitomo Group has placed great value on integrity and trust. Following a labor dispute in 1921, the company decided to open direct and transparent dialogue with its unions, establishing a precedent of mutual respect and constructive communication. As a result, no further labor conflicts have occurred since then.

Following the growth and strategic philosophy of the Sumitomo Electric Group, Sews-Cabind goal is to be a Glorious Excellent Company. "Glorious" expresses qualities such as reliability, reputation, corporate culture. A company is Glorious when it is esteemed and respected by society. Such a reputation requires all companies in the Sumitomo Electric Group to achieve the highest quality performance. "Excellent" indicates the ideal state of financial health of the business. A company is Excellent when it has achieved excellent performance in sales, turnover and profits compared to its declared targets.

Sews-Cabind has been awarded for 6 consecutive years by the Sumitomo Electric Group as "Glorious Excellent Company", a very high recognition achieved only by the best among the 400 companies of the Sumitomo Electric Group globally.

Sews-Cabind was awarded for the attention towards integrity, reliability, managerial skills, which are Sumitomo's core values, compliance with the quality and production standards set by the Sumitomo Electric Group, and the achievement of an excellent economic performance.



Sews-Cabind's contribution to the 2025–2030 Group Vision

SBM-1

Strategy, business model and value chain

Sews-Cabind pursues the visions developed by the Sumitomo Electric Group and the goals aimed at improving society, to which it contributes directly by using its business for the benefit of the community and the environment, and by providing human and economic resources. Since 2003, a Vision has been elaborated periodically and the goals are defined by re-evaluating the business management. The 2022 Vision, called "Mid-Term Management Plan," developed the commitment to corporate social responsibility and ESG objectives. It represented an intermediate step towards achieving the long-term 2030 Vision.

Starting from FY2023, a medium-term business plan is formulated every three years, replacing the previous five-year cycle. These medium-term plans form part of a backcasting approach that ensures appropriate, prompt, and flexible action toward the final milestone. The current "Mid-Term Management Plan 2025" defines concrete business and financial targets for 2025, including consolidated net sales of 5 trillion yen or more, a before-tax ROIC of at least 10%, and a growth contribution of 1 trillion yen from the strategic focus areas of energy, info-communications, and mobility.

The 2030 Vision defines a safer, more comfortable, and greener, environmentally friendly society to be shared with stakeholders. In this updated vision, the Sumitomo Electric Group focuses on becoming a "Glorious Excellent Company," a concept that encompasses both qualitative values (such as ethics, integrity, inclusivity, and corporate culture) and quantitative excellence in business performance.

The Sumitomo Electric Group 2030 Vision guides Sews-Cabind to major global strategic changes by, on the one hand, demonstrating its corporate value as a Glorious Excellent Company, and on the other hand, contributing to public benefit and mutual prosperity with stakeholders. Sews-Cabind follows the Sumitomo Electric Group purpose of continuing to develop technologies to connect and support society on a global basis. The business that originated from copper wires and cables is increasingly oriented towards developing social mobility and the automotive industry, from vehicle electrification to high-speed vehicle communication systems to autonomous driving. The Group is also expanding in the fields of energy (e.g., grid transformation, renewable integration, VPP), and information and communications (e.g., 6G, data centers, low power high-speed networks), with a strong focus on green technologies and sustainability.

This is Sews-Cabind's contribution to creating a safer, more comfortable, and greener, environmentally friendly society. In order to achieve this goal, SC is committed to giving relevance to employees, maximizing the use of the individualities and capabilities of human resources, verifying respect for human rights, and having fair and impartial business conduct. SEG's Global HRM Policy guides human resource development to ensure diversity, inclusion, and personal growth for long-term value creation.

Sews-Cabind has integrated the Sumitomo Electric Group approach to sustainability by fully sharing it. The SC Environmental Policy conveys the principles of Sumitomo and was developed in accordance with the Global Environmental Policy of the Sumitomo Wiring System Group and with the 2030 Vision of the Sumitomo Electric Group. The Group guides its companies to reduce their energy consumption and emissions through a global improvement plan. Sews-Cabind's specific environmental targets are aligned with the Group's commitment to reduce CO_2 emissions by 50% for Scope 1 and 2, and 15% for Scope 3 by 2030 compared to 2018 levels, and to reach carbon neutrality by 2050.

To reduce and mitigate its negative impacts, SC has planned actions coherent with the reduction plan defined by the Sumitomo Electric Group. Sews-Cabind's management model is guided by the SEQCDD principles (Safety, Environment, Quality, Cost, Delivery, and Development) which ensure resilience, innovation and the ability to respond to emerging global challenges with long-term sustainable growth in mind.

ENVIRONMENT

- Promote decarbonization through energy-efficient technologies and renewable energy infrastructure
- Strengthen circular economy initiatives by improving resource use, recycling, and material innovation
- Expand the development and global supply of eco-friendly products and low-carbon solutions

SOCIETY

- Advance diversity, equity, and inclusion across all business units and regions
- Promote talent development through training, upskilling and support for local employment
- Encourage sustainable procurement and responsible supply chain practices
- Foster social value creation through community engagement and CSR initiatives

GOVERNANCE

- Reinforce compliance, transparency, and ethical standards globally
- Strengthen risk management frameworks, with a focus on safety, resilience, and business continuity
- Promote responsible corporate behavior through robust ESG governance structures

Figure 16 Mid-Term Management Plan 2025: ESG Priorities and Strategic Commitment towards the 2030 Vision

The Group's Business Model and Value Creation

Sews-Cabind builds its business model around the design and production of advanced electrical wiring systems for the automotive sector, with a strong focus on technologies dedicated to vehicle electrification and high-speed data communication (wiring systems designed for information transmission). The company serves as a European center of excellence within the Sumitomo Electric Group, specializing in the development of customized solutions for global OEMs. Its key strengths lie in the management of complex systems and in the miniaturization and integration of vehicle electronics.

At the core of Sews-Cabind's operations is the manufacturing of complete wiring harnesses, which serve as the vehicle's electrical and data circulatory system. In response to increasing demand for sustainable and intelligent mobility, the company has expanded its product portfolio to include high-voltage harnesses, battery interconnection modules, high-speed communication harnesses, high-current junction boxes and battery cooling components. These solutions are designed to meet the needs of electric, plug-in hybrid, and connected vehicles, in line with the CASE (Connected, Autonomous, Shared, Electric) mobility paradigm.

Sews-Cabind supports a broad customer base in both light and heavy-duty vehicle segments, supplying critical components to major manufacturers such as Stellantis, CNHi, and IVECO. Its products are used in passenger vehicles, commercial trucks, agricultural machinery and construction equipment. The company's industrial footprint extends across four key production hubs located in Italy (headquarters), Poland, Morocco, and Albania, employing more than 13.500 people as of 2024.

In alignment with the transformation of the automotive industry, Sews-Cabind is deeply committed to research and development, supporting the shift toward electrified and autonomous vehicles. Innovation efforts are integrated with the Group's global technical knowledge and aim to:

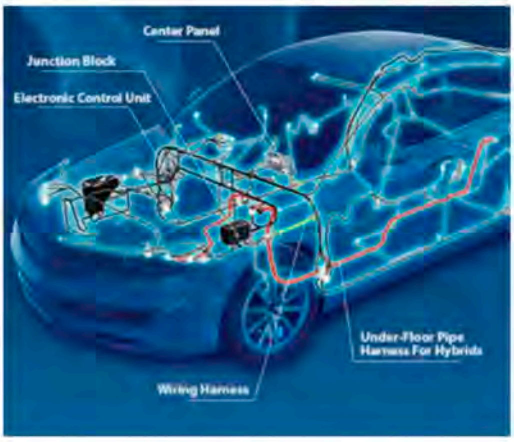
- develop lighter and more compact wiring systems.
- enhance thermal resistance and energy efficiency.
- reduce product costs while maintaining high standards of performance and reliability.

The company's technological developments include the use of advanced resins, optical fibers, aluminium conductors, and modular components for zonal architectures, as well as high-speed solutions for autonomous driving. Sews-Cabind works closely with Sumitomo Electric's technical centers to anticipate customer needs in areas such as battery management, thermal systems, charging infrastructure, and vehicle communication networks.

In parallel, Sews-Cabind adopts a fully integrated approach to sustainability, quality, and operational excellence, guided by the SEQCDD model. This framework underpins every phase of the company's value chain (from design to manufacturing) reinforcing its reputation as a strategic partner for next-generation smart and sustainable mobility.

Through its combination of technological innovation, customer proximity, and industrial reliability, Sews-Cabind positions itself as a key player in developing the systems that enable the energy and digital transition of the European automotive market. Below is an overview of the company's main products.

Wiring Harnesses: Complete and custom-engineered electrical wiring systems designed to transmit power and data throughout the entire vehicle. The harnesses form the electrical backbone of modern automotive platforms and are developed according to customer-specific architectures and international standards. Sews-Cabind designs wiring harnesses for all vehicle types, including passenger cars, commercial vehicles, agricultural and industrial equipment. All systems are optimized for space efficiency, thermal resistance, lightweight design, and long-term durability.



High Voltage Systems: Electrical systems designed for high-voltage applications in electric, hybrid, and fuel cell vehicles. These harnesses manage power transmission between the battery pack, inverter, motor, and auxiliary systems, and are made with reinforced insulation and shielding to ensure thermal resistance and electromagnetic compatibility. The system includes charging port inlet harnesses for vehicle-to-grid interfaces, and battery wiring modules equipped with sensors and terminals to monitor energy flow, temperature, and voltage levels. These solutions are customized to meet strict safety, weight, and packaging requirements of OEM electric vehicle platforms.

R&D

"Pursue new opportunities, hybrids and autonomous technologies in order to meet the market's evolving requirements"

Sews-Cabind regards innovation as a strategic driver to address the challenges of future mobility by promoting technological solutions that meet the demands of electrification, connectivity, and sustainability. The company's research and development model is fully aligned with the vision of the Sumitomo Electric Group and aims to lead the evolution of electrical systems in the automotive sector with a focus on quality, efficiency, and environmental responsibility.

The company's main technical center is located in Collegno (Turin, Italy), where all innovation activities are coordinated, from early-stage design and prototyping to functional simulations and industrialization. Sews-Cabind manages its technical know-how and intellectual property directly, including proprietary software and patents, ensuring a prompt and flexible response to customer needs. Development activities are carried out in close cooperation with major OEMs through co-design processes that allow customer feedback to be incorporated from the earliest stages.

A key strength of Sews-Cabind's approach lies in its deep expertise in advanced material development. In collaboration with the Group's research centers, the company contributes to the study of fine-diameter copper alloys, oxygen-free copper wires, and composite materials with optimized thermal and expansion properties. Surface treatment technologies such as Celmet™, currently being developed for new alloys, are used to enhance the performance of components in electrical harness systems. Similarly, in the field of polymer materials, the company focuses on high-performance blends and nanocomposites developed through nanostructure control techniques.

This knowledge is applied in the design of high- and low-voltage wiring systems for electric and hybrid vehicles, charging systems and battery modules, and high-speed harnesses for advanced driver-assistance systems (ADAS) and infotainment. Sews-Cabind is also developing modular and zonal wiring architectures that improve vehicle platform efficiency and sustainability. The company is equally committed to miniaturization, through the implementation of fine circuit technologies that enable seamless integration with on-board electronics.

These solutions are supported by advanced simulation and modeling tools, developed in collaboration with the

Group's CAE centers. Through mechanical, thermal, and fatigue analyses, Sews-Cabind can predict the real-world behavior of its components. Material quality is further enhanced by the use of 3D visualization, electron microscopy, and atomic-resolution analytical techniques.

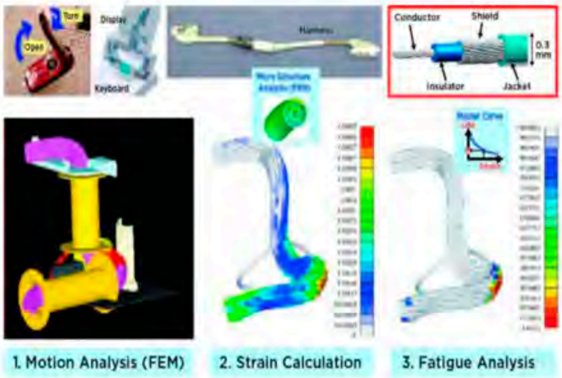


Figure 17 FEM analysis of motion, strain, and fatigue in flexible harnesses to improve durability

In the manufacturing domain, the company adopts advanced digital solutions in line with the Group's IoT R&D Center strategy. Implemented technologies include battery-powered M2M sensors, AI-based automated inspection systems, and IoT platforms for predictive management and productivity improvement. These tools are complemented by dedicated training programs to foster digital competencies across the organization.

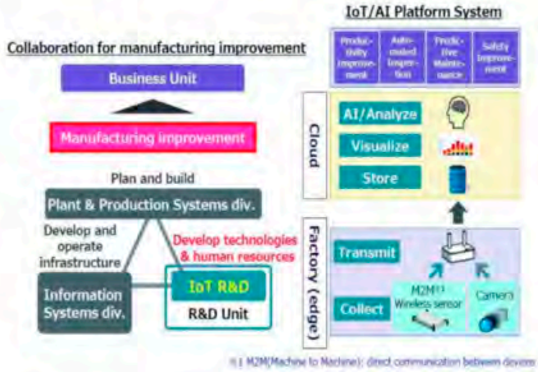


Figure 18 IoT/AI platform connecting edge sensors and cloud analytics to enhance productivity, automate inspection, and support predictive maintenance

All R&D activities are conceived with a strong focus on sustainability. Environmental criteria are integrated into product development from the design phase, with the goal of reducing environmental impact, improving energy efficiency, increasing recyclability, and supporting the decarbonization of the automotive sector.

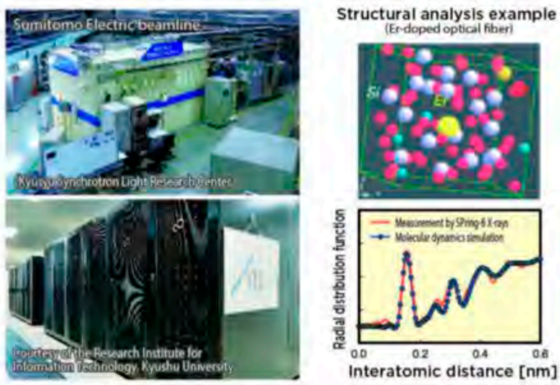


Figure 19 Synchrotron radiation and advanced computing support atomic-level material analysis for sustainable innovation

Every system developed undergoes rigorous validation, both internally and through certified third-party laboratories, in accordance with international standards such as ISO 9001:2015 and IATF 16949:2016.

Industrialization is carried out in synergy with the Group's advanced manufacturing technologies to ensure quality, reliability, and long-term performance.

Advanced wiring systems for connected and autonomous vehicles: As part of its R&D efforts, Sews-Cabind is developing lightweight, shielded harnesses for high-frequency data transmission in next-generation vehicle architectures. These systems enable ADAS, infotainment, telematics, and V2X, ensuring signal integrity and low electromagnetic interference. Compatible with protocols like Automotive Ethernet, LVDS, and CAN FD, they integrate seamlessly into modular and zonal platforms.

Low-voltage harness innovation for next-generation platforms: Sews-Cabind is evolving its low-voltage wiring systems to meet the growing complexity and customization of modern vehicles. Designed for core functions like lighting, safety systems, ECUs, and sensors, the harnesses focus on durability, space and weight optimization, and global compliance. R&D efforts target modular designs and improved materials for seamless integration across conventional and electrified platforms.

Focus – Charging Port Systems: Empowering the Future of E-Mobility

As part of its ongoing commitment to innovation in high-voltage solutions for electric vehicles, Sews-Cabind has launched a dedicated program to develop and industrialize charging port systems. They represent a strategic evolution in wiring architecture, designed to facilitate the widespread adoption of electric mobility and contribute meaningfully to the decarbonization of the transport sector.

Developed around a modular concept, Sews-Cabind's charging ports are fully compliant with global standards (including CCS1, CCS2, and GB/T) ensuring compatibility with a wide range of electric and hybrid vehicles across EMEA, NAFTA, and APAC markets. The modularity of the system enables customer-specific customization, while also supporting manufacturing efficiency, traceability and quality.

The charging port platform comprises several functional units: the inlet connector, high-voltage harnesses, actuator, control electronics, and customized plastic and metal components. This integrated architecture supports the design of more compact, lightweight, and resilient systems, aligning with current

The development of charging port systems is the result of close collaboration between R&D, engineering, and manufacturing teams. The Collegno site plays a central role as a competence center for key components and industrial process coordination; the associated production lines have been equipped with advanced automation technologies for cable cutting, crimping, and assembly-ensuring compliance with high standards of electrical safety and electromagnetic compatibility. From an environmental perspective, the product design process incorporates the principles of eco-design, favoring the use of recyclable materials and energy-efficient solutions. All production processes are governed by the SEQCDD model (Safety, Environment, Quality, Cost, Delivery, Development), ensuring alignment with the highest standards of environmental and social responsibility.

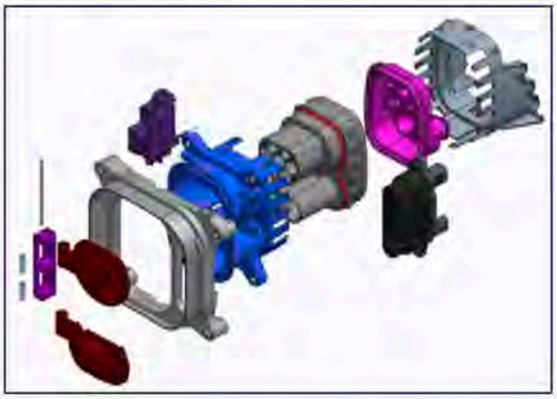


Figure 20 Exploded view of the modular charging port system

Governance Topics

Corporate Governance at Sews-Cabind

Sews-Cabind is committed to conducting business honestly, enhancing corporate value, and growing on a sustainable path for the benefit of all its stakeholders: as evidence, SC has received multiple awards as Glorious Excellent Company. The Sumitomo Electric Group gave this recognition to award Sews-Cabind for its fair business conduct. SC reputation also depends on its performance in legal compliance, fair competition, and corruption prevention; Compliance means, on the one hand, complying with laws and regulations and, on the other hand, acting in accordance with business ethics and the anti-corruption and anti-bribery policies. Sews-Cabind shares the Sumitomo Electric Group vision that compliance is the backbone of management, and the necessary condition for SC business continuity and sustainable development. The ethical principles pursued by Sews-Cabind, the principles of the Sumitomo Spirit, also apply as articles of compliance. **Banji-nissei** urges sincerity and honesty both in private life and in business, **Shinyo-kakujitsu** gives primary importance to integrity and sound management in conducting business, **Fusu-furi** pledges not to pursue immoral business. Compliance activity is part of the standards of conduct that Sews-Cabind applies.

Figure 21 Sumitomo's Business Philosophy

IROs

Corporate Governance

Governance

IRO	Description	Value Chain	Time horizon (years)	Trigger (for financial materiality only)	Level of responsibility (for impact materiality only)	Source
Opportunity	A modern, innovative and inclusive corporate culture can provide the company with financial advantages by enhancing employee retention, boosting productivity, and increasing attractiveness to highly skilled talent.	Own operation	0-1	Within SC's control	n/a	Market leading practice
Impact Negative - Actual	Low ethical standards in business, such as fraud, can lead to corruption and bribery in environmental and social political decisions, with negative impacts on the environment and society.	Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact)	
Risk	Low standards regarding business ethics lead to issues, e.g. fraudulent transfer of company funds, corruption, anti-trust violations, money laundering or bribery, which in turn leads to legal and reputational damages.	Own operation	0-1	Within SEWS CABIND's control	n/a	Risk Inventory Report
Risk	Selling products to customers who pursue an end-use of the product in sensitive areas (military technology/vehicles) leads to reputational risk and compliance risk.	Own operation	0-1	Within SC's control, Business relationship dependencies	n/a	Risk Inventory Report
Impact Negative - Potential	Without secure and anonymous channels for whistleblowing, ethical, environmental, and social violations go unreported, causing harm to the environment and society.	Own operation	1-5	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report
Risk	The lack of an adequate whistleblowing system leads to negative consequences for the whistleblower and causes mistrust, which can result in retaliation by whistleblowers (e.g. by disclosing sensitive information), including reputational damage and employee dissatisfaction.	Own operation	0-1	Within SEWS CABIND's control	n/a	Risk Inventory Report
Impact Negative - Potential	Certain negative supplier practices (e.g. late payments, short lead times), have a negative impact on supplier's economic stability increasing the likelihood of insufficient working conditions for local employees.	Upstream Own operation	0-1	n/a	Human right impact Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact)	Risk Inventory Report
Impact Negative - Actual	Corruption and bribery in political decisions harm the environment and society.	Own operation	1-5	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report

Table 2 Sews-Cabind Governance IROs

Overview of IROs on Corporate Governance

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The governance-related impacts within Sews-Cabind are closely linked to the company's approach to business ethics, compliance, and stakeholder accountability, as implemented through internal controls and policy frameworks at the operational level. Corporate culture, decision-making transparency, and adherence to shared values are considered essential to supporting long-term sustainability and trust.

On the one hand, the company fosters a modern and inclusive **governance model** that promotes ethical conduct, strengthens organisational resilience, and contributes to employee retention and engagement. These elements are supported by a formal **Code of Conduct** and corporate policies that address anti-bribery, conflicts of interest, political neutrality, and data protection. At the same time, the company recognises the persistence of governance-related risks, especially where ethical standards may be undermined by fraud, corruption, money laundering, or reputational exposure in sensitive customer segments. Particular attention is also paid to potential weaknesses in internal reporting systems, which could discourage whistleblowing or expose employees to retaliation. These risks, if not properly managed, can result in legal consequences, reputational damage, and loss of stakeholder trust.

The management of such risks is ensured through a structured compliance and control system: core instruments include the adoption of **Model 231**, the establishment of an Internal Audit & Compliance function, and the oversight of the **Supervisory Body** (Organismo di Vigilanza). These bodies ensure the consistent monitoring of governance risks and verify the effectiveness of the preventive measures in place.

Sews Cabind Group Governance

GOV-1

The role of the administrative, management and supervisory bodies

The following bodies and their related roles and responsibilities constitute Sews-Cabind's governance structure.

The appointment and selection of members of the highest governance bodies takes into consideration the following criteria: shareholders' views, independence, and competencies relevant to Sews-Cabind's corporate purpose and related impacts.

- The **Shareholders' Meeting** is convened annually and represents the highest decision-making body within the corporate governance structure of Sews-Cabind. During the ordinary annual meeting, shareholders are responsible for appointing members of the Board of Directors and for receiving reports on the company's financial performance and strategic direction. All meetings of the Shareholders' Meeting are duly recorded in the Shareholders' Register, in compliance with applicable laws. In accordance with Italian legislation and the Company's Articles of Association, the Shareholders' Meeting is vested with the authority to approve key governance decisions, including but not limited to:

  - The approval of the annual financial statements.
  - The appointment, dismissal, and remuneration of the Chairperson and members of the Board of Directors, the Chairperson and members of the Board of Statutory Auditors, as well as General Managers.
  - The definition of the functions and responsibilities of the Board of Statutory Auditors.
  - The adoption and approval of the Organizational, Management and Control Model pursuant to Legislative Decree No. 231/2001 (commonly known as "Model 231").

  The decisions taken by the Shareholders' Meeting are binding and form the foundation of the company's governance, ensuring regulatory compliance, strategic oversight, and alignment with the principles of transparency and accountability promoted by the Sumitomo Electric Group.

- **The Board of Directors (BoD)** is the corporate governance body responsible for the strategic supervision and overall management of Sews-Cabind, in accordance with applicable legislation and the Company's Articles of Association (*Statuto*). The Board holds full authority to carry out all actions deemed necessary or appropriate to achieve the Company's corporate purpose. This includes overseeing the production, assembly, design, and commercialization of wiring systems, cables, and electrical components, primarily for the automotive sector. The BoD also plays a fundamental role in driving innovation, supporting technological development, and ensuring alignment with the broader directives of the Sumitomo Electric Group, particularly in areas such as ESG performance and Business Continuity planning.

Members of the Board of Directors are appointed by the Shareholders' Meeting. As of 2024, the Board is composed of six directors: Mr. Ogata (Chairman), Mr. Miyake, Mr. Ishii (who also serves as Chief Executive Officer), Mr. Suda, Mr. Ito, and Mr. Hieda. All current members are male and of Japanese nationality, reflecting the Company's integration within the Sumitomo Electric Industries Group.
Among these six members, three serve as executive directors: Mr. Ishii, Mr. Hieda, and Mr. Ito. They are actively involved in the strategic and operational management of the Company. The other three directors (Mr. Ogata, Mr. Miyake, and Mr. Suda) are non-executive directors, who support the Board's activities through governance and oversight functions.
The Chairman of the Board, Mr. Yoshiyuki Ogata, is not involved in the Company's day-to-day operations. There are no independent members on the Board of Directors. The Board works in close coordination with the Steering Committee, which supports strategic decision-making. However, the Steering Committee is not authorized to deliberate on matters that are exclusively reserved for the Board or the Shareholders' Meeting, as specified in the Company's Articles of Association.

- The Sews-Cabind HQ **Steering Committee** is a corporate body composed of individuals with strategic decision-making authority within Sews-Cabind. Its core membership includes the Japanese Directors representing the Sumitomo Electric Group, the Chief Financial Officer (CFO), and the Chief Technical Officer (CTO). Additional senior managers may also be invited to participate depending on the nature of the topics discussed. The powers, duties, and responsibilities of the Steering Committee are defined by the internal corporate policy titled "Major Business Decisions", which establishes the qualifying criteria for matters that must be submitted to the Committee for review and decision. These include decisions involving significant commercial risk, legal obligations, or strategic investments. In 2024, the Committee includes three Japanese Directors from the Sumitomo Electric Group, alongside the Sews-Cabind CFO and CTO. All current members are male. The Committee convenes at least quarterly, or more frequently if required, and acts as a key forum for strategic alignment across the Group's regional operations. While the Steering Committee plays a central advisory role, it does not have authority over matters exclusively reserved to the Board of Directors or the

Shareholders' Meeting, as established in the Articles of Association.

- The **Board of Statutory Auditors** is the supervisory body responsible for monitoring compliance with applicable laws, the Company's Articles of Association (*Statuto*), and the principles of sound corporate governance. It oversees the adequacy of the Company's organizational, administrative, and accounting systems, as well as their actual functioning in practice.

  This body operates independently from the Board of Directors and plays a key role in ensuring transparency, legal compliance, and the integrity of financial and governance processes. It also supervises the correct application of accounting standards and the reliability of financial reporting.

  The Board of Statutory Auditors and its Chairman are appointed by the Shareholders' Meeting. The composition of the Board includes three standing auditors (*Sindaci Effettivi*) and two alternate auditors (*Sindaci Supplenti*). In 2024, all members are male and of Italian nationality.

  The Board performs its duties in accordance with the Italian Civil Code and Legislative Decree No. 58/1998 (Consolidated Law on Finance), ensuring the proper functioning of the Company's internal control system and reporting any irregularities to the Shareholders.

- The **Supervisory Board**, known in Italian as *Organismo di Vigilanza (OdV)*, is the internal body responsible for overseeing the effective implementation, compliance, and continuous updating of the Company's Organizational, Management and Control Model, in accordance with Legislative Decree No. 231/2001. It also supervises adherence to the Code of Conduct and the proper delivery of related compliance and ethics training programs.

  The OdV exercises inspection and supervisory powers with full autonomy and independence from other corporate bodies. It is appointed by the Board of Directors, subject to the prior approval of the Board of Statutory Auditors. The members of the OdV are selected based on their professional qualifications and expertise, which must be aligned with the needs of corporate governance and risk oversight.
  The OdV reports directly to the Board of Directors and senior management, providing periodic assessments on the adequacy, functioning, and effectiveness of the 231 Model, and recommending any necessary updates to ensure ongoing compliance and risk mitigation.

The remuneration of the members of the Board of Directors and the

Board of Statutory Auditors is determined by the Shareholders' Meeting, in accordance with applicable legislation and the principles of good governance. The Directors receive an annual fixed compensation. The Statutory Auditors also receive compensation, as independent members of the supervisory body, as provided for by the Italian Civil Code.

The table below illustrates the distribution of top management by gender across the entire Sews-Cabind Group, highlighting the number and percentage of men and women in executive positions for FY 2022 and FY 2023.

Executives by gender	2022	%	2023	%
Men	13	93%	13	93%
Woman	1	7%	1	7%
Totale	14		14	

Table 3 Distribution of top management by gender (n.,%) – Sews-Cabind Group (2022-2023)

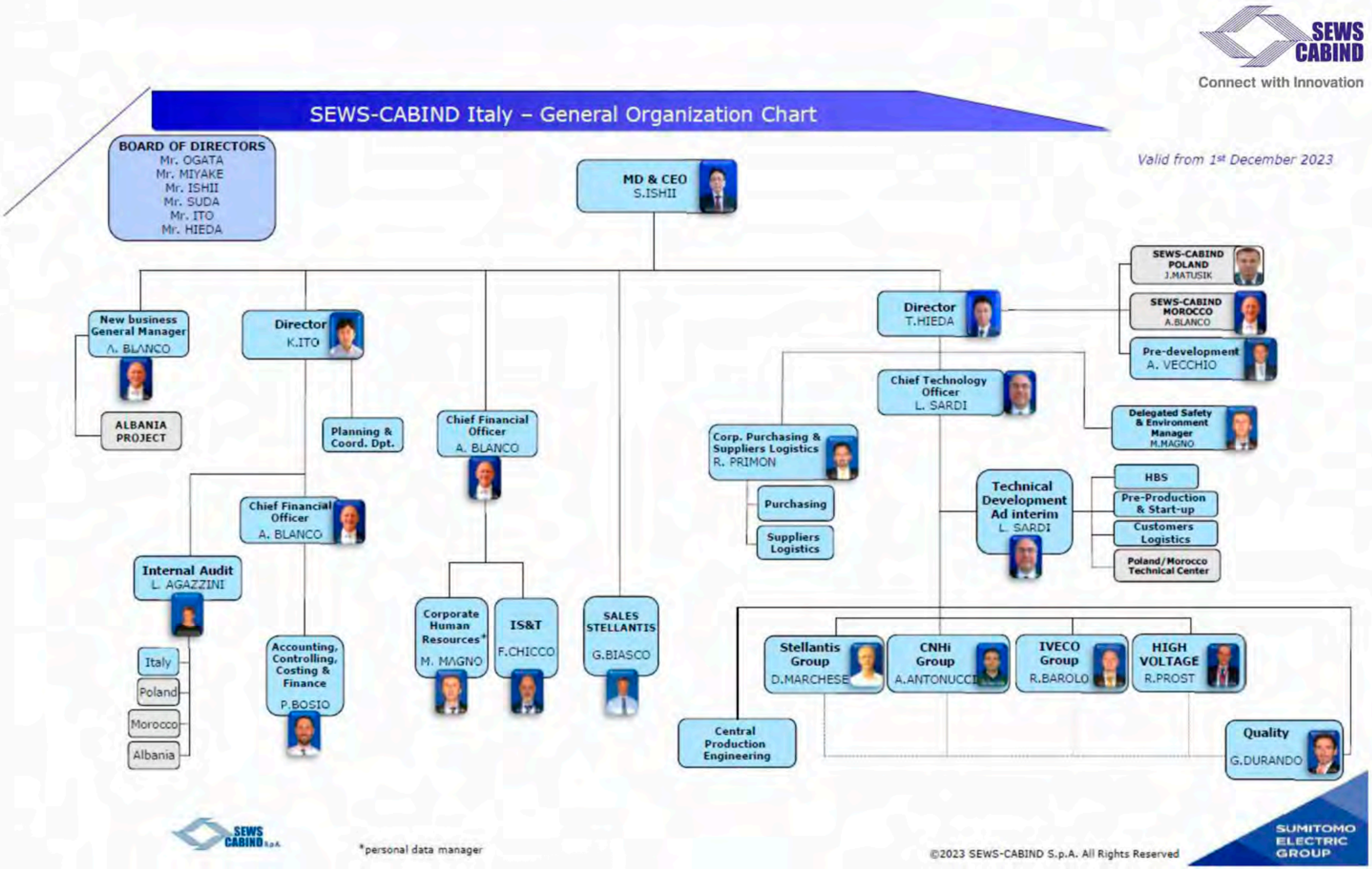


Figure 22 Sews-Cabind General Organization Chart

Sews-Cabind plays an active and recognized role in the Italian automotive sector as a member of ANFIA (Italian Association of the Automotive Industry Supply Chain), which represents vehicle manufacturers and component suppliers within the national automotive industry.

In this context, the Company has defined and adopted a Standard for Adherence to External Organizations, which regulates the criteria and methods for participation in external entities and Associations for representation, consulting, and technical-institutional support purposes. The Standard applies to all companies within the Sews-Cabind Group, as well as their Directors and Managers. Proposals for joining non-profit external organizations (especially those focused on the protection of industrial interests, and support in areas such as labor, taxation, or consulting) must be submitted to the Evaluation Committee.

The Evaluation Committee assesses the strategic coherence of the proposal, the added value for Sews-Cabind, and the convenience of the membership. A supplementary review is conducted by the Competition Compliance Officer to ensure the transparency and regularity of the membership and to confirm the actual usefulness of the proposed services, including technical consulting and information sharing.

Access to ESG Competence within Governance Bodies

The Board of Directors and the Steering Committee of Sews-Cabind operate with the continuous support of an internal organizational structure dedicated to the management of ESG matters, thereby ensuring access to the necessary expertise and capabilities in sustainability.

The operational management of ESG topics is entrusted to key internal figures, including:

- The Sustainability Coordinator and Sustainability Deputy Coordinator, who are responsible for coordinating the implementation of ESG commitments, sustainability reporting, and performance monitoring.
- The Internal Audit & Compliance Manager, who oversees regulatory compliance and internal policies, with a particular focus on ethical and environmental aspects.
- Operational functions such as HR & HSE, Engineering, Supply Chain, and IS&T, which are actively involved in thematic ESG clusters, ensuring a multidisciplinary and integrated approach.

The Steering Committee, which includes senior executives and representatives of the Sumitomo Electric Group, meets regularly to examine and make decisions on strategically relevant issues, including those related to sustainability, with the active participation of the Sustainability Coordinator. This ensures that sustainability principles are consistently embedded into corporate strategy and decision-making processes.

From a supervisory perspective, the Board of Statutory Auditors and the Supervisory Body (Organismo di Vigilanza - OdV) provide independent oversight of compliance processes and sustainability-related risks, in accordance with applicable Italian regulations (Legislative Decree 231/2001).

This structured and multidisciplinary governance model allows the administrative and supervisory bodies to access the skills and resources necessary to address sustainability matters in an informed and responsible manner, thereby supporting the implementation of the company's strategy in alignment with the Group's Vision 2030.

Members of the Board of Directors	Experience and Expertise					
	Management	Sales	Technology Development	HSE	Finance	Risk Management
Ogata Yoshiyuki President of the Board of Directors	✓					
Ishii Shoji Chief Executive Officer / Managing Director	✓	✓				
Ito Kiyoshi Member of the Board of Directors					✓	✓
Hieda Takayuki Member of the Board of Directors			✓	✓		
Miyake Tomoyuki Member of the Board of Directors	✓					
Suda Masahiro Member of the Board of Directors	✓					

Table 4 Skills Matrix of the Board of Directors of Sews-Cabind

Risk Management and Internal Controls on Sustainability Reporting

GOV-5
Risk Management and Internal Controls on Sustainability Reporting

The Audit & Compliance Function at Sews-Cabind is involved in risk management and internal controls related to sustainability reporting, playing a crucial role in ensuring the correct implementation of the ESG process. The main activities of the Audit & Compliance Function include:

- Training of Involved Personnel: ensuring that all individuals involved in the sustainability reporting process receive adequate training on regulations, sustainability standards, and best practices.
- Clear Definition of Roles and Responsibilities: establishing clear roles and responsibilities within the ESG process, with direct involvement of senior management for transparent and responsible management.
- Monitoring of Involved Consultants: supervising external consultants involved in the process, ensuring that their activities are aligned with the company's ESG goals and policies.

In the long term, with the implementation of reporting and value chain monitoring activities, the Audit & Compliance Function will also play an assurance role, ensuring that sustainability information is complete, accurate, and in compliance with international standards and applicable regulations.

Sustainability Governance

Roles and Responsibilities in Sustainability Governance

GOV-2
Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Sustainability governance at Sews-Cabind involves both the Board of Directors (BoD) and the HQ Steering Committee, each with clearly defined roles in guiding and overseeing the management of impacts on the economy, the environment, and people. Once a year, the BoD meets to approve the Financial Statements and is expected to approve the ESG Reporting, in line with the company's growing commitment to sustainability.

The Steering Committee meets periodically to inform, gather directions, and submit sustainability-related activities for approval by the Executive Committee. Additionally, monthly reporting to the Group Management on the progress of ESG activities is conducted during the Monthly Business Meeting, ensuring that sustainability is regularly monitored and managed continuously. The Board of Directors retains strategic oversight responsibilities, while the HQ Steering Committee plays a central operational role in evaluating and deciding on high-impact matters, including ESG compliance. The Committee includes the CEO, BOD executive Directors, the CFO, and the CTO, and is supported by the Sustainability Coordinator and the Internal Audit & Compliance Manager. Decision-making processes are based on structured documentation including technical reports, economic assessments, SWOT analyses, ensuring an integrated and informed approach to managing environmental impacts, social risks, and strategic sustainability opportunities.

Both the BoD and the Steering Committee are gradually evolving their governance model to further embed sustainability and ESG responsibilities. Moving forward, the BoD is expected to review and approve the Sustainability Statement alongside the Financial Statement.

In particular, the Steering Committee will:

- Supervise due diligence and related procedures to identify and manage the impacts on the economy, the environment, and people.
- Review the effectiveness of impact management processes.
- Report to the BoD and relevant stakeholders on the oversight and management of these impacts.
- Assess the performance of the highest governance body regarding the handling of ESG-related matters.

The Steering Committee has delegated operational responsibility for managing these impacts to the Sustainability Coordinator and the Internal Audit & Compliance Manager, as per the Sews-Cabind organizational structure. The implementation of related commitments is structurally integrated into corporate governance. The BoD allocates these responsibilities by delegating various powers, including:

- Environmental protection (soil, water, air, landscape) and pollution prevention.
- Human resource management and labour relations.
- Compliance with health and safety regulations. The Workers' Health and Safety Representatives (RLS) actively participate in internal reviews and the legally required periodic health and safety meeting, thereby supporting risk management processes and contributing to the continuous improvement of working conditions.

- Quality control and assurance.
- Financial oversight and management.
- Procurement and supply chain responsibility.

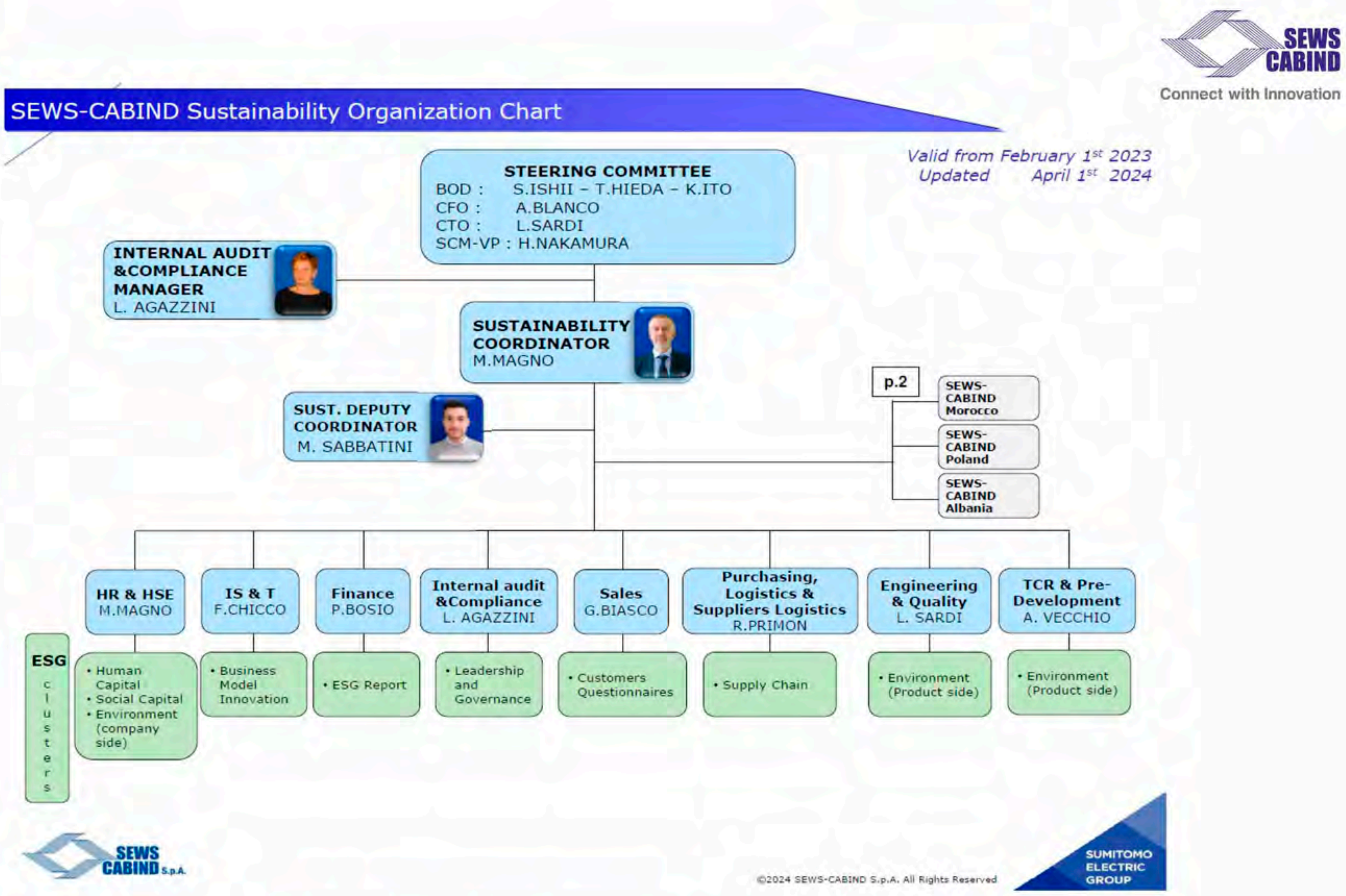


Figure 23 Sews-Cabind Sustainability Organization Chart

Strategic Commitment to Sustainable Development

The Board of Directors and the HQ Steering Committee fully embrace the Sumitomo Electric Group's vision on sustainable development, which remains a foundational pillar of long-term strategy.

In accordance with the vision, sustainable development involves unlocking the organization's full potential to foster a society that is not only safer and more comfortable but also greener and environmentally responsible.

The very concept of sustainability originates from a principle deeply rooted in the Group's identity:

"Contributing to the public benefit through business activities."

This guiding philosophy, passed down through generations, is embedded in the Sumitomo Electric Group Corporate Principles and shapes both strategic orientation and operational conduct.

Corporate strategy is thus geared toward building a sustainable society by generating value for present and future generations. It does so by anticipating change, proactively addressing environmental and social challenges, expanding innovation capacity, and pursuing business opportunities that reflect a strong sense of ethical and social responsibility. At its core lie the Sumitomo Business Philosophy and the Sumitomo Electric Group Corporate Principles, which provide the ethical and strategic foundation for all corporate initiatives.

Sustainability is practiced and governed through two fundamental pillars: Creating Shared Value (CSV) and Corporate Social Responsibility (CSR). These are the main drivers for achieving the strategic sustainability objectives defined in the Group's long-term roadmap.

Sustainability Domains and Long-Term Objectives

Ensuring mutual prosperity with all stakeholders is not only a target for growth, but a key lever to enhance corporate value in the medium to long term. The Sustainability agenda includes environmental protection, respect for human rights, employee well-being, a healthy and safe workplace, and the promotion of fair and equitable business practices.

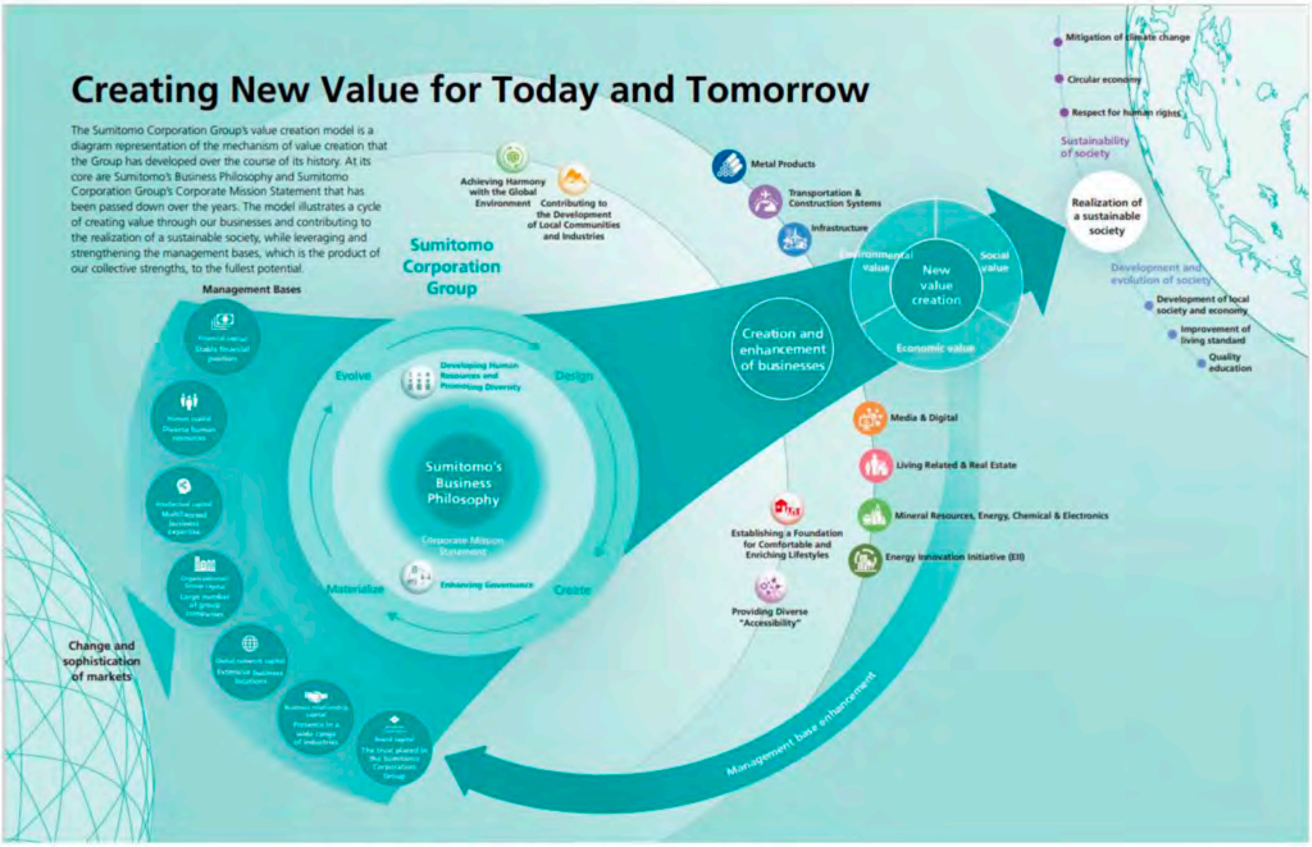


Figure 24 Sumitomo value creation model

The vision is implemented through a strategic planning cycle developed every five years since 2003. In May 2022, the Group announced its latest long-term strategy, the 2030 Vision, which redefines the company’s role in shaping a society that is:

"Safer, more comfortable, and green and environmentally friendly"

Figure 25 CSR Basic Policy

2030 VISION

LIVING IN SAFETY AND CONFORT ON OUR GREEN PLANET

Relentlessly challenging ourselves to use Technology for Good

Connect with Innovation

Based on this vision, the Group develops detailed mid-term management plans every three years, setting specific performance goals and measurable milestones to ensure steady progress toward the 2030 objectives. Sumitomo Electric Group and Sews-Cabind are committed to enhancing CSR management across five key domains: environmental protection, human resources, social contribution, quality, and supply chain responsibility.

Compliance, Codes and Ethical Oversight

Sews-Cabind's approach to ethical business conduct is based on the Code of Conduct and the Supplier Code of Conduct, which reflect the Sumitomo Spirit and the Sumitomo Electric Group Principles. Both documents set out the ethical expectations and behavioural standards that guide the company's employees, partners, and other stakeholders in their daily activities.

The company ensures compliance through a comprehensive framework of internal controls and governance mechanisms, including:

- The Organizational and Management Model established under Legislative Decree 231/2001
- Internal and external audit procedures
- Certifications such as ISO 9001, ISO 14001, ISO 45001, and IATF 16949
- Structured whistleblowing channels
- The independent Supervisory Body (OdV)

Together, these instruments foster transparency, reduce risk exposure, and strengthen the company's long-term integrity and accountability.

Among the key elements of this framework, the Whistleblowing Policy plays a vital role in supporting early detection of irregularities and encouraging ethical behaviour across all levels of the organization. Closely integrated with the Code of Conduct and the 231 Model, the policy provides a structured, confidential way for individuals to report misconduct.

Details regarding reporting procedures, protections for informants, and the operational structure of the whistleblowing system are presented in the chapter *"Prevention and detection of corruption and bribery"*.

Ethics, integrity, and responsibility in governance

IROs

Governance	Ethics, integrity, and responsibility in governance and supply chain						
	IRO	**Description**	**Value Chain**	**Time horizon (years)**	**Trigger (for financial materiality only)**	**Level of responsibility (for impact materiality only)**	**Source**
	Impact Negative - Actual	Non-compliance with current and future sustainability regulations (e.g., CSRD, CS3D, Eco-design for sustainable products - ESPR, Extended Producer Responsibility - EPR, CBAM) can negatively impact the environment and society.	Own operation	1-5	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report
	Impact Positive - Actual	Integration of social and environmental criteria in the supplier selection process and company's demand to suppliers leads to positive impacts on environment and society.	Upstream Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact)	Risk Inventory Report
	Impact Positive - Actual	The company promotes better social and environmental standards in supply chains through a supplier code of conduct ensuring safe, fair, and ethical practices.	Upstream Own operation	1-5	n/a	Human right impact; Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact)	Risk Inventory Report
	Impact Negative - Actual	Lack of company support for social and environmental standards in supply chains can reduce supplier compliance, harming both environment and society.	Upstream Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact)	Risk Inventory Report
	Risk	Certain negative supplier practices (e.g. late payments, short lead times), have a negative impact on supplier's economic stability increasing the likelihood of insufficient working conditions for local employees.	Own operation	1-5	Within SC's control Business relationship dependencies	n/a	Risk Inventory Report
	Risk	Lack of supplier engagement can lead to a shortage of sustainable materials, harming procurement and reducing sales opportunities due to customer demand.	Own operation	1-5	Within SC's control Business relationship dependencies Resource dependecies	n/a	IRO workshop
	Opportunity	A sustainable and long-term focused management and strategy of the company's environmental performance can lead to an increase in the reputation of the company.	Own operation	0-1	Within SC's control	n/a	Market leading practice
	Risk	Inadequate insurance management (e.g. no insurance against natural disasters) leads to unexpected cost.	Own operation	1-5	Within SC's control	n/a	Market leading practice
	Risk	Poor information management or insufficient IT security can lead to the leak of confidential information, causing business risks such as loss of profit, reputation, and stakeholder relationships.	Own operation	0-1	Within SC's control	n/a	Risk Inventory Report

Table 5 Sews-Cabind Governance IROs (G1)

Overview of IROs on Ethics, Integrity, and Responsibility in Governance and Supply Chain

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Ethical conduct, integrity, and accountability represent essential pillars of Sews-Cabind's corporate identity and are embedded in both its governance model and supply chain management practices. Ensuring high standards in these areas is not only key to maintaining compliance with evolving regulatory frameworks (such as CSRD, CSDDD, and CBAM) but also to fostering stakeholder trust and long-term business resilience.

The Group has established a clear governance structure and a set of robust internal controls aimed at promoting responsible behaviour across all levels of the organization. **Supplier** relationships are governed by a dedicated **Code of Conduct**, while procurement processes integrate environmental and social criteria to support continuous improvement along the value chain. Collaboration with suppliers and business partners plays a central role in raising standards, improving working conditions, and mitigating environmental and social risks.

Nonetheless, vulnerabilities may emerge in contexts where supplier oversight is limited or where key risk areas (such as payment practices, insurance coverage, or cybersecurity) are not adequately addressed. In such cases, the stability of the supply chain and the company's reputation may be compromised. To manage these risks, Sews-Cabind relies on a structured compliance system that includes the adoption of Legislative **Decree 231/2001**, a dedicated Internal Audit & Compliance function, and regular reporting to the Board of Directors and Steering Committee. Sustainability issues are reviewed systematically and integrated into strategic and operational decision-making, ensuring coherence with the Group's values and long-term vision.

To strengthen governance across the value chain, the company also relies on tools such as the **Integrity Next platform**, which enables supplier ESG assessments and monitoring. **Training programmes**, including anti-corruption e-learning modules, support employee awareness and are periodically updated to reflect evolving risks and regulations.

Whistleblowing mechanisms (covering both internal and external stakeholders) are designed to ensure secure, confidential, and anonymous reporting channels, in line with the EU Whistleblower Directive.

OUR COMMITMENT TO

The Code

Business conduct policies and corporate culture

G1-1

Business conduct policies and corporate culture

To promote and reinforce its corporate culture, the company relies on its Code of Conduct, which defines the shared values and behavioural standards expected of all personnel.

The Code outlines the fundamental principles and key policies that guide business activities across all levels of the organization, often going beyond the requirements of the law to safeguard the company's reputation and long-term success.

It applies to all employees, officers, and directors, at every level, business partners are also expected to act consistently with the principles set forth in the Code when conducting business with the company.

The Code of Conduct covers a wide range of areas that are critical to maintaining ethical business practices and a responsible working environment.

Key topics include:

- Compliance with laws, fair and honest dealings, antitrust and competition law adherence, and anti-bribery measures.
- Responsibilities regarding gifts, entertainment, dealings with governments, international trade, insider trading, and political activities.
- Protection of company assets, avoidance of conflicts of interest, proper information management, and cybersecurity practices.
- Respect for individuals through anti-discrimination and anti-harassment policies, protection of employee privacy, workplace safety, and a commitment to human rights and environmental compliance.

Employees are encouraged to seek guidance report concerns through designated channels and fully cooperate in investigations and audits.

To support employees in understanding and applying these principles, the company offers specific training programs designed to raise awareness of legal and ethical requirements and to provide the necessary resources for compliance.

Training is delivered through the Compliance and Ethics Program, which is overseen by the Compliance and Risk Management Office under the direction of the Compliance Committee and supported by Local Compliance Liaisons appointed in each group company.

All employees, managers, and officers of the Sumitomo Corporation Group are required to participate in the company's compliance and business conduct training programs. Training is continuous and tailored to the specific needs of each role: in addition to the mandatory annual training, the company organizes seminars and dedicated sessions on specific topics. The depth and focus of the training vary depending on the participant's position and responsibilities within the organization.

In addition to fostering a robust ethical culture through its Code of Conduct, the company has adopted an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, which includes clearly defined mechanisms for identifying, reporting, and addressing potential misconduct or violations of internal policies.

Moreover, to further encourage virtuous behaviour and prevent incidents related to unethical conduct the company conducts periodic risk assessments to identify and monitor corporate functions that may be more exposed to corruption-related risks.

This mapping process is consistently applied across all Group companies (SCI, SCP, SCM, and SCA) to ensure that internal controls and preventive measures are appropriately tailored to each operational context.

In all four companies, the functions identified as potentially exposed to corruption risks include the Purchasing Department, the Finance Department, and the Customs Office. These areas are considered sensitive due to their involvement in procurement processes, financial transactions, and interactions with public authorities, which may present a higher exposure to unethical conduct.

Whistleblowing Management and Protection of Informants

Sews-Cabind is strongly committed to fostering a corporate environment based on ethics, integrity, and transparency.

To this end, the company has adopted a comprehensive Whistleblowing Procedure designed to allow both internal and external stakeholders to confidentially report concerns related to suspected or

How to Report Misconduct – Whistleblowing Speak-Up Policy

The Sumitomo Electric Group promotes a culture of transparency and integrity, encouraging anyone who is aware of or suspects misconduct to report their concerns confidentially and securely. The Speak-Up Policy protects individuals who report concerns in good faith from any form of retaliation.

Reports can be made by:

- **Speaking directly** with local Management, the HR Team, or the Compliance Liaison Officer.
- **Using the Whistleblowing Hotline**, by completing the online form or calling the dedicated local telephone numbers.
- **Contacting the Group's Ethics & Compliance Team** by e-mail at: compliance@emea.sei.legal, providing as much detail as possible.

known misconduct, without fear of retaliation. The Procedure supports the early detection and correction of compliance issues and strengthens the internal control system.

The Whistleblowing Procedure applies to all employees, irrespective of contract type, and extends to third parties, including suppliers, agents, distributors, and customers.

It covers concerns related to actual or suspected violations of the Code of Conduct, the Organizational and Management Model (Legislative Decree 231/2001), internal policies and procedures, or applicable law.

Sews-Cabind communicates the availability of reporting channels through its website and contractual documentation and encourages all stakeholders to report any behaviour that may undermine the company's ethical standards.

Employees and external parties can report concerns through multiple internal and external channels.

Internal channels include supervisors or line managers, Compliance Liaison Officers, Human Resources, and the EMEA Legal Department. External reporting is available through an independent Hotline, which ensures confidentiality and, where appropriate, allows for anonymous reporting. Whistleblowers are encouraged to provide detailed information to facilitate thorough investigations.

To ensure the effective management of reports, Sews-Cabind has designated trained personnel within Human Resources and the EMEA Legal Department to handle investigations with professionalism, impartiality, and confidentiality. All investigations are conducted fairly, and outcomes are communicated to the whistleblower whenever possible. In addition, Sews-Cabind informs the Sumitomo Electric Group Compliance Office in Japan of any legal compliance investigations and shares relevant information with the Supervisory Body.

Prevention and detection of corruption and bribery

G1-3

Prevention and detection of corruption and bribery

In line with the European Directive (EU) 2019/1937 on the protection of whistleblowers, Sews-Cabind strictly prohibits any form of threat, retaliation, sanction, or discrimination against individuals who report concerns or cooperate in investigations. The company also reserves the right to take disciplinary or legal action against any party found guilty of retaliatory behaviour. The identity of the whistleblower and all personal data related to the report are treated with strict confidentiality and disclosed only on a strict need-to-know basis.

All reports received through whistleblowing channels are communicated to the OdV, which independently verifies their relevance and validity. The OdV ensures confidentiality, prohibits retaliation, and reports any findings to the Board of Statutory Auditors, the Board of Directors, and Shareholders. Periodic meetings between the OdV and the Board of Statutory Auditors guarantee continuous monitoring and improvement of the compliance system.

Through the Whistleblowing Procedure, Sews-Cabind not only protects its employees and stakeholders but also reinforces a culture of transparency, responsibility, and ethical conduct across all its operations.

As part of the broader framework defined by the Code of Conduct, SC firmly upholds a zero-tolerance approach to all forms of corruption.

Fighting corruption is a central value in Sews-Cabind's corporate culture. All forms of bribery are strictly prohibited, regardless of the context or parties involved—whether public officials, private individuals, or businesses.

Bribes may take various forms, including cash payments, event invitations, inappropriate discounts, job offers made in exchange for favors, or charitable donations intended to influence business decisions. Offering, promising, giving, soliciting, or accepting such benefits, even indirectly, is strictly forbidden.

Employees play a fundamental role in ensuring ethical conduct and are expected to act with integrity in all circumstances. If they encounter any questionable or suspicious situations, they are encouraged to contact the Sews-Cabind Compliance Liaison Officer or the EMEA Legal Department.

Specific situations requiring attention include:

- Requests for cash payments or other benefits that may constitute bribery.
- Suspicions that a business partner may be involved in corrupt practices.
- Requests for approval to offer or receive gifts, entertainment, travel, or meals that may unduly influence business relationships, particularly when involving public officials.
- Participation in events where undue influence could be a concern.

Suppliers, as indirect representatives of Sews-Cabind, are also required to adhere to the same ethical standards. They must comply with the Supplier Code of Conduct (publicly available on SC's website) and with all relevant anti-corruption regulations. Contractual agreements with Sews-Cabind include specific clauses prohibiting the offering or acceptance of improper benefits, ensuring transparency and integrity in business relations.

SC considers the Whistleblowing system a key tool in preventing and combating corruption, as previously outlined. The Code of Conduct, the Employee Handbook, and the whistleblowing procedure are made accessible through the company portal and are shared with each plant in the local language of the country where Sews-Cabind operates.

To ensure the effective implementation of existing procedures, SC carries out regular self-assessments as well as internal and external audits.

To further strengthen ethical awareness and minimize risks, Sews-Cabind offers continuous anti-corruption training.

All new employees receive training tailored to their role, and managers and executives participate in regular refresher sessions. Anti-corruption principles are shared across all levels of the organization, including members of corporate governance bodies.

Indicators	Unit of measurement	At-risk functions	Managers	Administrative, management and supervisory bodies	Other own workers
Training coverage					
Workers subject to training	Number	121	43	9	935
Workers who have completed the training	Number	116	41	6	862
Delivery method and duration					
Classroom training	Hours	0	0	0	0
Computer-based training	Hours	1	1	1	1
Frequency					
Training frequency	Number of times per year	1	1	1	1

Table 6 Detail of the anti-corruption training (no.,h) – Sews-Cabind Group (2023)

More than 95% of employees in functions considered at risk of active or passive corruption (due to the nature of their duties and related responsibilities) have completed training on the subject. These programs are designed to strengthen awareness and ensure alignment with the company's anti-corruption policies and ethical standards.

During the reporting period, no incidents of active or passive corruption were reported in any of the Sews-Cabind Group companies.

Furthermore, there were no dismissals, sanctions, or contract terminations attributable to unlawful conduct. There were also no convictions or legal proceedings initiated against the companies or their employees for corruption-related incidents in 2022 and 2023, demonstrating the effectiveness of the internal control system.

G1- 4

Confirmed incidents of corruption or bribery

Management of relationships with suppliers

G1- 2

Management of relationships with suppliers

Sews-Cabind recognizes the fundamental role that suppliers play in the company's overall success and values their contribution to the business development.

For this reason, the company chooses to collaborate with partners who share its commitment to integrity and compliance with the law. Sews-Cabind requires its suppliers to operate in accordance with the company's principles and to promote the same standards throughout the entire supply chain.

The company manages its supply chain relationships with a strong focus on ethics, in line with the principles of the Sumitomo Supplier Code of Conduct. Suppliers, including subcontractors, consultants, distributors, and agents, are expected to uphold the same standards of integrity, legal compliance, and responsible business conduct as the company itself.

The Company adopts a risk-based approach to supplier management, considering potential impacts on sustainability issues such as human rights, labour practices, environmental protection, and ethical conduct, while promoting more active engagement to improve sustainability performance throughout the supply chain. Sews-Cabind also supports its suppliers, including small and medium-sized enterprises (SMEs), through responsible and timely payment practices.

G1- 6

Payment practices

SC has established a clear payment policy to manage transactions efficiently and ensure timely payments to its suppliers. The policy serves as a guideline for promoting consistency and transparency in all financial dealings.

The company typically processes invoices within an average payment period of 90 days, ensuring that suppliers are compensated in a timely and predictable manner. Currently, 30% of payments are made in accordance with the agreed payment terms. Standard payment terms for businesses are processed via bank transfer, with payment periods ranging from 30 to 120 days, depending on the supplier.

There are no pending legal proceedings related to payment delays.

Payment Practices			
Indicators	**Unit of Measure**	**2022**	**2023**
Average invoice payment time	Average number of days	90	90
Percentage of payments made within standard terms	Percentage	30%	30%
Pending legal proceeding due to late payments	Number	0	0

Table 7 Average payment times and payment punctuality (no., %) – Sews-Cabind Group (2023)

Focus - Supplier management and assessment through Integrity Next

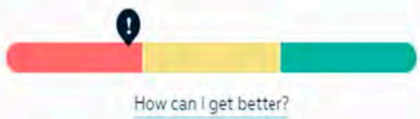
Sews-Cabind has adopted the Integrity Next platform to manage and monitor the ESG performance of its supply chain, in compliance with European regulations (CSRD and CSDDD). Launched in 2023, the process is based on supplier selection according to Annual Purchase Value (APV), with initial thresholds set at €200.000 for direct suppliers and €250.000 for indirect suppliers. The internal classification distinguishes direct suppliers as those providing components for finished products, while indirect suppliers include services, machinery, and logistics providers. Initial response rates exceeded expectations, with 90% of direct suppliers and 94% of indirect suppliers completing the questionnaires. As of 2024, the company has started managing non-compliant suppliers (flagged as "red" by Integrity Next) by issuing corrective action requests.

The ESG topics monitored include environmental aspects, human rights, health and safety, supply chain responsibility, anti-bribery, code of conduct, and cybersecurity, with a reinforced focus on critical materials.

Starting in May 2025, monthly supplier scorecards will include ESG indicators in addition to quality and logistics performance, aiming to enhance engagement and encourage continuous improvement. Furthermore, a formal escalation procedure will be published by October 2025 to address non-responsive or uncooperative suppliers.

Supply Chain Responsibility

Measures taken by the company to ensure economic, ecological and social responsibility in the supply chain



Future Objectives

Sews-Cabind has defined a multi-year plan to progressively expand ESG monitoring: each year, APV thresholds will be lowered to include an increasing share of suppliers. The target for 2030 is to cover 98% of direct suppliers and 75% of indirect suppliers.

In 2026, the company will initiate internal training programs to enable ESG audits, which are scheduled to begin in 2027. At the same time, the company plans to shift from data collection to setting improvement targets for suppliers, particularly regarding environmental impact. An internal analysis is currently underway to define the relevant parameters and targets, which will be communicated in future reporting cycles.

This initiative is part of a long-term strategy to fully integrate ESG criteria into decision-making processes, including supplier selection, with a cross-cutting approach to environmental, social, and governance issues throughout the value chain.

Connect with Innovation

Climate Change

IROs

Environment	IRO	Description	Value Chain	Time horizon (years)	Trigger (for financial materiality only)	Level of responsibility (for impact materiality only)	Source
		Climate Change					
Environment	**Impact Negative - Actual**	The company's GHG emissions (e.g. from electricity use) increase atmospheric GHG concentrations, driving climate change. This leads to events like droughts, floods, and heatwaves, and causes adverse health impacts such as heat-related deaths and malnutrition from reduced crop yields.	Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Environment	**Impact Negative - Actual**	The company's direct and indirect emissions (e.g. due to high energy consumption in aluminium smelters) increase greenhouse gas concentrations, contributing to climate change (droughts, floods, heatwaves, sea level rise) and related human health impacts, such as malnutrition and heat-related mortality.	Upstream Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Environment	**Impact Negative - Potential**	By using energy from non-renewable sources the company is contributing to environmental degradation (air pollution due to emission of air pollutants from fossil fuel combustion used for energy production).	Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice

Table 8 Sews-Cabind Environment IROs (E1)

Overview of IROs on Climate Change

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Climate change represents a critical challenge for Sews-Cabind, directly linked to the company's environmental footprint and the broader transformation of the automotive sector. Emissions generated across the value chain (particularly through electricity consumption and the use of energy-intensive materials) contribute to the accumulation of greenhouse gases in the atmosphere, accelerating global warming and amplifying exposure to both physical and transitional climate risks.

These impacts are not confined to the environment. More frequent and intense climate events (such as floods, droughts, and heatwaves) are already affecting ecosystems, communities, and supply chains, with significant implications for health, food security, and infrastructure. In parallel, continued reliance on fossil fuels delays the energy transition and increases the company's exposure to regulatory, technological, and market-related disruptions.

To address these risks and harness emerging opportunities, Sews-Cabind has adopted an integrated approach to climate management. A comprehensive **climate scenario analysis** was carried out to assess the potential impacts of different global warming pathways on the company's operations, informing strategic decision-making and reinforcing business resilience.

Building on this foundation, the company has defined a **Transition Plan** aligned with the Sumitomo Electric Group's 2030 Vision and carbon neutrality targets. The plan sets clear objectives to **reduce Scope** 1 and 2 emissions by 50%, and Scope 3 emissions by 15% by 2030 (compared to 2018 levels), with the ambition of reaching net-zero emissions by 2050.

Additionally, the expected **financial effects** of the identified IROs have been assessed based on their magnitude (as revealed by the materiality analysis), to which specific value ranges in Yen have been applied. The magnitude of the three IROs identified as relevant for E1 are as follows: from 1 billion to < 5 billion Yen (from 6 million to < 30 million EUR), from 10 million to < 100 million Yen (from 60,000 to < 600,000 EUR), and from 100 million to < 1 billion Yen (from 600,000 to < 6 million EUR).

Building Climate Resilience: Transition plan and strategic objectives

In alignment with this approach, the **Sumitomo Electric Group** actively promotes environmental conservation initiatives across its global operations. Recognizing the urgency of climate change and other environmental challenges, the Group integrates sustainability into its strategies to reduce its footprint and support global efforts toward climate resilience.

Since the establishment of its **Environmental Policy** in 1997, the Group has remained committed to advancing environmental preservation efforts with a global outlook.

In May 2021, the Group publicly endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), to enhance transparency in disclosing climate-related risks and opportunities.

Following this commitment, **in May 2022, the Group disclosed information aligned with the TCFD framework**, covering four key areas: Governance, Strategy, Risk Management, and Metrics and Targets.

As part of this disclosure, **the Group also presented its climate scenario analysis**, demonstrating a proactive approach to assessing the potential impacts of climate change on its business operations and strategy.

E1-1
Climate Transition Plan for Climate Change Mitigation

The Group's transition plan is fully integrated into its long-term vision, reflecting a strategic direction focused on contributing to the creation of a sustainable, green society.

This commitment is not seen as separate from the business itself, but rather as a core element of its corporate purpose, guiding investments, innovation, and operational decisions.

The Group's transition plan for climate change mitigation is subject to approval by the Group's highest governance bodies. Specifically, the plan is discussed within the Sustainability Management Promotion Committee and subsequently submitted for final deliberation and approval by the Board of Directors, ensuring that the plan is fully aligned with the Group's strategic direction and corporate governance framework.

Connect with Innovation

The Sumitomo Electric Group's climate scenario analysis

1.5° (well-controlled situation) scenario

		Possible Circumstances	Assessment of the Impact on the Company	Major Efforts
Opportunities	Energy	■ The market for renewable energy, such as offshore wind power and solar power, will expand toward the realization of a carbon-free society. ■ Electricity providers will change the way they operate toward the realization of a new form of energy mix for each country.	■ There will be growing demand for the new installation or replacement of electricity transmission cables, such as interconnectors. ■ An increasing number of products will be needed to ensure a stable power supply (e.g., rechargeable batteries and energy management systems), leading to an increase in the Company's sales.	■ The Company will proceed with the development of electricity transmission cables for renewable energy (interregional transmission grids), rechargeable batteries, etc., along with improvements in their performance, thereby contributing to expanding the infrastructure. ■ The Company will expand the sale of solutions for regional micro grids.
	Info communications	■ In step with the progress of a data-driven society, the use volume of data will increase explosively. ■ The number of data centers of various sizes will increase. ■ There will be growing demand for low-power-consumption and high-speed communications.	■ There will be growing demand for energy-saving and high-performance products for effectively establishing information networks, leading to an increase in the Company' sales.	■ The Company will focus on the development of optical communications equipment, devices, etc. used for optical cables and data centers, along with improvements in their performance, thereby contributing to realizing an even more energy-saving and effective data-driven society.
	Mobility	■ The market of electrified vehicles, including EVs, will expand. ■ The number of gasoline-powered vehicles will diminish. ■ New EV manufacturers will be established.	■ Many more related items, such as harnesses and system products centered on harnesses, will be adopted for electrified vehicles. The Company will add higher value to such items, leading to an increase in the Company's sales. ■ Markets for gasoline engine components will shrink. ■ The Company's products will be adopted by many more new customers, leading to an expansion of the Company's sales.	■ The Company will proceed with the development of EV-related products and components for lightweight vehicles, along with improvements in their performance, thereby contributing to electrification of automobiles and energy saving.

Figure 26 Scenario Analysis – Sumitomo Electric website

Risks	Tightening of Policies and Legal Regulations	■ The call for reductions in GHG emissions will be more pronounced. ■ There will be a rise in GHG emissions trading prices. ■ Each country's material recycling regulations and certain countries' legal regulations will be tightened.	■ Operating costs will rise due to the introduction of a carbon tax, the start of emissions trading, and the response to regulations on recycling.	■ The Company will further reduce the use of energy in the manufacturing process. (Scope 1+2)
	Rise in Demand from the Market	■ There will be a rise in customer demand in response to climate change, making products and technology less competitive if they are not sufficiently tuned in to the carbon-free trend.	■ Operating costs will rise due to capital investment for the introduction of energy-saving equipment and the purchase of green electricity. ■ There will be calls for the Company to reduce GHG emissions throughout its supply chain including raw material suppliers, requiring the Company to reinforce and review the supply chain.	■ The Company will control the cost increases by reducing its energy costs through energy creation efforts and by realizing a Net Zero Plant in accordance with a plan. ■ The Company will proceed with the development and sale of products that will contribute to realizing a carbon-free society. ■ The Company will proceed with lifecycle assessments in cooperation with components and material suppliers.
	Rise and Appreciation of Raw Material Prices	■ There will be growing demand for raw materials (e.g., copper) necessary for supplying EVs and other products that will contribute to mitigating climate change. It is expected that this will lead to a rise and appreciation of raw material prices.	■ The appreciation of raw material prices will increase the Company's costs.	■ The Company will make further energy-saving and recycling efforts. ■ The Company will reinforce its resilience in terms of raw materials by, for example, proceeding with the development of aluminum electric wires/harnesses.
	Evaluation by Stakeholders	■ The Company's attitude toward addressing climate change will be evaluated by each stakeholder.	■ A delay in response or a failure to achieve targets will lead to a decline in the Company's credibility, a decrease in the sales, a loss of customers, a decline in the stock price, and an increase in the financial arrangement costs.	■ The Company will make efforts to achieve the GHG emissions reduction targets set under the SBTi. ■ The Company will disclose appropriate information to a wide variety of stakeholders and engage in dialogue with them at appropriate timing.

4.0° (BAU) scenario

		Possible Circumstances	Assessment of the Impact on the Company	Major Efforts
Opportunities	Growth in Demand for Products Adaptable to Climate Change	■ Social infrastructure will be improved and strengthened by, for example, reinforcing electricity transmission grids and enhancing the strength of structures, so that society is able to endure environmental changes caused by climate change. ■ Frequent flooding and submergence will require regional infrastructure to be reestablished.	■ There will be an increase in the Company's sales of infrastructure-related products necessary for reinforcing disaster contingency plans and BCPs, such as electric wires/cables and copper wires.	■ The Company will contribute to society by supplying products for preparing for frequent occurrence of disasters, or reinforcing electricity transmission grids, enhancing the strength of structures, and improving communications networks.
Risks	Intensification of Climate Disasters due to Global Warming	■ Extreme climate change (typhoons, torrential rain, droughts, water shortages, and high/low temperatures) will increase the number of climate disasters, affecting manufacturing bases, suspending operations, and disrupting supply chains. ■ There will be an increase in global warming, causing water shortages.	■ Plant suspension due to abnormal climate will generate restoration costs and increase non-life insurance premiums. ■ Appreciation of raw material prices will lead to extreme price rises for certain products, leading to sluggish demand for the products. ■ Water shortages will suspend or relocate many production lines or lead to increased investment in water-saving equipment.	■ The Company will build disaster-resilient plants. ■ The Company will proceed with BCPs by reinforcing its supply chain in consideration of climate change. ■ The Company will invest in improvement of quality of raw materials. ■ The Company will make further energy-saving and recycling efforts.

Reference scenarios: World Energy Outlook 2017, 2020, and 2021 by IEA; Energy Technology Perspectives 2017 by IEA; and Sixth Assessment Report by IPCC

Figure 27 Scenario Analysis – Sumitomo Electric website

Towards a Low-Emission Company: Environmental Goals and Strategies

E1-4

Objectives related to climate change mitigation and adaptation

In line with the established transition plan, **the Group has set targets aligned with the Science Based Targets initiative (SBTi)**, ensuring that its greenhouse gas (GHG) emissions reduction objectives are consistent with limiting global warming to 1.5°C above pre-industrial levels. This alignment underscores Sumitomo Electric's recognition of the urgent need to accelerate decarbonization efforts in accordance with the goals of the Paris Agreement.

To this end, the Group has defined specific, measurable targets for reducing Scope 1 and Scope 2 emissions. Although Scope 3 emissions were not calculated for this reporting exercise, their disclosure is planned for the next reporting cycle.

2030 Targets
Scope 1+2: 50% reduction. **Scope 3**: 15% reduction (compared to FT 2018)
2050 Targets
Scope 1+2: Achievement of carbon neutrality (net-zero GHG emissions)

Among the main decarbonization levers identified, **the Group has prioritized increasing the share of renewable energy in its purchased electricity and installing a photovoltaic system**.

The initiatives represent the most significant and immediate opportunities for emissions reduction across its operations. Moreover, **efforts will help mitigate the negative environmental impacts identified through the double materiality analysis**, which emphasizes the company's adverse contributions to climate change.

The targets are not limited to the Group's central operations but are systematically cascaded across all affiliated companies, ensuring a unified and coordinated approach throughout the organization.

In line with the ecological transition and the commitment to reducing environmental impact, **Sews-Cabind has established a set of concrete objectives** focused on energy efficiency, renewable energy production, and the reduction of climate-altering emissions.

These objectives are tailored by country, considering the specific characteristics of each operational site as well as the local regulatory and energy context.

Below are the objectives of the Group's different sites.

SCI – Photovoltaic system for the self-production of renewable energy

The objective for SCI is to **cover between 15% and 20% of its annual electricity needs** (estimated at around 400.000 kWh) through self-produced energy from a photovoltaic system.

In addition to improving energy efficiency, this initiative aims to proportionally reduce indirect CO_2 emissions related to electricity purchased from the grid (Scope 2 emissions).

Although actual results may vary depending on annual weather conditions, the average target is set at approximately 20%, marking a significant step forward in the journey toward greater environmental and energy sustainability.

SCM – Installation of photovoltaic system by 2026

The objective for SCM is to complete the installation of a photovoltaic system by 2026.

This initiative is aimed at reducing dependence on fossil fuels, improving energy efficiency, and limiting exposure to fluctuations in local energy costs. By increasing the share of self-produced renewable energy, the site will strengthen its environmental performance while enhancing long-term energy resilience.

SCP – Purchase of renewable energy with Guarantees of Origin (GO) and reduction of greenhouse gas emissions by 2030

The objective for SCP is twofold. On one hand, the company aims to continue using renewable energy certified with Guarantees of Origin (GO) to power its operational activities, ensuring the use of clean and traceable electricity. On the other hand, based on projections developed by the internal environmental team, the site is expected to achieve a 50% reduction in CO_2 emissions by 2030.

SCA – Machinery Modernization

At SCA, the replacement of some outdated machinery and equipment with more energy-efficient and environmentally sustainable models is currently underway, aiming to improve production efficiency and reduce environmental impact.

Climate change mitigation and adaptation policy

E1-2

Policies related to climate change mitigation and adaptation

Environmental protection is a fundamental pillar of Sews-Cabind's sustainable development strategy.

In line with the principles outlined in the Sumitomo Group Code of Conduct, Sews-Cabind is committed to promoting responsible growth, capable of combining industrial progress with the preservation of natural resources and respect for ecological balance.

This commitment is reflected in an **Environmental Policy** that not only ensures compliance with applicable environmental regulations but also raises awareness throughout the organization regarding its environmental responsibilities. The goal is to gradually reduce the impacts generated by corporate activities through sustainable resource management and continuous attention to minimizing environmental harm.

As identified through double materiality analysis, Sews-Cabind's activities generate both direct and indirect greenhouse gas (GHG) emissions, which contribute significantly to the negative effects of climate change. The company acknowledges this impact and integrates climate responsibility into its strategic planning, with the aim of mitigating its contribution to global warming.

To implement these principles, Sews-Cabind adopts an **Environmental Management System (EMS)** that involves every aspect of its business activities.

This system is designed to continuously improve business practices, following several key principles, including:

- strict compliance with environmental regulations and obligations.
- environmental protection, with particular attention to pollution prevention.
- CO_2 emissions reduction, in line with the plans established by the SWS Group.
- responsible use of natural resources and energy sources, ensuring efficient and sustainable use.
- conscious use of materials, aiming to minimize waste production and disposal.

- promotion of environmental awareness among all employees, encouraging active involvement and responsible behaviour at all levels of the organization.

Through this integrated approach, Sews-Cabind reaffirms its commitment to sustainable industrial growth, focused not only on environmental protection but also on effectively addressing the challenges posed by climate change.

The Environmental Policy serves as a strategic tool to strengthen the company's resilience and to actively reduce the substantial environmental impact resulting from its own operations, thereby contributing to the achievement of global sustainability and climate goals.

Supporting the transition: climate actions

E1-3

Actions and resources related to climate change policies

Based on the strategic vision, Sews-Cabind has put into practice an Environmental Management System **(EMS)** in accordance **with ISO 14001:2015**, which is currently implemented at its sites in Italy and Poland.

The Environmental Management System (EMS) enables the collection and analysis of key data essential for monitoring and implementing concrete actions to address climate change, including energy consumption and CO_2 emissions. It represents a strategic tool for mitigating the negative impacts the company has on climate change, particularly through the management and progressive reduction of direct and indirect greenhouse gas (GHG) emissions, thereby contributing to greater environmental sustainability.

To achieve the 2025 and 2030 targets (further detailed in section E1-4 "Towards a Low-Emission Company: Environmental Goals and Strategies") the company has planned a series of measures aimed at reducing Scope 1 CO_2 emissions (direct emissions) and Scope 2 CO_2 emissions (indirect emissions from electricity consumption).

These actions are structured across three main areas of intervention: **system improvement, operational activities, and education and awareness.**

Regarding the **system improvement**, the company is committed to strengthening its Environmental Management System by aligning it more closely with carbon neutrality objectives and enhancing central governance mechanisms, ensuring that environmental priorities are consistently integrated into management and decision-making processes.

In addition, **Sews-Cabind is promoting a wide range of initiatives**.
These include **ensuring compliance with environmental regulations through regular audits** and **implementing** a medium-term CO_2 **emissions reduction plan** defined in line with Group objectives.

Sews-Cabind's commitment to the fight against climate change

- **Implementation of an Environmental Management System**
- **CO_2 emissions reduction plan**
- **Energy efficiency plan**
- **Energy transition plan**
- **Regular environmental audits**

Major efforts are also underway to reduce energy consumption through targeted actions such as the complete replacement of lighting systems with LED technology, optimization of air conditioning settings, improvement of compressed air system efficiency, and the introduction of high-efficiency machinery.

Moreover, the company actively participates in national initiatives aimed at promoting sustainability.

For example, in 2024 it took part in the "**M'illumino di meno**" campaign, an initiative focused on raising awareness about the importance of energy saving and sustainable lifestyles, symbolically turning off the external lights of its Italian headquarters to contribute to the cause.

Beyond reducing energy demand, the company is also working to **diversify its energy mix** by promoting the use of solar energy (both purchased and self-produced) and sourcing electricity from providers that generate power from renewable sources.

Finally, the **educational component plays a crucial role** in maintaining sustainable environmental performance over time by strengthening awareness across all levels of the organization. This is particularly important in areas such as carbon neutrality, energy efficiency, and the responsible use of natural resources.

Energy Management

E1-5
Energy consumption and energy mix

Total energy consumption by the Sews-Cabind Group in the FY 2022–2023 biennium increased from 22.128 MWh to 24.785 MWh, marking a rise of approximately 12%. This increase is linked to the intensification of production activities. Despite this, the company continued to implement initiatives aimed at reducing energy consumption and improving energy efficiency.

The energy mix remains predominantly based on fossil fuels, although some improvement has been observed: in 2023, their share decreased from 100% to 98% thanks to the purchase of 614 MWh of certified renewable electricity (guaranteed origin).

Specifically, the following trends were noted:

- A 29% increase in gasoline consumption and a 23% increase in diesel consumption for vehicles, consistent with greater use of company transport.
- A slight rise in electricity demand from the grid (+7%).
- A decrease in natural gas consumption (-7%) and purchased heat (-5%).
- The introduction of a 2% share of renewable energy in the overall energy mix.
- No use of energy from nuclear sources.

Energy consumption and energy mix (MWh)	2022	2023
Diesel fuel for transportation	93,60	115,64
Gasoline	155,51	201,36
GPL	22,19	22,43
Natural gas	562,09	523,53
Purchased electricity from the grid	20.618,74	22.666,17
Purchased heat	675,83	641,11
Total energy consumption from fossil sources	**22.127,97**	**24.170,24**
Share of fossil sources in total energy consumption	**100%**	**98%**
Renewable electricity purchased from the grid (with Guarantee of Origin only)	0,00	614,38
Total renewable energy consumption	**0,00**	**614,38**
Share of renewable sources in total energy consumption	**0%**	**2%**
Total energy consumption	**22.127,97**	**24.784,62**

Table 9 Energy consumption (MWh, %) - Sews-Cabind Group (2022-2023)

An analysis of the distribution of energy consumption across Sews-Cabind's sites in FY 2023 reveals that SCM holds the predominant share, accounting for 78% of total consumption. Following SCM, SCP contributes 13%, while SCA and SCI represent 6% and 3% of the total, respectively.

The chart below highlights a clear concentration of energy consumption at the SCM site, whereas the other locations have a significantly smaller energy impact.

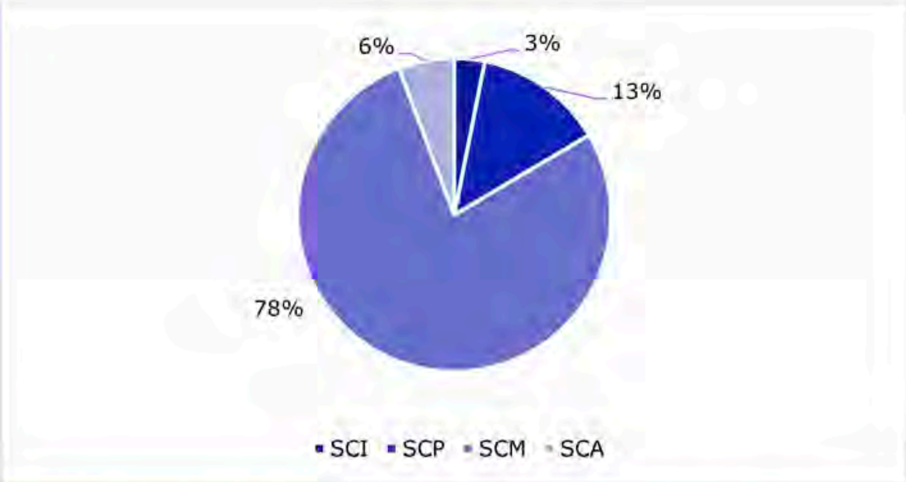


Figure 28 Energy consumption (%) – Sews-Cabind plants (2023)

As previously mentioned, the increase in energy consumption observed in FY2023 is closely linked to the rise in production volumes. Nevertheless, the effectiveness of the measures introduced to enhance efficiency is clearly reflected in the trend of energy intensity (measured as consumption per million euros of net revenue) which decreased from 49.70 in FY2022 to 44.98 in FY2023.

This represents a 10% reduction, a significant achievement that demonstrates the company's commitment to a more energy-efficient production approach, even in the context of operational growth.

It was not possible to precisely distinguish company activities within high climate impact sectors. This is because the available energy data are aggregated at the plant level and not broken down by individual sectors or activities (for example, between offices and production facilities). Consequently, it was not possible to isolate energy consumption exclusively attributable to high climate impact sectors.

Energy intensity relative to net revenue	Unit of measurement	2022	2023
Total energy consumption	MWh	22.127,97	24.784,62
Total net revenue	Million euros	445,27	551,03
Energy intensity relative to net revenue	**MWh/Million euros**	**49,70**	**44,98**

Table 10 Energy intensity (MWh/M€) – Sews-Cabind Group (2022-2023)

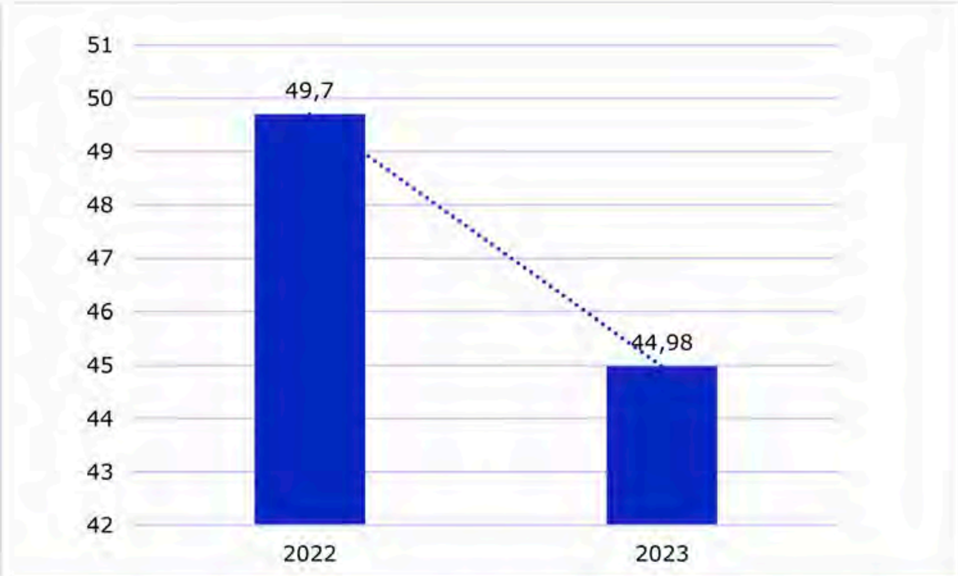


Figure 29 Energy intensity (MWh/M€) – Sews-Cabind Group (2022-2023)

Emissions Management

E1-6

Gross GHG emissions for Scopes 1, 2, and 3, and total GHG emissions

During the 2022–2023 fiscal years, Sews-Cabind's total greenhouse gas emissions, measured in metric tons of CO_2 equivalent (tCO_2eq), rose from 16.616 to 18.431, an increase of nearly 11%. Direct emissions (Scope 1) grew from 883 to 945 tCO_2eq, reflecting a 7% rise, while indirect emissions calculated using the Location-Based method (Scope 2) climbed from 15.733 to 17.486 tCO_2eq, up by 11%.

This overall growth in emissions is

primarily linked to the expansion of the company's production activities over the same period.

Total Emissions (tCO_2eq)	2022	2023
Scope 1	883,50	944,66
Scope 2 Location Based	15.732,89	17.486,47
Total Emissions Location Based	**16.616,39**	**18.431,13**

Table 11 Total Location-Based emissions by Scope (tCO_2eq) - Sews-Cabind Group (2023)

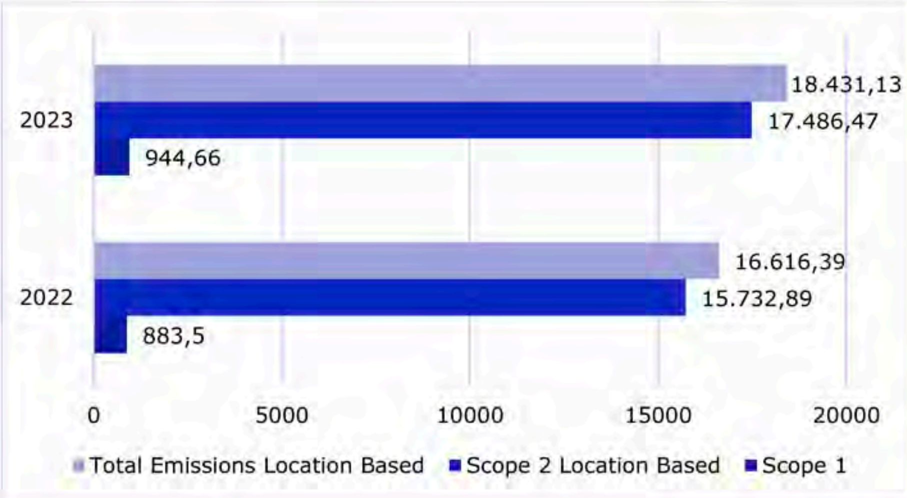


Figure 30 Total Location-Based emissions distribution by Scope (tCO_2eq) - Sews-Cabind Group (2022–2023)

Adopting the Market-Based methodology, Sews-Cabind's total greenhouse gas emissions show an upward trend, increasing from 16.972 tCO_2eq to 18.296 tCO_2eq, with an 8% rise. This trend is consistent with the increase in emissions recorded using the Location-Based methodology, reflecting Sews-Cabind's production and operational dynamics during the same period.

Total emissions (tCO_2eq)	2022	2023
Scope 1	883,50	944,66
Scope 2 Market Based	16.088,86	17.351,54
Total emissions Market Based	**16.972,36**	**18.296,19**

Table 12 Total Market-Based emissions (tCO_2eq) distribution by Scope – Sews-Cabind Group (2023)

Looking at the total emissions calculated using the Location-Based method and focusing on the analysis by individual site, significant differences emerge between the various operational locations of Sews-Cabind. SCM remains the site with the highest emissions (at 12,101 tCO_2eq in 2022, rising to 14.072 tCO_2eq in 2023), clearly surpassing the other sites. It is followed by SCP, which recorded emissions of 4.284 tCO_2eq in 2022 (decreasing to 4.163 tCO_2eq in 2023), and SCI, with emissions dropping from 218 tCO_2eq in 2022 to 179 tCO_2eq in 2023. SCA, on the other hand, showed lower values, at 13 tCO_2eq in 2022 and 17 tCO_2eq in 2023.

Overall, SCM contributes significantly to Sews-Cabind's total CO_2eq emissions, while SCI and SCP demonstrated a decrease in emissions over the year. Although SCA's impact is quantitatively limited, it recorded a significant percentage increase (+29%).

Total emissions Location based (tCO_2eq)	2022	2023
SCI	217,96	179,17
SCP	4.283,82	4.163,00
SCM	12.101,25	14.071,67
SCA	13,36	17,29

Table 13 Total Location-Based emissions (tCO_2eq) distribution by plant – Sews-Cabind Group (2022–2023)

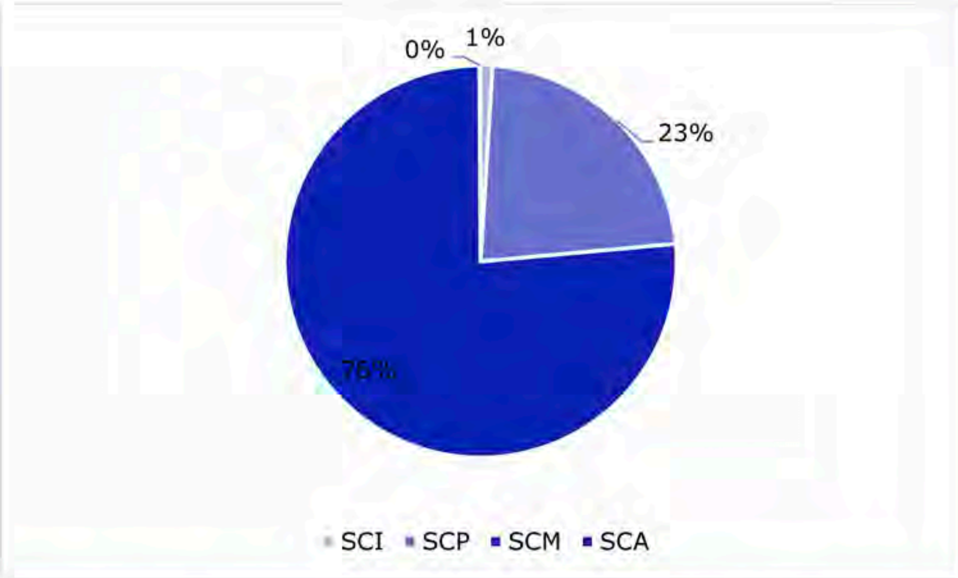


Figure 31 Total Location-Based emissions distribution by plant (%) – Sews-Cabind Group (2023)

A similar analysis can also be conducted by considering the total emissions calculated using the Market-Based method, where similar trends are observed across the different Sews-Cabind sites.

Total emissions Market based (tCO_2eq)	2022	2023
SCI	292,63	260,96
SCP	4.565,11	3.946,28
SCM	12.101,25	14.071,67
SCA	13,36	17,29

Table 14 Total Market-Based emissions (tCO_2eq) distribution by plant – Sews-Cabind Group (2022-2023)

Analysis of Scope 1 and Scope 2

Analyzing in detail the Scope 1 emissions broken down by each Sews-Cabind site for the FY 2022-2023 period it is observed that SCI's emissions decreased from 86 tCO_2eq in 2022 to 78 tCO_2eq in 2023. In contrast, SCP recorded a significant increase, rising from 784 tCO_2eq to 850 tCO_2eq (also due to higher usage of refrigerant gases), making it the site with the highest Scope 1 emissions in 2023. SCM maintains a zero value in both years, with no direct emissions recorded. SCA, on the other hand, shows an increase from 13 tCO_2eq to 17 tCO_2eq.

Scope 1 Emissions (tCO_2eq)	2022	2023
SCI	86,33	77,71
SCP	783,81	849,66
SCM	0,00	0,00
SCA	13,36	17,29

Table 15 Scope 1 emissions (tCO_2eq) - Sews-Cabind Group (2022-2023)

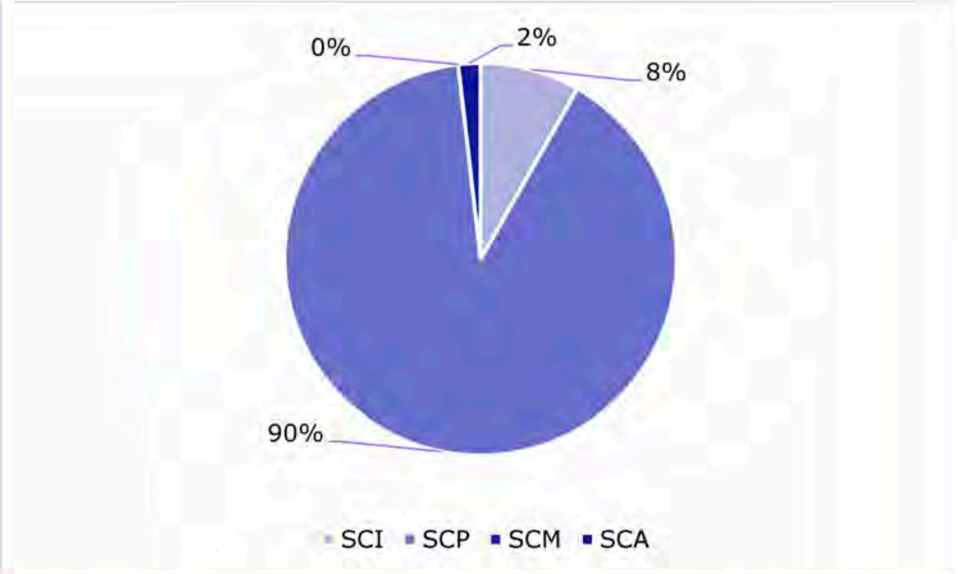


Figure 32 Scope 1 emissions distribution by plant (%) – Sews-Cabind Group (2023)

Regarding Scope 2 Location-Based emissions, generated by the consumption of purchased electricity, SCM is the site with the highest emissions in FY 2023, reaching 14.072 tCO_2eq compared to 12.101 tCO_2eq in FY 2022. SCP, on the other hand, records a slight decrease, falling from 3.500 tCO_2eq in 2022 to 3.313 tCO_2eq in 2023. SCI significantly reduces its emissions from 132 tCO_2eq to 101 tCO_2eq, while SCA maintains zero emissions in both years.

Scope 2 Location based emissions (tCO_2eq)	2022	2023
SCI	131,64	101,46
SCP	3500,01	3313,35
SCM	12.101,25	14.071,67

SCA	0,00	0,00

Table 16 Scope 2 Location-Based emissions (tCO_2eq) Sews-Cabind Group (2023)

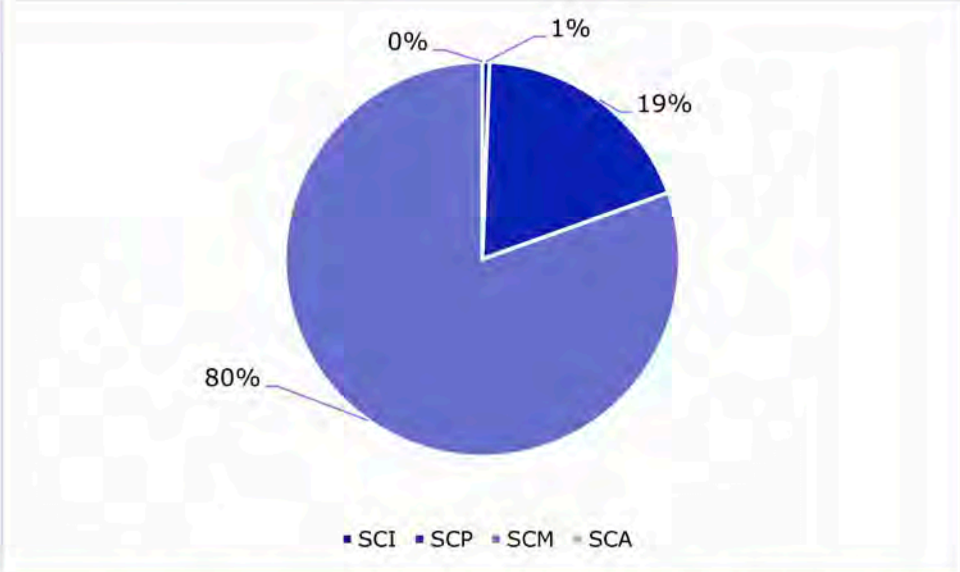


Figure 33 Distribution of Scope 2 Location-based emissions by Plant (%) - Sews-Cabind Group (2023)

Finally, looking at Scope 2 Market-Based emissions, SCM remains the site with the highest emissions in 2023, reaching 14.072 tCO_2eq compared to 12.101 tCO_2eq in 2022. SCP, on the other hand, shows a significant reduction in emissions, falling from 3.781 tCO_2eq in 2022 to 3.097 tCO_2eq in 2023 (a decrease of 18%). This reduction is mainly due to the introduction of certified renewable energy purchases with a Guarantee of Origin (GO). Italy also records a decrease in emissions, dropping from 206 tCO_2eq to 183 tCO_2eq during the same period. Albania maintains zero emissions in both years.

Scope 2 Market based emissions (tCO_2eq)	2022	2023
SCI	206,31	183,25
SCP	3781,30	3096,62
SCM	12101,25	14071,67
SCA	0,00	0,00

Table 17 Scope 2 Market-Based emissions (tCO_2eq) Sews-Cabind Group (2023)

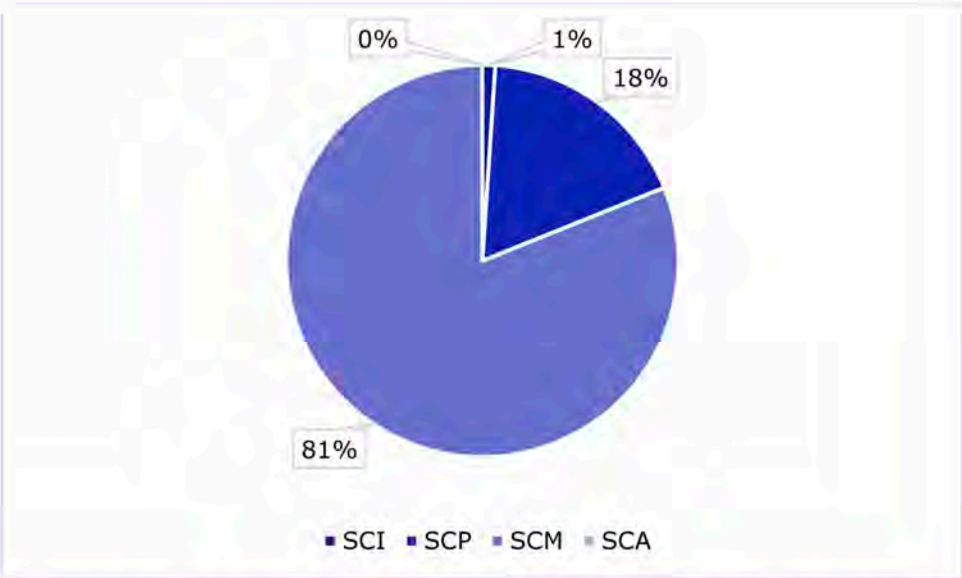


Figure 34 Distribution of Scope 2 Market-Based Emissions (%) – Sews-Cabind Group (2023)

The results achieved in terms of emissions further validate the effectiveness of the measures implemented. Emission intensity (measured in tonnes of CO_2e per million euros of net revenue) saw a significant decrease, dropping from 37.32 in FY2022 to 33.45 in FY2023. This corresponds to a 10% reduction, a particularly meaningful outcome that highlights the company's concrete commitment to lowering its environmental impact per unit of economic value generated.

Indicator	Unit of measurement	2022	2023
Total emissions Location based	tCO_2e	16.616,39	18.431,13
Total net revenue	millions of euros	445,27	551,03
Emissions intensity	**tCO_2e/million euros**	**37,32**	**33,45**

Table 18 Emission Intensity (tCO_2eq/M€) – Sews-Cabind Group (2022-2023)

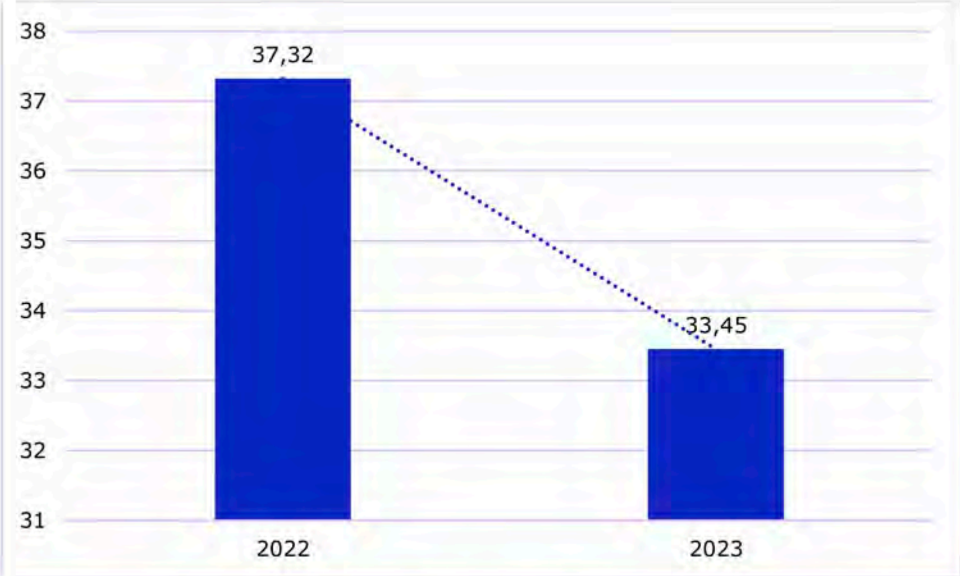


Figure 35 Emission intensity ($tCO_2eq/M€$) – Sews-Cabind Group (2022-2023)

Methodology used to calculate Scope 1 and Scope 2 emissions

The emissions calculation method is based on the collection of activity data (primary data) and their conversion into CO_2 equivalent using emission factors sourced from recognized databases. Emissions are therefore calculated by multiplying the activity data by the corresponding emission factors. The databases used to quantify the emissions include:

- **DEFRA** (Department for Environmental, Food & Rural Affairs) 2022 [1] e 2023 [2]: is an executive department of the UK government responsible for environmental protection and agriculture. Its comprehensive database contains emission factors that are useful for calculating greenhouse gas emissions across Scope 1, Scope 2, and Scope 3 categories.
- **Ecoinvent**: The emission factors were obtained using the SimaPro software, drawing from the Ecoinvent 3.10 database and applying the IPCC 2021 GWP100 V1.03 impact assessment method. This is a Life Cycle Inventory (LCI) database compliant with ISO 14040/14044 standards, widely used for environmental analyses at the international level. It enables the calculation of environmental impacts associated with goods and processes throughout their entire life cycle.
- **ISPRA**[3]: the Italian Institute for Environmental Protection and Research is the national body responsible for promoting and developing research activities, as well as strategies and operational tools, to address key challenges related to environmental protection and the management of environmental emergencies. Among its functions is the provision of emission factors related to the production and consumption of electricity in Italy.
- **EFCTC:** the calculation of emissions from refrigerant gases was based on the list published by the European Fluorocarbons Technical Committee (EFCTC) in

[1] https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022

[2] https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023

[3] https://www.isprambiente.gov.it/it

November 2022, which includes refrigerants subject to the F-Gas Regulation 517/2014. Specifically, Global Warming Potential (GWP) values from the AR6 column were used, in line with the most recent scientific updates. These values are consistent with the latest edition of ASHRAE Standard 34 and ISO 817 and provide a reliable basis for converting refrigerant gas quantities into CO_2 equivalent emission.

Connect with Innovation

Circular economy models

IROs

	Circular economy models						
	IRO	Description	Value Chain	Time horizon (years)	Trigger (for financial materiality only)	Level of responsibility (for impact materiality only)	Source
Environment	**Impact Negative - Actual**	Waste generation and improper management, such as incineration or landfilling, can harm the environment by contaminating air, soil, and water, potentially leading to negative effects on human health.	Upstream Own operation Downstream	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
	Impact Negative - Actual	The extraction of critical raw materials (e.g., copper, rubber, aluminum) for products and packaging can negatively impact the environment and society, leading to land degradation and water contamination.	Upstream Own operation	1-5	n/a	Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
	Impact Negative - Potential	Lack of active steering of materials sourcing strategy for conflict minerals like tin and gold may lead to sourcing from regions which are more controversial from a social perspective (illegal mining and smuggling of minerals to finance rebel activities contribute to the exacerbation of conflicts, but also constitute human rights violations through forced labor and the abusive treatment of the local population).	Upstream Own operation	0-1	n/a	Human rights impact Contributed (Activities lead, facilitate, or incentivize another entity to cause the impact). Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
	Risk	Insufficient R&D investments, e.g. insufficient collection and knowledge of information on new technologies, as well as the inability to develop superior and new sustainable products (e.g. further development of wiring harnesses for vehicles to improve fuel efficiency and development of high-voltage wiring harnesses), lead to the risk of losing financial opportunities.	Own operation	1-5	Within SC's control	n/a	Risk Inventory Report

Table 19 Sews-Cabind Environment IROs (E5)

Overview of IROs on Circular economy models

ESRS2 SBM-3
Material impacts, risks and opportunities and their interaction with strategy and business model

Minimising waste and preserving the value of resources are key environmental priorities for Sews-Cabind in its gradual shift toward a circular economy approach. Moving beyond traditional linear models of production and consumption, the company is embracing a strategy based on resource efficiency, responsible sourcing, and long-term environmental resilience.

The analysis of related impacts has revealed several critical issues, particularly around the generation and disposal of industrial waste. Improper handling (such as uncontrolled landfilling or incineration) can lead to soil, water, and air contamination, with potential implications for both ecosystems and human health. In parallel, a strong dependence on critical raw materials such as copper, rubber, and aluminium introduces significant environmental pressures due to extractive processes that often involve deforestation, land degradation, and water pollution.

Additional risks have been identified in connection with the procurement of minerals from high-risk areas. In the absence of robust traceability systems, sourcing materials like tin or gold can be linked to serious human rights violations and labour exploitation upstream in the supply chain.

To address these risks and reduce negative impacts, Sews-Cabind has implemented a set of operational measures aligned with circular economy principles. These include comprehensive **waste mapping**, collaboration with certified treatment and recovery providers, and improved **monitoring** of resource consumption and waste generation across operational sites.

It is important to note, however, that as a contract manufacturer, the company has limited control over material selection and the application of circular design principles, which are typically defined by its customers based on specific technical requirements.

Despite these limitations, Sews-Cabind fosters responsible resource management through a certified **ISO 14001 environmental management system**. This framework supports regulatory compliance, continuous improvement, and performance monitoring across sites. In parallel, the company invests in **research and development** to identify more efficient and sustainable technical solutions and actively engages with suppliers to encourage the adoption of responsible practices.

Circular economy: a challenge to be addressed with responsibility

E5-1

Policies on resource use and circular economy

The Group has developed an **environmental policy** that sets out principles and guidelines for a more sustainable management of its activities. The policy addresses several relevant environmental aspects, among which the issue of circular economy stands out.

In this area, Sews-Cabind is committed to reducing resource consumption and limiting waste generation. However, this commitment is challenged by the **nature of the company's production model**. Sews-Cabind operates as a contract manufacturer under a "**Build-to-Print**" approach, meaning it produces wiring harnesses strictly in accordance with customer-provided drawings, specifications, and work instructions. In the process, clients also designate the suppliers from whom materials must be sourced, which limits Sews-Cabind's ability to intervene directly in material selection and waste reduction strategies.

For this reason, it is difficult for the company to set specific targets related to circular economy practices.

However, whenever it can influence design or sourcing decisions, Sews-Cabind actively promotes more sustainable solutions, as demonstrated, for example, in the development of the Focus Charging Port system (see page ~~37~~35). Additionally, the company recycles paper and cardboard, while copper from discarded harnesses is recovered, melted, refined, and reintroduced to the market as post-consumer raw material. Finally, a procurement policy is adopted to minimize surpluses through just-in-time material procurement based on received orders.

Sews-Cabind employs state-of-the-art plants and technologies for the production of wiring harnesses intended for the automotive sector, ensuring high-quality standards. The assembly lines are designed to optimize every stage of the production process, ensuring precision and speed in the joining of wires, connectors, and other components. In addition, SC uses machinery for cutting and crimping, ensuring stable and secure connections, which are essential for the proper functioning of electrical systems in vehicles. The advanced welding processes adopted by the company result in durable and resistant connections, while automation, through the use of industrial robots, further optimizes production times without compromising quality. Finally, continuous and precise quality controls, combined with rigorous final electrical testing, guarantee safety and performance by promptly identifying any defects.

Incoming Materials

E5-4
Incoming materials

During FY 2023, the Sews Cabind Group managed a total of 34.739 tonnes of incoming materials across its operational sites. The distribution of volumes reflects the different production capacities and territorial specificities of each facility.

SCM received the largest share, with 30.649 tonnes (accounting for 88% of the total), confirming its role as the Group's main production hub. The SCA site handled 1.585 tonnes (representing 5%), while SCP received 1.938 tonnes, equal to 6% of the total. Lastly, the SCI site registered 567 tonnes, accounting for 2% of incoming materials.

This distribution highlights a clear concentration of material flows in Morocco, with the other sites playing complementary and strategic roles within the Group's value chain.

During 2023, the Sews-Cabind Group exclusively utilized technical materials, with no use of biological components.

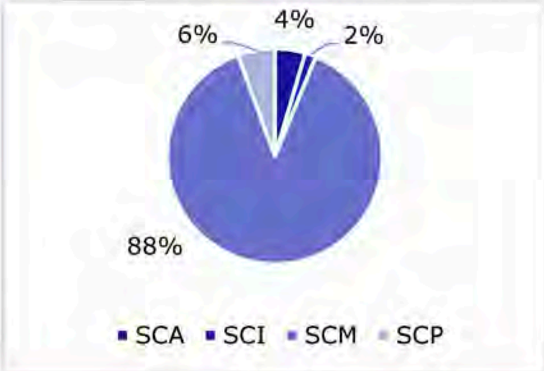


Figure 36 Distribution of incoming resources by plant (%) - Sews-Cabind Group (2023)

This is due to the fact that the production of harnesses requires the consumption of non-renewable materials such as copper, rubber, and plastic. The SCM site stands out for the highest volume of incoming materials, exceeding 30.600 tonnes.

Headquarters	Total weight of incoming materials (t) in 2023
SCA	1.584,58
SCI	567,43
SCM	30.648,73
SCP	1.938,16
Total	**34.738,90**

Table 20 Incoming resources by plant (t) - Sews-Cabind Group (2023)

Of this total, approximately 6.477 tonnes consist of copper, while the remainder is divided into 2.668 tonnes of plastics and over 21.500 tonnes of materials classified as "other" (a category that includes semi-finished products and additional technical components). The SCI site recorded a total of about 567 tonnes, primarily composed of plastics (165 tonnes) and diversified technical materials (403 tonnes). SCP contributed nearly 1.940 tonnes, including 372 tonnes of plastics and 1.567 tonnes of other technical types. Finally, SCA handled approximately 1.585 tonnes in total, balancing 295 tonnes of plastics with 1.289 tonnes of other materials.

Biological materials/products	Total weight (t) 2023
Total organic materials	0
Technical materials/products	**Total weight (t) 2023**
Plastic material (SCA)	295,095
Other (SCA)	1289,489
Plastic material (SCI)	164,723
Other (SCI)	402,704
Copper material (SCM)	6476,988
Plastic material (SCM)	2667,612
Other (SCM)	21504,133
Plastic material (SCP)	371,585
Other (SCP)	1566,571

Table 21 Main incoming resources by plant (t) - Sews-Cabind Group (2023)

We now turn to the analysis of packaging used in 2023, as shown in the table below. The total weight of packaging materials employed amounts to 2.589,39 tonnes.

The most significant category in terms of weight is sheet metal packaging (SCM), with 1.574,08 tonnes, followed by plastic packaging (SCM and SCP), which together weigh 631,44 tonnes (401,32 t for SCM and 230,12 t for SCP). Wooden packaging (SCI, SCM, and SCP) also represents a substantial share, totaling 359,75 tonnes (31,4 t for SCI, 281,49 t for SCM, and 46,86 t for SCP), while wooden packaging for SCA is not present (0 t). Finally, sheet metal packaging for SCI and SCP weighs 18,43 and 5,69 tonnes, respectively.

It should be noted, however, that these data carry a non-negligible margin of uncertainty due to the methods of measurement and estimation; therefore, the figures should be interpreted as indicative values subject to possible variations.

Incoming packaging	Total weight (t) 2023
Woodern packaging (SCA)	0
Sheet metal packaging (SCI)	18,43
Wooden packaging (SCI)	31,4
Sheet metal packaging (SCM)	1574,08
Wooden packaging (SCM)	281,49
Plastic packaging (SCM)	401,32
Sheet metal packaging (SCP)	5,69
Wooden packaging (SCP)	46,86
Plastic packaging (SCP)	230,12
Total	2589,39

Table 22 by plant (t) - Sews-Cabind Group (2023)

Waste Management

E5-5
Outgoing materials

During the fiscal year 2023, the Sews-Cabind Group managed 30.22 tons of hazardous waste not destined for disposal, marking an 11% increase compared to 27,16 tons in FY 2022. The entire quantity of hazardous waste was handled at external sites. Specifically, in 2023, 30.11 tons of hazardous waste were sent for recycling, up from 27 tons the previous year, while other recovery operations slightly decreased from 0,16 to 0,11 tons.

As for non-hazardous waste, the total amount not destined for disposal in FY 2023 was 429 tons, representing a 5% increase compared to 408,19 tons in FY 2022. Once again, the entire volume was managed at external sites. The share of waste sent for recycling grew by 19%, rising from 256,54 to 306,09 tons, whereas other recovery operations declined by 19%, falling from 151,65 to 122,91 tons.

It is important to note that, due to the unavailability of data from the **SCM site**, the waste management information provided in this section does not include the data specific to this location.

Waste NOT intended for disposal by type	Unit of Measurement	2022			2023		
		On-site	At an external site	Total	On-site	At an external site	Total
Total hazardous waste	**t**	**0,00**	**27,16**	**27,16**	**0,00**	**30,22**	**30,22**
Preparation for reuse	t	0,00	0,00	0,00	0,00	0,00	0,00
Recycling	t	0,00	27	27	0,00	30,11	30,11
Other recovery operations	t	0,00	0,16	0,16	0,00	0,11	0,11
Total NON-hazardous waste	**t**	**0,00**	**408,19**	**408,19**	**0,00**	**429,003**	**429,003**
Preparation for reuse	t	0,00	0,00	0,00	0,00	0,00	0,00
Recycling	t	0,00	256,54	256,54	0,00	306,093	306,093
Other recovery operations	t	0,00	151,65	151,65	0,00	122,91	122,91

Table 23 Non-disposal waste by type (t) - Sews-Cabind Group (2022-2023)

Figure 37 Total hazardous and non-hazardous waste NOT destined for disposal (t) - Sews-Cabind Group (2022-2023)

Analysing the waste destined for disposal during the same period, a decrease in hazardous waste is observed, falling from 1,10 tons in 2022 to 0,68 tons in 2023, representing a 38% decline. This reduction is attributable to the decrease in waste incinerated without energy recovery, which dropped from 0,16 tons to 0,11 tons (-31%), as well as other disposal operations, which declined from

0,94 tons to 0,57 tons (-39%). No changes were recorded for waste incinerated with energy recovery or for landfill-destined waste, both remaining at zero in both years.

Regarding non-hazardous waste, an increase is noted, with the total rising from 92,53 tons in 2022 to 121,13 tons in 2023, corresponding to a 31% increase. This growth is due to the rise in landfill disposal, which increased from 91,21 tons to 120,05 tons (+32%). Conversely, other disposal operations experienced a slight decrease, falling from 1,32 tons to 1,08 tons (-18%), while incinerated waste remained absent in both years.

Waste intended for disposal by type	Unit of Measurement	2022			2023		
		On-site	At an external site	Total	On-site	At an external site	Total
Total hazardous waste	t	**0,00**	**1,10**	**1,10**	**0,00**	**0,68**	**0,68**
Incineration (with energy recovery)	t	0,00	0,00	0,00	0,00	0,00	0,00
Incineration (without energy recovery)	t	0,00	0,16	0,16	0,00	0,11	0,11
Landfill disposal	t	0,00	0,00	0,00	0,00	0,00	0,00
Other disposal operations	t	0,00	0,94	0,94	0,00	0,57	0,57
Total NON-hazardous waste	t	**0,00**	**92,53**	**92,53**	**0,00**	**121,13**	**121,13**
Incineration (with energy recovery)	t	0,00	0,00	0,00	0,00	0,00	0,00
Incineration (without energy recovery)	t	0,00	0,00	0,00	0,00	0,00	0,00
Landfill disposal	t	0,00	91,21	91,21	0,00	120,05	120,05
Other disposal operations	t	0,00	1,32	1,32	0,00	1,08	1,08

Table 24 Waste destined for disposal by type (t) - Sews-Cabind Group (2022-2023)

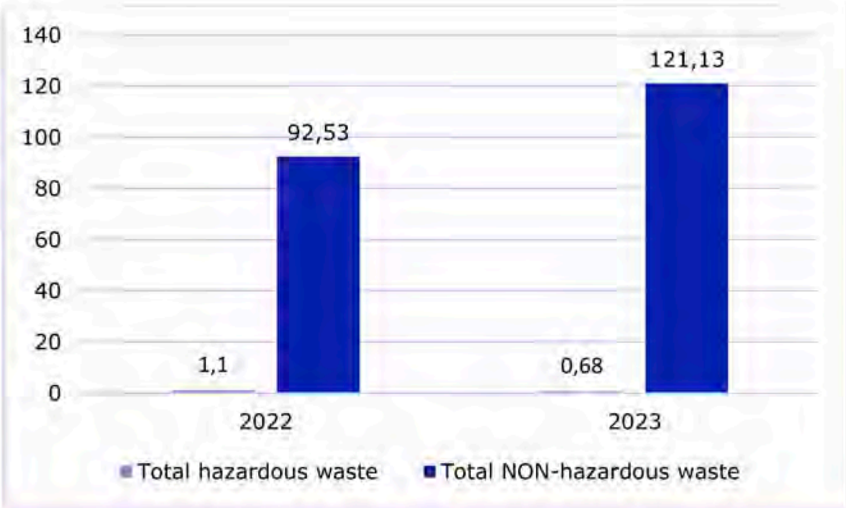


Figure 38 Total hazardous and non-hazardous waste destined for disposal (t) - Sews-Cabind (2022-2023)

The total waste production of the Sews-Cabind Group increased, rising from 528,82 tons in FY 2022 to 580,92 tons in FY 2023, marking a growth of nearly 10%. As mentioned earlier, this increase is attributed to the rise in production activities and the expansion of company projects.

Waste not destined for disposal (i.e., those recovered through recycling or other forms of valorization) grew by 6%, from 435,19 tons in FY 2022 to 459,11 tons in FY 2023.

On the other hand, waste destined for disposal showed a more significant increase (30%), rising from 93,63 tons in 2022 to 121,81 tons in 2023.

In terms of type, hazardous waste increased by 10% (from 28,1 tons to 30,79 tons), while non-hazardous waste also registered a 10% increase, from 500,72 tons to 550,13 tons. Therefore, the majority of the waste produced is non-hazardous.

The increase in waste generation is also attributable to the growth in production volumes over the two reporting years, as well as to the disposal of equipment, including several production machines.

Waste by type	Unit of Measurement	2022			2023		
		Waste NOT intended for disposal	Waste intended for disposal	Total	Waste NOT intended for disposal	Waste intended for disposal	Total
Hazardous waste	t	27	1,1	28,1	30,11	0,68	30,79
Non hazardous waste	t	408,19	92,53	500,72	429	121,13	550,13
Total waste	t	435,19	93,63	528,82	459,11	121,81	580,92

Table 25 Total waste produced (t) - Sews-Cabind Group (2022-2023)

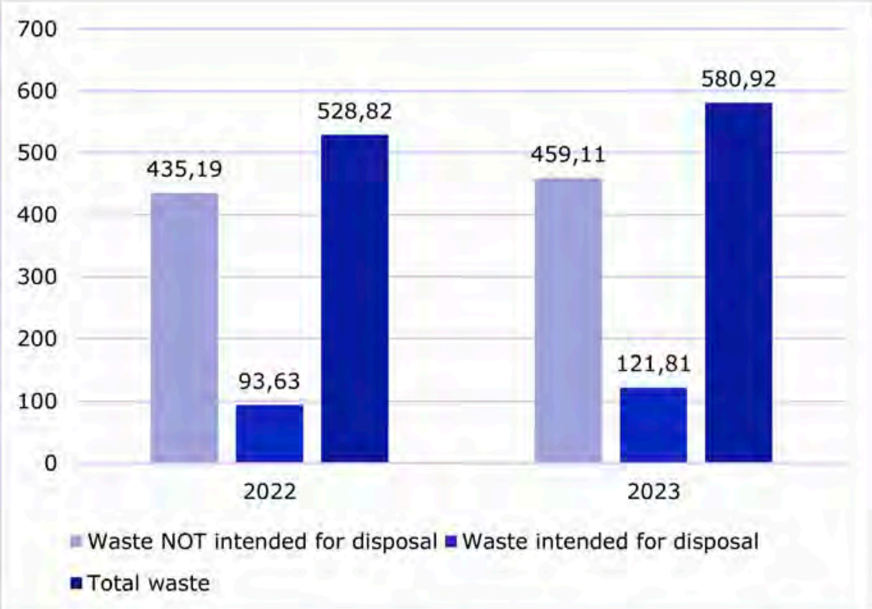


Figure 39 Total waste produced (t) - Sews-Cabind Group (2022–2023)

Despite an absolute increase in waste generation, attributable to higher production volumes, significant progress has been achieved thanks to corporate policies aimed at reducing environmental impact. Waste intensity (measured in tonnes per million euros of net revenue) declined from 1,19 in FY2022 to 1,05 in FY2023, reflecting an 12% reduction. This result highlights the effectiveness of the strategies implemented to enhance waste management efficiency, in alignment with the company's broader sustainability objectives.

Waste intensity relative to net revenue	Unit of measurement	2022	2023
Total waste generated	tons	528,82	580,92
Total net revenue	Million euros	445,27	551,03
Waste intensity relative to net revenue	**tons/Million euros**	**1,19**	**1,05**

Table 26 Waste intensity relative to net revenue (t/M€) - Sews-Cabind Group (2022-2023

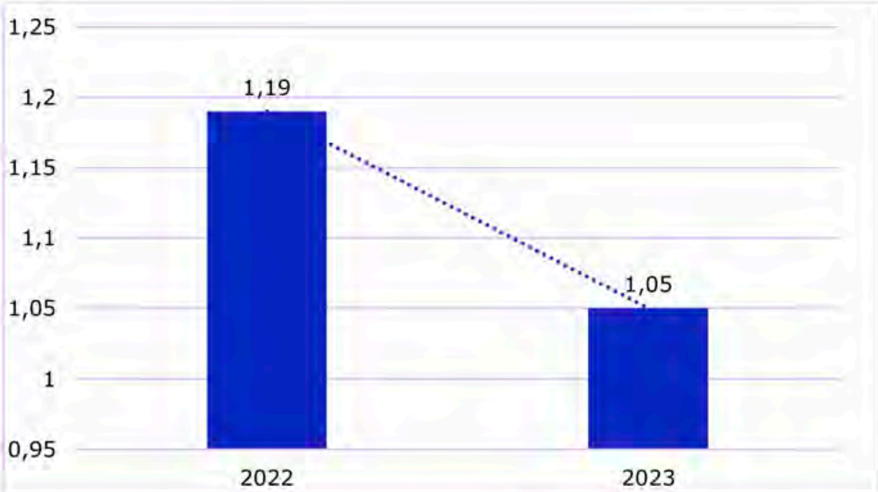


Figure 40 Waste intensity relative to net revenue (t/M€) - Sews-Cabind Group (2022-2023)

Observing the various sites of the Sews-Cabind Group (excluding SCM), we note that SCP is the one that produces the most waste, accounting for 73%. The other sites, SCA and SCI, generate 25% and 2%, respectively (figure 40). Waste production clearly depends on the production capacity and operational processes of each site.

In reference to the percentage of non-recycled waste, SCP reported 12% in FY 2022, decreasing to 11% in FY 2023. For SCA, during the same period, the percentage increased from 47% to 52%. Data for SCI and SCM concerning this indicator, however, are not available for this reporting period.

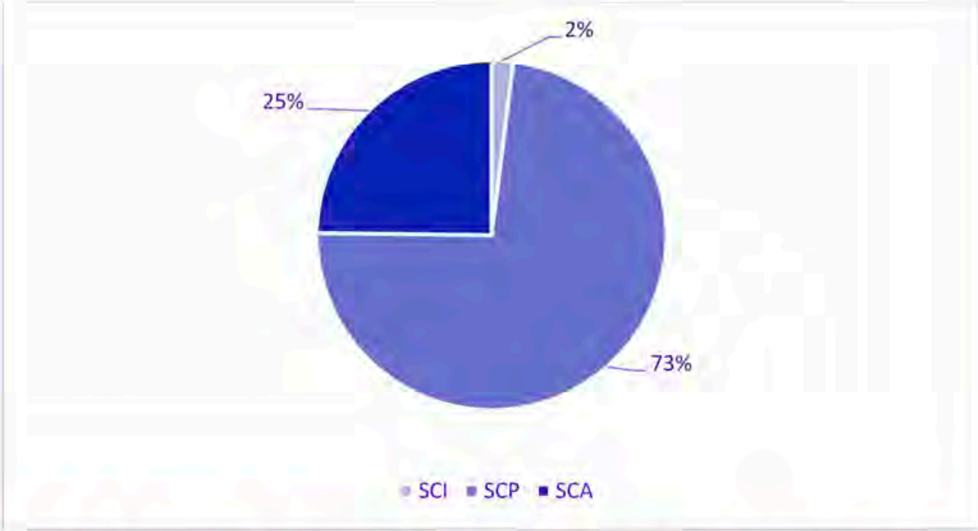


Figure 41 Percentage of waste produced by plant (%) - Sews-Cabind Group (2023)

The analysis of the total waste composition of the Sews-Cabind Group (excluding SCM) for FY 2022 and FY 2023 focuses on the waste categories that are most significant in terms of quantity. Among these, paper and cardboard packaging (primarily composed of cardboard boxes and other paper materials) accounts for one of the largest shares. This is followed by non-ferrous metals, which include wires with or without terminals, pure copper, brass, and wire harnesses.

General waste, encompassing mixed materials, organic waste, and copper, also represents a considerable portion of the total waste. In addition, wooden packaging (predominantly consisting of pallets) and plastic packaging (including foils and other plastic materials) remain prominent waste categories.

Finally, oily water from oil/water separators, generated by compressed air systems, constitutes another important waste stream.

The detailed quantities (expressed in tons) for each category are provided in the table below.

Total waste composition 2022		Total waste composition 2023	
Type	**Quantity (t)**	**Type**	**Quantity (t)**
Paper and cardboard packaging (SCP)	151,68	**Paper and cardboard packaging (SCP)**	147,63
Non-ferrous metal dust and particles (SCP)	94,04	**Non-ferrous metal dust and particles (SCP)**	76,86
General waste (SCP)	51,90	**Urban waste (SCA)**	74,46
Copper (SCA)	42,48	**Copper (SCA)**	66,17

Wooden packaging (SCP)	40,12	**Wooden packaging (SCP)**	42,56
Urban waste (SCA)	39,10	**Plastic packaging (SCP)**	35,10
Plastic packaging (SCP)	33,60	**Oily water from oil/water separators (SCP)**	30,11
Oily water from oil/water separators (SCP)	26,29	**Plastic waste (SCP)**	23,72
Mixed packaging (SCI)	4,29	**Ferrous metal (SCP)**	18,59
Paper and cardboard (SCI)	3,88	**Mixed packaging (SCI)**	3,76
Electrical cabling (SCI)	1,65	**Paper and cardboard (SCI)**	3,40
Non-hazardous discarded equipment (SCI)	1,39	**Electrical wiring (SCI)**	1,81
Wood (SCI)	0,94	**Wood (SCI)**	1,48
Floor washing water (SCI)	0,83	**Floor washing water (SCI)**	0,53
Lead-acid batteries (SCI)	0,08	**Aluminium chips (SCI)**	0,45
Oily emulsions (SCI)	0,06	**Toner (SCI)**	0,02

Table 27 Composition of main waste (t) - Sews-Cabind Group (2022–2023)

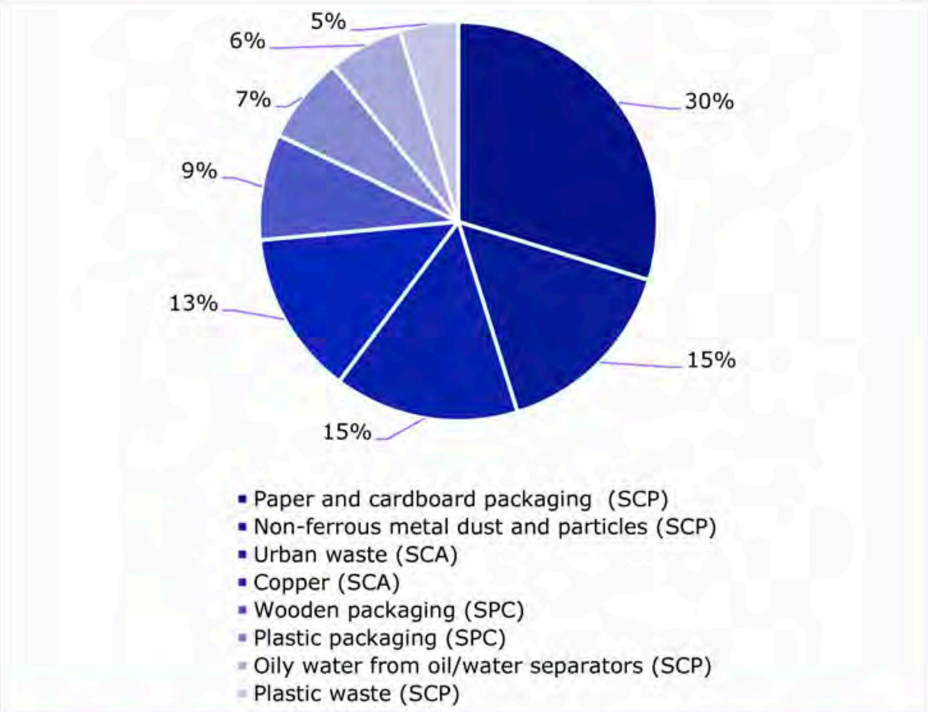


Figure 42 Percentage distribution of main waste categories (%) - Sews-Cabind Group (2023)

Sews-Cabind collects waste-related data through a structured system contained within its Environmental Management System. The data collection starts in the warehouse area, where a dedicated employee records, for each pickup, the CER code, the quantity, and the details of the waste identification form (FIR). The data is then noted and stored, ensuring traceability of the flow. Starting from February, the information is entered via the RENTRI portal, in compliance with current regulations. The collected data is subsequently transmitted to the relevant internal environmental system contacts, who verify its accuracy, digitally catalog it, and forward it to the finance office for the preparation of the MUD. This methodology ensures a consistent, traceable data flow that complies with regulatory requirements and the adopted environmental management system.

Social Topics

People at the Core – Human Capital and Social Responsibility

S1-1

Policies related to own workforce

People are at the heart of Sews-Cabind's long-term sustainability and operational resilience. Across all production sites and countries of operation, the company considers its workforce not just as a resource but as a key driver of value creation, innovation, and responsible business conduct. The management of human capital is deeply embedded in SC's governance culture, supported by corporate values, shared commitments, and continuous engagement at both local and group levels.

SC ensures compliance with labour laws in all its operating countries and promotes fair employment practices, including the provision of permanent contracts and fair remuneration. Local HR teams are empowered to address context-specific needs, while common guidelines ensure alignment with group-wide principles.

HR Management

SC embraces the principle of respect for human resources, inherited from the Sumitomo Electric Group. The **Code of Conduct** promotes respectful and cooperative workplace relationships, supporting each employee in performing their role effectively. While all employees are expected to contribute to a positive work environment, management is responsible for fostering a culture grounded in honesty, integrity, mutual respect, and trust.

SC applies the foundations laid out by the Sumitomo Electric Group in human resource management, specifically adhering to the **Global Human Resource Management (GHRM) Policy**—first issued in 2011 and revised in 2017. This policy reflects the Sumitomo Spirit, which places a strong emphasis on the value of human capital. The GHRM Policy outlines SC's approach to human resources, including its commitment to:

- Provide work environments where employees can actively contribute, pursue personal and professional growth, and achieve self-fulfilment;
- Promote diverse career opportunities and apply a merit-based placement approach— "the right person in the right position"—regardless of race, ethnicity, national origin, religion, age, gender, gender identity, sexual orientation, or disability;
- Support and enhance workplace diversity to encourage organizational creativity and business growth;

- Develop global leaders who can support the Group's international strategy and operations.

Together with intellectual and financial capital, human capital is one of the three pillars underpinning the strength and value creation capacity of SC and the broader Sumitomo Electric Group. As highlighted in the **2030 Vision**, specific objectives have been defined to enhance human capital, with the aim of increasing corporate value in the medium to long term.

Non-financial (S)

- **Diversity and inclusion**
  Creation of new values through the integration of diverse perspectives, experiences and technologies
- **Engagement**
  Emphathy with the creation of corporate value and actual feeling of contribution

Figure 43 2030 Vision "human resource capital" targets

Employees are recognized as key stakeholders in achieving the Group's broader purpose—contributing to "a safe and comfortable life on the common green planet" and fostering a sustainable society. The Group promotes values such as respect for human rights, diversity and inclusion, workplace health and safety, personal growth, and shared purpose. Throughout the year, SC organizes various events to strengthen the sense of belonging and community among employees. These include Foundation Day, held annually on May 4 to mark the company's founding, and Family Days, which involve employees and their families in informal events. Open days are also held at SC plants to introduce high school students to the working environment of a Sumitomo Electric Group company.

SC is committed to ensuring that employees are well informed of their rights and responsibilities. The **Code of Conduct**, the **Employee Handbook**, and the **Whistleblowing policy** are all accessible via the company intranet and are made available in local languages across operational sites. Onboarding training is provided to all new hires to explain these documents and the company's reporting channels. Periodic training sessions reinforce this knowledge, ensuring continued awareness of employee protections and responsibilities.

To verify that HR policies are implemented effectively, SC conducts regular self-assessments, as well as internal and external audits. The whistleblowing mechanism is monitored on an ongoing basis to ensure its proper functioning and accessibility.

All entities within SC perimeter distribute an Employee Handbook, company regulations, and policy manuals to all employees. These documents outline workplace rules and entitlements, including provisions for maternity and paternity leave, occupational health and safety, equal opportunities, workplace dignity, and disciplinary measures, all referenced to applicable legal frameworks.

The recruitment process in the Group is designed to ensure transparency and fairness, in line with internal guidelines and local legislation. The **Recruitment Instructions** document provides a clear procedure for hiring permanent and temporary employees, as well as interns, and is used by the HR Department to manage the process. Maintaining an appropriately sized and skilled workforce is seen as essential for supporting business continuity and driving the long-term development of both entities.

Sews-Cabind operates within a multi-site organizational model where clear functional relationships between the Corporate and Local Functions ensure consistency and alignment across the Group. The governance of this structure is defined through internal procedures, including the *Corporate Function* procedure, which establishes the role, responsibilities, and operating framework of the Corporate Function in relation to the Group's local entities.

The Corporate Function supports the implementation of Group-wide strategies and policies across key business processes, including Management, Human Resources, Information Technology Systems, Purchasing, Quality System, Business Units, Strategic Planning for Production Logistics and Warehousing.

The relationship between Corporate Functions and Local Functions is **functional rather than hierarchical**. Corporate Functions are responsible for defining the mission, strategies, and Group procedures within their specific area of expertise in coordination with Top Management. They also provide guidance and support to Local Functions in the application of these strategies, monitor results, and prepare summary reports for both Sews-Cabind's Top Management and the headquarters in Japan.

Among their key duties, Corporate Functions:

- Ensure continuous dialogue and monitoring with Local Functions regarding the local implementation of corporate policies and support in resolving issues that may arise either locally or across countries.
- Define, in alignment with Top Management, strategies, policies, procedures, and functional targets.
- Prepare periodic synthesis reports for internal and Group-level decision-making.
- Oversee training and professional development initiatives for personnel within their functional area, across all Group locations.
- Act as the single point of reference for the Group on matters related to global and strategic projects, including the J-Sox project.

Local Functions, in turn, are expected to understand and adhere to the guidelines, policies, and procedures issued by Corporate Functions. They are responsible for balancing local operational needs with Group-wide objectives, drawing on Corporate support as needed. In cases where divergent priorities or views emerge between Corporate and Local perspectives, final decisions rest with Top Management, ensuring strategic coherence across the Group.

Performance oversight is also built into this model: the Corporate Function Manager conducts an annual evaluation of each Local Function's performance in relation to the achievement of functional objectives and compliance with Corporate guidelines and policies. These evaluations inform the yearly performance appraisals conducted by the relevant hierarchical supervisors.

Dialogue with employees

At Sews-Cabind, fostering an open dialogue with employees and ensuring their engagement and satisfaction are considered essential to maintaining a healthy and productive work environment.

Although the Group does not currently have a structured process specifically dedicated to tracking and addressing individual employee concerns or managing formal dialogue mechanisms (such as employee forums or negotiated agreements), it does monitor key indicators to assess overall employee satisfaction and workplace climate.

The company has implemented an internal procedure ("Personnel Satisfaction") which defines the methods and responsibilities for managing employee satisfaction as part of the broader quality and continuous improvement culture promoted within Sews-Cabind. This procedure applies to all personnel within the organisation.

Employee satisfaction is primarily monitored through three quantitative indicators:

- **Turnover**: tracked monthly through the number of voluntary resignations.
- **Absenteeism**: calculated as the ratio of absence hours (excluding leave and maternity) to total workable hours, expressed as a percentage.
- **Number of accident-free days**: a monthly measure reflecting workplace safety, where "zero incidents" corresponds to 100% achievement, and any incidents reduce the score proportionally.

The Human Resources function analyses these indicators on an ongoing basis. Based on trends and results, the HR Manager evaluates whether existing initiatives are effective and, where necessary, identifies and implements further actions to enhance employee engagement and satisfaction. The analysis is also supported by direct employee interviews, which provide qualitative insights that complement the quantitative data.

Responsibility for monitoring and evaluating these indicators lies with the HR Manager, who ensures that any findings are used to inform decisions aimed at fostering a positive work environment.

CSR Initiatives for Employees

Sews-Cabind's Corporate Social Responsibility initiatives in 2023 demonstrated the company's commitment to fostering a supportive, healthy, and inclusive work environment for its employees.

Throughout the year, a range of initiatives was implemented, each tailored to local contexts while aligning with the company's broader values.

SEWS-CABIND Italy CSR Initiatives 2023

"My Office Space is Sustainable"

In occasion of World Environment Day 5 June, this campaign encouraged employees to reflect on their daily habits and adopt environmentally conscious practices in the workplace. The initiative included a questionnaire format, allowing employees to self-assess and identify practical steps to reduce their environmental impact.

"Be Sustainable at Work"

This initiative aimed to create awareness and inspire small, actionable changes—such as reducing energy and resource use, minimizing waste, and adopting more environmentally responsible habits throughout the workday.

International Women's Day

In Italy, International Women's Day was observed as a moment of solidarity and care beyond the workplace. Sews-Cabind took this opportunity to support the local community by making a donation to E.M.M.A., an organization dedicated to helping women and children who have been victims of abuse.

CENTRI ANTIVIOLENZA e.m.m.a. O.N.L.U.S.

SEWS-CABIND Albania CSR Initiatives 2023

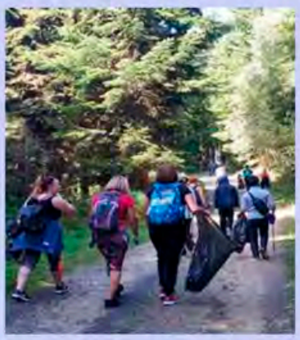
International Women's Day

In Albania, International Women's Day was marked by a dedicated lunch event for female employees, creating a moment of appreciation and recognition. Human Resources took the opportunity to share messages of empowerment and thanks, highlighting the company's commitment to fostering an inclusive and supportive workplace for women.

SEWS-CABIND Poland CSR Initiatives 2023

International Women's Day

On International Women's Day, female employees received small gifts, including reusable shopping bags, chocolates, and spring flowers, symbolizing care and respect for their contributions to the workplace.



"Cleaning-up the world Eco Walk"

This activity brought together Sews-Cabind Poland employees and their families to promote environmental stewardship and community responsibility. Participants (30 SCP employees and their families) joined forces to clean up local outdoor areas, collecting waste and helping to restore green spaces.

International Earth Day (April22) and International Environment Day (June05)

Both days were marked by Sews-Cabind in Poland with initiatives aimed at raising environmental awareness and encouraging active participation among employees. Through informative campaigns and interactive activities, employees were inspired to think critically about their daily choices and to embrace more environmentally conscious practices in line with the company's broader sustainability objectives.

Christmas Market

Sews-Cabind Poland organized an event complete with folk music performances that brought employees together in celebration. The Christmas period also provided an opportunity to strengthen ties with the local community: during the Christmas market hosted at SCP, the company supported a local school by purchasing handmade crafts created by pupils.

Gift Giving Initiative

As part of this annual charitable drive, employees collectively gathered essential supplies and goods to provide direct assistance to families in need during the holiday season. This initiative delivered meaningful aid to those facing difficult circumstances and reinforced the spirit of collective action within the workplace, encouraging employees to come together for a common purpose rooted in social responsibility.

SEWS-CABIND Morocco CSR Initiatives 2023 1/2

"Medical Caravan"

This was a significant initiative organized over six days in February and March, demonstrating SCM's commitment to promoting employee health and well-being. The caravan provided a wide range of medical services, including general health check-ups, eye exams, ECGs, and more, ensuring that employees had easy access to essential preventive care.

International Women's Day

The day provided a platform for women to share their creativity, exchange ideas, and strengthen their sense of belonging within the Sews-Cabind community.

Summer Camp

This initiative brought together 261 children of employees for a week of engaging and enriching activities. This program offered children a chance to participate in a variety of educational, creative, and recreational experiences, fostering a sense of community and joy while supporting employees in balancing their work and family lives.

Mini-football tournement

The Tournament brought employees together in the spirit of friendly competition and teamwork. This event provided an opportunity for staff to enjoy physical activity and strengthening bonds across teams and departments.

Clean Up Day

Employees and their children joined together to clean up litter and restore the natural beauty of the Zenata beach, reinforcing the company's commitment to environmental stewardship. Beyond collecting waste, the event included educational activities designed to teach children the importance of caring for the environment.

SEWS CABIND
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SEWS-CABIND Morocco CSR Initiatives 2/2

Breast cancer screening awareness campaign

SCM launched an awareness campaign to promote early detection and preventive health care among its workforce. The campaign provided valuable information on the importance of regular screenings, empowering female employees with knowledge and resources to protect their health.

Celebration of the Month of Ramadan

During the month of Ramadan, Sews-Cabind in Morocco honored this important cultural and religious tradition by organizing thoughtful initiatives for its employees. The company provided vouchers and gifts, recognizing the significance of the holy month and fostering a sense of community and shared respect within the workplace. These gestures highlighted Sews-Cabind's commitment to supporting employees' well-being and cultural values, reinforcing an inclusive and supportive environment during this special time of reflection and celebration.

Respect for Human Rights

Sews-Cabind fully aligns with the Sumitomo Electric Group's commitment to the respect and protection of human rights, which forms a cornerstone of responsible business conduct and sustainable development. These principles are articulated in the Sumitomo Code of Conduct and the Sumitomo Supplier Code of Conduct, and further reinforced through the Group's Human Rights Policy, Human Rights Due Diligence (HRDD) Standards, and Guidelines for all affiliated companies.

The Group's commitment is consistent with key international frameworks, including:

- The **Ten Principles of the United Nations Global Compact**, which the Sumitomo Electric Group signed in 2009;
- The **International Bill of Human Rights**;
- The **ILO Declaration on Fundamental Principles and Rights at Work**;
- The **UN Guiding Principles on Business and Human Rights**.

Every fiscal year, in accordance with the UK Modern Slavery Act 2015, the Sumitomo Electric Group publishes a Slavery and Human Trafficking Statement covering all subsidiaries, including SC.

As a fully controlled subsidiary, SC adheres to these human rights commitments and integrates them into its operational policies and practices. SC is dedicated to identifying, preventing, and mitigating potential adverse human rights impacts linked to its activities and business relationships. Corporate values emphasize dignity, respect, and the prevention of practices such as child labour and forced labour. To this end, all suppliers are required to comply with the Supplier Code of Conduct and the Modern Slavery Commitment Clause, which are formalized within contractual agreements. SC also conducts compliance due diligence on all relevant suppliers.

The Human Rights Policy underscores the commitment to comply with local laws while also supporting and upholding international standards on:

- Freedom of association and collective bargaining;
- Prohibition of forced and child labour;
- Elimination of discrimination in employment;
- Protection of occupational health and safety.

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Whistleblowing Procedure

S1-3

Processes to remediate negative impacts and channels for own workers to raise concerns

Creating a transparent and safe environment where concerns can be raised without fear is essential to maintaining trust and integrity in the workplace. To support this, a formal Whistleblowing Procedure has been adopted to enable employees and external stakeholders to confidentially report known or suspected misconduct. The process ensures that such reports are taken seriously, addressed appropriately, and handled with discretion, in line with the values and compliance standards of the broader Sumitomo Electric Group.

The procedure is grounded in the Group's "Speak-Up" policy and applies to all individuals working within SC, regardless of their contractual status. It is designed not only to detect and correct compliance issues at an early stage but also to support ongoing improvements in corporate governance and ethical conduct. Reports may concern actual or suspected breaches of law, internal policies, the Code of Conduct, or the Organizational and Management Model under Legislative Decree 231/2001.

Raising concerns is encouraged when there is knowledge or suspicion of behaviours that may be unsafe, unlawful, unethical, or otherwise inconsistent with internal rules. Openness is viewed as a responsibility for all employees and business partners. Suppliers, agents, customers, and other third parties are also informed of the reporting channels, including hotline contact information available through the website or contractual documentation.

Both internal and external channels are available for submitting reports. Internally, concerns can be brought to supervisors, Compliance Liaison Officers, Human Resources, or the EMEA Legal Department. Depending on the issue reported, relevant departments are immediately notified and determine whether an investigation should be initiated. Each investigation is documented and retained for ten years following the closure of any corrective actions. Once concluded, those who submitted the report are informed of the outcome and any actions taken.

Externally, the dedicated hotline provides an additional, confidential route for consultation and reporting. Individuals are asked to provide clear and factual information—such as what happened, where, when, who was involved, and how the situation unfolded. While providing one's name and department is encouraged to facilitate a full investigation, anonymous reporting is accepted when appropriately justified.

Reports from within the EMEA region submitted via the hotline are automatically directed to the EMEA Legal Department for assessment and follow-up. Information shared through this channel is typically retained for four weeks from the last contact, unless further retention is required.

Whether submitted online, in writing, or by phone, reports are handled independently and with impartiality. Confidentiality is preserved to the extent possible, considering the need to effectively assess and address the concern. Investigations are led by Human Resources or the EMEA Legal Department, and if legal matters are involved, the Compliance Office in Japan is also notified. Where necessary, reports may be shared with the Supervisory Body (Organismo di Vigilanza – OdV).

S1-17

Incidents, complaints and severe human rights impacts

If the investigation confirms a violation of internal policy, legal obligations, or ethical standards, disciplinary action may be taken in accordance with applicable laws, internal procedures, and collective labour agreements. Outcomes and corrective measures are communicated to relevant stakeholders upon closure of the investigation.

Careful attention is given to protecting the privacy and dignity of everyone involved. Information is disclosed only on a strict need-to-know basis to ensure fairness and avoid unnecessary exposure. At all stages, efforts are made to avoid the disclosure of personal or confidential information, both during and after the investigation process.

Any form of retaliation, threat, or discriminatory treatment towards whistleblowers—or individuals who cooperate in the resolution of a compliance issue—is expressly prohibited. Action will be taken against those found to have engaged in retaliatory behaviour.

Within SCI, the OdV serves as the main recipient of whistleblowing reports and

Indicators	Unit of measurement	2022	2023
Number of incidents of discrimination, including harassment, reported	n.	3,00	1,00
Number of complaints filed through channels for people in the own workforce to raise concerns, including grievance mechanisms (excluding discrimination-related reports reflected in (a))	n.	0,00	3,00
Total amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	Euro	€	€
Information about a reconciliation of the monetary amounts disclosed above with the most relevant amount presented in the financial statements	Qualitative description	none	none

Table 28 Discrimination incidents indicators (n., €, qualitative description) Sews-Cabind Group (2022-2023)

oversees the related investigative activities. Reports are treated confidentially, and any direct or indirect retaliation is strictly forbidden. The OdV evaluates the relevance of each report, communicates confirmed violations to the Board of Statutory Auditors, the Board of Directors, and Shareholders, and meets regularly with statutory auditors to review the application and effectiveness of the Organizational and Management Model.

In 2023, one incident of discrimination, including harassment, was reported through internal channels, compared to three cases in 2022. All reported cases, in both years, were subject to internal verification procedures. Following thorough investigations, the allegations were not substantiated, and no corrective actions were deemed necessary.

Additionally, in 2023, three complaints were submitted through the available grievance mechanisms by members of the workforce, excluding those related to discrimination already reflected above.

These, too, were reviewed in accordance with internal protocols, and no material violations were identified.

No severe human rights issues or related incidents were reported in either 2022 or 2023.

Indicators	Unit of measurement	2022	2023
Number of severe human rights issues and incidents	n.	0	0
Total amount of material fines, penalties, and compensation paid for severe human rights issues and incidents	Euro	0	0
Information about the reconciliation of the monetary amounts disclosed above with the most relevant amounts presented in the financial statements	Qualitative description	€	€
Number of severe human rights issues and incidents	n.	none	none

Table 29 Human Rights incidents indicators (n., €, qualitative description) Sews-Cabind Group (2022-2023)

Safety First

Ensuring the health and safety of employees is a top priority for SC and a fundamental responsibility embedded at all levels of the organization. In line with the Sumitomo Code of Conduct, SC promotes a culture of safety where every individual is expected to be familiar with security guidelines and to report any unsafe conditions or incidents in the workplace. This collective responsibility is shared across roles and functions, reflecting a company-wide commitment to accident prevention and the protection of employee wellbeing.

To formalize this commitment, SC has adopted a Health and Safety Policy that reflects the broader principles of the Sumitomo Electric Group—balancing business development with respect for human life and dignity.

In order to continuously improve its health and safety performance, SC is committed to:

- Detect and manage change taking into account Safety issues;
- Assess the risks to workers' health and safety;
- Prevent injuries, fatalities, and work-related ill health;
- Comply with obligations and regulatory standards;
- Elimate hazards and reduce health and safety risks;
- Consider safety issues in change management;
- Define improvement objectives;
- Consult and engage workers and their representatives in the development and implementation of actions to improve the safety management system.

The H&S Policy promotes a "ZERO risk and ZERO accident" safety culture, and is based on a rigorous commitment to accident prevention, the creation of a safe and healthy work environment, the adoption of safe working practices and behaviors.

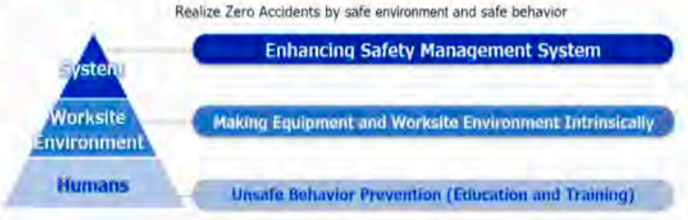

Figure 44 Health and Safety (H&S) Policy

The H&S Policy is articulated in annual objectives and priority actions for the achievement of the "ZERO risk and ZERO accident" goal.

FY 2022 Goals

- **Zero** people who suffered residual disabilities and Level III injuries
- **Less than 10** people who suffered Level II and Level I injuries
- **Less than 40** incident points

FY 2023 Goals

- **Zero** people who suffered residual disabilities and Level III injuries
- **Halve** the number of people who suffered Level II and Level I injuries compared to FY 2022
- **Halve** the total number of accidents compared with FY2022

Table 30 SC Zero Risks and Zero Accidents objectives (2022-2023)

PRIORITY ACTIVITIES	FY 2022	FY 2023
SYSTEM **Connecting and Enhancing Organization**	• Assess safety level and take measures against toward the creation of safety culture. • Develop safety management for buildings and equipment toward the prevention of accidents. Establish the global safety assessment system.	• Visualization and diffusion of safety culture in order to strengthen it; • Expand equipment safety assessment's activity; • Improve the Head Office governance; • Improve the synergy among the coordinators of the plants and the definition and diffusion of the operative instructions in compliance with SWS Safety Standards, as well as sharing best practices, and the active participation to "Monthly Meetings" presenting HSE activities scheduled, implemented and checked
WORKSITE ENVIRONMENT **Safe Equipment and Workplaces**	• Take thorough measures for segmentation between forklifts and people. • Identify unsafe equipment and take hardware measures for equipment. • Continue to develop worksite environment by promotion of 3S + 3D.	• Improvement of the safety level of the load handling operations, through the segmentation forklift and people (to achieve level 4 at 90% at least) and implementation of SWS standards; • Continuous check of the efficacy of the countermeasures implemented against accidents in order to ensure the elimination of unsafe behaviors and equipment; • Implement the safety measures in relation to thè last injuries occurred
INDIVIDUALS **Establishing Fundamental Safety**	• Fully comply with all rules (including "3 Rules" and "STOP Activity"). • Raise hazards sensitivity by RA and danger simulation (routine/non-routine operation, multiple-person operation, etc.). • Have "Switch main power OFF" verified by a third party.	• Continuous education towards the compliance of 3S, 3D, 3 Rules, STOP-activity and thè rule "Stop, call and wait"; • Improve risk perception so that people predict the risk to "next action" (operational RA); • Frequent patrol by executives to prevent risks and implement measures; • Strengthen safety education by job position

Table 31 SC Health and Safety action plan (2022-2023)

In accordance with the Health and Safety (H&S) Policy, SC has implemented a Occupational Health and Safety (H&S) Management System based on ISO 45001:2018 standards. This system is applied across SC's headquarters in Italy and its plants in Albania, Morocco and Poland and extends to all employees and external personnel. It defines the responsibilities of management, operational, and control functions in preventing work-related injuries and illnesses. Operational procedures and instructions are translated into local languages to ensure accessibility across subsidiaries. The system is structured around hazard identification, risk and opportunity evaluation, operational planning, employee consultation and participation, safety training, and ongoing monitoring.

Each year, SC reviews the effectiveness of its H&S Management System, measuring progress against safety indicators, goals, and improvement plans. Performance is evaluated through internal and external audits, and any identified non-conformities are logged, addressed, and tracked through dedicated registers. These findings form a core part of the system's continual improvement cycle. Whenever changes—whether permanent or temporary—occur in processes or organizational structures, they are reflected in updated risk assessments to ensure alignment with operational realities.

SC also considers external and internal factors that may influence its ability to fulfil its health and safety responsibilities. This includes listening to the expectations of internal and external stakeholders and identifying associated risks and opportunities that may affect performance.

In Italy, SCI has developed its Risk Assessment Document (DVR) in accordance with Article 28 of Legislative Decree 81/08. This document outlines the workforce, activities, and workplaces under review, assesses both routine and non-routine occupational risks, identifies preventive and protective measures, and defines a plan for continuous improvement. The DVR is drafted in collaboration with the Prevention and Protection Service Manager (RSPP) and the Company Physician, and shared with the Employee Safety Representative (RLS) for validation. Whenever there are significant changes—such as shifts in production, technological advancements, or major incidents, the document is revised and the risk assessment process repeated.

SCI's risk assessment process involves five phases:

1. identifying the areas to be assessed;
2. listing the safety-critical tasks;
3. mapping risks and defining assessment criteria;
4. assessing risks in both work areas and tasks; and
5. classifying risks using both qualitative and quantitative methods.

The qualitative method evaluates occupational well-being, while the quantitative method applies objective metrics to legally regulated risks, generating a risk index based on severity and probability. This comprehensive assessment includes third-party activities, infrastructure, and external environmental hazards.

Based on the results, SC implements both preventive and protective actions. These include awareness campaigns, safety training, medical surveillance, PPE provision, maintenance procedures, emergency management protocols, and environmental monitoring. Checklists help verify workplace safety equipment, fire and electrical systems, chemical risks, and ergonomics. Safety signage is deployed throughout sites.

SCI's subsidiaries have adopted a similar framework, elaborating an Occupational Risk Assessment covering all employee and contractor activities. The assessment considers workstations, equipment, materials (including chemicals), work methods, time allocation, legal compliance, and mitigation measures. The General Director appoints the H&S assessment team, which includes the H&S

Department Coordinator, a specialist, and an employee representative. Based on their findings, professional risk profiles are developed and formally approved. If risks are identified as unacceptable, corrective measures are initiated immediately. These actions are assigned with clear deadlines, and once implemented, their effectiveness is verified before risk levels are reassessed.

Procedures are in place in all Group companies to allow employees to withdraw from any activity they reasonably believe could cause harm, including risks related to lifting, transport, maintenance, or electrical work. Safety always takes precedence over productivity.

S1-14

Health and safety metrics

Employee involvement remains central to the success of the safety program. Reports, concerns, and suggestions can be submitted via a dedicated email address (hse@sews-cabind.it). Employees and their representatives participate in every stage of the safety management cycle—from risk identification and evaluation to the implementation of improvements and accident investigations. Communication on H&S matters is facilitated through the intranet and regular email updates.

The RLS plays a key role at SCI, contributing to the drafting and validation of the DVR and participating in the H&S Management System review alongside union representatives. In all subsidiaries, the H&S team ensures that employees understand the occupational risk documentation relevant to their roles before beginning work.

To reinforce awareness, SC provides general and role-specific training on the H&S Management System. The content is tailored to national legal requirements: in SCI, this includes training for the RLS, periodic training for all staff, and dedicated sessions for electricians.

Employee health is monitored through regular medical check-ups. At SCI, this process is conducted under Legislative Decree 81/08. The Company Physician reviews potential health effects related to occupational risks, prepares individual medical records, and assesses fitness for work. Confidential health data is maintained with respect for medical secrecy, while summary results feed into the H&S system review. In all subsidiaries, occupational medical screenings are conducted in line with local regulatory obligations.

To support employee well-being beyond the workplace, SCI offers access to supplementary health insurance through the Metasalute Fund.

Incident and non-conformity reporting forms the backbone of SC's continuous improvement approach. All employees are required to report anomalies—verbally, in writing, or by email—to their supervisors and to the Plant HSE Service. These reports are assessed and, if significant, escalated to the HSE Manager and Plant Management. Injuries are always classified as high-priority non-conformities, triggering immediate health response, root cause investigation, and documentation in the Anomalies and Reports Register and the Non-

Conformities and Corrective Actions Register. The HSE team tracks resolution progress, ensures implementation of corrective actions, and periodically reports trends and analysis to senior management.

Through this integrated and participatory approach, SC maintains its strong commitment to workplace safety. By embedding health and safety into all levels of operations, from governance and training to risk assessment and incident management—the organization ensures a culture where protection of people is not only a legal requirement but a shared responsibility and value.

All Sews-Cabind sites—Italy, Morocco, Poland, and Albania—report full coverage of their workforce under Health and Safety management system.

No fatalities were reported during the reporting period, either among the direct workforce or among value chain workers operating on-site.

In 2022, **Sews-Cabind Italy** reported two work-related accidents, both involving rear-end collisions while employees were travelling for work purposes. These incidents resulted in a recordable **accident rate of 5.41% and 10 lost workdays**. In **2023**, **no recordable incidents or health issues were reported**, and the number of lost days fell to zero—an encouraging result that points to strengthened preventive measures. **Sews-Cabind Morocco** also reported **two accidents in 2022**, including a bone fracture and an eye injury, with an estimated 186 days lost. **The accident rate for that year was 0.34%. No incidents were recorded in 2023, and no workdays were lost**, confirming the effectiveness of follow-up actions and the progress made in workplace safety.

Sews-Cabind Poland maintained a strong track record throughout both years, reporting **zero recordable work-related accidents or health issues**, despite nearly four million hours worked across the two years.

In **Albania**, **no accidents or work-related ill health cases** were reported in either year.

No cases of recordable work-related ill health were reported in any of the entities in 2022 or 2023. The total number of lost workdays across the Group fell from roughly 196 days in 2022 (Italy and Morocco combined) to zero in 2023, confirming an overall positive trend.

	2022				2023			
	SCI	SCA	SCM	SCP	SCI	SCA	SCM	SCP
Number of fatalities among the own workforce as a result of work-related injuries and work-related ill health	0	0	0	0	0	0	0	0
Number of fatalities among value chain workers on-site as a result of work-related injuries and work-related ill health	0	0	0	0	0	0	0	0
Number of recordable work-related accidents, including fatalities, among the own workforce	2	0	2	0	0	0	0	0
Rate of recordable work-related accidents	5,41 %	-	0,34 %	-	-	-		-
Number of cases of recordable work-related ill health among employees	0	0		0	0	0		0
Number of days lost due to work-related injuries, work-related ill health, and fatalities from work-related accidents and ill health, related to employees	10	0		0	0	0		0

Table 32 Work-related injuries and ill-health metrics (n.,%) – Sews-Cabind Group (2022–2023)

Working Conditions of Own Workforce

IROs

Working Conditions of own Workforce

	IRO	Description	Value Chain	Time horizon (years)	Trigger (for financial materiality only)	Level of responsibility (for impact materiality only)	Source
Social	**Impact Negative - Actual**	Lack of secure employment (e.g. fixed-term contracts) leads to uncertainty for employees resulting in e.g. unstable income as well as unemployment costs for society.	Own Operations	0-1	n/a	Caused (Activities on their own result in the impact)	Market leading practice
	Impact Negative - Actual	Lack of work-life balance (e.g. insufficient guarantee of flexible working time models) can lead to mental health issues such as burn-out.	Own Operations	0-1	n/a	Caused (Activities on their own result in the impact)	Market leading practice
	Impact Negative - Actual	Insufficient prevention measures (e.g. qualification, personal protective equipment and training of employees regarding accident prevention) lead to adverse human health effects (e.g. fatalities or workplace illnesses/ injuries).	Own Operations	0-1	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report
	Impact Negative - Actual	Long-term effects of physical labor and illnesses caused by the work environment (e.g. asthma, hearing loss), negatively impacts employee's health.	Own Operations	1-5	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report
	Risk	Accidents and incidents from manufacturing activities in the workplace can lead to business continuity risks and reputational effects.	Own Operations	1-5	Within SEWS CABIND's control	n/a	Risk Inventory Report
	Impact Negative - Actual	Lack of social protection for employees against loss of income due to major life events (e.g. sickness; unemployment, employment injury and acquired disability, parental leave, retirement.), leads to e.g. financial instability as well as unemployment/social costs for society.	Own Operations	0-1	n/a	Caused (Activities on their own result in the impact)	Market leading practice

Figure 45 SC Working Conditions of Own Workforce IROs (S1)

Overview of IROs on Working Conditions

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts related to working conditions within SEWS-Cabind are **directly connected to the implementation of the company's strategy and business model, as operationalised at the local level**.

On the one hand, the company offers stable employment in industrial areas, promotes skills development through continuous training, and ensures widespread access to contractual protections. These aspects contribute to positive outcomes such as high retention in key roles and a consistent investment in workforce capabilities.

At the same time, the company acknowledges the persistence of certain **negative impacts**, particularly where structural or systemic challenges are present—such as work-related stress, insufficient flexibility in work arrangements, and occupational health risks linked to repetitive tasks or exposure to industrial environments.

These systemic impacts are addressed through the structured and locally adapted application of the Group's workforce management, health and safety, and labour compliance policies. Specifically, they are operationalised via the implementation of the Global Human Resource Management (GHRM) Policy and the ISO 45001-certified Health and Safety Management System. Local HR teams apply these frameworks in ways that respond to national legislation and context-specific needs, while ensuring consistency with Group-wide standards. Key elements include risk assessments, continuous training, regulatory audits, and feedback mechanisms to ensure that workplace conditions meet expected standards of dignity, safety, and fair treatment.

Composition and structure of SC's Workforce

S1-6

Characteristics of the undertaking's employees

In total, the number [4] of employees rose from 9,688 in 2022 to 10,661 in 2023, an **increase of nearly 10% that indicates positive trends in recruitment and retention across the Group.**

Women continue to represent the majority of the workforce, accounting for more than **70% of total employees in both years**. Among women, the largest proportion of employees falls in the **30–50 years old category**.

For **men**, the data show a similar trend of **growth**. The total number of male employees increased by approximately 9% in 2023, with most male employees concentrated in the 30-50 age group.

The higher presence of women compared to men is especially evident in the production sites—SCM, SCP, and SCA—highlighting the crucial role women play in manufacturing and assembly operations. Among these countries, **Morocco** not only has the **largest workforce**—growing from 6,658 to 7,646 employees—but also stands out for its particularly **strong female presence**: in 2023, women represented around 71% of the total workforce, underscoring their leading role in driving production and supporting the company's growth. Regarding age distribution, Morocco also emerges as the country with the **highest share of young employees**: nearly one-third of its workforce is under the age of 30.

Gender and age		2022		2023	
		Number of employees	%	Number of employees	%
Women	< 30 years old	2188	23%	2678	25%
	30-50 years old	4294	44%	4443	42%
	> 50 years old	508	5%	595	6%
Total number of female employees		6990		7716	
Men	< 30 years old	1072	11%	1180	11%
	30-50 years old	1413	15%	1528	14%
	> 50 years old	213	2%	237	2%
Total number of male employees		2698		2945	
Total number of employees		9688		10661	

Table 33 Total Employees by Gender and Age Group (no., %) – Sews-Cabind Group (2022–2023)

[4] Employees are individuals who have an employment relationship with the Sews-Cabind Group in accordance with national law or practice. This includes individuals hired under formal employment contracts or appointed to a specific position. Data on the number of employees (s1-6) cover the entire Sews-Cabind workforce and are based on the actual number of individuals employed as of March 31 of the reporting year, which marks the end of the fiscal year. This means that the figures reflect the total number of workers employed at the end of the period under review, without conversion into full-time equivalents (FTEs).

The chart below shows the distribution of employees by gender and by site across the four company entities—Italy (SCI), Albania (SCA), Morocco (SCM) and Poland (SCP—for the two reference years (2022 and 2023).

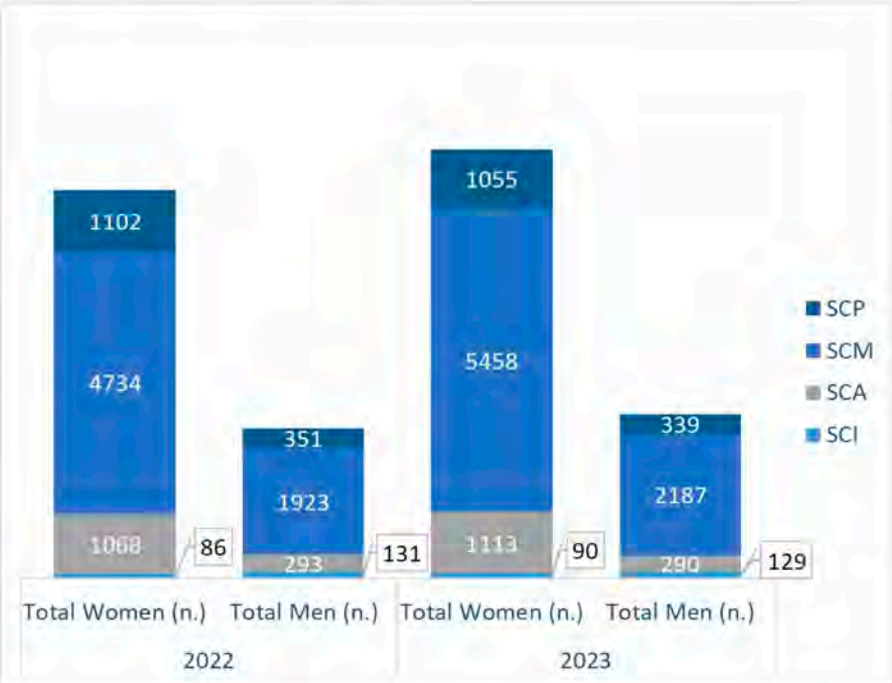

Figure 46 Breakdown of Total Employees by Gender (no.) and by Site – Sews-Cabind Group (2022–2023)

Permanent contracts represent the dominant employment type, **showing a modest growth of about 3.3% in 2023**. **Temporary contracts**, however, experienced a substantial **increase of 23.8%**, rising from 3,195 to 3,956.

This rise in temporary employment is largely driven by the company's need to **respond flexibly to market fluctuations and peaks in production demand**. Notably, **female employees continue to represent the majority** in both permanent and temporary contracts, underscoring the essential role of women across all employment types within the Group.

Contract type	2022			2023		
	Men	Women	Total	Men	Women	Total
Permanent	1884	4610	**6494**	1954	4752	**6706**
Temporary	1579	1616	**3195**	1707	2249	**3956**
Total	**3463**	**6226**	**9689**	**3661**	**7001**	**10662**

Table 34 Total Employees by Type of Contract (no.) – Sews-Cabind Group (2022-2023)

Full-time employment also saw steady growth, increasing by nearly 5% in 2023, underscoring the Group's commitment to stable, full-time roles that offer reliability and career development opportunities. Meanwhile, part-time employment expanded significantly by 27%, driven by the need to balance operational agility with workforce inclusivity. This growth in part-time roles highlights how the company adapts to evolving market demands while catering to the diverse needs of its employees, particularly supporting flexible arrangements for female workers.

Across the Group's subsidiaries, permanent full-time roles remain the norm, but the picture varies from country to country. In **Italy**, permanent contracts are the foundation of employment, with no temporary roles reported in 2023 and only minimal part-time positions (three roles in total). **Albania** shows similar stability, maintaining an entirely permanent and full-time workforce in both years.

In contrast, **Morocco and Poland display a stronger reliance on temporary and part-time contracts.** In **Morocco**, temporary contracts accounted for approximately **37%** of the workforce in 2023, with **part-time** work similarly representing about **37%** of total employment. **Poland** shows a comparable pattern, with around **80%** of the workforce in **temporary** roles and a small but consistent number of part-time workers (12 employees in each year).

Contract type	2022			2023		
	Men	Men	Women	Men	Women	Total
Full-time	1987	5461	**7448**	2104	5711	**7815**
Part-time	724	1517	**2241**	853	1994	**2847**
Total	**2711**	**6978**	**9689**	**2957**	**7705**	**10662**

Table 35 Total Employees by Type of Employment (no.) – Sews-Cabind Group (2022–2023)

Regarding **new hires** across the Sews-Cabind Group, their number **decreased by about 34%** in 2023. **Female** new hires continue to represent the majority of new employees, although their numbers also dropped from 1,660 in 2022 to 1,083 in 2023. **Among women, the largest group** of new hires are those **under 30 years old**, highlighting the company's focus on integrating younger workers into the workforce.

Male new hires also decreased from 917 in 2022 to 613 in 2023. For men, as for women, the **under-30 age group remains the largest** cohort of new hires, followed by those aged 30–50.

This trend is echoed across the subsidiaries. In **Italy**, new hires increased from 12 in 2022 to 19 in 2023, driven by a rise in female hires from 3 to 9, with young women and men under 30 years old forming the largest group. In **Albania**, the number of new hires fell significantly from 1,162 in 2022 to 745 in 2023, but women continued to account for the majority, particularly in the under-30 category. In **Morocco**, there was a decrease from 1,209 new hires in 2022 to 828 in 2023, with female hires again predominating, especially among younger workers. Finally, **Poland** also saw a drop in new hires, from 194 to 104, with the under-30 age group continuing to represent the largest share of new employees, equally distributed among men and women.

New employees hired from April 1 to March 31	Gender and age		2022	2023
	Female	< 30 years old	1029	669
		30-50 years old	546	369
		> 50 years old	85	45
	Total number of women hired		**149**	**1660**
	Male	< 30 years old	623	410
		30-50 years old	232	151
		> 50 years old	62	52
	Total number of men hired		**83**	**917**
	Total number of hires		**232**	**2577**

Table 36 New Hires by Gender and Age Group (no.) – Sews-Cabind Group (2022–2023)

Observing the data on turnover and employee terminations, a nuanced picture emerges across the Sews-Cabind Group's subsidiaries in 2023. Overall, the Group reported an improvement in workforce stability compared to the previous year: terminations decreased from 1,664 in 2022 to 1,189 in 2023, and the consolidated turnover rate fell from 17.2% to 11.2%. Looking at the subsidiaries individually, different patterns emerge:

Italy experienced a slight reduction in overall turnover from 14.65% in 2022 to 12.64% in 2023. The number of terminations also remained steady at 15 across both years. Notably, female turnover dropped from 9.3% to 3.3%, while male turnover rose from 5.3% to 9.3%. Among younger male employees under 30, the turnover rate reached 30.8%, suggesting a need for targeted engagement of this group.

Albania continued to show significantly high turnover rates for both genders. Although the overall turnover declined from 156.5% to 128.4%, these figures remain a key area of focus for workforce stabilization. Male turnover decreased from 120.2% to 88.3%, while female turnover rose slightly from 36.3% to 40.2%.

Morocco achieved a remarkable reduction in turnover. Female turnover dropped sharply from 10.8% to just 1.1%, and male turnover also fell from 12.3% to 1.6%. This brought the overall turnover down from 23.0% in 2022 to only 2.7% in 2023, demonstrating notable progress in workforce retention and stability.

Poland, in contrast, experienced an increase in turnover rates, with the overall rate rising from 32.2% to 58.7%. Male turnover grew from 19.1% to 33.9%, and female turnover nearly doubled, from 13.2% to 24.7%.

Gender	2022			2023		
	N.of terminations	Calculation of FTE (Annual Average Workforce)	Turnover rate (%)	N.of terminations	Calculation of FTE (Annual Average Workforce)	Turnover rate (%)
Women	1050	6993	**15%**	771	7713	**10%**

Men	614	2657	**23%**	418	2944	**14%**
Total workers	**1664**	**9650**		**1189**	**10657**	

Table 37 Terminations (no.) and Turnover Rate (%) by Gender - Sews-Cabind Group (2022-2023)

S1-7

Characteristics of non-employee workers in the undertaking's own workforce

The workforce of the Sews-Cabind Group also includes **non-employee workers** [5], defined as individuals who provide labor under civil law contracts (such as service or project-based contracts), business-to-business (B2B) contracts, external contracts, or internships.

Non-employee workers within SC's scope are classified into the categories of external staff, interns/trainees, and other contractual arrangements.

At the Group level, the number of non-employee workers highlights a **slight overall increase** from 2,105 in 2022 to 2,134 in 2023 (+1.4%). **Interns and trainees** formed the largest group by far, accounting for the majority of non-employee workers in both years (over 90%). **Women** represented the majority of these roles, though their share decreased slightly in 2023.

In **Morocco** (SCM), the number of interns/trainees remained significant, with 2,093 in 2022 and 1,984 in 2023, and external staff present exclusively in 2023 (143 workers). Additionally, the "other" category—comprising interns who are not part of formal training programs (such as *intern students* and *occasional employees*)—included two people in both years. In **Albania** (SCA), non-employee roles were much more limited, focusing almost entirely on interns/trainees: from seven in 2022 (five men and two women) to just two men in 2023. In **Italy** (SCI), numbers were also low, with five non-employee workers in 2022 and 2023 respectively. These were mainly interns/trainees and those in the "other" category, which refers to *co.co.co* (coordinated and continuous collaboration) contracts. In **Poland** (SCP), the company engaged external staff through production service outsourcing agreements (433 workers in 2022 and 277 in 2023), with no gender data available, reflecting the use of temporary external staff to meet peaks in demand without integrating them directly into the workforce.

Contract type	2022	2023
External staff	433	420
Interns/trainees	2101	1988

[5] The data regarding the number of non-employees (S1-7) cover the entire non-employee workforce of Sews-Cabind and are calculated based on the actual number of individuals employed as of March 31 of the reporting year, i.e., the end of the fiscal year. This means that the count reflects the total number of workers employed at the end of the reporting period, without conversions into full-time equivalents (FTEs).

Other (co.co.co)	4	3
Total	**2105**	**2134**

Table 38 Non-Employee Workers by Type (no.) – Sews-Cabind Group (2022–2023)

Fair Wages, Collective bargaining and Social Protection

S1-8

Collective bargaining coverage and social dialogue

At SCI, 100% of employees are covered by the national collective agreement for the metalworking and plant installation industry, the **CCNL Industria Metalmeccanica Installazione Impianti di Federmeccanica**.

Employees in the other subsidiaries—SCA in Albania, SCM in Morocco, and SCP in Poland—are engaged through individual contracts between the company and the employee rather than collective bargaining agreements.

The table below offers insight into the degree of trade union membership within the Group. Overall, while trade union membership remains limited across most Sews-Cabind sites, SCP stands out with a significantly higher percentage of employees engaged in union activities.

Site	2022		2023	
	Total	%	Total	%
SCI	12	6%	13	6%
SCA	0	0	0	-
SCM	54	1%	54	1%
SCP	230	16%	229	16,4%

Table 39 Employees Affiliated with Trade Unions (no., %) – Sews-Cabind Group (2022–2023)

S1-10

Adequate wages

Sews-Cabind guarantees that the salaries paid to employees comply with all applicable laws and economic standards in the countries where it operates. Each site follows the national regulations in place, ensuring that wages are fair and fully aligned with legal requirements. In **Albania** and **Poland wages** are aligned with the **national minimum wage requirements** and set through **individual negotiations.** Similarly, in **Morocco, individual negotiations** are the basis for determining employee pay, in line with the country's legal framework.

S1-11

Social protection

Sews-Cabind is also committed to ensuring that all its employees have access to social protection, which varies depending on the country of operation. This includes coverage for loss of income due to significant life events such as illness, accidents, maternity or paternity leave, and retirement. This commitment translates into a combination of public programs and company-provided benefits that offer tangible support to workers during times of need.

In **Italy**, all employees, regardless of their role, are covered by comprehensive social protection schemes. Health insurance is universally available and diversified based on job category (managers, supervisors, clerks, and workers). This insurance covers both full-time and part-time workers, including those on fixed-term contracts as long as their contract period exceeds five months from their enrolment in the health fund. Managers at SCI also benefit from life insurance, which is a compulsory feature of the collective agreement, and this policy extends to cover disability and invalidity. Pension contributions, including the supplementary pension funds (Previndai for managers and Cometa for other staff), are funded both by the employer and employee, according to Italian law, with employees having the option to contribute an additional voluntary share. Nearly half of SCI employees participate in these voluntary schemes. Additionally, SCI offers flexible benefits such as shopping vouchers, travel cards, and reimbursements for medical and educational expenses.

In **Albania**, the company ensures compliance with national legislation, providing public social protection coverage through statutory health and pension contributions, life insurance payments in case of sudden death, and disability benefits. Parental leave is covered by state insurance for up to 12 months for maternity leave, while the employer pays for three days of paternity leave. Furthermore, SCA offers private health insurance to office employees with at least two years of seniority, reflecting an additional level of care for longer-serving employees.

In **Morocco**, social protection is primarily delivered through national programs and complementary coverage. All employees are enrolled in a health insurance scheme (ATLANTASANAD) which also includes life insurance and injury and disability coverage. Pension contributions are managed through the CNSS and CIMR systems, ensuring that employees have access to retirement benefits. In addition, a complementary retirement scheme is available to bolster long-term security.

In **Poland**, social protection is guaranteed by law and covers health insurance, parental leave, disability coverage, and pension contributions. Employees are automatically enrolled in state insurance systems. Additionally, Poland offers an optional employer-managed health and life care benefits system, which is voluntary and funded by the employees themselves.

S1-15
Work-life balance metrics

Parental leave is guaranteed for all employees across the Group, regardless of contract type or working hours. The following table shows the percentage of employees entitled to family-related leave who actually took it, broken down by gender and site across 2022 and 2023.

Site	2022		2023	
	Women	Men	Women	Men
SCI	13%	5%	12%	8%
SCA	11%	2%	15%	3%

SCM	100%	100%	100%	100%
SCP	100%	100%	100%	100%

Table 40 Entitled employees that actually took family-related leave (%) – Sews-Cabind Group (2022–2023)

Skills development and professional growth

S1-13

Training and skills development metrics

SC recognizes that a thriving corporate culture is essential for fostering continuous employee development, thus fostering an **inclusive learning culture** where all employees—both direct and indirect—are encouraged to pursue training and development opportunities aligned with both organizational goals and individual aspirations. This commitment is formalized in SEWS-Cabind's *Training Policy Manual*, which sets out a structured approach to the management of training activities across all Group companies and sites.

Training activities are managed through a structured process involving the following key phases:

- **Training Needs Analysis**: Conducted annually through the appraisal system, line manager feedback, and continuous monitoring of performance gaps. For indirect staff, priorities are jointly identified by managers and HR; for direct staff, needs are defined and addressed by each production plant, aligned with corporate guidelines.
- **Annual Staff Training Program**: Compiled by HR based on needs analysis and budget availability, ensuring the optimal allocation of resources across mandatory and non-mandatory training opportunities.
- **Training Design and Planning**: HR is responsible for selecting training providers, assessing the suitability of programs, and managing funding opportunities where available (e.g., public funding for training initiatives).
- **Follow-up and Evaluation**: All training activities include follow-up assessments—such as tests, interviews, or practical evaluations—to verify learning outcomes and ensure that objectives are met. Particular attention is paid to technical

training where learning effectiveness directly impacts product quality and safety.

SEWS-Cabind offers a wide range of training activities to ensure that employees at all levels can enhance their capabilities:

- **Orientation Programs**: For both indirect and direct employees, orientation includes familiarization with the organization, Group values (SWS WAY), compliance topics, safety protocols, quality management, diversity and inclusion, and—where relevant—production processes and product knowledge.

- **Training and Development**: Covers formal, informal, and on-the-job learning, including e-learning, coaching, mentoring, job shadowing, job rotation, special projects, and participation in external training courses and webinars.

- **Statutory and Mandatory Training**: includes legally required training and internal compliance training on topics such as health and safety, environmental protection, GDPR, and other relevant legal requirements.

- **Professional Certification**: Targeted training programs leading to certifications required by clients or regulatory bodies.

Responsibility for training and development is shared across the organization: while Top Management defines the overall strategy and priorities, HR leads the design and coordination of training programs, line managers actively support and monitor employee participation, and employees themselves are encouraged to take ownership of their learning journey.

The table presents the average number of training hours provided by gender over the 2022-2023 period. Across the Sews-Cabind Group, there has been an upward trend in average training hours for both genders though men consistently received more training hours on average than women in all subsidiaries. Men have also experienced sharper increases, especially in Italy (from 9 hours in 2022 to 12.9 hours in 2023) and Poland (from 13.01 in 2022 to 21.54 in 2023).

Gender	Unit of measurement	2022	2023
Women	Average hours	6,55	6,55
Men		11,60	12,54
Total		**7,96**	**8,20**

Table 41 Average training hours by gender (h) - Sews-Cabind Group (2022-2023)

The Group is committed to fostering an environment where performance, skills, and efforts are fairly assessed and linked to both professional growth and incentives — fully aligned with the company's strategic priorities and values.

This approach is governed by an internal *Meritocracy Instruction*, which defines the processes and criteria for performance evaluation and merit-based recognition across the organization. The performance evaluation process at Sews-Cabind is designed to be transparent, participatory, and focused on both results and behaviors. Conducted annually, it unfolds in three key phases:

1. **Goal Setting**: at the beginning of each fiscal year, managers and employees jointly define performance goals that are specific, measurable, and aligned with corporate and departmental objectives. These targets are designed to challenge employees to go beyond routine tasks and contribute meaningfully to the company's strategic direction. The process encourages dialogue, ensuring that employees understand how their individual work connects to broader business outcomes.
2. **Mid-Year Review:** midway through the year, managers and employees meet again to assess progress. This is an opportunity to reflect on results, address any challenges, and, where necessary, recalibrate goals in response to changing priorities. This review promotes agility and ongoing engagement throughout the performance cycle.
3. **Final Evaluation:** at year-end, managers conduct a comprehensive evaluation based on the achievement of agreed-upon goals, the quality of the employee's contributions, and demonstrated competencies. The assessment is not a judgment of personal traits, but rather an objective evaluation of performance outcomes, efforts, and professional behaviors — including collaboration, innovation, and leadership.

The performance management process is overseen by the HR Department, which ensures its consistency, transparency, and alignment with company policy. Supervisors are responsible for conducting objective and constructive evaluations and for applying the *Meritocracy Instruction* correctly. Employees actively participate in setting their goals and providing self-assessments to foster an open dialogue about their performance and development.

Meritocracy is implemented through three key mechanisms: **merit-based salary increases, category shifts, and performance-related bonuses**. Salary increases and category shifts are awarded based on an employee's job responsibilities, demonstrated competencies, and professional growth.

Performance-related bonuses are granted in accordance with the results of the formal performance evaluation process, ensuring that recognition is directly linked to individual contributions and outcomes.

Overall, participation in performance and career development reviews in Sews-Cabind Group slightly increased from

2,298 employees in 2022 to 2,393 in 2023. In both years, the number of women who participated in these reviews was consistently higher than that of men.

This trend is especially evident in Albania, where women represent the majority of the workforce and the reviews covered 100% of employees. A similar pattern emerges in Poland, where women accounted for 12% of participants in both years, compared to 19% and 18% for men in 2022 and 2023, respectively.

Gender	2022		2023	
	N.	% of total employees	N.	% of total employees
Women	1486	**21%**	1539	**20%**
Men	812	**30%**	854	**29%**
Total	**2298**		**2393**	

Table 42 Employees who participated in periodic performance and career development reviews (no., %) - Sews-Cabind Group (2022-2023)

Examining the number and percentage of performance reviews conducted by employees in 2023, reported in the table below, it emerges that men accounted for 17% of the reviews, while women for 4%, corresponding to 508 and 315 reviews respectively. Specifically, 315 performance reviews were conducted for women, while 508 were carried out for men—equating to about 61% more reviews conducted for men compared to women.

Observing the data across Sews-Cabind Group subsidiaries for 2023, it appears that the apparent gender imbalance in this area is primarily influenced by the Moroccan workforce, where a greater number of performance reviews were conducted for men (427) compared to women (250). In contrast, the Italian site shows a closer balance, with 75 reviews for men and 47 for women. In Albania, there were 17 reviews for women and 5 for men, while in Poland, the numbers were minimal and evenly split, with 1 review conducted for each gender.

Gender	2023	
	N.	% of total employees
Women	315	**4%**
Men	508	**17%**
Total	**823**	

Table 43 Performance reviews conducted by employee and by gender (no., %) - Sews-Cabind Group (2022-2023)

Regarding the actual execution of the performance reviews compared to those scheduled, the data reveal a high level of follow-through in the performance review process. A closer look at the gender breakdown shows that reviews for men were completed at a rate of 89%, slightly higher than the 83% completion rate for women.

Gender	2023		
	n. completed	n. scheduled	%
Women	315	379	**83%**
Men	508	572	**89%**
Total	**823**	**951**	**87%**

Table 44 Reviews conducted as a proportion of those agreed upon by management (no., %) - Sews-Cabind Group (2022-2023)

To complement the previous information, the following section provides an overview of the training hours delivered, distinguishing between mandatory and non-mandatory programs. In 2023, the Sews-Cabind Group delivered a total of 36,967.2 hours of training, up from 25,330.7 hours in 2022, reflecting a significant increase in employee development efforts. Specifically, mandatory training hours, covering areas like health and safety and quality, increased from 8,949 hours in 2022 to 12,089 hours in 2023. Non-mandatory training, which includes technical and transversal skills development, saw an even more pronounced growth, rising from 16,381.7 hours in 2022 to 24,878.2 hours in 2023, highlighting a strong commitment to broad-based skill development and continuous improvement within the workforce.

Type	2022	2023
Mandatory (Health and Safety, Quality)	8949 h	12089 h
Non-mandatory (Technical and Transversal Skills)	16381,7 h	24878,2 h
Total training hours by type	**25330,7 h**	**36967,2 h**

Table 45 Training hours by type (h) - Sews-Cabind Group (2022-2023)

Equal Treatment and Diversity

IRO

Social	IRO	Description	Value Chain	Time horizon (years)	Trigger (for financial materiality only)	Level of responsibility (for impact materiality only)	Source
	Risk	Lack of gender equality practices with regards to career opportunities lead to decreased employee engagement and reduced attractiveness as an employer.	Own Operations	0-1	Within SEWS CABIND's control	n/a	Market leading practice
	Impact Positive - Potential	Comprehensive trainings and skills development increases the level of education and skillset of employees leading to improved qualification of society (which increases employability, purchasing power and standard of living).	Own Operations	1-5	n/a	Caused (Activities on their own result in the impact)	Market leading practice
	Opportunity	A skilled workforce, e.g. through trainings and knowledge development programs leads to improved engagement and productivity of employees.	Own Operations	1-5	Within SEWS CABIND's control	n/a	Market leading practice
	Impact Positive - Actual	Enhancing DE&I across the workforce (e.g. inclusion of employees with a disability and associated office infrastructure, collaboration between local sites) leads to an inclusive and equitable work culture where all employees are valued and respected, enhancing overall workplace satisfaction.	Own Operations	0-1	n/a	Caused (Activities on their own result in the impact)	Risk Inventory Report
	Risk	Lack of diversity and inclusion and elimination of discrimination practices leads to decline in employee engagement and decline in attractiveness of working at the company.	Own Operations	0-1	Within SEWS CABIND's control	n/a	Risk Inventory Report
	Risk	A lack of diversity and respect for employee's personality and individuality can lead to a decline in employee engagement and loss of reputation due to decline in attractiveness on working at the company (caused by lack of initiatives for	Own Operations	0-1	Within SEWS CABIND's control	n/a	Risk Inventory Report

Figure 47 SC Equal Treatment and Diversity IROs (S1)

Overview of IROs on Equal Treatment and Diversity

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

In the area of equal treatment and diversity, the impacts observed are **connected to how the company's strategy and business model take shape in local contexts**.

No specific incidents of discrimination or violations of labour rights have been reported to date.

However, structural disparities persist across some locations and functions, including gender imbalances in leadership roles, wage gaps in specific positions, and limited cultural or demographic diversity in the workforce. These situations are not the result of singular events but reflect broader systemic trends linked to local labour market characteristics and historical recruitment patterns.

The management of these impacts is embedded in the practical, site-level application of the Group's Diversity & Inclusion and Human Rights policies. While the overarching guidance is defined at the corporate level—primarily through the GHRM Policy and the Sumitomo Human Rights Policy—local entities are responsible for tailoring implementation to their socio-cultural and regulatory contexts. These impacts are addressed through annual training plans on anti-discrimination and harassment, integration of inclusion requirements into recruitment and career development procedures, and the monitoring of compliance through self-assessments and grievance mechanisms. In sites with specific vulnerabilities—such as migrant workers in Morocco—dedicated guidelines (e.g. the Migrant Worker Employment Guideline) are applied to ensure equitable treatment throughout the employment lifecycle.

Risks related to these dynamics include reduced innovation capacity, reputational exposure, and missed opportunities in talent attraction and retention.

Conversely, SEWS-Cabind recognises **opportunities** associated with fostering an inclusive work environment—such as strengthening employer branding, improving team performance, and aligning with stakeholder expectations and regulatory trends. Ongoing efforts include inclusive hiring practices, awareness-raising initiatives, and the progressive integration of diversity and inclusion KPIs into HR processes.

D&I Management at SC

S1-1
Policies related to own workforce

SC is committed to promoting inclusive and respectful work environments and does not tolerate any form of discrimination based on characteristics protected by applicable laws.

The company provides employees with guidance on how to recognize and avoid behaviours that may constitute harassment—including inappropriate comments, gestures, or conduct—through periodic awareness initiatives. Every year, SC implements a training plan covering diversity and inclusion topics, complemented by online learning modules that are accessible to all employees.

SC also integrates its expectations on non-discrimination and equal treatment within its relationships with suppliers. The Supplier Code of Conduct requires suppliers to ensure a work environment free from harassment, to provide equal opportunities in recruitment and career advancement, and to avoid any form of discrimination based on gender, ethnicity, religion, age, sexual orientation, disability, or other legally protected characteristics. The promotion of a respectful and inclusive workplace is considered part of the broader ethical expectations that SC communicates across its supply chain.

These commitments reflect the 2030 Vision of the Sumitomo Electric Group, which emphasizes the importance of using the capabilities of a diversified workforce to enhance organizational effectiveness and competitiveness.

Diversity and inclusion practices at SC are also aligned with the Sumitomo Electric Group Human Rights Policy, which draws on international reference standards such as the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. The policy supports the Group's approach to responsible human resource management and stakeholder engagement.

As part of its Human Rights Due Diligence process, SC monitors the risk of discrimination and harassment and adopts preventive and corrective measures where necessary. A particular focus is given to the conditions of migrant workers, especially within SC's operations in Morocco (SCM). All Group companies, including SCM, are required to complete an annual self-assessment survey to verify compliance with human rights expectations. In addition, SC applies the Migrant Worker Employment Guideline, which sets out measures to prevent discriminatory practices in hiring, pay, training, promotion, and termination of employment.

Concerns regarding potential violations of SC's Code of Conduct, or episodes of discrimination or harassment, can be reported confidentially through a dedicated whistleblowing system managed by the Sumitomo Regional Legal Department. This system is made available to all employees and aims to detect and address issues in a timely and effective manner. Where needed, the

Human Resources Division of the Sumitomo Electric Group is involved in the management of complaints and the implementation of corrective actions (see also the "Whistleblowing Procedure" section).

Diversity Metrics

Gender distribution in management

S1-9
Diversity Metrics

Understanding gender diversity in management roles is crucial for assessing an organization's commitment to inclusivity and equity. The table presents data on the gender distribution of managers[6] for 2022 and 2023. The figures indicate stability in the managerial structure within the organization, yet it also highlights a gender disparity in leadership roles.

Managers by Gender	2022		2023	
	n.	% of total Managers	n.	% of total Managers
Women	22	**76%**	22	**76%**
Men	7	**24%**	7	**24%**
Total	**29**		**29**	

Table 46 Managers by Gender (no., %) – Sews-Cabind Group (2022–2023)

Employees with disabilities

S1-12
Persons with disabilities

This section provides an overview of the representation of employees with disabilities within Sews-Cabind for the years 2022 and 2023. The data offer insights into the company's inclusivity efforts and how these have evolved over the past two years. the proportion of employees with disabilities relative to the total workforce stayed relatively stable, decreasing only marginally from 0.45% in 2022 to 0.44% in 2023.

Employees with disabilities	2022		2023	
	n.	% of total employees	n.	% of total employees
	48	**2,8%**	49	**2,9%**

Table 47 Total Employees with Disabilities (no., %) – Sews-Cabind Group (2022–2023)

[6] In preparing the disclosure relating to gender among members of senior management, the company uses the definition of senior management as the first and second level below the administrative and supervisory bodies, unless this concept has already been defined by the company's operations and differs from the above description. In such cases, the company may use its own definition of senior management.

Enhancing Working Conditions and Managing Risks for Sews-Cabind's Workforce

S1-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In the coming years, Sews-Cabind is committed to enhancing the integration between its corporate strategy, business model, and the management of material IROs. This involves identifying and implementing targeted actions to mitigate key risks while simultaneously pursuing opportunities that align with the company's strategic priorities.

As part of this ongoing process, Sews-Cabind recognises the importance of systematically managing risks related to human rights. Moving forward, the company plans to enhance its risk management approach by including the proper identification and classification of such risks in its corporate Risk Inventory. This will involve mapping the types of operations (e.g. production facilities) and geographical areas that could potentially present higher risk profiles, thereby informing targeted mitigation actions and contributing to a more comprehensive management of material IROs.

Working Conditions in the Value Chain

SEWS CABIND
Connect with Innovation

IROs

Social

Working Conditions in the Value Chain						
IRO	**Description**	**Value Chain**	**Time horizon (years)**	**Trigger (for financial materiality only)**	**Level of responsibility (for impact materiality only)**	**Source**
Impact Negative - Actual	Lack of secure employment (e.g. fixed-term contracts) leads to uncertainty for employees resulting in e.g. loss of employment and unemployment costs for society.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Excessive working hours lead to e.g. dissatisfaction in the workforce and adverse health effects.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Minorities and women receiving lower wages for work of equal value lead to lower standards of living, dissatisfaction and/ or reduced mental wellbeing.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Denial of freedom of association, collective bargaining and a lack of social dialogue leads to e.g. violations of human and worker rights and dissatisfaction in the workforce.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Lack of work-life balance, e.g. insufficient guarantee of flexible working time models, can lead to mental health issues such as burn-out.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Insufficient prevention measures regarding accident prevention and safety (e.g. qualification, personal protective equipment and training of employees) lead to adverse human health effects (e.g. fatalities, workplace illnesses/injuries caused by manufacturing activities).	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Risk Inventory Report
Impact Negative - Actual	Incidents of violence and harassment of workers in the value chain in the workplace can lead to stress and reduced (mental) wellbeing and engagement.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Child labor is a violation of basic human rights, leading to e.g. various health risks, including injuries, illnesses, and psychological stress. They may perform tasks that are physically demanding or dangerous, leading to injuries or long-term health problems.	Upstream Downstream	0-1 1-5	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Market leading practice
Impact Negative - Actual	Forced labor is a violation of basic human rights, leading to loss of freedom, resulting in reduced quality of life.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Risk Inventory Report
Impact Negative - Actual	Violation of other work-related rights (e.g. inadequate housing, lack of clean water and violations of privacy) lead to e.g. dissatisfaction in the value chain workforce and adverse health effects.	Upstream Downstream	0-1	n/a	Linked to (Operations, products, or services may be 'directly linked to' a negative impact by its business relationships)	Risk Inventory Report

Figure 48 SC Working Conditions in the Value Chain IROs (S2)

Overview of IROs on Equal Treatment and Diversity

ESRS2 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The negative impacts related to working conditions in SEWS-Cabind's value chain—both upstream and downstream—are primarily systemic in nature and linked to the way the company's business model is operationalised through its global network of suppliers, logistics partners, and third-party providers. These impacts are not the result of isolated incidents but reflect recurring patterns associated with sectoral practices and the geographic and socio-economic context in which value chain actors operate.

The most salient **actual negative impacts** include precarious employment relationships, excessive working hours, wage inequality (particularly affecting women and minorities), and restrictions on workers' rights to freedom of association and collective bargaining. Other recurring issues include insufficient health and safety protection, work-related stress and burnout, and—under specific circumstances—harassment, child labour, forced labour, and violations of basic social rights (e.g. access to housing or clean water).

These impacts expose SEWS-Cabind to a range of **risks**, including reputational damage, supply chain disruption, legal liability, and weakened stakeholder trust. At the same time, they highlight important **opportunities** for the company to actively contribute to improved labour conditions through responsible sourcing, supplier development, and enhanced contractual frameworks.

The value chain of SEWS-Cabind includes different categories of workers who may, by the nature of their roles or contexts, be exposed to potential human rights risks and are therefore considered within the company's due diligence scope. These include, for example, workers in upstream activities, such as those involved in the extraction or processing of raw materials—particularly where such processes involve suppliers operating in high-risk regions or associated with conflict minerals. It also includes workers in downstream segments, such as those engaged in logistics, distribution, or other outsourced service activities. In some cases, workers are involved through joint ventures or special-purpose entities in which Sews-Cabind participates.

Furthermore, certain individuals across these categories may be more vulnerable to adverse impacts due to specific characteristics or contextual factors. These may include migrant workers, women, young workers, home-based workers, or trade union representatives. While not directly employed by Sews-Cabind, these groups are considered in risk mapping and supplier assessments, in alignment with international standards and the Group's human rights commitment. Sews-Cabind considers all these categories of workers within the scope of its human rights due diligence and reporting processes.

To address these IROs, in 2020 the company has carried out risk identification and prioritisation across its value chain, focusing particularly on issues such as child and forced labour, discrimination, migrant worker exploitation, and unsafe working environments. Its **mid-term target** for 2025 includes completing a full risk assessment across its supply chains and strengthening mitigation mechanisms accordingly. Oversight is ensured by the Group's HR Division, while complaints and grievances can be submitted via both internal whistleblowing systems and public channels on the Group's website.

All relevant suppliers are required to comply with the Sumitomo Supplier Code of Conduct, which includes clauses on modern slavery, non-discrimination, fair wages, working hours, and occupational safety.

Contractual safeguards have also been strengthened, particularly through the inclusion of a **Modern Slavery Commitment Clause** and further controls are in place for **conflict minerals**, in alignment with U.S. SEC regulations and the Sumitomo Group Conflict Minerals Policy. Suppliers must verify the origin of materials and exclude any links to human rights abuses or armed conflict.

Commitment to Human Rights and Due Diligence in the Value Chain

S2-1

Policies related to value chain workers

Respect for human rights is a fundamental principle of responsible business conduct and sustainable development at Sews-Cabind. The commitment is grounded in the Sumitomo Code of Conduct and the Supplier Code of Conduct, and is further reinforced by the Group's Human Rights Policy, Due Diligence Standards, and dedicated Guidelines applied across all subsidiaries.

The commitments are aligned with major international frameworks, including the Ten Principles of the United Nations Global Compact (joined in 2009), the International Bill of Human Rights, the ILO Declaration [7] on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. The Group also complies with the UK Modern Slavery Act 2015, publishing an annual Slavery and Human Trafficking Statement covering all companies, including Sews-Cabind.

As a fully integrated subsidiary, SC implements these principles by identifying, preventing, and mitigating adverse human rights impacts both internally and across its supply chain.

Core values include respect, dignity, and a firm prohibition of child and forced labour. All relevant suppliers undergo due diligence assessments and are required to adhere to the Sumitomo Supplier Code of Conduct, which includes the Modern Slavery Commitment Clause in contractual agreements.

The Human Rights Policy also reinforces compliance with national legislation and upholds international standards in five key areas: freedom of association, collective bargaining, the elimination of forced and child labour, non-discrimination, and occupational safety and health.

To put its human rights commitments into practice, Sews-Cabind launched a dedicated due diligence process in 2020. This framework is aligned with the UN Guiding Principles on Business and Human Rights, the UN Guiding Reporting Framework, and the OECD Due Diligence Guidance for Responsible Business Conduct. Since its implementation, the company has identified and prioritized a set of key human rights risks, including child and forced labour, treatment of migrant workers, fair wages and benefits, working hours, discrimination, harassment, freedom of association, and employee well-being.

A mid-term target has been set for 2025 to complete a comprehensive risk assessment across all operations and

[7] https://www.sumitomocorp.com/en/jp/sustainability/respect

supply chains and to implement effective mitigation measures. The process is led by the Group's HR Division, which oversees early identification of human rights violations, handles complaints through the whistleblowing system, and ensures the implementation of corrective actions. In cases where the company causes or contributes to harm, remedies are provided within a reasonable timeframe.

The HR Division reports on the progress and effectiveness of these efforts to the Sumitomo Electric Group Sustainability Management Promotion Committee. Updates on human rights performance, including identified impacts and mitigation strategies, are made publicly available through the corporate website and CSR reports.

As part of this ongoing commitment, Sews-Cabind conducts an annual Human Rights Due Diligence Survey across all operational sites (100%). The survey ensures compliance with standards related to child and forced labour and verifies that:

- No employees are hired below the minimum working age set by local legislation or, where absent, by applicable international standards.
- New hires are validated through official documentation
- Employees are not monitored or restricted outside working hours
- No coercive employment conditions are imposed
- Migrant workers do not pay recruitment fees
- Employment terms are communicated in a language they understand
- Personal identification documents are not withheld
- No unauthorized deductions or restrictions are imposed
- Grievance mechanisms are available in a language accessible to the worker
- Migrant workers are free to resign and return to their country of origin

Grievance Mechanisms and Supply Chain Responsibility

Human rights due diligence includes continuous engagement with both internal and external stakeholders throughout the organization and across the wider Sumitomo Electric Group. In addition to the whistleblowing system, a public grievance mechanism is available on the Group's website, allowing employees, residents, customers, and workers in the value chain to report human rights concerns. Reported issues are addressed through corrective actions and are escalated to the Chief Sustainability Officer and the Corporate Sustainability Committee when appropriate.

Across all operating countries, the company promotes human rights awareness and integrates related training into broader programs on the Sumitomo Code of Conduct, which underpins the company's ethical culture.

Collaboration with suppliers is central to Sews-Cabind's approach. Business partners are required to uphold fundamental human and labour rights, including the rejection of forced and child labour and the prevention of trafficking. The company does not engage with suppliers who:

- Employ children under the age of 15 (in line with ILO standards).
- Use forced, coerced, or involuntary labour.
- Participate in or benefit from human trafficking.
- Violate applicable laws on wages, working hours, contracts, or benefits.
- Restrict workers' right to freedom of association.

Where suppliers operate in high-risk jurisdictions or deal in high-risk materials, Sews-Cabind applies enhanced due diligence. In such cases, contractual agreements include strengthened modern slavery clauses to ensure legal and ethical compliance throughout the supply chain.

Enhanced Contractual Measures and Conflict Minerals

To reinforce accountability across the supply chain, Sews-Cabind includes an enhanced modern slavery clause in its contractual agreements. This clause requires business partners to:

- Conduct due diligence on their own third parties to identify and eliminate risks of human trafficking.
- Ensure that all personnel and associated third parties comply with applicable modern slavery laws.
- Incorporate equivalent anti-trafficking provisions into their own supplier contracts.

Heightened human rights risks are associated with the sourcing of conflict minerals [8] (specifically tin, tantalum, tungsten, and gold) particularly from the Democratic Republic of Congo (DRC) and neighbouring countries. These areas are linked to the use of child and forced labour and the erosion of fundamental labour rights. The DRC, as the world's leading cobalt producer, presents significant exposure to such risks. Sews-Cabind complies with U.S. SEC regulations and fully supports the Group's Conflict Minerals Policy. Accordingly, suppliers are expected to:

- Determine whether their products contain conflict minerals.
- Identify and verify the origin of such materials.

[8] http://www.sews-cabind.com/sews-cabind-s-p-supports-conflict-mineral-policy-exploitation-environmental-degradation/

- Comply with all applicable national and international laws.
- Remove any materials that may contribute to armed conflict, human rights abuses, or labour violations.

Security Services and Respect for Vulnerable Groups

When engaging security providers, Sews-Cabind ensures that all activities are conducted in accordance with local laws and with full awareness of the potential human rights risks involved. Selected providers are required to adhere to the Voluntary Principles on Security and Human Rights as well as the UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

The company's human rights commitment extends to protecting vulnerable groups, including children, future generations, and Indigenous communities. In alignment with the Sumitomo Group's support for the UN Global Compact, the Ten Principles, and the Children's Rights and Business Principles, Sews-Cabind actively promotes the prevention of child rights violations and contributes to community well-being. Moreover, the company acknowledges and respects the distinct rights and cultural heritage of Indigenous peoples, in accordance with national laws and international frameworks such as the UN Declaration on the Rights of Indigenous Peoples and the principle of Free, Prior and Informed Consent (FPIC). Sews-Cabind is committed to supporting the well-being of the communities in which it operates through a variety of corporate social responsibility (CSR) initiatives. Each year, the company promotes projects designed to benefit both people and the environment at the local level. In particular, the Group organize a wide range of initiatives, including environmental conservation activities (such as clean-up days and eco-walks involving employees and their families) as well as social contribution efforts, such as donations to children's hospitals and women's welfare centres.

Development Paths for the Protection and Empowerment of the Workforce in the Value Chain

As this is the company's first reporting exercise under the CSRD disclosure framework, Sews-Cabind does not yet have a structured approach for managing material impacts, risks, and opportunities, nor for advancing positive impacts across its value chain.

S2-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Nevertheless, certain foundational measures are already in place—such as the procurement survey and supplier risk assessment used to determine appropriate contractual models (including stricter clauses on human rights and the prevention of modern slavery and child labour). Sews-Cabind is working to enhance the tracking of risk data over time, which will enable more accurate identification of critical areas and sectors, and the implementation of targeted risk mitigation strategies. Moreover, the company is laying the groundwork for formally identifying and classifying operations at high risk of forced or compulsory labour or child labour, with plans to include this information in the Risk Inventory. The Supplier Code of Conduct is also under review to ensure alignment with the Double Materiality analysis, aiming to connect actual and potential impacts on workers in the value chain with the company's strategy and business model. Looking ahead, Sews-Cabind will develop an approach to assess worker vulnerability across its value chain, considering working conditions, geographical context, job type, and demographic characteristics.

This marks the beginning of a more structured and comprehensive approach to managing sustainability-related risks and opportunities in the years to come.

Annex

EU Taxonomy

The EU Taxonomy Regulation (Regulation (EU) 2020/852 of 18 June 2020) provides a unified classification system for economic activities that can be considered environmentally sustainable. Specifically, under this Regulation, in order to qualify as environmentally sustainable (or "eco-sustainable"), an economic activity must simultaneously meet a set of conditions:

- It must substantially contribute to one or more of the six environmental objectives listed in Article 9 of the Regulation. The environmental objectives identified are as follows:

a) climate change mitigation;

b) climate change adaptation;

c) sustainable use and protection of water and marine resources;

d) transition to a circular economy;

e) pollution prevention and control;

f) protection and restoration of biodiversity and ecosystems;

- It must comply with the technical screening criteria established by the European Commission for each environmental objective;
- It must not significantly harm any of the other environmental objectives (the DNSH principle – "Do No Significant Harm");
- It must be carried out in alignment with minimum safeguards (in accordance with the OECD Guidelines for Multinational Enterprises and the UN/ILO Guiding Principles on Business and Human Rights).

In accordance with the regulatory requirements outlined in the Delegated Act related to Article 8 of Regulation (EU) 2020/852, Sews-Cabind is, for the first time and on a voluntary basis, including in its Sustainability Report information on how and to what extent its activities are associated with environmentally sustainable economic activities under the EU Taxonomy.

For this reason, a disclosure must be prepared that includes the share of economic activities that are Taxonomy-aligned and those that are not, in relation to the company's turnover, capital expenditures, and total operating expenses.

As of the publication date of this document, the Delegated Acts relating to the six environmental objectives (Climate Delegated Act and Environmental Delegated Act) have been published. These Acts provide a description of the economic activities eligible under the EU Taxonomy and the associated technical screening criteria.

Currently, this disclosure does not consider any future regulatory changes that may be introduced under the "Omnibus Package."

EU Taxonomy activities

In order to ensure compliance with the requirements of Regulation (EU) 2020/852, Sews-Cabind has implemented a dedicated project aimed at identifying its "eligible" and "aligned" economic activities in accordance with the provisions of the Regulation.

Throughout 2024, the appointed Working Group reviewed the Group's classification within the sectors and economic activities covered by the Climate Delegated Act and the Environmental Delegated Act. It also coordinated the necessary assessments to qualify economic activities as "eligible" and "aligned" under the Taxonomy Regulation, involving various company functions throughout the process.

For each identified economic activity, a thorough assessment was conducted to verify compliance with the technical screening criteria and with the DNSH (Do No Significant Harm) criteria, to determine its alignment. The verification of compliance with the technical screening criteria was carried out with the support of technical departments, with the aim of establishing whether each company within the Group met the applicable regulatory requirements. For the DNSH criteria, the assessment involved additional functions—primarily the Sustainability department—which reviewed the risks identified and the mitigation measures adopted, as required by the relevant Delegated Acts.

Furthermore, to ensure compliance with the so-called minimum safeguards—which represent specific criteria for responsible business conduct—the existing corporate documentation was analysed.

Finally, the three Taxonomy indicators (Turnover, CapEx, and OpEx) were calculated in relation to the share of eligible and aligned activities.

Eligibility and Alignment of Economic Activities

The entire process described above led to the confirmation of a single eligible activity: **"3.18 – Manufacture of automotive and mobility components"**, which concerns the production of components for zero-emission light mobility and systems, components, separate technical units, parts and spare parts intended for the automotive and mobility sectors. These products are essential to ensure and improve the environmental performance of vehicles, making a tangible contribution to transport decarbonisation and the promotion of sustainable mobility. The activity is classified as "enabling" under the Taxonomy Regulation, as it directly enables other activities to substantially contribute to climate change mitigation (CCM).

Since the description of the activity refers specifically to the production of components for zero-emission vehicles, only a portion of Sews-Cabind's overall production is covered. Specifically, the eligible economic activity involves facilities located in Italy, Morocco, and Poland. The remaining activities of Sews-Cabind are currently not considered eligible, as they do not fall within the list of economic activities published by the European Commission. An internal continous monitoring process is in place to evaluate further possible eligible activities, as the list of economic activities by the European Commission gets updated.

Subsequently, the alignment with the Taxonomy was assessed by verifying compliance with both the technical screening criteria and the DNSH (Do No Significant Harm) principles. While the "Manufacture of automative and mobility components" activity meets all the technical screening requirements and DNSH criteria related to water resources, circular economy, pollution, and biodiversity, it was found not to be aligned due to the absence of a climate risk assessment and a climate adaptation plan in accordance with the specific requirements of Appendix A of the Regulation. In this regard, Sews-Cabind has already launched initiatives to ensure full compliance with the requirements, aiming to achieve Taxonomy alignment from the next reporting year.

Furthermore, it is confirmed that Sews-Cabind operates in compliance with the so-called minimum safeguards, as required by Article 3(c) of the Taxonomy Regulation. To this end, the company has implemented procedures and tools aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the rights and principles set out in the eight fundamental conventions of the International Labour Organization (ILO) and the International Bill of Human Rights. Compliance with these standards is formalised through key documents such as the Human Rights Policy, the Human Rights Due Diligence Standards, the Guidelines for Sumitomo Electric Industries and Group Companies, and the Migrant Workers Policy, which collectively define the structured approach adopted by the Group to uphold human rights throughout the entire value chain.

Calculation of indicators

To determine the values of Turnover, Capital Expenditures (CapEx), and Operating Expenditures (OpEx) related to the eligible activities, the Finance department was primarily involved. This was done to ensure consistency between the figures reported under this disclosure and those used in the company's financial reporting, as required by the applicable regulation.

Throughout the year, a dedicated analysis was conducted to map the individual income statement items associated with the relevant activities. With regard to operating costs, and in accordance with the Regulation, maintenance-related costs were included. In this context, maintenance costs related to components for zero-emission vehicles were estimated based on the surface area (square meters) dedicated to such activities within the production plants. The indicators have been calculated based on the best available internal data and current interpretations of the applicable regulatory framework. The figures may be subject to revision in light of future regulatory updates, clarifications, best practices or technical guidance.

For the financial year 2023 (ending 31 March 2024), 2% of Turnover, 1.8% of OpEx, and 8.8% of CapEx were found to be eligible under the EU Taxonomy, as they are directly linked to activities involving zero-emission vehicle components.

As previously stated, the only eligible activity was not aligned, and therefore the alignment percentage for Turnover, CapEx, and OpEx is 0%.

Economic activity Sews Cabind – CCM 3.18	Eligible (CCM)	Non-Eligible (CCM)	Aligned (CCM)
Turnover	2%	98%	0%
CapEx	8.8%	91.2%	0%
OpEX	1.8%	98.2%	0%

Table 48 Eligible, non-eligible and aligned activities and breakdown by turnover, CapEX ans OpEX (%) - Sews-Cabind Group (2023)

Turnover according to the criteria of the Regulation (EU) 852/2020

Economic Activity	FY2023			Substantial Contribution Criteria						DNSH							
	Code	Total Turnover	Proportion of FY2023 Total Turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and Ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and Ecosystems	Minimum Safeguard Criteria	Proportion of Turnover Taxonomy-aligned (A.1) or -eligible (A.2)
		€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%
A.1 Environmentally sustainable activities (Taxonomy-aligned)		0	**0**														
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		11.100.000	**2**														
Manufacture of automotive and mobility components (Enabling Activity)	3.18	11.100.000	2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N	Y	Y	Y	Y	Y	**2**
B. Non-eligible Activities		539.931.000	**98**														

CapEX according to the criteria of the Regulation (EU) 852/2020

Economic Activity	Code	FY2023		Substantial Contribution Criteria						DNSH							
		Total CapEX	Proportion of FY2023 Total CapEX	Water	Circular Economy	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Climate Change Mitigation	Climate Change Adaptation	Minimum Safeguard Criteria	Proportion of CapEX Taxonomy-aligned (A.1) or -eligible (A.2)
		€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%
A.1 Environmentally sustainable activities (Taxonomy-aligned)		0	0														
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		1.539.793	**8.8**														
Manufacture of automotive and mobility components	3.18	1.539.793	8.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N	Y	Y	Y	Y	Y	**8.8**
B. Non-eligible Activities		15.956.207	**91.2**														

OpEX according to the criteria of the Regulation (EU) 852/2020

Economic Activity	Code	FY2023		Substantial Contribution Criteria						DNSH						Minimum Safeguard Criteria	Proportion of OpEX Taxonomy-aligned (A.1) or -eligible (A.2)
		Total OpEX	Proportion of FY2023 Total OpEX	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and Ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and Ecosystems		
		€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%
A.1 Environmentally sustainable activities (Taxonomy-aligned)		0	**0**														
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		68.613	**1.8**														
Manufacture of automotive and mobility components (Enabling Activity)	3.18	68.613	1.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N	Y	Y	Y	Y	Y	**1.8**
B. Non-eligible Activities		3.747.387	**98.2**														

Methodological Note

ESRS2 BP-1

General basis for preparation of sustainability statements

Sews-Cabind has voluntarily prepared its first Sustainability Report, covering the 2023–2024 biennium.

The Report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), officially adopted by the European Commission on 31 July 2023 and transposed into national legislation by Member States in July 2024.

The reporting scope includes the Italian site of Collegno, as well as the locations of the subsidiaries included in the consolidated financial statements of Sews-Cabind, namely:

- SEWS-CABIND Maroc S.A.S.,
- SEWS-CABIND Poland Sp.zo.o. and
- SEWS-CABIND Albania Sh.p.k.

As a first-time, voluntary publication, this Report aims to provide an initial overview of the company's sustainability performance, serving as a preparatory step toward full compliance with ESRS standards once SCI becomes subject to mandatory reporting requirements.

Given its voluntary nature and introductory scope, the Report has not undergone external assurance and does not yet fulfil all disclosure obligations.

The data and information presented have been provided by various company departments and are based on internal official documents and sources. To ensure maximum reliability, priority was given to directly measurable indicators, minimizing the use of estimates wherever possible.

Please note that the quantitative data in this report refer to SCI's fiscal year, which runs from April 1 to March 31, in alignment with the fiscal year of the parent company, Sumitomo Electric Industries, Ltd.

The preparation of the Report was technically supported by Ergo S.r.l.. The double materiality process was facilitated by Deloitte and conducted jointly with other companies within the EMEA region, including Sumitomo Electric Wiring Systems (Europe) Ltd (SEWS-E), Sumitomo Electric Hartmetall GmbH (SHG), and Sumitomo Electric Bordnetze (SEBN).

For further details, please refer to the ESRS Content Index.

ESRS Content Index

ESRS2 IRO-2

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

Cross-cutting standards	Disclosure Requirement	Location	Notes/Omissions
ESRS 2 - GENERAL DISCLOSURES	BP-1 General basis for preparation of sustainability statements	Presenting the Group Focus: Sews Cabind's Value Chain Methodological Note	Par. 5 d) and 5 e) Not applicable
	BP-2 Disclosures in relation to specific circumstances		Not applicable
	GOV-1 The role of the administrative, management and supervisory bodies	Sews Cabind Group Governance	Par.23) There are no specific training programs outlined for the Board of Directors, nor is there a formal process for assessing their competencies. Additionally, there is no structured program for the ongoing development of ESG-related skills.
	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability Governance	

	GOV-3 Integration of sustainability-related performance in incentive schemes		Currently, incentive systems do not yet include the integration of performance parameters related to sustainability.
	GOV-4 Statement on due diligence	Commitment to Human Rights and Due Diligence	The due diligence process regarding sustainability matters is currently being developed. The process aims to be fully integrated into the company's governance, strategy, and business model, and to ensure stakeholder involvement across all key stages of the due diligence duty. It will also include measures to address negative impacts, as well as mechanisms to monitor the effectiveness of these measures and to communicate progress transparently.
	GOV-5 Risk management and internal controls over sustainability reporting	Risk Management and Internal Controls on Sustainability Reporting in "Sews Cabind Group Governance"	
	SBM-1 Strategy, business model and value chain	Sews-Cabind's Contribution to the 2025–2030 Group Vision The Group's Business Model and Value Creation Focus – Sews-Cabind's Value Chain	Par.40a) The company does not market products subject to regulatory bans or market restrictions. Par.40b,41,40c,40d) Not applicable.

	SBM-2 Interests and views of stakeholders	Focus: Sews Cabind's stakeholders	
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Step 3: Identification of Impacts, Risks and Opportunities Step 4: Assessment of Impacts, Risks and Opportunities IROs within each thematic section	Par.48b) The company has not yet formalised a strategy that is based on the outcomes of the double materiality assessment, as this is the first reporting year. The integration of the assessment results into the company's strategy and business model is planned for the next reporting cycle. Par. 48 g): Information not applicable for the first year of reporting. Par. 48 h): Not applicable.
	IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	The Double Materiality Analysis Process	Par.53c)iii. At the current stage, Sews-Cabind has not yet implemented a process to explicitly prioritize sustainability-related risks over other categories of risks (e.g. financial, operational, compliance) within its existing risk assessment tools and methodologies.
	IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	ESRS Content Index List of datapoints in cross-cutting and topical standards that derive from other EU legislation The Double Materiality Analysis Process	Par.57,58 not applicable

Topical ESRS Standards - Environmental	Disclosure Requirement	Location	Notes/Omissions
E1- CLIMATE CHANGE	ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	-	Currently, no form of compensation for the members of the governance bodies is linked to the achievement of greenhouse gas (GHG) emission reduction goals.
	E1-1 Transition plan for climate change mitigation	Building Climate Resilience: Transition plan and strategic objectives	Par.16c,16e) There is no formal plan for aligning activities with climate change mitigation, nor have specific investments or funding (CapEx or OpEx) dedicated to this purpose been disclosed. Although the company is working in this direction, there are currently no formal plans with dedicated budgets or quantifiable information on investments. Par. 16d,16f) Not applicable.
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	The Double Materiality Analysis Process IROs in "Climate Change" Overview of IROS on Climate Change	

		Building Climate Resilience: Transition plan and strategic objectives	
	ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	The Double Materiality Analysis Process IROs in "Climate Change"	
	E1-2 Policies related to climate change mitigation and adaptation	Climate change mitigation and adaptation policy	
	E1-3 Actions and resources in relation to climate change policies	Supporting the transition: climate actions	Par.29b) At present, there is no precise quantification of the GHG reduction resulting from individual actions. Par.29c) The company does not link significant CapEx and OpEx amounts with the relevant items in the financial statements, performance indicators, or the CapEx plan required by Delegated Regulation (EU) 2021/2178.
	E1-4 Targets related to climate change mitigation and adaptation	Towards a Low-Emission Company: Environmental Goals and Strategies	Par.34f) At present, there is no precise quantification of the investments allocated to each decarbonization lever.
	E1-5 Energy consumption and mix	Energy Management	Par.40),42) It was not possible to precisely distinguish company activities within high climate

			impact sectors. This is because the available energy data are aggregated at the plant level and not broken down by individual sectors or activities (for example, between offices and production facilities). Consequently, it was not possible to isolate energy consumption exclusively attributable to high climate impact sectors.
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Emissions Management	Par.44) Scope 3 emissions were not calculated for this reporting exercise. Their disclosure is planned for the next reporting cycle.
	E1-7 GHG removals and GHG mitigation projects financed through carbon credits		Not applicable
	E1-8 Internal carbon pricing		Not applicable
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Not reported, in accordance with the option provided by ESRS 1 – Appendix C In this first reporting year, Sews-Cabind conducted only a preliminary reflection on the potential financial effects of climate-related risks and opportunities. The analysis focused on estimating their magnitude as a percentage of revenue, using financial ranges derived from Deloitte's double materiality assessment (e.g. <10 million yen to >5 billion yen). A full scenario-

			based financial analysis has not yet been performed and will be developed in future reporting cycles.
E2- POLLUTION		-	Topic reclassified as not material (see section "Step 5: Double Materiality Matrix" in Chapter "The Double Materiality Analysis Process"
E3- WATER AND MARINE RESOURCES		-	Topic reclassified as not material (see section "Step 5: Double Materiality Matrix" in Chapter "The Double Materiality Analysis Process"
E4- BIODIVERSITY AND ECOSYSTEMS		-	Topic assessed as not material
E5- RESOURCE USE AND CIRCULAR ECONOMY	ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	The Double Materiality Analysis Process IROs in "Circular economy Models"	Par.11b) In this first voluntary reporting exercise, Sews-Cabind did not involve external stakeholder categories in the double materiality process to identify impacts, risks, and opportunities related to the circular economy aspect.
	E5-1 Policies related to resource use and circular economy	Circular economy: a challenge to be addressed with responsibility	Par.15) As a contract manufacturer, Sews-Cabind does not have direct control over material selection or over the implementation of circular design measures.

	E5-2 Actions and resources related to resource use and circular economy	-	Par.17-18-19-20) As a contract manufacturer, Sews-Cabind does not have direct control over material selection or over the implementation of circular design measures.
	E5-3 Targets related to resource use and circular economy	-	Par.21,23,26,24a-f,25,27) As a contract manufacturer, Sews-Cabind does not have direct control over material selection or over the implementation of circular design measures.
	E5-4 Resource inflows	Incoming Materials	Par.31c) Not applicable
	E5- 5 Resource outflows	Waste Management	Par.33) Waste management data for the SCM site are not included in this section due to the unavailability of specific information from that location. Par.37d) Data for SCI and SCM regarding non-recycled waste are not available for this reporting period. Par.35,36a,36b,36c) As a contract manufacturer, Sews-Cabind does not have direct control over material selection or over the implementation of circular design measures.
	E5-6 Anticipated financial effects from resource use and circular	-	Not reported, in accordance with the option provided by ESRS 1 – Appendix C

	economy-related impacts, risks and opportunities		In this first reporting year, Sews-Cabind conducted only a preliminary reflection on the potential financial effects of circular economy and resource-use risks and opportunities. The analysis focused on estimating their magnitude as a percentage of revenue, using financial ranges derived from Deloitte's double materiality assessment (e.g. <10 million yen to >5 billion yen). A full scenario-based financial analysis has not yet been performed and will be developed in future reporting cycles.
Topical ESRS Standards - Social	**Disclosure Requirement**	**Location**	**Notes/Omissions**
S1- OWN WORKFORCE	ESRS 2 SBM-2 Interests and views of stakeholders	Focus: Sews Cabind's stakeholders Step 3: Identification of Impacts, Risks, and Opportunities	
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	IROs in "Working Conditions of Own Workforce" IROs in "Equal Treatment and Diversity"	Par.13a)ii), b)The company has not yet formalised a strategy that is based on the outcomes of the double materiality assessment, as this is the first reporting year. The integration of the assessment results into the company's strategy and business model is planned for the next reporting cycle. Par.14e),f),g) Not applicable

	S1-1 Policies related to own workforce	People at the Core - Human Capital and Social Responsibility, D&I Management at SCI in "Equal Treatment and Diversity"	
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	Focus: Sews-Cabind's Stakeholders Identification of Impacts, Risks and Opportunities Dialogue with employees in "HR Management"	
	S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	HR Management Respect for Human Rights Whistleblowing Procedure	Par. 32a) structured and dedicated measures to remedy—or contribute to remedying—relevant negative impacts on its own workforce have not yet been implemented. However, the development of such processes, including mechanisms for evaluating their effectiveness, is planned for the next reporting cycle.
	S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		The company is embarking on its initial sustainability journey, representing its first systematic approach to identifying, assessing, and managing its impacts. As such, structured and specific measures to manage the IROs identified through the double materiality analysis have not

			yet been implemented, but their development is planned for the next reporting cycle.
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Enhancing Working Conditions and Managing Risks for Sews-Cabind's Workforce	Sews-Cabind has not yet defined time-bound objectives specifically addressing impacts, risks, and opportunities for value chain workers. A more targeted strategy aligned with the IROs identified through the double materiality assessment will be developed in the next reporting cycle, including objective-setting, performance monitoring, and potential engagement with affected workers or their representatives.
	S1-6 Characteristics of the undertaking's employees	Composition and characteristics of SC's Workforce in "Working Conditions of Own Workforce"	
	S1-7 Characteristics of non-employee workers in the undertaking's own workforce	Composition and characteristics of SC's Workforce in "Working Conditions of Own Workforce"	
	S1-8 Collective bargaining coverage and social dialogue	Fair Wages, Collective bargaining and Social Protection in "Working Conditions of Own Workforce"	
	S1-9 Diversity metrics	Gender distribution in management in "Equal Treatment and Diversity"	

	S1-10 Adequate wages	Pay equity and gender pay gap analysis in "Equal Treatment and Diversity"	
	S1-11 Social protection	Fair Wages, Collective bargaining and Social Protection in "Working Conditions of Own Workforce"	
	S1-12 Persons with disabilities	Employees with disabilities in "Equal Treatment and Diversity"	
	S1-13 Training and skills development metrics	Skills development and professional growth in "Working Conditions of Own Workforce"	
	S1-14 Health and safety metrics	Safety first in "People at the Core – Human Capital and Social Responsibility"	
	S1-15 Work-life balance metrics	Fair Wages, Collective bargaining and Social Protection in "Working Conditions of Own Workforce"	
	S1-16 Compensation metrics (pay gap and total compensation)	Pay equity and gender pay gap analysis in "Equal Treatment and Diversity"	In the context of this year's voluntary reporting exercise, Sews-Cabind has opted not to disclose information pertaining to S1-16 (Compensation Metrics)

	S1-17 Incidents, complaints and severe human rights impacts	Whistleblowing Procedure	
S2- WORKING CONDITIONS IN THE VALUE CHAIN	ESRS 2 SBM-2 Interests and views of stakeholders	IROs in "Working Conditions in the Value Chain"	
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	IROs in "Working Conditions in the Value Chain" Overview of IROS on Working Conditions in the Value Chain	Par.10a) ii), b) The company has not yet formalised a strategy that is based on the outcomes of the double materiality assessment, as this is the first reporting year. The integration of the assessment results into the company's strategy and business model is planned for the next reporting cycle. Par.11d) Not applicable Par.12 This information will be provided once the ongoing risk assessment and mapping of vulnerable workers, planned for completion by 2025, is finalised.
	S2-1 Policies related to value chain workers	Commitment to Human Rights and Due Diligence in the Value Chain	Par.17 c) Specific measures to provide or enable remediation of adverse human rights impacts are not yet in place, but their development is planned for the next reporting cycle. Par.19 No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for

			Multinational Enterprises involving workers in the upstream or downstream value chain have been identified.
	S2-2 Processes for engaging with value chain workers about impacts		Not reported, in accordance with the option provided by S2-2 par.24.
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	Whistleblowing Procedure Grievance Mechanisms and Supply Chain Responsibility	Par.27a) Structured and dedicated measures to remedy—or contribute to remedying—relevant negative impacts on value chain workforce have not yet been implemented. However, the development of such processes, including mechanisms for evaluating their effectiveness, is planned for the next reporting cycle.
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action		The company is embarking on its initial sustainability journey, representing its first systematic approach to identifying, assessing, and managing its impacts. As such, structured and specific measures to manage the IROs identified through the double materiality analysis have not yet been implemented, but their development is planned for the next reporting cycle.
	S2-5 Targets related to managing material negative impacts, advancing positive	Development Paths for the Protection and Empowerment of the Workforce in the Value Chain	Sews-Cabind has not yet established time-bound objectives specifically addressing the management of impacts, risks, and opportunities

	impacts, and managing material risks and opportunities		affecting workers in the value chain. However, the company plans to develop a more targeted strategy based on the IROs identified through the double materiality assessment in the next reporting cycle. In the short to medium term, Sews-Cabind is also implementing a set of improvement actions focused on its own workforce (see *Development Paths for the Protection and Empowerment of the Workforce in the Value Chain*).
S3- AFFECTED COMMUNITIES		-	Topic assessed as not material
S4- CONSUMERS AND END USERS		-	Topic assessed as not material
Topical ESRS Standards - Governance	**Disclosure Requirement**	**Location**	**Notes/Omissions**
G1-BUSINESS CONDUCT	ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	Sews Cabind Group Governance	
	ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	The Double Materiality Analysis Process (IROs in "Corporate Governance at Sews-Cabind" and "Ethics, integrity and responsibility in governance")	

	G1-1 Corporate culture and Business conduct policies and corporate culture	Business conduct policies and corporate culture Whistleblowing Management and Protection of Informants	Par.10f) Not applicable
	G1-2 Management of relationships with suppliers	Management of relationships with suppliers	
	G1-3 Prevention and detection of corruption and bribery	Prevention and detection of corruption and bribery Whistleblowing Management and Protection of Informants	
	G1-4 Confirmed incidents of corruption or bribery	Prevention and detection of corruption and bribery	
	G1-5 Political influence and lobbying activities	-	Not applicable
	G1-6 Payment practices	Management of relationships with suppliers	

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

LEGEND

- **Not Material**: Disclosure requirement not material for Sews-Cabind
- **Not Applicable**: Disclosure requirement not applicable considering the activities/services of Sews-Cabind

ESRS2 IRO-2

General basis for preparation of sustainability statements

Disclosure Requirement	Data Point	SFRD[9] reference	Pillar 3[10] reference	Benchmark Regulation[11] reference	EU Climate Law[12] reference	Section/ Not material/ Not Applicable
ESRS 2 GOV-1	**21 (d)** Board's gender diversity paragraph	●		●		Sews Cabind Group Governance

[9] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

[10] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

[11] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

[12] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

ESRS2 GOV-1	**21 (e)** Percentage of board members who are independent paragraph			●		Sews Cabind Group Governance
ESRS2 GOV-4	**30** Statement on due diligence	●				Commitment to Human Rights and Due Diligence
ESRS2 SBM-1	**40 (d) i** Involvement in activities related to fossil fuel activities	●	●	●		Not applicable
ESRS2 SBM-1	**40 (d) ii** Involvement in activities related to chemical production	●		●		Not applicable
ESRS2 SBM-1	**40 (d) iii** Involvement in activities related to controversial weapons	●		●		Not applicable
ESRS2 SBM-1	**40 (d) iv** Involvement in activities related to cultivation and production of tobacco			●		Not applicable
ESRS E1-1	**14** Transition plan to reach climate neutrality by 2050				●	Building Climate Resilience: Transition plan and strategic objectives
ESRS E1-1	**16 g** Undertakings excluded from Paris-aligned Benchmarks		●	●		Building Climate Resilience: Transition plan

						and strategic objectives
ESRS E1-4	**34** GHG emission reduction targets	●	●	●		Towards a Low-Emission Company: Environmental Goals and Strategies
ESRS E1-5	**38** Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●				Energy Management
ESRS E1-5	**37** Energy consumption and mix	●				Energy Management
ESRS E1-5	**40-43** Energy intensity associated with activities in high climate impact sectors	●				Energy Management
ESRS E1-6	**44** Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●		Emissions Management
ESRS E1-6	**53-55** Gross GHG emissions intensity	●	●	●		Emissions Management
ESRS E1-7	**56** GHG removals and carbon credits				●	ESRS Content Index

ESRS E1-9	**66** Exposure of the benchmark portfolio to climate-related physical risks			●		ESRS Content Index
ESRS E1-9	**66 (a)** Disaggregation of monetary amounts by acute and chronic physical risk		●			ESRS Content Index
ESRS E1-9	**66 (c)** Location of significant assets at material physical risk		●			ESRS Content Index
ESRS E1-9	**67 (c)** Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●			ESRS Content Index
ESRS E1-9	**69** Degree of exposure of the portfolio to climate- related opportunities			●		ESRS Content Index
ESRS E2-4	**28** Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				ESRS Content Index
ESRS E3-1	**9** Water and marine resources	●				ESRS Content Index
ESRS E3-1	**13** Dedicated policy	●				ESRS Content Index

ESRS E3-1	**14** Sustainable oceans and seas	●				ESRS Content Index
ESRS E3-4	**28 (c)** Total water recycled and reused	●				ESRS Content Index
ESRS E3-4	**29** Total water consumption in m^3 per net revenue on own operations	●				ESRS Content Index
ESRS 2-IRO 1-E4	**16 (a) i**	●				Not material
ESRS 2-IRO 1-E4	**16 (b)**	●				Not material
ESRS 2-IRO 1-E4	**16 (c)**	●				Not material
ESRS E4-2	**24 (b)** Sustainable land / agriculture practices or policies	●				Not material
ESRS E4-2	**24 (c)** Sustainable oceans / seas practices or policies	●				Not material
ESRS E4-2	**24 (d)** Policies to address deforestation	●				Not material
ESRS E5-5	**37 (d)** Non-recycled waste	●				Waste Management
ESRS E5-5	**39** Hazardous waste and radioactive waste	●				Waste Management

ESRS 2-SBM3-S1	**14 (f)** Risk of incidents of forced labour	●				Respect for Human Rights
ESRS 2-SBM3-S1	**14 (g)** Risk of incidents of child labour	●				Respect for Human Rights
ESRS S1-1	**20** Human rights policy commitments	●				Respect for Human Rights Commitment to Human Rights and Due Diligence
ESRS S1-1	**21** Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		Respect for Human Rights Commitment to Human Rights and Due Diligence
ESRS S1-1	**22** Processes and measures for preventing trafficking in human beings	●				Respect for Human Rights Commitment to Human Rights and Due Diligence
ESRS S1-1	**23** Workplace accident prevention policy or management system	●				Safety First

ESRS S1-3	**32 (c)** Grievance/complaints handling mechanisms	●				Whistleblowing Procedure
ESRS S1-14	**88 (b) and (c)** Number of fatalities and number and rate of work-related accidents	●		●		Safety First
ESRS S1-14	**88 (e)** Number of days lost to injuries, accidents, fatalities or illness	●				Safety First
ESRS S1-16	**97 (a)** Unadjusted gender pay gap	●		●		Pay equity and gender pay gap analysis
ESRS S1-16	**97 (b)** Excessive CEO pay ratio	●				Pay equity and gender pay gap analysis
ESRS S1-17	**103 (a)** Incidents of discrimination	●				Whistleblowing Procedure
ESRS S1-17	**104 (a)** Non-respect of UNGPs on Business and Human Rights and OECD	●		●		Respect for Human Rights
ESRS 2-SBM3–S2	**11 (b)** Significant risk of child labour or forced labour in the value chain	●				Commitment to Human Rights and Due Diligence

ESRS S2-1	**17** Human rights policy commitments	●				Commitment to Human Rights and Due Diligence
ESRS S2-1	**18** Policies related to value chain workers	●				Commitment to Human Rights and Due Diligence
ESRS S2-1	**19** Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●		Respect for Human Rights Commitment to Human Rights and Due Diligence
ESRS S2-1	**19** Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		Respect for Human Rights Commitment to Human Rights and Due Diligence
ESRS S2-4	**36** Human rights issues and incidents connected to its upstream and downstream value chain	●				Commitment to Human Rights and Due Diligence
ESRS S3-1	**16** Human rights policy commitments	●				Not material

ESRS S3-1	**17** Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	●		●		Not material
ESRS S3-4	**36** Human rights issues and incidents	●				Not material
ESRS S3-4	**16** Policies related to consumers and end-users	●				Not material
ESRS S4-1	**17** Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●		Not material
ESRS S4-4	**35** Human rights issues and incidents	●				Not material
ESRS G1-1	**10 (b)** United Nations Convention against Corruption	●				Prevention and detection of corruption and bribery
ESRS G1-1	**10 (d)** Protection of whistle- blowers	●				Prevention and detection of corruption and bribery
ESRS G1-4	**24 (a)** Fines for violation of anti-corruption and anti-bribery laws	●		●		Prevention and detection of corruption and bribery
ESRS G1-4	**24 (b)** Standards of anti- corruption and anti- bribery	●				Prevention and detection of corruption and bribery

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