

ESG ²⁰²⁵ REPORT

3DRG AUTOMOTIVE GROUP

3DRG



THE MOST IMPORTANT PART IS YOU

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WELCOME TO BORG AUTOMOTIVE GROUP'S ESG REPORT

1.0

Dear Reader,

Welcome to our ESG report – an annual review of BORG Automotive Group's journey during 2025 highlighting our performance and improvement areas. Please note this is a voluntary report for communicating progress that follows the EU VSME-voluntary guidelines for ESG reporting.

Our parent company, Schouw & Co. has prepared a consolidated annual report including sustainability statement pursuant to the Corporate Sustainability Reporting Directive (CSRD).

You can find more information here: [Annual Report 2025](#)

Accounting policies are in accordance with those presented in Schouw & Co.'s annual Sustainability Statement.

We hope you find this report valuable and insightful.

LETTER FROM JESPER MØBERG, CEO

1.1

Dear Stakeholder,

2025 marked a milestone year for BORG Automotive Group with the celebration of the 50-year anniversary of its remanufacturing business, which constitutes the foundation of the Group. Established in 1975 under the name Elstock as a small electromechanical workshop, the company has since developed into an organisation generating revenue of DKK 1,776 million, supplying the automotive aftermarket with 7.5 million auto parts annually and employing more than 2,100 people across Europe and Tunisia.

During the year, I assumed the role of Chief Executive Officer, marking a leadership transition for BORG Automotive Group. In this context, I would like to extend sincere appreciation to Kim Kruse Andersen for his leadership and contribution to BORG Automotive Group during his tenure as CEO.

This transition formed part of a broader journey towards a more responsible, competitive, and future-fit organisation. Alongside the anniversary, BORG Automotive Group entered a new strategic phase characterised by strengthened governance and an increased focus on meeting evolving market demands. With the appointment of a new Chief Financial Officer and my assumption of the role as Chief Executive Officer, the Group reinforced its foundation for long-term value creation and launched the Refine4Future strategy. This transformation programme was designed to safeguard earnings, improve efficiency, and future-proof operations.

Commercially, 2025 was characterised by a polarised and challenging market environment. Soft demand in the remanufacturing segment, combined with geopolitical headwinds and intense price competition

driven in particular by increased Chinese exports into the EU market, affected overall performance. Despite these conditions, BORG Automotive Group continued to implement initiatives aimed at countering market pressures and protecting profitability, with the objective of ensuring that short-term challenges did not undermine long-term sustainability or strategic ambitions.

Despite the demanding market climate, sustainability and circularity remained central to BORG Automotive Group. The remanufacturing business continued to support circularity in the automotive aftermarket through the responsible use of raw materials and by contributing to lower energy demand and CO₂e emissions to the environment. In 2025, the Group exceeded its stated greenhouse gas ambition, achieving an absolute reduction of emissions from own operations of 56% compared with the baseline year 2020. This outcome went beyond the ambition of a 30% reduction in 2030 and represents a key milestone in the company's work on greenhouse gas reductions.

During the year, BORG Automotive Group's commitment to circular and responsible business was recognised across Europe through multiple awards, including Best Reman Company, Sustainable Company of the Year, and the German Sustainability Award.

In parallel, BORG Automotive Group advanced its governance and ESG documentation, retaining its EcoVadis Bronze Medal and becoming a member of the Forum for Automotive Aftermarket Sustainability (FAAS), thereby strengthening collaboration and engagement in industry-wide sustainability development.



A TRANSFORMATIVE YEAR FOR BORG AUTOMOTIVE GROUP

56% reduction of scope 1+2
GHG emissions

Best Reman Company,
Sustainable Company of the Year,
and the German Sustainability Award

EcoVadis Bronze Medal

Member of FAAS
Forum for Automotive Aftermarket
Sustainability

BORG Automotive Group enters 2026 with an enhanced ability to supply auto parts to the European automotive aftermarket, both circular and non-circular, in support of continued mobility. While market conditions are expected to remain volatile, the Group's strategic direction remains focused on strengthening resilience and advancing sustainability objectives.

Thank you for your continued support.
Sincerely,

Jesper Møberg
CEO, BORG Automotive Group

02

AT A GLANCE – YEARLY HIGHLIGHTS

2.0

56% CO₂e reduction from 2020 to 2025. ESG ambition fulfilled.



2,137 Employees



1,776M Revenue 2025 (DKK)



100% Owned by Schouw & Co.

SCHOUW&CO

↑ 2.8%* 1,119 tCO₂e

SCOPE **01**

↓ 74.6%* 1,481 tCO₂e

SCOPE **02**

↓ 4.7%* 178,337 tCO₂e

SCOPE **03**

*Compared to 2024

ABOUT BORG AUTOMOTIVE GROUP

3.0

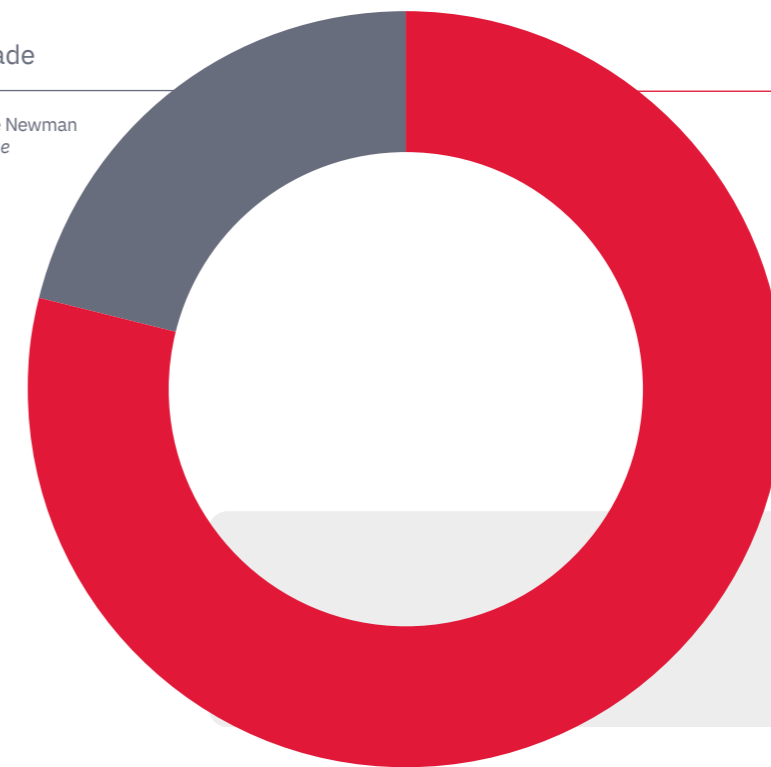
Since its founding in 1975 in Denmark, BORG Automotive Group has grown into one of Europe’s leading remanufacturers and suppliers of automotive spare parts. The Group comprises three specialised business units: BORG Automotive Reman, CPI, and BORG Automotive Newman. While BORG Automotive Reman and CPI remanufacture OE-matching parts for both the aftermarket and OE clients, BORG Automotive Newman expands the portfolio with a broad range of newly produced spare parts. Headquartered in Silkeborg, Denmark, BORG Automotive Group employs over 2,100 people across eight countries. United by expertise and innovation, the Group remains committed to delivering high-quality, responsible products for the automotive aftermarket.

21%* Trade

BORG Automotive Newman
**Based on revenue*

79%* Remanufacturing

BORG Automotive Reman & CPI
**Based on revenue*



COMPANY INFORMATION 3.1

BORG Automotive Group is owned by Schouw & Co., a listed industrial conglomerate with a strong focus on responsible and long-term ownership. This ownership structure provides BORG Automotive Group with a solid foundation for developing the business responsibly while continuing to advance circularity and sustainability across the European automotive aftermarket.

Legal company form BORG Automotive A/S
Headquarters Silkeborg, Denmark
NACE code 467,200

2,137 Employees

1,776M Revenue 2025 (DKK)

100% Owned by Schouw & Co. SCHOUW&CO

CERTIFICATE	DESCRIPTION	SCOPE	RATING
ISO 9001	Quality management system	All production sites in Europe – 80% of production sites	Yes
ISO 14001	Environmental quality system	All production sites in Europe – 80% of production sites	Yes
ISO 45001	Occupational health and safety management system	Production sites in Poland and the UK – 60% of production sites	Yes
EcoVadis	Sustainability rating	Group View Score	Bronze medal
SAQ	Supplier Assurance questionnaire in the Automotive sector	All production sites	Yes
CDP	Carbon Disclosure Project	Group	C

- ### LOCATIONS
- Silkeborg, DK
 - Støvring, DK
 - Nivelles, BE
 - Eisenach, DEU
 - Chaumont, FR
 - Wednesbury, UK
 - Zdunska Wola, PL
 - Lublin, PL
 - Lodz, PL
 - Pamplona, SP
 - Bembla, TN



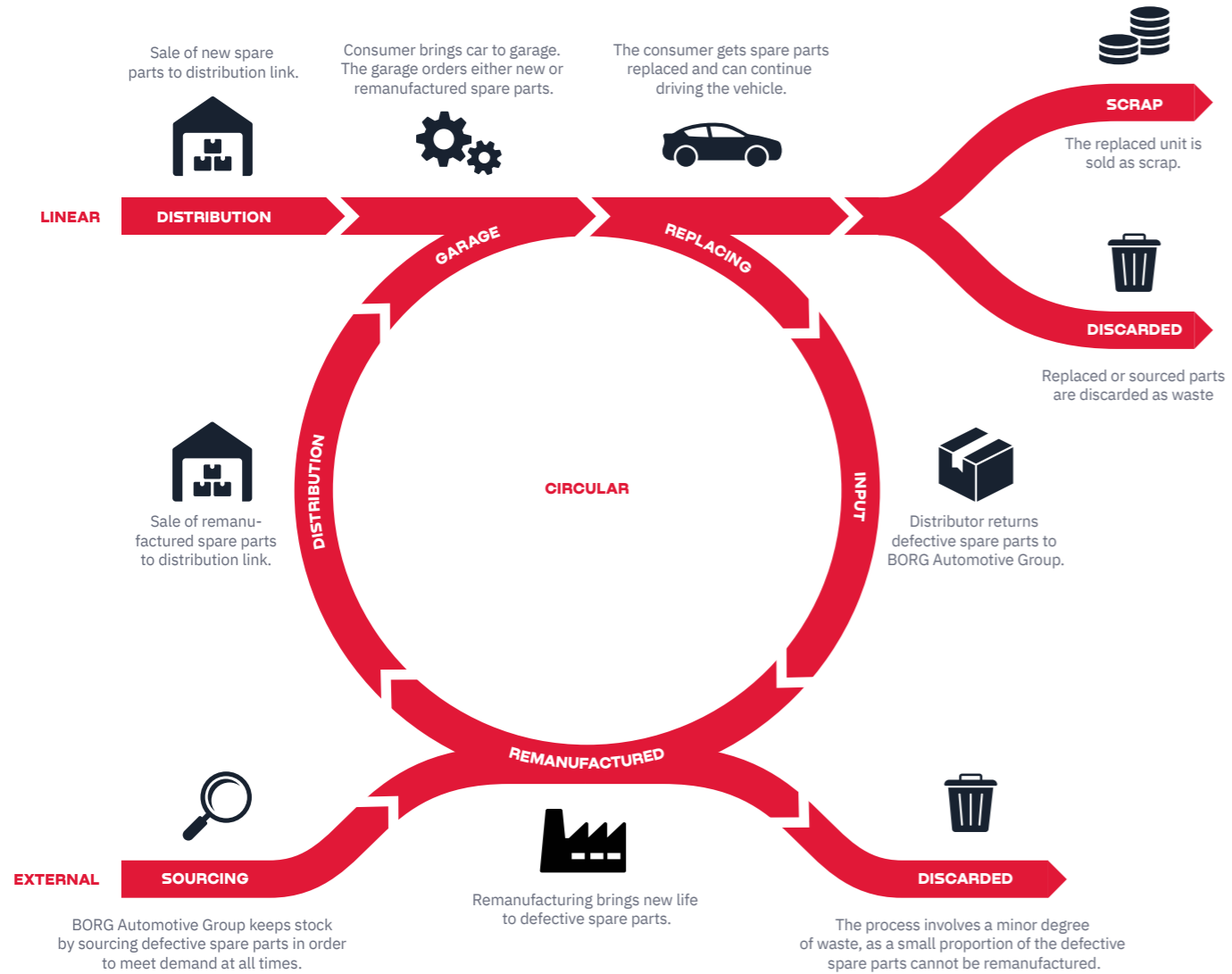
BUSINESS MODEL

3.2

BORG Automotive Group operates with two distinct business models: one circular and one linear. The company was founded on a circular model, built around take-back systems and remanufacturing.

In 2021, it expanded with the acquisition of a linear trading business, now known as BORG Automotive Newman.

Combining both models allows the group to offer a broad product range, including wear parts that are not suitable for remanufacturing, strengthening its position as a competitive supplier with a broad product range.



**HAVE IT ALL
FROM ONE
SUPPLIER**

SUSTAINABILITY GOVERNANCE

3.3

At BORG Automotive Group, sustainability is governed through a structured and collaborative framework that ensures both strategic direction and local implementation. The sustainability efforts are overseen by the Sustainability Committee, which sets the strategic agenda, approves priorities, and monitors progress across the group. The committee ensures that sustainability is integrated into core business decisions and long-term strategic planning.

To drive actions locally, a CSR organisation with representatives from each production site and office location have been established back in 2020. These representatives lead and coordinate sustainability initiatives tailored to their local context, focusing on continuous improvements within areas such as energy efficiency, waste reduction, employee engagement, health and safety, and community impact. Together, they play a crucial role in translating group-level ambitions into meaningful operational results.

This governance structure allows BORG Automotive Group to balance international direction with local accountability, ensuring that sustainability is embedded into everyday operations and contributes to responsible growth across the entire organisation.

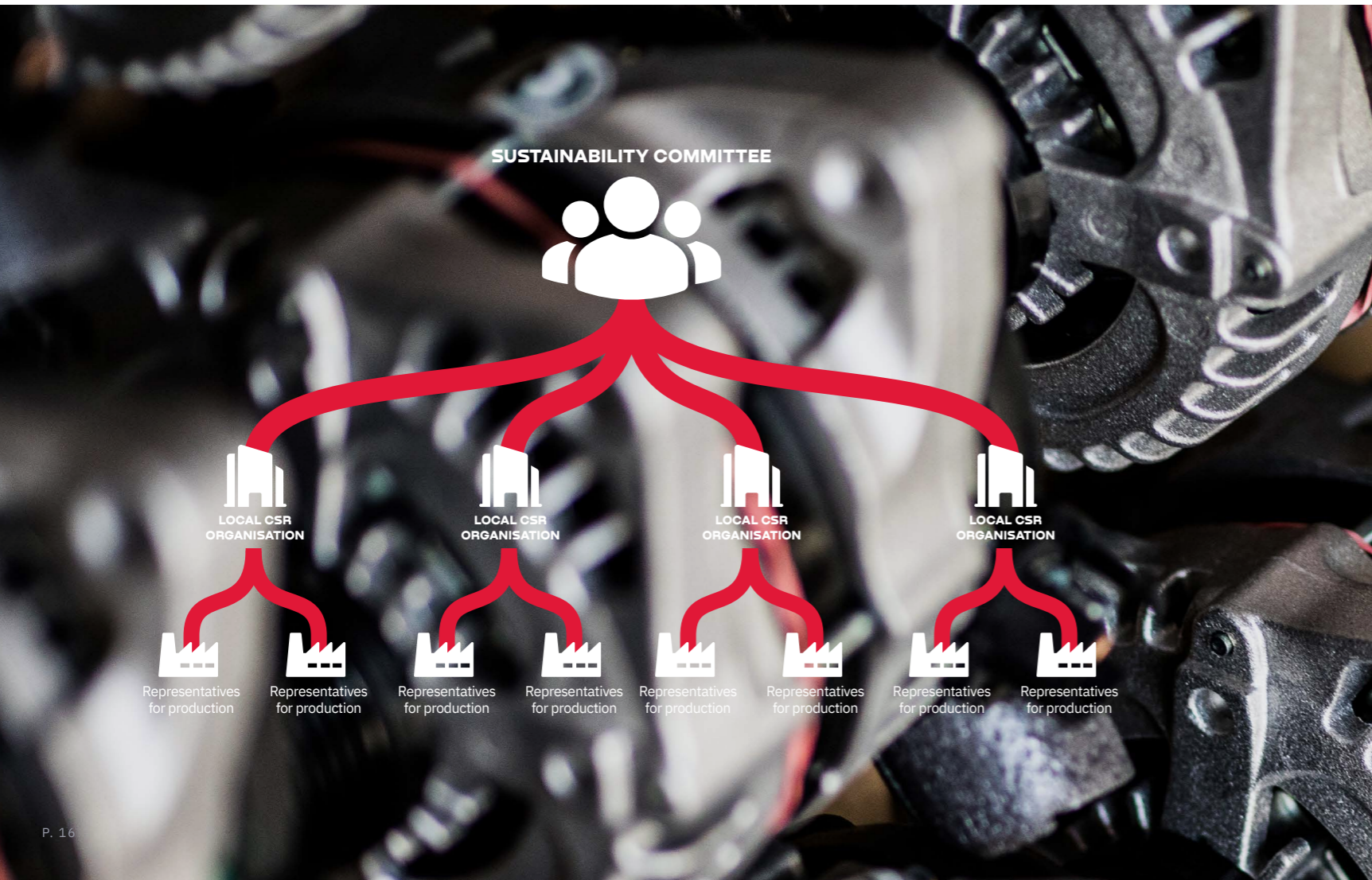
POLICIES

3.4

At BORG Automotive Group, our policies provide the foundation for responsible business practices that are in line with the company values. We maintain clear guidelines covering areas such as environment, health and safety, ethical conduct, human rights, and anti-corruption. These policies ensure that our operations comply with legal requirements, align with international standards, and reflect our foundational values, as BORG Automotive Group is a value driven company.

Our policies are communicated across all sites and integrated into everyday business decisions, providing a framework for consistent, accountable, and transparent practices throughout the organisation.

AREA	THE COMPANY APPLIES A POLICY WITH THE AREA	IS THE POLICY PUBLICLY AVAILABLE?	DOES THE POLICY CONTAIN TARGETS & FUTURE INITIATIVES?
Climate change	Yes	No	Yes
Pollution	Yes	No	No
Water and marine resources	Yes	No	No
Biodiversity and ecosystems	Yes	No	No
Circular economy	Yes	No	Yes
Own workforce	Yes	Yes	Yes
Workers in value chain	Yes	Yes	No
Local communities	No	No	No
Consumers and end-users	No	No	No
Governance	Yes	Yes	No



DOUBLE MATERIALITY ASSESSMENT

3.5

In accordance with the European Sustainability Reporting Standards (ESRS), BORG Automotive Group has conducted its second Double Materiality Assessment (DMA) to identify and prioritise the sustainability matters most material to our business. This assessment considers both impact materiality in relation to how our activities affect people and the environment, and financial materiality in relation to how sustainability-related risks and opportunities may influence BORG Automotive Group’s business. The assessment followed a structured methodology, including:

- 01 Stakeholder engagement to understand expectations and concerns.
- 02 Impact and risk mapping across our operations, value chain, and key geographies.
- 03 Scoring and prioritisation based on severity, likelihood, and potential financial effects.
- 04 Engagement of top management in the assessment to guide priorities and ensure alignment with strategic objectives.

The results of the DMA define key metrics, sustainability focus areas, and strategic priorities. They are integrated into the Schouw & Co. portfolio DMA, which is reported in our parent company’s Annual Report.

The double materiality assessment of Schouw & Co. is subject to annual external assurance by Schouw & Co.’s third-party auditor, ensuring accuracy and reliability. The Schouw & Co. Annual Report, including our Double Materiality Assessment, is publicly available on their website.

SUSTAINABILITY STRATEGY

3.6

In 2025, BORG Automotive Group launched a new overarching strategic framework, Refine4Future, designed to build a more resilient business in a market characterised by uncertainty, technological disruption, and a polarised external environment.

While strengthening our operational resilience, we continue to recognise that a strong focus on ESG is essential for long-term success. BORG Automotive Group is fully committed to advancing its ESG ambitions.

The following sections provide an overview of our performance and progress against these ESG ambitions.



LIMIT CLIMATE IMPACT

Effort to limit our effect on the climate.

Reduce GHG emissions from in-house production by 30% by 2030*

Ambition reached in 2025

*Baseline 2020



CARING FOR THE EMPLOYEES

Increase employee satisfaction by 5%* over the next five years.

Reduce LTIFR by 30% by 2025**

Ambition not reached for LTIFR in 2025

*Target year 2027
**Baseline 2020



CIRCULAR MODEL SAVES CO₂ EMISSIONS

Be able to quantify the CO₂ savings of remanufactured products

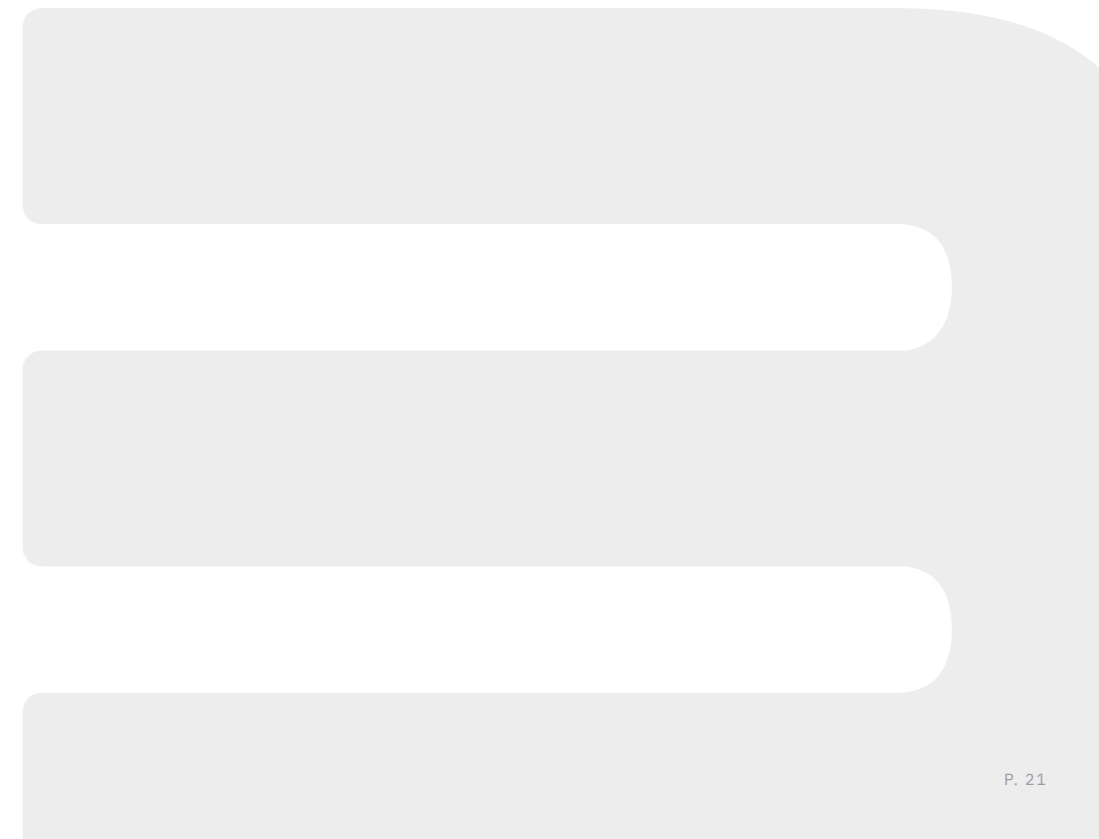
Ambition reached in 2023

ENVIRONMENT

4.0

BORG Automotive Group continuously seeks to mitigate the environmental impact of its business activities. The most significant environmental impacts are associated with energy consumption, material use, and emissions arising from the use phase of the Group's products in vehicles. The Group is committed to complying with applicable local legislation, rules, and regulations, while maintaining its broader ESG ambitions.

To address the responsible use of energy and other environmental impacts, and to mitigate potential effects on the environment, BORG Automotive Group has established an environmental policy covering topics related to energy usage, climate change, pollution, water, biodiversity, and resource use. The environmental policy is reviewed annually and approved by the managing director. Continuous improvement efforts are pursued across all locations, including operational sites, warehouses, and offices. In 2025, QR codes were introduced on product boxes instead of paper-based installation manuals, resulting in a reduction of approximately 2 million sheets of paper annually within BORG Automotive Group. This initiative represents one of several actions implemented to minimise negative environmental impacts.



ENERGY CONSUMPTION 4.1

For running the operations in BORG Automotive Group which both includes remanufacturing sites, warehouses and offices, the group is consuming energy in its own operations. The total energy consumption of BORG Automotive Group amounted to 14,635 MWh in 2025, representing a 3% increase compared to 2024, which was driven by a full year of operation of an acquired production site in Tunisia during 2024.

In 2025, the Group significantly increased the share of renewable energy in its energy mix. Renewable energy production and consumption related to the Group’s direct energy consumption increased by 134% from 2024 to 2025, driven by the Group’s own solar energy installations at its sites. Own-generated renewable energy accounted for 8% of the Group’s direct energy consumption.

In addition, in 2024, BORG Automotive Group, in collaboration with Schouw & Co., announced a long-term Power Purchase Agreement (PPA) for renewable energy certificates. The associated solar park in Fundici, Andalusia, Spain, began operations in March 2025. From this point onward, BORG Automotive Group received certificates covering a significant portion of its indirect energy consumption. As a result, total energy consumption from renewable sources increased from 186 MWh in 2024 to 6,400 MWh in 2025. In 2025, renewable energy accounted for 44% of total energy consumption.

This development reflects sustained efforts to increase the share of renewable energy across operations, with measurable progress achieved during the reporting year.

ENERGY CONSUMPTION AND MIX	2025	2024	DELTA
Energy consumption from coal and coal production (MWh)	0	0	-
Energy consumption from crude oil and petroleum products (MWh)	1,801	1,676	+7.5%
Energy consumption from natural gas (MWh)	3,465	3,366	+2.9%
Energy consumption from other non-renewable sources (MWh)	0	0	-
Energy consumption from renewable sources (MWh)	0	0	-
Renewable energy production & consumption (MWh)	435	186	+134%
Total direct energy consumption (MWh)	5,701	5,228	+9.1%
Consumption of purchased electricity from non-renewable sources (MWh)	2,354	8,402	-72%
Consumption of purchased electricity from renewable sources (MWh)	5,965	0	-
Consumption of purchased heat, steam, or cooling from non-renewable sources (MWh)	615	562	+9,4%
Consumption of purchased heat, steam, or cooling from renewable sources (MWh)	0	0	-
Total indirect energy consumption (MWh)	8,934	8,964	-0.3%
Total energy consumption (MWh)	14,635	14,192	+3.1%
Total energy consumption from non-renewable sources (MWh)	8,235	14,006	-41.2%
Total energy consumption from renewable sources (MWh)	6,400	186	+3341%
Share of renewable energy consumption in total energy consumption (%)	44%	1%	+3237%
Percentage of operational sites for which an energy audit has been conducted	40%	N/A	-
Percentage of operational sites assessed on specific environmental risks	100%	N/A	-



GREENHOUSE GAS EMISSIONS

4.2

BORG Automotive Group’s greenhouse gas (GHG) emissions for 2025 are both covering emissions from own operations called scope 1 and 2 and emissions from the value chain known as scope 3 emissions.

EMISSIONS	2025	2024	DELTA	2030 TARGET
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO ₂ e)	1,119	1,088	+2.8%	-
Scope 2 GHG emissions				
Location-based Scope 2 GHG emissions (tCO ₂ e)	4,239	4,725	-10.3%	-
Market-based Scope 2 GHG emissions (tCO ₂ e)	1,481	5,827	-74.6%	-
Total scope 1+2 emissions location-based	5,358	5,813	-7.8%	-
Total scope 1+2 market-based	2,600	6,915	-62.4%	30% (2020-2030)
Total Gross scope 3 GHG emissions (tCO₂e)	178,337	187,044	-4.7%	-
Category 1: Purchased goods and services	107,371	120,653	-11%	-
Category 4: Upstream transportation and distribution	6,909	8,601	-19.7%	-
Category 11: Use of sold products	64,057	57,790	+10.8%	-
Total GHG emissions (location-based) (tCO₂e)	183,695	192,857	-4.8%	-
Total GHG emissions (market-based) (tCO₂e)	180,937	193,959	-6.7%	-
GHG emissions intensity (tCO ₂ e/mDKK)	102.0	98.4	+3.6%	-

The increase in renewable energy consumption in 2025 is also reflected in the Group’s greenhouse gas emissions. Scope 2 market-based emissions decreased by 74.6% from 2024 to 2025. As a result, 2025 represents a milestone year in relation to CO₂ reductions from own operations, as previous reduction initiatives had, up to this point, not resulted in measurable decreases on a group level. The achieved reduction already meets the Group’s stated ambition of a 30% reduction in Scope 1 and Scope 2 emissions by 2030.

Scope 3 emissions, which relate to emissions across the value chain, amounts to a reduction of 4.8% in total CO₂ emissions. This development was primarily linked to a highly competitive market environment that affected overall business activity levels. In addition, reductions within Category 1, purchased goods and services, were influenced by inventory build-up in 2024 to secure low delivery times. Combined with softer market demand, this naturally resulted in lower purchasing volumes and, consequently, reduced emissions.

The GHG emission intensity increased 3.6% due to soft demand challenges in the European aftermarket.

WATER IN OWN OPERATIONS

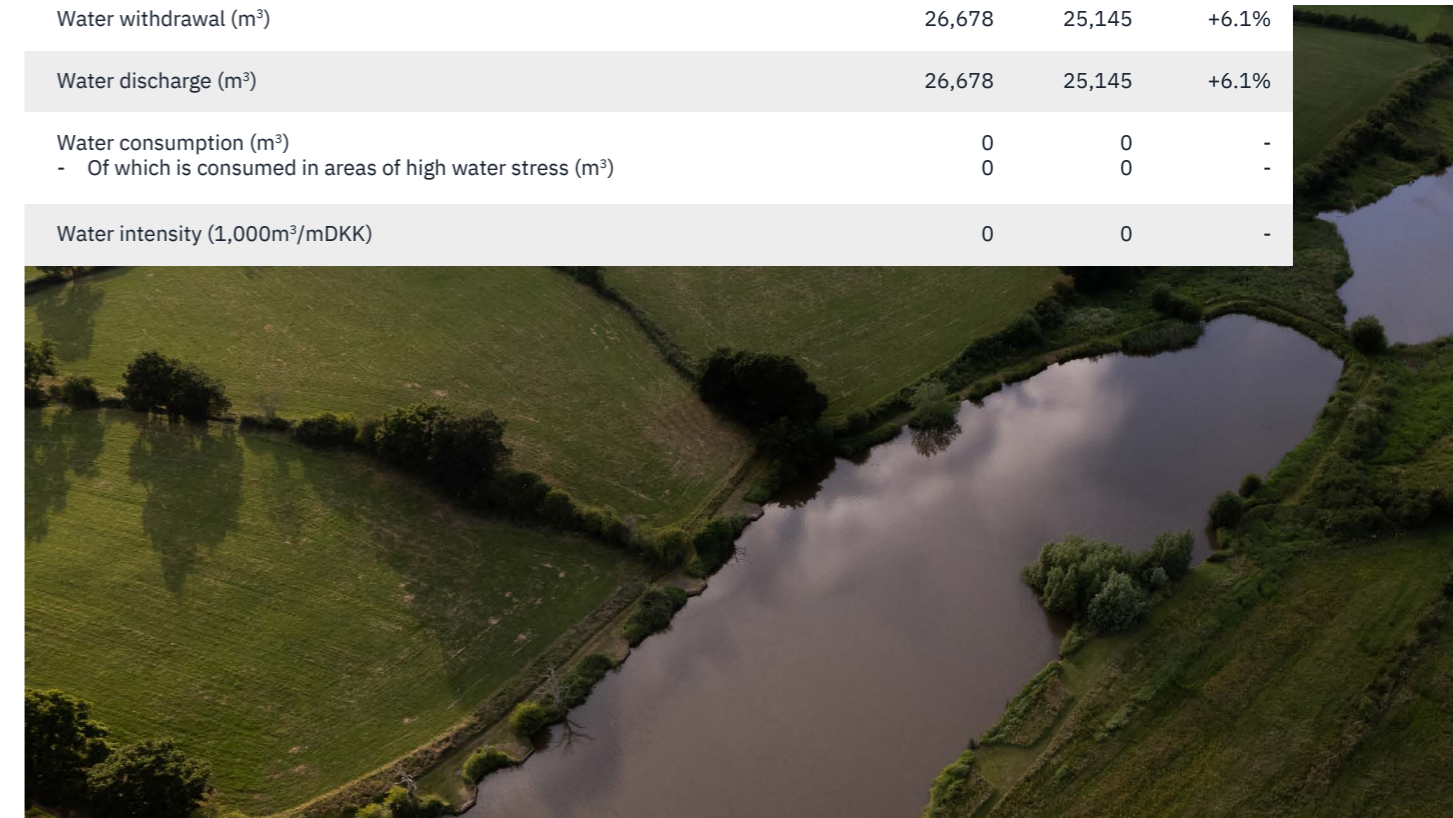
4.3

BORG Automotive Group uses water in its operations primarily for cleaning, general processes, and sanitation. The company do not have a significant direct water consumption, as the water withdrawn is returned to municipal treatment facilities rather than consumed in production. While the overall volumes are not considered material, BORG Automotive Group continue to monitor our performance to ensure responsible resource use in line with our sustainability ambitions.

Water withdrawal and discharge increased by 6.1% from 2024 to 2025. This increase was partly related to the integration of a new production site in Tunisia, which operated for a full year under BORG Automotive Group during the reporting period. In addition, a minor water pipe leakage at production sites in Spain contributed to the higher water use. This development underlines the importance of continuous monitoring of water consumption, as leakages may occur and require timely corrective actions, both to address immediate issues and to consider improvement measures aimed at preventing recurrence.

Although formal targets have not been established at this stage, BORG Automotive Group actively monitors performance in this area in order to maintain stable and responsible water use levels.

WATER	2025	2024	DELTA
Water withdrawal (m ³)	26,678	25,145	+6.1%
Water discharge (m ³)	26,678	25,145	+6.1%
Water consumption (m ³)	0	0	-
- Of which is consumed in areas of high water stress (m ³)	0	0	-
Water intensity (1,000m ³ /mDKK)	0	0	-



CIRCULAR ECONOMY & RESOURCE OUTFLOWS

4.4

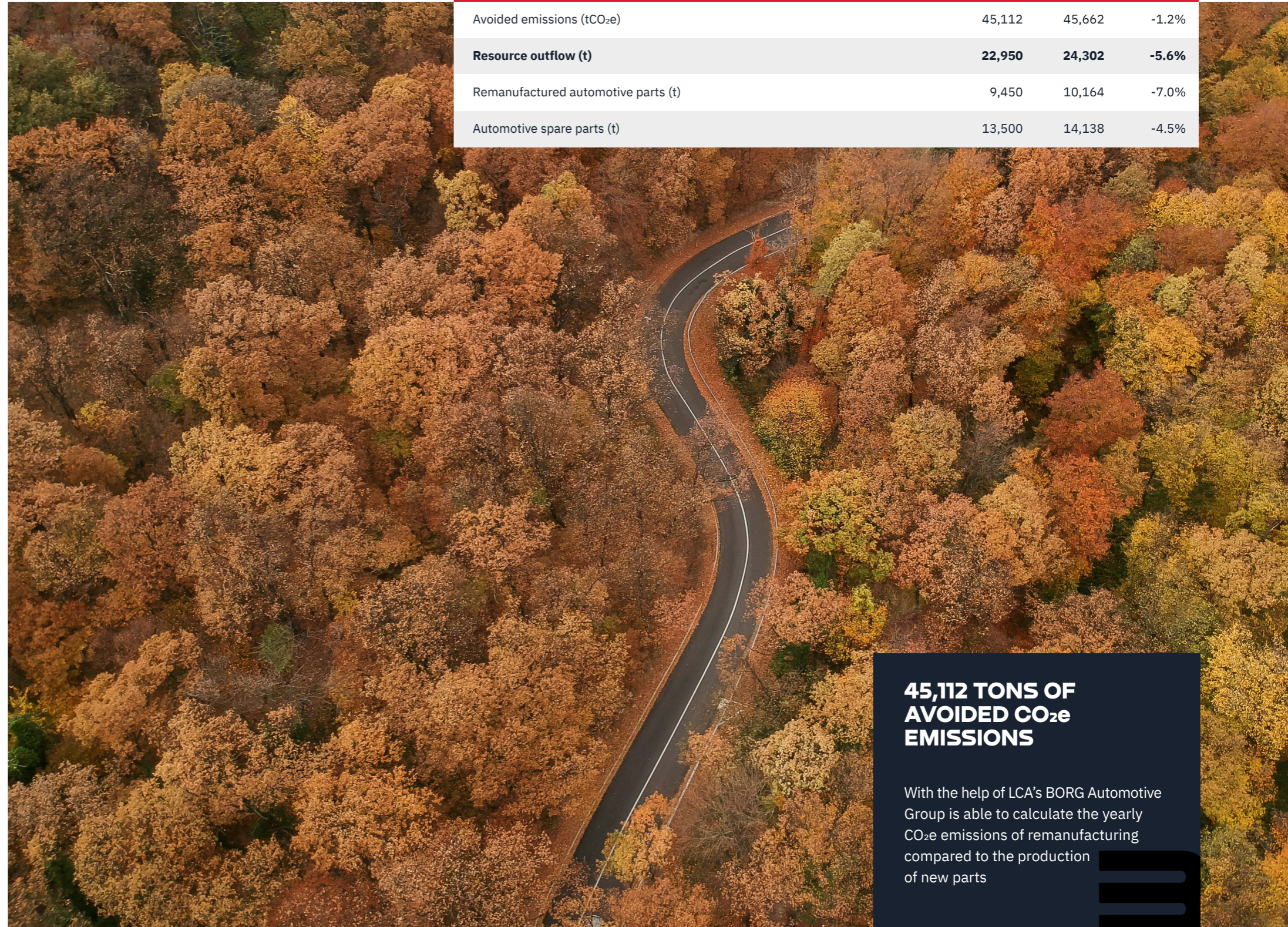
BORG Automotive Group’s remanufacturing business operates through a take-back system, collecting old and defective automotive spare parts as core material for the remanufacturing process. By restoring these parts for the same product and purpose, the demand for new raw materials and components is reduced. Remanufacturing accounts for 79% of total revenue, underscoring its central role in sustainable production.

Through remanufacturing, BORG Automotive Group significantly reduces environmental impact by using fewer resources and materials compared to newly manufactured parts. To quantify these benefits, the company has conducted lifecycle assessments across all primary remanufactured product groups. These assessments compare remanufactured parts with newly produced equivalents and show that, on average, remanufacturing results in 60% lower greenhouse gas (GHG) emissions and 70% less resource use—with some cases achieving up to 99% resource savings. In 2025, avoided emissions from the company’s production volume amounted to 45,112 tCO_{2e}, representing a 1% decrease compared to 2024, which was related to a lower production volume.

It is important to note that avoided emissions is a calculated metric that quantify the potential carbon savings assuming that remanufactured products replace newly produced alternatives. While they do not represent a direct reduction in BORG Automotive Group’s own carbon footprint, they result from increased remanufactured products and highlight the positive circular economy impact.

The resource outflow related to the company’s products amounted to 22,950 tonnes of automotive parts sold in the European market in 2025. This represented a decrease of 5.6%, driven by lower sales volumes associated with softer market demand.

RESOURCE OUTFLOW	2025	2024	DELTA
Avoided emissions (tCO _{2e})	45,112	45,662	-1.2%
Resource outflow (t)	22,950	24,302	-5.6%
Remanufactured automotive parts (t)	9,450	10,164	-7.0%
Automotive spare parts (t)	13,500	14,138	-4.5%



45,112 TONS OF AVOIDED CO_{2e} EMISSIONS

With the help of LCA’s BORG Automotive Group is able to calculate the yearly CO_{2e} emissions of remanufacturing compared to the production of new parts

EU TAXONOMY

4.5

The EU Taxonomy is a classification system established by the European Union to identify which economic activities can be considered environmentally sustainable. It aims to support transparency and comparability by providing common criteria for assessing whether an activity contributes substantially to defined environmental objectives, such as climate change mitigation, while not significantly harming other objectives and while complying with minimum social safeguards.

BORG Automotive Group's activities related to the remanufacturing of vehicle spare parts and the sale of newly manufactured spare parts are considered eligible economic activities under the EU Taxonomy Regulation. In addition, capital expenditure within BORG Automotive Group is assessed as being related to assets or processes associated with taxonomy-aligned economic activities, with the exception of capital expenditure related to buildings, which is reported separately in accordance with its specific category.

Further information on the assessment of taxonomy alignment, the application of Do No Significant Harm (DNSH) criteria, and minimum safeguards is presented in the parent company's [Annual Report 2025](#). The EU Taxonomy data is based on the financial accounting policies of Schouw & Co.

OVERVIEW OF DATA	CODE	REVENUE 2025 Absolute mDKK	REVENUE 2025 Proportional %	REVENUE 2024 Proportional %
Environmentally sustainable activities (Taxonomy alignment)				
Repair, refurbishment and remanufacturing	CE 5.1	1,411	81%	78%
Sales of spare parts	CE 5.2	327	19%	22%
Taxonomy eligible but not aligned				
Repair, refurbishment and remanufacturing*	CE 5.1	1	0%	0%
Total		1,739	100%	100%

OVERVIEW OF DATA	CODE	CAPEX 2025 Absolute mDKK	CAPEX 2025 Proportional %	CAPEX 2024 Proportional %
Environmentally sustainable activities (Taxonomy alignment)				
Repair, refurbishment and remanufacturing	CE 5.1	18	78%	93%
Sales of spare parts	CE 5.2	4	18%	1%
Taxonomy eligible but not aligned				
Construction of new buildings	CCM 7.1	1	3%	6%
Repair, refurbishment and remanufacturing*	CE 5.1	0	0%	0%
Total		23	100%	100%

OVERVIEW OF DATA	CODE	OPEX 2025 Absolute mDKK	OPEX 2025 Proportional %	OPEX 2024 Proportional %
Environmentally sustainable activities (Taxonomy alignment)				
Repair, refurbishment and remanufacturing	CE 5.1	47	81%	78%
Sales of spare parts	CE 5.2	11	19%	22%
Taxonomy eligible but not aligned				
Repair, refurbishment and remanufacturing*	CE 5.1	0	0%	0%
Total		58	100%	100%

*Tunisia is eligible but not aligned.

OPERATIONAL WASTE

4.6

BORG Automotive Group generates waste primarily at its remanufacturing facilities and through packaging activities in warehouses. In 2025, BORG Automotive Group began monitoring waste volumes and fractions at a Group level to build a stronger data foundation for future improvements and to support waste recovery initiatives.

In 2025, 67% of BORG Automotive Group's waste was recovered, while 1% was disposed of and 32% remained unclassified due to unknown treatment methods. Although 2025 marked the first year in which waste was reported at Group level, each site has continued to manage waste in accordance with applicable local regulations and standards. The reported recovery rate of 67% reflects these established practices. BORG Automotive Group considers the centralisation of waste data an important step towards improved transparency and consolidated oversight.

67% Recovered

2,760 tons Non-Hazardous waste
200 tons Hazardous waste
2,960 tons in total

32% Unknown treatment method

964 tons Non-Hazardous waste
450 tons Hazardous waste
1,414 tons in total

1% Disposed

18 tons Non-Hazardous waste
23 tons Hazardous waste
41 tons in total



SOCIAL

5.0

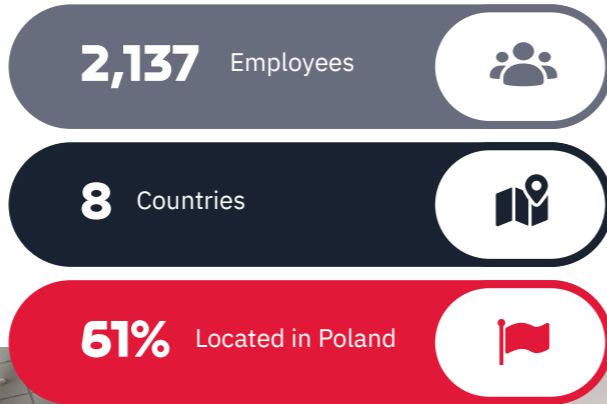
At BORG Automotive Group, we believe that 'The most important part is you', our company slogan. Providing good working conditions and ensuring the safety and well-being of employees are fundamental principles guiding the way BORG Automotive Group conducts its business.



OWN WORKFORCE

5.1

In 2025, BORG Automotive Group employs 2,137 employees across 8 countries. The majority is based in Europe, while 279 employees are located in Tunisia, outside of Europe. The Polish sites account for the majority of the workforce, representing 61% of total employees. BORG Automotive Group's operations require labour for remanufacturing, which is labour-intensive, as well as employees for warehouse operations, sales, and other administrative tasks.



COUNTRY	AVERAGE NUMBER OF EMPLOYEES ACROSS THE YEAR (HEADCOUNT)
Denmark	120
Poland	1,313
Germany	92
France	9
Belgium	14
Spain	148
Tunisia	279
UK	161
Total	2,137

EMPLOYEES	2025 Male	2025 Female	2025 Other*	2025 Total	2024 Male	2024 Female	2024 Other*	2024 Total	DELTA YOY total
Employees									
Headcount average across the year	1,413	724	0	2,137	1,247	766	0	2,013	+6.2%
Permanent employees									
Headcount end of year	1,312	678	0	1,990	1,299	709	0	2,008	-0.9%
Temporary employees									
Headcount end of year	14	13	0	27	112	39	0	151	-82.1%
Non-guaranteed hours employees									
Headcount end of year	0	0	0	0	0	0	0	0	-
Non-employees in workforces									
Headcount average across the year**	-	-	-	99	-	-	-	-	-
Employee turnover rate (%)	-	-	-	21%	-	-	-	20%	+6.9%

*Includes "not reported" gender **New measure in 2025

The year 2025 was characterised by transitional developments, which were also reflected in workforce figures. The average number of employees increased by 6.2% from 2024 to 2025. However, an end-of-year comparison shows that BORG Automotive Group concluded the year with fewer employees than at the beginning of the reporting period, reflecting workforce adjustments during the year.

In response to softer market demand, high price competition, and lower production volumes, the workforce was adjusted to align with the prevailing business conditions. BORG Automotive Group acknowledges that these adjustments affected employees and their families. The Group recognises the impact on those concerned and has sought to support former employees, where possible, in identifying opportunities and alternative directions outside the organisation. All workforce adjustments were carried out in compliance with applicable regulatory requirements.

EMPLOYEE ENGAGEMENT

5.2

BORG Automotive Group conducts an annual employee engagement survey across its workforce. The survey addresses areas including employee satisfaction, well-being, health and safety, pay and rewards, diversity and inclusion, transformation and change, anti-discrimination, anti-bullying, and the promotion of a feedback-oriented culture.

The 2025 survey achieved a participation rate of 78%, with 1,473 employees across BORG Automotive Group contributing their perspectives, experiences, and ideas. The average satisfaction score reached 3.51 (measured on a scale from 1 to 5), representing a 1% increase compared with 2024.

SATISFACTION	2025	2024	DELTA
Score	3.51	3.46	+1%

BORG Automotive Group has established a target to increase the satisfaction score by 5% over five years, corresponding to a 2027 target of 3.67. Despite a transformative year in 2025, the observed increase from 2024 to 2025 reflects a consistent commitment to continuous improvement and adherence to the Group's value-based management philosophy. Despite workforce adjustments during the year, which may naturally have contributed to uncertainty among employees, the engagement results indicate a positive development, which is viewed as a constructive outcome under the prevailing circumstances.



HEALTH AND SAFETY

5.3

BORG Automotive Group is committed to providing a safe, healthy, and responsible working environment for employees and other contractual workers across its sites. Performance is monitored on a regular basis in relation to health and safety management systems, work-related fatalities, recordable injuries, lost time injury frequency, and days lost due to work-related injuries, with the purpose of tracking progress and implementing procedures to safeguard the workforce.

In 2020, the Group established its first group-wide health and safety targets, including a reduction of the lost time injury frequency rate by 30% over a five-year period. Since the introduction of these targets, a range of actions and procedures has been implemented with the objective of strengthening the safety culture across the organisation. In 2025, a dedicated Health and Safety Coordinator covering all sites was appointed to support the exchange of learnings across sites and national boundaries and to further increase awareness of safety-related matters.

HEALTH & SAFETY	2025	2024	DELTA
Percentage of own workers covered by an H&S management system	89%	89%	-
Percentage of operational sites for which an employee health and safety risk assessment has been conducted	100%	N/A	-
Total number of work-related fatalities own employees	0	0	-
Total number of work-related fatalities from value chain workers on business sites	0	0	-
Total recordable incident rate (TRIR)	14.2	14.0	+1.6%
Number of lost time injuries (LTI)	43	46	-6.5%
Lost time injury frequency rate (LTIF)	12.0	13.7	-12.4%
Days lost to work-related injuries	972	1,104	-12.0%
Total working hours (hours)	3,588,538	3,361,348	+6.8%

The lost time injury frequency rate for 2025 was 12, corresponding to a reduction of 12.4% compared to 2024. Despite this improvement, the Group did not meet its target level of 8.4 for 2025. Simultaneously, the total number of lost time injuries declined by 6.5%, and the number of absence days related to work-related injuries was reduced by 12% in 2025.

These developments demonstrate progress across several safety indicators. At the same time, they highlight that achieving substantial reductions can be challenging in labour-intensive operations where health and safety management systems are already well developed, as further improvements depend on the continued strengthening of safety culture over time. As 2025 marked the first target year with a Group-wide ambition on this area, valuable experience was gained, and this focus will be maintained going forward.

BORG Automotive Group continues to uphold its commitment to a safe working environment and remains focused on reducing lost time injury events. The development of a strong safety culture is recognised as a long-term process, and the Group continues to build on the initiatives already implemented, acknowledging that health and safety remain fundamental to the protection of employees in the workplace.

REMUNERATION, COLLECTIVE AGREEMENT AND TRAINING

5.4

BORG Automotive Group aims to act as a responsible employer and to ensure good working conditions for all employees. Remuneration is intended to reflect a fair market price for the competence and involvement exercised by employees in the company. In addition, the Group places emphasis on competence development, with the objective that employees are aware of the next steps in their individual development plans and that resources are made available to support continuous improvement of competences.

The calculation of average male compensation relative to female compensation is based on average salary costs, reflecting the gender distribution within BORG Automotive Group. The ratio remained stable at 1.2. Collective agreements and training are new elements in the ESG reporting of BORG Automotive Group, and no reference year is therefore available at this stage.

REMUNERATION, COLLECTIVE AGREEMENTS AND EMPLOYEE TRAINING	2025	2024
At Borg Automotive Group, all employees receive a salary that is at least equal to the minimum wage.	Yes	Yes
Male average compensation relative to female average compensation	1.2	1.2
Percentage of employees covered by Collective Agreements	30%	N/A
Average training hours per employee	40.1	N/A
Percentage of employees who received regular performance and career development reviews	82%	N/A

HUMAN RIGHTS DUE DILIGENCE

5.5

BORG Automotive Group is committed to supporting and respecting internationally declared human rights and actively addresses these matters across several areas of its operations. In 2025, the Group implemented a human rights policy setting out the overarching principles with which the company is required to comply. These principles are based on the International Bill of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

The human rights policy explicitly states that trafficking in human beings, forced labour, compulsory labour, and child labour are not tolerated under any circumstances within the company. Compliance with these principles is continuously monitored through human rights impact assessments.

As part of its due diligence process, BORG Automotive Group conducts regular human rights impact assessments to evaluate potential and actual adverse human rights risks within its own workforce as well as across the value chain. Mitigation actions are considered as part of this process. In the event of human rights violations, BORG Automotive Group, its entities, and external stakeholders have access to formalised remediation mechanisms through a whistleblower system available via the company’s website. For 2025 Human Right Risk Assessment was performed on 75% of all sites in BORG Automotive Group’s own operations.

HUMAN RIGHTS	2025	2024
Percentage of own operation sites assessed for human rights risks	75%	N/A



RESPONSIBLE BUSINESS IN THE SUPPLY CHAIN

5.6

In 2026, a full sustainability self-assessment will be a key focus area for BORG Automotive Group. This initiative represents the third step in the process of strengthening compliance and reinforcing responsibility within the supply chain. Through this structured approach, additional emphasis will be placed on further integrating compliance measures and advancing supply chain accountability.

BORG Automotive Group recognises that its responsibility extends beyond its own operations to the entire supply chain. The Group is committed to establishing and maintaining transparent, ethical, and responsible business relationships with suppliers, partners, and customers in support of sustainable operations. This commitment is anchored in the Supplier Code of Conduct, which defines clear expectations regarding ethical behaviour, legal compliance, and respect for human and labour rights. The Code applies to all suppliers and establishes minimum standards for integrity and corporate responsibility throughout the value chain.

In 2025, 94% of BORG Automotive Group's total purchased volume came from suppliers who are committed to complying with the Supplier Code of Conduct. This represents the same level of compliance as in 2024, reflecting a continued high level of supplier alignment with our responsible business standards. In addition to monitoring commitment with the Code, supplier audits of selected suppliers are conducted yearly to further strengthen oversight and accountability within the supply chain. 7 supplier audits was conducted during 2025.

During 2025, BORG Automotive Group took further steps to strengthen its work on ESG and compliance in the supply chain. A value chain mapping was conducted to provide a structured overview of the Group's upstream and downstream activities, forming a basis for enhanced risk management and due diligence activities. In parallel, a supplier survey was carried out to assess suppliers' maturity levels with regard to ESG topics. Suppliers representing 72% of the purchased volume participated in the survey. The results showed that 18% of the purchased volume originated from suppliers with greenhouse gas accounting in place, while 15% came from suppliers with greenhouse gas reduction targets. Furthermore, 8% of the purchased volume was sourced from suppliers with life cycle assessment or product carbon footprint data. Overall, the results indicate that greenhouse gas accounting and environmental impacts are receiving attention among suppliers, although practices are not yet fully established across the supply base.

SUPPLIER CODE OF CONDUCT

	2025	2024	2023
Proportion of suppliers which has formally confirmed their compliance with a Code of Conduct	94%	94%	87%
Number of supplier audits	7	8	16



GOVERNANCE

6.0

The governance framework at BORG Automotive Group is rooted in the company's 5 core values and is designed to ensure responsible business conduct, transparency, and accountability across all operations.

COMPETENCE

RESPONSIBILITY

INTERDEPENDENCY

TRANSPARENCY

CONTINUOUS IMPROVEMENT

RESPONSIBLE BUSINESS CONDUCT

6.1

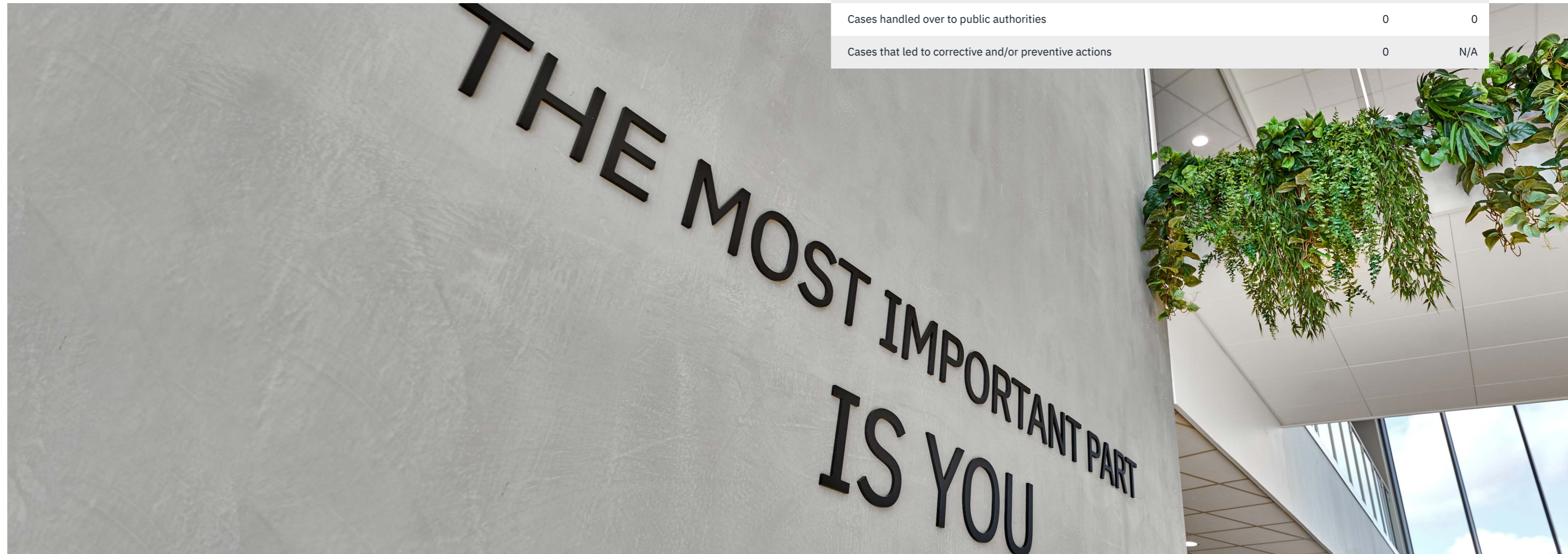
BORG Automotive Group operates as a value-driven organisation with a strong focus on ethical and responsible business conduct. The Group’s future development is linked to the presence of competent and responsible individuals who demonstrate interdependence, transparency in professional relationships, and a commitment to continuous improvement. While governance is anchored in organisational values, BORG Automotive Group has established policies, procedures, and training materials aimed at preventing and detecting unethical or irresponsible behaviour among employees and business partners.

Employees in functions identified as having an elevated risk related to corruption and bribery are required to complete a training programme on ethical business conduct. In 2025, 95% of employees classified as at-risk completed the training programme, representing an increase of 4% compared with the previous year. Increasing participation remains a priority, and initiatives to improve compliance rates will continue in 2026.

To support the detection of incidents related to corruption and bribery, BORG Automotive Group maintains an established whistleblower system. As part of Schouw & Co., BORG Automotive Group have access to a whistleblower system that provides employees and other relevant stakeholders with a secure channel for raising concerns. The system supplements existing grievance mechanisms within BORG Automotive Group and may also be used in cases involving more serious matters that require anonymity and enhanced legal protection.

All reports submitted through the whistleblower system are handled with appropriate confidentiality and a high degree of sensitivity. Each report is subject to an initial screening to assess whether the reported non-compliance falls within the scope of the whistleblower system. The system is accessible via the BORG Automotive Group’s websites and allows both employees and external business partners to report concerns confidentially. In 2025, no incidents related to BORG Automotive Group were reported.

CORRUPTION AND BRIBERY	2025	2024
Percentage of employee functions-at-risk covered by training programs	95%	91%
Total number of whistleblower cases reported	0	0
Cases within scope	0	0
Cases that led to corrective and/or preventive actions	0	0
Cases handled over to public authorities	0	0
Cases that led to corrective and/or preventive actions	0	N/A



GENDER DIVERSITY IN MANAGEMENT

6.2

Borg Automotive Group wants to increase and safeguard value creation in the company through a focus on relevant diversity in the employee composition with a wide range of expertise and for enhancing dialogue, knowledge sharing and risk management. Diversity is broadly defined as a variety of expertise, seniority, education, age, gender, ethnicity, religion, sexual orientation and disability. The focus in the company is to ensure a corporate culture that supports diversity. It is important that no barriers of opinion or assumption (whether or not deliberate) exist that would restrict diversity or counteract equal employment or career opportunities, regardless of seniority, age, gender, ethnicity etc.

Within this context, specific attention is given to diversity in management. The gender distribution in the BORG Automotive Group is dominated by men in the Board of Directors and in the Executive Management level. The top management level has a female representation of 14% and on other management level's it is 32% female representation.

GENDER	2025 Number	2025 Percentage	2024 Number	2024 Percentage
Board of Directors				
- Male	5	100%	5	100%
- Female	0	0%	0	0%
- Other genders	0	0%	0	0%
Level 1: Executive management				
- Male	1	100%	1	100%
- Female	0	0%	0	0%
- Other genders	0	0%	0	0%
Level 2: Top Management				
- Male	6	86%	6	75%
- Female	1	14%	2	25%
- Other genders	0	0%	0	0%
Level 3: Other management				
- Male	69	68%	74	69%
- Female	33	32%	33	31%
- Other genders	0	0%	0	0%
All Management				
- Male	76	69%	81	70%
- Female	34	31%	35	30%
- Other genders	0	0%	0	0%



BUSINESS OUTLOOK 2026

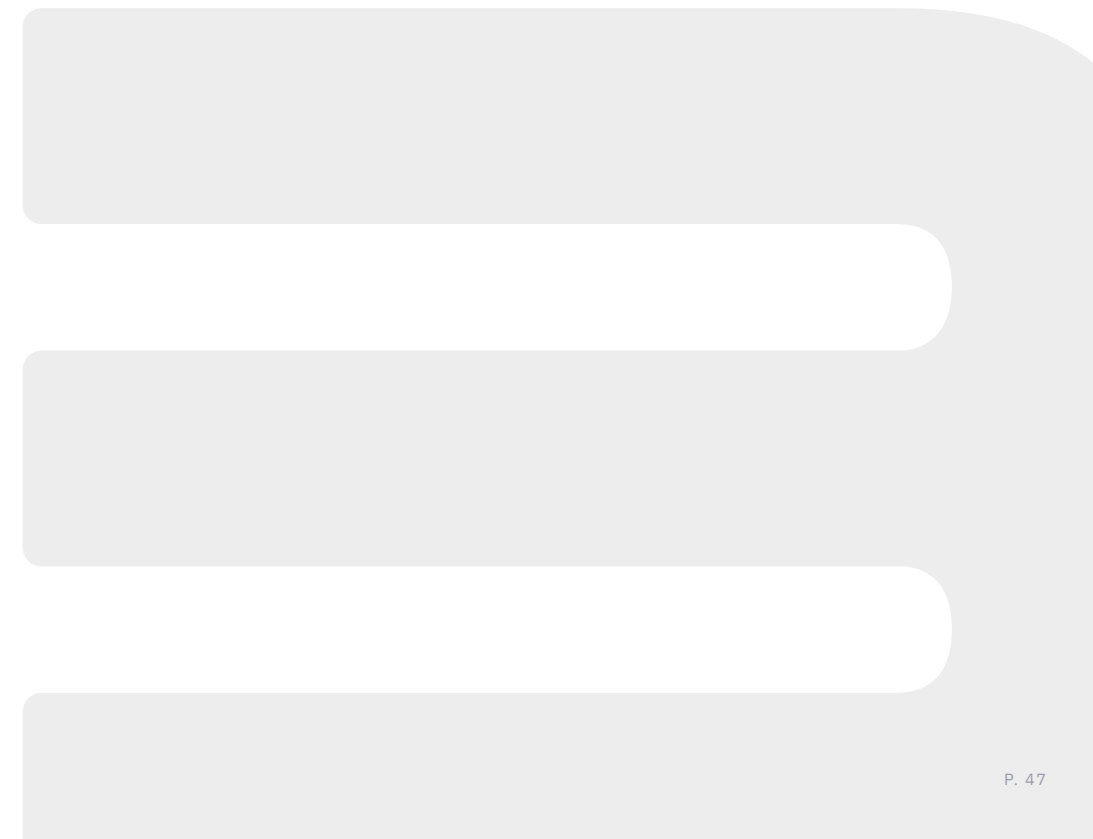
7.0

In 2026, BORG Automotive Group expects market conditions to remain polarised and challenging. Ongoing uncertainty related to customs challenges and geopolitical headwinds may affect the European automotive aftermarket and continue to influence the operating environment.

The Group enters 2026 with a clear strategic focus and a defined plan under the Refine4Future strategy. The emphasis will remain on refining existing strengths while adjusting operations where necessary to support competitiveness and resilience under changing market conditions.

Sustainability and circularity are expected to remain a central priority in the year ahead. During 2026, BORG Automotive Group anticipates establishing a science-based reduction target covering Scope 1, Scope 2, and Scope 3 emissions and will continue work on its climate transition plan. These efforts are intended to further structure and support the Group's long-term approach to emissions reduction and climate-related risk management.

In addition, there will be a continued focus on the social dimension of sustainability. The Group will strengthen its efforts across the value chain and further reinforce its commitment to responsible business practices.





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