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ESG REPORT

2024

BORG
AUTOMOTIVE GROUP

THE MOST IMPORTANT PART IS YOU

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How to read this report

Dear Reader,

At BORG Automotive Group, transparency is key. This report offers an overview of BORG Automotive Group’s sustainability journey, highlighting both progress and areas for improvement. Please note that this is a voluntary report and does not comply with the Corporate Sustainability Reporting Directive (CSRD).

Our parent company, Schouw & Co. has prepared a consolidated annual report including sustainability statement pursuant to the CSRD. You can find their consolidated annual report for 2024 here: <https://www.schouw.dk/media/hvcnomfo/schouwco-annual-report-2024.pdf>

We hope you find this report valuable and insightful.



1 LETTER FROM CEO

Dear Stakeholder,

As I reflect on 2024, I am proud to share that BORG Automotive Group has had a solid year of progress, both financially and strategically, despite the ongoing challenges in the automotive industry.

We reported a 5% increase in revenue year on year, a testament to the resilience of our business. This was achieved despite continued soft demand in the Reman segment and fierce competition in the Newman segment. While EBITDA rose by 11% compared to 2023, the combined pressures of competition and increased production costs in Reman meant that we finished the year at the lower end of our most recent guidance range. Nevertheless, we reached our budget and saw important strategic advances, positioning us well for future growth.

The automotive industry continues to face significant disruption, driven by technological advancements and geopolitical and economic uncertainties. Yet, despite these challenges, BORG Automotive Group has not only navigated the shifting landscape but has successfully strengthened its position. We expanded our capacity with the acquisition of the Tunisian remanufacturing site and reinforced our key partnerships. Additionally, we saw a growing sustainability focus among our customers, aligning with our long-standing commitment to environmental responsibility.

From an ESG perspective, 2024 was a year of preparation and progress. We concentrated on aligning with the new CSRD reporting requirements, ensuring that BORG Automotive Group is well-positioned for future compliance. Our commitment to decoupling economic growth from environmental impact remains a central priority. Despite revenue growth of 5%, our total energy consumption only increased by 2%. Furthermore, our use of renewable energy rose by 37%, though it still represents only 1% of our total energy consumption. This area, though still in its early stages, highlights an important opportunity for continued development.

We continue to prioritise workplace safety. While the results in this area show that there is room for improvement, we are taking proactive steps to enhance our performance. At the same time, employee satisfaction saw an increase throughout 2024, reflecting our ongoing efforts to create an engaged and motivated workforce.

In summary, 2024 was a year of steady progress, marked by solid financial results, strategic investments, and an unwavering commitment to our sustainability target. With clear direction and strong ambitions, I am confident that BORG Automotive Group is well-positioned to drive further growth, sustainability, and operational excellence in the years ahead.

Thank you for your continued support.

Sincerely,
Kim Kruse Andersen
CEO, BORG Automotive Group

2 OUR BUSINESS OPERATIONS

2.1 ABOUT BORG AUTOMOTIVE GROUP

BORG Automotive Group is Europe's largest independent automotive remanufacturer. The company specialises in remanufacturing defective automotive parts and supplying them to the B2B market under a circular business model. Remanufacturing offers significant environmental and resource benefits. Founded as a remanufacturing company, BORG Automotive Group has 49 years of industry experience.

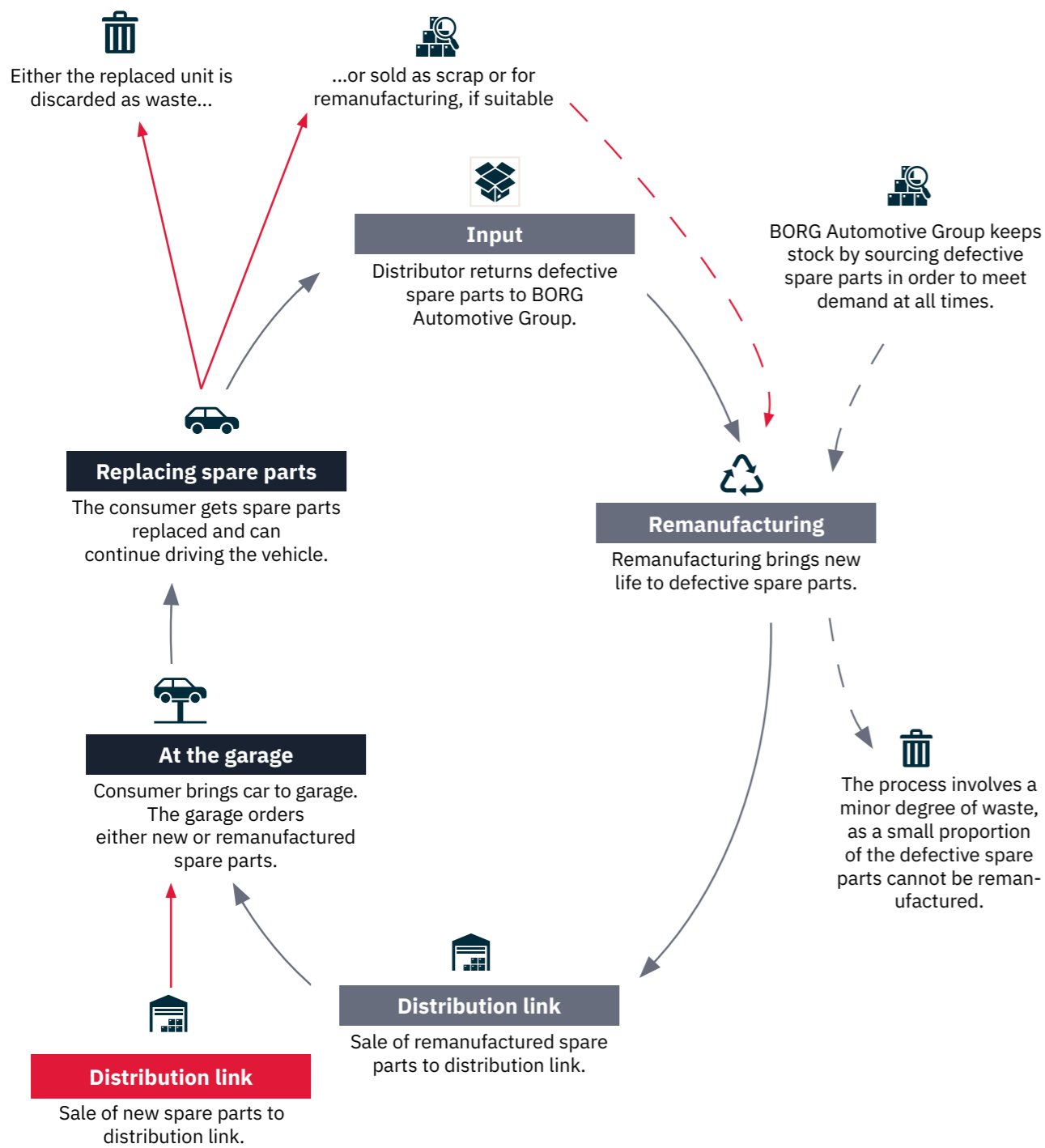
In 2021, the company expanded its business with the introduction of the trade division. To offer a complete product range, the group also provides new products that complement its remanufactured portfolio. As a result, its operations are built on two core pillars: one focuses on remanufactured automotive spare parts, produced in the company's own factories in Poland, the UK, Spain, and, from December 2024, Tunisia; the other focuses on newly manufactured spare parts, sourced from third-party suppliers and distributed across Europe.

<div><div><div><div>BORG</div><div>AUTOMOTIVE REMAN</div></div><div>CPI</div></div><div><div>REMANUFACTURING</div><div>Europe's largest independent automotive remanufacturer. BORG Automotive Reman is headquartered in Denmark and sells to distributors throughout Europe. CPI is headquartered in Belgium and sells primarily to car manufacturers, Tier 1 and private label.</div><div>The business is built on a circular foundation, with a deposit system, collecting used cores. Production sites in Poland, the UK, Spain, and Tunisia.</div><div>Sales companies: BORG Automotive Reman CPI (Car Parts Industries)</div><div>Brands: Elstock, DRI, TMI, Lucas (licence)</div></div></div>	<div><div><div><div>BORG</div><div>AUTOMOTIVE NEWMAN</div></div></div><div><div>TRADE</div><div>BORG Automotive Newman is headquartered in Denmark with sales offices and distribution centres in Germany and France.</div><div>Products are sourced from external manufactures, transported to Europe, packaged, stocked and sold to distributors and purchasing groups across Europe.</div><div>Sales companies: BORG Automotive Newman</div><div>Brands: NK, Eurobrake</div></div></div>
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The company is owned by the Danish conglomerate, Schouw & Co., which takes a long-term, value-driven approach through active ownership.

2.2 BUSINESS MODEL

BORG Automotive Group operates with two distinct business models: one circular and one linear. The company was founded on a circular model, built around a deposit system 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.



A remanufactured starter alongside a *core* — a defective starter ready to begin the remanufacturing process.

2.3 CIRCULAR ECONOMY AND AVOIDED EMISSIONS

BORG Automotive Group’s remanufacturing business operates through a deposit 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 78% 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 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 2024, the avoided emissions from the company’s production volume amounted to 45,662 t CO₂e. As the business continues to grow, these avoided emissions have increased by 15% since 2023.

It is important to note that avoided emissions are 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.

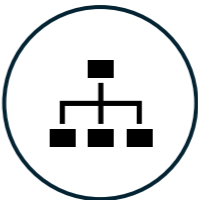
With our LCA’s we are able to calculate the yearly CO₂e emissions of remanufacturing compared to the production of new parts. In 2024 alone, our circular efforts resulted in an impressive 45,662 tons of CO₂e savings

45,662
TONS OF AVOIDED
CO₂e EMISSIONS
IN 2024

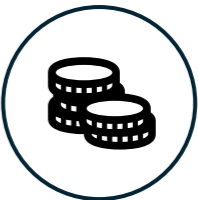
2.4 ESG HIGHLIGHTS



2,159 Employees



Part of Schouw & Co.



1,971 mDKK in Revenue in 2024



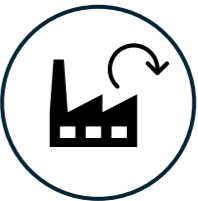
Value Based Management



Scope 1:
1,088 tCO₂e



Scope 2:
4,725 tCO₂e



Scope 3:
202,016 tCO₂e

Locations



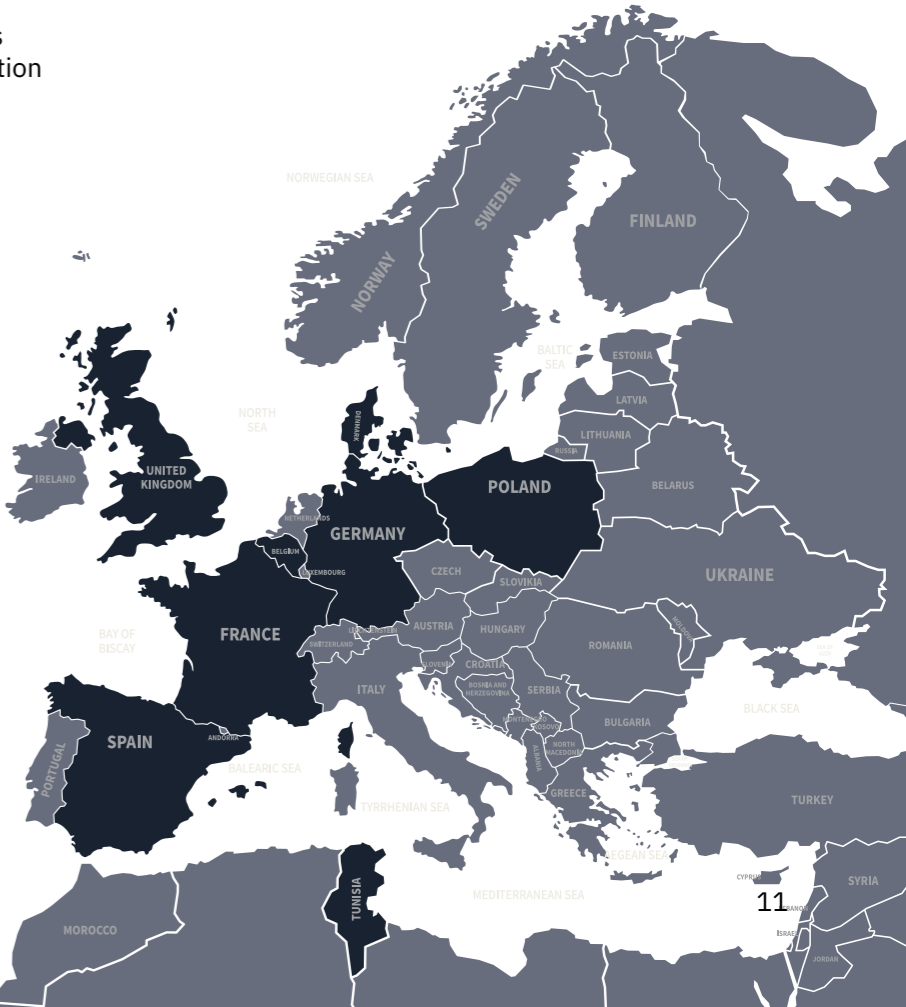
- Silkeborg, Denmark, Headquarters
- Støvring, Sales Office and Distribution
- Nivelles, Belgium, Sales Office



- Eisenach, Germany, Distribution
- Chaumont, France, Distribution




- Zdunska Wola, Poland, Production
- Lublin, Poland, Production
- Wednesbury, UK, Production
- Pamplona, Spain, Production
- Bembla, Tunisia, Production



2.5 ESG AMBITIONS

With most of our revenue coming from remanufacturing based on a circular business model, we have a natural focus on climate impacts and saving resources. The upward trend in GHG emissions softened despite higher growth rates, and we are mapping emissions from products. However, occupational health and safety and satisfied employees are also focal areas for us.


In 2023, we succeeded in our ambition to have concrete results for the environmental impact of our remanufactured products. We have achieved this with our life cycle assessments (LCA).



EFFORT TO LIMIT CLIMATE IMPACT OF IN-HOUSE PRODUCTION

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

*Baseline 2020




CARING FOR THE EMPLOYEES

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

Reduce LTIFR by 30% by 2025*

*Baseline 2020



CIRCULAR PRODUCTS, SAVING CO2 EMISSIONS

Be able to quantify the CO2 savings of remanufactured products

Ambition reached in 2023.



3 ACTIONS AND RESULTS IN 2024



3.1 ADVANCING ESG INITIATIVES AND BUSINESS GROWTH

BORG Automotive Group is committed to sustainability, integrating environmental, social, and governance (ESG) principles across its operations. In 2024, significant steps were taken to strengthen the company’s sustainability governance at all levels—from establishing a dedicated sustainability committee to embedding sustainability within the matrix organisation at all remanufacturing sites.

With evolving regulatory requirements, such as the Corporate Sustainability Reporting Directive (CSRD), 2024 has been a year of preparation. BORG Automotive Group has continued to advance its ESG efforts while strengthening its reporting framework to align with new CSRD requirements. Key priorities included conducting a Double Materiality Assessment (DMA) and implementing new KPIs in accordance with European Sustainability Reporting Standards (ESRS). While BORG Automotive Group is not directly subject to CSRD obligations in 2024, our parent company, Schouw & Co., is a listed conglomerate that are subject to CSRD at a consolidated level.

Beyond sustainability initiatives, BORG Automotive Group continued its strategic growth with the acquisition of a remanufacturing site in Tunisia, further strengthening its market position and production capacity. This expansion aligns with the company’s long-term strategy to enhance its product portfolio and service offerings. With the acquisition finalised in December 2024, efforts are now focused on unlocking the full potential of the site and its contribution to future growth.

Additionally, as part of the integration of a previous acquisition, SBS Automotive was rebranded as BORG Automotive Newman. This name change reflects the synergies of our acquisitions.

For the fiscal year, BORG Automotive Group reported a revenue of MDKK 1,971, a 5% increase from MDKK 1,876 in 2023. This performance is considered satisfactory, aligning with expectations despite challenges in the automotive industry.

DEFINITIONS

Corporate Sustainability Reporting Directive (CSRD)

A European Union directive that sets new legal requirements for corporate sustainability reporting, ensuring transparency on environmental, social, and governance matters.

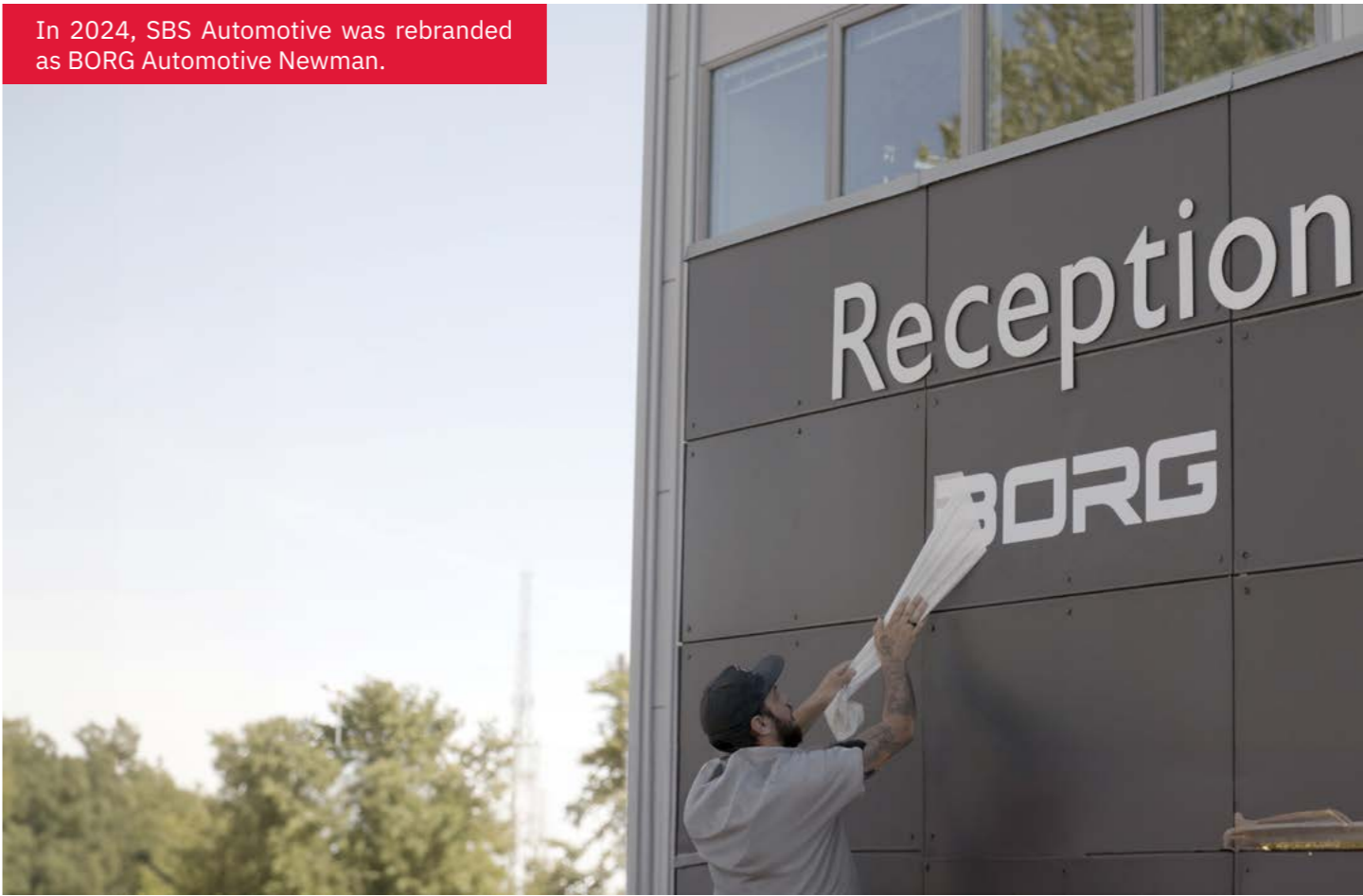
Double Materiality Assessment (DMA)

A business assessment that identifies key sustainability areas that are both financially significant and relevant to stakeholders, guiding ESG reporting.

European Sustainability Reporting Standards (ESRS)

A set of 12 standards under CSRD that define sustainability reporting requirements, including specific KPIs across environmental, social, and financial perspectives.

In 2024, SBS Automotive was rebranded as BORG Automotive Newman.



3.2 INDUSTRY DEVELOPMENTS IN 2024

With 373 million passenger cars on European roads in 2023 and an average vehicle age that continues to rise, surpassing 12.5 years in 2024, the demand for spare parts remains strong. As the share of electric and hybrid vehicles grows, so does the need for maintenance and replacement parts. BORG Automotive Group’s product portfolio is compatible with both electric and combustion engine vehicles, reinforcing the company’s strategic position in an evolving market.

The automotive industry, including BORG Automotive Group, is undergoing a transformation shaped by technological advancements and economic challenges. However, 2024 presented significant headwinds and industry setbacks in Europe, where BORG Automotive Group operates. The complex interplay between innovation and economic conditions has had a notable impact on the industry. The expected acceleration in electric vehicle adoption has not materialised to the anticipated extent, leading to both technological and financial challenges across the industry.

Despite these uncertainties, BORG Automotive Group successfully navigated market challenges by leveraging its diversified product portfolio, the expanding vehicle fleet in Europe, and a strong focus on customer experience and partnerships. As a result, the company delivered a solid performance in 2024, reinforcing its competitive position in a dynamic and consolidated industry.

Additionally, customer consolidation trends are reshaping purchasing power and market dynamics. BORG Automotive Group sees opportunities in this development and has strengthened key customer partnerships throughout 2024.



BORG Automotive Group's new headquarters in Silkeborg,

3.3 ENVIRONMENT – ACTIONS AND RESULTS

BORG Automotive Group continuously works to mitigate the environmental impact of its business activities. The most significant environmental impact relates to energy consumption, material use, and emissions from the use phase of its products in vehicles. The Group's policy is to always comply with applicable local legislation, rules, and regulations while remaining committed to advancing its ESG ambitions.

3.3.1 SCOPE 1, 2 AND 3 PERFORMANCE

BORG Automotive Group's GHG emissions for 2024:

	2024	2023	CHANGE (%)
Scope 1 (tCO ₂)	1,088	1,141	-4.6%
Scope 2 (tCO ₂) (location-based)	4,725	5,001	-5.5%
Scope 2 (tCO ₂) (market based)	5,828	5,874	-0.8%
Total scope 1+2 (tCO ₂) (market-based)	6,916	7,016	-1.4%
Scope 3 (tCO ₂)	202,120	149,120	+35.5%
Scope 3, cat. 1 (tCO ₂)	120,653	83,883	+43.8%
Scope 3 cat. 4 (tCO ₂)	8,601	9,680	-11.1%
Scope 3, cat 11 (tCO ₂)	72,762	55,557	+31%



BORG Automotive Group aims to reduce CO₂e emissions from its own operations (scope 1+2) by 30% by 2030 but has not yet made significant progress toward this target. The primary reason is an increase in energy demand due to business growth.

The acquisition of the Tunisian remanufacturing site will not require a baseline recalculation of CO₂e emissions, as the structural change remains below the 5% threshold outlined in the baseline recalculation policy. Analysis indicates that the acquired facility will account for 4.7% of total annual CO₂e emissions.

At the end of 2023, BORG Automotive Group moved into its new headquarters in Silkeborg, where solar panels were installed. The first year of operation has shown promising results, with solar energy covering 54% of the headquarters' electricity demand. While this marks progress in integrating renewable energy, the overall impact remains limited. In 2024, total energy consumption from renewable sources increased by 37% compared to 2023, but renewables still accounted for only 1.3% of the Group's total energy demand.

To further advance sustainability efforts, BORG Automotive Group has, as part of Schouw & Co., signed a Power Purchase Agreements (PPA) to supply renewable energy certificates from a large scale solar plant in Spain. The plant is expected to be operational in 2025 which is expected to entail significant reductions in CO₂e emissions.

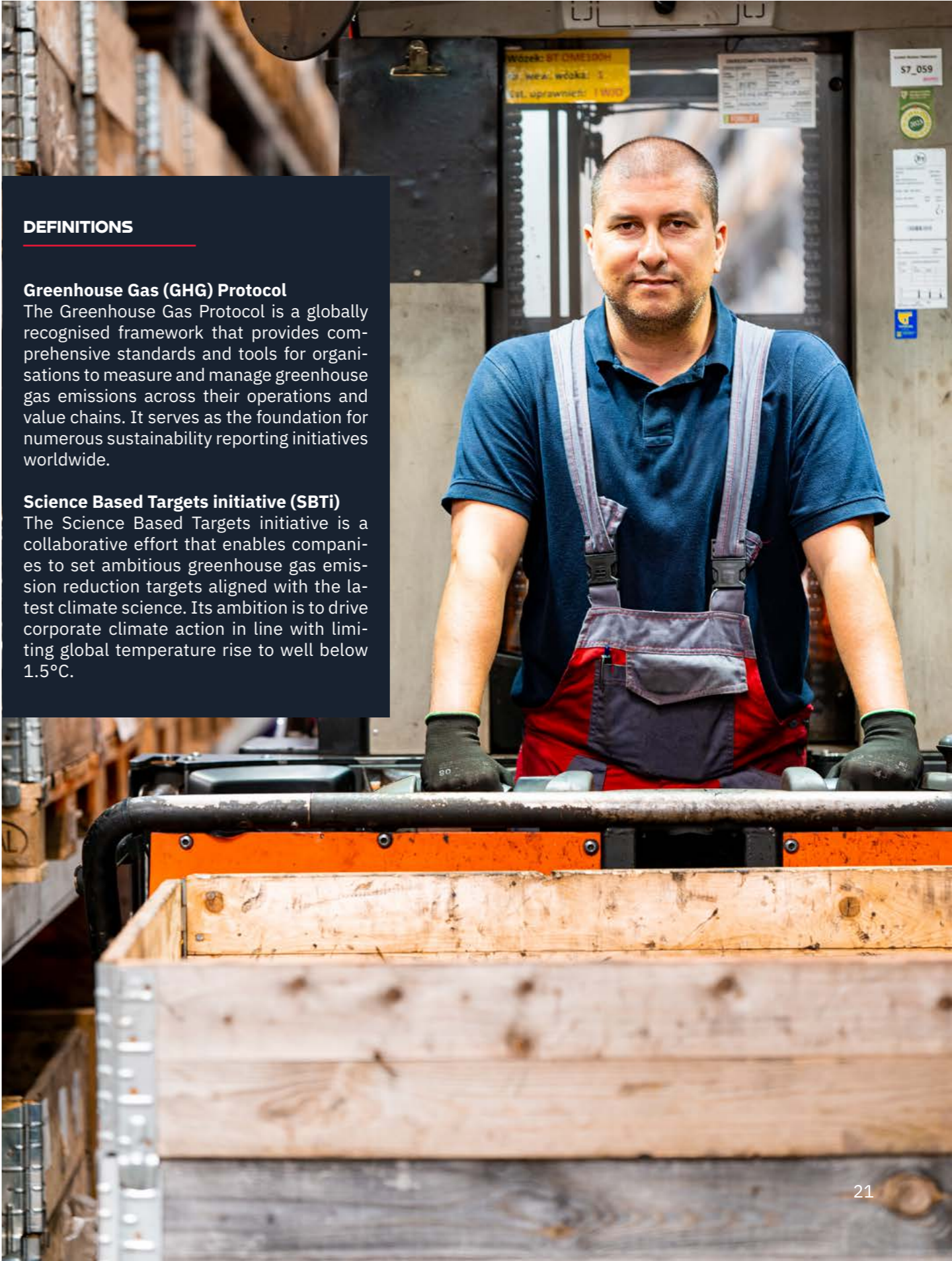
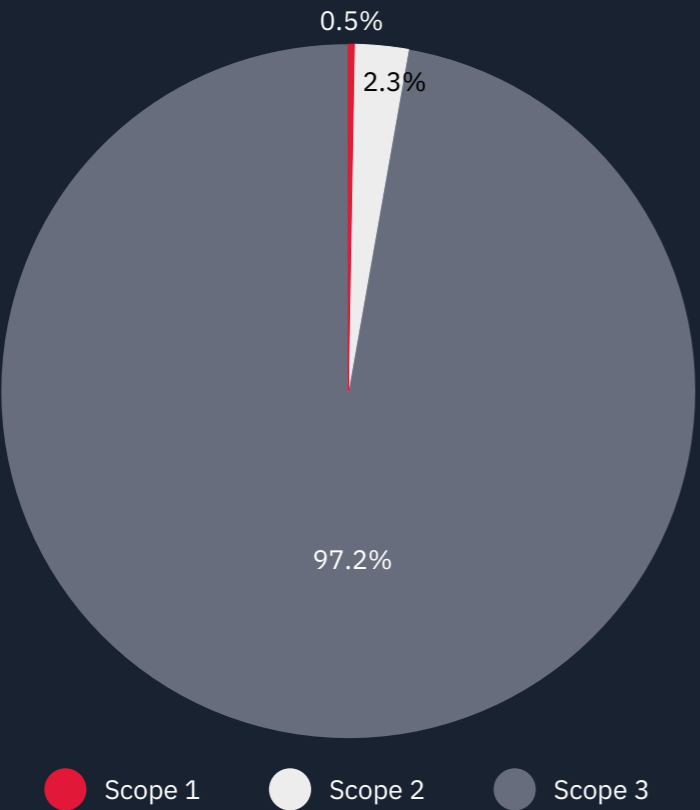
3.3.2 SCOPE 3 EMISSIONS

In 2024, BORG Automotive Group is publishing its Scope 3 emissions for the first time. Reporting CO₂e emissions across all three scopes represents a significant milestone, reflecting the company’s commitment to transparency and environmental accountability. Considerable effort and resources have been dedicated to establishing Scope 3 reporting, which now accounts for 97.2% of BORG Automotive Group’s total emissions, amounting to 202,017 tCO₂e.

In 2024, BORG Automotive Group is reporting its Scope 3 emissions for the first time for the years 2023 and 2024. Reporting GHG emissions across all three scopes represents a significant milestone, reflecting the company’s commitment to transparency and environmental accountability. Considerable effort and resources have been dedicated to establishing Scope 3 reporting. GHG emissions from the value chain accounts for 97.2% of BORG Automotive Group’s total emissions, amounting to 202,017 tCO₂e.

Compared to 2023, Scope 3 emissions have increased, primarily due to higher inventory levels. Emissions from purchased goods and services (Category 1) have risen by 44% for this reason. In contrast, emissions from upstream transportation and distribution (Category 4) have decreased by 11% due to higher data quality from transportation partners. Emissions from the use of sold products (Category 11) have increased by 31%, reflecting higher sales volumes - a natural consequence of business growth.

THE BREAKDOWN OF SCOPE 1, 2, AND 3



DEFINITIONS

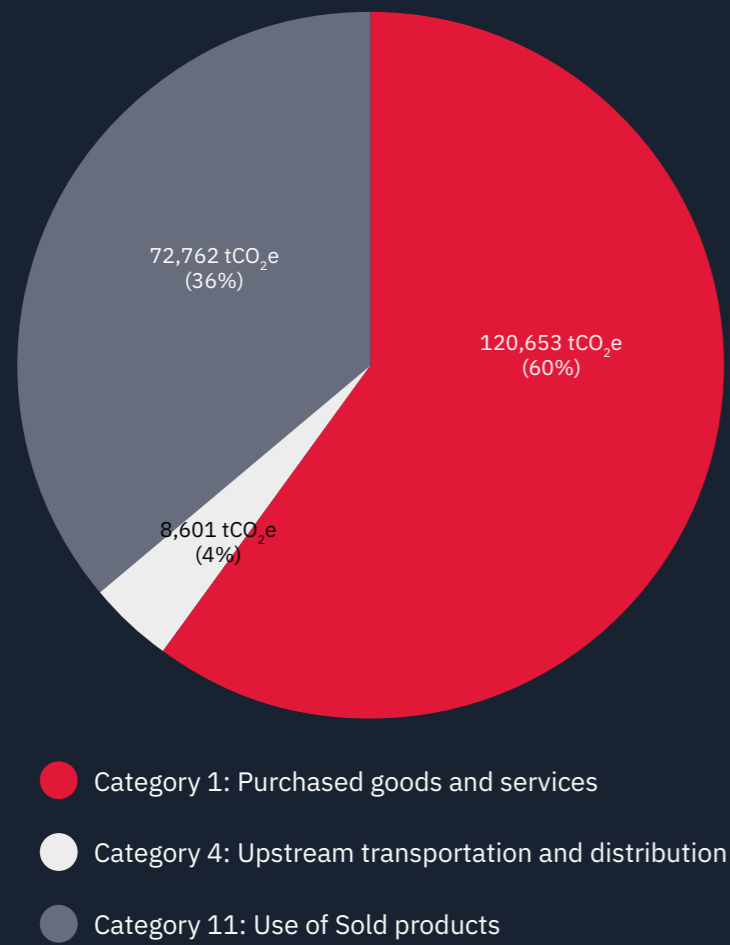
Greenhouse Gas (GHG) Protocol

The Greenhouse Gas Protocol is a globally recognised framework that provides comprehensive standards and tools for organisations to measure and manage greenhouse gas emissions across their operations and value chains. It serves as the foundation for numerous sustainability reporting initiatives worldwide.

Science Based Targets initiative (SBTi)

The Science Based Targets initiative is a collaborative effort that enables companies to set ambitious greenhouse gas emission reduction targets aligned with the latest climate science. Its ambition is to drive corporate climate action in line with limiting global temperature rise to well below 1.5°C.

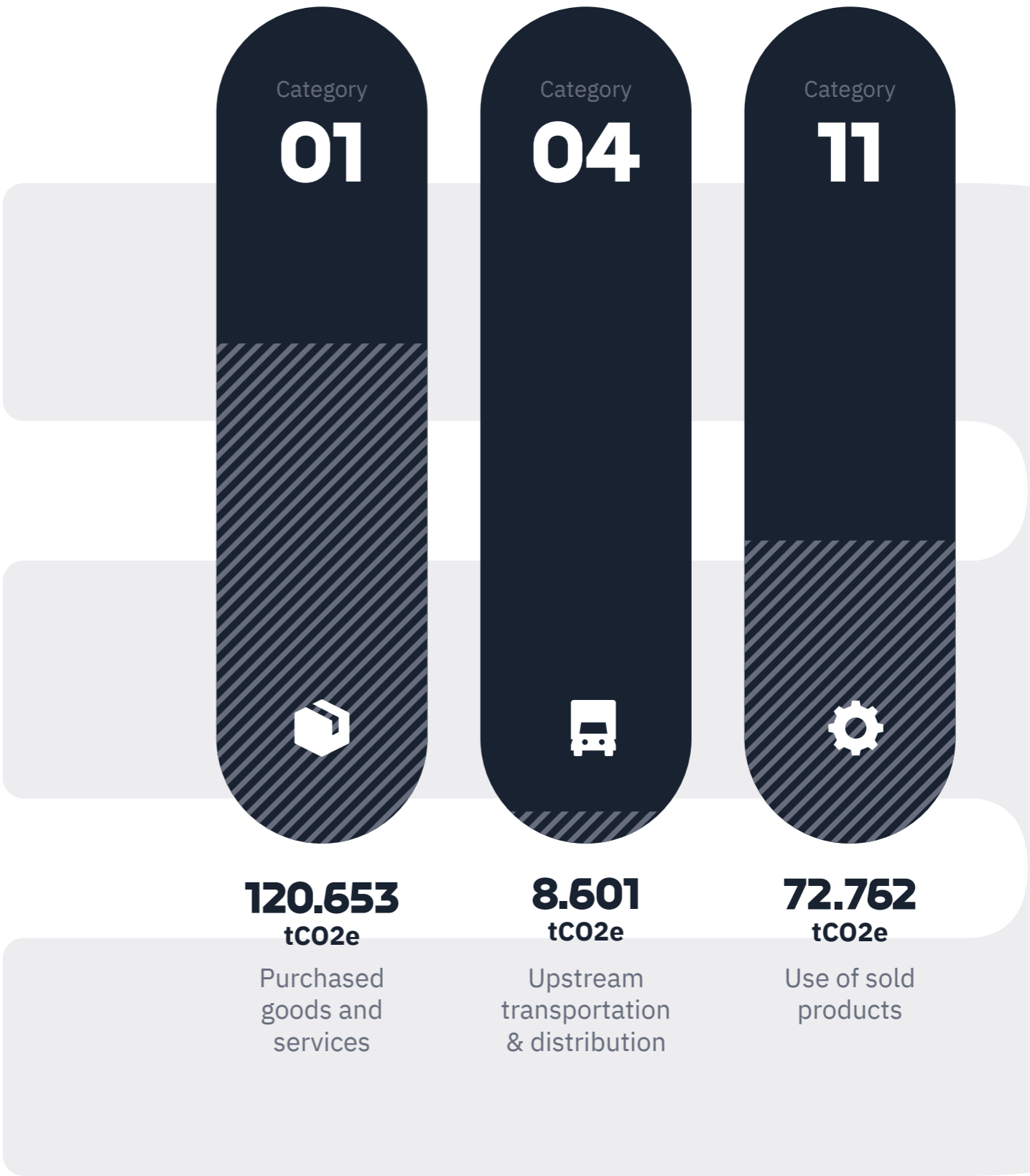
THE BREAKDOWN OF SCOPE 3 CATEGORIES



BORG Automotive Group applies the Greenhouse Gas (GHG) Protocol methodology to assess carbon emissions across its operations and value chain. For Category 1 – Purchased Goods and Services, calculations are based on material types and weights. Category 4 – Upstream Transportation and Distribution is determined using carrier emissions reports or distance-based assessments. Category 11 – Use of Sold Products is evaluated based on estimated product lifespan, vehicle type, and projected energy consumption.

So far, efforts have focused on establishing a Scope 3 emission inventory and base year. The next step is to identify ways to reduce emissions and establish targets to track progress.

Reinforcing its commitment to reducing environmental impact, BORG Automotive Group joined the Science Based Targets Initiative (SBTi) in 2024. By signing the SBTi Commitment Letter, the company has pledged to develop science-based reduction targets and transition plans for Scope 1, 2, and 3 over the coming year.





3.3.3 EXTERNAL RECOGNITION FOR SUSTAINABILITY EFFORTS

BORG Automotive Group’s sustainability efforts have received external recognition. In 2024, BORG Automotive Reman was nominated for the Sustainability CAT Award, won the Parts Life Sustainability Award, and was shortlisted for two awards at the Automechanika Award Show. Additionally, the company improved its EcoVadis Sustainability Rating, earning Bronze status. These achievements highlight its ongoing commitment to advancing sustainability and promoting circular solutions.

3.4 SOCIAL – ACTIONS AND RESULTS IN 2024

3.4.1 HUMAN RIGHTS IMPACT ASSESSMENT

In 2024, BORG Automotive Group conducted a Human Rights Impact Assessment (HRIA) to evaluate potential and actual human rights risks within its operations and supply chain. The assessment identified key risks, analysed the impacts, and reviewed existing mitigation measures while highlighting areas for improvement.

This initiative reflects BORG Automotive Group’s commitment to ethical business practices and its responsibility to uphold human rights across all operations. As part of its compliance programme, the Group will continue conducting HRIAs to ensure ongoing diligence and accountability.

3.4.2 EMPLOYEE ENGAGEMENT AND WORKPLACE WELL-BEING

BORG Automotive Group is dedicated to fostering a safe, healthy, and responsible workplace, and is committed to a high employee satisfaction level and safe working environment.

To measure progress, BORG Automotive Group has implemented an annual employee engagement survey, and is now beginning to see measurable results from its ongoing initiatives. The 2024 results show a 2% improvement compared to 2023. While this progress is encouraging, further efforts are needed to achieve the company’s target of a 5% increase in engagement from 2021 to 2027.

The engagement survey is measured on a scale from 1 to 5. The latest results show progress and highlight BORG Automotive Group’s commitment to continuous improvement. The company firmly believes in its slogan: *The Most Important Part is You.*

ENGAGEMENT RESULTS		CHANGE (%)
2021	3.5	
2022	N/A*	
2023	3.38	-3%
2024	3.46	+2%



TARGET:
+5% from
2021 to
2027

* Engagement surveys have previously been conducted every two years.



Throughout 2024, BORG Automotive Group implemented several initiatives to improve the working conditions at its remanufacturing sites. These efforts included investing in a geometric hammer to enhance ergonomics, installing machinery to reduce noise levels in production areas, and deploying new wet blaster machines. Additionally, the company strengthened its safety governance, expanded employee training programmes, and refined internal procedures to create a safer and more efficient workplace.

Despite these efforts, overall injury performance in 2024 did not meet expectations. The first half of the year saw an increase in workplace injuries, prompting a heightened focus on safety measures. While these actions began to show positive results in the second half of the year, the overall injury performance for 2024 leaves room for improvement.

Reducing the Lost Time Injury (LTI) frequency—which measures the number of lost time injuries per million working hours—remains a key priority, with a continued focus on strengthening preventive actions.

	LTI FREQUENCY RATE	CHANGE (%)
2020	12.0	
2021	10.3	-14%
2022	12.1	+17%
2023	11.2	-7%
2024	13.7	+22% (from 2023 to 2024)



3.4.3 RESPONSIBLE BUSINESS PRACTICES IN THE SUPPLY CHAIN

BORG Automotive Group recognises that its responsibility extends beyond its own operations to the entire supply chain. The company is committed to fostering strong, transparent, and ethical business relationships with suppliers, partners, and customers to ensure sustainable and responsible operations.

The Supplier Code of Conduct serves as the foundation for this commitment, setting clear expectations for ethical behaviour, legal compliance, and respect for human and labour rights. It applies to all suppliers, ensuring that the value chain upholds high standards of integrity and corporate responsibility.

In 2024, 93.6% of BORG Automotive Group’s purchased volume was formally certified as compliant with the Supplier Code of Conduct—an improvement of 7% compared to 2023. This reflects the company’s ongoing commitment to responsible business practices. In addition to enforcing the Code of Conduct, BORG Automotive Group conducted supplier audits of selected suppliers in 2024 to further strengthen oversight and accountability.

3.4.4 SUPPORTING LOCAL COMMUNITIES

BORG Automotive Group actively contributes to local communities, particularly in areas where it operates. While there is no formal corporate strategy for community engagement, the company’s strong local presence and dedicated employees drive meaningful initiatives. Even small actions can make a significant difference.

In 2024, BORG Automotive Group supported various initiatives, including the Clean Up the World campaign in local community around the remanufacturing site in Zduńska Wola, where employees helped remove waste from natural areas. The company also donated to children in Poland and Belgium and provided volunteer training on remanufacturing at schools near Pamplona, Spain. Instead of sending Christmas gifts to customers, BORG Automotive Group donated 40,000 DKK to Doctors Without Borders, funding the treatment of 16,000 children suffering from malaria.

3.5 GOVERNANCE ACTIONS AND RESULTS IN 2024

BORG Automotive Group is a value-driven company with a strong focus on ethical and responsible business conduct. Future success depends on competent and responsible people who are inter-dependent, transparent in their relationships, and committed to continuous improvement. While governance is rooted in values, BORG Automotive Group also has policies, procedures, and training materials in place to prevent and detect unethical or irresponsible behaviour among employees and business partners.

3.5.1 STRENGTHENING ANTI-CORRUPTION AND ETHICAL BUSINESS CONDUCT

All employees in risk-related functions concerning corruption and bribery are required to complete a training programme on ethical business conduct. In 2024, 91% of at-risk-employees successfully completed the training, a decline of 9% compared to the previous year.. This decline is due to a revised and more comprehensive risk function definition introduced in 2024. Increasing participation remains a priority, and efforts will continue in 2025 to improve compliance rates.

To support the detection of corruption and bribery incidents, BORG Automotive Group has a well-established whistleblower system that ensures full protection for those reporting concerns. The system is accessible via the company's website, allowing both internal and external business partners to report incidents confidentially. In 2024, no incidents were reported. Following the acquisition of the remanufacturing site in Tunisia, the whistleblower system is now also available in Arabic.

3.5.2 CONTINUOUSLY IMPROVING QUALITY, ENVIRONMENTAL AND SAFETY STANDARDS

BORG Automotive Group holds ISO 9001 and ISO 14001 certifications, demonstrating its long-standing commitment to quality management and environmental responsibility. In 2024, the company further strengthened its governance framework by achieving ISO 45001 certification at its Polish and UK sites, reinforcing its dedication to workplace safety through strict internal controls, risk management processes, and compliance. The target is to extend certifications to the Tunis re-manufacturing site, with the process set to begin in 2025.



4

ESG DATA OVERVIEW

4.1 ENVIRONMENT

ENERGY CONSUMPTION AND MIX	2024	2023	CHANGE (%)
Energy consumption from coal and coal production (MWh)	0	0	-
Energy consumption from crude oil and petroleum products (MWh)	1,676	1,507	+11%
Energy consumption from natural gas (MWh)	3,366	3,808	-11%
Energy consumption from other non-renewable sources (MWh)	0	0	-
Energy consumption from renewable sources (MWh)	0	0	-
Renewable energy production & consumption (MWh)	186	136	+37%
Total direct energy consumption (MWh)	5,229	5,451	-4%
Consumption of purchased electricity from non-renewable sources (MWh)	8,402	7,945	+6%
Consumption of purchased electricity from renewable sources (MWh)	0	0	-
Consumption of purchased heat, steam, or cooling from non-renewable sources (MWh)	562	585	-4%
Consumption of purchased heat, steam, or cooling from renewable sources (MWh)	0	0	-
Total indirect energy consumption (MWh)	8,964	8,530	+5%
Total energy consumption (MWh)	14,193	13,980	+2%
Total energy consumption from non-renewable sources (MWh)	14,007	13,845	+1%
Total energy consumption from renewable sources (MWh)	186	136	+37%
Share of renewable energy consumption in total energy consumption (%)	1%	1%	-
Revenue (mDKK)	1,971	1,876	+5%
The energy intensity (MWh/mDKK)	7.2	7.5	-3%
Total water withdrawal (m3)	25,145	21,559	+17%
Resource outflows (t)	24,302	-	-
Remanufactured automotive parts (t)	10,164	-	-
Automotive spare parts (t)	14,138	-	-



GREENHOUSE GAS EMISSIONS	2024	2023	CHANGE (%)
Scope 1 GHG emissions (tCO ₂ e)	1,088	1,141	-5%
Scope 2 GHG emissions location-based (tCO ₂ e)	4,725	5,001	-6%
Scope 2 GHG emissions market-based (tCO ₂ e)	5,827	5,874	-1%
Total Scope 1+2 emissions (location based) (tCO₂e)	5,813	6,142	-5%
Total Scope 1+2 emissions (market based) (tCO₂e)	6,915	7,015	-1%
Total Scope 3 emissions (tCO₂e)	202,016	149,120	+36%
Category 1: Purchased goods and services (tCO ₂ e)	120,653	83,883	+44%
Category 4: Upstream transportation and distribution (tCO ₂ e)	8,601	9,680	-11%
Category 11: Use of sold products (tCO ₂ e)	72,762	55,557	+31%
Total GHG emissions (location-based) tCO₂e	207,829	155,262	+34%
Total GHG emissions (market-based) tCO₂	208,931	156,135	+34%
GHG emissions intensity (market-based) tCO₂e/mDKK	106	82	+27%

ENVIRONMENTAL AND QUALITY MANAGEMENT	2024	2023	CHANGE (%)
Share of production sites certified according to a QMS (ISO 9001 or equivalent)	80%	100%	-20%
Share of production sites certified according to an EMS (ISO 14001 or equivalent)	80%	100%	-20%
Share of production sites certified to an energy management system (ISO 50001 or eq.)	0%	0%	-
Share of production sites certified to an occupational health and safety management system (ISO 45001 or eq.)	60%	25%	+35%

Comments:
 In 2024, the share of BORG Automotive Group’s ISO-certified production sites decreased compared to 2023. This change is due to the acquisition of the remanufacturing site in Tunisia in December 2024, which is not yet certified. The site will undergo the certification process in the coming years to align with the company’s environmental and quality management standards. Despite this temporary decline, BORG Automotive Group remains committed to maintaining high certification levels across all production sites.

4.2 SOCIAL

EMPLOYEE CHARACTERISTICS	2024	2023	CHANGE (%)
Total number of employees (headcount)	2013		
Male	1247		
Female	766		
Total number of permanent employees (head-count)	2008		
Male	1299		
Female	709		
Total number of temporary employees (head-count)	151		
Male	112		
Female	39		
Non-guaranteed hours employees	0		
Male	0		
Female	0		
Employee turnover (%)	20%	17%	+3%

DIVERSITY INDICATORS	2024	2023	CHANGE (%)
Board of Directors			
Male	100%		
Female	0%		
Other	0%		
Executive Management			
Male	100%		
Female	0%		
Other	0%		
Top Management			
Male	75%		
Female	25%		
Other	0%		
Other Management			
Male	69%		
Female	31%		
Other	0%		
All Management			
Male	70%		
Female	30%		
Other	0%		

Comments:
Due to the new CSRD regulation, employee numbers are now calculated using headcount instead of full-time equivalents. As a result, comparisons with 2023 are not provided, as they would not be meaningful.

HEALTH AND SAFETY	2024	2023	CHANGE (%)
Percentage of own workers covered by H&S management system	89%	-	-
Fatalities	0	0	-
Lost time injury frequency rate (number per million working hours) LTIF	13.7	11.2	+22%
Days lost to injury events	1,104	870	+27%
Total recordable incident rate (TRIR)	14	-	-

CODE OF CONDUCT	2024	2023	CHANGE (%)
Percentage of suppliers that have signed the business' Code of Conduct	94%	87%	+7%

4.3 GOVERNANCE

CORRUPTION OR BRIBERY	2024	2023	CHANGE (%)
Percentage of employees functions-at-risk covered by training programmes	91%	100%	-9%
The number of convictions for violation of anti-corruption and anti-bribery laws (#number)	0	0	-
The amount of fines for violation of anti-corruption and anti-bribery laws (DKK)	0	0	-
The total number of confirmed incidents of corruption or bribery (#number)	0	0	-

For details on accounting policies and accounting comments, BORG Automotive Group refers to Schouw & Co.'s annual report 2024, which provides further insights into the principles and calculations applied.

You can find it here: <https://www.schouw.dk/media/hvcnomfo/schouwco-annual-report-2024.pdf>



5 EU TAXO- NOMY

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, the Taxonomy Regulation sets out a classification system for economic activities aimed at establishing a framework for identifying environmentally sustainable activities. The EU Taxonomy defines six environmental objectives: climate change mitigation and adaptation, water, circular economy, pollution and biodiversity, to which revenue, capital expenditure (CapEx) or operating expenses (OpEx) must contribute substantially in order to be taxonomy-aligned. Furthermore, the activities must do no significant harm (DNSH) to the other five environmental objectives and must comply with minimum social safeguards.

Assessment of Eligible Activities

BORG Automotive Group's business—remanufacturing spare parts for vehicles and selling newly manufactured spare parts—is eligible economic activities in the EU Taxonomy Regulation. Furthermore, all CapEx within BORG Automotive Group is assessed as “related to assets or processes that are associated with taxonomy-aligned economic activities” except for CapEx related to buildings, which is reported separately according to its own category.

Eligible OpEx

The assessment of taxonomy-eligible OpEx is based on the same allocation key as used for CapEx, as OpEx cannot be directly attributed to specific economic activities. BORG Automotive Group's OpEx is taxonomy-eligible under categories 5.1 and 5.2, which include a small share related to the newly acquired activities in Tunisia, also assessed as eligible.

Assessment of Alignment

The taxonomy-eligible economic activities have been evaluated based on the technical screening criteria outlined in the delegated acts. Due to the nature of its business model, BORG Automotive Group is classified as exclusively supplying products that either “consists of extending the lifetime of products by repairing, refurbishing or remanufacturing products that have already been used for their intended purpose by a customer (physical person or legal person)” or “consists of the sale of spare parts beyond legal obligations”, where “each sold spare part for a product replaces, or intends to replace in the future, an existing part in order to restore or upgrade the product's functionality, in particular in case where the existing part is broken”.

Since these economic activities account for the entirety of BORG Automotive Group's revenue, nearly all revenue is aligned with the taxonomy in relation to the substantial contribution criteria. The only exception is a small portion from the newly acquired business in Tunisia, which is assessed as not aligned. This acquisition, which occurred in December 2024, has a minimal impact on overall alignment but is still reflected in the data.

The share of aligned revenue from these activities increased from 3.8% in 2023 to 4.4% in 2024 for remanufacturing and from 1.2% to 1.3% for spare parts sales.

DNSH Criteria

As part of the DNSH assessment, an analysis was conducted on revenue eligible for taxonomy alignment. Each of the DNSH criteria—including climate, water, pollution, circularity, and biodiversity—was evaluated, and all eligible revenue, excluding the activities in Tunisia, was included in the assessment.

Minimum Safeguards

For the assessment of minimum safeguards, BORG Automotive Group's due diligence systems were analysed to ensure compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. A human rights impact assessment was conducted, and the company's due diligence framework was documented to demonstrate alignment with these principles.

The assessment followed the criteria outlined in the Final Report on Minimum Safeguards from the EU's Platform for Sustainable Finance. This report emphasises that companies must not be involved in disputes or violations of minimum safeguards. Additionally, they must have policies on human rights and responsible business conduct, as well as mechanisms ensuring compliance, a complaints system (including a whistleblower scheme), and access to redress in case of violations.

REVENUE FOR THE 2024 FINANCIAL YEAR

	Substantial contribution criterion									DNSH criteria ('do no significant harm')												
Economic activities	Code	Absolute revenue (DKKm)	Proportion of revenue	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible revenue 2023	Enabling activity	Transitional activity			
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy alignment):																						
Repair, refurbishment and remanufacturing	CE5.1	1531	78%				Y			Y	Y	Y	-	Y	Y	Y	76%					
Sale of spare parts	CE5.2	440	22%				Y			Y	Y	Y	-	Y	Y	Y	24%					
A.1 Total taxonomy-aligned revenue		1971	100%																			
Of which enabling		0	0%																			
Of which transitional activities		0	0%																			
A.2 Taxonomy-eligible but not aligned:																						
Repair, refurbishment and remanufacturing ¹	CE5.1	0	0%																			
A.2 Total taxonomy-eligible but not aligned revenue		0	0%																			
Total (A.1 + A.2)		1971	100%														0%					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Total revenue, taxonomy-non-eligible activities		0	0%																			
Total revenue (A + B)		1971	100%																			

Y= Yes. N=No
¹ A total of 0.3 DKK million from the activities in Tunisia is eligible, but not aligned.

CAPEX FOR THE 2024 FINANCIAL YEAR

	Substantial contribution criterion									DNSH criteria ('do no significant harm')									
Economic activities	Code	Absolute Capex (DKKm)	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible CapEx 2023	Enabling activity	Transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy alignment):																			
Repair, refurbishment and remanufacturing	CE5.1	54	93%				Y			Y	Y	Y	-	Y	Y	Y	13%		
Sale of spare parts	CE5.2	0	1%				Y			Y	Y	Y	-	Y	Y	Y	5%		
A.1 Total taxonomy-aligned CapEx		55	94%														18%		
Of which enabling																			
Of which transitional activities																			
A.2 Taxonomy-eligible but not aligned:																			
Construction of new buildings	CCM 7.1	3	6%		N												83%		
Repair, refurbishment and remanufacturing ¹	CE5.1	0	0%														0%		
A.2 Total taxonomy-eligible but not aligned CapEx		3	6%														83%		
Total (A.1 + A.2)		58	100%														100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Total CapEx, taxonomy-non-eligible activities		0	0%														0%		
Total CapEx (A + B)		58	100%														100%		

OPEX FOR THE 2024 FINANCIAL YEAR

	Substantial contribution criterion									DNSH criteria ('do no significant harm')									
	Code	Absolute OpEx (DKKm)	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible OpEx 2023	Enabling activity	Transitional activity
Economic activities																			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy alignment):																			
Repair, refurbishment and remanufacturing	CE5.1	40	78%				Y			Y	Y	Y	-	Y	Y	Y	77%		
Sale of spare parts	CE5.2	11	22%				Y			Y	Y	Y	-	Y	Y	Y	23%		
A.1 Total taxonomy-aligned OpEx		52	100%														100%		
Of which enabling																			
Of which transitional activities																			
A.2 Taxonomy-eligible but not aligned:																			
Repair, refurbishment and remanufacturing ¹	CE5.1	0	0%				N												
A.2 Total taxonomy-eligible but not aligned OpEx		0	0%														0%		
Total (A.1 + A.2)		52	100%														100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Total OpEx, taxonomy-non-eligible activities		0	0%														0%		
Total CapEx (A + B)		52	100%														100%		

Y= Yes. N=No
¹ A total of 0.1 DKK million from the activities in Tunisia is eligible, but not aligned.

6 OUTLOOK FOR 2025

In the year ahead, BORG Automotive Group will continue to drive initiatives that align with its ESG ambitions. Key priorities for 2025 include further improvements in the areas highlighted in this report, the integration of the newly acquired Tunisian facility, and the first impacts of the Power Purchase Agreement (PPA) project. Additionally, the company will develop SBTi targets for Scope 1, 2, and 3 emissions and strengthen due diligence efforts across the supply chain.

BORG Automotive Group is experiencing continued soft demand for reman products and fierce competition in the sales of new products. Nevertheless, the level of activity is expected to show growth in revenue and EBITDA in 2025.

Sustainability gained significant attention for customers in 2024, and this trend is expected to continue in 2025. BORG Automotive Group's circular business model supports increased circularity and reduced environmental impact in the automotive industry—an industry responsible for approximately 15–20% of total carbon emissions in Europe. While it may not solve all challenges, it contributes to meaningful progress. Every effort counts.



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THE MOST IMPORTANT PART IS YOU