

2020

23

STATEMENT OF NON-FINANCIAL INFORMATION

334 +7.09%

56 +1.13%

102 +1.13%

178 +3.2%

397 +2.14%

183 +5.10%

206 +1.51%

992 +6.39%

About this Statement of Non-Financial Information (EINF)

TRUCK AND WHEEL GROUP S.L. and subsidiaries (hereinafter **TWG**) hereby presents its Sustainability Report (EINF) with the aim of informing its Stakeholders of its performance in this matter as part of its 25th Anniversary, in accordance with its commitment to transparency.

Likewise, produced in compliance with Law 11/2018 of 28 December, which amends the Commercial Code, is the revised text of the Spanish Corporation Law approved by Royal Legislative Decree 1/2010 of 2 July and Law 22/2015 of 20 July, on the Auditing of Accounts, with regard to non-financial information and diversity.

This report includes information relating to **TWG**, parent company of a group of subsidiary companies, being consolidated in the logistics field, through its TRUCK & WHEEL LOGISTICS S.L. division (hereinafter referred to as **TWL**), and the field of automotive components, through its TRUCK & WHEEL AUTOMOTIVE S.L. Division (hereinafter **TWA**). The document Consolidated financial statements - Consolidated management report for the year ended 31 December 2023- details the group of companies with which **TWG** has direct or indirect shareholdings.

This is the 3rd Report submitted by **TWG** for the calendar year period for the fiscal year 01/01/2023 to 31/12/2023, giving a detailed report of its performance on non-financial aspects (environmental, social and governance).

The EINF (Statement of Non-Financial Information) was prepared in accordance with the contents set out in the current corporate regulations and in consideration of the selected Global Reporting Initiative (GRI) standards ("in accordance with the GRI"), focusing on the issues identified as material.

The company also reported on the information requirements and recommendations of the Sustainability Accounting Standards Board (SASB) in its standards specific to its activities for trucking and automotive parts companies. For more information, see the table in Annex II "Matrix of traceability index contents of Law 11/2018", included in this report. We also report our contribution to the Sustainable Development Goals (SDGs).

The EINF was prepared by the Sustainability Committee, consisting of leaders in the company's key areas, with the Board of Directors endorsing its contents, affirming the importance of clear and transparent accountability for its performance and subject to external audit. It was posted on our website at www.tw-group.com/sostenibilidad. If you have any queries or require further information, please contact sustainability@tw-group.com



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Letter from the President

Dear Reader,

If I had to sum up 2023 in one word it would be **evolution**. A strategic evolution that allows us to make the most of the opportunities provided by the current and future market.

Our most visible face is portrayed through our new image and brand architecture, accompanied by other milestones such as the constitution of the **TW Foundation**, in order to promote knowledge as a tool to address social challenges and the consolidation of the Sustainability Committee.

At **TW Group**, we have always believed that being a good *partner* means being useful to our customers in our areas of specialisation: **advanced global logistics and production of components for premium brands in the automotive industry**. By working closely with them, we have become a benchmark in our activities, offering efficient solutions based on **innovation, flexibility and agility**.

In 2023, our international presence expanded to 8 countries, with a multicultural and diverse team. Thanks to the commitment, talent and precision of our professionals, we have experienced an increase in revenue of more than 17% compared to the previous year. This growth is reflected in a successful geographical and service diversification strategy, a highly flexible offering and an approach that is focussed on long term value creation.

These results underpin our Sustainability Plan, which sets targets and compliance initiatives for all areas where it is a pillar of our business strategy.

By integrating environmental, social and good governance aspects into our operations in a cross-cutting manner, we are committed to initiatives such as **the decarbonisation plan** by **measuring our carbon footprint** and the development of technologies to improve our measurable and auditable social and environmental impact.

We are conscious of our contributory role in the development of the communities in which we operate, generating quality employment and supporting local talent through partnerships with indigenous vocational schools, universities and startups. It is very satisfying to report that we increased our professional staff by 13% in 2023 compared to the previous year.

This is underpinned by a strong governance model, supported by the Board of Directors along with the Sustainability Committee and the Regulatory Compliance Committee to ensure that sustainability is addressed comprehensively and effectively across the organisation, as well as ensuring compliance with regulatory requirements on ethics and transparency.

Alongside its commitment to sustainability and the Sustainable Development Goals, **TW Group** is steadily evolving and continues leading the way in personalised logistics and in the *Smart Factory*, producing automotive components.

Consistent with our long-term vision, our investment in technology and value innovation is a strategic one, as is the digitalisation of our processes, so that we can offer the market fast and reliable responses to a changing future.

Responses that make us better for our customers, society and the planet.

Yours Sincerely,



Alfredo Llonis
TW Group President



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Our business model

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We are an innovative, efficient and thriving company that, thanks to the commitment of our employees and the motivation of our leaders, is growing and evolving to provide the greatest added value.

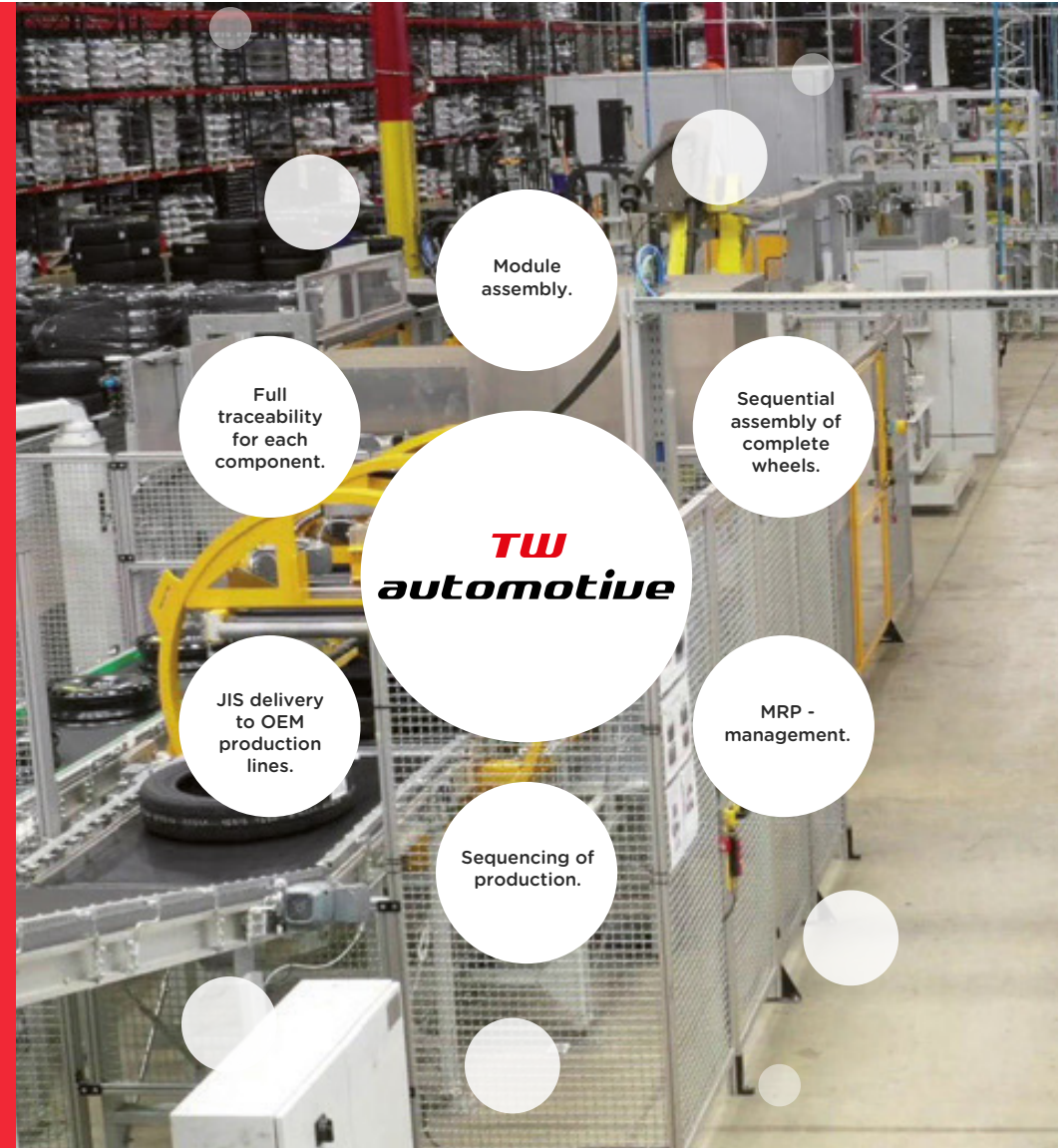
We develop sustainable, cutting-edge technological solutions that are efficient and adapted to the needs of our customers.

We are passionate about the challenges and meet them with agility and determination to achieve solutions specifically designed to respond to our customers' needs and expectations, convinced that we can continuously improve.

We are trusted partners and leading figures in the Logistics Sector and TIER 1 in the Automotive Sector.

1.1. Our products and services

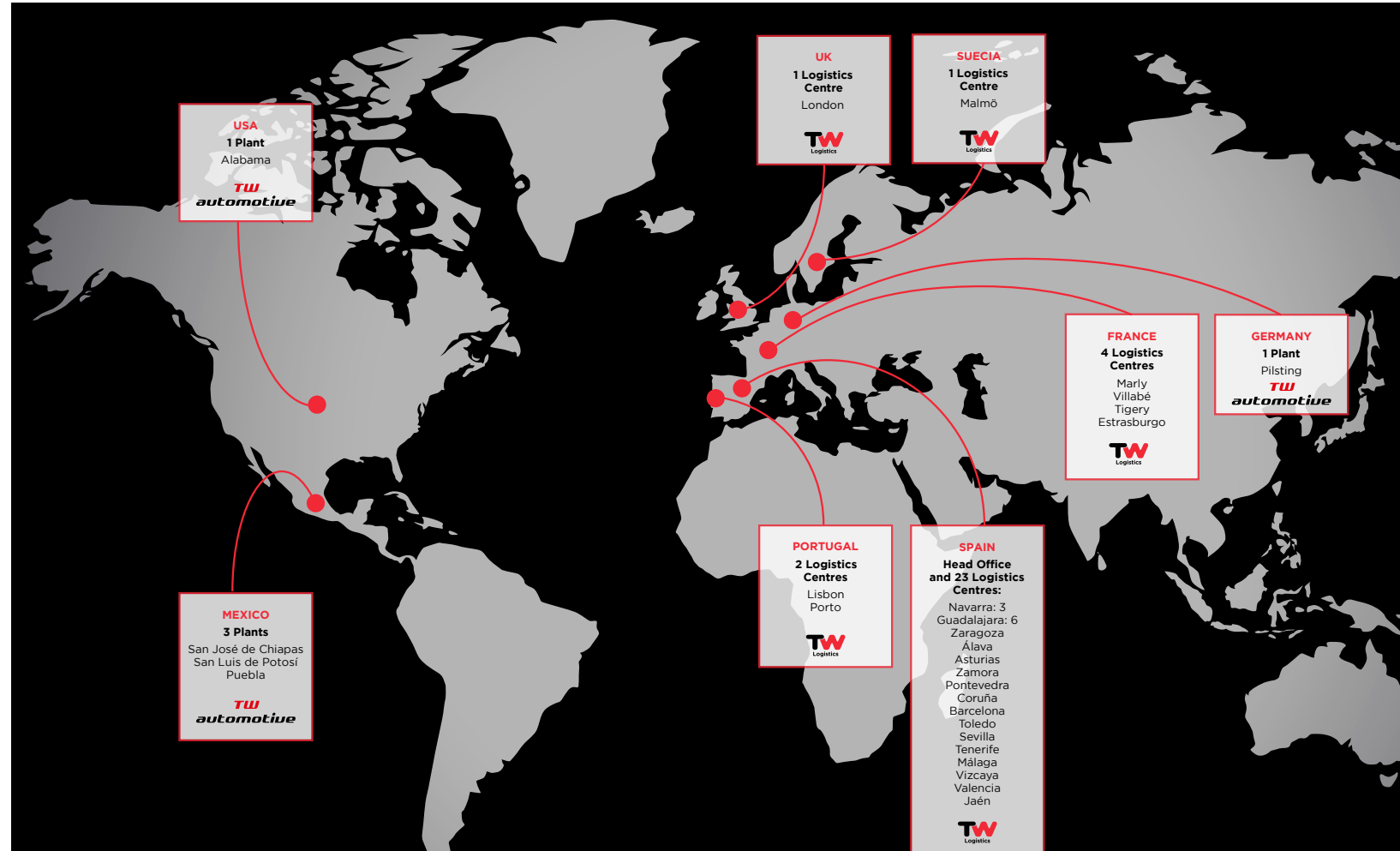
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1.2. Where we are

Whoever you are, wherever you go, you can count on us.

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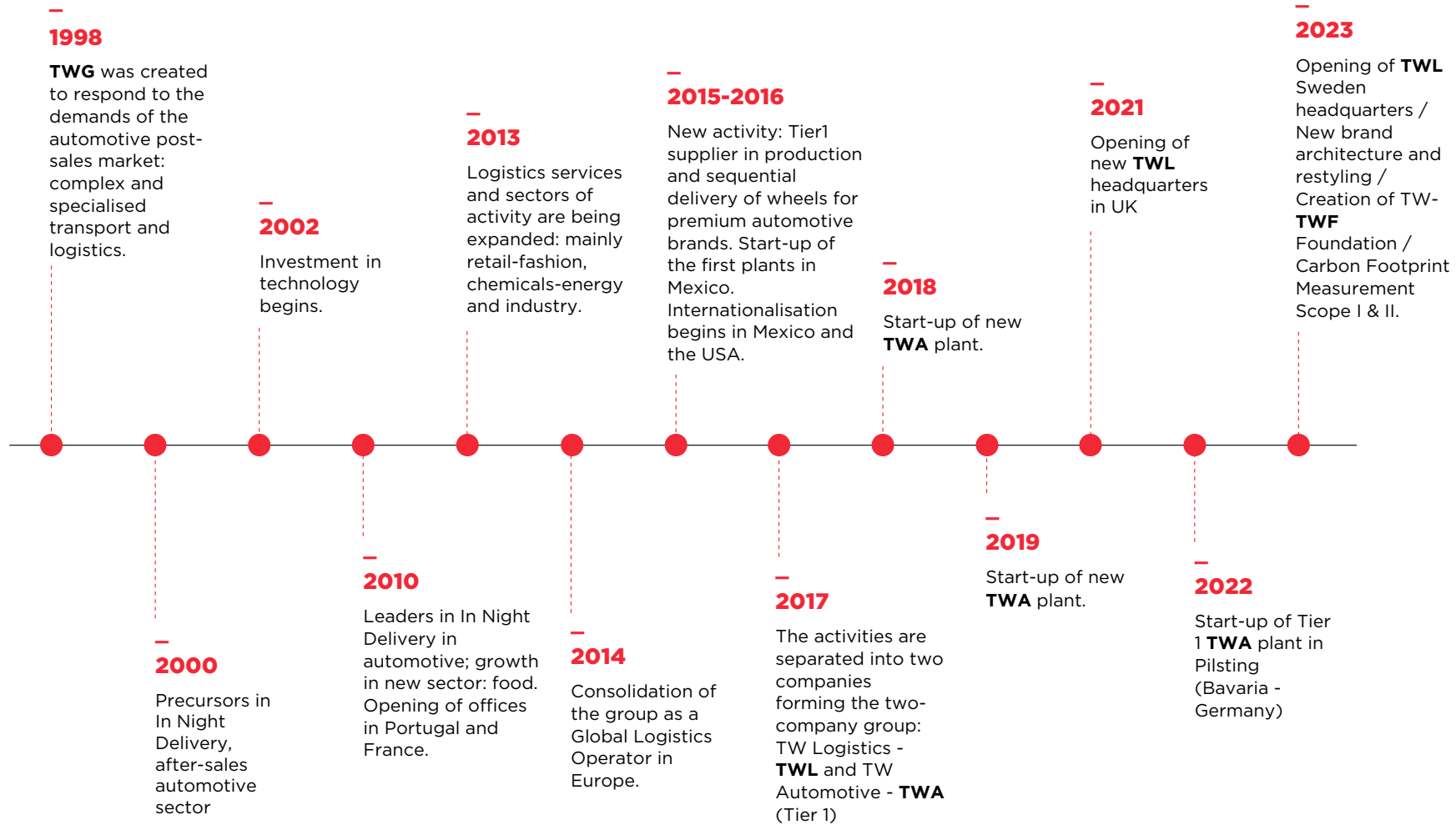


We are present in 8 countries and our growth strategy is also focused on a territorial expansion aimed at providing an agile and sustainable service.



1.3. Our history

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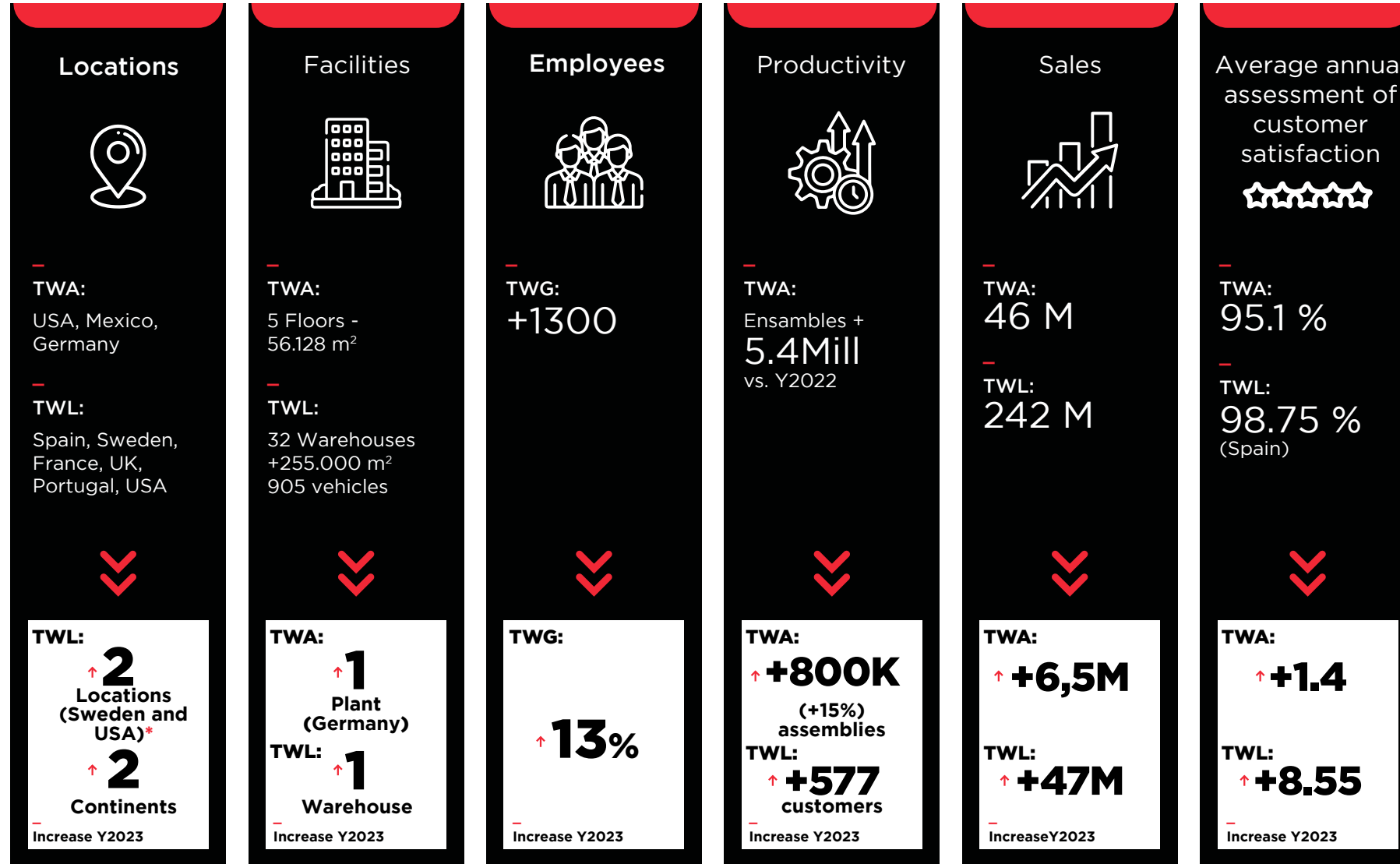
During the course of the year 2023, the most important milestones for our company were:

- The opening of the new headquarters of TWL in Sweden
- New brand architecture and restyling
- Creation of the Foundation of TWG - TWF
- Measuring our Carbon Footprint Scope I and II - Baseline

We have **evolved** based on our experience and with a clear vision for the future focused on continuous innovation, flexibility and agility.

1.4. Our main figures

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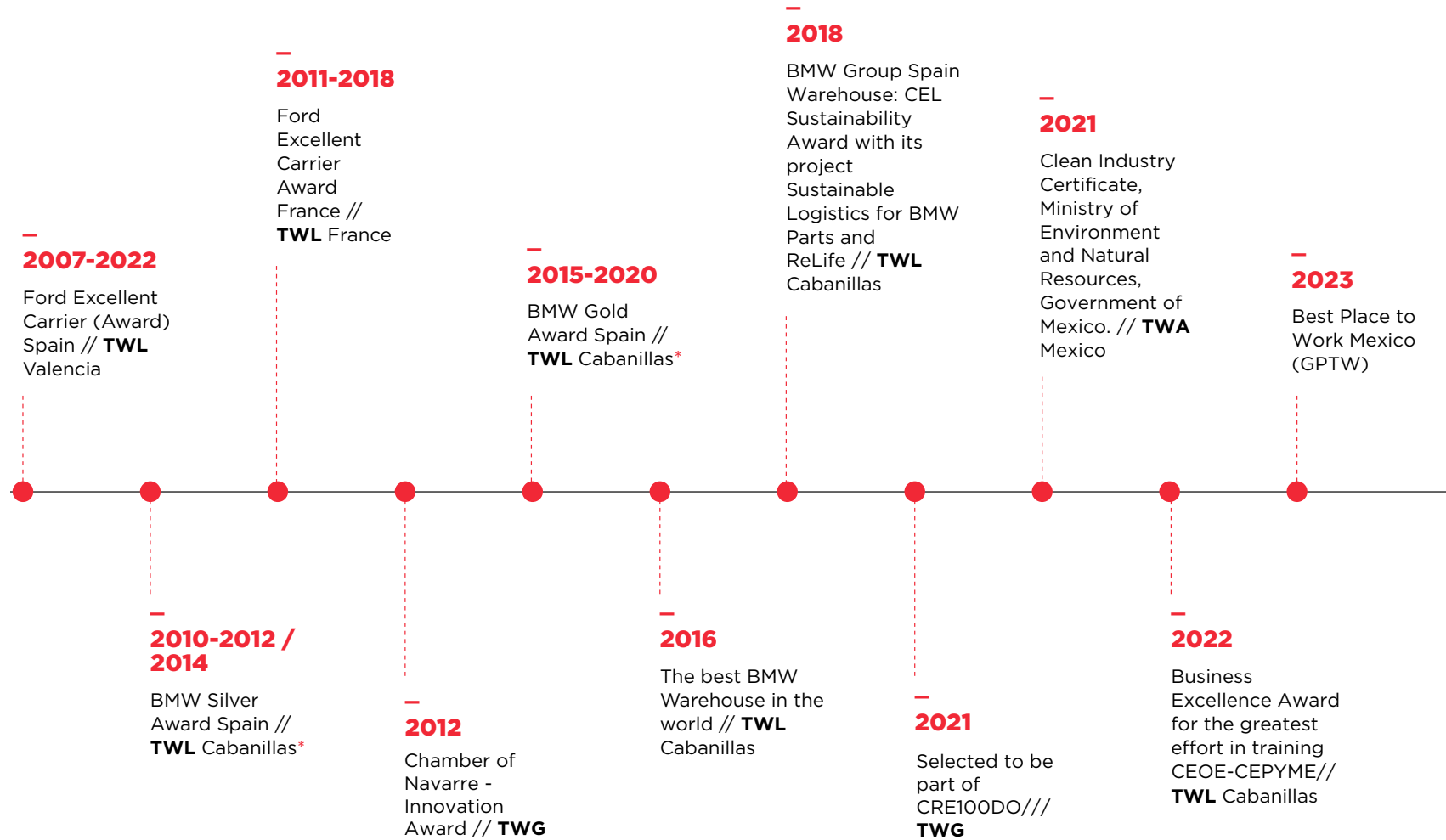


* New location for the start of operations in Y2024.



1.5. Recognitions

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*these awards end in 2020.

Our commitment to sustainable management and development, quality and excellence and care for the environment has always been recognised both by our customers and by various international initiatives.

A new recognition for inclusion and diversity has materialised during the year 2023 when we received the **Great Place to Work** award in Mexico.



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Our commitment to sustainability



OUR COMMITMENT TO SUSTAINABILITY

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We are a company whose project transcends generations and that is becoming better at engaging with and relating to its various stakeholders, and that is recognised for its environmental and social commitment.

EVOLVE for **TWG** means constantly improving our processes with a view to reducing our environmental impact, always guaranteeing the quality of our services and the security of the data and assets entrusted to us.

Our business project is focused on creating sustainable value, taking purpose, values and respect for human rights as our first points of reference.

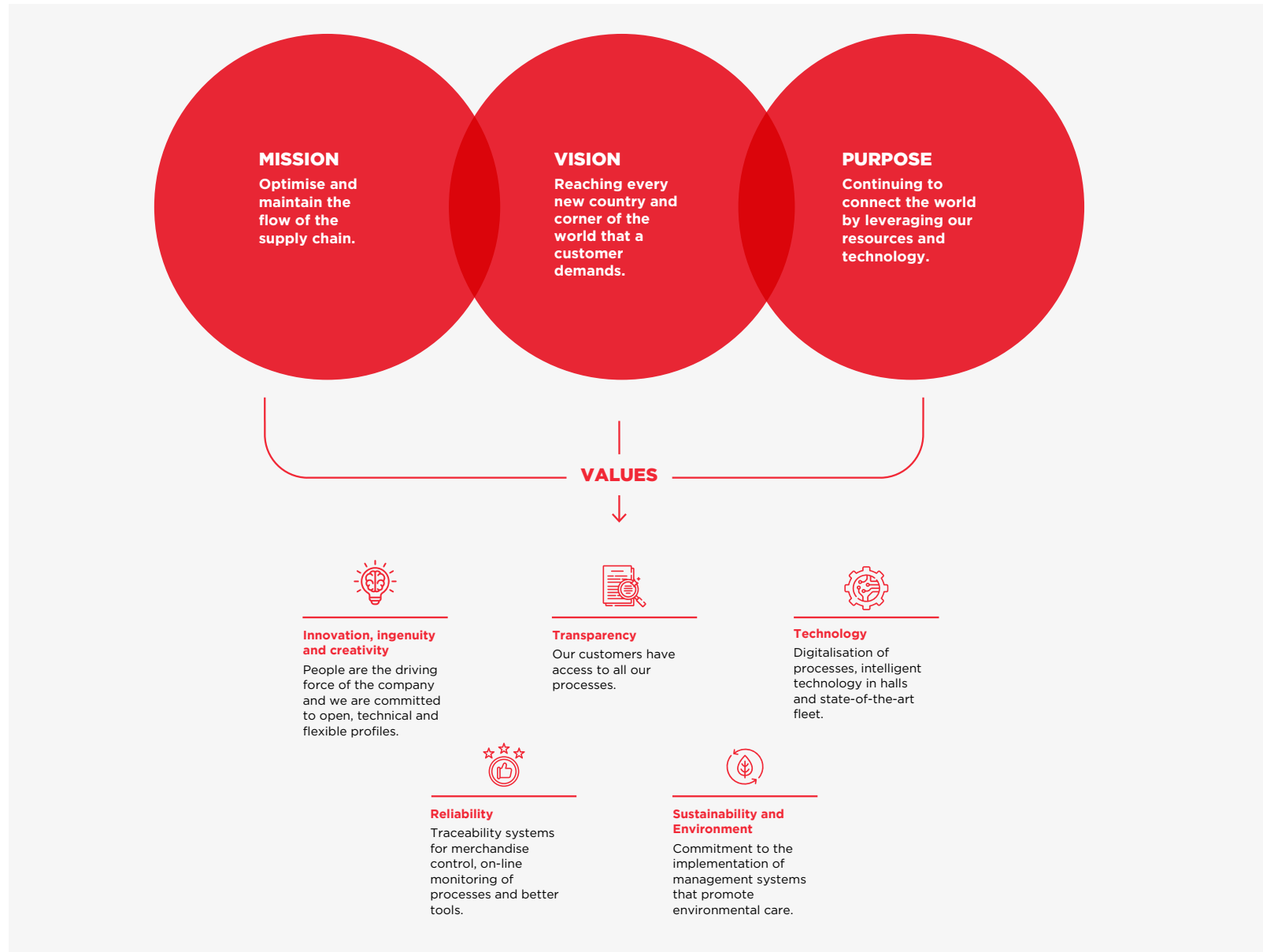


Virginia Michelena
Vice-President and CHRO

“Sustainability is not only the basis for all our decisions: it is the smart way to engage with the present and to project ourselves into the future, to evolve.

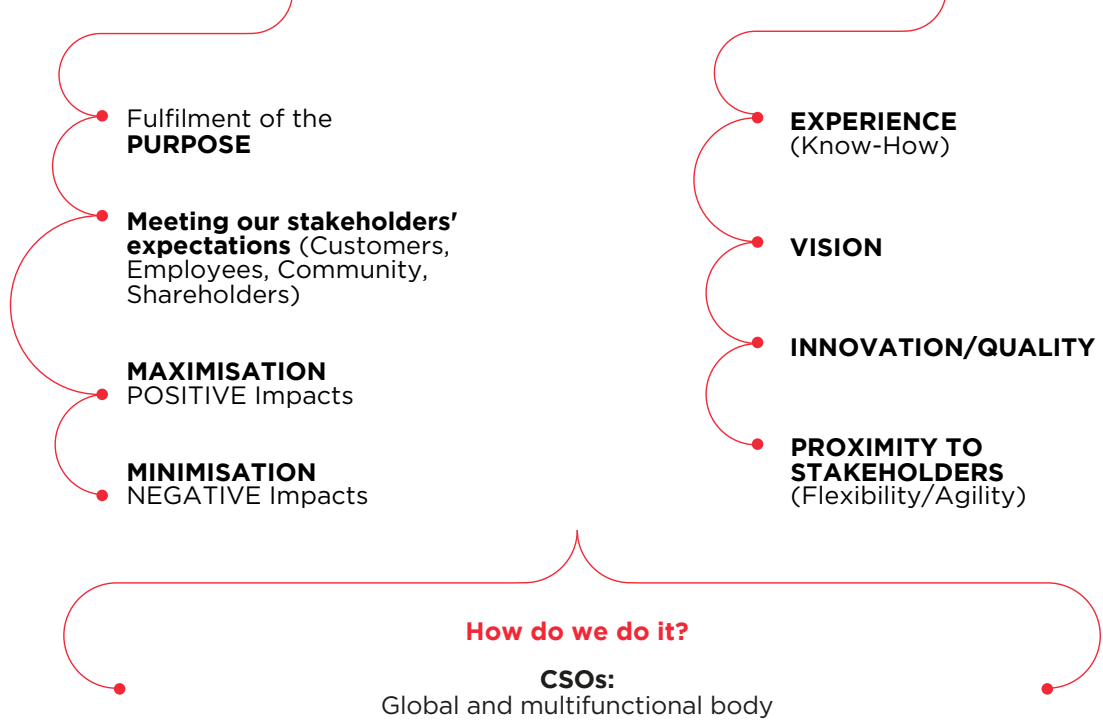
During 2023, we set up our Sustainability Committee (CSOS) and produced our 1st Sustainability Report. HCO Measurement Report Scope I and II, according to the verified GHG Protocol, which has allowed us to set important milestones in our commitment to transparency, relevance and data quality. We have worked in parallel with the Regulatory Compliance Committee (RCC) to update our policies and procedures. There are great challenges as well as opportunities ahead of us.

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We evolve because we have vast *experience* (know-how), to which we bring *innovation and quality*, with a clear *vision* of our future and that makes us fulfil our purpose.

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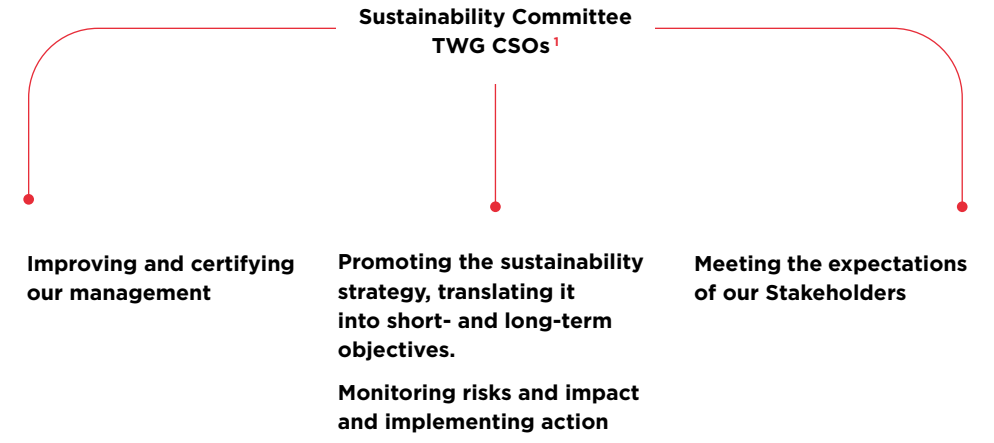


- Chaired by VP and CHRO TWG
- Led by the Director of Sustainability.
- Leaders of Environment, Occupational Health and Safety, Quality, HR and Procurement.

* see graphic **materiality matrix**

We work on initiatives aligned with the business strategy that promote integrated sustainability management.

The body responsible for shaping our commitment to sustainability is our **Sustainability Committee**.



¹ CSOs: TWG Sustainability Committee

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We therefore adopt internationally recognised standards such as ISO 9001, ISO 14001, ISO 22001 and ISO 45001 as well as IATF 16949 and TISAX VDA.

	4 TWA Plants	32 TWL Warehouses		1 TWL Warehouse
	5 TWA Plants	25 TWL Warehouses		5 TWA Plants
	4 TWA Plants	21 TWL Warehouses		1 TWL Warehouse
	5 TWA Plants	1 TWL Warehouse		1 TWL Warehouse

In addition to joining initiatives such as **LEAN & GREEN** for the decarbonisation of logistics, we are also an **AEO Operator** which defines us as a trusted EU economic operator in customs matters. In addition, we are certified as a **Clean Industry** in Puebla, Mexico.

During the course of 2024, we will certify our plant in Pilsting, Germany with the ISO 45001 and 14001 standards and we also certify, as a **Clean Industry**, our operations in the San José Chiapa and San Luis Potosí plants in Mexico.

2.1. Our Stakeholders

EVOLVING is also about constantly strengthening the link with our stakeholders, improving communication channels and including new ways of standardising our relations for continuous improvement.

Identification and dialogue with stakeholders is structured through our integrated Quality, Environment and Occupational Health and Safety Management System, taking into consideration the quality requirements of ISO 9001 and IATF 16949:2016. We have also carried out an exercise to identify the Stakeholders we consider strategic, which has allowed us to group them together, prioritise them and establish the most efficient channels of communication with each of them to achieve the following objectives:

- To promote participation and involvement to increase transparency, active listening, trust and the creation of sustainable shared value.
- To identify risks, opportunities and relevant issues in order to determine initiatives and actions with corresponding improvement goals.
- Maximising our positive impacts and minimising the negative impacts through the dual materiality exercise.



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Stakeholders	Dialogue-contact channels	Communication strategy - Expectations	Compliance and associated procedures
Employees	<ul style="list-style-type: none"> Direct contact with HR Management Business committees Internal mail Communication boards Equality Commissions Occupational Health and Safety Committees Ethics communication channel 	<ul style="list-style-type: none"> Attracting and retaining talent Occupational Health and Safety Diversity, Inclusion and Equal Opportunities Training 	<ul style="list-style-type: none"> TWG Code of Ethics Integrated Policy on Quality, Environment and H&S (TWG) Welcome Plan (TWL) - Handbook (TWA) Hiring Process and Termination (TWA) and PG6-1 of HR Management (TWL) Motivation and Awareness Specifications (TWA) Staff Hiring & Training (TWA)
Customers	<ul style="list-style-type: none"> Commercial visits Customer Audits RBA SAQ Assessments Participation in clusters and partnerships Corporate website Ethics communication channel Digital channels and telephone EINF - Sustainability Report Mail sustainability area: sustainability@tw-group.com 	<ul style="list-style-type: none"> Personalised professional attention for advice tailored to your needs Product quality, innovation and safety Complaint management Data protection Ethics and compliance 	<ul style="list-style-type: none"> Integrated Policy on Quality, Environment and H&S (TWG) ISO 9001 - ISO 14001 - ISO 45001 - ISO 22000 Certification FSR COVER IATF 16949 TISAX VDA TWG Code of Ethics - TWG Anti-Corruption Policy EINF - Sustainability Report
Suppliers and Subcontractors	<ul style="list-style-type: none"> Email address Fairs Commercial visits SAQ Assessments Ethics communication channel Corporate website 	<ul style="list-style-type: none"> Secure consignment supply and payment automation with fair conditions and compliance with agreements - Supply chain sustainability 	<ul style="list-style-type: none"> Purchasing Management Standard (TWL) and Purchasing Management (TWA) - Supplier Code of Ethics (SCE)



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Stakeholders	Dialogue-contact channels	Communication strategy - Expectations	Compliance and associated procedures
Shareholders	<p>Monthly meetings of the Board of Directors</p> <p>Annual face-to-face meetings for management follow-up and budget control</p> <p>Monthly meetings of the Executive Committee</p> <p>Ethics communication channel</p> <p>Monthly corporate financial, sustainability, operational, and monthly corporate reports</p>	<p>Transparent reporting</p> <p>Risk Identification and Management - monitoring Strategic Plan</p> <p>Economic and financial performance, sustainability, development and achievement of objectives</p> <p>Regulatory compliance</p> <p>Controlling corporate tax, criminal, operational and sustainability risks</p>	<p>TWG Code of Ethics - TWG Anti-Corruption Policy</p> <p>Accounting Statements</p> <p>EINF - Sustainability Report</p> <p>Corporate risk matrix</p>
Financial institutions	<p>Email address</p> <p>Telephone number</p> <p>EINF - Sustainability Report</p> <p>Mail Sustainability area: sustainability@tw-group.com</p> <p>Meetings and various presentations</p>	<p>Fulfilling commitments</p> <p>Regulatory frameworks</p>	<p>Compliance with payment deadlines and regulations</p> <p>Presentation of results</p> <p>EINF - Sustainability Report</p>
Business partnerships (competition and sector partnerships)	<p>Attendance at forums, conferences, lectures and meetings</p>	<p>To promote the exchange of knowledge and new developments as well as regulations</p>	<p>Knowledge management, quality and commitment to innovation</p>
Government Bodies	<p>Official channels</p> <p>Electronic notifications</p>	<p>Digital certifications, citations and certificates</p> <p>Regulatory compliance</p>	<p>Local employment generation - social relations</p>
Community	<p>TW Foundation</p> <p>Mail Sustainability area: sustainability@tw-group.com</p> <p>Corporate website viewer</p> <p>Ethics communication channel</p>	<p>Continuously spreading the image of a responsible brand leader - transparency, growth through job creation and care for the environment</p>	<p>Ongoing communication - recognitions and accreditations</p> <p>TWG Sustainability website</p> <p>EINF - Sustainability Report</p>

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2.2 Materiality Matrix

In line with our **EVOLUTION**, we have identified our material affairs through a **dual materiality** (DMA) exercise, in which the information provided by our stakeholders is essential, as we gather their expectations and corresponding assessments of our impacts on the environment, people and the economy in order to determine the required strategies and actions aligned to these issues.

This is how we define the impact materiality (inside-out impact), which identifies the impacts that activities have on the environment and how they affect our Stakeholders, and the financial materiality (outside-in impact), which assesses the potential economic impact of sustainability risks and opportunities that affect or may affect our company, taking into account the potential magnitude of the financial effects based on different triggers such as their impact on our EBITDA and their likelihood of occurrence.

For this construction of dual materiality we have taken into account the GRI recommendations and following the approval of the European Corporate Sustainability Reporting Directive (CSRD), we have also followed the guidelines of the technical group of the European Financial Reporting Advisory Group (EFRAG)¹. This has allowed us to update our matrix.

2.2.a) Methodology for the preparation of our Dual Materiality Matrix (DMA)

We conducted our first dual materiality matrix (DMA) this year in order to learn lessons that will help us improve our methodology next year. We developed a step-by-step process, corresponding scoring matrices and a model for aggregation and prioritisation.

To ensure a comprehensive and in-depth process, as a starting point we took our *materiality analysis for the year 2022*. The issues considered at that time have been updated through external and internal documentary research, which has taken into account each of the activities of **TWG**, its value chain and its Shareholder mapping². From this, we have drawn up a matrix in which we have analysed our activities and we have identified risks and opportunities for each issue.

The external documentation we have researched and included is as follows:

- ESG global regulatory context
- Benchmark: materiality matrices of the leaders in our sector.
- ESG criteria as MSCI³
- Non-financial or sustainability reporting standards (GRI⁴ and SASB⁵).
- Sustainable Development Goals and Targets (SDGs⁶)
- Results of our constant communication with the community (Associations, Academia, NGOs).

Internal documentation has been taken into account:

- **TWG** policies and procedures
- The results of consultations with cross-cutting areas on sustainability management areas such as the Board of Directors and the Sustainability Committee (CSOs).

¹ www.efrag.org

² GDIs= Stakeholders

³ <https://www.msci.com/>

⁴ <https://www.globalreporting.org/>

⁵ <https://sasb.ifrs.org/standards/?lang=es-es>

⁶ <https://www.un.org/sustainabledevelopment/es/development-agenda/>

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Having defined the risks and opportunities for each specific topic, we prioritised them based on the results provided by external and internal documentation. This prioritisation was also validated by a response weighting process, which allowed us to categorise actual or potential risks with their corresponding severity scale, probability of occurrence and scope, while opportunities were categorised in magnitude and probability.

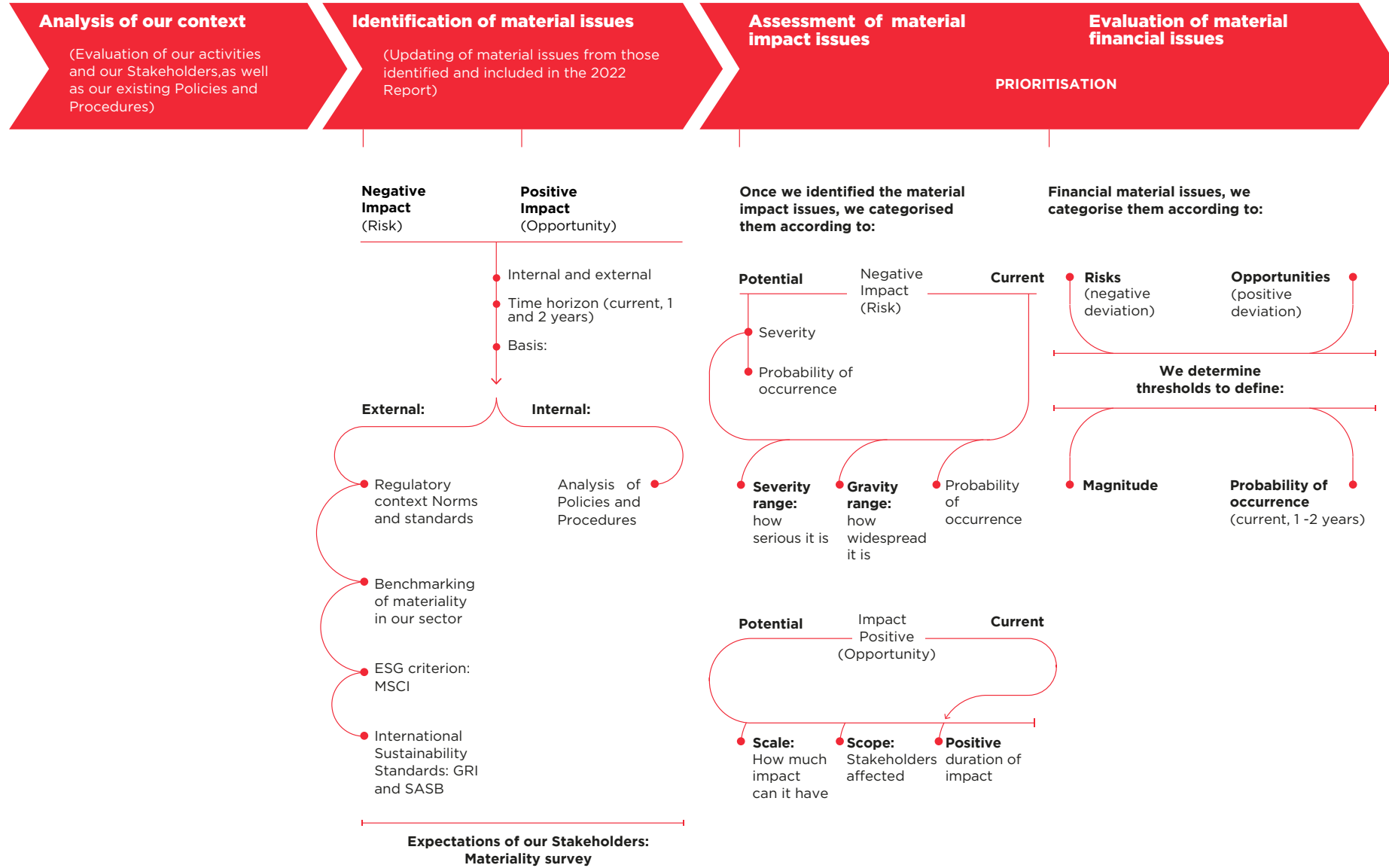
An impact assessment scale has been defined, based on EFRAG's recommendations⁷ and GRI standards. The same weighting of negative impacts and opportunities was used as in the analysis of external impacts.

Finally, the results were consolidated and analysed. The impact or risk with the highest score within an issue determines its location in the DMA matrix.



⁷ <https://www.efrag.org/>

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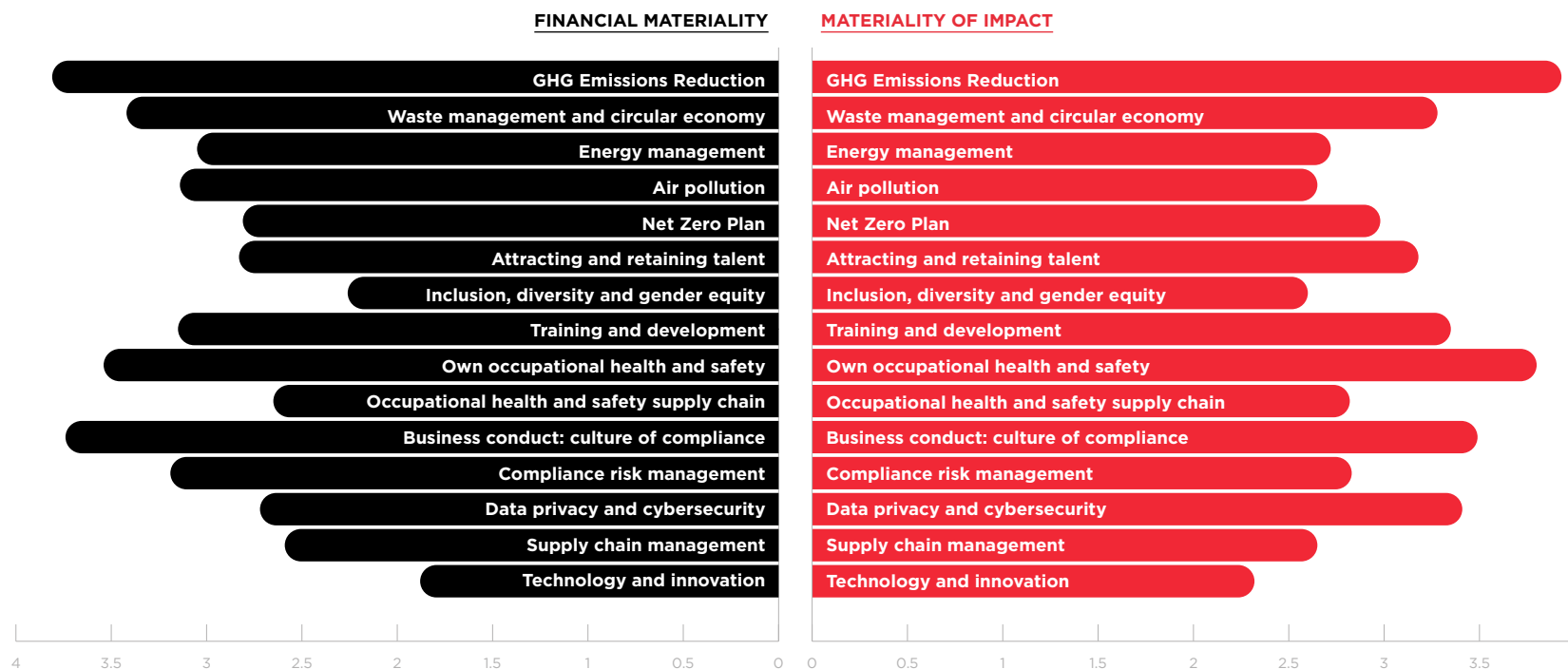
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This exercise has enabled us to draw up our 1st. Dual Materiality Matrix, as can be seen below:



FINANCIAL MATERIALITY - 5 most relevant topics

IMPACT MATERIALITY 5 most relevant topics

- | | | |
|---------------------------------------|----|---------------------------------------|
| GHG Emissions Reduction | 1. | GHG Emissions Reduction |
| Business conduct: Compliance culture | 2. | Own Occupational Health and Safety |
| Own occupational health and safety | 3. | Business conduct: Compliance culture |
| Waste Management and Circular Economy | 4. | Information privacy and cybersecurity |
| Compliance risk management | 5. | Own training and development |

This **materiality assessment** allows us to:

1. Ensure that the priority issues identified in the matrix are adequately addressed by our company and that all of them have a policy, actions and budget allocated to them.
2. Checking the traceability between **TWG's** business model, our vision of our Stakeholders, the regulatory, operational and financial risks and the sustainability goals, determining our roadmap and the timeframe in which we plan to meet it, as well as the people responsible for it.

2.3 TWG sustainability goals

Scope	Material issues	Qualitative objectives Y2024	Quantitative targets Y2024 vs. Y2023		Initiatives to achieve Y2024 Goals		Contribution Agenda 2030	
			TWA	TWL	TWA	TWL	Target	Goal
01. TWG and our business model 02. Our commitment to sustainability 03. Good governance 04. Human rights	GHG Emissions Reduction	Sustainably decarbonise our operations - CO2 reduction Scope 1	-5%	-60%	Efficient driving training for employees who use most vehicles.	Formalisation of agreement for the consumption of biofuels in own vehicles		7.2,7.3,8.4 and 13.2
	Waste management and circular economy	Develop circular vision for waste - CO2 measurement Scope 3	-2.5%	-10% (+20%) to valuation)	Introduce circularity criteria (reuse and reuse) in 70% of purchases, localised waste recovery initiatives.	100% reduction in the use of non-recycled paper. Training and awareness-raising to improve segregation. Include waste circularity criteria in warehouses in Spain for paper and cardboard.		11.6,12.4 and 12.5
	Energy management	Reduce energy consumption and include energy from renewable sources - Reduction of CO2 emissions of Scope 2	-2.5% (37% green energy)	+50% to renewable energy	Green power procurement (USA: purchase of renewable electricity with guarantee of origin/ Mexico: 1st. Self-consumption solar panel installations phase)	Purchase of green energy for 5 warehouses in Spain (56%), installation of LED lights in warehouses that do not have them.		7.3, 8.4 and 13.2
	Air pollution	CO2 measurement Scope 3	N/A		Efficient driving training for employees who use most vehicles.	Leasing green-fuelled vehicles. Efficient driving training for employees who use most vehicles.		7.2,7.3,8.4 and 13.2
	Net Zero Plan	Implementing a Decarbonisation Plan	N/A		Scope 3 Information Collection - Travel & Transport Policy	Improve identification of environmental impact reduction opportunities through 1) Planning and training and 2) SBTi certification.		7.2, 7.3
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	Own working conditions_ Stable job: Inclusion, diversity and gender equity	Increase % inclusion of employees with disabilities, increase of women in decision-making positions.	+10%	+10%	Signing of a collaboration agreement with specific employment agencies (USA-Mexico) and technical and leadership training for women.	Signing of collaboration agreements with Special Employment Centres - Increase training on technical issues and leadership for women.		5.1, 5.5, 8.3, 8.5 and 10.2
	Own working conditions_ Stable job: Training and development	Group Strategic Training Plan and percentage increase of Compliance and HR Training	+10%	+10%	Implementation of our own training platform on training in the Code of Ethics, regulatory compliance and human rights, with the corresponding evaluation of effectiveness.			4.3, 4.4
	Own working conditions_ Stable job: Occupational health and safety	Reduction of work-related accidents and illnesses	-10%	-10%	Increasing training in Health and Safety and prevention of occupational risks - Healthy Company Project			3.4, 3.6 and 8.8
08. Our customers 09. Financial information 10. Annex	Business conduct: compliance culture	No claims and complaints, fines or penalties for non-compliance.	0 claims, fines, complaints or penalties		Update procurement policy and strengthen corporate procedures. Promote internal compliance training (policies and procedures) through the company's own platform and measure the effectiveness of the training.			16.5 and 16.6 and 17.17
	Compliance risk management	Identify impact and financial risks			Update the Criminal Risk Matrix and its monthly control. Update the sustainability risk matrix and its monthly monitoring. Identification of each of the regulations by country and the actions and initiatives for their enforcement.			16.5 and 16.6
	Information privacy and cybersecurity	IT Plan compliance progress for corporate ISO 27001 certification	100%		Definition of governance framework, definition and implementation of governance indicators, review of rules and regulations, definition and implementation of risk identification, assessment and treatment procedure, training planning, VRM, inventory and complete hardware and software securitisation for ISO 27001 Certification.			9.4 and 17.7
	Supply chain management	Incorporate ESG criteria in supplier selection and evaluation of sustainability aspects	10% Current - 100% future		Proceed with the acceptance of the Supplier Code of Ethics to current and future suppliers. Training for critical suppliers. Critical Supplier Sustainability Assessment.			16.6
	Technology and innovation	Aligning innovation and technology strategy	N/A		Develop proprietary technologies with an impact on sustainability (generating a measurable and auditable environmental and social impact)			8.2, 9.4 and 9.5



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Good Governance

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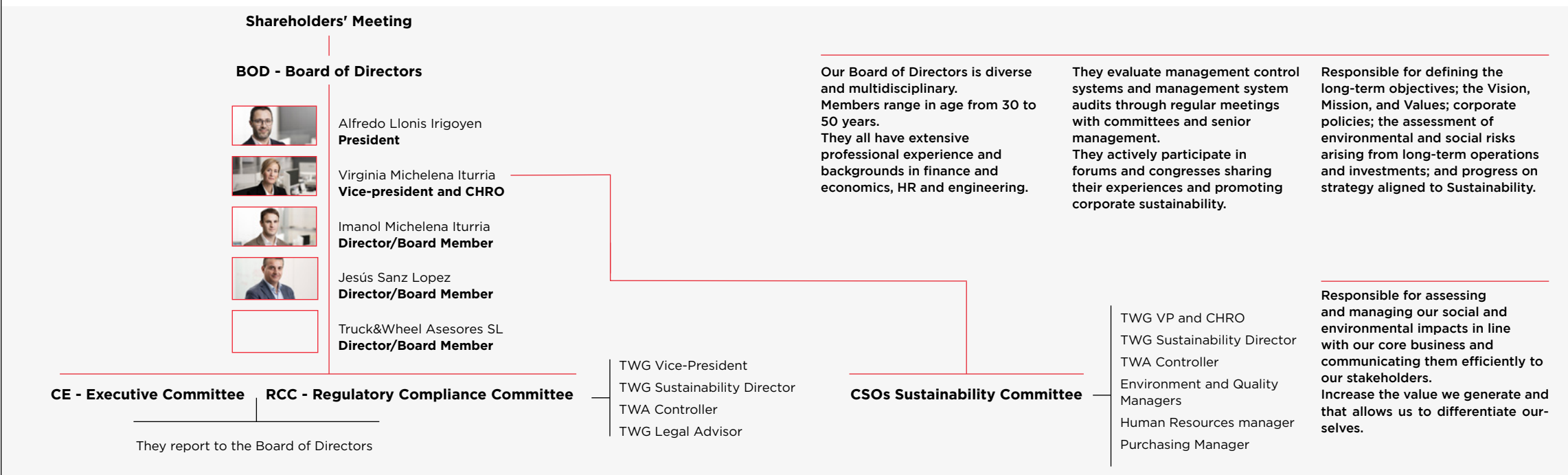
During 2022, we began an organisational transformation aimed at maintaining our leadership. The main goals of this process were to develop and maximise our expertise and various abilities focused on increased flexibility and agility while enhancing our value. It was a process that involved developing our talents through the integration of diverse experiences, knowledge and skills. Of course, a solid foundation of values guided us along a path of growth to where we are today.

Over the course of the year 2023, based on the decision of our company's leaders, we continue to incorporate technology to create and implement solutions and provide higher quality services, transforming the management of **TWG** with the conviction that business sustainability occurs when value is generated for people and for the planet.

3.1. Our governance structure

Our organisational structure strengthens and reinforces our commitment to sustainability.

Our **Board of Directors** (BOD) sets priorities, approves budgets and researches global business and market trends to approve objectives that will ensure the best experience for our customers. Following receipt of information from its committees on the overall management of the business areas, it assesses their performance, as well that of the corresponding control systems and makes recommendations - including the link with our stakeholders and the communication channels used - and approves the strategy for the next period.



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As part of our **EVOLUTION** strategy, we are committed to continuously improving our corporate governance framework, while enhancing, strengthening and consolidating best practices in this area. We therefore verify the degree of compliance with the main existing recommendations on good governance, in order to maximise the generation of value for our company.

Among these **good practices** that have emerged in this area and that we have taken forward during the year 2023, we would like to mention some of them, for example:

- ✓ **Constant and strategic training and refresher training of our Board of Directors, which is of particular importance.**

In the course of the year 2023, the following training courses were held for members of the Board of Directors:

- **TWG** chairman and directors: Director training (ESADE)
- **TWG** CHRO and Vice-President: General Management Programme (IESE)/ Sustainable Development & ESG (IESE)/ Compliance (ARANZADI).

- ✓ **The updating of our corporate Standards and Policies**, such as our **Code of Ethics (CE)**, our **Anti-Corruption Policy** and our **Supplier Code of Ethics (SCE)**.

During 2024, the strategic training of the Board of Directors will be developed further and our Environmental, Occupational Health and Safety and Quality Policies, as well as **TWG's** CSR Policy, will be updated.

During the year, we set up a **Sustainability Committee (CSOs)**, a global, multi-disciplinary body chaired by the VP and CHRO of **TWG**, led by the Sustainability Director/CSO and made up of the senior leadership of the Environment, Occupational Health and Safety, HR and Finance departments.

This committee advises the Board of Directors on issues related to the triple impact and meets on a monthly basis to implement actions that:

- Support the identification and handling of critical matters that could pose risks or provide opportunities of significant impact.
- Set objectives and implement corporate actions related to business sustainability.
- Assess performance by monitoring and reducing the environmental and social risks and impacts of its operations.
- Follow up the implementation of the group's sustainability plan.
- Prepare our dual assessment of materiality and the content for the Sustainability Report.
- Check that there are appropriate and effective communication policies in place in order to build and protect the company's reputation as a sustainable business.

Women make up 50% of the Committee.

Also during the year 2023, the **Regulatory Compliance Committee (RCC)** was established with the main objective of ensuring business ethics and transparency in all our areas of activity, while also ensuring compliance with our Code of Ethics and its related policies and procedures and to disseminate them through training, managing our ethics communication channel and investigating such communications, always reporting to the Board of Directors.

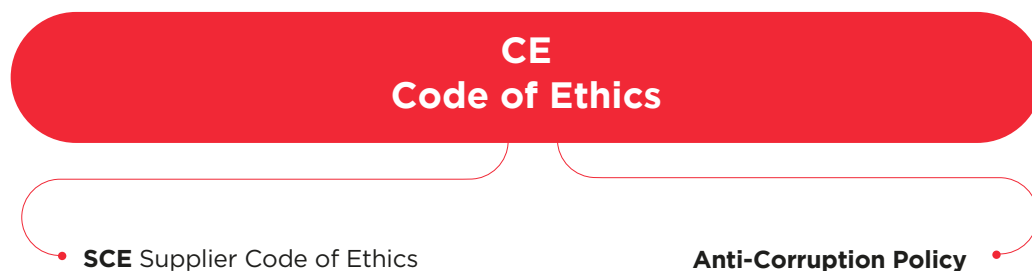
It is composed of 4 members, 75% of whom are women, who meet monthly and who record and report their actions and initiatives to the Board of Directors.

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3.2 Our policies and procedures for sustainability management

We manage each of our operations and processes responsibly, ethically, transparently and with integrity.

This commitment and way of acting extends to all of the group’s employees. We work to convey it, monitor it and evaluate its application.



3.2.a) Our Code of Ethics (CE)

The **Code of Ethics** of **TWG** (CE) was updated at the beginning of 2023, taking into account the good governance recommendations generally recognised in international markets and establishing a set of principles and code of conduct aimed at ensuring the ethical and responsible behaviour of all our employees. The CE is delivered as part of onboarding and we conduct training in accordance with the compliance strategy. The CE is also available on our website in all the languages of the countries where we operate.

Ethics is the guiding principle of TWG and reliability is not just a value, it is a way of being and doing business.

3.2.b) Our Supplier Code of Ethics (SCE)

During the course of the year 2023, we developed our 1st. **Supplier Code of Ethics** (SCE) which contains and reflects our values, principles and code of conduct. We see it as a key component of our ongoing commitment to integrity, trust, honesty, fair dealing and full compliance with all applicable laws. It also sets the minimum standards we expect. This SCE sets out the basic principles that should guide the behaviour of all Suppliers with whom **TWG** has a relationship. The SCE is available on our website in English and Spanish.

3.2.c) Our Anti-Corruption Policy

3.2.c1) Procedures to prevent corruption and money laundering

At **TWG**, we are aware of the importance of respecting the law in anti-corruption matters and of taking action in the fight against illicit practices, therefore our Anti-Corruption Policy and the various internal procedures (which are included in the Risks section) ensure that we do not commit these offences.

At **TWG** we do not tolerate corrupt practices of any form under any circumstances. We act with absolute political neutrality and therefore do not contribute to any political party or its representatives.

In order to comply with these premises, we have the corresponding controls in place, some of which we would like to highlight here:

- External auditing of the financial statements that gives a true and fair view of our results by an internationally recognised auditor.
- Automated bank reconciliation through our ERPs,

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- Approval mechanisms with different levels of automated authorisation through each of the ERPs (SAP and SAGE). Furthermore, all receipts and payments are consistent with the original orders and follow integral processes so that no capital movement can take place without verification by several independent persons.
- Monthly monitoring of financial reporting by the Board of Directors,
- Analysis and planning of direct investments or necessary upgrades to TWA plants and logistic operations at TWL.
- Supplier certification based on an internal masterfile, presentation of 3 quotations in which prices are assessed along with other sustainability issues, including credit risk, territorial origin and regulatory compliance.
- No use of banks in tax havens, no use of cash under any circumstances. Collections and payments are made electronically.
- Compliance training for our staff using “knowledge pills” and according to the schedule implemented by our RCC.
- Implementation of the ethics communication channel for the reception of claims or complaints and managed by our RCC in compliance with the regulations in force.
- The BOD⁸ has an external legal advisor who does not hold the position of Director and who ensures that every investment and movement is properly articulated and who is also responsible for the remuneration review of the BOD. It ensures that all decisions are taken in accordance with the law and therefore all investments, transfers, payments, loans or cash movements are supported by documents and in compliance with the regulations.

- As we do not provide services to Public Administrations or Public Companies at any level (national, regional, local) or geography (in any country where we operate) and as our activities are not considered hazardous or classified, our relationship with them is limited solely and exclusively to the management of regulatory compliance through the digital channels enabled for the required licences. Funding applications have always been dealt with by external, expert and recognised consultancy firms, although it is important to mention that such applications have never been material.
- All our contracts are obtained through tenders (an orderly and documented selection process to choose a logistics provider or transport company with whom to have a long-term business relationship) and never by direct awarding. There is no direct relationship with potential customers until late in the process, with the early stages of tendering on an IT/digital platform.

As a goal for the coming period we have proposed to:

- Update our criminal risk matrix to continue pursuing our compliance model in depth.
- Improve training in this area because we understand that promoting our ethical values generates a positive compliance culture that interacts with our control systems.

During the course of the year 2023, there have been no non-compliance situations or incidences of corruption, bribery or money laundering.

⁸ BOD= TWG Board of Directors

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3.3. Ethics communication channel

With the aim of respecting current legislation and promoting transparency and integrity, we apply a model of ethics and compliance based on the control, prevention and eradication of any irregular conduct. To this end, we have an ethics communication channel that guarantees, among other things:

- The confidentiality of the identity of the informant and any third party.
- Respect for current legislation on data protection, as well as the secrecy of communications.
- Commitment to whistleblower protection principles such that **TWG** does not retaliate against the whistleblower in any way. It also encourages and implements measures to prevent this type of action.

Complaints or communications related to possible breaches or irregularities with regard to the provisions of our Code of Ethics should be sent to our ethics communication channel: cee@tw-group.com. The body that manages this channel and receives these communications is our Regulatory Compliance Committee (RCC), which is responsible for investigations and immediately notifies the Board of Directors. It is an essential tool in our compliance system, ensuring that anyone directly or indirectly involved with **TWG** can report irregularities and/or non-compliance with applicable laws and regulations, protocols and/or procedures implemented.

During the course of 2023, our ethics channel did not receive any claims or complaints.

3.4 Data protection and cybersecurity

For **TWG**, the protection of our **software, hardware and data** is a strategic priority and a material issue.

We therefore take all the necessary and required measures to guarantee the right to data protection of all natural persons who come into contact with **TWG**, ensuring respect for the right to honour and privacy in the processing of personal data. To ensure

compliance with the applicable legislation in this area and in all the countries where we are present, we have an outsourced DPO, developed by a multidisciplinary and qualified team, which meets all the requirements established by the GDPR to carry out these functions. In this way, we ensure systematic and continuous compliance over time, with the GDPR, with the Binding Corporate Rules and with the legislation approved in the field of personal data protection.

Understanding that our goal is to detect and mitigate digital risk and ensure rapid recovery in case of security incidents, we proactively and robustly certify our information security management through VDA ISA TISAX® (Trusted Information Security Assessment Exchange) certification at all our sites.

During the course of 2023, no data privacy-related communications have been processed, responded to or remedied.

Cybersecurity is a key element of our business from the point of view of the sustainability of our company. Its ultimate goal is to ensure our resilience, i.e. the ability to resist and contain cyber attacks so that our business is not affected. This is embodied in practice in processes, tools and capabilities that aim to anticipate and prevent cybersecurity risks.

This year we have made changes in the management of the technology and cybersecurity area at **TWG**. This area is led by the CTO/CISO (Chief Technology and Cybersecurity Officer), who is driving the implementation of the regulatory framework, as well as the execution of global initiatives, reporting to the Board of Directors.

Therefore, with the aim of anticipating, preventing and ensuring the protection of facilities and assets, in his/her role as CTO, he/she has redefined our IT Master Plan, with a view to improving the following areas:

- IT governance
- IT standards and regulations
- Cybersecurity risk management

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- Technology acquisition and implementation
- Operation (supplier management and lifecycle management of network and communications systems)

We can report that, in accordance with this IT Master Plan or roadmap, we have finalised the definition and description of IT roles with their corresponding assignments of responsibilities, the revision of the company’s technological needs and the definition of the new network architecture, among other issues. We are also carrying out a complete inventory of hardware and software, the redesign and consolidation of infrastructures (On-premises/Cloud), the security of the web environment and remote access, among many other procedures. All this with the aim of certifying our management with ISO 27001 next year.

We have had no high-impact information security or cybersecurity incidents/breaches affecting personal data during 2023. In the coming year, we will intensify the training of our employees in this area.

3.5 Risk control and management

The Board of Directors, the Executive Committee and the Sustainability Committee have a strong commitment to the management of the risks of **TWG** as, on the one hand, this enables us to ensure our stability, financial strength and reputation and, on the other, to design and achieve our strategic objectives through a prior assessment that takes into account severity, probability of occurrence and remediation in the event of damage.

Within the dynamic and changing global context, which includes changes such as the current military conflicts, this management is focused on defining and constantly updating the risks arising from purely operational events such as the growing sophistication of cyber-attacks, financial risks such as inflation and the rising cost of energy, as well as those directly related to the perspective of sustainability, such as the urgent adaptation to European regulatory requirements, environmental regulatory changes with immediate effect or extreme natural phenomena.

To develop this proactive management of our sustainability risks, we conducted a combined analysis of the global risks identified by the World Economic Forum, our dual materiality exercise, human rights due diligence, existing human rights regulations in the countries where we operate and the expectations of our stakeholders. In short, at **TWG**, we have a number of mechanisms in place to mitigate our risks, for example:

- ✓ Related procedures arising from each policy
- ✓ Comprehensive insurance coverage
- ✓ Geographic asset diversification
- ✓ Sound business model with financial capacity
- ✓ Innovation in value
- ✓ Sustainability risk assessment
- ✓ Strong governance and fiscal structure
- ✓ Certification of our processes

Financial risks such as credit risk, market risk (interest rate, exchange rate) and liquidity risk are included in our consolidated financial statements or consolidated management report, therefore the financial risks we have included in this report correspond only to those risks linked to sustainability.

Many of our risks are interdependent. All business segments, regions and selected staff functions identify and prioritise business risks. The following tables list and describe the sustainability-related risks that we have identified as material as a result of our dual materiality assessment process.

Sustainability Risks TWG Y2023

Social*

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Material issues	Type of Risk	Description	Management / Control /Minimisation Tool	Department Responsible	Description of actions / Initiatives
Attracting and retaining talent	Strategic	Lower productivity and quality	Integrated Environmental, Quality and Health and Safety Policy ISO 45001 certification Sustainability Platform Mutual Prevention Report Due diligence Human Rights	CHRO TWG	Promote training in accordance with the strategic plan (topics in line with objective needs), define benefits in line with sustainability compliance objectives.
	Financial	Increased investment in new hires and new recruits and increased investment in training			
Inclusion/Diversity and Gender Equity	Strategic	Decrease in plurality and worsening of the working climate		HR Manager CSOs and CSO*	Develop Group equality plans with a focus on improving KPIs linked to disadvantaged groups by territory (locality and country)
Training and Development	Strategic and Financial	Decreased motivation, integration and productivity. Increased costs due to high turnover and low productivity		HSE Managers	Promote training in accordance with the strategic plan (topics in line with objective needs) and, above all, technological training
Occupational Health and Safety MOP*	Strategic, Operational and Financial	High absenteeism, higher cost due to lack of productivity.		CSOs and CSO*	Promote training linked to accident reduction KPIs
Occupational health and safety - CV*	Reputational and Financial	Non-compliance with services agreed with customers, low reputation. non-compliance by suppliers with contractual agreements on human rights commitments.			Promote training and monitoring of suppliers on sustainability issues. (Increase Surveys and audits). Human Rights Due Diligence

* Methodology based on EFRAG

*CSOs - TWG Sustainability Committee

*MOP: Own labour

*CSO - Sustainability Director TWG

*CV: Manpower value chain

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Sustainability Risks TWG Y2023 Environment*

Material issues	Type of Risk	Description	Management / Control / Minimisation Tool	Department Responsible	Description of actions / Initiatives
GHG Emissions Reduction	Financial	Increase in insurance premiums and biofuel costs	Integrated Environmental, Quality and Health and Safety Policy	HSE Manager TWA and TWL	Sustainably decarbonise our operations through the use of biofuels - Fulfilment of commitments and targets (see Sustainability Goals) Emissions are mostly linked to Scope 1 at TWA and Scope 3 at TWL.
	Strategic	Decreased competitiveness - Loss of strategic customers and competitiveness.			
Waste management and circular economy	Regulatory	Increased regulatory pressure with packaging law	ISO 14001 certification Environmental insurance	HSE Manager TWA and TWL	Research and recycle our waste through our waste managers - maximise reuse and recycling through circularity levers.
Energy management	Strategic and Financial	An accelerated increase in demand for renewable energy will lead to higher prices and higher taxation	HCO Measurement Scope I and II - GHG Sustainability Platform		Decrease through installation of LED lights and solar panels, purchase of renewable energy with certificates of origin. Initiatives to reduce consumption in offices and warehouses.
Air pollution	Strategic	Loss of strategic customers requesting biofuel transport			Switching from diesel to electric vehicles
Net Zero Plan	Strategic and Financial	Loss of strategic customers as they ask to align our strategy to theirs	Strategic Sustainability Plan	CSOs* and CSO*	Y2025 Decarbonisation Plan

* Methodology based on EFRAG

*CSOs - TWG Sustainability Committee

*CSO - Sustainability Director TWG

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3.5.1 Climate change

In the environmental field, it is important to highlight our company’s targeted measures to mitigate the risks caused by **climate change**.

At **TWG**, we have a governance structure for the management of climate change issues led by the Board of Directors (BOD), which approves the decarbonisation strategy - integrated into the Company’s own strategy - and supervises its compliance through the monitoring of sustainability and energy transition objectives and indicators. This monitoring includes performance metrics, emission reduction and carbon intensity targets, technology developments and investment proposals. Our BOD monitors the compatibility of investment proposals with the energy transition objectives through specific reports prepared by the Sustainability Directorate. In addition, a special briefing session was held for BOD members on energy transition, climate change and the decarbonisation process.

Our philosophy is one of continuous improvement, so as soon as a new investment is considered, different variables associated with climate change are taken into account, such as local regulations, relevant indicators for reporting on climate-related aspects, our annual greenhouse gas (GHG) emissions inventory, reductions in our emissions intensity, energy use, waste management, process optimisation and innovation.

With regard to our operational risks, these respond to the usual business variables that are managed continuously through various proceedings such as emergency plans, crisis plans, increased use of renewable energies to improve energy efficiency, the integration of environmental and social KPIs in all management areas based on our Sustainability Committee (CSOs). There is also the planning of annual reduction targets and closer integration of the climate change variable into the Company’s different processes and project phases, which in themselves contribute to climate resilience and are key to the continuous monitoring of the resilience of the **TWG**.

Given the location and nature of our Company’s operations, and bearing in mind the various climate predictions, our CSOs have decided that the physical risks from climate

change are lower than those arising from the energy transition itself, therefore steps have been taken to analyse alternatives and implement measures that will reduce these risks, both in terms of possible structural damage caused by extreme weather events, and also in terms of possible production losses or operational inefficiencies due to these phenomena or changes in weather patterns.

In addition, during 2023 our CSOs⁹ specifically reviewed the 2022 Scope 1 and 2 greenhouse gas (GHG) emissions map for the year 2022 and the planning of the measurement of our Scope 3 OCF for the year 2024 for the corresponding decarbonisation plan that is aligned with the **TWG** Strategic Plan, enabling us to generate a longer-term scenario with greater visibility over the environmental conditions and capital allocation to specific projects.

Also during the year 2023, the CSOs analysed the potential transition risks and opportunities in the short (immediate), medium (1 year) and long (2 years) term, which have been taken into account for the construction of our double materiality matrix in the financial area and which have been analysed in point 2.2 of this EINF.

Our Sustainability Committee will strengthen our sustainability risk matrix during 2024.

⁹ CSOs= Sustainability Committee

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Sustainability Risks TWG Y2023 Government*

Material issues	Type of Risk	Description	Management / Control / Minimisation Tool	Department Responsible	Description of actions / Initiatives
Compliance culture	Strategic	Increased regulatory burden and pressure requiring permanent updating of procedures. Increased regulation of logistics activity and/or regulatory change or government policies in the Americas.	Criminal Risk Matrix Consolidated annual accounts EINF - Sustainability Report ESG Risk Matrix Due Diligence SAP - SAGE Ethics communication channel	RCC* CSOs and CSO*	Training of the Sustainability Committee for operational mainstreaming and training of the RCC: Update of the CE, the SCE and the Anti-Corruption Policy.
	Financial	Increase in taxes or introduction of new taxes.			
Risk management	Regulatory	Increased regulatory pressure	Criminal risk matrix ESG risk matrix		Control of relevant matrices
Data privacy and cybersecurity	Strategic and Financial	Increase in frequency and complexity of cyber attacks	Security Master Plan VDA ISA/TISAX Certification	DPO CTO CISO*	Control of the Security Master Plan, environment and access security. Training Plans.
Supply chain management	Strategic, Operational and Financial	New regulatory requirements (Late Payment Act) requires internal operational changes	Purchasing Policy SAP - SAGE	Purchasing Manager TWA and TWL RCC*	Signature of the SCE* and Supplier Audits SAQ
Technology and innovation	Strategic and Financial	Decline in competitiveness	Ethics communication channel	CEOs (Strategy) CSOs and CSO*	Align technology and innovation projects to sustainable development with greater environmental and social impact.

* Methodology based on EFRAG

*CSOs - TWG Sustainability Committee

*CSO - TWG Sustainability Director

*RCC: TWG Regulatory Compliance Committee

*CTO/CISO: Director of Technology and Security



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4.1 Regulatory Framework

At **TWG**, we believe that human rights are fundamental principles for protecting the dignity of individuals and ensuring freedom and respect, both in our own activities and in the companies we work with and in the communities we are part of.

Our commitment to upholding human rights, including labour rights and the rights of local communities, is described in our commitment to sustainability, our Code of Ethics as a cross-cutting principle of action, and our Supplier Code of Ethics, which have all been approved by the Board of Directors.

As such, our practices are aligned with the international human and labour rights standards included in the International Bill of Human Rights and in the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. We are guided by authoritative global frameworks, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises and the rights set out in the International Bill of Human Rights.

Our practices are focused on:

- ✓ Respect for human and labour rights as recognised in national and international law.
- ✓ Rejecting child labour and forced or compulsory labour or any other form of modern slavery and respecting freedom of association and collective bargaining, as well as non-discrimination, the right to move freely within each country and the rights of ethnic minorities and indigenous peoples in the places where we operate.
- ✓ Promoting a culture of respect for human rights and raise awareness by training our employees and partners in this area.

4.2 Human Rights Due Diligence

Based on the fulfilment of the expectations collected through our communication channels with our stakeholders (see Stakeholder Communication Chart) and in accordance with point 18.b) of the Guiding Principles¹⁰ on Business and Human Rights, our priority is to ensure that we have the appropriate management systems in place to identify, prevent, mitigate and remedy any potential adverse impacts on human rights, whether related to our own workforce, workers in the value chain or affected communities.

From the **Sustainability Committee (CSOs)** we deploy procedures that guarantee, among other issues, permanent dialogue with our Stakeholders¹¹ to identify their expectations, define the risks and impacts on Human Rights, periodically review the qualitative and quantitative KPIs together with the Human Resources and Environment areas, check compliance with the standards required of suppliers, promote management certifications such as ISO 45001 and ISO 14001, identify the required procedures aligned with the standards and policies to request their corresponding development to our **Regulatory Compliance Committee (RCC)** and comply with the company's sustainable development strategy.

Our aim is not just to do no harm, but to promote local development in a sustainable way, and this can only be achieved by understanding the human rights context of each place in which we operate.

¹⁰ UN - Guiding Principles on Business and Human Rights - GuidingPrinciplesBusinessHR_SP.pdf (ohchr.org)

¹¹ Stakeholders

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The **Regulatory Compliance Committee (RCC)** of TWG is the body responsible for developing policies and ensuring effective compliance with the values, principles and rules of conduct established in our company.

Each section of this EINF includes the procedures that promote our good practices in the defence of Human Rights (Governance, People, Society (Community, Suppliers and Customers) and Environment) respectively, which are managed by the heads of each area (HR, Environment, Occupational Health and Safety, Cybersecurity and Procurement).

According to the analysis developed by our CSOs during the year 2023 in the 8 countries where we operate, none of them present risks of child labour, forced or collective bargaining, occupational health and safety or people at risk of violation.

In addition, during 2024 we will update our Procurement Policy and initiate monitoring of our supply chain for its human rights assessment.

During the year 2023, we have received no complaints about human rights violations.





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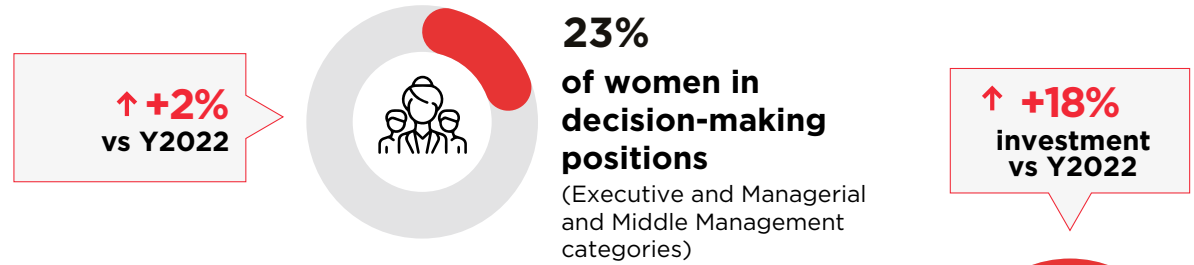
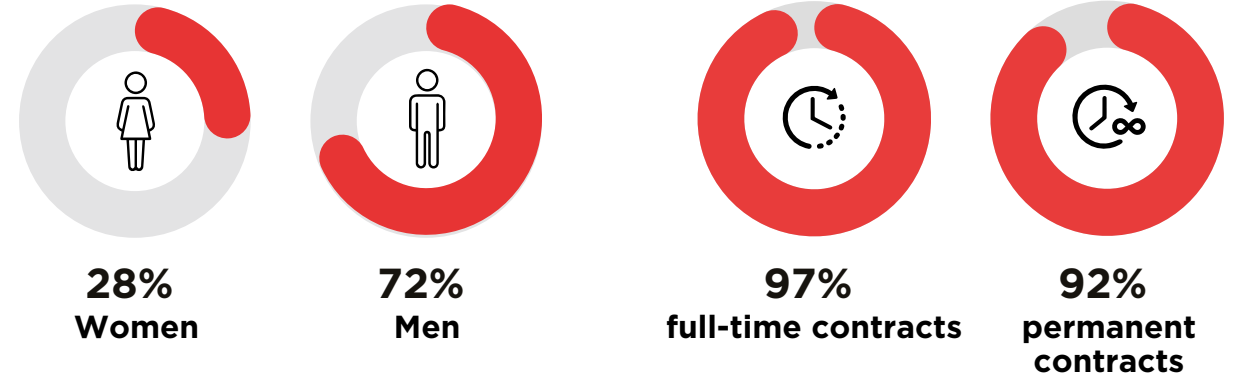
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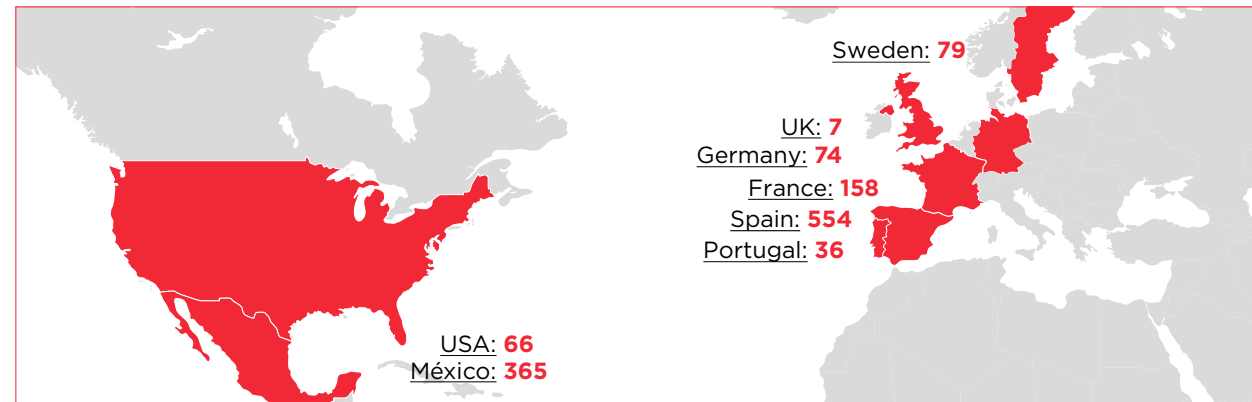
Our professionals are essential to the success of our company and the main actors in our **EVOLUTION**.

We are proud to have a committed team that embodies our values and principles, as their dedication and work ethic are fundamental pillars on our path to excellence and the achievement of our business goals.

Our main figures in Human resources are as follows:



Employees by country



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To promote the **EVOLUTION**, we take on the challenge of continuing to generate quality employment and to be a breeding ground for talent that will boost the labour market towards new scenarios.

Through innovative, agile and transparent strategies, we seek people who want to challenge themselves, add value to teams and develop alongside our businesses. We are convinced that in order to have the best talent, we must offer an attractive value proposition.

We see ourselves as an agile company, believing in transformational growth through **value innovation**. It's not just about great ideas, it's about major players to take those ideas forward, empowered by dynamism and generational diversity, learning and improvements in the capacities, skills and behaviours that are spearheaded as key elements of this **evolution**.

During the year 2023, we participated for the first time in the **Great Place to Work survey and we were recognised as one of the best companies to work for in Mexico**. This distinction is proof of **our credibility, the respect and motivation of our employees, the fairness, impartiality and transparency of our management and the level of pride in belonging to TWG**. *“A **great place to work** is a place where you trust the people you work for, take pride in what you do and enjoy the people you work with”¹²*



¹² Robert Levering - Founder of GPTW

Our workforce is diverse and has increased by 13% in 2023 compared to 2022. The largest increase was in Sweden, where operations had begun by the end of 2022.

Distribution by country and gender - comparative year 2022 - 2021

	Y2023			Y2022	Y2021	Difference Y2023 vs Y2022	Difference Y2023 vs Y2021
	Women	Men	Total				
Spain	146	408	554	479	545	75	9
France	46	112	158	157	128	1	30
Portugal	10	26	36	46	52	-10	-16
Germany	23	51	74	91	35	-17	39
USA	15	51	66	68	77	-2	-11
Mexico	105	260	365	339	335	26	30
Sweden	21	58	79	2	-	77	79
UK	4	3	7	5	-	2	7
Total Employees by gender	370	969	1,339	1,187	1,172	152	167
Percentage Employees by gender	28%	72%	100%	+13%	+14%		

41% of our workforce is located in Spain. Twenty-eight percent of the positions are held by women.

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Distribution by country, professional category and gender - comparative year 2022 - 2021

	Y2023				Y2022	Y2021	Difference Y2023 vs Y2022	Difference Y2023 vs Y2021
	Women	Men	Total	% of total				
Executives and Managers	14	64	78	6%	74	67	4	11
Middle managers and qualified technicians	45	137	182	14%	190	271	-8	-89
Administrative	106	108	214	16%	199	196	15	18
Operators	205	660	865	65%	724	638	141	227
Total	370	969	1,339	100%	1,187	1,172	152	167

18% of the executive and managerial category is occupied by women. In decision-making positions, they account for 23% of the total number of executives and managers, including qualified technical middle managers.

Sixty-five percent of the workforce is in the operator category, 31% of whom are women.

Distribution by age range - comparative year 2022¹⁴

Number of Employees by Age	Y2023	% of total	Y2022	Difference Y2023 vs Y2022
Up to 30 years	385	29%	357	28
Between 31 and 50 years old	768	57%	700	68
More than 50 years	186	14%	130	56
Total	1,339	100%	1,187	152

Temporary agency workers, who are generally employed on a short-term basis, help to cover some of the roles of workers on sick leave or for the occasional operational increase in work. Especially in Mexico and in operational positions, which are those with the highest turnover.

Distribution of modalities by employment contract and type of working day - comparison year 2022 - 2021

	Y2023	% of total	Y2022	Difference Y2023 vs Y2022	Y2021	Difference Y2023 vs Y2021
Permanent or Indefinite	1,234	92.2%	1,103	131	1,030	204
Temporary	101	7.5%	84	17	142	-41
Scholarship or Paid Internship	4	0.3%	-	4	-	4
Total	1,339	100.0%	1,187	152	1,172	167
Full-time	1,294	96.6%	1,154	140	1,159	135
Part-time	45	3.4%	33	12	13	32
Total	1,339	100.0%	1,187	152	1,172	167

92.2% of the contracts are fixed-term or permanent and 97% or full-time. We have 4 people on paid internships.

This percentage is above the average for our business, which reports a maximum of 85% fixed-term or permanent contracts.

¹⁴ It is not possible to establish the comparative difference in the age distribution year 2023 vs. 2021 as this data was not recorded in the year 2021.

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Average number of contracts by gender, age and type of contract - comparative year 2022

	Y2023		Y2022		Difference 2023 vs 2022	
	Men	Women	Men	Women	Men	Women
Fixed	793.41	295.89	778.26	302.39	15.15	-6.50
Temporary	51.57	24.05	67.86	22.10	-16.29	1.95
Scholarship or Paid Internship	2.31	0.21	0.00	0.00	2.31	0.21
Total	847.29	320.14	846.12	324.49	1.17	-4.35
Part-time	15.07	22.37	10.14	23.30	4.93	-0.93
Full-time	832.21	297.77	835.98	301.19	-3.77	-3.42
Total	847.29	320.14	846.12	324.49	1.17	-4.35

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Average number of contracts by age, type of contract and working day - comparative year 2022

	Y2023			Y2022			Difference 2023 vs 2022		
	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years	< 30 years	30 - 50 years	> 50 years
Fixed	269.84	652.98	166.49	304.45	648.56	127.64	-34.61	4.42	38.85
Temporary	31.37	35.75	8.49	35.93	43.59	10.43	-4.56	-7.84	-1.94
Scholarship or Paid Internship	0.31	1.21	1.00	0.00	0.00	0.00	0.31	1.21	1.00
Total	301.51	689.93	175.98	340.38	692.15	138.07	-38.87	-2.22	37.91
Part-time	6.45	23.95	7.06	1.52	27.75	4.17	4.93	-3.80	2.89
Full-time	295.07	665.99	168.92	338.87	664.40	133.90	-43.80	1.59	35.02
Total	301.51	689.93	175.98	340.39	692.15	138.07	-38.88	-2.22	37.91

¹⁴ The calculation of the average number of contracts for the year 2022 was not carried out.

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Average number of contracts by age, by professional category, type of contract and working day - compared with 2022

	Y2023				Y2022				Difference 2023 vs 2022			
	Executives and Managers	Middle managers and qualified technicians	Administrative	Operators	Executives and Managers	Middle managers and qualified technicians	Administrative	Operators	Directors and Managers	Middle managers and qualified technicians	Administrative	Operators
Fixed	75.45	168.00	188.73	657.12	76.27	193.88	184.40	626.10	-0.82	-25.88	4.33	31.02
Temporary		1.15	4.59	69.88	0.00	0.56	3.55	85.83	0.00	0.59	1.04	-15.95
Scholarship or Paid Internship	1.00		0.51	1.00	0.00	0.00	0.00	0.00	1.00	0.00	0.51	1.00
Total	76.45	169.15	193.83	728.00	76.27	194.44	187.95	711.93	0.18	-25.29	5.88	16.07
Part-time			3.21	34.24	0.00	0.11	11.38	21.95	0.00	-0.11	-8.17	12.29
Full-time	76.45	169.15	190.62	693.76	76.27	194.35	176.57	689.98	0.18	-25.20	14.05	3.78
Total	76.45	169.15	193.83	728.00	76.27	194.46	187.95	711.93	0.18	-25.31	5.88	16.07



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5.1. Attracting, retaining and developing talent

Just as learning and the improvement of skills, abilities and behaviours are driven as key elements, so are our recruitment and selection processes. They are bolstered through local practices that ensure we attract and select the best talent, according to the needs of the operational location, adapting to specific legislation and impacting local development.

Among the initiatives that reinforce these practices and that we have been developing throughout our history, we emphasise the following agreements with prestigious educational and academic institutions in Spain and France:

- Public University of Navarre (some of which include paid internships)
- International University of Valencia
- CEOE Cepyme
- Paid internships in France through CERFA France
- María Ana Sanz Secondary School / Brianda de Mendoza Secondary School
- Cataliza IV Programme of the Canary Islands for the integration of young Canary Islanders into the labour market.
- Isefac Paris/Evicertia
- Aftral Isteli Paris

As a result, 5 trainees have joined the staff of **TWG** for the year 2023 with a permanent contract.

Disengagements by type, gender, age and professional category - comparative year 2022

	Y2023	Y2022	Difference
Voluntary redundancy	398	284	114
Dismissal	141	192	-51
Total	539	476	63

Number of Disengaged by Gender

	Y2023
Women	122
Men	417
Total	539

Number of Disengaged by Age

	Y2023
Up to 30 years	249
Between 31 and 50 years old	252
More than 50 years	38
Total	539

Number of Dismissals by Professional Category

	Y2023
Executives and Managers	8
Middle Managers and Qualified Technicians	58
Administrative	56
Operators	417
Total	539

TWA Mexico accounts for 54% of all voluntary departures¹⁵ which has been recognised as one of the best companies to work for by the GPTW Initiative. Mexico has one of the highest turnover rates in Latin America.

TWL accounts for 20% of the total number of terminations, which is in line with the average for Spain and is characteristic of the seasonal nature of the activity.

¹⁵ <https://factorial.mx/blog/rotacion-de-personal-mexico/>

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5.1.1 Training

We consider training to be the driving force and vector for the loyalty and development of our talent. It is therefore an aspect in **TWG** that we understand as a value and material enhancer from the point of view of sustainability.

We communicate our mission, vision and values, our organisational structure, as well as our policies and procedures to new employees through our induction handbook.

The trainings are customised, depending on the position and the objectives of our company.

Both the HR department and the heads of each area determine these needs on an annual basis and verify the effectiveness of each training course against these objectives. The Occupational Health and Safety Manager establishes, together with the Human Resources department, the relevant training requirements and it is the latter area that registers them. The Regulatory Compliance Committee (RCC) periodically informs the Human Resources department of training needs in this area and the methodology on policies and procedures.

Total number of hours of training per professional category

	Y2023	Y2022	Difference Y2023-Y2022	% Difference
Executives and Managers	3,634	1,453	2,181	150%
Middle Managers and Qualified Technicians	3,687	1,777	1,910	107%
Administrative	5,351	2,007	3,344	167%
Operators	9,594	2,651	6,943	262%
Total	22,266	7,887	14,379	182%
Total Investment:	€ 167,896	€ 142,626	€ 25,270	18%

No training hours for the year 2021 are available for comparison. Our company did not collect the number of training hours during the year 2021.

Training in 2023 has been increased by 182% compared to 2022. Investment in training has been increased by 18% compared to 2022.

During 2023, 66% of training focused on technical and environmental issues, 19% on languages, 12% on occupational health and safety and 4% on Code of Ethics and compliance. All of them covering strategic lines of our business, in face-to-face/on-line mode and within working hours.

Training - comparative year 2022

	Y2023		% of total hours	% of total investment	Training Bonus	Y2023 number of hours
	Number of Hours	Investment in Euros				
Technology and Environment	14668	72,003.8	66%	43%		
Language	4176	66,458.9	19%	40%	Not Subsidised	9293
Compliance (Code of Ethics)	803	15,960.8	4%	10%	Subsidised	12973
Health & Safety	2619	13,472.7	12%	8%	Subsidised	12973
Total	22266	167,896.3	100%	100%	Total	22266

Of the total training, 66% corresponded to technical and environmental issues, as well as 43% of the total investment. Our company did not discriminate training by subject in 2022 and 2021. Investment in non-reimbursed training is 42% of total training.

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In addition, we have offered new tools for **leadership toolstools**, which promote the capacity development of our leaders, at the **SMARTW** event in Madrid. This space was a meeting point to share experiences and our company's common objectives. This was the 1st sustainable event where the carbon footprint generated has been calculated. We have also offset our emissions through our participation in the wind power project in Oaxaca, Mexico, which is promoting an increase in the renewable electricity supply in the region, thus contributing to SDGs 1, 7, 8 and 13.

Proyectos desarrollados en el marco del MDL - CER

Proyecto

Proyecto: Generación eólica en Oaxaca - México

La Venta II wind power plant

Descripción: se trata de un proyecto de generación eólica en la región mexicana de Oaxaca que generará más de 300.000 MWh de energía renovable.

Unidad: CER (Certified Emission Reductions) acreditadas por la UNFCCC (Convención Marco de las Naciones Unidas sobre el Cambio Climático).

Beneficios asociados al proyecto:

- **Creación de empleo local:** tanto en servicios de construcción, como en mantenimiento asociado al parque eólico. Asimismo, el personal de la región ha sido formado durante el proyecto para un óptimo desempeño de su actividad.
- **Reducción de las emisiones de gases de efecto invernadero:** gracias a este parque se reducen más de 164.000 tCO₂ al año.
- **Reducción del uso de combustibles fósiles:** además de la reducción de emisiones de gases de efecto invernadero, el proyecto también ha logrado una importante mejora de la calidad del aire logrando la reducción de las emisiones de SO₂ y NOx asociadas al uso de combustibles fósiles.
- **Aumento del suministro eléctrico en la región:** en México muchas regiones del país frenan su crecimiento económico y la calidad de vida de sus habitantes debido a la falta de suministro energético de calidad. Gracias a este proyecto se apoyará el desarrollo de la región de manera sostenible.

Country Registry Administrator Spain

Transaction			
Transaction identifier:	ES106090		
Type of transaction:	04-00 Cancellation of Kyoto units		
Transaction status:	4-Completed		
Source account identifier:	ES-121-1003700-0-80		
Type of source account:	Global Factor Commodity Trading, S.A.U.		
Identification of the destination account:	ES-230-5021909-2-81		
Destination account type:	Voluntary cancellation		
Start date:	06/07/2023 15:28 CEST		
Date of approval:	06/07/2023 15:37 CEST		
Last updated:	06/07/2023 15:37 CEST		
Remarks:	Compensación de emisiones del Evento SmartW - Truck & Wheel Group - Madrid, Junio 2023		
Unit type	Project	Eligibility	Quantity
CER	10000	10000000	01

5.2. Equal opportunities, diversity and inclusion

To **TWG** inclusion, equity and diversity are opportunities for value creation and the most important contribution to sustainable development.

Our inclusive culture is also reflected in our Code of Ethics, which has been translated into all the languages of the countries in which we carry out our operations and in all the procedures introduced, not only through HR but in all areas of our company. Our good governance promotes this strategy and deploys it in different actions.

During the year 2023, we reached the figure of 297 foreign employees on the payroll, which is 22%.

Our selection processes guarantee transparency. That is why we are committed to filling every position with the best qualified person, regardless of race, religion, nationality, age or gender, disability, ethnicity, origin or economic status. This is also why, as mentioned in the previous point, we promote partnerships with different educational institutions for the selection and incorporation of diversity.

We ensure the full and effective participation of women and equal leadership opportunities at all decision-making levels in our company. During the course of this year, there are currently 5 women in the middle management/executives and managers segment, reaching 23% of the total in this category.

At **TWG**, we have two Equality Plans under negotiation in companies with more than 50 employees (TW and TW Parts) and one Plan (TW Distral) which has already been registered during the course of this year.

On the other hand, the sustainability management has worked in parallel with the Regulatory Compliance Committee to map the equality regulations in the different countries where we operate; the USA, Mexico, Portugal and Sweden do not have this type of regulation. It does not apply to us in the UK, as the regulations of this

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obligation apply to companies with more than 250 local employees, and in Germany for public companies.

During 2023 we have updated the equity targets for 2024, included in point 2.3) of our sustainability goals. They include training initiatives for increased promotion of women in decision-making positions and other partnership positions with NGOs for the integration of people with disabilities such as ANRH¹⁶ and LADAPT Essonne¹⁷ in France.

We provide adaptations for people with motor disabilities. Our buildings and offices are equipped with ramps, marked parking spaces, stair lifts and adapted toilets. This year we have had 7 people with disabilities on our staff.

During the course of 2023, we have not recorded any reported incidents of discrimination, harassment or retaliation.

5.3. Work-life balance and work organisation

Our Human Resources area is in charge of managing measures and actions that will promote work-life balance and work organisation.

As part of the corporate strategy and in line with the initiatives included in our equality plans, the following actions and commitments have been implemented:

- Guaranteed work-life balance rights for unmarried couples.
- The opportunity to request paid leave for a maximum of 8 hours per year to attend to spouses, unmarried partners and first-degree relatives, provided that it is for the purpose of accompanying them to medical consultations and tests.

¹⁶ www.a.nrh.fr

¹⁷ <https://www.ladapt.net/etablissement-service-ile-de-france-essonne>

- Flexibility of entry and exit with entry up to 30 minutes before and up to 30 minutes after the time set for starting work.

Our working hours at our head office are Monday to Friday from 9.00 am to 2.00 pm and from 5.00 pm to 7.00 pm. The working hours of the warehouse and plant personnel are customised to the timetable organisation required by the customers in their operations, with a schedule of up to 2 or 3 shifts, as well as split shifts that never exceed the number of hours determined by the regulations of the countries in which we operate and the respective collective bargaining agreements. If on-call duties are required, they are incentivised, optional and rotated for public holidays in compliance with the collective agreements that apply in each of our workplaces.

We do not have a specific policy on work disengagement, but we promote it with automatic messages in our mailboxes and this is also reflected in our Welcome Handbook and equality plans. Actions we would like to highlight include awareness of the use of electronic media and digital devices, in order to respect rest and/or holiday time and the encouragement, in management positions, of the importance of respect for work-life balance.

5.4. Compensation and Benefits

At **TWG**, our employees receive a competitive and fair remuneration package and are rewarded in a way that is consistent with their level of responsibility, leadership and performance within the organisation. To meet this premise, we ensure non-discrimination on the basis of gender, age, origin, sexual orientation and identity, religion, disability and ethnicity in the application of remuneration practices and policies.

We are committed to ensuring that the remuneration of all employees is decent and in any case exceeds the 'living wage' in each country where we operate.

In this EINF we do not include quantitative information on wages, nor on the wage gap.

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5.5. Social Relationships

We maintain a fluid communication link and good understanding between the top management of our company and the representatives, with regular meetings. This relationship is based on respect, openness and trust by promoting freedom of association and collective bargaining.

100% of our workforce is covered by collective bargaining agreements in Spain, France, Sweden, Portugal, Germany and the UK. In the United States and Mexico¹⁸, issues related to local legislation or even local customs and practices mean that certain groups are expressly excluded from the scope of collective agreements.

The working conditions of these employees, who are without a collective agreement, are determined by individual negotiation (e.g. salary). The rest of the conditions are determined by collective agreement.

We have works councils, with employer representation and trade union representatives in companies with more than 50 employees, which meet quarterly. Such is the case of TW Parts, whose most relevant activity during the year 2023 was the constitution of the new Works Committee resulting from trade union elections, and the Negotiating Committee of the Equality Plan of TW Distral S.L., which met on 23 November last, where the minutes of the diagnosis of the situation in terms of equal opportunities between men and women and wage audits were approved. Plan that has been registered.

In France, we have also had 3 works councils since 2019. During monthly meetings, they have addressed issues of concern to employees, such as working conditions and regularisation of overtime.

¹⁸ Federal Labour Act Chamber of Deputies of the National Congress - Secretariat of Parliamentary Services last Reorm DOF 27-12-1022

5.6 Occupational Health and Safety

At **TWG**, we are committed to the promotion and prevention of employee health and well-being. The company has a strong occupational health and well-being strategy, implemented in all countries, with the aim of sharing common guidelines and providing employees with resources to support them in improving and maintaining their health and well-being. All our employees receive training courses on health risks from the moment they join us.

We are ISO 45001:2018 certified in 19 logistics centres in Spain, 2 in France and in 4 of our plants. These certifications guarantee our compliance with the legal obligations in this area at local and international level, and also the uniformity of the methodology for the implementation of the corresponding protocols.

The Occupational Health and Safety Management Systems are designed in accordance with current legal and regulatory requirements, and they apply to the entire workforce and protect their health and safety.

Our regulatory framework is the Integrated Health, Safety, Environment and Quality Policy. It will be reviewed in the course of 2024.

All employees are covered by the occupational health and safety management system at their respective locations. In addition, the regulatory obligations in this area are regularly reviewed, where assessments and training as well as regular internal audits are carried out. All reports are continuously monitored by our occupational health and safety officers at TWA and TWL.

We have decided to maintain the separation of TWA and TWL indicators and magnitudes for better visualisation and comparison with previous years.¹⁹

TWL occupational accidents

	Y2023		Y2022		Difference	
	Women	Men	Women	Men	Women	Men
Occupational Accidents with SICK LEAVE	11	30	18	34	-7	-4
Occupational Accidents WITHOUT LEAVE	13	41	7	19	6	22
Severity Rate Occupational Accidents	0.11	0.75	154.3	651.4	-154.14	-650.63
Frequency rate of Occupational Accidents	13.92	26.70	77.4	66.8	-63.46	-40.06

The 2022 data included only Spain and France. They did not include Sweden, Portugal and the UK. These data were not centrally controlled. The data for 2023, in terms of the number of occupational accidents with and without sick leave, includes Spain, France, Sweden, Portugal and the UK, which shows a considerable decrease in the number of accidents with sick leave (-11), although the number of accidents without sick leave has increased, linked to the increase in the number of employees.

There have been no work-related illnesses during the year 2023 in TWL.

TWL Absenteeism Rate

	Y2023	Y2022	Difference Y2023 vs Y2022	Y2021	Difference Y2023 vs Y2021
Spain	0.29	4.22	-3.93		0.29
France	1.29	4.73	-3.44		1.29
Portugal	0.66		0.66		0.66
Sweden	0.03		0.03		0.03

Comparison with the year 2021 is not included as this information is not available. Comparison year 2023 vs. 2022 for Portugal and Sweden is not included as this information is not available.

The absenteeism rate has only increased minimally compared to 2022 in Mexico - SJC, although it has decreased

¹⁹ Methodology for calculating the indicators: Frequency index (FI) = (number of lost time accidents*1,000,000)/hours worked (total number of hours of absenteeism/total number of hours worked) x 100
Severity severity rate = (calendar days lost due to accident, starting from the first day of sick leave/hours worked)*1,000/ Absenteeism rate

TWA occupational accidents

	Y2023		Y2022		Difference	
	Women	Men	Women	Men	Women	Men
Occupational Accidents with SICK LEAVE	5	24	-	5	5	19
Occupational Accidents WITHOUT LEAVE	17	40	17	6	-	34
Severity Rate Occupational Accidents	0.66	0.42	0.04	0.027	0.62	0.39
Frequency rate of Occupational Accidents	46.14	73.90	0.038	0.084	46.10	73.82

There have been no work-related illnesses during the year 2023 at TWA.

TWA Absenteeism Rate

	Y2023	Y2022	Difference Y2023 vs Y2022	Y2021	Difference Y2023 vs Y2021
Germany	0.26	0.31	-0.05	0.00	0.26
Mexico - Puebla	4.62	5.06	-0.44	0.59	4.03
Mexico - SJC	0.41	0.39	0.02	0.61	-0.20
Mexico - SLP	1.38	2.23	-0.85	2.22	-0.84
USA	3.4	5.00	-1.60	5.05	-1.65

in the rest of the plants.

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In Spain and Portugal we have an external prevention service that assesses and detects the exposure to risks inherent to each job and establishes proposals for specific activities for continuous improvement in this area. In Spain, the mutual company has carried out 379 health examinations, the corresponding epidemiological study and has proposed health promotion actions based on the results obtained. The result of this assessment was that the preventive management was considered to be *correct and adequate*. In Portugal the prevention service has carried out 14 examinations during the year 2023 and in Germany 27.

Furthermore, we have the following Health and Safety Committees:

Health and Safety Committees Year 2023

	Number of Health and Safety Committees	Number of employees on the Committees	Number of meetings year 2023
Spain	1	4	6
Mexico	3	26	13
France	2	10	9

The topics discussed in these committees cover issues such as risk assessments, improvement measures and their deadlines for implementation and are duly recorded in the minutes.

We understand that training is key to the safety and health care of our professionals, which is why, during this year, we have allocated 2,619 hours to this subject.

During the year 2023, we carried out the following health and safety initiatives: vaccination against influenza-covid and tetanus, prevention measures against dengue fever and hepatitis A, prevention of heat-related illnesses, prevention of obesity, ergonomics campaign, the participation of our team from the plant in Pilsting, Germany, which has completed the 6 km run along the river Isar.





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Our environmental performance

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From the very beginning, at **TWG**, we have been highly sensitive to the development of our business activities, with respect and preservation of the environment.

The main objectives of the company's environmental management are to carry out its activities in an attempt to mitigate or eliminate the environmental risks to which it is subject, as well as to comply with the regulatory requirements applicable to it, adopting the necessary measures to this end.

In order to ensure the correct performance of the environmental management system, we have an Integrated Quality, Health and Safety and Environmental Policy that will be updated in 2024. We maintained the internationally recognised UNE-EN-ISO 14001:2015 certification by TÜV Rheinland in 19 warehouses in Spain, 2 in France, 2 in Portugal, 1 in Sweden, 1 in the UK and in 4 TWA plants and during 2024 we will be implementing it in our plant in Germany.

This integrated management system allows us to set ambitious objectives for an environmentally friendly activity, based on the responsible use of resources and the constant quest to reduce our environmental impact.

The Environmental Management System is subject to an audit regime to ensure its proper design and deployment towards:

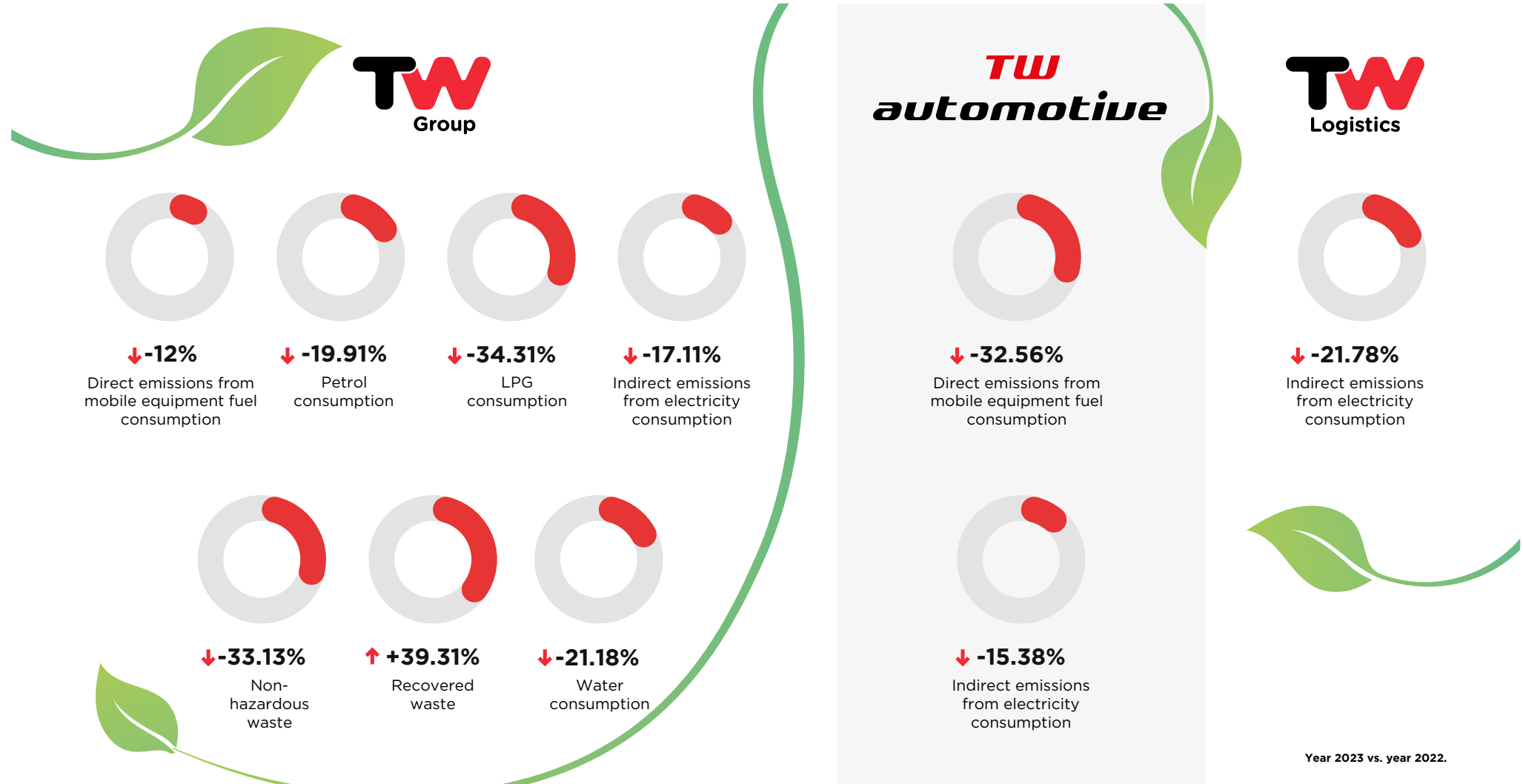
- Continuous improvement in environmental performance.
- Environmental legal compliance.

Environmental management through the Integrated System promotes a framework of global procedures and tools that allows us to demonstrate environmental compliance to our stakeholders and to identify direct, indirect, emergency and potential environmental aspects, as well as implement the necessary controls to reduce, as far as possible, our impact on the environment. It also enables us to engage our employees and motivate suppliers to improve environmental performance in the planning and implementation of activities related to our operations, products and services, because we have competent people and a leadership team capable of doing so. TWA's and TWL's Environmental Managers participate in the CSOs²⁰ and jointly evaluate, on a monthly basis, the environmental impacts and objectives in line with our company's strategy.

²⁰ CSOs- TWG Sustainability Committee

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Our main environmental figures for the year 2023 are as follows:



Year 2023 vs. year 2022.

6.1. Environmental prevention and control

6.1.1 Greenhouse gas emissions

In line with our strong commitment to sustainability, we understand that, from our preventive approach, our business expansion is based on the precautionary principle and the constant monitoring of our impact.

During 2023, we measured our 2022 carbon footprint using the GHG Protocol quantification methodology and already have our Ministry for Energy Transition and the Demographic Challenge (MITERD) stamp. This inventory has been carried out taking into account scopes 1 and 2.^{21,22,23,24}

²¹ During 2023, there were no vehicles and therefore no fuel consumption (direct emissions from mobile equipment) from A Coruña, Asturias, Benavente, Cabanillas Parts, Cabanillas TW2/TW3/TW4/TW5, Pamplona TW2, Seseña, Sevilla, Vigo, Zaragoza, Portugal (Porto), and Sweden. Likewise, information from Guadalajara and Lezaka is not included. Fuel consumptions of vehicles in France are included in Tigery.

²² Electricity consumption of the following TWL warehouses is not included: Cabanillas TW Parts, Strasbourg, Guadalajara, Jaen, Larrabetzu, Lezaka, Seville, UK for the year 2023 due to lack of information. Electricity consumption in Pamplona in December, Vigo in November and December, Asturias in December, Seseña in October, November and December and Malaga from August to December 2023 are also not included as the invoices were not received at the close of this EINF.

The following warehouses were not included in the 2022 report: Barcelona, Cabanillas TW Parts, Strasbourg, Guadalajara, Guarroman, Larrabetzu, Lezama, Surveiller, Sweden, UK due to lack of information.

²³ The emission factors used for the calculation of direct emissions are those provided by the "Registry of Carbon Footprint, Offsets and Carbon Dioxide Absorption Projects" of the Ministry for Ecological Transition and Demographic Challenge.

²⁴ For the calculation of the indirect emissions derived from electricity consumption, the electricity mix of the electricity supply company was been used.

By way of summary, our emissions for the year 2023 in TnCO₂eq for each activity and their comparison for the year 2022 can be seen in the following tables:

	TWA (Tn Co ₂ eq)		
	Y2023	Y2022	Difference Y2023 vs Y2022
Derivatives of fixed equipment	84,4	68,9	15,5
Derivatives of mobile equipment	119,5	181,2	-61,7
Direct emissions generated	203,8	250,1	-46,2
Indirect emissions from electricity consumption	1006,6	2256,6	-1250,0
Total emissions	1210,4	2506,7	-1296,2

	TWL (Tn CO ₂ eq)		
	Y2023	Y2022	Difference Y2023 vs Y2022
Derivatives of fixed equipment	140,2	0,0	140,2
Derivatives of mobile equipment	250,9	226,6	24,4
Direct emissions generated	391,1	226,6	164,6
Indirect emissions from electricity consumption	971,8	804,1	167,7
Total emissions	1362,9	1030,6	332,3

	TWG (Tn CO ₂ eq)		
	Y2023	Y2022	Difference Y2023 vs Y2022
Derivatives of fixed equipment	224,6	68,9	155,7
Derivatives of mobile equipment	370,4	407,7	-37,3
Direct emissions generated	595,0	476,6	118,3
Indirect emissions from electricity consumption	1978,3	3060,6	-1082,3
Total emissions	2573,3	3537,3	-964,0

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We also report in detail our direct emissions from stationary and mobile equipment (Scope I) and those from electricity consumption (Scope II) in the following table:

TW Group	Y2023	Y2023	Total Y2023	Total Y2022	Difference Y2023 vs Y2022	Difference % Y2023 vs Y2022
	Scope 1 (TnCO2-e)	Scope 2 (TnCO2-e)	Scope I and II (TnCO2-e)	(TnCO2-e)	(TnCO2-e)	(TnCO2-e)
TWA	204	1.007	1.210	2.507	-1.296,18	-52%
TWL	391	972	1.363	1.031	332,26	32%
TWG	595	1.978	2.573	3.537	-963,92	-27%

Therefore, during the year 2023 **TWG** had a **35% decrease in indirect emissions from electricity consumption.**

The difference in direct emissions from stationary equipment at TWA corresponds to the use of heating in Pilsting, Germany, which had no consumption in the year 2022 because the plant was not 100 % operational and therefore had not reported consumption in this item.

At TWA, our direct emissions from mobile equipment have **decreased by 18%** and those from indirect emissions **decreased by 55% compared to 2022.** At TWA in our German plant 36.56% of our energy is renewable, constituting 6.20% of all our energy consumed at TWA.

In TWA, electricity from renewable energy is 5.8% of the total and in TWL it is 3.49% of the total by 2023.



100% electric transport for distribution of spare parts to **Volvo Car France** dealerships in Paris.

At TWL and in collaboration with VOLVO Trucks France and AG Transport we are working to bring **"zero emissions"** to the centre of Paris with a robust two-axle truck that is entirely dedicated to the night-time distribution of spare parts.

A sign of our commitment to reducing emissions. tion of petrol by the vehicle fleet, represent

a small percentage of our total emissions, accounting for 4.11% of the total emissions generated. In this respect, we renew the vehicles every few years as this ensures that we acquire a fleet with a higher level of performance and which is also at the forefront in terms of low emissions. We also report that indirect emissions account for 29.74% of the total.

However, one of the main critical impacts as a greenhouse gas generator is the direct emissions from the consumption of natural gas for our heating system at the German TWA plant, which will be reviewed next year to determine a consistent improvement initiative.

Other initiatives to minimise fuel consumption in vehicles and electricity consumption in warehouses and plants will also be assessed and implemented. *See Sustainability Goals in section 2.3 of this Report.*

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6.1.2 Noise and light pollution

At present, we do not carry out any actions aimed at reducing this type of pollution, given that our activity generates an insignificant acoustic and light impact. Firstly, our warehouses and plants are located in industrial parks away from town centres and, secondly, all vehicles are state-of-the-art and comply with annual inspections so that the noise level emitted is considerably low.

6.1.3 Waste water

The waste water generated is only that related to sanitary use and is discharged into the existing sewage system, and no record is kept of its volume. In this respect, and in view of the nature of our business, our impact on water quality is very insignificant. In the case of the plants in Mexico, the discharged water is managed by the industrial estates where they are located and reused to irrigate green spaces.

6.2. Waste management

Most of our waste is similar to urban waste. In this respect, our offices have containers to facilitate the selective segregation of paper, packaging, organic waste and batteries. In this respect, we encourage our employees to use materials appropriately and responsibly, and in particular we ensure that paper is only used at work when strictly necessary. Similarly, in our IT department, we reuse IT equipment and components whenever possible in order to increase the useful life of the equipment.

Likewise, at all our work centres, we have the relevant authorisations for waste management, in accordance with current legislation. We have procedures, associated with the environmental management system, for its correct management and segregation, and we comply with the existing regulatory requirements in each country where we operate, as well as the delivery to authorised waste managers.

Non-hazardous waste generated

	Y2023 Tn	Y2022 Tn	Difference Tn Y2023 vs. Y2022	Difference % Y2023 vs. Y2022	Y2021 Tn
Total to Elimination	872.77	2790.83	-1918.06	-69%	2064.5
Total to Valuation	1909.87	1370.9	538.97	39%	2186.76
Total Non-hazardous waste	2782.64	4161.73	-1379.09	-33%	4251.26

Hazardous waste generated

	2023 Tn	2022 Tn	Difference Tn 2023 vs. 2022	Difference % 2023 vs 2022	2021 Tn
Total to Elimination	18.71	18.931	-0.22	-1%	3.87
Total to Valuation	4.67	0	4.67	100%	10.71
Total Non-hazardous waste	23.38	18.931	4.449	24%	14.58

As can be seen in our table, we have decreased 1379 tonnes of non-hazardous waste in 2023 compared to 2022, which corresponds to a **decrease of 33.13%**.²⁵

We have also **increased its valuation by 39.31%** compared to 2022. The increase in hazardous waste corresponds to an increase in activity.

Each time a waste removal takes place, the staff responsible ensures that all information is entered into the waste management platform. This makes it possible to obtain and analyse real-time data on the origin and destination of the waste produced.

Thanks to this system, managers can find out the volume of waste removed, prepare reports, analyse the information and keep all the documentary evidence to ensure

²⁵ In TWL and for 2023 waste is only reported for the Spanish storage at Cabanillas TW2, 2 storage sites in Portugal and the storage site in Sweden. No waste reported in France.

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correct compliance with environmental regulations in each country. In addition, they can make better decisions to promote circularity.²⁶

Some of our initiatives in this area in 2023 include the following:

- Reuse or recycling of packaging in Puebla (Mexico) and in Germany
- Reuse or recycling of wooden pallets in Puebla, in San José Chiapa (Mexico) and in Germany
- Reuse or recycling of cardboard in Puebla, in San José Chiapa (Mexico) and in Germany
- Donation of WEEE at the San Luis Potosi plant (Mexico)

6.3. Sustainable use of resources

6.3.1. Energy

Electricity consumption is an environmental impact on which we know we must take action to improve energy efficiency. This is a relevant issue and we are therefore implementing actions and initiatives through our CSOs²⁷; we believe it is a cross-cutting management issue and therefore reducing emissions from energy consumption remains a top priority.

²⁶ Hazardous waste includes: used oil, empty containers, contaminated rags, infectious biological waste (masks) and sharp objects such as cutters. Non-hazardous waste includes: wooden pallets, cardboard, low density polyethylene, foam rubber, toners and scrap metal.

²⁷ CSOs: Sustainability Committee

Energy^{28,29,30,31}

	Y2023 -GJ	Y2022 - GJ	Difference Y2023-Y2022
Petrol	729.91	911.4	-181.49
Diesel	3167.14	4216.34	-1049.2
Natural Gas	107,343	669	106674.00
LPG	1030.16	1570.7	-540.54

Furthermore, the decrease in LPG consumption is explained by the change of trucks to Lithium Ion. The decrease in petrol consumption is a result of the switch from petrol to diesel vehicles.

The increase in Natural Gas consumption is generated by the use of heating in the Pilsting Plant, Germany. The previous year's report only covered US consumption.

Some of the measures already implemented during the year 2023 to reduce energy consumption were:

- ✓ **Progressive migration to LED luminaires** (low consumption).

At TWA we already have 2 plants with 100% LED luminaires in (Puebla, Mexico) and (Pilsting, Germany).

²⁸ The calculation of GJ of LPG has been obtained by converting LPG litres to megajoules and subsequently to GJ. Fuel consumption GJ=Fuel consumption (Kg)*PCI(MJ/Kg)/1000

²⁹ This calculation includes 19 petrol vehicles and 43 diesel vehicles owned and leased. No vehicles or electric forklifts are available. We have 2 LPG trucks, 329 lead-acid trucks and 33 lithium-ion trucks.

^{30 33} <https://ingemecanica.com/utilidades/poder-calorifico#tabla1> - https://www.miteco.gob.es/content/dam/miteco/es/cambio-climatico/temas/comercio-de-derechos-de-emision/anexo7_invgei_1990-2020ed2022_tcm30-546205.pdf

For the calculation of Natural Gas, www.chcalculator.com was used

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It is already available at TWL in 13 warehouses (Spain: Barcelona, Cabanillas TW4 and TW5, Guarroman, Larrabetzu, Zaragoza, Vitoria), France: Surveillers, in Portugal: Porto and Lisbon and in Sweden.

- ✓ **Sensors and automatic light switch-off system**

In areas with little traffic on the same floors as mentioned above.

- ✓ **Solar panels installed**

In 3 warehouses (Barcelona, Cabanillas TW5 and Guarroman) although not yet operational during 2023.

- ✓ **Air-conditioning automation software** 80 % of the plant in Pilsting, Germany.
- ✓ **Automated doors at our plant in Pilsting, Germany.**
- ✓ **Study of options for self-consumption** of renewable energy in plants in Mexico.
- ✓ **Replacement of lithium-ion forklifts** in Pilsting, Germany, in USA and in San Luis Potosi (Mexico)

Initiatives to reduce our impact in this area by 2024 can be found in our Sustainability Goals in section 2.3 of this Report.

6.3.2. Water consumption

We have not considered this as a material issue, as the water supply is provided by the municipal water network in the areas where we operate and we do not consume well water, so no water source is affected.

However, we consider saving energy to be good practice and have therefore taken various actions to reduce our consumption, for example:

- Use of water cans instead of plastic cups in offices in Puebla (Mexico) and Germany
- Water saving faucets in toilets in San Luis de Potosí (Mexico)

We have **reduced** water consumption by **21.18%** compared to 2022.³²

Water consumed

	Y2023 -m3	Y2022 - m3.	Difference m3 Y2023 vs. Y2022	Difference % Y2023 vs. Y2022	Y2021 - m3
Mains water consumption	6702.49	8530.47	-1827.98	-21%	3850.11
Reused water consumption	21.41	0	21.41	100%	0
Total water consumed	6723.9	8530.47	-1806.57	-21%	3850.11

6.3.3. Raw material use and consumption

At **TWG**, we do not consume a large amount of raw materials for the development of our activity. Paper, wood, cardboard and film paper could be the most notable consumption items given the nature of our business. However, we encourage the non-use of paper, which is used only in those cases where it is strictly necessary. The raw materials for our assembly activity (tyres, rims, counterweights and valves) are directly supplied by our customer.³³

³² Water consumption of the following stores is not included as these supplies are included in the cost of the rent and the landlord does not provide proof of our consumption: Cabanillas TW Parts, Cabanillas TW1 and TW2 (only 1st semester included), TW3, TW4 and TW5, Asturias, Guadalajara, Lezaka, Malaga, Martorell, , Seseña, Seville, Sollana, Vigo (Spain) and from Strasbourg and Surveillers (France) and from the UK.

³³ Wheels, rims, counterweights and valves are not considered raw materials as they are materials from our production process, but are supplied by our customers.

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Raw materials

	Y2023	Y2022	Difference Y2023-Y2022	Y2021
Recycled paper kgs	4218	0	4218.00	
Non-recycled paper kgs	14220	22743	-8523.00	1805
Processed soap litres	37425	6168	31257.00	6120

During 2023, we **decreased** our paper consumption (recycled and non-recycled) compared to 2022 by almost **23.35%** of which **77.12%** is of recycled origin.

The increase in soap consumption corresponds to an increase in production.

We also took on a number of initiatives during 2023, including:

- Digitisation of invoices and remittances by 50%
- 100% recycled office paper in San José Chiapa and 90% in Puebla (Mexico)
- Recycled and recyclable film paper in Puebla (Mexico)

6.4. Protection of biodiversity

We do not carry out our activities in areas or territories where they may have an impact on ecosystems, landscapes and species. Nor do we border with natural landscapes, protected natural areas or similar, so biodiversity protection regulations do not apply.

6.5. Environmental emergencies

During the reporting year, no environmental emergencies have occurred at our facilities. We also have an environmental liability insurance policy that includes civil liability and accident insurance for pollution caused by our activity.

Furthermore, at **TWG** we carry out our actions within the framework of the precautionary principle, which is based on the following guidelines:

- Commitment to the protection of the environment.
- Compliance with applicable environmental legislation and regulations.
- The use of processes, practices or materials that avoid, reduce or control pollution, under a commitment to pollution prevention.

6.6. Environmental fines and penalties

During the course of the 2023 period, we have received no environmental complaints or claims from our Stakeholders³⁴. We have not paid any fines and/or penalties in this area.

6.7. Environmental training and investments

During the year 2023, environmental training was promoted, reaching a total of 14,668 hours and corresponding to 66% of the total training.

Investments in this area during the year 2023 were € 52,043 for the purchase of a hybrid vehicle and € 1,700 for improvements to the infrastructure for the separation of hazardous waste in a plant.

³⁴ Stakeholders: Interest groups



07

SOCIETY

**Our commitment to
Sustainable Development**

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7.1. Our commitment to the community

Our evolution defines our strategy and our purpose, always with a focus on people.

During the year 2023 at **TWG**, we had **a transcendental milestone of our EVOLUTION.**

We created **the TW Foundation (TWF)**³⁵ whose mission is to promote knowledge and culture as a means of addressing the challenges facing society today and in the future.

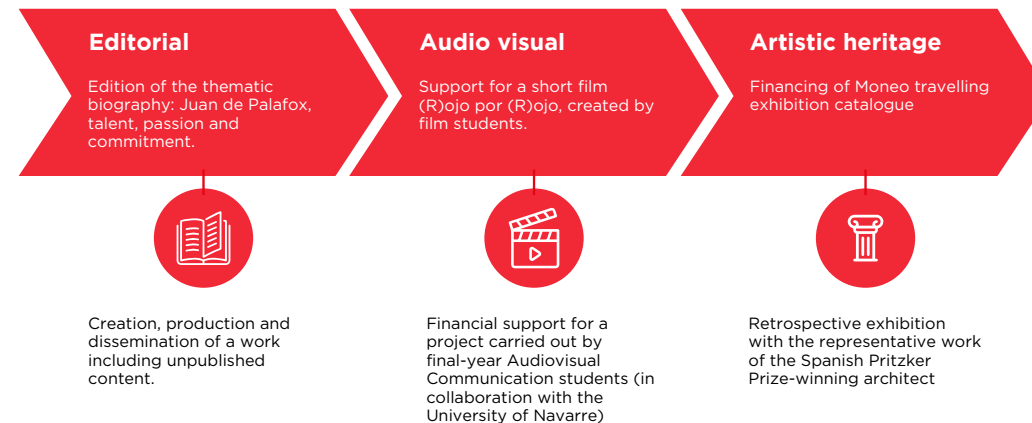


In this way, we support the universal values that make us grow personally and professionally, with a long-term vision. Viewed simply, our actions seek maximum impact on our environment, starting from Navarre, the place where we were born and from where we lead the rest of the world.

We focus on the propagation of culture, in all its fields and forms, so that our heritage is not lost and reaches society as a whole in a way that continues to generate value.

³⁵ <https://tw-group.com/fundacion/>

Committed to **TWF**'s mission, we were already developing projects during the year 2023, some of which we would like to mention:



The edition of the thematic biography **Juan de Palafox y Mendoza - Talent, passion and commitment** by Ricardo Fernández García³⁶ was the first project of our foundation to include unpublished letters. The value of a leading figure who unites two cultures that are essential for **TWG**: Navarre and Puebla de los Ángeles (Mexico). Juan de Palafox (1600, Fitero-Navarra), Viceroy and Bishop of Puebla, is an historical figure who **based his leadership on respect for people and knowledge as a path to growth.** Founder of the first public library on the American continent, the current Palafoxiana Library in Puebla promoted schooling for girls and communication in the local language, among other pioneering initiatives of his time.

³⁶ Professor Ricardo Fernández Gracia - Director of the Chair of Navarrese Heritage and Art, University of Navarre.

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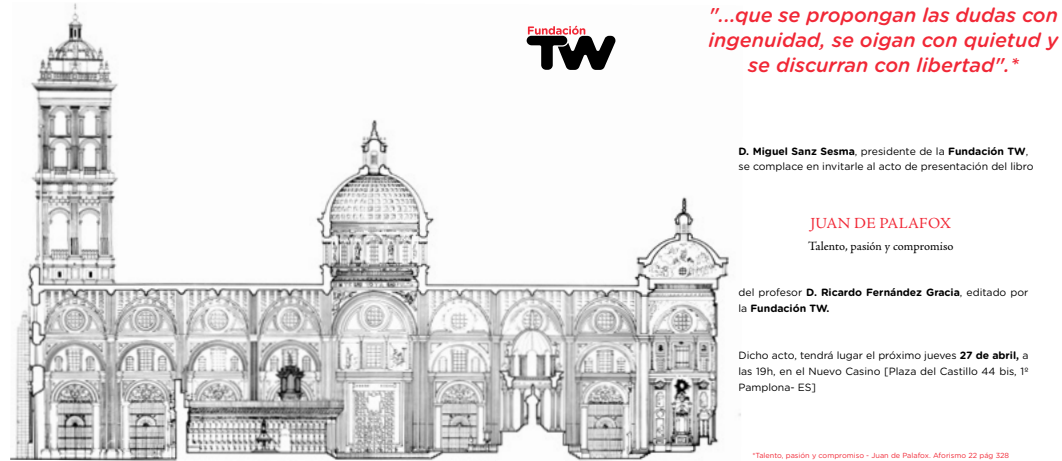


Photo: presentation and presentation of the book Juan de Palafox. Talent, passion and commitment.

1- Publishing project: Palafox book



Photo: presentation and presentation of the book Juan de Palafox. Talent, passion and commitment.

Our TWF also financed the short film **"(R) ojo por (R) ojo" (Red Revenge)**, made by a group of students in the final year of their Audiovisual Communication course at the University of Navarre, it is a comedy set in the 1960s and stars mainly women. It was a finalist in Navarre Short Zinema.

Carried out in collaboration with the María Forcada Foundation, TWF had a hand in the publication of **"Rafael Moneo in Navarre"**, a retrospective of the works produced by this benchmark of Spanish architecture and a source of inspiration for architects all over the world. This book contains notes on his early years and projects, among others.

For next year, TWF has already presented its action plan to the Board of Trustees, with the clear objective of continuing to promote sustainable development through the promotion of knowledge and culture.

On another note, our company continues to **monitor sustainable development** of the communities in which we operate, working with shared agendas and **strategic alliances** with other relevant actors that reflect our commitment. This is evidenced by our involvement, among other things, in promoting dialogue between the private sector, for example:



The participation of TW Automotive CEO, Carlos Llonis at the International Congress of High Impact CEIN Start-up Day, in which he presented the **Impulso Emprendedor (Spirit of Enterprise)**, a public/private collaboration programme for companies in Navarre that has promoted 75 initiatives, starting with the creation of 46 innovative start-ups and which has now generated more than 190 jobs.



We were invited by the Government of Navarre to participate in the **"III Navarre Industry Day"** as one of the representative companies of the sector. Our CEO also took part as a benchmark in the industry and sharing TWG's vision and its commitment to talent, digitisation and growth from a long-term strategy.

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TW Automotive CEO Carlos Llonis also participated in a conference with the Swedish ambassador in Spain, Teppo Tauriainen, in which he presented the development of our new delegation in Malmö and our TWL team, a project that the ambassador himself noted for sharing the same success factors as the Swedish market, such as continuous improvement, international culture and sustainability.



We participated in the **SCM Conference IBERIA 2023**, an event that strengthens ties between Spain and Portugal and where we had the opportunity to present our successful case of replenishment based on Advanced Analytics, as well as a chance to share the benefits of technology applied to picking.



We also attended a professional meeting with various key players, in which we praised the inclusion of advanced analytics and AI, and their contributions to infralogistics. Several companies from the sector were in attendance.

We collaborated with various NGOs, enabling us to share knowledge, experience and new developments to promote proximity with companies in the sector, such as: Navarre Chamber of Commerce, Automotive Cluster Association, AENET - Navarre Association of Road Transport Entrepreneurs, ADEGI - Guipuzcoa Business Association, FVET - Valencia Federation of Transport Entrepreneurs, AVIA - Automotive and Mobility Cluster, ADL- Association for the Development of Logistics, among many others.

Focusing on the promotion of inclusive labour insertion, we performed specific actions together with various academies we would consider as allied organisations, such as CEOE - CEPYME, UPNA, IES Maria Ana Sanz, IES Brianda de Mendoza, CEOE - CEPYME, Universidad Internacional de Valencia and PIEC - Cataliza IV, among others. During 2023, we had 14 employed trainees and 5 Erasmus exchange students who did their traineeships at TWG France and in Sweden. Throughout this initiative, not only did we showcase our value proposition and organisational culture, we also promoted education and employment practice.

Next year, we will actively participate in the Espacio 30 project, an initiative of companies that promote sustainability by encouraging the social, economic and environmental development of Navarre, through businesses committed to society, the planet and all their stakeholders.

PSI is also³⁷ one of the mechanisms we set up to promote sustainable development. We see ourselves as a key player. This also promotes proximity to our Stakeholders, which is channelled through our TWF Foundation³⁸ and NGOs in Navarre.

TWF Foundation	€ 70,000
Correllano Sports Club	€ 2,420
Gala against cancer	€1,500
Total	€73,920

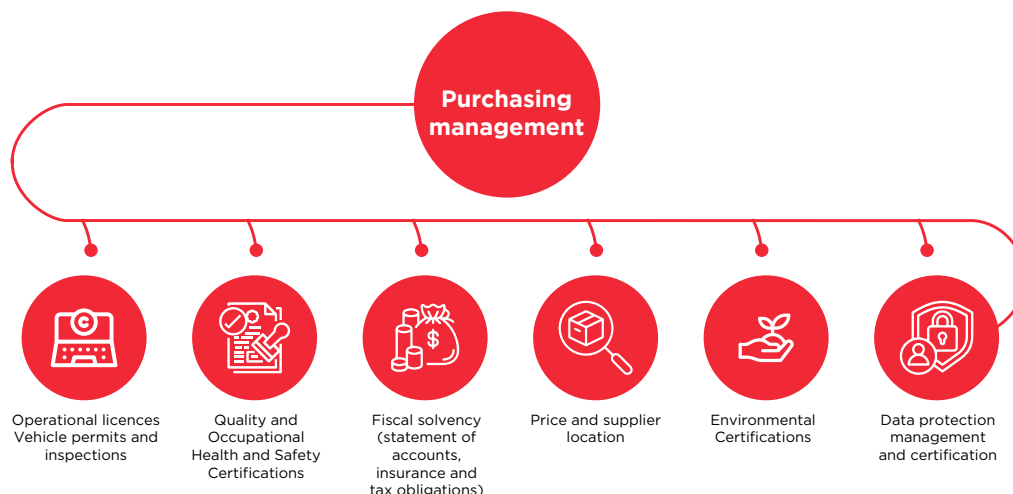
7.2 Our supply chain - Suppliers

We work to establish solid, long-term relationships with our suppliers, seeking efficiency in our selection and contracting processes, so as to generate opportunities for the development of local companies.

We have a Supplier Code of Ethics (SCE) which is based on fundamental values such as ethics, honesty, transparency, traceability and quality of services. We keep different communication channels open and available to all our suppliers (see *Communication with our Stakeholders Chart in Section 2*).

³⁷ ISP: Private Social Investment
³⁸ TWF: TW Foundation

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The TWA and TWL purchasing area manages both the procurement of materials and equipment and the contracting of services and supplies, in accordance with our internal procedures. It includes, among other issues, the approval circuit with defined responsibilities and amounts.

The general procedure, followed by our purchasing areas for the evaluation of suppliers, corresponds to the following chart and includes the request for evidence and supporting documentation regarding:

Our Quality Area applies for and verifies the ISO 9001 certification with the aim of certifying in IATF 16949.

The initiatives carried out during the year 2023 were as follows:

- ✓ Drafting of the Supplier Code of Ethics (SCE)
- ✓ Mapping and identification of risks by the CSOs³⁹
- ✓ Identification of critical suppliers

³⁹ CSOs: Sustainability Committee

- ✓ Definition of a platform for measuring compliance with progress in the management of sustainability aspects in accordance with customer requirements - NQC

We have defined the following sustainability goals for 2024:

- Incorporation of the Head of Procurement into our CSOs in order to align **TWG's** sustainability strategy to procurement and purchasing, will enable us to keep informed about updates to new regulatory requirements on sustainability issues in the supply chain in all countries where we operate.
- We understand that the traceability of the information is key to the fulfilment of this objective, collaborating in the definition of the requirements defined by the CSOs⁴⁰ for their corresponding validation. It will also allow for a more in-depth assessment of our supply chain management, climate change risks, circular economy strategy, human rights due diligence, compliance, good governance and business ethics, etc.
- Acceptance of our SCE⁴¹ by critical suppliers identified and all new suppliers that we incorporate during 2024.
- Verification and monitoring of critical suppliers in the NQC platform - SAQ questionnaires.
- Improvement of our Purchasing and Procurement Policy.
- Our 2024 Scope 3 HCO Measurement will allow us to assess where emission hotspots are in our supply chain.

In line with our commitment to sustainable development, we promote local procurement as a driver of business development, job creation and substantial growth. Geographical proximity optimises logistical efficiency and also creates indirect job opportunities.

⁴⁰ CSOs: TWG Sustainability Committee
⁴¹ SCE: Supplier Code of Ethics

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The breakdown of the economic and geographical volume is therefore shown in the table below:

	% Local purchase volume (<200 km)	Purchase volume in €	% of national purchase	Purchase volume in €
TWA	7.20 %	642,335	22.20%	1,985,888

	% Local purchase volume (<200 km)	Purchase volume in M€	% of national purchase	Purchase volume in M€
TWL Spain	98%	164	2%	167
TWL France	0%	0	100%	34
TWL Portugal	0%	0	100%	16
TWL Sweden	0%	0	100%	3
TWL UK	0%	0	100%	3

TWG's total procurement volume for the year 2023 was €226million.

In 2023, we received no reports or complaints about our suppliers for non-compliance related to human rights management, corruption, labour practices or environmental practices.

7.3 Relations with our competitors

As defined by our CE⁴², we undertake to compete fairly and not to engage in advertising that is misleading or disparaging to our competitors or third parties. We comply with established competition laws, both nationally and with respect to the countries in which we operate. In fact, we work with our competitors to enhance collaboration and thus share our knowledge and developments in the sector.

Our RCC ensures strict compliance with the regulations on this issue and guarantees our management in this area.

During the year 2023, we have not received any complaints in relation to this issue.

⁴² CE: TWG Code of Ethics



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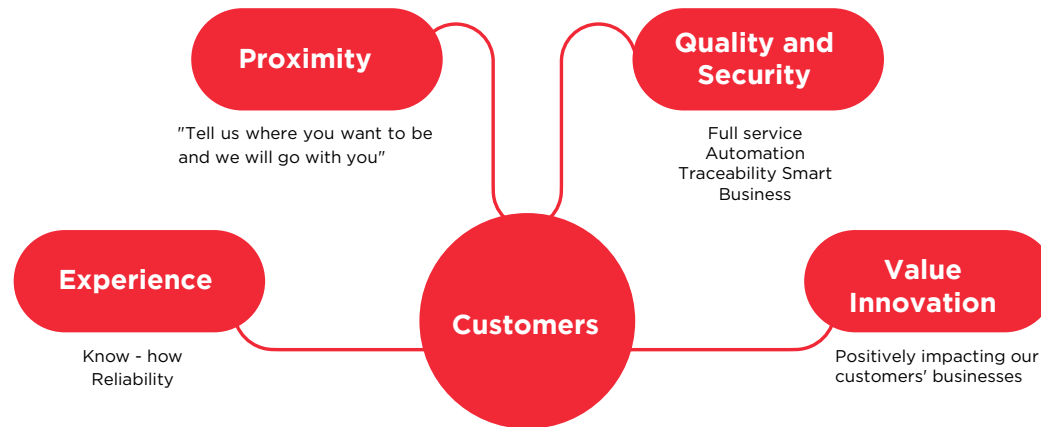
We consider our customers not only as recipients of our services, but also as partners. Our management places value on our **experience and knowledge**, as well as on the **proximity strategy, because being close makes us more agile and efficient in the services we provide to all our customers.**

Therefore, our conception of **EVOLUTION** is synonymous with **innovation** and cutting-edge technology to meet both your needs and changing market demands.

We seek technologies that enhance our growth, allowing us to optimise and automate our processes, while finding innovative solutions that improve our users' experience.

We work with agile, hybrid and waterfall methodologies to boost performance and achieve high performance teams.

Our value contribution



8.1. Safety





To **TWG**, safety is a priority issue that entails continuous monitoring to identify new or changing risks. That is why we subject our processes to the highest and most demanding standards.

At TWA, we have the MES (Manufacturing Execution System) that provides us with total interconnection at all levels of each plant and we use different integrated solutions that we generate with trusted partners and that guarantee the absolute safety of our products.

At TWL, we have certified our management with the TAPA FSR standard, which guarantees the safety of goods during transport and final storage. We are also IFS Logistics certified for warehousing, transport and distribution, loading and unloading of foodstuffs with frozen service.

8.2. Quality

Our quality management is certified by the IATF 16949 and ISO 9001 standards. Our features in **Quality** are as follows:

- 
Full service
 Comprehensive supply chain management.
- 
Automation
 Enterprise robotics, Smart Factory.
- 
Traceability
 Total transparency in processes.
- 
Business Intelligence
 Data analysis and technological creativity.



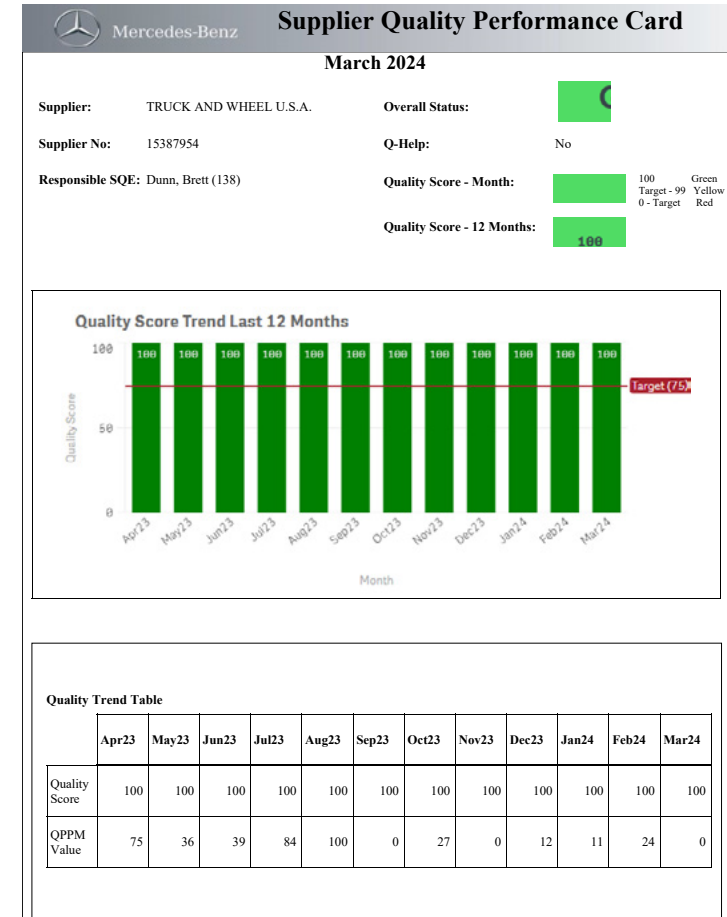
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New purchasing and consumption habits require ever shorter delivery time commitments. We work on the constant improvement of operational processes, achieving a significant reduction in the time between the admission of a service and the event that allows us to prove that the service was carried out. Measurement is carried out by means of a satisfaction survey template. We constantly update this information, which allows us to evaluate our customers' level of satisfaction and to establish actions for continuous improvement.

TW automotive	GERMANY		MEXICO				USA			
			Puebla		SJC		SLP			
	Y2022	Y2023	Y2022	Y2023	Y2022	Y2023	Y2022	Y2023	Y2022	Y2023
Evaluations Frequency	Monthly		Quarterly		Monthly		Monthly		Monthly	
Average annual assessment of customer satisfaction	4.08/5	4.2/5	100%	100%	93.50%	94.70%	4.67/5	4.84/5	100%	100%
Number of complaints received	2	8	0	0	0	0	6	2	8	0
Number of resolved complaints	2	8	0	0	0	0	6	2	8	0

Overall average Year 2022= 93.7% | Overall average Year 2023= 95.1% | Difference= 1.4%

One of our customers, Mercedes Benz, has highlighted our Quality with a 100% rating for the last 29 months.



As can be seen, we have improved our annual customer satisfaction rate.

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	SPAIN		PORTUGAL		SWEDEN	FRANCE	
	Y2022	Y2023	Y2022	Y2023	Y2023	Y2022	Y2023
Evaluations Frequency	Monthly						
Average annual assessment of customer satisfaction	90.2	98.75	88.5		n/a	n/a	n/a
Number of complaints received	955	967	389	273	n/a	1175	301
Number of resolved complaints	955	967	389	273	n/a	1175	301

Overall average Year 2022= 89.35% | Overall average Year 2023= 98.75%

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8.3. Innovation in value

Our company’s innovation model aims to make a positive impact on our customers’ businesses. It is based both on strengthening the work of our projects department and on establishing strategic alliances and collaborations with third parties, in order to combine efforts and capabilities to find solutions to the challenge of being more competitive.

Over the course of the 2023 period, TWA developed the following projects with a clear impact on resource optimisation, quality improvement and service reliability:

- **Development of a new software production planning tool:** Optimisation of production orders, shortening of calculation times, improvement of process efficiency and reductions in downtime. This has enabled to increase the accuracy of planning and greatly reduce the time spent on this process.
- **New rework ring connection at our plant in the USA:** This permits the improvement of the ergonomics of the process, optimises the number of personnel required, thus improving production efficiency and eliminating internal material transport movements.



45 n/a - Excludes Sweden and UK as they do not conduct customer satisfaction surveys. It does not include Portugal's 2023 Customer assessment as it was not available at the time of the preparation of this EINF.

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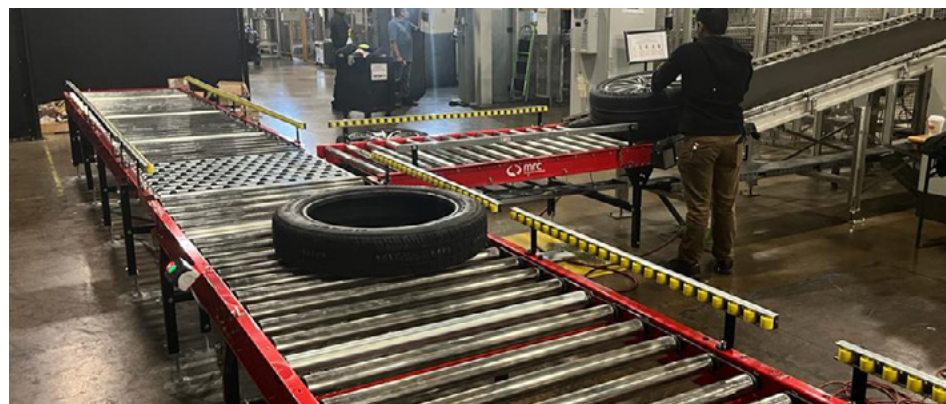
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- **Optimisation of the control software for the automated warehouses in our plants in Mexico and Germany:** the improvement of technology allows us to enhance robustness and durability with the same efficiency, as well as to improve and increase the speed of movements in the storage and sequencing process.
- **New machine vision technology in the tyre receiving process at our US plant:** the new technology improves process reliability, increases processing speed and increases the range of readings by 70%.



At TWL, we developed several innovative implementations during the year 2023, most notably the following:

- **Returnable Container Management and Control System with geolocation and integration of different movement, opening, folding and tilt sensors:** this system allows us to keep them monitored and located at all times, to know the stock of each one of them at the different delivery points of our customers and to be able to carry out preventive maintenance when any damage or misuse is detected. *This is a project that contributes to environmental care.*

- **Geofencing module** in our transport management system, as a system for defining routes (predetermined routes), the most suitable loading/unloading areas (secure car parks) and alerts so that the customer can locate their goods and know the estimated time of arrival (ETA). In this way, *we improve the efficiency of the service, streamlining all its stages, and contribute to environmental improvement.*
- **Testing on the use of Smart connected labels** which allow us to monitor the life cycle of the transported goods in real time, using 5G, IoT and BlockChain technology. *This tracking system brings security, efficiency and quality to the service we provide to our customers.*
- **Artificial Intelligence for the integration of information** in our Corporate Data Warehouse, with data from the different Management Systems (ERP, TMS, SGA, Tax Consolidation System...). It allows us to quickly visualise both the trend and the correlation of information, enabling us to optimise our service, *shortening analysis and management times in favour of our customers.*
- **BlockChain** in our Transport Management System to ensure data integrity and end-to-end information traceability as well as the *transparency and accuracy of the information we provide.*

All of them with the same objective of adding value to our customers. Therefore, for us **EVOLUTION** means early detection of technologies, validation, scaling of technologies we have developed and acceleration of innovation cycles, so that our customers have the best experience.



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At the time of writing this report, the annual Financial Statements for the period 2023 are still pending closure, so this information will be included in the next EINF, although below we provide a comparison of the year 2021 vs. year 2022 as expressed in our annual accounts.

Y2022		Y2021		Difference
PURPOSE	Amount (in thousands of €)	PURPOSE	Amount (in thousands of €)	Y2022-Y2021
Invoicing	235,979	Invoicing	195,004	40,975
Profit before tax by COUNTRY		Profit before tax by COUNTRY		
Spain	€8,233	Spain	€438	7,795
France	€ 1,881	France	€ 726	1,155
USA	€ 1,014	USA	€ 1,244	-230
Portugal	€ -1,103	Portugal	€ 268	-1,371
UK	€ 253	UK	€ 35	218
Germany	€ 1,677	Germany	€ 577	1,100
Mexico	€ 1,438	Mexico	€ 1,449	-11
Sweden	€ -154			-154
Taxes on profits paid	€ 2,803	Taxes on profits paid	€1158	€ 1,645
Public subsidies received	€ 0	Public subsidies received	€ 0	
Public Debt		Public Debt		
Cofides	€ 9,000	Cofides	€ 9,000	€ 0
ICO	€ 23,354	ICO	€ 22,850	€ 504

We also include the comparative turnover per country for the year 2022 vs. 2023.

Turnover (in thousands)	Y2023	Y2022
Spain	€ 163,469	€ 144,702
France	€ 48,154	€ 44,206
Portugal	€ 18,242	€ 21,321
Mexico	€ 15,431	€ 14,654
USA	€ 15,327	€ 16,565
Germany	€ 11,159	€ 8,335
Sweden	€ 6,486	- €
UK	€ 5,327	€ 2,355
Total	€ 283,595	€ 252,138

As included in section 7.1), the contributions made by **TWG** to organisations and foundations during the year 2023 was € 73,920.

We have received no environmental, labour, fiscal/financial penalties during 2023.

Sustainability is embedded in our strategy and operations and is therefore directly linked to our financial performance.

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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 a	Brief description of the group’s business model (business environment, organisation and structure): activities, brands, products and services; size of the organisation.	GRI 102-1, GRI 102-2, GRI 102-7, GRI 102-18		1.1 and 1.4
44.6 a	Markets in which it operates: location of headquarters and location of operations	GRI 102-3, GRI 102-4, GRI 102-6		1.2
44.6a	Organisational objectives and strategies	GRI 102-14		2.3
44.6a	The main factors and trends that may affect its future evolution.	GRI 102-14, GRI 102-15		3.5
	Stakeholder analysis: identification and communication channels	GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-21		2.1
	Materiality study: methodology and material aspects.			2.2
Environmental Issues				
44.6d	Key environmental risks to the organisation’s business relationships, products or services that could have negative impacts, and how the group manages these risks, explaining the procedures used to identify and assess them. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular regarding the main risks in the short, medium and long term.	GRI 102-15		3.5
44.6b - 44.6c	Policies and commitments. due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and of verification and control, including which measures have been taken. The results of these policies, including key performance indicators	GRI 103-2		3.2
Detailed general information				
44.6 -I-	Current and foreseeable effects of the company’s activities on the environment and, where appropriate, on health and safety	GRI 102-15		3.5
44.6 -I-	Environmental assessment or certification procedures			2
44.6 -I-	Resources dedicated to the prevention of environmental risks	GRI 103-2		6.5
44.6 -I-	Application of the precautionary principle	GRI 102-11		2

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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 -I-	Amount of provisions and guarantees for environmental risks			6
Contamination				
44.6 -I-	Description of measures to prevent, reduce or remedy emissions that seriously affect the environment; taking into account any form of air pollution specific to the activity (Indicate emissions other than CO ₂ eq, i.e. noise pollution, light pollution, odours, vibrations, particulate matter, NO _x , SO _x , CO, VOC, etc.)	GRI 305-7	TRO-RO-110	6
Circular economy, waste prevention and management				
44.6 -I-	Description of measures for prevention, recycling, reuse and other forms of recovery and disposal of waste.	GRI 306-1 to GRI 306-5	TRO-RO-150 y TRO-RO-404	6.2
44.6 -I-	Actions to combat food waste			n/a ⁴³
Sustainable use of resources				
44.6 -I-	Water consumption and water supply according to local constraints	GRI 303-5		6.3,2
44.6 -I-	Consumption of raw materials and measures taken to improve the efficiency of their use.	GRI 301-1, GRI 301-2, GRI 301-3		6.3,3
44.6 -I-	Direct and indirect energy consumption	GRI 302-1	TR-RO-130	6.3,1
44.6 -I-	Measures taken to improve energy efficiency	GRI 302-4		2 and 6.3.1
44.6 -I-	Use of renewable energies	GRI 302-1		6.3.1
Climate change				
44.6 -I-	The significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	GRI 305-1, GRI 305-2, GRI 305-3	TR-RO-100	6.1.1
44.6 -I-	Measures to adapt to the consequences of climate change	GRI 201-2		2 and 6.1.1

⁴³ It does not apply due to the activity of the company and therefore we do not generate food waste.



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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 -I-	The reduction targets voluntarily established in the medium and long term to reduce greenhouse gas emissions and the means implemented to this end	GRI 305-5		2
Protection of biodiversity				
44.6 -I-	Measures taken to preserve or restore biodiversity	GRI 304-3		6.4
44.6 -I-	Impacts caused by activities or operations in protected areas	GRI 304-2		6.4
Social and personnel issues				
44.6d	Main risks affecting the organisation in terms of employment, equal treatment and opportunities between women and men, discrimination and inclusion of people with disabilities and universal accessibility. Explaining the procedures used to detect and assess them. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular regarding the main risks in the short, medium and long term	GRI 102-15		2 and 3.2 and 5.5
44.6b - 44.6c	Policies and commitments. due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken. The results of these policies including key performance indicators	GRI 103-2		2 and 3.2 and 5.5
Employment				
44.6 -II-	Number of employees per country	GRI 102-8		5 Magnitudes
44.6 -II-	Total number of dismissals and breakdown by sex, age, country and professional classification	GRI 102-8, GRI 405-1		5 Magnitudes
44.6 -II-	Total number and distribution of types of employment contracts, average annual number of permanent contracts, temporary contracts and part-time contracts by sex, age and occupational classification	GRI 102-8, GRI 405-1		5 Magnitudes

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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 -II-	Number of dismissals by sex, age and professional classification			5 Magnitudes
44.6 -II-	Average salaries and their evolution broken down by sex, age and professional classification or equal value	GRI 405-2		Not included
44.6 -II-	Wage gap and pay for equal or average jobs in society	GRI 405-2		Not included
44.6 -II-	The average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payments to long-term savings schemes and any other payment, disaggregated by sex	GRI 405-2		Not included
44.6 -II-	Implementation of work disconnection policies	GRI 103-2		5.6
44.6 -II-	Employees with disabilities	GRI 405-2		5.5
Organisation of work				
44.6 -II-	Description of the organisation of working time (shifts, overtime management, flexible working hours, etc.)	GRI 103-2		5.6
44.6 -II-	Description of measures aimed at facilitating the benefits of conciliation and encouraging the co-responsible exercise of these by both progenitors	GRI 103-2 GRI 401-3		5.6
44.6 -II-	Number of hours of absence	GRI 403-9		4 Magnitudes
Health and safety				
44.6 -II-	Description of health and safety conditions at the workplace	GRI 403-1 to GRI 403-7		5.3
44.6 -II-	Accidents at work, in particular their frequency and severity, occupational illnesses, disaggregated by sex	GRI 403-9, GRI 403-10		5 Magnitudes
Social Relationships				
44.6 -II-	Description of the organisation of social dialogue, including procedures for informing, consulting and negotiating with them	GRI 103-2		5.4



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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 -II-	Description of the balance of collective agreements, particularly in the field of health and safety at work	GRI 403-4		5.4
44.6 -II-	Percentage of employees covered by collective bargaining agreements by country	GRI 102-41		5.4
Training				
44.6 -II-	Description of the policies implemented in the field of training	GRI 103-2, GRI 404-2		5.2
44.6 -II-	Total number of hours of training per professional category	GRI 404-1		5 Magnitudes
Universal accessibility for persons with disabilities				
44.6 -II-	Universal accessibility for persons with disabilities	GRI 103-2		5.4
Equality				
44.6 -II-	Description of measures taken to promote equal treatment and opportunities for women and men	GRI 103-2		5.5
44.6 -II-	Description of equality plans, measures taken to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility of persons with disabilities	GRI 103-2		3.2 and 5.4 and 5.5
44.6 -II-	Description of the policy against all types of discrimination and, where appropriate, diversity management	GRI 103-2		3.2 and 5.5
Respect for human rights				

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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6d	Main human rights risks affecting the organisation, explaining the procedures used to identify and assess them. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular regarding the main risks in the short, medium and long term	GRI 102-16,GRI 412-1,GRI 412-2,GRI 412-3		4
44.6b - 44.6c	Policies and commitments. due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken. The results of these policies including key performance indicators			2.3 and 4
Human rights				
44.6 -III-	Description of the implementation due diligence procedures with regard to human rights; prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and remedy possible abuses committed	GRI 102-16, GRI 412-1, GRI 412-2, GRI 412-3		4
44.6 -III-	Complaints of human rights violations	GRI 406-1		4
44.6 -III-	Description of the measures implemented for the promotion and enforcement of the provisions of the International Labour Organisation (ILO) core conventions relating to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour	GRI 407-1, GRI 408-1, GRI 409-1		3.2 and 5.4 and 5.5 and 7
Fighting corruption and bribery				
44.6d	Main corruption and bribery risks affecting the organisation, explaining the procedures used to detect and identify and assess them. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular regarding the main risks in the short, medium and long term	GRI 102-15		2 and 3.2.1



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44.6b - 44.6c	Policies and commitments. due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken. The results of these policies including key performance indicators	GRI 103-2		2 and 3.2.1
Corruption and bribery				
44.6 -IV-	Measures taken to prevent corruption and bribery	GRI 102-16, GRI 205-2, GRI 205-3		3.2.1
44.6 -IV-	Measures to combat money laundering	GRI 102-16, GRI 205-2		3.2.1
44.6 -IV-	Contributions to foundations and non-profit organisations	GRI 102-13, GRI 201-1, GRI 415-1		7 and 9
Information about the company				
44.6d	Main risks affecting the organisation in terms of commitment to sustainable development, subcontractors and suppliers, consumers and tax information, explaining the procedures used to identify and assess them. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular regarding the main risks in the short, medium and long term	GRI 102-15		2 and 3.5 and 7 and 8

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Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6b - 44.6c	Policies and commitments. due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken. The results of these policies including key performance indicators	GRI 103-2		2 and 3.5 and 7 and 8
The company's commitment to sustainable development				
44.6 -V-	Description of the impact of the company's activity on employment and local development (e.g. spending on suppliers, spending on local suppliers)	GRI 203-2, GRI 413-1		7
44.6 -V-	Description of the impact of the company's activity on the local populations and territory	GRI 413-1		7
44.6 -V-	Description of the relations maintained with significant local community parties and methods of dialogue with them	GRI 102-43		1.4.1 and 7
44.6 -V-	Information on partnership or sponsorship actions	GRI 413-1, GRI 201-1		7
Subcontracting and suppliers				
44.6 -V-	Information about the inclusion of social, gender equality and environmental issues in the procurement policy	GRI 103-2		7
44.6 -V-	Description of how the social and environmental responsibility of suppliers is considered in their relations with suppliers	GRI 308-1, GRI 414-1		7
44.6 -V-	Description of supplier monitoring and auditing systems and results of audits	GRI 308-2, GRI 414-2		7
Consumers				
44.6 -V-	Description of measures for consumer health and safety	GRI 416-1		8



- 01. TWG and our business model
- 02. Our commitment to sustainability
- 03. Good governance
- 04. Human rights
- 05. Our professionals
- 06. Our environmental performance
- 07. Society – Sustainable Development
- 08. Our customers
- 09. Financial information
- 10. Annex

Article Law 11/2018	Information required by the Non-Financial Information Law	Linkage with GRI Indicators	SASB	Section
44.6 -V-	Description of complaint systems, complaints received and their resolution	GRI 103-2, GRI 418-1		8
Tax information				
44.6 -V-	The benefits obtained by country	GRI 201-1		9
44.6 -V-	Taxes on profits paid (not accrued)	GRI 201-1		9
44.6 -V-	Public subsidies received	GRI 201-4		9

Sustainability Report 2023 TW Group

By the TW Group Sustainability Committee

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Virginia Michelena — VP and CHRO TW Group

Débora Villecco — CSO TW Group

Blanca Pizarro — Controller TW Automotive

Jose Carlos Pulido — HR Manager TW Logistics

Javier Martinez — HQSE Manager TW Logistics

Joseba Saez — HQSE Manager TW Automotive

Daniel Sánchez — Purchasing Manager TW Automotive

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You can find more information on sustainability from TW Group at:

<https://tw-group.com/buen-gobierno/>


<https://tw-group.com/etica-y-transparencia/>

<https://tw-group.com/sostenibilidad/>



Verifications

DECLARACIÓN DE VERIFICACIÓN



Declaración de Verificación Independiente del Estado de Información No Financiera de Truck and Wheel Group, S.L. y sociedades dependientes del ejercicio 2022

A los Socios/órgano de administración de **Truck and Wheel Group, S.L.**

De acuerdo con el artículo 49 del Código de Comercio, hemos realizado la verificación, con alcance de seguridad limitada del Estado de Información No Financiera (en adelante EINF) correspondientes al ejercicio anual finalizado al 31 de diciembre de 2022, **Truck and Wheel Group, S.L.** y sus sociedades dependientes (en adelante el Grupo) que forma parte del Informe de Gestión consolidado de 2022 adjunto del Grupo.

El contenido del Informe de Gestión Consolidado incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en el **ANEXO II** incluida en el Informe de Gestión consolidado adjunto.

Responsabilidad de la Dirección

La Dirección de Organización es responsable de la preparación, del contenido y de la presentación del EINF, según la Ley 11/2018, de 28 de diciembre. Esta responsabilidad incluye el diseño, la implementación y el seguimiento del control interno que se considera necesario para permitir que el EINF esté libre de incorrección material. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente, seleccionados de acuerdo con lo mencionado para cada materia en el anexo II, del citado Informe de Gestión consolidado.

Asimismo, la Dirección de Organización es responsable de definir, implementar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF, así como para el seguimiento del grado de cumplimiento de requisitos exigidos en la Ley 11/2018, de 28 de diciembre.

Independencia y Competencia

El equipo auditor ha cumplido los requerimientos de Independencia, imparcialidad y demás exigencias de ética, basando sus actuaciones en los principios fundamentales de integridad, objetividad, competencia y diligencia profesional, confidencialidad y comportamiento profesional.


EQA es un prestador independiente de servicios de verificación tal y como se contempla en la Ley 11/2018.

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European Quality Assurance Spain, S.L. (EQA España) - Calle Joaquín Bau nº 2 | 1ª Planta | Escalera Derecha | 28036 Madrid
Queda sujeto al "Procedimiento de Certificación y Condiciones Generales" establecido por EQA

DECLARACIÓN DE VERIFICACIÓN



Objetivo de la verificación

El objetivo de la verificación es asegurar que la información reportada por la organización en el Estado de Información No Financiera de **Truck and Wheel Group, S.L.** (11WI_EINF_2022-version_final) del 30/03/2023, es precisa, completa, transparente y libre de errores u omisiones.

Nuestra responsabilidad

La responsabilidad de EQA se circunscribe en expresar nuestras conclusiones en una declaración de verificación independiente de seguridad limitada basado en los procedimientos realizados y en las evidencias que se han obtenido. El encargo se ha realizado de acuerdo con una metodología propia y los requisitos de la Norma Internacional UNE-EN ISO/IEC 17029 "Evaluación de la conformidad. Principios generales y requisitos para los organismos de validación y verificación".

El alcance de un encargo de seguridad limitada es sustancialmente inferior al de un encargo de seguridad razonable y, por lo tanto, la seguridad proporcionada es menor.

Los procedimientos realizados se basan en el juicio profesional de los expertos que han intervenido en el proceso e incluyen consultas, observación de procesos, evaluación de documentación, procedimientos analíticos, y pruebas de revisión por muestreo que, con carácter general, se describen a continuación:


- ✓ Reuniones con el personal de los diversos departamentos de **Truck and Wheel Group, S.L.** involucrados para conocer el modo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener información necesaria para la revisión.
- ✓ Comprobación de los procesos de los que dispone el Grupo para determinar cuáles son los aspectos materiales en relación con sus actividades.
- ✓ Análisis de los procedimientos utilizados para recopilar y validar los datos e información presentada en el EINF.
- ✓ Análisis de la adaptación del EINF a lo señalado en Ley 11/2018.
- ✓ Comprobación de datos, en base a la selección de una muestra, y realización de pruebas sustantivas de la información cuantitativa y cualitativa contenida en el EINF del ejercicio 2022.

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DECLARACIÓN DE VERIFICACIÓN



Conclusiones de la Verificación


Como resultado de los procedimientos que se han realizado y de las evidencias obtenidas no ha llegado a nuestro conocimiento ninguna cuestión que nos lleve a pensar que el EINF de **Truck and Wheel Group, S.L.** y sus sociedades dependientes correspondiente al ejercicio anual finalizado el 31/12/2022, no ha sido preparado, en todos los aspectos materiales, de acuerdo con los contenidos recogidos en la normativa mercantil vigente de acuerdo con lo mencionado para cada materia en la tabla del **ANEXO II**, del citado EINF, a excepción de:

- ✓ Con respecto al bloque "Información sobre cuestiones sociales y relativas al personal", la omisión de la información relativa a:
 - Remuneraciones medias y su evolución desagregados por sexo, edad y clasificación profesional o igual valor;
 - Brecha salarial, la remuneración en puestos de trabajo iguales o de media de la sociedad;
 - Remuneración media de los consejeros y directivos, incluyendo la retribución variable, dietas, indemnizaciones, el pago de los sistemas de provisión de ahorro a largo plazo y cualquier otra precepción desagregada por sexo.

Uso y distribución

La presente Declaración de Verificación se emite a la Dirección de **Truck and Wheel Group, S.L.** de acuerdo con los términos del contrato suscrito entre ambas partes.

Esta declaración ha sido preparada en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.



Esperanza Martínez García
Directora de Certificación

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