Sustainability Report 2025

MERIT
Merit Automotive Electronics Systems

Index

2025

Message from our Managing Directors

We are pleased to present Merit's 2025 Sustainability Report. This year has been marked by extraordinary challenges and strong ambition, in a particularly complex environment for our sector, shaped by regulatory uncertainty and a challenging geopolitical context. Throughout 2025, we have continued to operate in a highly unstable global scenario, with tensions affecting supply chains and market visibility.

The automotive sector continues to face rapid transformation. In this environment, we have worked closely with our clients to support their international growth, contribute to the development of safer and more efficient mobility solutions, and drive the innovation required to address current challenges. In parallel, 2025 has been a key year for the consolidation of new business, including the launch of the Tesla program and the execution of the main investments associated with the new BMW business.

Looking ahead, we recognize the scale of the challenges: climate change, evolving regulatory frameworks, and the transition to electric mobility. This transition continues to create uncertainty across markets and requires significant investment in innovation and infrastructure. Even so, the automotive industry remains a key pillar of the global economy.

Sustainability remains central to our strategy. During 2025, we continued advancing our ESG 2030 Plan, working on the main indicators associated with our strategic pillars. In this context, we maintained our focus on integrating environmental, social, and governance aspects across the organization, progressing on initiatives such as decarbonization and employee engagement.

Sustainability is embedded in our culture. From local sourcing strategies that strengthen supply chain resilience to well-being and recognition initiatives across our sites in Changchun, Barcelona, Matamoros, Krakow, and Gdansk, our teams reflect these principles in their daily work.

Looking ahead, we remain focused on our strategic pillars: operational efficiency, carbon footprint reduction, innovation, and inclusion. The transition to a net-zero future is not optional. It is a requirement.

None of this would be possible without the commitment of our global team. Their dedication is the foundation of our progress.

1. Merit in figures

GLOBAL FOOTPRINT

Manufacturing operations in

4 countries

Global presence across

Europe, Asia and the **Americas**

PEOPLE

1,026 employees worldwide

SUPPLY NETWORK

800+ direct suppliers

1,000+ direct suppliers

STRATEGIC CUSTOMERS

Global **OEMs**

Tier 1 suppliers

INTEGRATED BUSINESS MODEL

Combining **engineering**, **manufacturing** and **supply chain** capabilities.

2. Merit Presentation

Business Model

Merit Automotive Electronics Systems is a global supplier of advanced mechanical components and ignition switches for the automotive industry. Established in Germany in the 1940s, the company has evolved into a key player in design and manufacturing. By 1955, Merit expanded its operations to include the production of electromechanical components for the automotive sector.

In 1996, Eaton Corporation acquired Merit to develop its Mechatronics product line. Following a strategic restructuring in early 2017, Merit became an independent entity, establishing its headquarters in Barcelona, Spain. Supported by its new parent company, Merit has since expanded its global footprint, opening a research center in Kraków and operating facilities in Gdańsk (Poland), Matamoros (Mexico), Changchun (China), and Suzhou (China). This expansion strengthens Merit's global presence and enhances its ability to serve leading automotive manufacturers worldwide.

Company Structure

Merit Automotive Electronics Systems, S.L.U. was established on December 27, 1973, as a sole shareholder limited company. Specializing in the manufacturing of electrical wiring, plastic injection components, and switches for the automotive industry, Merit serves both domestic and international markets. The company's registered headquarters are located in Sant Vicenç dels Horts, Barcelona.

Company Culture

Mission

At Merit, we are committed to building trust and enhancing company value through collaboration and innovation. We seek to attract talented individuals with a strong dedication to Human-Machine Interfaces (HMIs) who continuously strive to optimize our products and processes, ensuring greater efficiency and effectiveness.

Actions & key management indicators

- Return on investment
- Employee satisfaction
- Knowledge exchange events
- Updated risk control
- Productivity levels
- Prompt delivery

Growth

- Create a global culture.
- Remember core values and priorities.
- Create a united plan for understanding processes, identifying problems, and subsequent action.
- Strengthen communication and visualization through shared platforms.
- Implement best practices and lessons learned.
- Behave proactively, quickly and in a results-oriented manner.
- Recognize and eliminate root causes.

Vision

Our goal is to be recognized by our customers as a leading provider of cutting-edge, high-quality Human-Machine Interface (HMI) components, designed to meet the evolving demands of next-generation automotive applications.

Values

Merit acts based on corporate values that make up its DNA:

Lean thinking

- We are committed to continually improving our processes and products.
- We standardize processes to reduce variations and eliminate deviations immediately.
- We do not accept, create, or distribute defects.
- We develop our products to minimize waste and improve the inputs and outputs of our processes at all levels.

Employees

- We are proud to be part of the Merit family.
- We care about employees and try to eliminate frustration.
- Our professionalism is based on honesty.
- We want to help our employees be successful.

Teamwork

- We rely on the experience of our employees.
- We keep an open mind.
- We highly value feedback in our organization.
- We build relationships and support each other.

Trust

- We build trust inside and outside the organization.
- We do not hide problems; we find the cause and solve them.
- We measure and control risks.
- Customers can trust us.

Excellence

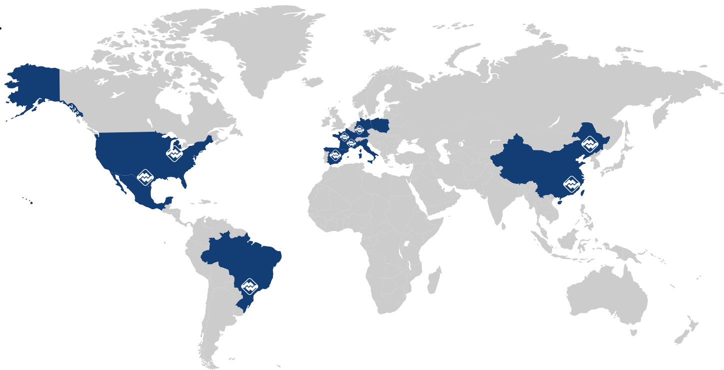
- We always give our best.
- We have a genuine sense of urgency.
- We want to do more with less effort.
- We use new technologies to find the best practices.

Responsibility

- We feel responsible for tasks.
- We care about delivering things on time.
- We are committed to our projects and personal tasks.
- We do the right thing.

Global Operations

Merit Automotive Electronics Systems operates production facilities across four countries: Spain, Poland, Mexico and China. All plants in Mexico and China comply with the highest industry standards in the automotive sector. Merit also integrates sustainability criteria across its operations, focusing on efficiency, resource use and responsible manufacturing practices. In addition to its production sites, the company maintains a strong commercial presence in key global markets, including France, Germany, the United States, Italy and Brazil. Merit serves strategic customers worldwide, including major multinational automotive manufacturers and Tier 1 suppliers.



Products

The company provides a diverse range of products designed to meet the evolving needs of the automotive industry. Its operations span various aspects of component manufacturing, including the production of basic and column switches, integrated center panels, and steering wheel switches.

Seat Control Modules

Column Switches

Steering Wheel Switches

Integrated Centre Panels

Innovation

Merit prioritises research and development as a key driver of competitiveness in the automotive industry. By continuously advancing its technological capabilities, the company develops differentiated products aligned with evolving market demands and high standards of quality, safety and efficiency.

Product development is led by the Group's technical centres in Krakow (Poland) and Changchun (China), focusing on new product design, continuous improvement of existing systems, and the development of advanced technologies tailored to customer requirements.

These activities are supported by laboratories located at production plants in Spain, Mexico and China. In Spain, R&D efforts also focus on improving manufacturing processes and operational efficiency.

During 2025, development activities included:

- Electronic modules for vehicles with advanced features and short-travel haptic feedback.
- Steering wheel integrated systems for passenger vehicles.
- Switch systems for window control with sensory feedback technology.
- Integrated column modules with multifunctional control.
- Development of safer and more advanced steering column systems.

3. Sustainability in Merit

2025 marks the fourth year of Merit's Sustainability Strategy 2030, a period in which the focus has shifted from defining the strategic framework to delivering on mid-term commitments. Sustainability is now integrated into day-to-day operations and decision-making across the organisation.

This progress is reflected in its governance model. Sustainability is no longer concentrated within a dedicated team but has become a cross-cutting criterion across all functions, from procurement and operations to human resources and customer relations. All areas have clear responsibilities to meet the defined objectives, enabling more consistent monitoring of their fulfilment.

The increase in customer expectations on sustainability, together with growing regulatory pressure, has reinforced the need to comply, demonstrate measurable progress, and integrate sustainability into commercial relationships beyond regulatory compliance.

The Sustainability Team, with presence across Merit's sites, coordinates this approach through monthly meetings and regular KPI reviews to ensure progress against mid- and long-term commitments and alignment of the strategy with internal priorities and the regulatory and market context, reporting annually in this Sustainability Report.

Sustainability Strategy Implementation

In 2025, Merit continued to advance the implementation of its Sustainability Strategy 2030 across its five strategic pillars. The company consolidated prior progress and moved further into the mid-term phase of its commitments.

Merit completed the double materiality assessment initiated in 2024, strengthening the alignment between ESG priorities and stakeholder expectations. On the environmental side, renewable energy consumption reached 44% across operations. At the same time, the company is developing an emissions reduction plan aligned with its strategic objectives, reflecting a more structured and governance-driven approach to climate action.

Within the Circular Economy pillar, Merit completed the incorporation of Life Cycle Assessment and is now assessing the environmental impact of its key processes and products. In the Social domain, the company achieved ISO 45001 certification across all sites and continued to invest in employee training and the promotion of local talent into management roles.

Under the Suppliers pillar, Merit continued to apply internationally recognised ESG assessment tools across its supply chain and progressively integrated ESG criteria into procurement processes, strengthening supplier governance.

These developments show a clear shift from commitment to execution. As Merit enters the second half of its strategic horizon, it will focus on strengthening cross-functional accountability, reinforcing data-driven decision-making and consolidating sustainability as a driver of business performance. Detailed progress against each pillar is presented in the table below.

Ambitions & Progress

The following table summarises the status of Merit's Sustainability Strategy 2030 as of 2025, structured around the five strategic pillars and measured against a 2022 baseline. It provides a clear view of progress across short- and mid-term objectives, including achievements, ongoing actions and areas requiring further effort.

Ambitions & Progress					
Pillar	**Long-term Ambition**	**Horizon**	**Goal**	**2025 Status**	**Progress**
1. Stakeholder management	Increased stakeholder engagement	**Short-term**	Conduct comprehensive materiality analysis	Materiality analysis conducted in 2022	**Completed**
		Mid-term	Maintain materiality analysis updated	Extended to double materiality in 2024	**Completed**
2. Net Zero	Becoming a Net Zero company	**Short-term**	50% renewable energy consumption	44% renewable energy achieved	**In Progress**
		Short-term	Implement SBTi	Emissions reduction plan under development, aligned with RD 214/2025	**In Progress**
		Mid-term	Initiate SBTi engagement and design roadmap for compliance	Emissions reduction plan under development (RD 214/2025). Scope 1: 281 tCO_2e (2024). Scope 2: 4,022 tCO_2e (2024)	**In Progress**
3. Circular Economy	Zero waste in the production process	**Short-term**	Quantify waste generation & establish WPI and WMI indices	Both indices implemented and reported annually in the Sustainability Report	**Completed**
		Short-term	Incorporate Life Cycle Assessment (LCA)	Implemented	**Completed**
		Mid-term	Determine environmental impact of 50% of processes and products	Working on it	**In Progress**

Ambitions & Progress					
Pillar	**Long-term Ambition**	**Horizon**	**Goal**	**2025 Status**	**Progress**
4. Social	Improving conditions for our employees	**Short-term**	HR policy addressing diversity, talent development & health and safety	Implemented across all plants	**Completed**
		Short-term	Set minimum requirement for female recruitment in junior positions	In progress — significant structural challenge due to the low presence of women in mechanical engineering, a traditionally male-dominated field	**In Progress**
		Short-term	Awareness programme on equality, diversity & inclusion	Not yet implemented	**Pending**
		Short-term	Join female empowerment initiatives	Not yet implemented	**Pending**
		Mid-term	Increase female presence at Executive/Senior level to 15%	Working on it	**In Progress**
		Mid-term	Increase local talent in senior and management positions	Maintained and consolidated	**Completed**
		Mid-term	Increase average training hours per employee to 25h/year	12.3 hours/employee in 2025	**Completed**
		Mid-term	Obtain ISO 45001 certification on all sites	Obtained	**In Progress**
5. Suppliers	100% of suppliers aligned with the group's strategy	**Short-term**	Develop ESG questionnaires for suppliers	CMRT, EMRT and SAQ (Drive Sustainability) sent annually	**Completed**
		Short-term	Establish ESG criteria in procurement processes	Partially implemented	**In Progress**
		Mid-term	50% of local suppliers	Difficult to source local suppliers for certain materials, electronics, and plastics	**In Progress**
		Mid-term	60% of suppliers audited for ESG criteria and HR Due Diligence	Working on it	**In Progress**

Stakeholder management

Stakeholder engagement remains a core element of Merit's sustainability strategy. In 2025, Merit continued to apply a structured approach to integrate stakeholder input into decision-making.

Merit identifies stakeholders based on their level of influence and interest in sustainability. It classifies them as internal, including shareholders, executives, employees and operational teams, and external, including customers, suppliers, local communities, financial institutions, trade unions and industry peers. The company prioritises engagement based on the relevance and frequency of interactions.

Merit applies a due diligence approach to stakeholder engagement. It uses surveys, interviews, internal workshops and performance reviews to gather input on ESG expectations, concerns and emerging priorities. This process supports a consistent understanding of the challenges and opportunities shaping the company's sustainability approach.

The following table summarises Merit's key stakeholders and the main communication channels used.

	Stakeholders	Stakeholder engagement
Internal	Shareholders	Scenario analysis; Expert panels
	Executives	In-depth interviews
	Employees	Surveys
External	Customers	Surveys
	Suppliers	Surveys
	Financial institutions	In-depth interviews
	Trade unions	In-depth interviews
	Local community	Direct observation; Indirect feedback
	Competitors	Direct observation

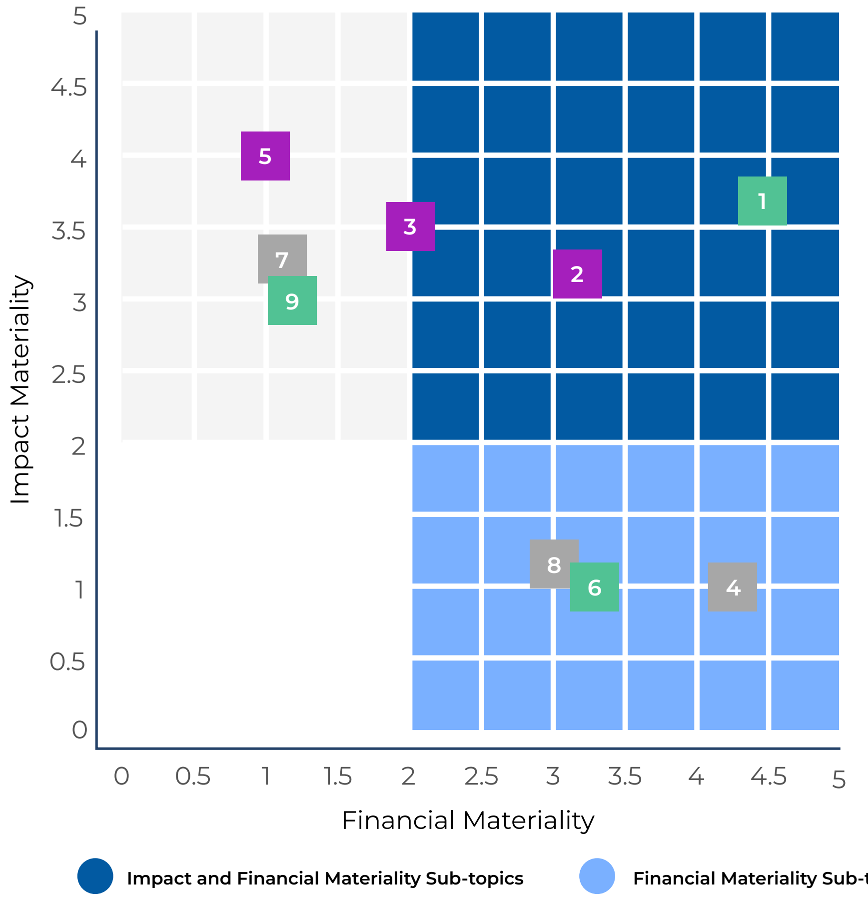
Double Materiality Analysis

In 2025, Merit builds on the double materiality assessment conducted in 2024, which identified the most relevant sustainability-related impacts, risks and opportunities. The analysis covered stakeholders and the full value chain, assessing both impacts on the environment and society and the financial implications of risks and opportunities linked to operations and business relationships. The process followed five steps:

- Value chain and stakeholder analysis: definition of activities, identification of stakeholders and selection of engagement methods.
- Stakeholder engagement: collection of inputs to identify relevant impacts, risks and opportunities (IROs).
- IRO assessment: evaluation of each IRO against sustainability topics, applying impact criteria for impacts and financial criteria for risks and opportunities.
- Prioritisation of material topics: development of a double materiality matrix based on defined thresholds, identifying the topics to be disclosed.
- Reporting of results: validation of results by senior management.

The resulting double materiality matrix continues to define the material topics guiding Merit's sustainability strategy.

Double Materiality matrix



- E1 **1.** Climate change mitigation
- S1 **2.** Own employees working conditions
- S1 **3.** Equal treatment and opportunities for all employees
- G1 **4.** Management of relationships with suppliers including payment practices
- S4 **5.** Information-related impacts for consumers and/or end-users
- E5 **6.** Resource inflows, including resource use
- G1 **7.** Anticorruption and transparency
- G1 **8.** Corporate culture
- E5 **9.** Waste

4. Environment

Merit is committed to protecting human health, preserving natural resources, and minimizing its environmental impact. As a manufacturer of automotive components, the company recognizes the importance of addressing key environmental considerations throughout its operations. Each production facility follows a comprehensive Environmental and Health and Safety Policy, carefully developed to comply with local regulations and ensure adherence to industry best practices.

As part of its Sustainability Strategy 2030, Merit has prioritized decarbonization and circularity across its operations. In 2025, these ambitions began to materialize through clear, measurable results:

- Emissions inventory improved by calculating both market-based and location-based approaches.
- Discarded raw material consumption was reduced by 69%, showing Merit's commitment to reducing discarded raw material.
- Water consumption was further reduced by a 5% compared to FY24.
- The generation of non-hazardous liquid waste fell by more than 7 tons during FY25.
- Merit's waste KPIs continued to be updated during FY25.

These efforts are a direct response to customer expectations in the automotive industry, positioning Merit as a responsible, data-driven supplier ready to meet climate challenges and regulatory requirements.

Environmental policy and management

Merit has implemented robust due diligence procedures to identify, assess, prevent, and mitigate environmental risks across its operations. The company's environmental management approach is structured around risk assessment, preventive and corrective measures, opportunity management, and the mitigation of key environmental impacts associated with its manufacturing processes.

Merit's management systems are designed to uphold the precautionary principle, ensuring continuous improvement and full compliance with applicable environmental regulations. To reinforce its commitment to responsible environmental practices, the company maintains a civil liability policy covering potential environmental impacts resulting from accidents.

To further strengthen its sustainability efforts, Merit has established a comprehensive environmental and occupational health and safety (EHS) framework applicable across all its locations. This framework defines global objectives related to risk reduction, resource efficiency, environmental protection, and continuous improvement. The company demonstrates its commitment to sustainability by optimizing the use of raw materials and natural resources, improving waste management, and reducing emissions, wastewater, and noise pollution.

Merit's key environmental focus areas include:

- Measurement of greenhouse gas emissions and the establishment of science-based targets aligned with the Paris Agreement.
- Energy efficiency and increased reliance on renewable energy sources.
- Water and air quality management, responsible chemical use, and sustainable resource management.
- Waste reduction, reuse, and recycling strategies, supporting circular economy principles.
- Biodiversity protection, deforestation prevention, and soil quality preservation.
- Noise emissions management and compliance with regulatory standards.

Merit's global facilities

Each of Merit's global facilities is certified under ISO 14001:2015 and implements tailored environmental risk management strategies:

- Merit Spain continued working under its Environmental, Health and Safety (EHS) policy during 2025, further integrating environmental protection and occupational health and safety. The policy establishes a strong commitment to accident prevention, environmental protection, and the sustainable use of resources, supported by continuous improvement and full compliance with legal and regulatory requirements. It emphasizes the identification, evaluation, and mitigation of environmental impacts and occupational risks, as well as the active involvement of employees in maintaining and improving the management system.

  In addition, the policy reinforces key environmental priorities, including greenhouse gas emissions monitoring, energy efficiency through periodic energy audits, increased use of renewable energy, water conservation, responsible chemical management, and waste reduction through circularity practices. This integrated approach ensures that environmental and safety considerations are embedded into daily operations, supporting both regulatory compliance and long-term sustainability objectives.

- Merit Mexico operates under a Health, Safety and Environmental policy that focuses on the prevention of occupational risks, the promotion of a safe and healthy working environment, and the minimization of environmental impacts. The policy establishes commitments to identify, assess, and eliminate safety and environmental risks, implement an integrated management system, ensure legal compliance, and promote continuous improvement through employee participation.

  It also places strong emphasis on environmental protection by reducing operational impacts and fostering a culture of responsibility across the organization. Through this framework, the Mexico facility continues to strengthen its approach to environmental and safety management while aligning with corporate sustainability principles.

- Merit Poland continues to apply structured procedures to manage environmental risks, including the regulation of material information, substances of concern, and recycled content in its components. The Gdańsk plant conducts regular risk assessments related to goods delivery and environmental aspects, supported by dedicated monitoring systems that track significant environmental parameters.

  The site also integrates broader operational risks, such as labour market constraints, cost fluctuations, and market instability, into its risk management framework.

  Continuous evaluation ensures that environmental and operational risks remain aligned with evolving business and regulatory conditions. No significant changes were reported in 2025.

- Merit China maintains a structured system for managing and assessing environmental impacts, focusing on key areas such as volatile organic compound (VOC) emissions, wastewater discharge, noise emissions, and both hazardous and non-hazardous waste management. To address these risks, the facility operates under a comprehensive emergency response framework designed to mitigate potential environmental incidents effectively. Environmental management practices remained stable during 2025, with no significant changes reported.

Through these measures, Merit ensures that its environmental policies remain proactive, data-driven, and aligned with global sustainability standards, reinforcing its commitment to responsible manufacturing and environmental stewardship.

Certifications

Merit remains committed to pollution prevention, as demonstrated by the continued ISO 14001:2015 certification across all its sites during 2025. These international standard mandates pollution prevention measures and ensures that environmental management responsibilities are clearly defined and reviewed through the Management Review of the Integrated Safety, Health, and Environment Management System.

Circular economy

Merit places a strong focus on adopting a circular economy approach to make the most of natural resources and improve waste management. The company continued working on implementing a life cycle assessment (LCA), a methodical evaluation of the environmental impact of products, materials, and processes at every stage of their existence. The main objective is to enhance waste handling by emphasizing segregation, reuse, recycling, and recovery, ensuring that landfill disposal is minimized as much as possible.

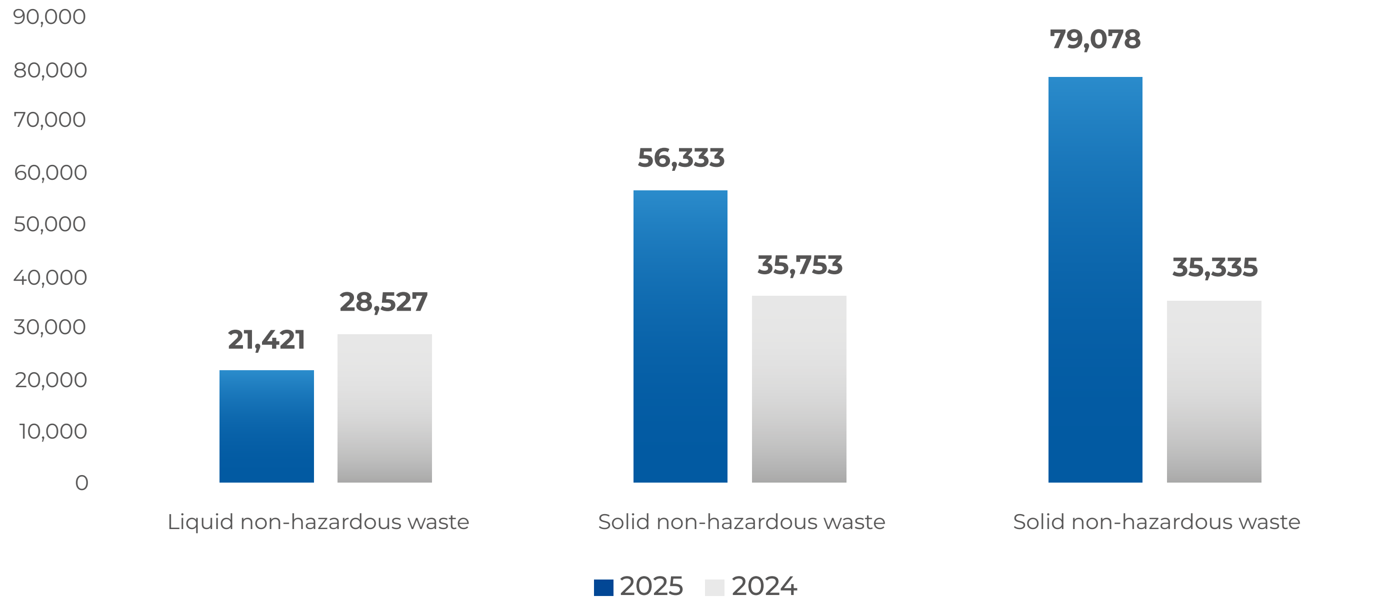
To support these efforts, Merit has implemented a global design engineering tool to enhance the analysis of product life cycles, which was already in place during 2024 and continued to be improved during 2025. This tool will enable a more detailed assessment of the environmental impact of products throughout their entire lifespan. This structured framework will serve as the foundation for ensuring consistency in life cycle assessments and selecting appropriate methodologies to drive sustainability improvements across operations.

Waste data

Across Merit's main four sites, there are three types of waste generated by production systems: non-hazardous liquids, hazardous solids, and industrial non-hazardous solids. In this regard, Merit has procedures for accurately classifying and segregating its waste at the source of generation, which is crucial for its appropriate treatment.

Annex I shows the complete list of waste generated, including amounts recycled and reused. Additionally, the graph below shows a summary of Merit's main waste streams generated during 2025.

Waste generation evolution (Kg)



Waste management

The company's primary waste stream is packaging, prompting one of Merit's key objectives: to increase the proportion of recyclable packaging. Moreover, Merit's initiatives center on the reuse of resources within plant operations, strongly influenced by clients' specific requirements and policies.

In 2025, Merit continued to improve its waste management performance across its main operations, focusing on waste reduction, recycling, and circularity practices. In Spain, progress was driven by increased recycling and reuse rates, alongside a significant reduction in aqueous rinsing liquid waste. In Mexico, the plant achieved a decrease in its main waste category (industrial solid waste) and reinforced its recycling practices, ensuring full recovery of electronic waste and expanding material recovery initiatives.

Merit China reported reductions in hazardous waste streams, including the elimination of certain waste categories, reflecting improved process efficiency. Similarly, Merit Poland achieved a notable decrease in hazardous waste generation, particularly in chemical waste containers, while continuing to strengthen its circular economy approach.

Merit has strengthened its collaboration with clients by encouraging the adoption of returnable packaging systems, reinforcing its commitment to circular economy principles. At the same time, as part of its broader sustainability strategy, the company implemented a global engineering tool to conduct comprehensive Life Cycle Assessments (LCA), enabling a more robust and data-driven evaluation of environmental impacts. These initiatives support Merit’s ongoing efforts to embed circularity across its operations, aiming to minimize waste, optimize resource use, and continuously reduce its environmental footprint.

Waste-related indices

Aligned with the objectives set out in its sustainability strategy, Merit has implemented two indices to monitor the progression of waste generation and management practices. These indices serve as valuable tools for assessing the company's advancement toward more sustainable waste management practices.

KPIs Waste	2024	2025
Evolution of the Waste Production Index (tons of waste / Net sales)	0.879	1.399
Evolution of the Waste Management Index (cost of waste management in thousands of euros / Net sales)	0.762*	0.710

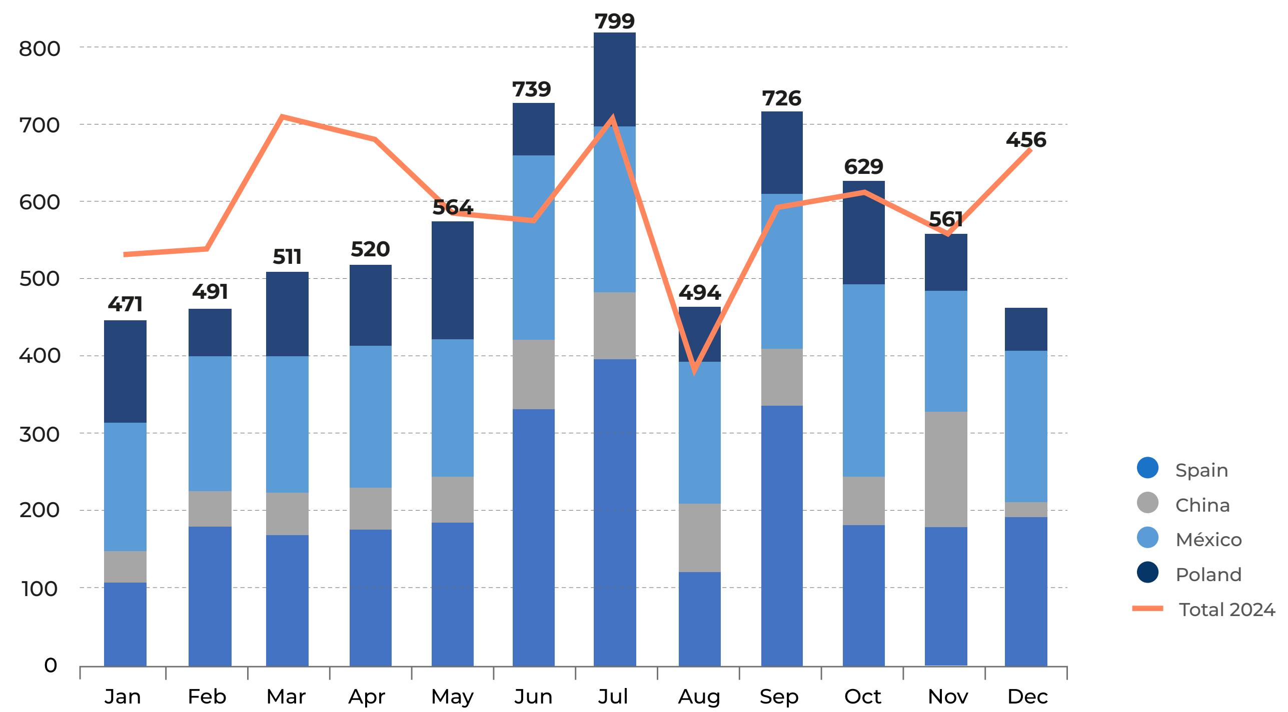
* The 2024 figure has been restated to adjust the exchange rate used in the calculation of the waste management cost.

Sustainable use of resources

Water

Water is a limited resource, and although Merit's consumption is not particularly high, the company has introduced measures to improve efficiency and promote conservation. The total water consumption recorded in 2025 is 6,962 m3, which represents a 4% decrease compared to the previous year, in which total water consumption amounted 7,221 m3. This decrease shows Merit's commitment to optimizing the use of scarce resources, and it represents the third consecutive year in which water consumption is reduced at Group level. Below, water consumption is graphed for each month of 2025 compared to the consumption registered in 2024:

Monthly consumption of water (m3) by country



Merit has remained committed to optimizing water usage by exclusively using sanitary water and launching a Water Consumption Awareness Campaign to meet its EHS objectives. As part of its ongoing efforts, the company has made significant progress in water conservation in Spain, where consumption has decreased due to the Water Consumption Savings Awareness Campaign and the improvements implemented by the Maintenance team. In addition, the Spanish plant continues to maintain the actions introduced during previous year to mitigate the effects of the drought.

As water is not used in industrial processes, consumption remains limited to sanitary use and is therefore largely influenced by seasonal factors. In Mexico, the consumption of water decrease was by 3% in 2025. This reduction was achieved through targeted efficiency campaigns and maintenance improvements designed to optimize water usage across operations.

Additionally, as part of emergency measures, company showers were largely closed, with only one remaining in operation. These actions underscore Merit's ongoing commitment to efficient resource management and environmental responsibility.

Raw Materials

The production process of Merit's components involves the utilization of raw materials such as steel and non-ferrous metals, along with auxiliary materials like threads, welding gases, oils, and others.

Indicator	Unit of measure	2024	2025
Total Consumption	**Kg**	**40,323,890**	**45,624,781**
Pieces produced	Kg	40,093,656	45,470,781
Regranulated	Kg	98,896	100,545
Discarded	Kg	131,339	53,455

The data presented refers to the production plants located in Spain, Mexico, Poland, and China. However, most of the raw material consumption comes from the Mexican plant. As shown in the table, the raw material consumption amounted to 45,625 tons in 2025, representing a 13% increase compared to the 40,324 tons consumed during 2024.

Merit continues to refine its approach to raw material usage across its operations. In Spain, while no new initiatives were introduced during 2025, the existing measures have been further reinforced through the inclusion of new references, leading to an improvement in material recovery performance, reaching a 65% recovery rate for plastic waste.

Meanwhile, in China, no new raw material optimization initiatives were introduced, and raw material consumption increased by 80% compared to previous year, mainly due to an increase in customer demands and quantity of stock at the warehouse. In Mexico, material efficiency is supported through the implementation of procedures and work instructions aimed at improving the use of raw materials. In Poland, recycling continues to be managed through a dedicated processing company, ensuring that materials are properly handled and repurposed where possible.

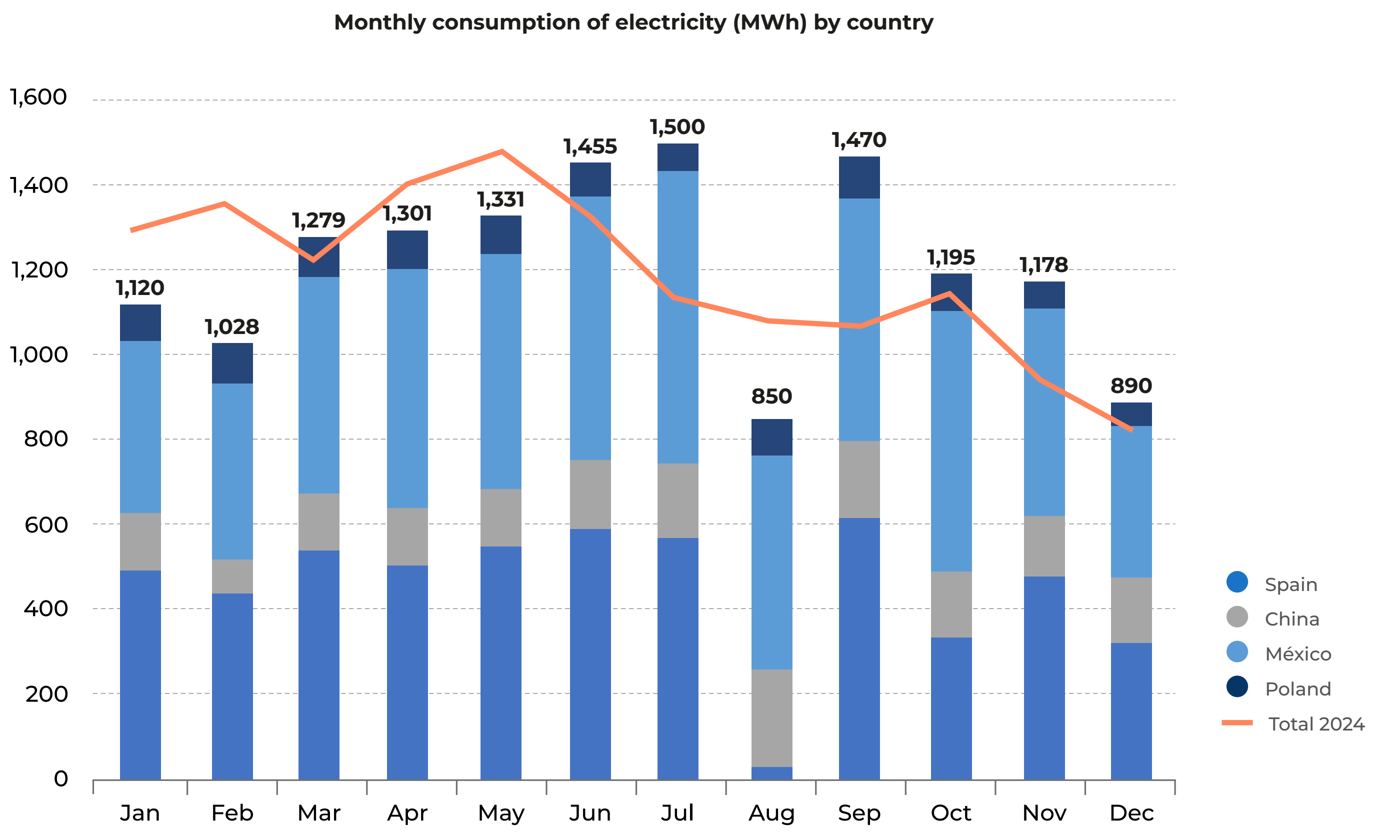
Energy efficiency

Monitoring energy consumption at its four sites is essential at Merit. Each of Merit's production plants has recorded energy consumption during 2025, with main sources ranging from diesel, natural gas, LPG gas to gasoline and electricity. Across Merit's four sites, electricity grid consumption represents the highest values for energy use.

	2025				
	Spain	Mexico	China	Poland	Total (kWh)
Natural Gas	137,988	-	-	218,688	356,676
Diesel	92,118	989	-	10,991	104,098
LPG gas	-	53,095	-		53,095
Gasoline	-	19,032	-	25,959	44,991
Electricity	5,518,143	6,311,818	1,824,622	940,912	14,595,495
Total (kWh)	**5,748,249**	**6,384,935**	**1,824,622**	**1,196,550**	**15,154,355**

The total energy consumption recorded in 2025 amounted to 15,154 MWh, showing a slight increase of 3.7% compared to 2024, where total consumption was 14,606 MWh. This increase is mainly due to the inclusion of other energy sources (mainly diesel, natural gas, LPG gas and gasoline) that were not considered in the total measurement of energy consumption in the previous year. However, total electricity consumption in 2025 amounted to 14,595 MWh, compared to the 14,606 MWh registered in 2024, showing comparable data only show a marginal increase.

Evolution of Electricity Consumption.



The total energy consumption recorded in 2025 amounted to 15,088MWh, showing a slight increase of 2.8% compared to 2024, where total consumption was 14,606 MWh. This increase is mainly due to the inclusion of other energy sources (mainly diesel, natural gas, LPG gas and gasoline) that were not considered in the total measurement of energy consumption in the previous year.
However, total electricity consumption in 2025 amounted to 14,619 MWh, compared to the 14,606 MWh registered in 2024, showing comparable data only show a marginal increase. The graph below shows the evolution of electricity consumption for 2025 compared to 2024:
Merit continues to prioritize energy efficiency across its operations by implementing strategies to optimize energy use and integrate renewable sources. Improvements segmented by each of Merit's main plants are:

- In Spain, energy consumption patterns continued to be influenced by the installation of new machinery, which increased installed kilowatt capacity. In particular, the start-up of new moulds in the injection area and the ramp-up of new products contributed to higher electricity demand during 2025.

  This trend was also shaped by the end of the ERTE in March 2025, which led to an increase in operating hours compared with the previous year. The Barcelona plant continued to source 100% renewable electricity through the purchase of Guarantees of Origin, maintaining its commitment to clean energy and supporting the reduction of Scope 2 emissions.

  In line with this approach, the company's 2025 energy objectives included reducing electricity consumption by 5% compared with the previous year and continuing awareness-raising and improvement actions related to energy use.

  Although this target was not fully achieved, total electricity consumption reached 5,518,143 kWh, representing a 0.8% increase compared with 2024, mainly due to the commissioning of new moulds in injection and the recovery in activity levels.
  During 2025, Merit also completed a new energy audit for its Barcelona plant in accordance with RD 56/2016. The audit confirmed that electricity remains the dominant energy source, accounting for 97% of total energy consumption, and identified preproduction processes as the most energy-intensive area, representing 68.38% of total electricity use.

  It also defined several potential energy efficiency measures, including a photovoltaic installation, compressed air leak detection using ultrasound, and the replacement of thermal production equipment and distribution systems, with an estimated annual saving potential of 343,880.96 kWh and 200.27 tCO_2e.

- Merit China has reaffirmed its commitment to renewable energy by setting an ambitious target of 100% renewable energy usage by 2030. This objective aligns with the company's broader sustainability strategy to minimize reliance on non-renewable sources and reduce its overall carbon footprint.

- Merit Mexico has made further progress in its transition towards renewable energy during 2025, with a yearly average of 13.9% of its total energy consumption sourced from renewables. This development reflects the company's ongoing efforts to diversify its energy mix and reduce its environmental impact.

- Merit Poland has implemented operational improvements to strengthen energy efficiency, particularly in the molding department, where a revised production shift system has been introduced to help lower overall energy consumption. Furthermore, machine workflows have been standardized to support more efficient electricity use. Together, these measures are intended to optimize production processes while reducing energy demand.

These energy efficiency measures demonstrate Merit's ongoing commitment to reducing its environmental footprint while balancing operational needs with sustainable energy practices.

Climate Change Mitigation

Climate change represents a real threat to society. Merit has committed to meeting the goals established in the sustainability strategy to effectively address this issue and respond to the demands and expectations of our stakeholders and implementing effective measures when it comes to climate change mitigation.

Merit took an important step in environmental responsibility by calculating the CO2 emissions generated by its operations over the past four financial year. The company followed the GHG Protocol methodology for managing and reporting CO2 emissions. The emissions identified in the company's business value chain are categorized into three scopes:

- Scope 1 includes emissions from the company's vehicle fleet, and fuel consumption is carefully monitored.
- Scope 2 emissions, which are associated with electricity usage, are measured using market-based and location-based methodologies.
- Scope 3 encompasses emissions from purchased goods and services, purchased capital goods, fuel and energy-related activities, upstream transport and distribution, waste generation, business travel, employee commuting, downstream transport and distribution, and use of traded products.

		2024	2025
		Total	
Scope 1	Stationary Combustion	83	89
	Mobile Combustion	23	37
	Fugitive Sources	175	486
	Total Scope 1	**281**	**613**
Scope 2	Electricity (market-based)	4,022	4,289
	Total Scope 2, market-based	**4,022**	**4,289**
	Electricity (location-based)	5,366	5,209
	Total Scope 2, location-based	**5,366**	**5,209**
Scope 3	Purchased goods and services	21,178	26,515
	Capital goods	8,227	4,619
	Fuel and energy related activities (not included in Scope 1 or 2)	1,340	1,470
	Upstream transportation and distribution	7,018	3,324
	Waste generated in operations	65	158
	Business travel	206	280
	Employee commuting	731	584
	Downstream transportation and distribution	1,340	357
	End of life treatment of sold products	12	10
	Total Scope 3	**40,117**	**37,318**
	Total emissions (market-based)	**44,420**	**42,220**
	Total emissions (location-based)	**45,764**	**43,140**

Compared with the revised 2024 inventory, total emissions decreased by approximately 5%. This reduction is mainly explained by decreases in Scope 3 emissions, particularly in Capital Goods and Upstream Transportation and Distribution, which offset the increases observed in the remaining categories and scopes. This evolution should be interpreted alongside the quality improvements introduced in the inventory, including the use of more up-to-date emission factors and more complete activity data in certain categories.

Additionally, Merit monitors its emissions intensity, which provides a normalized indicator of greenhouse gas emissions relative to business activity. This metric enables a more meaningful assessment of environmental performance over time, independently of changes in production volume or revenue. Below, this metric is displayed for 2024 and 2025, respectively:

Emissions intensity	2024	2025
Total GHG emissions	0.392*	0.387

Formula Emissions intensity: Tn CO2e / Net Sales

* The 2024 figure has been restated to reflect the change in the calculation of emissions under the market-based approach.

Emissions reduction plan

Additionally, Merit monitors its emissions intensity, which provides a normalized indicator of greenhouse gas emissions relative to business activity. This metric enables a more meaningful assessment of environmental performance over time, independently of changes in production volume or revenue. Below, this metric is displayed for 2024 and 2025, respectively: To further strengthen its environmental commitment, Merit has developed a climate planning exercise to model a GHG emissions reduction scenario, establishing a structured framework to guide its decarbonization strategy. This approach is aligned with the European Commission’s Transition Pathways under the European Climate Law, where the company is classified within the “Other Industry” sector due to its energy-intensive manufacturing processes.

Based on this framework, Merit has defined quantitative targets for Scope 1 and Scope 2 emissions, using 2025 as the baseline year:

- Scope 1 emissions: 25% by 2030
- Scope 2 emissions: 69% by 2030
- Total reduction: 3,119.56 tCO_2e
- Overall decrease: 63.5% (combined Scope 1 and 2)

The decarbonization strategy is structured around targeted actions for each emission scope. Regarding Scope 1 (direct emissions), Merit focuses on improving energy efficiency across its facilities, optimizing thermal processes, and progressively electrifying equipment where feasible. In parallel, the company is strengthening the management of refrigerant-related emissions through the implementation of leak detection systems, enhanced preventive maintenance practices, and the gradual renewal of equipment to reduce the risk of leaks.

For Scope 2 (indirect emissions), which represents the main source of emissions, Merit prioritizes the progressive procurement of renewable electricity, aiming to reduce emissions associated with electricity consumption across all sites.

The implementation of these measures will depend on technological developments, economic feasibility, and the regulatory and energy context. Merit will continuously monitor these factors and adjust its decarbonization roadmap to ensure the achievement of its targets while maintaining operational competitiveness and resilience.

Climate Risk, Resilience and Adaptation

In addition to its climate change mitigation efforts, Merit conducted a comprehensive climate-related risk and opportunity assessment to better understand potential impacts on its operations, value chain, and long-term strategy. This analysis is aligned with internationally recognized frameworks. The assessment addresses both transition risks, linked to regulatory, technological, market, and reputational changes, and physical risks, including acute events such as extreme temperatures and chronic risks such as heat stress. Transition risks are mainly associated with evolving regulations, technological adaptation, and changing customer demand, with potential implications for costs, competitiveness, and product development.

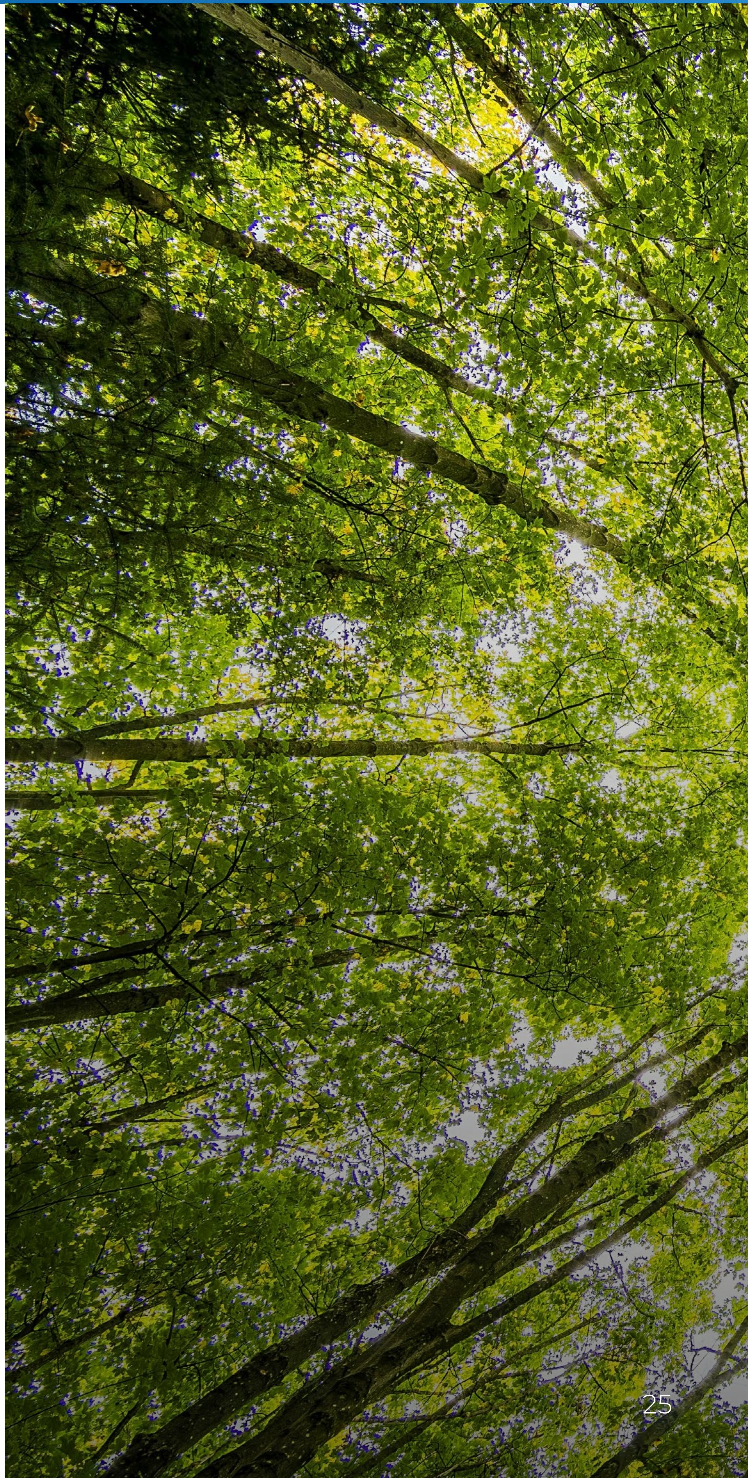
While no physical risks are currently considered financially material, several close-to-material risks have been identified, particularly those related to extreme temperatures, which may affect workforce productivity, operational continuity, and energy demand. The analysis incorporates climate scenarios (IPCC and NGFS) across short-, medium-, and long-term horizons, enabling Merit to assess the evolution of risks and identify opportunities, such as the development of low-emission products, increased use of renewable energy, and enhanced supply chain resilience.

Based on these insights, Merit is progressively integrating climate-related considerations into its risk management and strategic decision-making processes, reinforcing its ability to anticipate challenges, adapt operations, and strengthen long-term resilience.

Biodiversity Protection

As stated in Merit's environmental policy, the protection of ecosystems, especially in key biodiversity areas affected by its operations, and the prevention of illegal deforestation are determined in accordance with international biodiversity regulations, including resolutions and recommendations of the IUCN (International Union for Conservation of Nature) on biodiversity. However, in 2024, no significant biodiversity-related changes were identified across Merit's operations.

Additionally, Merit does not conduct activities in locations near protected areas or in regions with high biodiversity and protected species in Spain, China, Mexico, or Poland. These conditions continue to make habitat conservation or restoration efforts non-essential to its operations. Nonetheless, the company remains committed to ensuring that its environmental policies align with global biodiversity conservation standards.



5. Social

Merit Team

At Merit, we continue to foster a stable and diverse workforce across our operations in all the sites in which we operate. The company remains committed to fair employment practices and continuously ensures compliance with labour laws in each region.

Our main goal is to attract and retain talented professionals while maintaining their ongoing motivation and commitment. In doing so, we nurture a sense of community where everyone feels valued and appreciated.

Merit's Sustainability Strategy 2030 places people at the core of sustainable transformation. The company's social commitments are built around diversity, talent development, and health and safety, three levers that support operational excellence and long-term value creation.

In 2025, Merit strengthened these foundations with the following advances:

- Continued working under ISO 45001:2018 certification in all four countries for second year, ensuring best-in-class occupational health and safety systems.
- Delivered 12,430 training hours, 6% more than during 2024.
- Across its main four sites, Merit's turnover rate saw an average decrease of 5.13% compared to previous year, while men-to-women salary gap was reduced by 1.5% in average.
- Maintained 95% of contracts as indefinite.

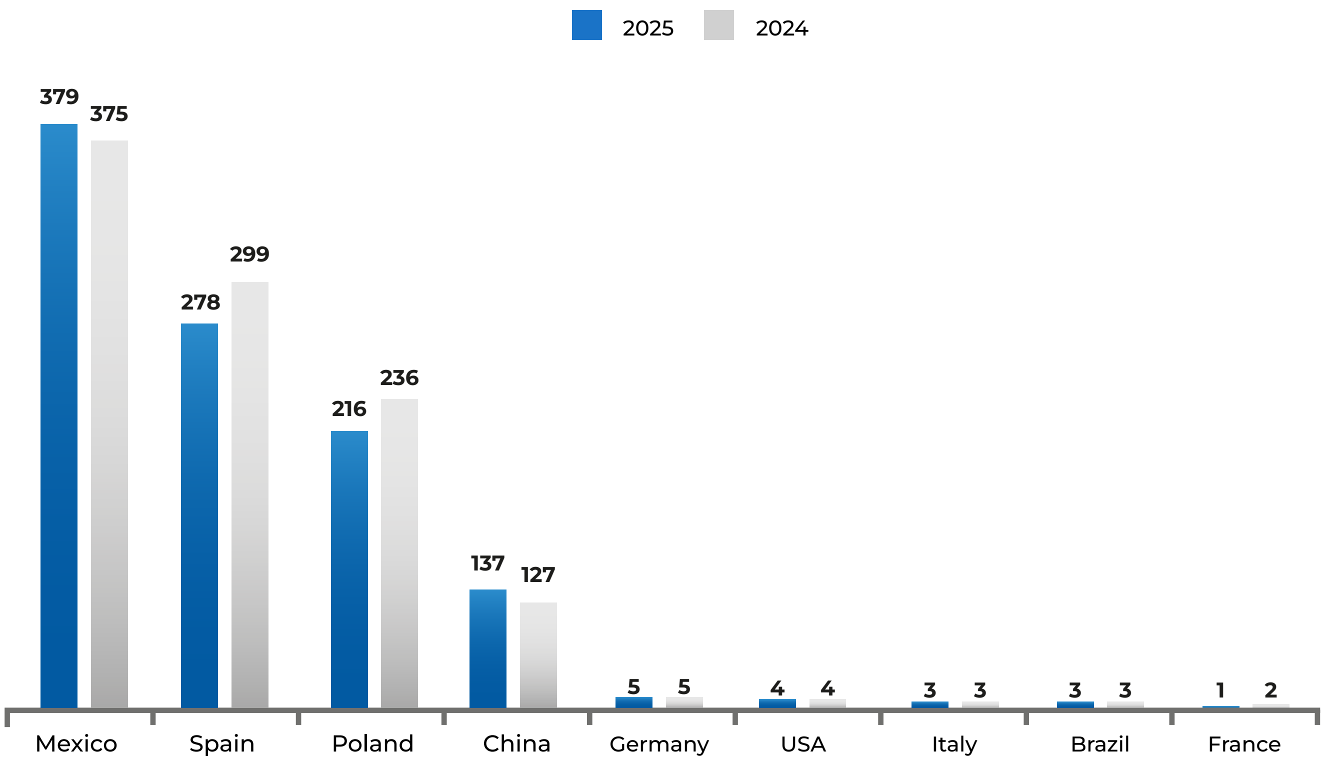
These results reflect a company that is not only compliant with social regulations, but also actively building an attractive, inclusive, and future-ready workplace, aligned with client expectations and evolving ESG standards.

Employment

Personnel[1]

As of December 31, 2025, Merit employed a total of 1,026 individuals across its various operational centres in Europe, Asia, and the Americas. This reflects a 3.5% decrease compared to 2024, when the workforce stood at 1,052 employees. The reduction in headcount is attributable to a variety of factors, including operational adjustments and workforce optimizations implemented during the year. The following diagrams outline the distribution of the personnel category by gender, age range, and professional category at the end of the 2025 and 2024 financial years, respectively:

Merit employees evolution

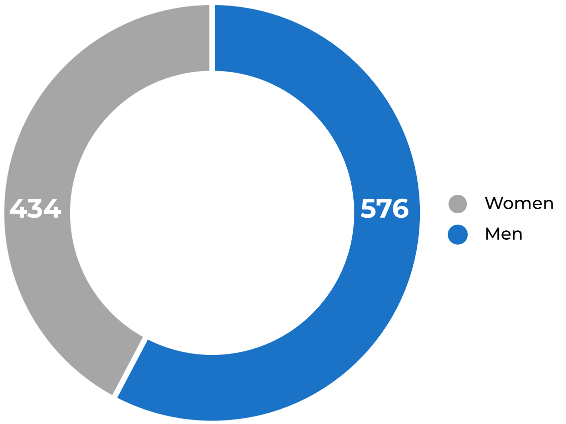


[3] The information of the subsidiaries in Italy, USA, Brazil, France and Germany has not been reported regarding: the distribution of personnel, gender, age, type of contract, number of dismissals, average remuneration, work shifts, absenteeism and training. These subsidiaries account for 2% of the total Merit workforce as of 12.31.2025.

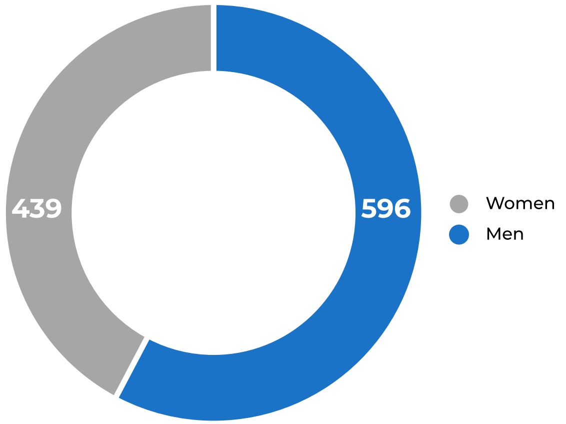
Distribution of the personnel category by gender, age range, and professional category

Merit employees by gender

2025

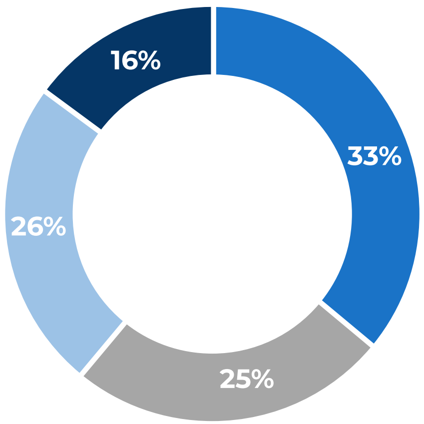


2024

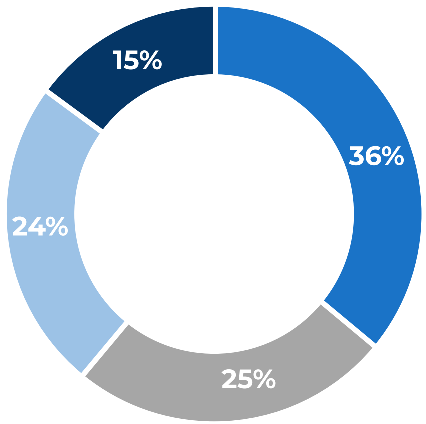


Merit employees by age

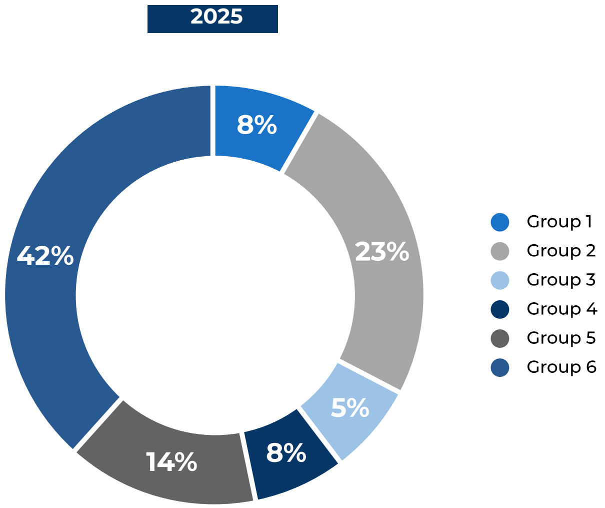
2025

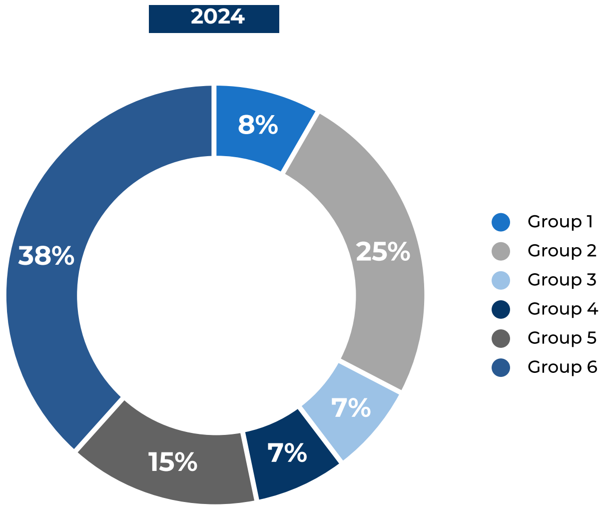


2024



Merit employees by professional category (%)





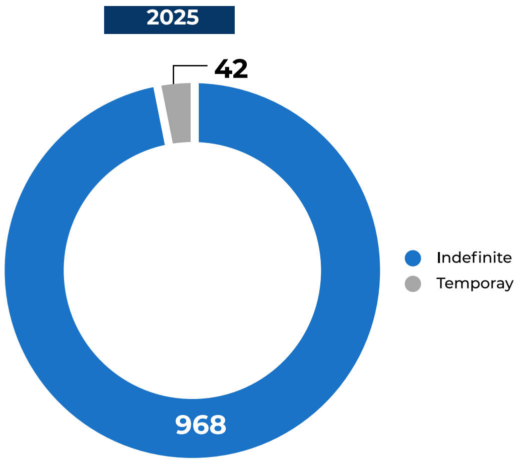
Professional categories according to collective agreement	
GROUP 1:	Management, Engineers, and Graduates with direct management responsibility.
GROUP 2:	Graduates without direct management responsibility.
GROUP 3:	Administrative managers.
GROUP 4:	Organizational Technicians and Managers.
GROUP 5:	1st and 2nd Grade Workers, Administrative and Factory.
GROUP 6:	3rd Grade Workers, Auxiliaries and Specialists.

Types of Contracts

Merit consistently prioritizes indefinite contracts as the cornerstone of its employment strategy. In the 2025 financial year, the company upheld 968 indefinite contracts, constituting 95.8% of its total workforce, showing a slight decrease from 96.5% in 2024. Regardless of the year, Merit is committed to fostering long-term, stable employment relationships. In contrast, the number of temporary contracts remained exceptionally low, totalling just 42 as of the end of 2025, underscoring the company's unwavering focus on securing permanent, sustainable positions for its employees and reinforcing its commitment to workforce stability.

To provide a deeper level of detail regarding the types of contracts of Merit's employees, Annex II includes a series of graphs with contract information according to gender, age and professional categories criteria, both for 2025 and 2024.

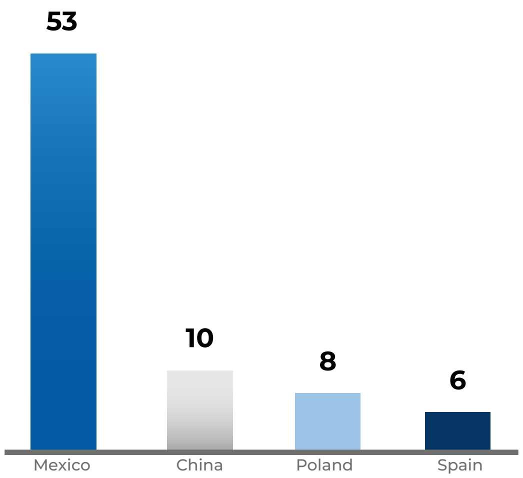
Merit employees by contract modality



New recruits

In the 2025 financial year, Merit hired a total of 77 new employees across its main locations, compared to 121 in 2024. The graph below shows the distribution of new hires across Merit's main plants during FY25.

Merit total recruitments, 2025

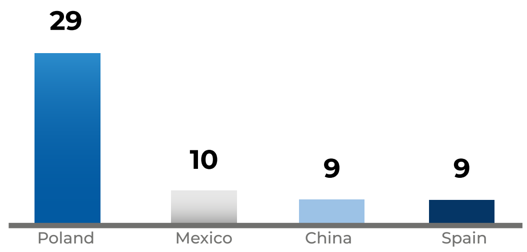


Annex III contains a series of graphs that provide a detailed overview of the new hires, for 2025 and 2024, categorized by different criteria, such as age, gender and professional category.

Dismissals

In the 2025 financial year, Merit recorded a total of 57 dismissals, representing a decrease of approximately 47% compared to 2024 (106 dismissals). Poland accounted for the highest share of dismissals, while Spain and China registered the lowest. The graph below shows the distribution of dismissals across Merit's main plants during FY25.

Merit total dismissals, 2025



These variations in workforce levels, including dismissals, are primarily driven by increases or reductions in customer programmes, which directly impact production volumes across the different sites.

Additionally, Annex IV shows the distribution of these dismissals according to criteria such as age, gender, or professional category.

Turnover

Merit's turnover rate decreased overall in 2025 compared to 2024. This trend was driven by lower turnover in Mexico and Spain, while Poland and China recorded slight increases. The variation reflects changes in workforce levels linked to production needs and customer demand. The indicator, broken down by country, is as follows:

Turnover rate[2]	2025	2024
Mexico	2.65	32.00
Spain	3.12	10.00
Poland	12.83	3.8 0
China	6.82	8.80

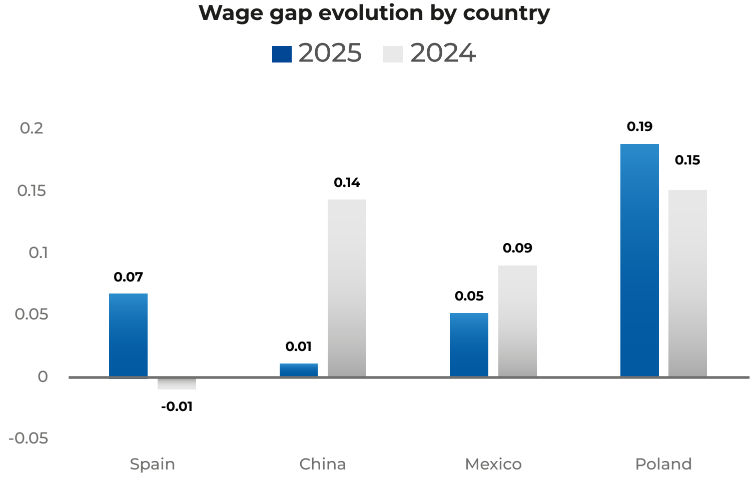
[2] **Turnover** is calculated as: [N° of employees that left the company / (N° of employees at beginning of year + N° of employees at end of year)/ 2]* 100

Average Remuneration

Merit is committed to ensuring fair, transparent, and equitable remuneration practices across all its operations. The company promotes equal pay for equal work, regardless of gender, and continuously monitors compensation structures to identify and address potential imbalances. Remuneration policies are aligned with internal equity principles, local regulations, and the company's broader commitment to diversity and inclusion.

Annex V contains all the remuneration related information relative to Merit's employees for FY25, categorized by age, gender and professional category.

Additionally, the following graph shows the gender pay gap[3], offering a visual comparison per country for FY25 and FY24, respectively. This accounts for jobs with the same or similar characteristics at the plants in Spain, China, Mexico and Poland:



Overall, the results reflect a mixed trend, combining improvements in some locations with widening gaps in others, highlighting the need for continued monitoring and targeted actions to ensure progress toward pay equity across all countries.

[3] Calculated as = [(Average male remuneration – Average female remuneration) – Average male remuneration]

Working Schedule

Merit operates with a variety of shift patterns, including morning, afternoon, night, and split shifts, with most employees working either morning or split shifts. Part-time staff are also allocated across these schedules to align with operational demands.

This flexible shift structure allows the company to effectively balance business needs with employee preferences. As part of its commitment to work-life balance, Merit offers reduced working hours for employees with children under the age of twelve or with dependents, as well as flexible schedules for those not involved in production activities. Currently, 62% of the workforce benefits from flexible working arrangements, while employees assigned to night shifts account for only 1% of the total staff. These practices reflect Merit's focus on creating a supportive and adaptable work environment.

Annex VI shows a deeper detail into what are the working shifts employees follow across Merit's four main sites, while Annex VII contains more detailed information on those Merit employees who have a reduced working day.

Merit has no formal digital disconnection policy. However, Merit Spain complies with Spanish legislation and implements measures to ensure employees' right to disconnect digitally. Moreover, it works under the frameworks of ISO 27001 and TISAX certifications, which include data protection and privacy management. Thus, the company is committed to fostering a diverse and discrimination-free work environment.

It is worth mentioning that, during 2025, in response to a sharp decline in customer orders, Merit Spain implemented a temporary workforce adjustment (ERTE) affecting 188 employees. This measure was enacted for a total of 53 days, spanning from July 8, 2024, to June 30, 2025.
The decision was taken to adapt to fluctuating production demands while preserving employment stability, in accordance with Spanish labor legislation.

In this line, at Merit Poland, three employee representatives are actively involved in workplace matters. The company maintains an open channel of communication with these representatives, ensuring that any proposed changes to working conditions, policies, or internal procedures are communicated and discussed in advance.

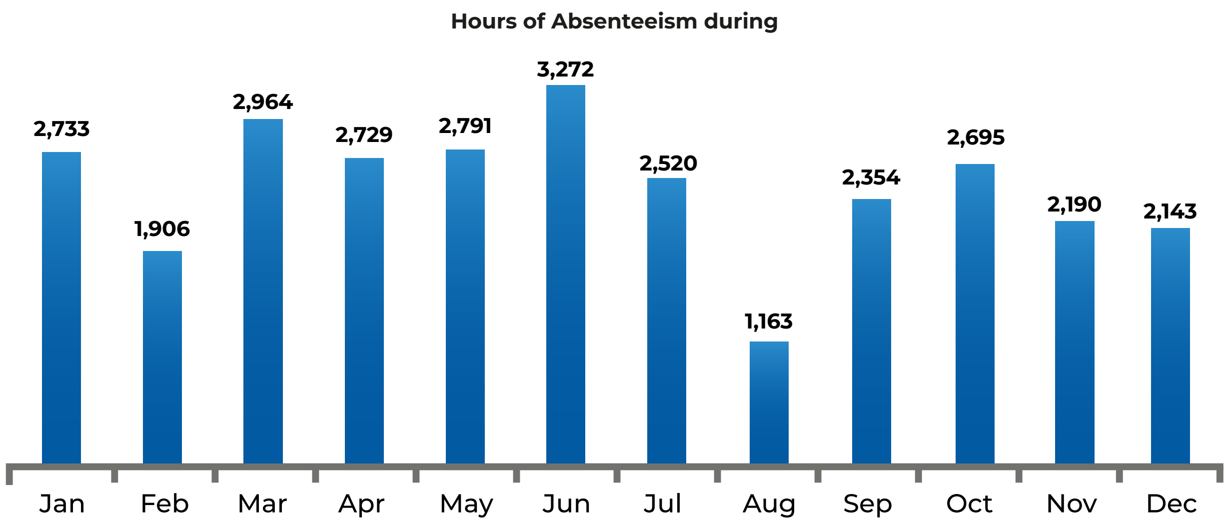
This collaborative approach fosters mutual understanding, supports transparency, and encourages employee participation in decision-making processes. It also reflects the organization's ongoing commitment to maintaining a respectful and inclusive work environment where the voices of employees are heard and considered.

All Merit centers have codes of conduct promoting a positive workplace culture that values diversity and equality. Employee benefits vary by country:

- In Spain, the company follows national legislation on parental leave, which grants 16 weeks of fully paid maternity and paternity leave, equally available to both women and men. Additionally, Merit promotes work-life balance through the option of reduced working hours; in 2025, 26 employees at Merit's Spanish headquarters made use of this benefit to better align professional and personal responsibilities.
- In Mexico, the plant offers male employees five working days of paid paternity leave, in line with local standards.
- In China, Merit provides fully paid maternity leave to female employees in accordance with the duration established by national labour law.
- In Poland, the company adheres to national labour regulations and provides financial assistance to employees, reinforcing its commitment to employee welfare.

Absenteeism

In fiscal year 2025, Merit recorded a total of 29,460 hours of absenteeism, reflecting a 5% increase compared to the 27,987 hours reported in the previous year. This slight increase spans across the company's global operations, including its plants in Spain, Mexico, China, and Poland. The monthly distribution of absenteeism hours is outlined below, providing insights into trends and patterns throughout the year. This data helps Merit identify key periods of absenteeism[4], enabling more targeted actions to further reduce absenteeism and improve overall workforce productivity.



[4] The following assumptions are not included in calculating the hours of absenteeism: leave of more than three months, maternity/paternity leave, union hours, or work leave paid by agreement.

Relationships with workers

Effective social dialogue is essential for Merit to ensure the smooth running of its operations. To foster such dialogue, the company has implemented mechanisms that promote collective bargaining and employee participation.

In Spain, all of Merit's employees are governed by the Agreement of the Iron and Steel sector in the province of Barcelona, and the company maintains constant communication with the Union Committee through frequent informational meetings. A collective bargaining agreement covered all employees throughout 2025.

In Mexico, employees are covered by the provisions of their agreement, which is set to expire in 2027. Internal regulations and annual occupational health checks apply to the rest of the countries.

No explicit collective bargaining mechanism establishes working conditions in the sector in China. Merit complies with labour legislation regulations in force in the People's Republic of China.

In Poland, Merit ensures employee participation through designated representatives. Three employee representatives are in place to engage in regular dialogue with the company regarding any changes in working conditions. These discussions are conducted in alignment with applicable labour laws, ensuring that all employment practices comply with the current legal framework.

Health and Safety

Merit places strong emphasis on maintaining high standards in working conditions, recognizing their importance for employee engagement and talent retention. The company is committed to safeguarding the health and safety of its workforce through proactive risk management and the continuous improvement of its internal processes. In line with this commitment, Merit complies with all applicable legislation, including Law 31/1995 on the Prevention of Occupational Risks.

Merit's environmental and occupational health and safety policy establishes a comprehensive framework of measures to protect employees' wellbeing. These include the provision of personal protective equipment, accompanied by clear guidance on its proper use, as well as strict procedures for machinery procurement to ensure compliance with European safety standards.

The company also focuses on minimizing occupational risks through structured initiatives such as an Emergency Preparedness and Response Plan. Incidents and accidents are systematically managed, ergonomic principles are integrated into workplace design, and robust protocols are in place for the safe handling of chemical and biological substances.

Fire prevention and protection measures further reinforce workplace safety.

Under its motto "Together for Safety," Merit promotes a safety culture based on discipline, integrity, responsibility, and teamwork. This approach is supported by continuous improvement systems and internationally recognized standards, with all Merit plants operating under ISO 45001:2018, a widely used occupational health and safety management system.

Accidents and occupational diseases

The table below offers a comparison between years 2025 and 2024 regarding main Health and Safety indicators. At this point, it is important to highlight that Health and Safety data is only reported for Mexico, Poland and Spain for 2025, and for Mexico and Spain for 2024, as Merit China has not recorded any accidents in 2024 or 2025 and Merit Poland only did for 2025.

Work accidents, frequency, and severity					
	2024		2025		
Indicator	**Spain**	**Mexico**	**Spain**	**Mexico**	**Poland**
Number of accidents at work with sick leave	6	0	9	0	0
Number of accidents at work without sick leave	3	4	4	4	0
Number of accidents at work with sick leave “in itinere”	1	6	4	0	1
Number of accidents at work without sick leave “in itinere”	0	0	0	0	0
Frequency Index (I.F[5])	19.03	4.36	15.49	2.57	0.22
Severity Index (I.G[6])	**0.41**	**0.02**	**0.17**	**0.02**	**0.15**
Total hours worked	**420,300**	**918,032**	**419,492**	**777,416**	**445,402**
Absent working days	172	17	142	18	65

Annex VIII offers a detailed disclosure by gender of the H&S indicators for 2025. This disclosure is not available for 2024 since the data was not separated by gender during last year. In addition to this, no occupational diseases were registered during 2025 across Merit plants in China, Poland, Mexico or Spain.

[5] Calculated as: (Number of accidents / Total hours worked) * 1,000,000
[6] Calculated as: (Number of absent working days / Total hours worked) * 1,000

Training

Merit recognizes that employee training and engagement are key drivers of its value creation process. Accordingly, the company develops annual training plans for its workforce, including new hires, aligned with both individual development needs and organizational objectives. These programs cover a wide range of areas, including quality management, product safety, occupational health and safety, environmental management, and compliance with corporate policies such as the code of conduct, anti-corruption practices, ethical reporting procedures, and confidentiality standards.

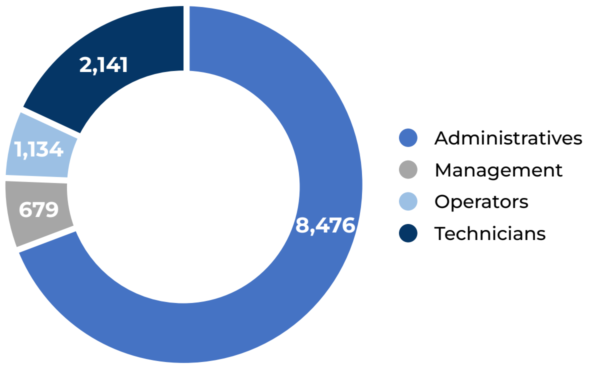
In 2025, the overall training structure remained consistent with the previous year, with no significant changes reported across most of the company's locations. Merit continued organizing its annual training program, which includes:

- External training: Sessions delivered by external providers, conducted either at Merit's facilities, at the provider's site, or a designated external location.
- Internal training: Led by Merit's own staff to share internal knowledge and best practices.
- Introductory training: Orientation programs for new employees to familiarize them with their responsibilities, organizational expectations, and operational standards.
- Occupational health and safety training: Mandatory safety training included as part of new hire onboarding.
- On-the-job training: Practical training delivered during working hours and tailored to the employee's role, overseen by experienced supervisors who provide feedback and evaluate performance improvements.

Training effectiveness across all countries continued to be systematically assessed through supervisor feedback and on-the-job observation, ensuring that newly acquired skills are effectively translated into improved quality, operational performance, and overall productivity.

In 2025, Merit provided a total of 12,430 hours of training, reflecting a 6% increase compared to the 11,704 hours delivered in 2024. This increase is part of a broader strategy to streamline training efforts while maintaining their impact and relevance. A detailed breakdown of training hours, categorized by professional roles, is provided below, offering a clear view of the distribution of training across various employee groups:

Hours of training by professional category



In addition to training efforts, Merit continues to promote employee development through regular performance and career development appraisals across its operations. Annex IX outlines the percentage of employees who received such evaluations in 2025, by country.

Diversity and Equality

Merit maintains a Code of Conduct that was updated and applied across all its plants worldwide in 2025. This Code establishes a comprehensive framework of ethical principles and behavioural standards expected of all employees, regardless of their position or contractual status. It is designed to guide conduct in areas where inappropriate behaviour could harm the company's reputation or lead to significant legal or operational risks.

The Code promotes integrity, transparency, and accountability across all business activities. Employees are required to comply with its provisions and are encouraged to report any concerns or suspected violations through established ethical escalation channels, without fear of retaliation or discrimination.

Key principles covered by Merit's Code of Conduct include:

- **Business Ethics:** Commitment to fair competition, compliance with antitrust and anti-monopoly regulations, zero tolerance for corruption, bribery, and extortion, and adherence to anti-money laundering laws and responsible financial practices.
- **Environmental Responsibility:** Compliance with environmental regulations and internal standards, development of environmentally responsible technologies, and continuous improvement of environmental performance across the product lifecycle. The company supports its "Roadmap to Zero Emissions" and works to minimize environmental and health impacts.
- **Information and Intellectual Property:** Protection of confidential information and proprietary data, along with respect for third-party intellectual property and responsible communication practices.
- **Human Rights and Working Conditions:** Promotion of a respectful, inclusive, and harassment-free workplace, with zero tolerance for discrimination, forced labor, child labor, or any form of abuse. Merit supports diversity, equal opportunities, freedom of association, and fair working conditions aligned with legal requirements.
- **Health and Safety:** Commitment to providing a safe and healthy work environment, including risk prevention, ergonomic workplace design, fire safety measures, proper handling of hazardous substances, and employee training on safety procedures.
- **Community and Land Rights:** Respect for the rights of local communities, indigenous populations, and land use, ensuring no forced evictions or misuse of security forces that could lead to human rights violations.
- **Employee Development:** Commitment to continuous employee development through training and career management, ensuring fair treatment, appropriate working conditions, and compliance with labor laws across all locations.

The Code of Conduct is communicated to all employees and is regularly reviewed by management to ensure its continued relevance and effectiveness.

In Spain, significant progress was made with the formal registration of Merit's Equality Plan (2024–2028) on November 4, 2024, which has been fully effective throughout fiscal year 2025. This plan establishes a structured framework based on a prior gender equality diagnosis and defines strategic lines of action aimed at promoting equal opportunities, preventing discrimination, and reducing gender gaps across key areas such as recruitment, professional development, remuneration, work-life balance, and organizational culture.

The plan includes specific objectives, monitoring indicators, and a defined governance structure, including an Equality Commission responsible for overseeing implementation, evaluation, and continuous improvement. It also incorporates measures such as training and awareness programs, inclusive communication practices, salary audits, and initiatives to promote gender balance and equal access to opportunities across all professional levels.

Alongside the Equality Plan, Merit Spain has implemented a Protocol Against Sexual and Gender-Based Harassment at the Spanish plant, aligned with current legal requirements, which reinforces a zero-tolerance approach to any form of harassment or discriminatory conduct. The protocol defines preventive measures, clear reporting channels, including a confidential whistleblowing system, and a structured investigation process managed by a designated committee. It ensures the protection of all parties involved, guarantees confidentiality, and establishes corrective and disciplinary actions where necessary, fostering a safe, respectful, and inclusive work environment.

In contrast, no new updates were reported in 2025 for China, Mexico, or Poland regarding equality plans. However, each location continues to uphold previously established commitments: Mexico maintains a non-discrimination labour policy aligned with its Code of Conduct, Poland promotes equal employment opportunities and diversity, and China has embedded workplace harassment provisions into its disciplinary action management protocols.

Disabilities

During fiscal year 2025, Merit Spain worked under its Declaration of Exceptionality for the 2024–2026 period and is currently preparing the corresponding compliance report for submission to the Generalitat de Catalunya. As part of its commitment to disability inclusion, the company employed 9 individuals with recognized disabilities during 2025 and collaborates with four Special Employment Centers (CETs), thereby surpassing the legal requirements established for inclusive employment.

In contrast, no new disability inclusion policies were implemented during 2025 in Merit's operations in Mexico, China, or Poland. These locations did not report any significant changes or initiatives related to accessibility or the integration of individuals with disabilities.

Regarding anti-discrimination efforts, no incidents of discrimination were reported across any of the company's locations. In Spain, Merit continues to uphold the principles outlined in its Code of Conduct, which explicitly addresses the company's commitment to preventing discrimination and promoting diversity and equal treatment. Similarly, no updates or new measures related to anti-discrimination policies were reported in China, Mexico, or Poland during the year.

Local communities

Merit prioritises sustainability in its approach to economic development, social engagement and environmental responsibility. The company aims to generate a positive impact in the communities where it operates by promoting responsible practices and maintaining active engagement.

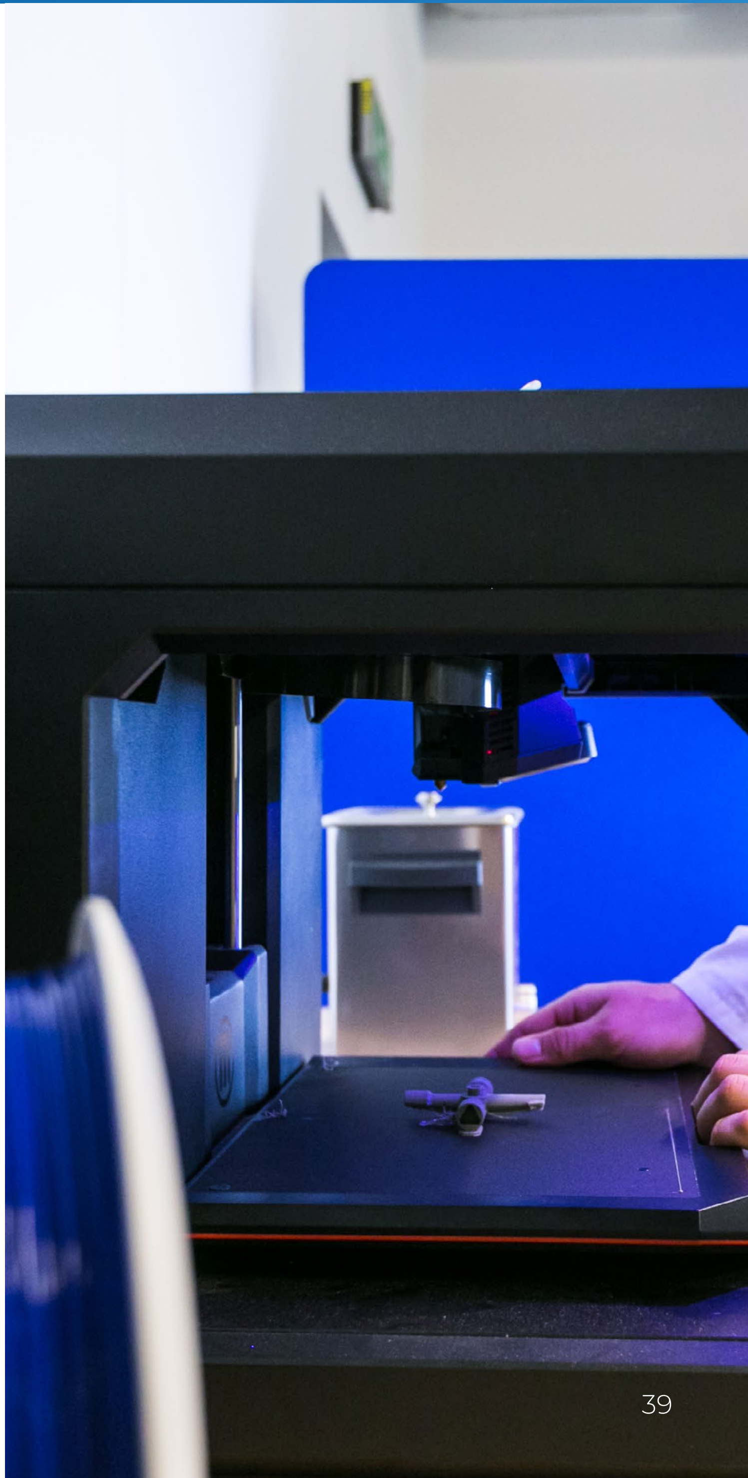
Relationship with the local community

Merit builds long-term relationships with local communities based on collaboration and mutual respect. The company maintains open dialogue with local stakeholders and institutions and works with public authorities at local, regional and national level to support employee well-being and working conditions.

Merit also contributes to local development through collaboration with associations and participation in community initiatives. With a global network of approximately 800 direct suppliers of production materials and 1,000 indirect suppliers and service providers, the company recognises the broader impact of its operations and seeks to minimise negative effects while contributing positively to local economies.

In 2025, the Barcelona plant carried out the following initiatives:

- Collaboration with the Iris Foundation, contracting services such as gardening and laundry from an organisation that supports people with disabilities.
- Internship agreements with Salesian students from Sant Vicenç and local universities to support youth integration into the workforce.



Suppliers

Merit integrates social, environmental and governance criteria into its purchasing and supply chain processes. In 2025, the company has reinforced the global application of its Merit Specific Requirements and Supplier Code of Conduct, aligned with the AIAG Automotive Industry Guiding Principles.

The Supplier Code of Conduct requires compliance with applicable legislation on human rights and working conditions, including employment terms and working hours. It also requires alignment with international standards on human rights and freedom of association. Suppliers must demonstrate structured wage practices, formal policies on working time and measures to prevent discrimination, harassment and intimidation.

Merit defines clear criteria for supplier selection and continuous evaluation. Suppliers are required to hold ISO 9001:2015 or IATF 16949:2016 certification and acknowledge customer-specific requirements.

The supplier evaluation process includes annual audits approved by the Purchasing Department. These audits assess compliance with quality, environmental and social standards, as well as alignment with the Supplier Code of Conduct.

In Spain, 17 audits were conducted in 2025 in accordance with the VDA 6.3 methodology, including 3 audits of new potential suppliers. Environmental and social aspects were considered in all evaluations.

In Mexico, supplier assessments continue under the IATF 16949 framework. In addition, 8 Manufacturing Capability Assessments (MCA) were conducted globally on key suppliers selected based on product quality performance.

In China, 14 suppliers were reviewed, including 7 new suppliers. Two suppliers received low evaluation scores. In total, 67 suppliers are under performance review. When considering only suppliers subject to audit, 40 suppliers are evaluated, of which 24 are excluded from the audit scope based on defined criteria.

In Poland, 17 supplier audits were planned for 2025. Several were cancelled or postponed due to lack of volume, project delays, nomination changes, or absence of orders.

Customers

Merit maintains a strong focus on product quality and customer satisfaction, ensuring safety and compliance across all stages of production. The company applies the IATF 16949:2016 quality management system across its main manufacturing sites. All four plants in Spain, Poland, Mexico and China maintain valid IATF 16949 certifications.

Measures implemented for the health and safety of customers

Merit ensures the safety and correct use of its products through rigorous adherence to its internal quality protocols. Key production sites—located in Barcelona, Gdańsk and Kraków (Poland), China, and Mexico—operate under a Quality Management System that is certified to the IATF 16949:2016 standard. This framework enables systematic oversight of client requirements, product and service specifications, communication flows, and change management processes.

The system operates as part of a broader commitment to continuous improvement, monitored through internal reviews and documentation overseen by quality management teams. Other manufacturing locations within the company are still under evaluation or operate under regulatory oversight while they pursue full certification.

In addition, the Barcelona facility has received ISO/IEC 27001:2013 certification for its Information Security Management System, reflecting robust cybersecurity and risk management measures. The plant is also TISAX-certified, ensuring compliance with data protection laws. Merit also requires certain high-priority suppliers to hold ISO 27001 certification to support its overall cybersecurity strategy.

Complaint systems, grievances and their resolution

Merit operates under a quality policy that supports its certified Quality Management System, aligned with IATF 16949:2016 and ISO 9001:2015. This policy ensures consistent delivery of high-quality products and services while promoting employee development and strong supplier relationships.

The policy is based on key principles: continuous improvement of the Merit Business System, optimisation of processes and outputs, reduction of variability through standardisation, development and engagement of employees, trust across the organisation and collaboration with suppliers.

Merit's quality vision, "Together for Excellence", is supported by six core values: Lean Thinking, Trust, Excellence, People, Teamwork and Responsibility. These values guide daily operations and support long-term performance.

The Quality Management System includes structured procedures reviewed regularly by management to ensure effectiveness. These include mechanisms to monitor customer satisfaction, manage complaints and implement corrective and preventive actions. Audits are conducted to identify nonconformities and ensure compliance across operations.

In 2025, customer complaints were managed through established procedures across all sites. In Spain, 38 complaints were recorded and resolved directly with customers. In Mexico, 46 complaints were recorded and managed through the Customer Management procedure. In China, 4 formal customer complaints were reported, all resolved satisfactorily.

Meanwhile, the Polish plant received four formal complaints and addressed them with appropriate corrective actions. Finally, the management team oversees the treatment of complaints and ensures their proper resolution. The quality policy is communicated to all employees and regularly reviewed to maintain its relevance.

6. Governance

Governance at Merit ensures strategic alignment, ethical business conduct and effective risk management across the organisation. The ESG Strategy 2030 reinforces this approach through structured due diligence processes, anti-corruption measures and supplier oversight.

In 2025, the company strengthened its governance framework through:

- Zero reported incidents of corruption, discrimination or human rights violations across all sites.
- Continued application of the Code of Conduct, Anti-Corruption Policy and Ethics Escalation mechanisms across all operations.
- Ongoing implementation of due diligence processes to identify, assess and mitigate human rights and compliance risks.
- Regular monitoring of risks through structured assessments and alignment with the Group's risk management framework.
- Continued integration of ethical, social and compliance criteria into operational decision-making and internal control processes.

Through these actions, Merit reinforces a consistent governance model focused on risk prevention, ethical conduct and accountability across its global operations.

Corporate Governance

Board of Directors

As of 31 December 2025, the Board of Directors consisted of **Mr. Quinghong Meng** (Chairman), **Mr. Dai Xiaoque** (member), **Mr. Wei Peng** (member), **Mr. Pablo Díaz Gridilla** (secretary non-director), and **Ms. Victoria Ruenes Mariñas** (deputy secretary non-member).

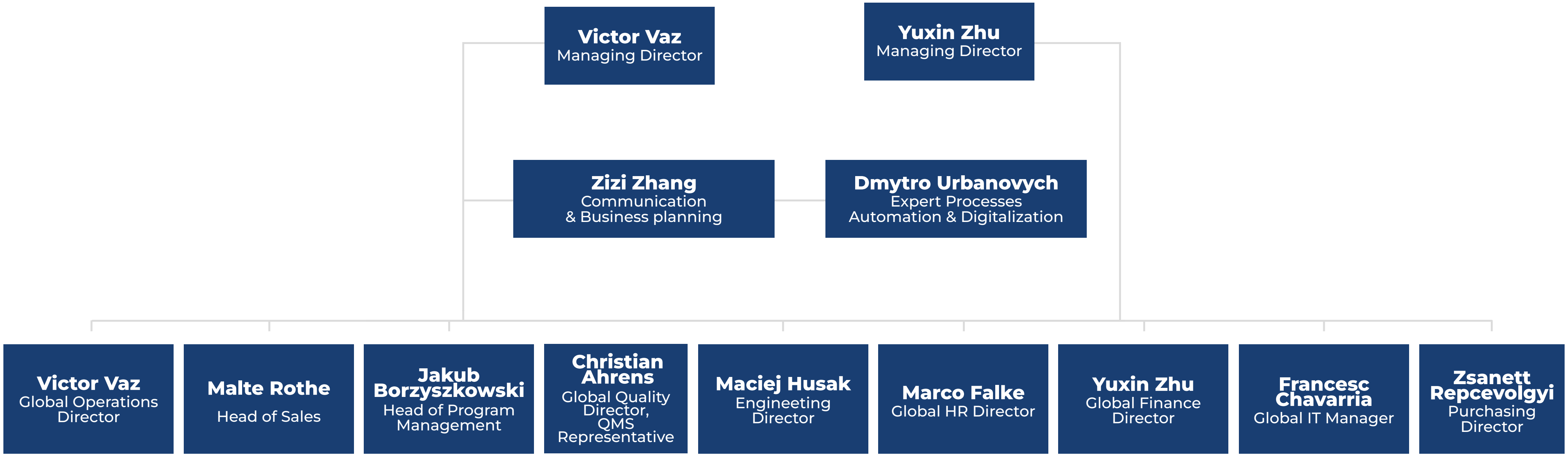
The composition of the Board reflects a combination of executive and non-executive roles, supporting effective oversight and decision-making at Group level. The Board includes representation from different backgrounds and functions, contributing to a diverse perspective in the governance of the company.

The Board of Directors oversees the identification and management of key impacts, risks and opportunities, including those related to sustainability, and ensures their integration into the company's strategy and decision-making processes.

As of 2025, no variable remuneration linked to sustainability or ESG-related objectives has been established for members of the Board of Directors.

Global Management Team

Merit's global management team is responsible for the execution of the company's strategy and the day-to-day management of operations across all regions. The structure ensures coordination across functions and geographies, supporting decision-making and operational performance.



Respect for Human Rights

Merit remains committed to respecting and promoting human rights across all its operations. This includes preventing discrimination, forced labour and child labour, and promoting diversity, equal opportunities and freedom of association. In 2025, no complaints related to human rights violations were reported in any of Merit's facilities.

Merit applies due diligence processes to identify, assess and mitigate potential human rights risks and impacts. These processes rely on internal tools and policies, including the Code of Conduct and the Ethics Escalation Policy. No significant changes were reported in 2025 in relation to these policies or the risks identified, and the existing mechanisms remain embedded in operations, supporting a preventive approach to risk management.

Across its operations, due diligence practices incorporate stakeholder requirements and risk criteria and are supported by local policies and procedures. In Spain, these practices are embedded in the global Code of Conduct. In Mexico, they are reinforced through the Safety, Health and Environment Policy and the Recruitment and Selection Procedure. In China, due diligence procedures remain in place at site level. In Poland, these practices are implemented through local procedures aligned with the Group's Code of Conduct and ethics framework.

Grievance mechanisms ensure safe, confidential and non-retaliatory channels for reporting ethical or human rights concerns. Merit also upholds freedom of association and collective bargaining in line with international standards. No changes were reported in 2025.

Merit promotes an inclusive and respectful workplace and prevents discrimination based on age, gender, race, religion, political affiliation or sexual orientation. No incidents were reported during the year. No cases of forced or child labour were identified. The company does not consider its operations to pose significant risk in this area and maintains preventive controls through its Code of Conduct and supplier policies.

Risk management and compliance

Given the nature of its operations, Merit is exposed to occupational hazards. To protect employee well-being, particularly in higher-risk environments, the company prioritises continuous risk assessment. Merit regularly reviews working conditions through structured assessments to ensure the effectiveness of its health and safety management system. These assessments also identify how internal and external factors affect workplace performance and support actions to reduce risks and improve operational efficiency.

Note 8.4 on Risk Policy and Management in Merit's Consolidated Report for the 2025 financial year covers financial risks, operating and investment activities, and the main risk areas identified. It also defines the business relationships, products and services that may have negative impacts and how these risks are managed. In addition, the note describes the control procedures and methods used to identify, assess and monitor risks in line with applicable national, European and international frameworks.

Fight against corruption and bribery

Merit places strong emphasis on ethics, transparency and integrity across its operations. These principles guide interactions with stakeholders and set clear expectations for professional conduct, which takes precedence over financial or competitive advantage.

To mitigate corruption and bribery risks, Merit applies a global Anti-Corruption Policy that defines expected conduct in relation to fraud, bribery and conflicts of interest. All employees must comply with this policy, supported by training and internal communication. The company also applies due diligence procedures to identify, assess and address corruption-related risks.

Across all sites, Merit identifies and manages corruption and bribery risks through its Anti-Corruption Policy, supported by the Code of Conduct and internal control procedures. These include periodic risk assessments, internal and statutory audits, and ongoing employee communication on the company's zero-tolerance approach. No significant risks or incidents related to corruption or bribery were identified or reported in 2025.

Merit is not classified as an obligated entity under Spanish Law 10/2010 on the prevention of money laundering and terrorist financing. However, the company responds to official requests from authorities to demonstrate ownership and compliance where required. In Spain, a notarised document confirming beneficial ownership has been issued.

During the 2025 financial year, no donations were made to foundations or non-profit organisations across any of Merit's sites. No legal actions related to unfair competition, monopolistic practices or breaches of free competition were reported in any of Merit's sites.

7. Annexes

Normative Aspects of the Report

Basis for the preparation of the Report

The report has been prepared in accordance with the GRI Universal Standards. The report reflects the organization's business activity on sustainability and non-financial information between 1 January and 31 December 2024. In 2018, Merit published its first Non-Financial Information Statement. The contents included have been prepared based on the materiality analysis carried out and the requirements of Law 11/2018, of 28 December 2018, which modifies the Commercial Code, consolidated text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Auditing of Accounts, regarding non-financial information and diversity.

For the preparation of this report and the selection of the relevant contents, a materiality analysis has previously been carried out. The contents required by the Law mentioned above determine which content must be included in detail.

External Verification

Merit has engaged Crowe for external verification of this report and the emissions inventory corresponding to FY25. The verification report is attached to this report. It has been prepared following the ISAE3000 standard: Assurance Engagements other than the audit or review of historical financial information.

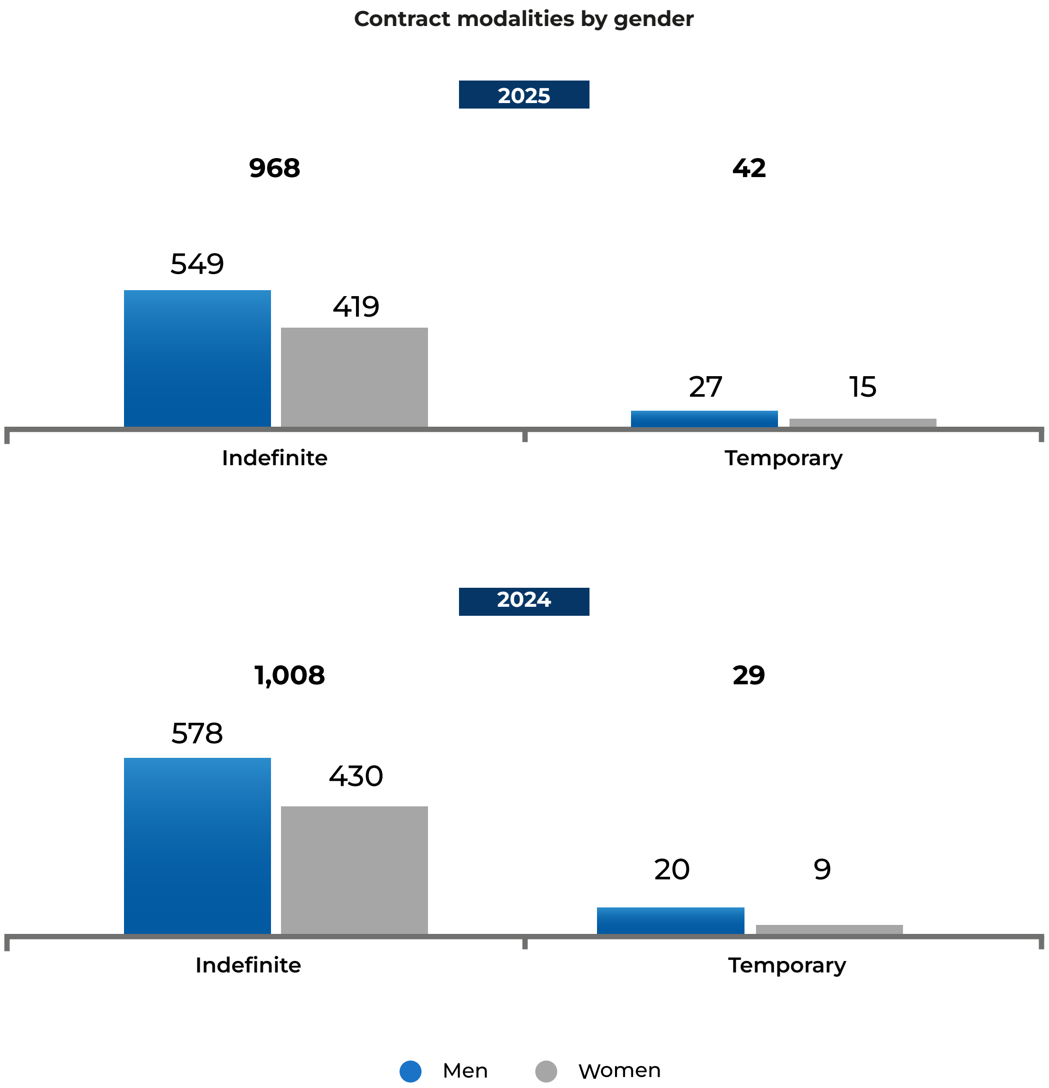
Annex I.
Total waste generated during 2025, by type and category

Waste Type	Unit of measurement	Volume removed	Volume reused	Volumen Recycled
Non-chlorinated mineral oil	kg	0	0	6,120
Aqueous rinsing liquids	kg	16,180	0	0
Non-chlorinated solvent	kg	0	0	182
Organic solvent	kg	137,3	0	0
Mineral oil waste	kg	1,481	0	0
Mold purging water	l	0	0	0
Waste emulsion	kg	915	0	0
Waste liquid pressure oil	kg	8.5	0	0
Water contaminated with oil	l	2,618	0	0
Wasted oils	l	40.5	0	0
Acetone waste liquid	kg	41	0	0
Packaging	kg	0	0	420
Absorbent material	kg	0	0	982
Aerosol sprays	kg	0	0	61
Fluorescent lighting	kg	150	0	0
Obsolete Fat	kg	0	0	180
Chemical waste containers / tins	kg	505.5	0	0

Waste Type	Unit of measurement	Volume removed	Volume reused	Volumen Recycled
Scrap circuit board	kg	17,916	0	0
Lamp tube waste	kg	0	0	0
Scrap printing catridges	kg	0	0	0
Activated carbon waste	kg	120	0	0
PB-contaminated cloths	kg	650.5	0	0
Cloths contaminated with chemical substances	l	4,570	0	0
Empty containers that contained chemical substances	kg	1,037	0	154
Dross and residue from welding of lead alloyed tins	kg	2,260.5	0	0
SLAG AND WASTE FROM LEAD ALLOY TIN SOLDERING	l	399	0	399
Paste residue from welding of lead alloyed tins	l	302.5	0	0
Infectious biological hazardous waste	kg	2.7	0	0
Air conditioning filters	kg	8.5	0	0
Chemical expired substances	lt	0	0	0
Centrlized filters	kg	5,112	0	5,112

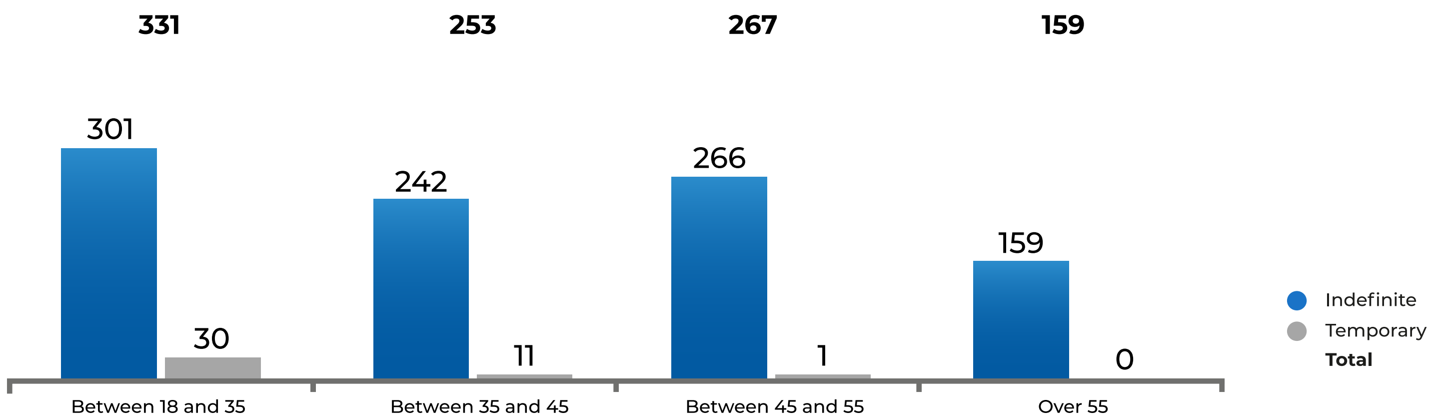
Waste Type	Unit of measurement	Volume removed	Volume reused	Volumen Recycled
Scrap cables	kg	0	0	0
Batteries and acumulators	kg	51	0	0
PC board surplus	kg	21,650	0	21,650
Toner	kg	0	0	0
Batteries	kg	0	0	0
Computer equipment	kg	0	0	62
Paper and cardboard waste	kg	21,731.5	0	47,140
Wood	kg	0	0	0
Plastic	kg	21,270.2	0	42,620
Metals	kg	2,423.7	0	17,462
General waste	kg	0	0	149,760
Urban solids	kg	21,731.5	0	0
Cardboard packaging waste	kg	9,497	0	0
Chemical waste contained	kg	1,192	0	0
Used devices	kg	1,231.7	0	0

Annex II.
Merit's distribution of indefinite and temporary contracts by age, gender and professional category for 2025 and 2024

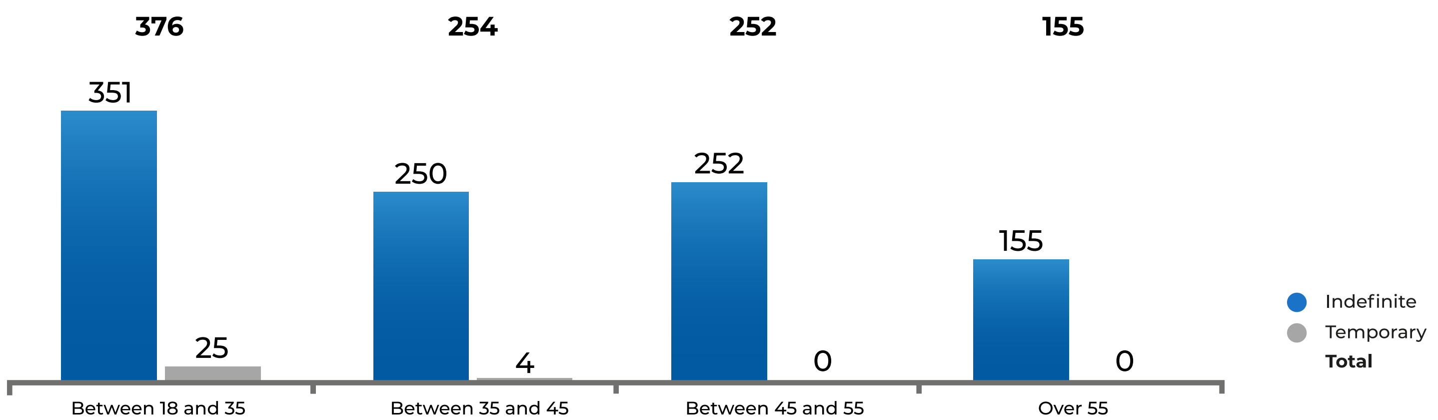


Contract modalities by age

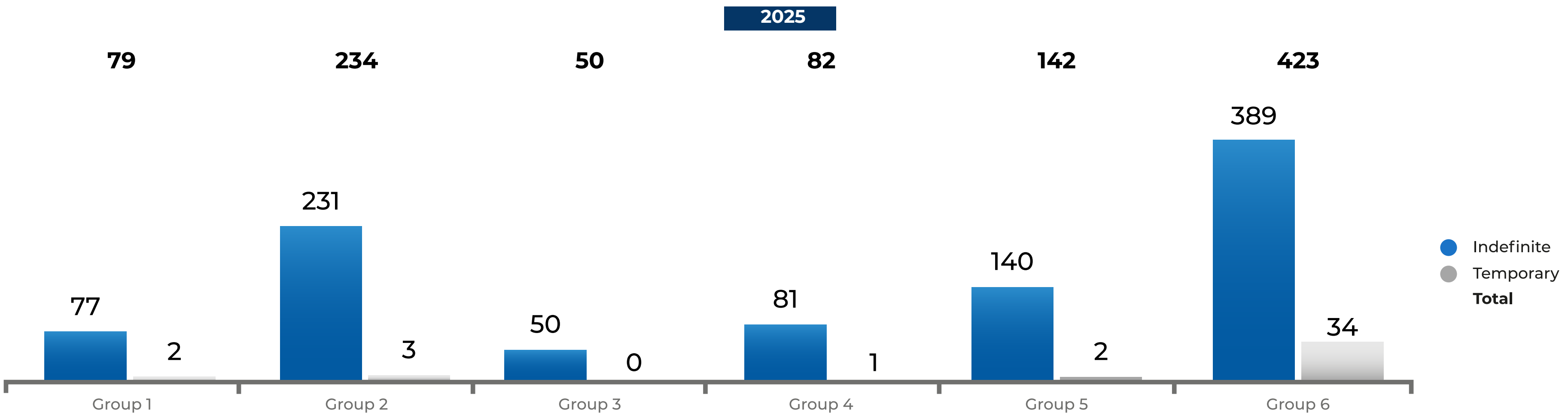
2025

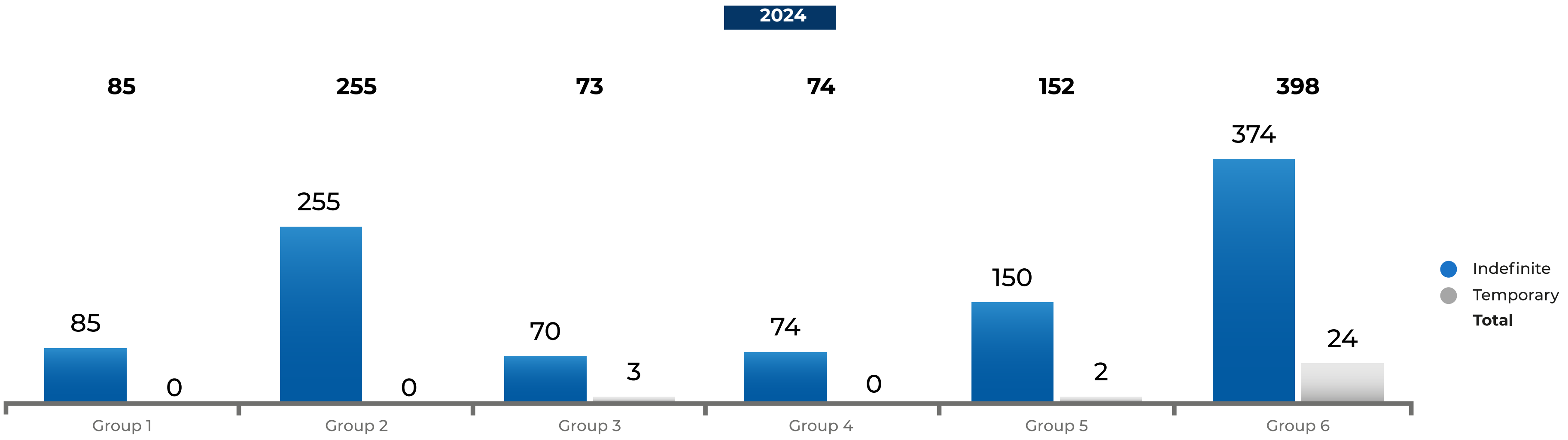


2024



Contract modalities by professional category

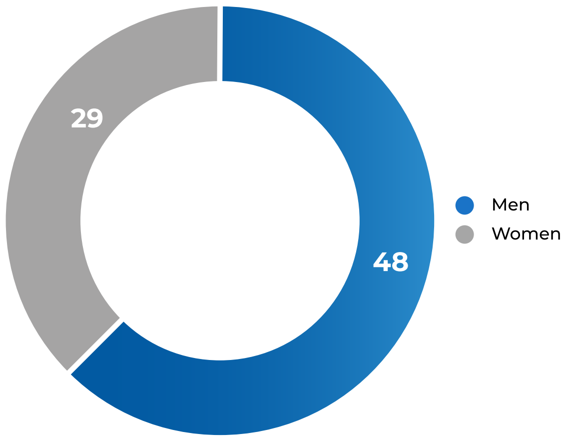




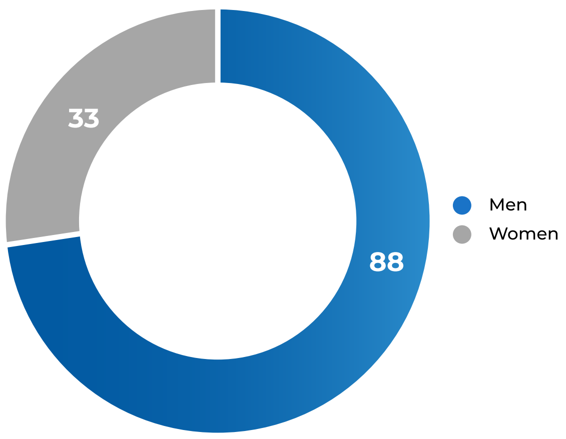
Annex III.
Merit's FY25 hirings categorized by different criteria

Hirings by gender

2025

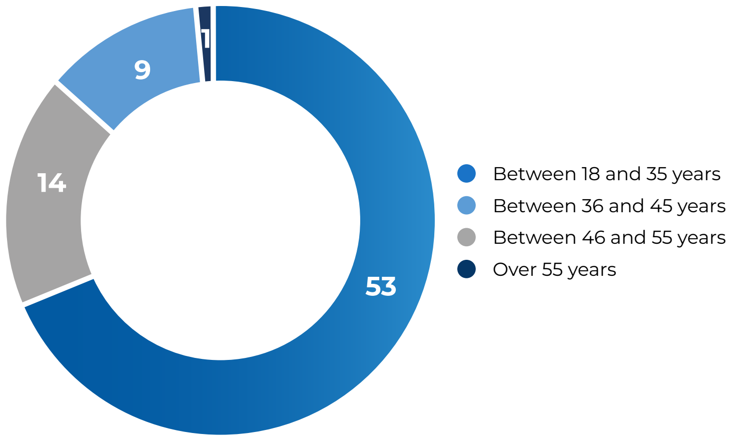


2024

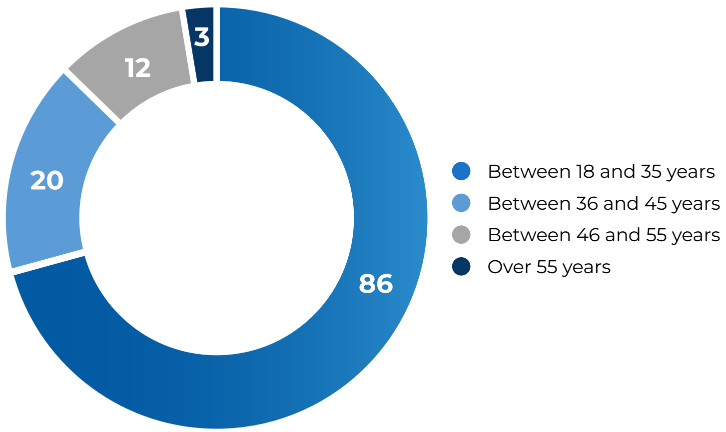


Hirings by age

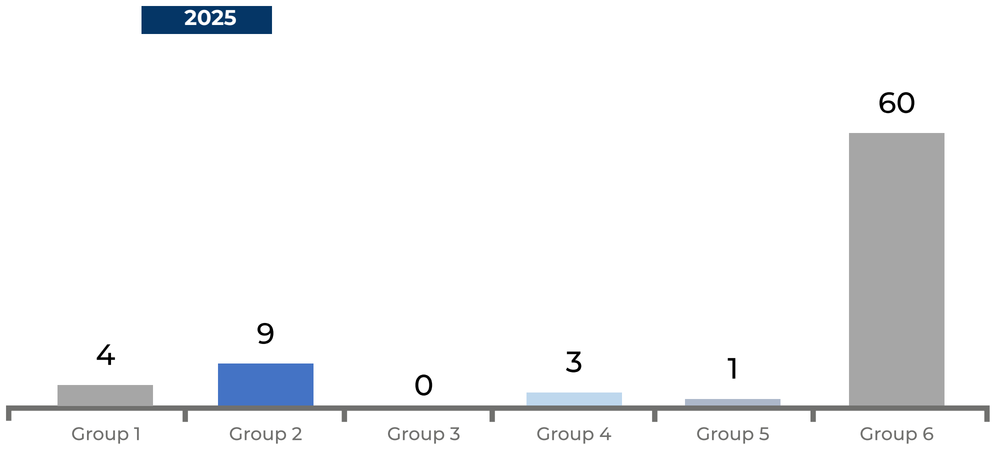
2025

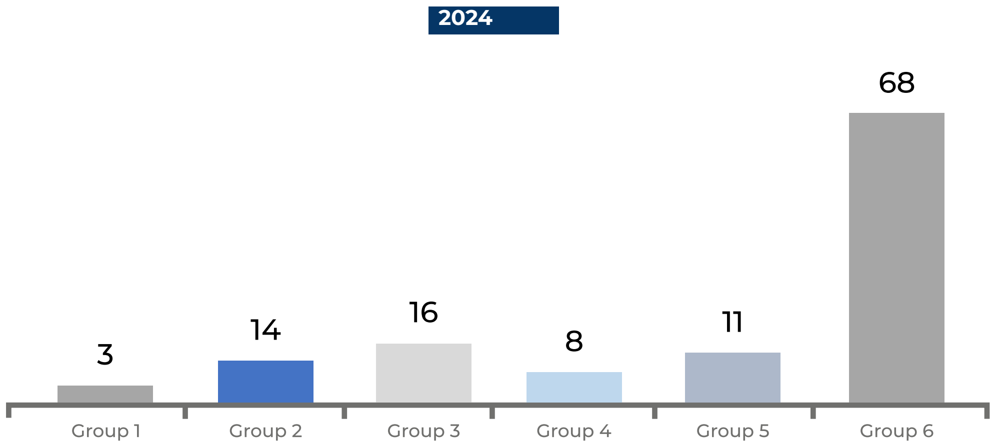


2024



Hirings by professional category

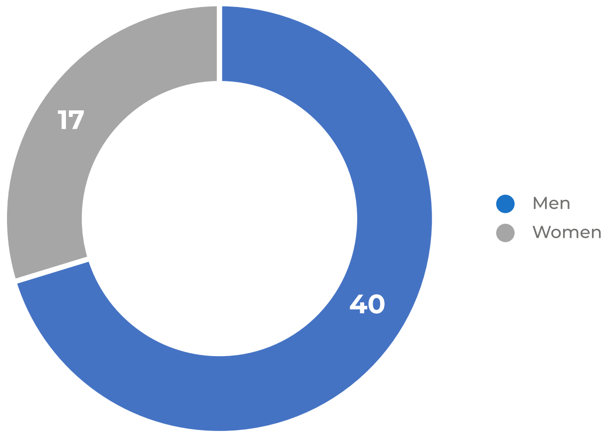




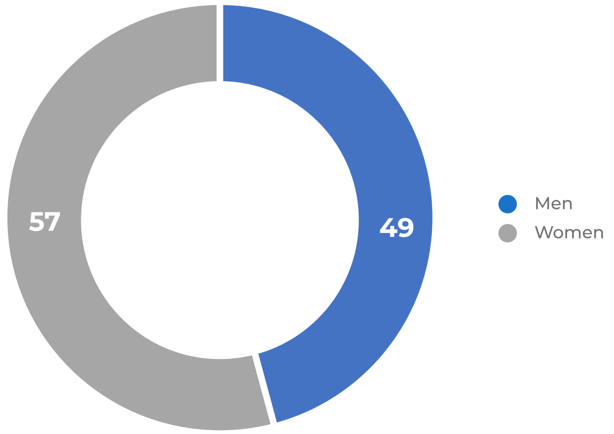
Annex IV.
Merit's FY25 dismissals categorized by different criteria

Dismissals by gender

2025

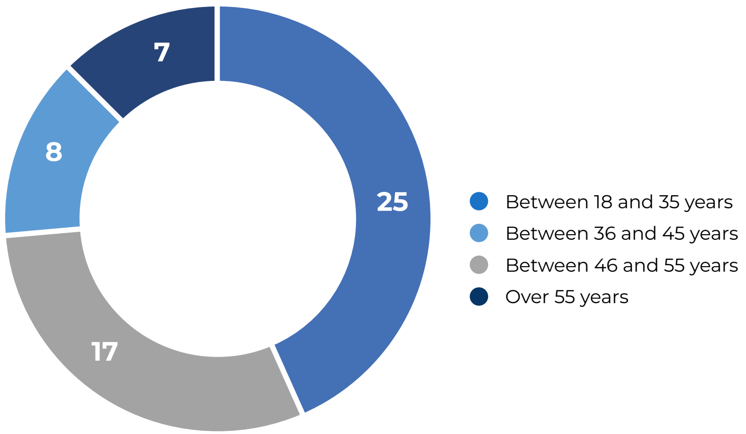


2024

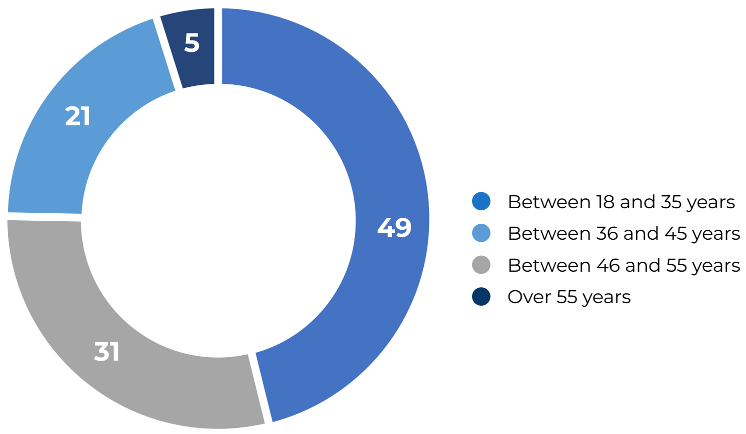


Dismissals by age

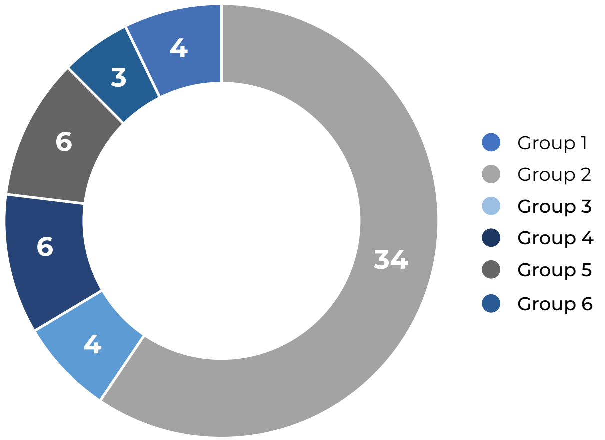
2025

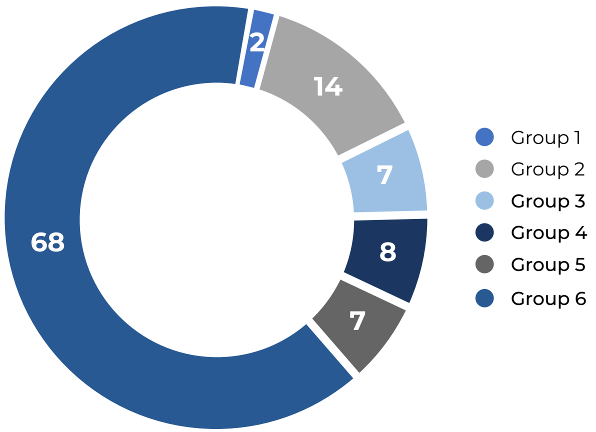


2024



Dismissals by professional category





Annex V.
Average remuneration as of end of FY25 by country

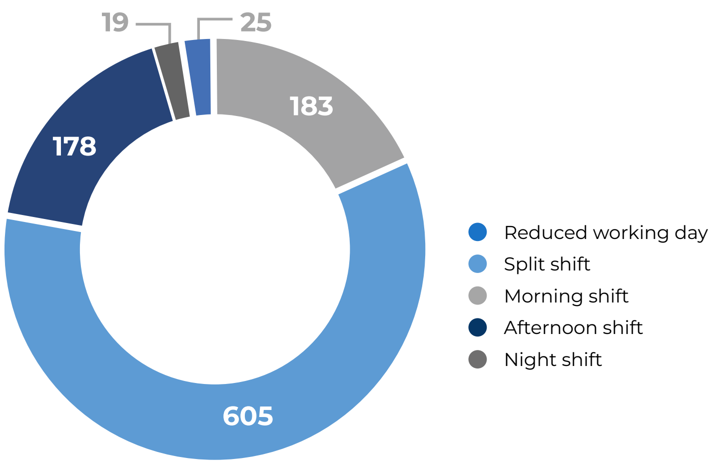
	Average remuneration as of 31.12.25- Spain							
	Men (k€)				Women (k€)			
Professional category	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55
Group 1	43	73.2	63.7	94.5	-	56.5	63.4	60.8
Group 2	-	-	-	-	-	-	-	-
Group 3	-	-	-	54.7	-	-	-	-
Group 4	42.5	43	51.3	51.5	-	51	-	-
Group 5	38.3	39.3	41.2	40.6	34	-	42.2	46.5
Group 6	-	-	34.3	35.7	-	34	34.1	34.5

	Average remuneration as of 31.12.25 - China							
	Men (k€)				Women (k€)			
Professional category	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55
Group 1	-	44	46.4	90.7	-	45.4	41	-
Group 2	20.7	25.3	17	-	14.6	23.1	23.1	-
Group 3	-	26.5	-	-	-	23.9	-	-
Group 4	12.8	11.4	14.8	-	-	11.8	-	-
Group 5	8.5	10.7	-	-	9	10.6	-	-
Group 6	9	7.7	7.2	-	7.9	8.1	7.7	-

	Average remuneration as of 31.12.25 - Mexico							
	Men (k€)				Women (k€)			
Professional category	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55	Between 18 and 35	Between 35 and 45	Between 45 and 55	Over 55
Group 1	-	56.67	51.35	140.07	-	41.71	54.20	77.77
Group 2	31.17	24.01	25.65	28.52	18.03	34.41	19.26	-
Group 3	19.12	26.06	37.40	-	21.16	23.71	20.39	-
Group 4	12.64	13.96	14.50	-	12.05	16.80	-	-
Group 5	9.83	9.75	9.75	-	9.75	9.75	9.75	29.25
Group 6	7.97	8.07	8.14	8.03	7.68	7.71	7.58	7.58

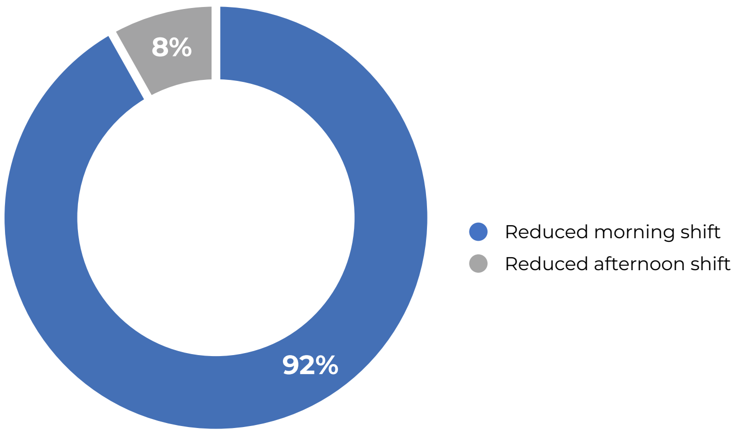
Annex VI.
Merit's employees by type of working shift

Organization of employees by work shifts



Annex VII.
Distribution of Merit's employees by type of reduced shift

Distribution of employees with a reduced working day



Annex VIII.
Health and Safety indicators by gender

Indicator	2025					
	Spain		Mexico		Poland	
	Men	Women	Men	Women	Men	Women
Number of accidents at work with sick leave	3	6	0	0	0	0
Number of accidents at work without sick leave	3	1	0	4	0	0
Number of accidents at work with sick leave "in itinere"	1	3	0	0	1	0
Number of accidents at work without sick leave "in itinere"	0	0	0	0	0	0
Frequency Index (I.F[7])	**26**	**37.08**	**0**	**9.52**	**0**	**0**
Severity Index (I.G[8])	**0.23**	**0.46**	**0**	**0.04**	**0.19**	**0**
Total hours worked	230,720	188,771	357,611	419,804	336,114	109,288
Absent working days	55	87	0	18	65	0

[7] Calculated as: (Number of accidents at work/Total hours worked) * 1,000,000
[8] Calculated as: (Number of absent working days/Total hours worked) * 1,000

Annex IX.
Performance and career development appraisals information for 2025

Percentage of employees receiving regular performance and career development appraisals			
Spain	China	Mexico	Poland
80%	95%	100%	90%

Annex X.
Tax information

Profits by country (EUR thousands)

Country	2024	2025
Brazil	(19.55)	(38.78)
China	(1,602.00)	1,013.92
USA	147.91	171.81
Spain	(22,259.00)	(26,168.07)
Mexico	821.74	1,190.34
Poland	(357.59)	367.43
Total	**(23,268.82)**	**(24,198.21)**

Corporate Income Tax (EUR thousands)

Country	2024	2025
Brazil	-	-
China	50.01	(75.79)
USA	-	-
Spain	(10,907.17)	(493.79)
Mexico	(245.63)	(424.12)
Poland	(22.95)	68.31
Total	**(11,175.75)**	**(925.39)**

Direct economic value generated and distributed

		2024	2025
Direct economic value generated		**134,123**	**122,902**
Revenues	Net sales, revenues from financial investments, revenues from sales of assets and exceptional revenues.	134,123	122,902
Economic value distributed		**(141,405)**	**(141,436)**
Operating costs	Payments to suppliers, repayments of fixed assets, losses from the sale of assets and exceptional expenses.	(104,956)	(97,667)
Employee wages and benefits	Cost of employees and executives.	(31,795)	(30,827)
Payments to providers of capital	Financial expenses, exchange differences, losses from the sale of financial instruments and dividends.	5,131	(1,938)
Payments to public administration	Expenses for taxes accrued during the financial year.	(21,775)	(11,004)
Economic value retained		**(29,526)**	**(18,534)**

References to the contents established by Law 11/2018 on Non-Financial and Diversity Information, included in the Non-Financial Information Statement for the 2024 financial year

Reference to disclosures based on the Global Reporting Initiative (GRI) Standards

GRI Content Index			
GRI Code	**Number**	**Contents**	**Page**
GRI 2	2-1	Organizational details	5-7
GRI 2	2-2	Entities included in the organization's sustainability reporting	5; 46
GRI 2	2-3	Reporting period	46
GRI 2	2-4	Restatements of information	17; 24
GRI 2	2-5	External assurance	46
GRI 2	2-6	Activities, value chain and other business relationships	5-7; 40
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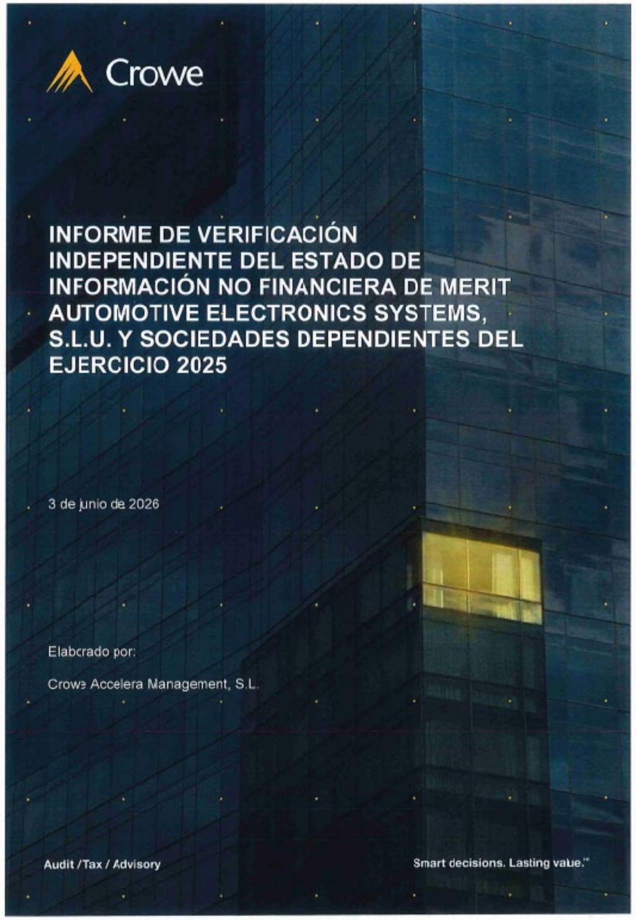
External Assurance



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INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA DE MERIT AUTOMOTIVE ELECTRONICS SYSTEMS, S.L.U. DEL EJERCICIO 2025

Al socio único de Merit Automotive Electronics Systems, S.L.U.

De acuerdo con el artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de Información No Financiera (en adelante EINF) correspondiente al ejercicio anual finalizado el 31 de diciembre de 2025, de Merit Automotive Electronics Systems, S.L.U. y sus sociedades dependientes (en adelante el Grupo) que forma parte del Informe de Gestión Consolidado del Grupo.

Responsabilidad del órgano de administración

La formulación del EINF incluido en el Informe de Gestión del Grupo Consolidado, así como su contenido, es responsabilidad del órgano de administración del Grupo. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de estándares de sostenibilidad de Global Reporting Initiative (estándares GRI) seleccionados de acuerdo con lo mencionado para cada materia en el anexo "Referencias a contenidos establecidos por la Ley 11/2018 de Información no Financiera y Diversidad, incluidos en el Estado de Información No Financiera de 2025" del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

El órgano de administración del Grupo es también responsable de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Nuestra independencia y gestión de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código Internacional de Ética para Profesionales de la Contabilidad (incluyendo las normas internacionales sobre independencia) emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

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Nuestra firma aplica la Norma Internacional de Gestión de la Calidad 1 y mantiene, en consecuencia, un sistema global de gestión de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de Información no Financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 en vigor, "Encargos de Aseguramiento distintos de la Auditoría o de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada), emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Registro de Economistas Auditores (REA) del Consejo General de Economistas de España (CGEE) y con la Non-Authoritative Guidance on Applying ISAE 3000 (Revised) to Extended External Reporting (EER) Assurance Engagements desarrollada por el Auditing and Assurance Standards Board (IAASB).

El contenido del EINF 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 sobre la información identificada en el anexo "Referencias a contenidos establecidos por la Ley 11/2018 de Información no Financiera y Diversidad, incluidos en el Estado de Información No Financiera de 2025".

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en su naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de seguridad razonable y, por lo tanto, la seguridad que se obtiene es sustancialmente menor.

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Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades del Grupo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y para obtener la información necesaria para la revisión externa.
- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2025 en función del análisis de materialidad realizado por el Grupo, considerando los contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2025.
- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación con los aspectos materiales presentados en el EINF del ejercicio 2025.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2025 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los Administradores y la Dirección.

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Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en la evidencia obtenida, no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF de Merit Automotive Electronics Systems, S.L.U. correspondiente al ejercicio anual finalizado el 31 de diciembre de 2025 no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados, así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en el anexo "Referencias a contenidos establecidos por la Ley 11/2018 de Información no Financiera y Diversidad, incluidos en el Estado de Información No Financiera de 2025".

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos o jurisdicciones.

3 de junio de 2026

Crowe Accelera Management, S.L.

Luis D. Piacenza, Socio

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