

GROUP POLICY

Global Environmental Policy

Our commitments on climate, water, substances of concern, and the circular economy. This framework defines what we expect from our own operations and from every partner in our value chain.

VERSION 3.0 · EFFECTIVE 1 JULY 2026 · OWNER: CHIEF SUSTAINABILITY OFFICER · REVIEW CYCLE: ANNUAL

01 PURPOSE AND SCOPE

This policy sets the environmental standards of The Corporate. It applies to all five manufacturing facilities, Shenzhen Systems, Hanoi Hub, Chennai Circuitry, Guadalajara Gigafactory, and Wrocław Precision, and to every employee, contractor, and joint venture under our operational control. Tier 1 and Tier 2 suppliers must meet the requirements in Section 06.

The policy implements the findings of our 2026 Double Materiality Assessment, conducted under ESRS. Four environmental matters are material to our business: climate change (E1), pollution (E2), water (E3), and resource use and circular economy (E5).

02 CLIMATE CHANGE

Net zero across the full value chain by 2045.

VALIDATED AGAINST THE SBTi 1.5 °C PATHWAY

- We will cut market-based emissions **50% by 2030** against our 2023 baseline of 675,500 tCO₂e.
- Scope 3 accounts for **72% of our footprint**. Supplier decarbonization is therefore our first priority and the largest lever in our abatement portfolio.
- We apply an internal carbon price of **\$100 per tCO₂e** to every investment decision.
- Permanent removals are a last resort, capped at **10% of the gross footprint** in line with SBTi guidance. We do not purchase avoidance offsets.
- Each facility maintains a regional transition plan, covering CBAM exposure at Wrocław Precision and the 25% renewable purchase obligation at Chennai Circuitry.

03 WATER STEWARDSHIP

Guadalajara Gigafactory and Chennai Circuitry operate in high water stress basins. Water security, including upstream of our gates, is a condition of business continuity.

- Context-based withdrawal reduction targets at all high-stress sites by 2028.
- Process water recycling wherever technically feasible, prioritized at the two high-stress facilities.
- Critical suppliers in stressed basins must disclose withdrawals and maintain documented water risk plans.

04 POLLUTION AND SUBSTANCES OF CONCERN

Chemical compliance is a condition of market access. Our highest-risk operations are electronics manufacturing in Shenzhen and chemical processing in Guadalajara.

- We will phase out all **intentionally added PFAS** from products and processes by 2030.
- We maintain full compliance with REACH and equivalent chemical regulations in every market we serve.
- Suppliers must submit a PFAS declaration. A positive declaration triggers immediate technical review.

05 CIRCULAR ECONOMY

Critical raw materials, including secondary aluminium and rare earth minerals, present a material financial risk to our 2045 strategy. Circularity is both our largest Scope 3 abatement lever and our primary hedge against that risk.

- Source **90% recycled aluminium** by 2032, led by Wrocław Precision.
- Shift packaging to bio-based polymers by 2032.
- Recycled content and design-for-disassembly requirements apply to every new product platform.

06 WHAT WE EXPECT FROM VALUE CHAIN PARTNERS

Tier 1 suppliers must:

- Disclose environmental performance annually. A valid **EcoVadis scorecard** satisfies this requirement in full.
- Set science-based targets consistent with 1.5 °C no later than 2030.
- Declare PFAS and other substances of concern on request.
- Demonstrate water risk management when operating in high-stress basins.

Suppliers who fall short receive a corrective action plan with defined deadlines. Persistent non-conformance ends the commercial relationship.

07 GOVERNANCE AND REVIEW

The Chief Sustainability Officer owns this policy and reports progress to the Executive Board each quarter. The policy is reviewed annually. Performance is disclosed under CSRD in our annual sustainability statement. This version takes effect on 1 July 2026 and supersedes Version 2.1.

E. Vasquez

CHIEF EXECUTIVE OFFICER · 12 JUNE 2026

J. Lindqvist

CHIEF SUSTAINABILITY OFFICER · 12 JUNE 2026

VERSION	DATE	CHANGE
1.0	3 March 2019	Initial release.
2.1	9 October 2023	Water stewardship targets added.
3.0	1 July 2026	Aligned to the 2026 Double Materiality Assessment. PFAS phase-out and value chain requirements added.