





Sustainability Report 2025









TUPY

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1 INTRODUCTION

About this report

Reaffirming our commitment to transparency, we present, for the sixth consecutive year, our Sustainability Report. In this document, covering the period from January 1 to December 31, 2025, we have compiled the key developments across all our operations in Brazil (Betim, Joinville, Jundiaí, and São Paulo[1]), in Mexico (Ramos Arizpe and Saltillo), and in Portugal (Aveiro), as well as our offices in the United States, in Detroit, and in Europe, in Munich (Germany), Turin (Italy), and Arnhem[1] (Netherlands)[2]. [GRI 2-2, 2-3]

To ensure disclosure aligned with best practices, we prepared this report in accordance with the Global Reporting Initiative (GRI) Standards 2021 and the principles defined by the International Sustainability Standards Board (ISSB), which guide Integrated Reporting. We have also incorporated indicators from the Sustainability Accounting Standards Board (SASB) as a complement to the financial materiality approach. Based on this cycle's materiality assessment and a more in-depth analysis of the sectoral relevance of the frameworks, we prioritized the Auto Parts framework, as it more accurately reflects the characteristics, risks, and impacts associated with our operations. We have also maintained references to the Industrial Machinery and Goods section and discontinued the use of the Metals and Mining section, as its applicability was found to be less aligned with our business profile. This update aims to enhance the consistency, comparability, and relevance of the disclosed information, without compromising transparency, since the main topics previously covered remain included in this report. Additionally, we have utilized the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which guide our approach to risks and opportunities related to climate change.

The collection and consolidation of the information presented were conducted internally, with support from a specialized consulting firm. To further ensure the reliability of the results, we submitted the Scope 1 and 2 data from our Greenhouse Gas (GHG) Emissions Inventory to independent verification, as well as the Value Added Statement (VAS), which was audited in the context of the financial statements regulated by the Brazilian Securities and Exchange Commission (CVM). Our Executive Board reviewed and validated all the content presented, and the final version was approved by the Board of Directors, based on the analysis and favorable opinion of the Strategy, Innovation, and Sustainability Committee (CEISus). [GRI 2-5, GRI 2-14]

Comments or questions regarding this report may be sent to **sustentabilidade@tupy.com**. [GRI 2-3]

1. Subsidiary.
2. In this report, we have not included information regarding our subsidiary in Luxembourg, which is responsible for issuing debt securities in the international market.

Methodologies

Based on GRI.

Follows the guiding principles for Integrated Reporting (ISSB).

Includes SASB indicators and metrics.

Considers the TCFD recommendations.

The main highlights of this Report can be accessed in the Executive Summary, available **here**.

Materiality

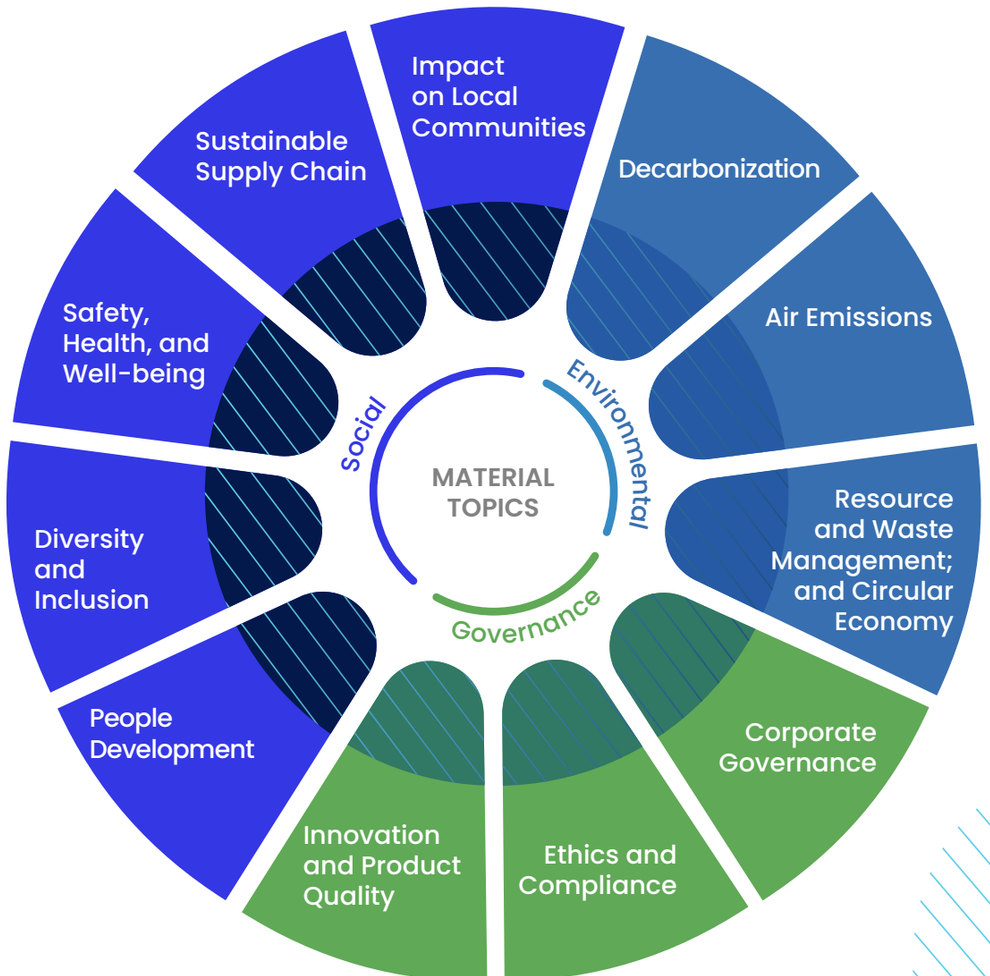
[GRI 3-1, GRI 3-2]

Materiality is the process by which a company identifies the issues that influence its sustainability performance. At Tupy, we adopt dual materiality, an approach that considers not only the environmental and social impacts our activities may generate in the regions where we operate, but also how climate change, regulatory pressures, technological transformations, social expectations, and other external factors may affect our financial performance and our ability to maintain our operations over time.

Under this vision, we review our material issues whenever we identify the need, ensuring they remain relevant and aligned with our priorities. The latest process was structured in five complementary stages: first, we conducted an initial survey considering our strategy and globally recognized guidelines, along with a comparative analysis of 11 competitor companies. Next, we consulted management to understand the relevance of each issue within the business context. Based on this, the Executive Board evaluated the information and recommended priority issues, which were submitted to the Strategy, Innovation, and Sustainability Committee (CEISus) and the Board of Directors for validation.
[GRI 2-14]

The work was guided by the Global Reporting Initiative (GRI) guidelines, the AA1000 (Accountability 1000) standard, and the recommendations contained in S&P Global's Corporate Sustainability Assessment (CSA) for the Dow Jones Sustainability Index (DJSI).

The complete list of topics, their scopes, impacts, and indicators is available on page 85 of this report.



Message from the Executive Board

[GRI 2-22]

Tupy's history is marked by solid values, a long-term vision, and a deep commitment to excellence, which span generations and guide every stage of its journey. It is with great respect for the Company's legacy that the Executive Board and more than 17 thousand employees have been working with focus and determination, convinced that we remain steadfast in our foundations and prepared to move forward, even in a challenging context such as that which marked 2025.

We faced a year of significant contraction in global industrial markets, a scenario that demanded even greater discipline and adaptability. We responded with what has always defined us: applied engineering, operational efficiency, and responsible decision-making. We made progress in asset optimization, enhanced quality, and adopted increasingly cleaner and more efficient production processes—strengthening our resilience and supporting our customers during a period of heightened complexity.

At the same time, 2025 was a year of strengthening our identity. We advanced in shaping our corporate purpose, expressing more clearly who we are and the role we intend to play in a transforming society. Tupy continues to consolidate its position as an engineering company, delivering viable and scalable solutions for essential sectors such as mobility, sanitation, energy, and food production. Our commitment to practical decarbonization has become even more critical to reducing environmental impacts without increasing the cost of living or deepening inequalities.

Sustainability remains at the core of our strategy, guiding how we approach the present and build the future. More than a set of guidelines, it is embedded in our culture and in the way we create value over time. In 2025, this vision translated into tangible progress, particularly in fostering safer and healthier work environments, reinforcing our commitment to people and to the sustainable development of the communities in which we operate.

Our traditional businesses continue to form the Company's foundation, sustaining results even through adverse cycles. New businesses—especially in engines, generators, vehicle conversion, and aftermarket parts—are advancing with more dynamic growth, contributing to the diversification of our solutions. At the same time, we have made progress in multi-fuel technologies, bioplants, and promising initiatives such as battery recycling, all supported by our technical expertise and technological innovation.

This entire trajectory is inseparable from our longstanding commitment to people. Over decades, Tupy has built a culture deeply connected to education, human development, and the construction of long-term careers. We continue to value technical expertise, collaboration, and respect at all levels of the Company, recognizing our greatest asset: our people.

We firmly believe that it is human and technological capabilities that enable us to turn challenges into solutions that improve quality of life.

Executive Board of Tupy S.A.

Message from the chairman of the Board of Directors

[GRI 2-22]

The foundry industry is part of value chains in mobility, machinery and equipment, infrastructure, and energy. It is energy- and natural resource-intensive.

Tupy operates in engineering, manufacturing, and international markets. It develops initiatives focused on resource use, material reuse, and process efficiency.

The Board oversees the integration of environmental, social, and governance (ESG) criteria into decision-making. This oversight considers efficiency, resource use, and emissions.

The production process uses scrap metal as an input to create new products, reducing the use of primary raw materials and associated impacts. The portfolio includes solutions for mobility, energy, and agribusiness, with a focus on energy efficiency and emissions.

Management addresses safety and people development through training and prevention programs. The Board monitors the integration of sustainability, risk management, strategy, and capital allocation, based on transparency and compliance.

This report presents initiatives, results, and targets related to environmental, social, and governance topics.

The Board expresses its recognition to employees, partners, and shareholders.

Jaime Luiz Kalsing
Chairman of the Board of Directors

Highlights of 2025

Human Capital

17,656 employees,
apprentices, and interns.

87% increase in female representation in management and executive positions.

Intellectual Capital

A **71%**
increase in the average number of training hours per employee.

Top 10
in the 100 Open Startups ranking.

Financial and Manufacturing Capital

9.7 billion BRL
in net revenue.

915 million BRL
in operating cash flow generation.

446 million BRL
in investments in capital expenditure (CapEx).

Social and Relationship Capital

Launch of the capital markets communication channel
TUPY3 *COMENTA.*

850 thousand BRL
allocated to donation and sponsorship projects.

40% of the procurement budget spent with local suppliers.

Natural Capital

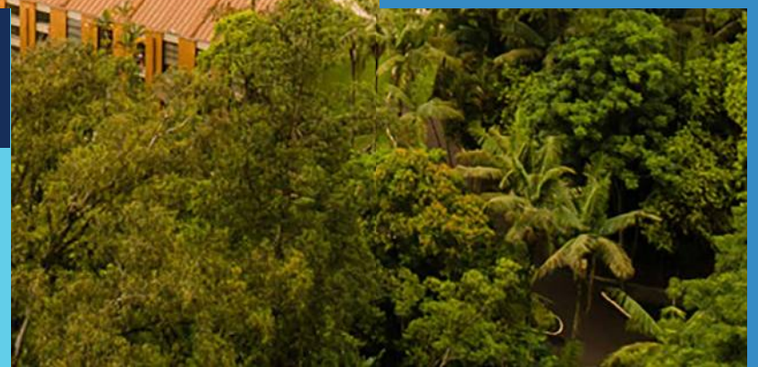
A **7.5%** reduction in coke consumption per ton produced.

A **6.2%** decrease in the particulate matter emissions index.









2

INSTITUTIONAL PROFILE

About us

Business units

Operational map and markets served

Awards and recognition

About us

[GRI 2-1, GRI 2-6]

We are Tupy S.A., a Brazilian multinational with nearly nine decades of experience, with a history marked by engineering, innovation, and the ability to deliver essential solutions for the development of various sectors of the economy.

Our operations were built on solid foundations. Since 1938, Fittings Tupy have represented one of the pillars of our identity. Recognized for their safety, corrosion resistance, and durability, the brand's products have become a benchmark in industrial and commercial projects and in applications that demand reliability. This legacy reflects our long-term commitment to quality and excellence.

Over the years, we have expanded our presence and strengthened our capabilities. Currently, we have over 17 thousands employees, six manufacturing plants in Brazil, Mexico, and Portugal, and offices in strategic regions across the Americas and Europe, as well as a distribution center in Jundiaí (SP). This structure enables us to provide excellent service to customers in more than 40 countries, for whom we develop and produce cast iron structural components of high geometric and metallurgical complexity. These solutions serve sectors such as freight transportation across all modes, agriculture, infrastructure, power generation, the shipbuilding industry, and various other industrial applications.

Our operations encompass a complete service chain – casting, machining, pre-assembly, assembly, technical validation, and engineering – which continuously evolves through investments and strategic initiatives aimed at expanding our portfolio and strengthening our value proposition to customers. This process has enabled us to incorporate integrated solutions for the energy transition, featuring multi-fuel technologies, biogas and biomethane applications, as well as a robust supply of spare parts, available at over 1,400 locations in Brazil and worldwide. As a result, we have expanded our ability to meet diverse demands with efficiency, reliability, and increasingly comprehensive solutions throughout the entire product lifecycle.

Innovation has always been part of our culture and our way of doing business. Among the initiatives that expand our potential are ShiftT, our startup accelerator, which connects the strength of our industrial base to the creative potential of entrepreneurs; and the Open Innovation Portal, a collaborative environment through which we invite researchers, scientists, entrepreneurs, students, established companies, and startups to jointly develop solutions to our business challenges.

This combination of tradition, production capacity, strategic vision, and continuous innovation defines the Tupy we are today: a global, technology-driven company committed to delivering reliable and sustainable solutions for a changing world.

Main Brands

Fittings Tupy

Since 1938, a leader in safe, strong, and durable fasteners for industrial and commercial applications.

MWM

With over 70 years of history in Brazil, it is a global leader in the development and production of engines, power generation, and manufacturing contracts, offering comprehensive and sustainable solutions for rural and urban areas, supported by an extensive distribution and service network.

ShiftT

A startup accelerator that connects our industrial expertise with the potential of entrepreneurs to generate shared value, with 11 accelerated startups and over 300 mapped.

Business units

[GRI 2-6]

Our operations bring together diverse capabilities that have evolved over the years and today form a broad, integrated portfolio ready to serve different markets. We have structured our operations into four business units: **Structural Components, Manufacturing Contracts, Energy & Decarbonization, and Distribution**. This organization allows us to offer complete solutions, aligned with current demands and the technological transformations impacting the global industry.

Each of these areas draws on our engineering expertise, the strength of our manufacturing facilities, and our ability to innovate to deliver ever-greater value to customers, always with a focus on efficiency, quality, safety, and sustainability.









Structural Components

We develop and produce cast iron structural parts with high geometric and metallurgical complexity. We work closely with global manufacturers of capital goods, supplying engine blocks, cylinder heads, and other essential components for sectors such as freight transport, agriculture, construction, mining, maritime, and light vehicles.

Our co-development model accelerates the introduction of new technologies, extends product durability, and ensures high performance in critical applications. This unit represents one of the historical pillars of our operations and reinforces our position as global leaders in the industrial supply chain.

Solutions

- Engineered parts
- Engine blocks
- Cylinder heads
- Pre-machining services

Manufacturing Contracts

We offer a complete suite of integrated industrial solutions, combining engineering and logistics services, machining, pre-assembly, assembly, calibration, testing, and technical validation. This integration drives standardization, cost efficiency, and greater production safety, strengthening strategic partnerships with customers seeking to outsource specific stages or entire manufacturing chains.

Our positioning in this area allows us to deliver tailored solutions, expanding our operational flexibility and creating opportunities for joint growth.

Solutions

- Machining
- Pre-assembly
- Assembly
- Engineering and logistics services



Energy & Decarbonization

The unit offers solutions for reducing emissions based on the principle of viable decarbonization – that is, mature technologies capable of reducing the carbon footprint while delivering economic benefits to customers and society. This approach guides our choices and reinforces our commitment to offering renewable alternatives that are environmentally responsible, operationally efficient, and economically accessible.

This positioning is strongly supported by our MWM brand, which has recognized expertise in the development of engines, generator sets, and complete systems for the energy sector. Building on this knowledge base, we have expanded our industrial capacity and strengthened our presence in high-performance energy solutions, including the manufacture of stationary generator sets powered by diesel, biodiesel, and biogas/biomethane, and the provision of vehicle conversion services for the use of renewable fuels, such as biomethane and ethanol, as a replacement for diesel.

We have also invested in bioplants, focused on the treatment of organic waste for the production of biomethane and high-value-added fertilizers. The bioplants form an integrated platform that connects renewable energy, the circular economy, and improved soil fertility through organomineral fertilizers with strong growth potential in agribusiness.

Solutions

- Bioplants
- Vehicle conversion
- Stationary generators
- Engines
- Lighting towers
- Motor pumps
- Marine applications

Distribution

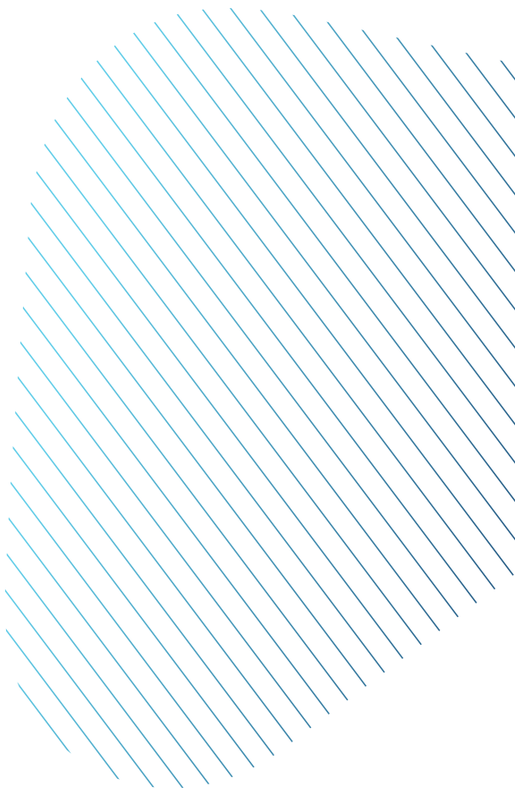
We operate in the aftermarket through two main channels. The first focuses on cast iron products, such as continuous bars used as raw material for various industrial products, as well as pipe fittings and hydraulic products for applications in large industrial and commercial facilities. The second is dedicated to automotive replacement parts, with a portfolio that combines original MWM brand product lines, cost-effective solutions, and a multi-brand offering capable of serving different types of engines and equipment. This structure expands our presence across various segments and strengthens our ability to meet customer needs with solutions tailored to each application.

To ensure reach and availability, we have a Parts Distribution Center located in Jundiaí (SP) and a robust distribution network comprising thousands of points of sale in Brazil and abroad, as well as specialized technical assistance and authorized partners who ensure qualified service.

This unit combines tradition, extensive reach, and portfolio development capabilities, supporting our role as one of the industry's leading suppliers of replacement parts and hydraulic solutions.

Solutions

- Replacement parts
- Continuous cast iron bars
- Pipe fittings



Our value chain

[GRI 2-6]

SUPPLIERS



INDUSTRIALIZED COMPONENTS



ENERGY



NON-FERROUS MATERIALS



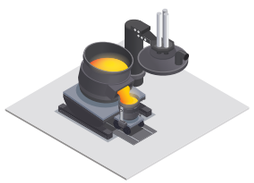
METALLICS



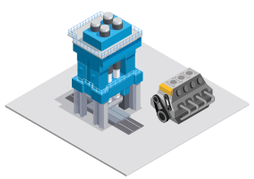
SERVICES



BUSINESS UNITS



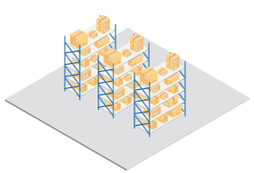
STRUCTURAL COMPONENTS
Production of engine blocks, cylinder heads, and engineered components used in engines and industrial systems.



MANUFACTURING CONTRACTS
Provision of specialized services, including machining, pre-assembly, assembly, and engineering.

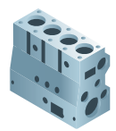


ENERGY & DECARBONIZATION
Development of energy and low-carbon solutions, including engines, generators, bioproducts, and Research & Development (R&D) projects in hydrogen and recycling.



DISTRIBUTION
Supply of aftermarket parts, pipe fittings, profiles, and technical support for the maintenance and operation of equipment.

PRODUCTS



- Engineered parts
- Engine blocks
- Cylinder heads
- Pre-machining services



- Machining
- Pre-assembly
- Assembly
- Engineering and logistics services



- Bioplants
- Vehicle conversion
- Stationary generators
- Engines
- Lighting towers
- Motor pumps
- Marine applications



- Replacement parts
- Continuous cast iron bars
- Pipe fittings

CUSTOMERS AND APPLICATIONS

AGRIBUSINESS



AUTOMOTIVE



CONSTRUCTION AND MINING



POWER GENERATION



INFRASTRUCTURE



NAVAL

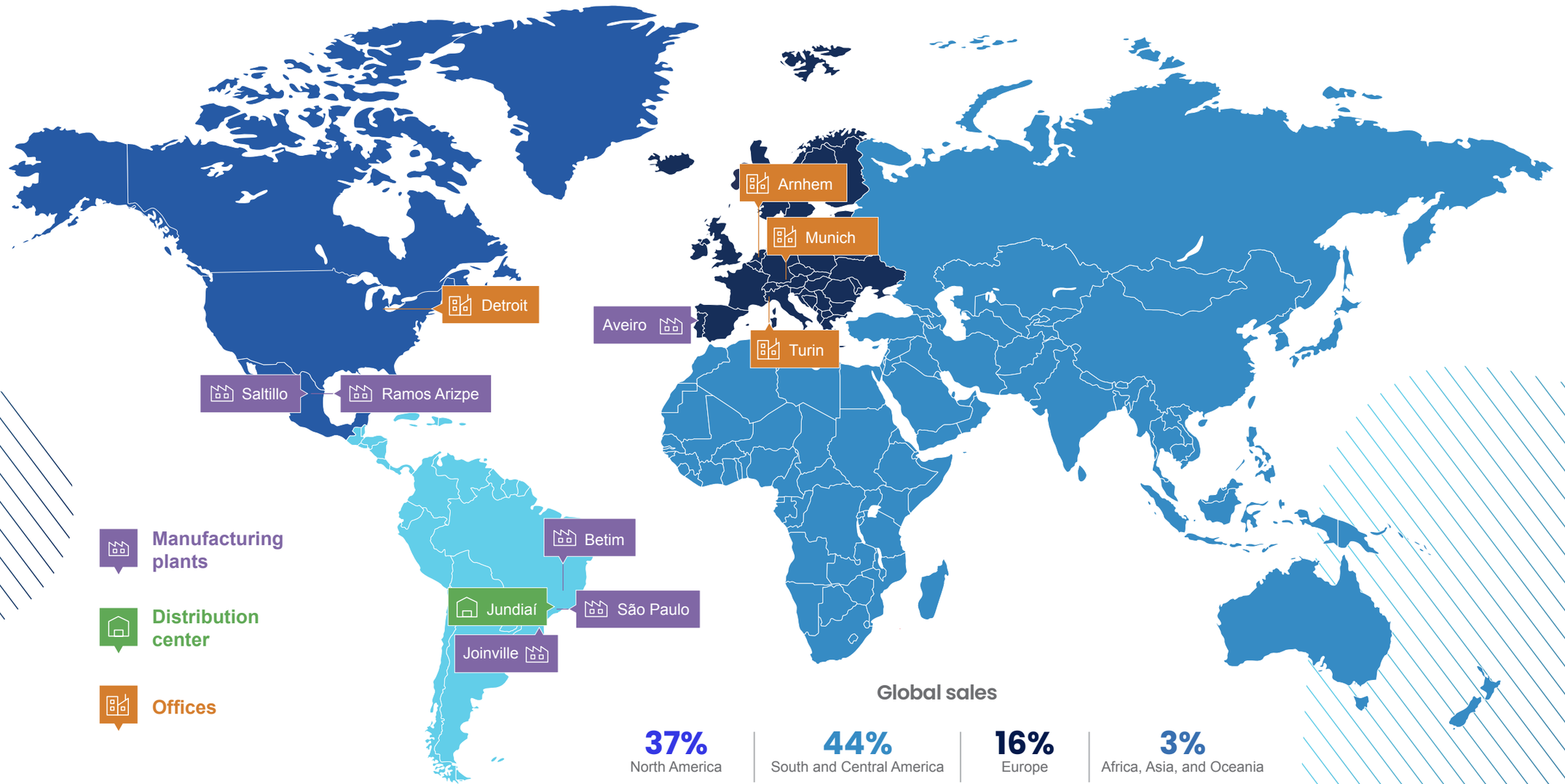


TRANSPORTATION



Operational map and markets served

[GRI 2-1]



Global sales

37%	44%	16%	3%
North America	South and Central America	Europe	Africa, Asia, and Oceania

Awards and recognitions

Prêmio Valor Inovação Brasil

2nd place in the capital goods sector and 20th most innovative company in Brazil.

Melhores Empregadores do Brasil

Recognition awarded by Time, in partnership with Statista, highlighting our people management practices.

Prêmio Valor 1000

Ranking of the country's largest companies, based on economic, financial, and management indicators.

Prêmio Ser Humano (PSHsc)

Recognition for people management initiatives with a positive impact on human and organizational development.

Prêmio Expressão de Ecologia

An award that recognizes projects and initiatives making an effective contribution to environmental preservation.

500 Maiores do Sul (Revista Amanhã)

Ranking highlighting the companies with the greatest economic and institutional relevance in the southern region of the country.

Prêmio FINEP de Inovação (Southern Region)

Recognition of projects with a high degree of technological innovation and economic impact.

100 Open Startups Ranking

Simultaneous presence among the Top 100 of the year, Top 100 of the decade, and Top 10 in the sector.

Época Negócios 360° Ranking

Evaluates companies across multiple dimensions, such as financial performance, innovation, environmental, social, and governance (ESG) aspects, and vision for the future.

AI Lighthouse Awards (Enterprise Edition)

9th place in the first edition of the awards, organized by the Dom Cabral Foundation (FDC) in partnership with CI&T, recognizing the strategic application of artificial intelligence in the digitization of industrial processes.



3

CORPORATE GOVERNANCE

Governance structure
Risk management
Ethics, integrity, and compliance

MATERIAL TOPICS
Governance
Ethics and compliance

Governance structure

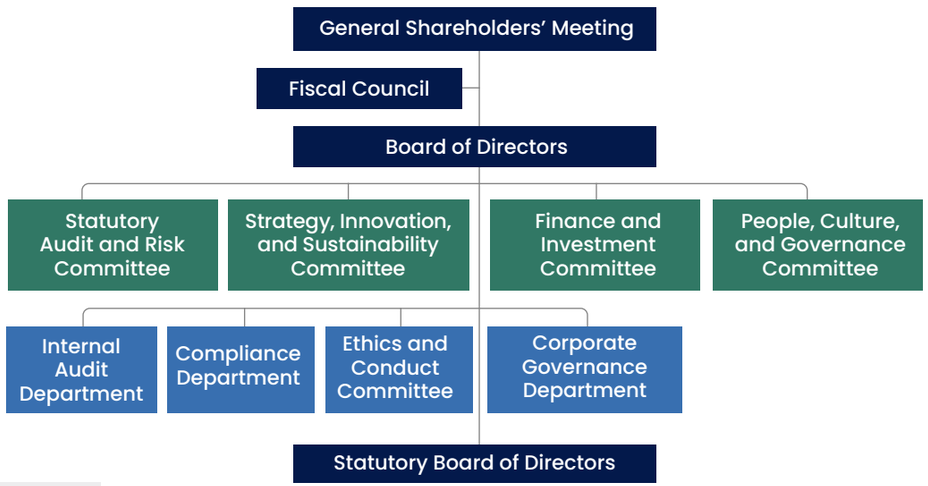
[GRI 2-9, GRI 3-3 Corporate governance]

Since 1966, our shares have been traded on the Brazilian stock exchange (B3 S.A. – Brasil, Bolsa, Balcão), and in 2013, we joined the Novo Mercado, a segment that brings together companies voluntarily committed to corporate governance standards that exceed those required by law and by the Brazilian Securities and Exchange Commission (CVM). This trajectory reflects our long-term commitment to transparency, ethics, and responsible decision-making. [GRI 2-1]

We have adopted a governance structure comprising decision-making and advisory bodies that guide our strategy and ensure our business is conducted in alignment with our principles. At the center of this model is the Board of Directors, our highest collegiate decision-making body. It is responsible for defining the strategic direction of our business, taking into account risks, opportunities, and economic, social, and environmental impacts; supervising and guiding the Executive Board's activities; monitoring risk management and internal control systems; approving institutional policies and the Code of Ethics and Conduct; and overseeing the implementation of the Integrity Program and the audit plan, among other duties. [GRI 2-12, GRI 2-24]

The Board consists of nine members, elected by the General Shareholders' Meeting for a two-year term. Detailed information about each member is available **here**.

Four specialized committees support the Board of Directors in analyzing strategic matters:



Statutory Audit and Risk Committee (CAE)
Reviews and comments on financial statements, monitors internal control and risk management systems, and oversees the work of internal and independent audits, among other activities provided for in its internal regulations. [GRI 2-13]

Finance and Investment Committee (CFI)
Advises on the evaluation of investments, capital structure, financial strategies, and resource allocation.

Strategy, Innovation, and Sustainability Committee (CEISus)
Supports decisions related to long-term strategic direction, innovation, and environmental, social, and governance issues. [GRI 2-12, GRI 2-13]

People, Culture, and Governance Committee (CPCG)
Monitors issues related to people management, organizational culture, succession, compensation, and governance practices.

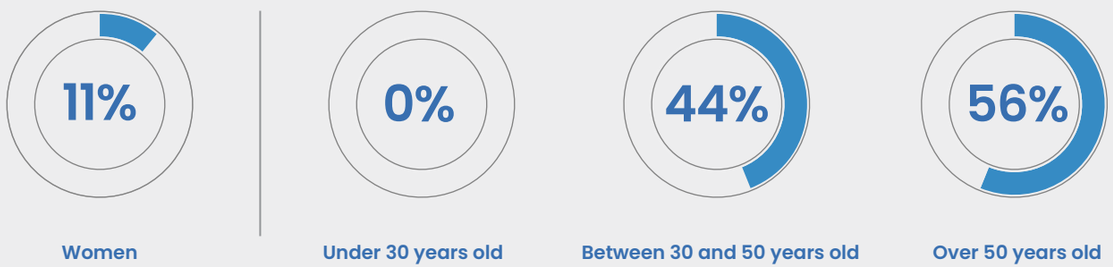
The nomination and election of board members and committee members follow criteria defined in our Nomination Policy, in addition to the provisions of the Bylaws, the Board's Internal Rules, and applicable regulations. We always seek qualified professionals with technical, academic, or executive experience compatible with the challenges of the business and aligned with our values and culture. The Board's composition also takes into account the promotion of diversity and the inclusion of at least two independent directors or 20% of the total number of members, whichever is greater. [GRI 2-10]

In addition, since 2014, we have conducted an annual collegial and individual evaluation process of the Board of Directors and the advisory committees. In the case of the Board, the analysis considers fulfillment of the mandate, composition, support processes, operational dynamics, individual contributions, and engagement with environmental, social, and governance issues.

For the committees, performance during the term, group dynamics, structure, work processes, contributions, and action plans are evaluated. Based on the opportunities identified in these evaluations, each body defines, implements, and monitors specific action plans, continuously strengthening our governance and the quality of the decisions we make. Until the previous cycle, covering 2023, this process was supported by external consultants. However, the 2024 cycle, conducted in 2025, began to be carried out internally, under the coordination of the People, Culture, and Governance Committee (CPCG). [GRI 2-18]

The Executive Board is responsible for implementing the guidelines defined by the Board of Directors and ensuring the execution of the actions necessary for sound business performance. It is up to this group to lead operations with a focus on strategic planning, ensure efficiency in resource allocation, and safeguard the integrity of management practices.

Composition of the Board of Directors [GRI 405-1]



Lessons for sustainable development

[GRI 2-17]

Throughout 2025, we sought to deepen our understanding of issues that directly influence our strategic positioning and long-term value creation. This process began in February, when the CEISus meeting was attended by the then Secretary of Environment and Sustainability of Pará, who presented the main topics related to the 30th United Nations Climate Change Conference (COP30), held in Belém (PA). The discussion provided relevant insights on climate, sustainable development, and global challenges with a direct impact on our sector.

In subsequent CEISus meetings, held in April, June, and October, we enlisted the support of a consultant to deepen our understanding of the climate agenda, including discussions on COP30, the bioeconomy, and the balance between food and energy production in a changing global landscape.

Conflict of interest

[GRI 2-15]

Managing conflicts of interest is essential to ensure that our strategic, operational, and financial decisions are made with complete impartiality. We operate in accordance with the Policy on Transactions with Related Parties and Conflicts of Interest, aligned with the recommendations of the Brazilian Corporate Governance Code and the requirements of B3's Novo Mercado Regulation. This set of guidelines helps us identify situations in which personal, professional, or economic interests may influence or appear to influence the judgment of employees, managers, directors, or representatives.

Our Bylaws stipulate that no director may participate in discussions, deliberations, or votes on matters in which they are, directly or indirectly, in a conflict of interest with our business interests. At shareholder meetings, shareholders also may not vote when there is a risk that their personal interests could influence their judgment, such as in deliberations regarding asset valuation reports that directly impact their decisions. In such situations, conflicts of interest must be formally declared and recorded in the minutes, ensuring transparency and traceability of decisions.

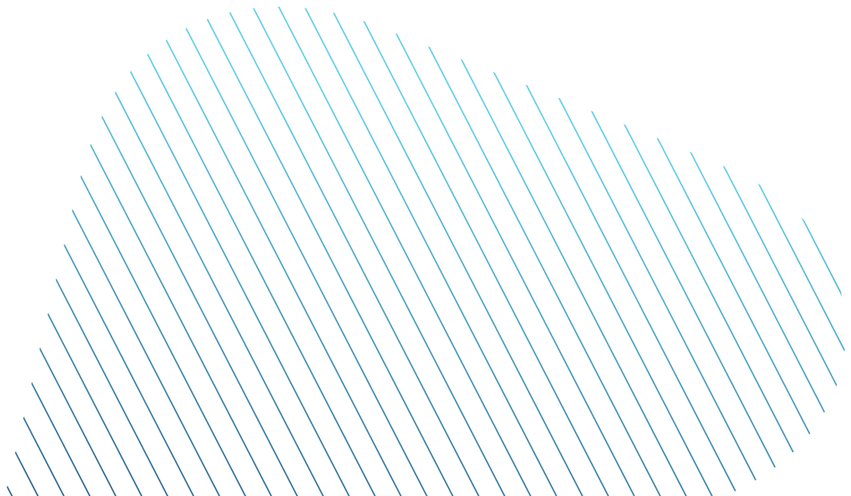
Where applicable, we disclose information regarding transactions with related parties and any potential conflicts of interest in our Financial Statements, in the Reference Form, and through market announcements. This ranges from the disclosure of relationships and outstanding balances with related parties to information on cross-shareholdings in other governing bodies, equity interests among suppliers and other stakeholders, as well as the existence of controlling shareholders.

Executive compensation

[GRI 2-19, GRI 2-20]

The annual compensation of members of the Board of Directors and the Executive Board follows a structured and transparent process. The total amount is set by the General Meeting, through a proposal prepared by the Human Resources Department and reviewed by the People, Culture, and Governance Committee. The proposal is then analyzed and approved by the Board of Directors. This model ensures that the compensation package is commensurate with the responsibilities and risks of each role, preserves our competitiveness in the market, and fosters the attraction, retention, motivation, and recognition of professionals. The market analyses used to support the Human Resources Department's recommendation are conducted by specialized consulting firms, ensuring balance and equity.

Members of the Board of Directors receive fixed compensation. When a board member participates in advisory committees, they receive a specific additional payment, limited to a single amount, regardless of the number of committees they serve on. Statutory directors, on the other hand, have a compensation structure consisting of a monthly base salary and short and long-term variable compensation.



Risk management

[GRI 2-12, GRI 2-13, GRI 3-3 Corporate governance, GRI 3-3 Ethics and compliance]

Our Risk Management and Internal Controls Policy (PGRCI) guides how we handle uncertainties and make decisions across all our business operations. It establishes principles and guidelines aimed at strengthening a preventive culture, encouraging shared responsibility, and ensuring that both current and potential risks are addressed with technical rigor, an integrated perspective, and strategic alignment. This shared understanding guides our teams on how to identify, analyze, assess, prioritize, address, monitor, and communicate risks, always with the goal of protecting our business, expanding opportunities, and ensuring compliance with internal and external standards.

The PGRCI applies to all areas, macro-processes, subsidiaries, and controlled entities, reaching employees across different regions and functions. As we review our risk matrix, we analyze the probability and impact of each mapped event and classify its criticality. Based on this classification, we define responses proportional to the criticality level of each risk, adopting the most appropriate strategies for its mitigation, control, or continuous monitoring.

Throughout the year, we monitor issues such as cybersecurity, exchange rate volatility, tax and labor matters, occupational safety, operational environmental risks, geopolitical exposure, quality certifications, and accounting and credit risks. At the same time, we conduct an annual assessment dedicated to climate risks, covering physical impacts, regulatory trends, legal implications, reputational effects, technological changes, and opportunities related to the energy transition.

We follow widely recognized frameworks, such as COSO ERM 2017 and ISO 31000:2018, which help us maintain processes that are consistent and internationally comparable. In addition, we have adopted the Three Lines Model, in which operational areas manage risks on a day-to-day basis; control areas provide technical support and monitor the effectiveness of processes; and internal audit acts independently, providing objective assessments to the Board of Directors.

Learn more about our Risk Management and Internal Controls Policy.

Three Lines Model

1st line

Managers in operational and support areas, responsible for managing risks directly related to their activities.

2nd line

Control areas, which guide, monitor, and provide technical support, ensuring consistency in practices.

3rd line

Internal Audit, which conducts independent assessments and presents findings to governance bodies regarding the effectiveness of risk management and internal controls.



The strengthening of risk governance was one of the highlights of 2025. The Board of Directors began receiving bimonthly risks reports, which intensified the dialogue between leadership levels and brought the strategic vision even closer to operational dynamics. Meanwhile, the monthly meetings of the Statutory Audit and Risk Committee (CAE) provided a deeper analysis of key risks, mitigation plans, and the performance of those responsible. Committee members actively participate in discussions, request clarifications, propose relevant topics, and engage managers to present details on specific risks and their implications. [GRI 2-16]

At the executive level, we follow the same approach. The Executive Committee on Risk Management and Internal Controls held monthly meetings to monitor rising exposures, guide managers, and ensure that information flows swiftly between operational units and senior leadership. This initiative established a continuous feedback loop: strategic guidelines are communicated from leadership to operations, while emerging alerts and concerns are reported from operational areas to senior governance bodies.

We strengthened the executive structure by creating a department exclusively dedicated to risk management and internal controls, led by a senior executive committed to deepening the integration of this agenda with the business. The new department is committed to expanding the scope of risk analyses, ensuring their integration into strategic projects. In addition, it will work on the continuous evolution of methodologies, the adequacy of control coverage, and the strengthening of risk governance and culture.

The most significant advances also came from the consolidation of the Archer platform, which standardized processes globally by integrating risks, internal controls, and audit into a single environment. The system replaced fragmented workflows across different tools and spreadsheets, automated critical steps, and clarified the role of each risk owner. This change increased the accountability of risk owners, optimized review cycles, and enhanced the maturity of business units, all aligned with a single governance framework.



Ethics, integrity, and compliance

[GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3 Ethics and compliance, GRI 205-2, GRI 408-1, GRI 409-1]

We conduct our activities in an ethical and transparent manner, guided by the Tupy Integrity Program, which consists of initiatives aimed at preventing, detecting, and responding to compliance incidents. One of the pillars of the program is the Code of Ethics and Conduct, which guides employees, representatives, suppliers, and partners to act in accordance with 12 principles that reaffirm our commitment to life, people, sustainability, and ethical practices. These guiding principles reflect our responsibility to promote human rights and build a safe and welcoming work environment, in line with the United Nations (UN) Global Compact, the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the Fundamental Conventions of the International Labour Organization (ILO).

To delve deeper into essential topics, we have 16 internal policies and standards addressing issues such as human rights, donations and sponsorships, anti-corruption and anti-bribery, as well as conflicts of interest. Based on these guidelines, we have structured an annual communication and training cycle that integrates ethical topics into the daily routines of our teams, ensuring that everyone receives training on the Code of Ethics during the onboarding process and monitors, throughout the year, the results of indicators related to the topic. In addition, we have developed ongoing training tracks, with both in-person and online content, that deepen understanding of harassment prevention, integrity in relationships, prevention of money laundering and terrorist financing (AML/CFT), data protection, and information security.

As a result of this set of policies, practices, and training initiatives, no operations, activities, or suppliers were identified throughout the year that showed relevant indications of child labor, forced labor, conditions analogous to slavery, or situations that exposed young workers to inadequate or hazardous working conditions.

For more information on the Code of Ethics and Conduct, **click here**.

Internal policies and standards

- Anti-Bribery and Anti-Corruption Policy
- Competence and Scope Policy
- Hiring Policy for Independent Audit Services
- Profit Distribution Policy
- Policy Disclosure and Trading of Securities
- Donations and Sponsorship Policy
- Statutory Board Election Policy
- Crisis Management Policy
- Risk Management and Internal Control Policy
- Policy for Nomination of Members of the Board of Directors and Advisory Committees
- Integrity Policy
- Personal Data Protection Policy
- Directors' Compensation Policy
- Related Party Transactions Policy
- Human Rights Standard
- Money Laundering and Terrorism Financing Prevention Standard
- Conflict of Interest Policy

For more information on our internal policies and guidelines, **click here**.



The year 2025 marked another step in the maturation of our Integrity Program, which has been growing stronger since the formalization of the Compliance department in 2021. We made progress in standardizing ethics guidelines across all units, both within and outside Brazil; expanded our corporate training program; and intensified communication through dialogues closer to the operational level, including the incorporation of ethical topics into the Safety Dialogues. At the same time, we continue to expand the Integrity Program internationally, consolidating initiatives in Mexico and preparing to implement the same content in our European operations. In total, more than 40 communications related to the program were conducted throughout the year.

The Ethical Conduct Journey, available on the GoTupy and MWM Academy platforms, reinforced this initiative by offering training on the Code of Ethics and Conduct, the Conflict of Interest Policy, the Anti-Corruption Policy, and the Anti-Money Laundering and Counter-Terrorism Financing Policy. More than 2,700 hourly employees and executives were trained, strengthening their understanding of the principles that guide our organizational culture.

We also developed a handbook on combating harassment and abusive conduct, available to the teams in Brazil and Mexico in two versions: one aimed at employees, with guidance on how to identify inappropriate situations and use the Ethics Channels; and another aimed at leaders, with clear instructions on how to act when faced with reports or witnessed situations. Before the launch, we trained all leaders so they could guide their teams on the topic. The launch included a live stream that brought together managers, directors, and vice presidents, during which our CEO highlighted the importance of strengthening a culture of respect.

We also renewed our adherence to the Ethos Institute's Business Pact for Integrity and Against Corruption, publicly highlighting our commitment to maintaining ethical and transparent practices, and developed specific initiatives for teams involved in bidding processes, focusing on combating fraud, managing relationships with public officials, and promoting fair competition.

Our relationship with suppliers follows the same rigorous standards. Starting with the registration process, they must certify their awareness of and compliance with the Code of Ethics, the Integrity Policy, the Anti-Corruption and Anti-Bribery Policy, the Human Rights Policy, and the Conflict of Interest Policy. We maintain semi-annual communications with guidance on gifts, hospitality, conflicts of interest, and other guidelines, in addition to providing Ethics Channels for submitting reports. Structured processes – such as background checks, integrity forms, and periodic risk assessments – continue to be applied to suppliers, customers, and recipients of donations and sponsorships, enabling safer decisions that are aligned with our ethical principles.

Integrity risk assessments are conducted periodically with the most recent cycle completed in 2023/2024, covering all units. The action plans derived from this process were widely implemented, helping to communicate procedures, formalize guidelines, and mitigate identified risks. The next cycle is scheduled for 2027. [GRI 205-1]

To ensure independence and impartiality, the Compliance department reports directly to the Board of Directors through the Statutory Audit and Risk Committee (CAE). The CAE monitors quantitative and qualitative indicators on a monthly basis, including cases related to conduct, potential fraud, or situations requiring special attention. This process ensures that sensitive issues are evaluated in depth, transparently, and in a timely manner. In 2025, there were no significant instances of non-compliance, considering the Company's size. [GRI 2-27]



Ethics Channels

[GRI 2-16, GRI 2-25, GRI 2-26]

To report conduct contrary to the law, internal policies, or our values, we maintain Ethics Channels accessible 24 hours a day, 7 days a week, managed by an independent firm for over ten years. Reports can be made anonymously, with complete confidentiality, and in compliance with data protection laws in the countries where we operate. Following an investigation, cases are submitted to the Ethics and Conduct Committee, which decides on disciplinary measures and corrective actions.

For employees, decisions may range from a verbal warning to termination for cause. For third parties, they may result in the termination of business relationships or the initiation of legal action, depending on the severity of the situation. The Ethics and Conduct Committee monitors the channel's records monthly and reports to the Board of Directors whenever necessary, with support from the Executive Board and internal and external audits.

Complaint Mechanisms

	2023	2024	2025
Number of complaints received	513	742	525
Number of complaints addressed	513	742	525
Number of complaints resolved	401	680	725[1]
Number of complaints filed prior to the current year and resolved during the year	190	290	357

1. 6.6% increase vs. 2024.

Actions taken in 2025

Internal audience

93 guidance notes

17 warnings

4 suspensions

35 terminations

Suppliers

7 notifications

Ethics channels

Site
www.tupy.com.br/etica

E-mail
etica@tupy.com

Phone numbers
Brazil: 0800 721 7895
Mexico: 800 288 0150
Portugal: 800 180 431

In addition to the ethics channels, the email address **compliance@tupy.com** is available to answer questions or provide advice.







4 STRATEGY AND BUSINESS MODEL

Strategic drivers
Strategy enablers
Business model

MATERIAL ISSUES
Innovation and product quality
Decarbonization

Strategic drivers

We continue to refine our strategy to keep pace with market transformations and address challenges that directly impact society, such as mobility, sanitation, energy, and food production. Population growth and urbanization are increasing demand for essential goods, such as energy, while also requiring solutions that reduce emissions and promote viable decarbonization, capable of ensuring access to basic services without raising costs or widening inequalities.

In 2025, we made progress in consolidating a more participatory planning model, integrating teams from the four business units and creating a collaborative process aligned with the actual pace of operations. This approach resulted in more consistent analyses of opportunities and risks, which helped us direct investments and strengthened the development of clear roadmaps for the short, medium, and long term. The corporate strategy began to unfold in a way that was more closely connected to the specific needs of each business unit, ensuring a balance between operational focus and sustainable expansion.

Based on the priorities established in our 2024 Multi-Year Action Plan and the trends that directly influence our markets, we defined the Company's strategic drivers.



Our drivers are linked to our Strategic Roadmap, which establishesclear priorities for each business unit: execute the competitiveness plan in Structural Components; expand Manufacturing Contracts while capturing synergies; consolidate and grow in the Energy & Decarbonization sectors; and increase revenue in Distribution by expanding our portfolio, segments, and geographic reach.

In this effort, innovation is an enabling factor: as a technology-based company, we continuously monitor technical and regulatory developments in partnership with universities, research institutions, and strategic partners, transforming knowledge into applied solutions, efficiency gains, and new growth opportunities.

Strategy enablers

Organizational culture

In 2025, we launched a structured initiative to review our purpose, vision, and values, with the goal of consolidating our identity and strengthening a culture capable of sustaining our strategy of innovation, sustainability, and expansion. This journey, conducted through the Culture Project, involved teams from all regions and business units and began with a broad and in-depth assessment that gathered insights, practices, and expectations from a team marked by diverse backgrounds, cultures, and realities. This diversity of perspectives enriched the discussion and provided valuable layers of understanding about who we are today and the future we want to build collectively.

The first stage of the project focused on mapping the current culture. This process included interviews with our executives and members of the Board of Directors, as well as a quantitative survey administered to 100% of employees. The assessment was complemented by focus groups held at all units, as well as site visits to observe work dynamics firsthand.

Based on the results, we moved on to the feedback and cultural identity-building phase. Practical workshops with senior leadership played a decisive role at this stage, enabling the consolidation of learnings, strategic alignment, and the building of the desired culture. These discussions resulted in a proposal to revise our values and define the pillars that will guide our behaviors and decisions in the future, ensuring alignment between words and actions. In 2025, the project underwent the validation and prioritization phase, with meetings dedicated to confirming our new identity, defining expected behaviors, and selecting the strategic actions that will sustain this transformation.

After final validation, we will disseminate and implement the new culture through supporting actions, which include an expanded meeting with leadership to align priorities and the development of a roadmap with practices, processes, and cultural governance mechanisms.

The new culture under construction will serve as a reference for the entire people agenda. Starting in 2026, processes such as performance evaluation, recognition, corporate training, leadership programs, and career paths will be gradually updated to reflect the revised values. The Employee Journey and the incentive model will also undergo revisions, ensuring that every stage of the internal experience aligns with what we believe in and what we envision for the future.

By strengthening our culture and recognizing the central role of people in this process, we create the conditions for an increasingly integrated, cohesive, and prepared team to consistently advance in the execution of our strategy. Every employee, in every region, plays a fundamental role in this journey, and it is precisely this diversity of experiences, skills, and perspectives that sustains our ability to innovate, evolve, and generate results in a sustainable manner.



Technology

[GRI 3-3 Innovation and product quality]

We continue to advance on our digital transformation journey in a manner integrated with our corporate strategy, expanding the adoption of technologies that enhance operational efficiency and increase process security. This evolution is guided by eight pillars—operations, asset management, sustainability, technological leadership, people and knowledge, quality, customers, and business management—which guide project prioritization and ensure that each initiative generates a concrete impact on business performance.

To optimize resources and reduce technological risks, we have adopted the Joinville (SC) facility as a pilot plant, where we test and validate solutions before rolling them out globally. Additionally, we maintain an Industry 4.0 digitization roadmap, which assesses the degree of automation and connectivity by production line and by plant. This tool guides decisions, allows us to identify opportunities for gains, and directs investments based on clear technical criteria, strengthening technological governance. In 2025, this structure enabled us to accelerate a transformation cycle marked by the expansion of digitalization across all units.

The expanded use of artificial intelligence (AI) was one of the highlights of the period. We operate simultaneously on three fronts, aiming for direct results in industrial management:

Classic AI

We consolidated analytical models based on large volumes of data, applied directly to manufacturing processes. In Joinville (SC), the use of machine learning transformed foundry control, a critical stage for the quality of engine blocks and cylinder heads. We began to predict, even in the initial metal melting phase, the risk of defects that could compromise the product. This foresight allows us to halt the production of potentially non-conforming items, reduce waste, increase line efficiency, and contribute to more sustainable operations. The integration of AI into machine controls also began to automatically block the production of parts that fall outside defined parameters. These advances were accompanied by a consistent training program for technical teams, who began comparing the models' predictions with the actual results of the process.



Embedded AI

We have incorporated cameras and sensors for image recognition at critical stages of mold assembly, increasing the accuracy of automatic inspections and standardizing essential checks to ensure operational integrity.

Generative AI

We support technical and operational teams through digital agents that assist in analyzing process variables and solving day-to-day problems. Among these initiatives is the adoption of Copilot, a tool based on generative artificial intelligence that supports activities such as data analysis, information organization, and decision-making support. Its implementation was preceded by rigorous information security measures, ensuring that all internal data remains protected and restricted to the corporate environment.

All these efforts have been recognized externally: we ranked among the top ten companies in the AI Lighthouse Awards, placing ninth in the first edition of the awards created by the Dom Cabral Foundation (FDC) in partnership with CI&T, which highlights organizations that apply AI in a strategic and results-oriented manner.

We also continued standardizing systems, completing the unification of procurement and human resources platforms between Brazil and Mexico, which reduces rework, facilitates data access, and promotes greater corporate consistency. Another significant milestone was the approval of the global migration to SAP S/4HANA, a system that will replace previous versions of Enterprise Resource Planning (ERP) and raise our standards for data integrity, availability, and security. The project, which began in January 2025 and is expected to last two years, was preceded by technical studies and preliminary tests that helped mitigate risks and define the best transition approach.

Our technology infrastructure has also undergone modernization, with improvements to networks, equipment, and redundancy, reinforcing operational stability across all regions. In information security, we maintained a prudent stance, with advancements in controls and protection practices, without exposing sensitive details—an approach aligned with best practices for complex industrial environments.

In the industrial sphere, we continued to expand the Manufacturing Execution System (MES), a system that integrates and monitors production data in real time, and completed its implementation in Ramos Arizpe (Mexico). This advancement expands line management capabilities, improves operational visibility, and enables increasingly integrated and intelligent processes.

Another important advancement was the expansion of digital capabilities beyond the Structural Components unit. Technologies initially developed for manufacturing began to be applied in other business units. At the Ouro Verde do Oeste (PR) bioplants, for example, digital systems and tools now support energy processes and circular economy initiatives, demonstrating that digital capabilities have become a corporate asset serving all our units.

Information security

We continuously invest in technology and system improvements to strengthen our internal controls and ensure that all units operate with standardized and secure processes. This effort aims to reduce cyber risks, preserve data integrity, and prevent impacts that could compromise the business.

Our Information Security and Cybersecurity Policy defines the guidelines that must be followed by everyone who uses Information Technology resources. The policy, approved by the Executive Board, outlines essential practices for maintaining the confidentiality, availability, and reliability of information. In cases of non-compliance, we apply the prescribed disciplinary measures.

Governance of this area includes periodic presentations to the Statutory Audit and Risk Committee and the Board of Directors, which ensures close monitoring of initiatives, progress, and identified risks.

It is worth noting that we are in compliance with the General Personal Data Protection Law (LGPD) and follow specific action plans to strengthen this compliance. We have also appointed professionals responsible for serving as points of contact with data subjects and the National Data Protection Authority (ANPD), ensuring transparency and alignment with legal requirements.

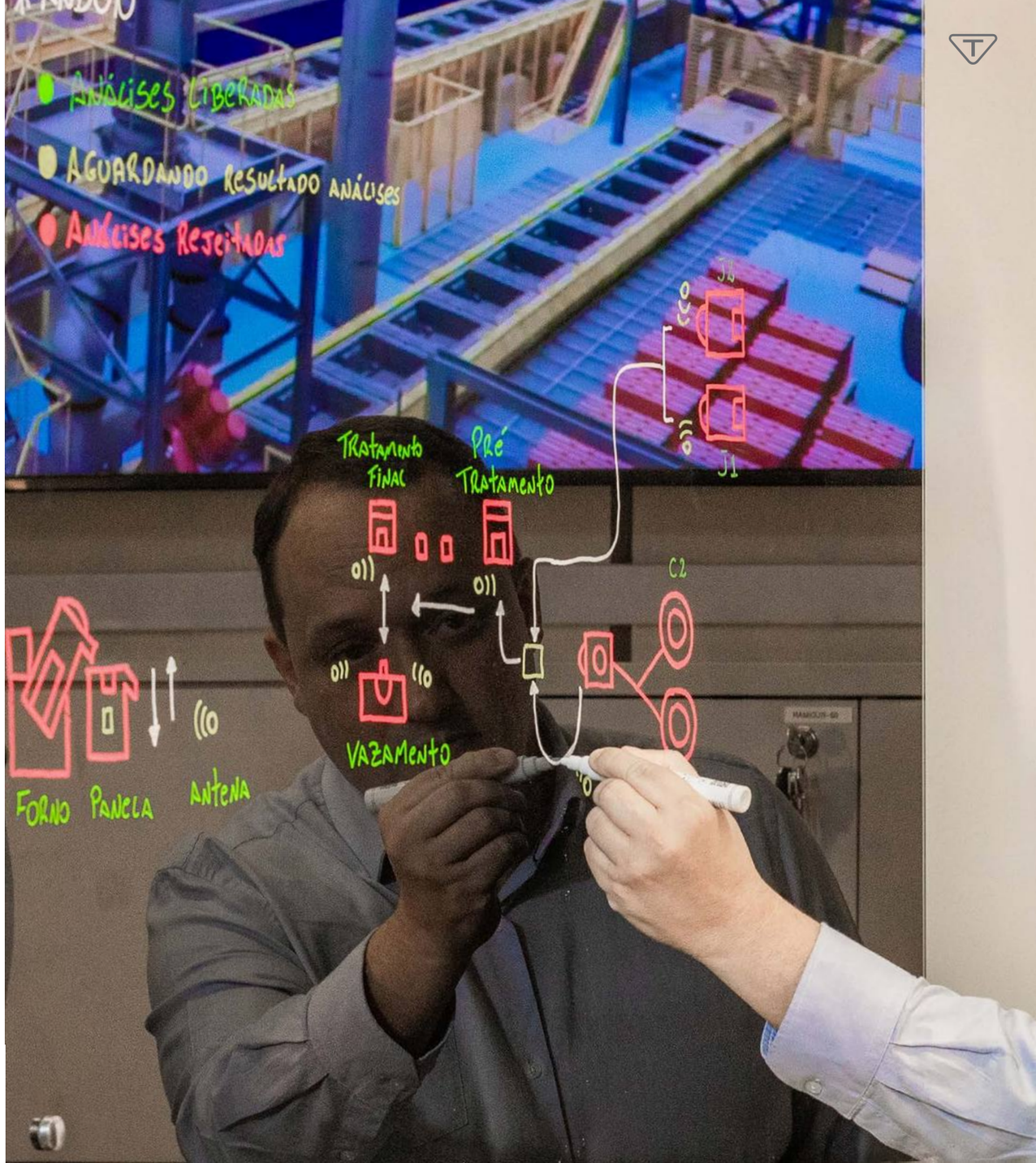
Research & development

[GRI 3-3 Innovation and product quality, GRI 3-3 Decarbonization]

We view research and development (R&D) as complementary and fundamental stages of a single process. For us, research is the structured pursuit of technologies that still depend on scientific advancement to gain traction in current markets or create opportunities in new segments. It is the moment when we assess trends, explore possibilities, and deepen knowledge that can transform the way we produce, consume, and solve industrial challenges. Development, in turn, is the phase in which these technologies begin to take practical shape. We transform discoveries into product and service platforms, evaluate their performance, test applications, and prepare solutions capable of generating value for our customers. Our focus is on increasing efficiency, strengthening our production capacity, and paving the way for new ways to meet the demands of industry, our customers, and society.

With this understanding, we continuously invest in R&D, balancing initiatives aimed at improving current operations with projects that point toward future opportunities. Our prioritization considers technical, environmental, economic, and social impacts, ensuring that each project is connected to the real needs of the market and contributes to strengthening our competitiveness.

Throughout 2025, we allocated 46.3 million BRL to these projects, at different levels of maturity. We use the Technology Readiness Level (TRL) methodology as a reference, an international scale that classifies the degree of a technology's development. Working with different TRL levels allows us to balance short-term projects, focused on immediate improvement, with foundational initiatives that pave the way for our long-term performance. This scale consists of nine stages, ranging from the earliest stage of scientific research to the point when the technology reaches sufficient maturity to be adopted commercially.



Major ongoing R&D projects



Ultra Light Iron Technology



We are dedicated to developing Ultra Light Iron technology, which combines high-strength alloys with advanced thin-wall casting processes, enabling the production of cast iron engine blocks with a weight equivalent to that of components traditionally manufactured in aluminum, allowing their use in light vehicles. By achieving this weight parity, the use of cast iron begins to offer significant environmental advantages, such as a smaller carbon footprint in the production process and greater efficiency in recycling throughout the component's life cycle. The technology has already reached technical maturity for industrial application and remains in the final stage of development prior to commercial adoption, when it will be able to fully demonstrate these benefits at scale.

Biomass briquettes



We have completed the laboratory phase of developing biomass briquettes capable of partially or fully replacing the mineral coke used in smelting furnaces. We have created a product with mechanical strength and thermal behavior compatible with the conditions required by melting processes. The current advancement involves the industrialization of the briquettes, in partnership with national research centers, to evaluate performance at full scale and optimize parameters such as geometry, thermal efficiency, and substitution rate. This initiative paves the way for reducing emissions in one of the most carbon-intensive stages of the melting process.

Otto-cycle ethanol engine



We have completed the development of an engine designed for agricultural applications that uses ethanol in the Otto cycle, expanding decarbonization alternatives in the sugar-energy sector. The solution has already entered the commercial phase and delivers excellent performance for producers with local access to the biofuel. This technological platform has become the starting point for new studies seeking to expand its use to other segments, such as urban transportation and small vehicles.

Ethanol engine hybridization



To make ethanol combustion competitive even in urban settings and scenarios with greater variability in usage, we have developed a hybrid powertrain system that combines the ethanol engine with electrification technologies. The goal is to increase energy efficiency and reduce operating costs, thereby enhancing the economic viability of this decarbonization pathway. Our current focus is on building a demonstration in a relevant environment, a step that will support the transition to broader industrial testing.

Diffuse ethanol combustion technology (Diesel cycle)



We are investigating new ways to use ethanol in Diesel cycle engines, allowing for switching between diesel and ethanol without blending the fuels. This solution can increase efficiency, facilitate customer adoption, and reduce operational barriers in large-scale equipment. In partnership with universities and engineering centers, we are advancing studies on combustion behavior, system performance, and stability, paving the way for a larger-scale demonstration.

Second life for batteries



We are making progress in developing a methodology capable of assessing the health status of cells removed from automotive batteries that have lost their capacity for vehicle use but can still be reused in stationary applications, such as solar energy storage or grid support. After completing the diagnostic studies, we are working to integrate this initiative into our pilot plant dedicated to the hydrometallurgical recycling of lithium-ion batteries, creating a process flow that allows us to identify usable cells prior to chemical recycling. This step increases the value captured in the supply chain and extends the useful life of the strategic materials present in the batteries.

Battery recycling



We have established a pilot plant dedicated to the hydrometallurgical recycling of lithium-ion batteries, enabling the recovery of critical materials such as lithium, nickel, manganese, and cobalt. The system simulates the complete industrial flow: disassembly, electrical discharge, physical separation, grinding, leaching, and recovery of metals using chemical reagents. With the laboratory ready for operation, we have begun testing with customer batteries to validate performance at a larger scale, optimize efficiency, and conduct in-depth studies on the business models associated with this new value chain.

Material resynthesis



Together with industrial and academic partners, we have demonstrated that it is possible to use material recovered from recycling to resynthesize the active compound that forms the interior of battery cells. Unlike the traditional process, which recovers each metal separately, resynthesis allows the material to be reconstituted in the exact proportions used in the original manufacturing, simplifying steps and reducing costs. The results showed performance equivalent to that of materials extracted from mining. This initiative is part of a Brazilian Industrial Research and Innovation Company (EMBRAPII) project in partnership with the Green Mobility and Innovation Program (Mover). The project includes our participation and that of 26 other companies in its development framework. A pilot cell plant is being installed at the National Industrial Training Service of Paraná (Senai-PR), expanding our capacity to participate in different links of the battery chain.

Processing of critical minerals



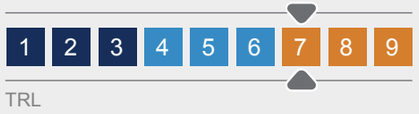
Based on the expertise accumulated in the hydrometallurgical processing of batteries, we have begun developing chemical routes to treat critical minerals, including rare earths used in magnets and electronic components. This initiative allows us to diversify the application of technologies we have already mastered and explore opportunities in strategic segments, such as the energy transition and the high-tech industry. The initiative is carried out as part of a Mover structural project in partnership with Senai and the Foundation for Scientific and Technological Development (Fundep), with the participation of more than 33 other companies in the project arrangement. Current work focuses on laboratory validation of the purity, yield, and efficiency of the processes, laying the groundwork for future industrial applications.

Hydrogen engine technologies



In partnership with specialized engineering institutes, we have developed a hydrogen engine that uses high-pressure direct injection, enabling operation in the Diesel thermodynamic cycle. This feature ensures superior power, torque, and thermal efficiency compared to conventional diesel, opening new possibilities for heavy-duty vehicles. We have demonstrated the system's operation in a relevant environment, with results recognized in international technical publications. The next step involves durability testing and full integration into the vehicle—an essential stage for advancing toward application based on the competitive availability of hydrogen in different regions.

Hydrogen-resistant alloys



To support the evolution of hydrogen combustion engines, we have developed metal alloys capable of resisting hydrogen embrittlement, a phenomenon that occurs when hydrogen gas penetrates the metal structure and reduces its mechanical strength over time. We have created innovative cast iron compositions that remain stable even under high pressures and prolonged exposure. The results have been validated with research partners and recognized in international engineering forums. We are now moving to the testing phase closer to the industrial environment, consolidating this technology as a key differentiator for the adoption of hydrogen in robust applications as the infrastructure for hydrogen production and distribution advances.

Innovation

We are expanding our technological transformation through innovation, strengthening connections with universities, startups, Science and Technology Institutes (ICTs), research centers, and technology-based companies. This network has become increasingly robust and strategic, allowing us to complement our internal capabilities and accelerate the development of solutions for real industry challenges. Throughout 2025, we consolidated tools that bring this ecosystem closer to our challenges and expand our ability to transform ideas into tangible results.

One of our main mechanisms for engaging the ecosystem is the Open Innovation Portal, a platform where we publish technological challenges and invite researchers, scientists, entrepreneurs, students, established companies, and startups to co-create solutions. The portal remains open year-round, and submitted proposals undergo technical evaluation, proof-of-concept testing, and real-world testing.

In 2025, the Open Innovation Portal registered 100 new submissions, a 39% increase compared to the 72 submissions recorded the previous year, totaling 312 proposals since its launch in 2022. This evolution is also reflected in the quality of interactions, with dozens of proposals advancing to technical meetings, in-depth analysis phases, test planning, or direct experimentation in an industrial setting.

Over the portal's four years of operation, we have structured ten strategic challenges, which have helped guide the ecosystem and attract essential expertise. In 2025, we incorporated the Mechanical Finishing challenge and concluded the Natural Resources challenge, which was subsequently absorbed by initiatives related to the circular economy. This renewal keeps the program dynamic and aligned with our strategic priorities.



Strategic fronts

In this context, some of the initiatives emerging from this ecosystem are already advancing to more mature stages of development and implementation. Notably, solutions focused on biofuels and fertilizers have been recognized by the new economy community as examples of innovation that successfully combine engineering excellence with innovative business models. These efforts expand our involvement in solutions related to the energy transition and resource valorization, linking technological development to concrete market opportunities and reinforcing the strategic direction of our innovation initiatives.

Click here to learn more about our decarbonization solutions.

Another essential front for expanding our capacity to innovate is ShiftT, our startup accelerator, which combines the strength of our operations with the creativity of entrepreneurs developing high-impact technologies. Our model offers paid proof-of-concept testing, mentoring, access to industrial facilities for validation, and comprehensive technical support—all designed to accelerate startup development and generate value for both parties. With each stage advancement, we expand interaction and strengthen the technological capabilities of the solutions, increasing the likelihood that they will become real-world applications.

In 2025, we launched the third cycle of the accelerator, bringing the total to 11 startups accelerated since the beginning and three already scaled up as suppliers, which demonstrates the program's maturity and its direct contribution to our business.

Startups accelerated by ShiftT

Cycle 3

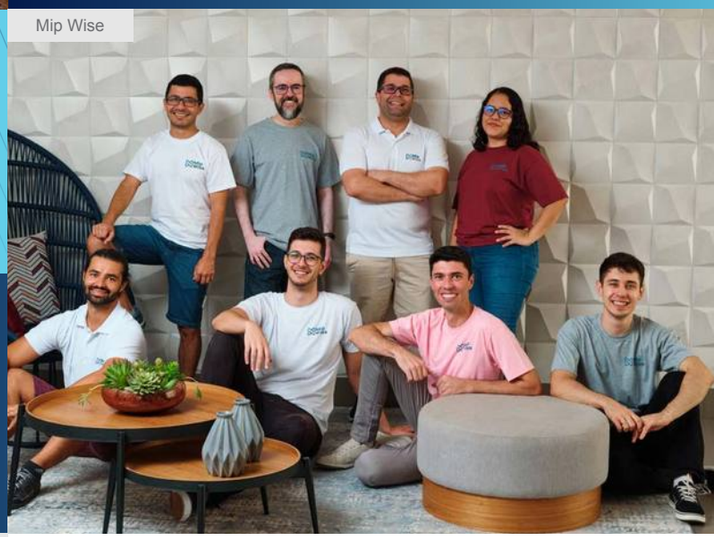
Emerging Technologies for Strategic Challenges

The projects in this cycle directly address issues such as sustainability, advanced data analysis, and waste reuse, strengthening our ability to innovate in critical areas of our operations.

- **Amachains:** blockchain for tracking and accounting for the carbon footprint of engine blocks and cylinder heads.
- **Geeco:** circular economy focused on reusing molding sand as raw material for other production chains.
- **Mip Wise:** artificial intelligence for predicting mechanical properties using process data, aiming to eliminate destructive mechanical testing for quality assessment.

Click here
to learn more about ShiftT's projects.


Amachains

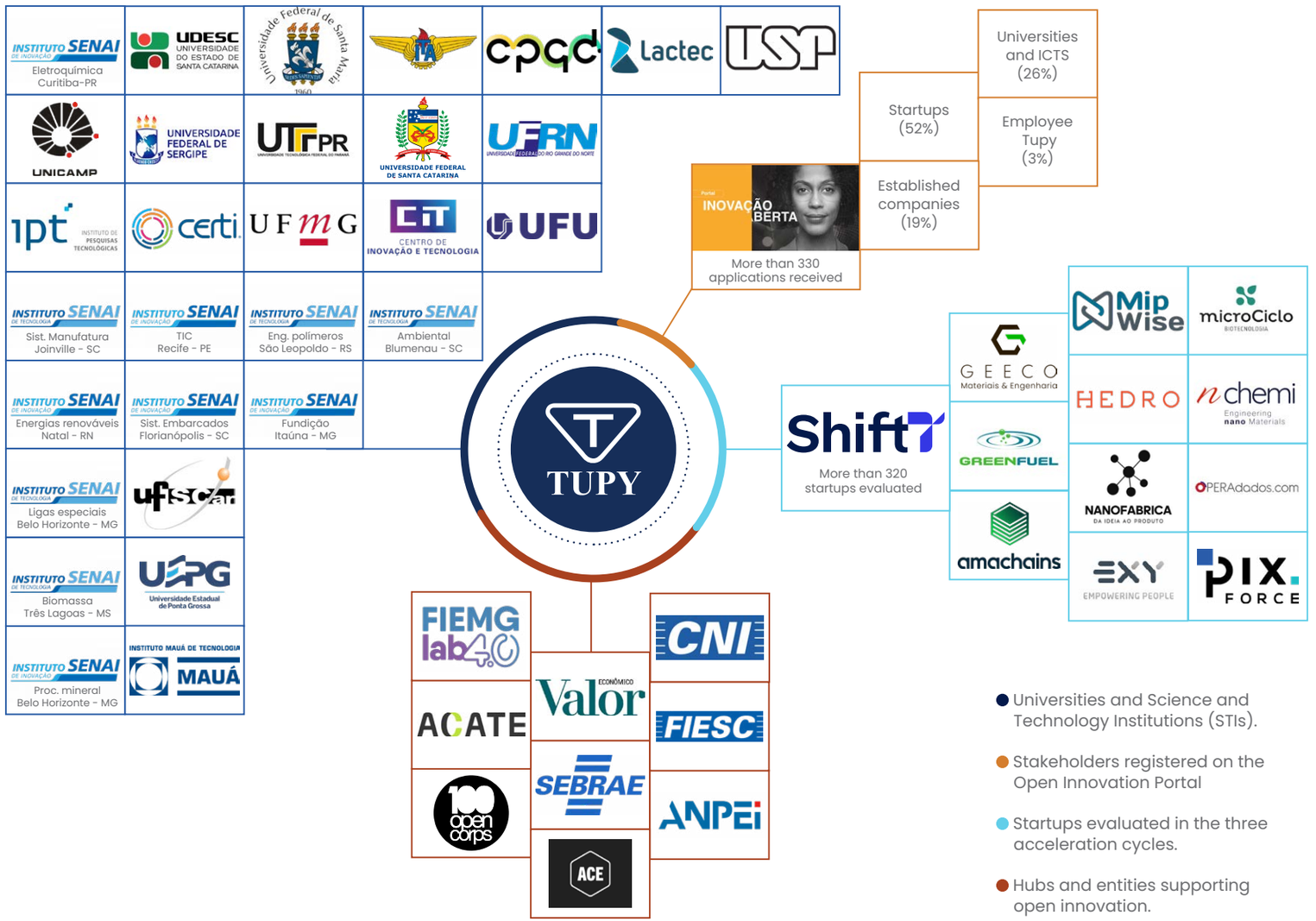

Mip Wise


Geeco

Internally, we have a team of specialists, masters, and PhDs who uphold the technical excellence present in every stage of our work. Our engineering team is dedicated to meeting customer challenges with precision, developing solutions that combine new materials, improved processes, and efficient use of inputs. Among the activities carried out by this technical team are the geometric design of products, the development of metal alloys and their applications, failure analysis, casting process simulation, part approval and manufacturing, thorough verification of raw materials, and strict quality control.

This specialized knowledge complements the progress we have made in open innovation and collaboration with startups, which was widely recognized in 2025. We ranked among the Top 100 of the year, the Top 100 of the decade, and the Top 10 in our sector in the 100 Open Startups ranking, which evaluates the organizations most engaged in open innovation in the country. We also achieved prominent positions in the Valor Innovation Award, which recognizes companies with innovative practices capable of generating economic value and a competitive edge. These results reflect the consistency of our strategy, the maturity of our programs, and the impact of innovation on business evolution.

Innovation ecosystem



Sustainability

Sustainability is central to our strategy and guides decisions that strengthen business competitiveness and help anticipate regulatory, technological, and social shifts. By integrating this theme into our choices, we expand our ability to create value for customers, employees, communities, and investors, fostering more efficient processes, solutions focused on the energy transition, and initiatives that contribute to viable decarbonization.

The maturation of the Vice Presidency of Institutional Relations and Sustainability, created in 2024, reinforced this commitment. In this first cycle of operations, the department structured processes, reviewed existing practices, and identified opportunities capable of generating positive impacts in the economic, environmental, and social dimensions. This work deepened our understanding of our challenges, especially regulatory ones, and strengthened the integration of sustainability across all units, fostering collaboration between departments and incorporating the theme into strategic planning.

The Strategy, Innovation, and Sustainability Committee complements this structure. Responsible for advising the Board of Directors on the definition of corporate guidelines, the committee analyzes initiatives related to research, innovation, and socio-environmental best practices, in addition to monitoring risks related to our scope of operations. Composed of eight members, three of whom are board members, the committee ensures that relevant topics are discussed in depth and communicated accurately, contributing to more responsible decisions aligned with the expectations of our strategic stakeholders.

In this context, we also monitor and contribute to the evolution of the regulatory environment. Changes such as the Carbon Border Adjustment Mechanism (CBAM) in the European Union; the IFRS S1 and S2 standards, which require greater transparency in social and environmental information; and the advancement of carbon market regulation in Brazil (Brazilian Emissions Trading System – SBCE) tend to directly influence our supply chain. To make progress on this issue, we have established a working group comprising teams from Risk Management, Controllership, Investor Relations, Institutional Relations, Digital Transformation, and Sustainability. The team assesses risks and opportunities, studies impacts on operations, and draws on lessons learned from external initiatives, such as the Pioneer Companies Group, which brings together experts from different sectors to discuss the adoption of the new rules.

In 2025, we actively participated in the agenda of the 30th United Nations Climate Change Conference (COP30), the largest and most important climate debate event on the planet, contributing to initiatives focused on sustainable mobility across all modes, the energy transition, and innovation applied to climate challenges. Our efforts were recognized with the selection of multiple projects for the SB COP Case Booklet, the official publication of Sustainable Business COP30 (SB COP), a global initiative led by the National Confederation of Industry (CNI), which compiles case studies of companies committed to a positive climate agenda. In total, seven of our initiatives were highlighted in the document, including projects from the MWM brands and the ShiftT accelerator, demonstrating the consistency of our work in areas such as innovation, research, and viable decarbonization. These recognitions reflect our ability to transform climate challenges into opportunities through concrete solutions, in partnership with universities, startups, customers, and research institutions, amplifying the impact on the transition to a low-carbon economy.

We are attentive to how the market perceives our progress. We are evaluated by agencies that analyze environmental, social, and governance risks (known as ESG criteria) and assign ratings to companies. In 2025, we demonstrated performance similar to the previous year.

Scores ESG

	2023	2024	2025	Performance
CDP	C	C	C	⟷
MSCI	BB	BBB	BBB	⟷
S&P Global Ratings	38	42	41	↓
SUSTAINALYTICS	16.9	20.3	24.5	↓

Click here to learn more about the SB COP Case booklet.

Business model

Input

Financial Capital
- 9.7 billion BRL in net revenue.
- 915 million BRL in operating cash flow.
- 2.2 billion BRL in net debt.

Manufactured Capital
- 6 factories.
- 1 distribution center.
- 5 offices.
- 60 laboratories.

Natural Capital
- 31,000 tons of virgin metal material.
- 890,000 tons of recycled metal material.
- 800,000 tons of sand.
- 4,449,177 GJ of non-renewable energy.
- 2,347,400 GJ of renewable energy.
- 1,481 ML of water abstracted.

Intellectual Capital
- 3,400 technicians and engineers.
- More than 700 startups connected to our open innovation initiatives.
- Tacit knowledge, standards and procedures, and corporate systems.

Human Capital
- 17,299 employees.
- 4,666 contractors.
- 246 apprentices
- 111 interns.

Social and Relationship Capital
- 850,000 BRL in donations and sponsorships.
- 12,908 active suppliers.
- Customers from different sectors (automotive, maritime, agricultural, energy, and infrastructure).

Process

BUSINESS UNITS

1 Structural Components:
Production of engine blocks, cylinder heads, and engineered parts used in engines and industrial systems.

2 Manufacturing Contracts:
Provision of specialized services including machining, pre-assembly, assembly, and engineering.

3 Energy & Decarbonization:
Development of energy and low-carbon solutions, including engines, generators, bioproducts, and Research & Development (R&D) projects in hydrogen and recycling.

4 Distribution & Replacement:
Supply of replacement parts, pipe fittings, continuous cast iron bars, and technical assistance for equipment maintenance and operation.

STRATEGIC DRIVERS

Increase the energy efficiency of products

Add value through machining and assembly

Capture synergies and achieve cost reductions

Pursue viable decarbonization by leveraging available energy sources

- Energy security
- Outsourcing in value chains
- Circular economy
- Feasible decarbonization
- Multi-fuel future
- Growing demand for infrastructure and food

Results

Financial Capital
- 661 million BRL in adjusted EBITDA.
- 398 million BRL in interest paid.
- 825 million BRL in taxes paid.

Manufactured Capital
- 446 million BRL in investment in CapEx.

Natural Capital
- Reuse of 70% of water consumed by all units.
- 7.5% reduction in coke consumption per ton produced.
- 6.2% decrease in particulate matter (PM) emissions per ton produced and 9.7% reduction in Volatile Organic Compounds (VOC) emissions.
- More than 8 million BRL invested in projects related to the control and reduction of atmospheric emissions.
- Maintenance of 4.8 thousand hectares of forest areas, contributing to the preservation of fauna and flora.

Intellectual Capital
- 46.3 million BRL invested in R&D.
- 387,000 hours of training (average of 22.4 hours per employee).
- 19 patent families.
- 50 R&D and open innovation projects.

Human Capital
- 1.8 billion BRL in salary payments.
- 2,716 new hires.
- An 87% increase in female representation in management and executive positions.
- 39 nationalities.

Social and Relationship Capital
- 10.4 billion BRL injected into the local economy through third-party purchases, payroll and payroll taxes, and federal, state, and municipal taxes, fees, and contributions.
- 24,589 people directly impacted by social programs.
- Local development initiatives at manufacturing sites.



5 OPERATIONAL PERFORMANCE

Industry context
Operational performance
Financial results

MATERIAL TOPICS
Decarbonization

Industry context

We operate in essential sectors for the functioning of the economy—such as transportation, infrastructure, agriculture, and energy generation—which have strong fundamentals and strategic relevance, contributing directly to people's quality of life.

Long-term outlooks reinforce the strength of our business model. Projections by the Food and Agriculture Organization (FAO) indicate that global food production is expected to grow by approximately 70% by 2050 to meet the needs of a population nearing 10 billion people. Studies by the International Energy Agency (IEA) and the Energy Information Administration (EIA) point to continued expansion in energy demand. In mobility and infrastructure, estimates from the World Bank suggest the need for investments equivalent to approximately 4.5% of gross domestic product (GDP) to sustain economic growth and address historical gaps.

At the same time, we are observing a reassessment of technological strategies by automakers, with a renewed focus on investments in internal combustion engines, supporting the competitiveness of our portfolio. In addition, segments related to infrastructure and energy supply continue to show consistent demand levels, driven by applications such as data centers, non-residential construction, and power generation, increasing the need for larger engines and generator sets.



Operational performance

In 2025, we faced a period of heightened uncertainty associated with cyclical factors such as credit conditions and regulatory developments, without indicating any changes in the fundamentals of the sectors in which we operate. The postponement of fleet renewals, for example, contributed to the buildup of pent-up demand, which is expected to materialize as indicators such as freight rates and utilization levels improve.

Throughout the period, we made consistent progress in optimizing our industrial base through an integrated approach involving reorganization, asset prioritization, and the redefinition of our production footprint. This initiative aims to align our capacity with demand levels that effectively generate returns on invested capital, strengthening operational efficiency and business resilience across market cycles.

This process includes the reallocation of production among plants, the discontinuation of less competitive structures, and the concentration of volumes in units with higher productivity and cost efficiency. It represents a structural move—already in our strategic plan since recent acquisitions—rather than a response to short-term demand fluctuations.The financial benefits of this initiative are expected to begin materializing in 2026, with an estimated annual impact of 100 million BRL, potentially reaching approximately 180 million BRL from 2027 onward, primarily through fixed cost reductions, economies of scale, and productivity gains.

In parallel, we advanced the evolution of our production footprint in the USMCA region (United States, Mexico, and Canada), with emphasis on the expansion of machining operations in Ramos Arizpe, Mexico. We completed key projects that increase processing capacity and the value added of produced components, while also strengthening relationships with strategic customers and generating positive impacts on local job creation. Over the past three years, these investments included the construction of a new machining facility, the implementation of a core-making cell, and the installation of an automated finishing line.

This combination of industrial base optimization, increased production flexibility, and expansion into higher value-added activities reinforces our capital discipline and the principle that each plant must operate with returns above the cost of capital. As a result, we strengthen our ability to navigate adverse cycles more efficiently and position our operations to competitively capture the recovery in demand across the markets in which we operate.

Growth and expansion

Throughout the year, we advanced our growth agenda and consolidated our presence in segments with high value-generation potential. Even with the decline in commercial vehicles production in Brazil, which directly affected the Manufacturing Contracts business unit, we expanded the margins of the Energy & Decarbonization and Distribution business units. This performance reflects intensive efforts to reorganize product lines, processes, and structures, which reduced costs, increased efficiency, and allowed us to operate with greater agility and productivity.

Economies of scale and continuous improvements in production efficiency have strengthened the competitiveness of generator sets, which remained a key driver of our growth. At the same time, we expanded our portfolio and positioned ourselves to operate in large-scale markets, including applications for data centers—structures essential to supporting the growing global demand for digital infrastructure.

In the aftermarket, we recorded strong sales growth, driven by a countercyclical sector, portfolio expansion, and the expansion of our national and international reach. The aging of the Brazilian fleet, increased the demand for maintenance and boosted demand for genuine, aftermarket, and multi-brand parts. In this context, sales of the three lines of MWM-branded replacement parts grew 12% compared to 2024.

We continue to strengthen our presence with initiatives that open new areas of operation. The commercial and technological partnership with engine manufacturer Yuchai places us in a leading position in technologies aligned with decarbonization, such as engines powered by biomethane and ethanol. The agreement also covers the distribution of parts and advancements in large-scale applications, such as workboats and generators for data centers.



Technological cooperation for new clean energy solutions

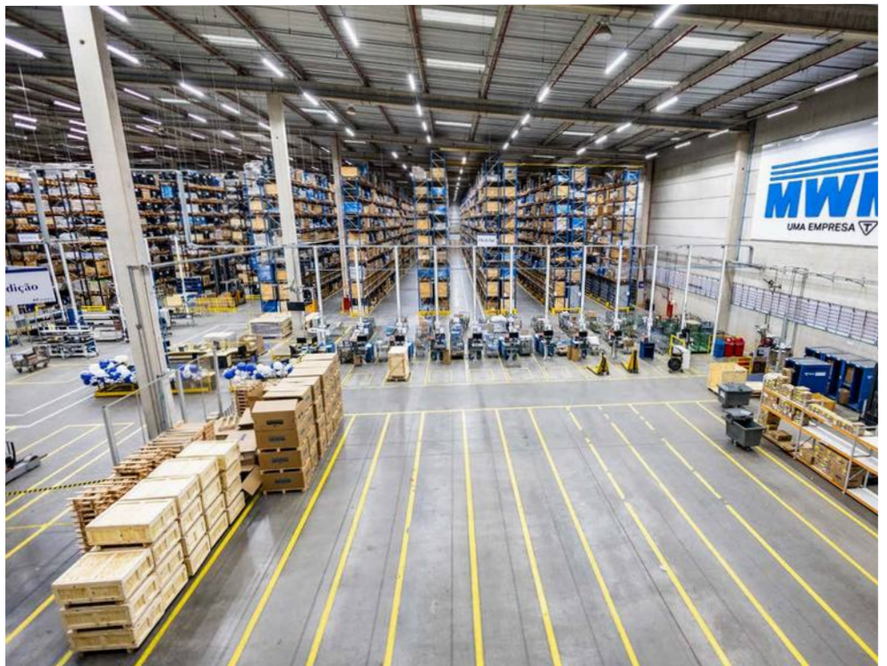
In September 2025, MWM signed a strategic technological cooperation agreement with Yuchai, one of the world's largest engine manufacturers. The partnership positions the Company as the brand's official distributor in Latin America, with operations in the sale of engines, generator sets, hybrid solutions, parts, and services, as well as the joint development of large-scale platforms powered by renewable fuels, such as ethanol, methanol, biomethane, and biodiesel.

The agreement expands our presence in high-energy-demand applications, such as generators for data centers and marine work engines, and strengthens our operations in segments such as power generation, construction, and agribusiness. In the technological field, the cooperation includes studies for the localization of large engines in Brazil and the advancement of solutions focused on the use of biofuels, aligned with the demands of the transition to a low-carbon economy.

The partnership also leverages the extensive reach of MWM's parts distribution network, with approximately 1,000 points of sale in the region, ensuring technical, after-sales, and engineering support for current and future customers. By combining Yuchai's global scale with our expertise in engineering, innovation, and distribution, the initiative opens up new avenues for growth and strengthens our offering of efficient, sustainable, and future-oriented solutions.

We have also made progress in the hydraulics portfolio by expanding our operations in the firefighting, irrigation, mining, and industrial infrastructure applications. To support this growth, we have strengthened our sales team, expanded our distributor network, and deepened market research to offer a comprehensive platform featuring higher-value-added products, specialized services, and strategic partnerships.

Among the year's operational milestones, the expansion of the Parts Distribution Center (PDC) in Jundiaí (SP) stands out, adding 2,200 square meters and increasing its total capacity by 28%. With the reorganization of the layout based on lean manufacturing and the vertical integration of operations, we achieved productivity gains of up to 35%. Currently, the CDP handles over 3 million parts per month, with more than 19 thousands active items, exports to over 40 countries, and a network of approximately 1,400 points of sale globally.



Decarbonization solutions

[GRI 3-3 Decarbonization]

In the search for renewable solutions that combine positive environmental impact with value creation, the following bioplants have established themselves as one of our most promising fronts for decarbonization:

Ouro Verde do Oeste (PR)

The facility began operations in 2025 with a capacity of 1,440 cubic meters per day of biomethane and 20 tons per day of organic fertilizers. Throughout the year, we focused our efforts on industrial stabilization, product quality validation, and refining the commercialization model. We also completed the production of fertilizers for soybean crops and began marketing products for corn, with formulations tailored to local needs. Producing fertilizers close to where they are used reduces logistics costs, increases availability, and contributes to more sustainable agricultural systems by reducing dependence on imported mineral fertilizers.



Seara (SC)

In 2024, we entered into a partnership with Seara, a leader in food production and part of the JBS Group, to develop a bioplants facility for the production of organomineral fertilizer, biomethane, and carbon dioxide using waste from swine and poultry farming. Located in the municipality of Seara (SC), the project involves a herd of approximately 200,000 pigs and 1.7 million broiler chickens and is moving forward with the licensing process.

Divinópolis (MG)

We are making progress on construction of the Granja Rancho da Lua bioplants. The project involves processing waste from approximately 500,000 laying hens to generate electricity on-site, as well as producing and selling organomineral fertilizer obtained through this process to third parties.

In the field of sustainable mobility, we continue to expand the use of biomethane produced by bioplant facilities. We have converted engines developed and manufactured by MWM into trucks, buses, and service vehicles, enabling cooperatives, municipal governments, and companies to replace diesel with a clean and economical alternative. Currently, we have established operations in urban transportation, food logistics, waste collection, and automobile transport.

We have also made progress in the development of ethanol engines, particularly for the sugar-energy sector. Following the launch at Agrishow 2025–one of the world's largest agricultural fairs and Brazil's largest agricultural technology fair–we expanded our customer base interested in replacing diesel engines with models powered by ethanol produced at their own mills, which reduces fuel costs and leverages a renewable source widely available in Brazil. This solution has the potential to scale from the sugar-energy sector to urban applications, such as trucks and buses.

As we expand biomass-based solutions and alternatives such as biomethane and ethanol, we strengthen our role as providers of technology capable of generating economic, environmental, and social impact. This evolution is driven by partnerships with mills, cooperatives, and research institutions that contribute to a continuous journey of innovation aligned with the real needs of the market.

Financial results

In 2025, we remained firmly committed to strengthening our financial foundation for the next growth cycle. We operated in a challenging macroeconomic environment marked by trade tariffs, high interest rates, inflation, and regulatory uncertainties, which led commercial vehicle buyers to postpone investments. Despite a 10% decline in physical sales volume, we achieved consolidated net revenue of 9.7 billion BRL, supported by the growth of the Energy & Decarbonization and Distribution business units, as well as the expansion of the aftermarket, which increased the share of more resilient revenue streams. At the same time, a favorable exchange rate environment partially mitigated the effects of lower volumes, particularly during the first half of the year.

Lower sales and production volumes impacted operating results. Adjusted EBITDA reached 661 million BRL, with a 6.8% margin, affected by lower fixed-cost dilution. Despite this performance, we demonstrated resilience by preserving our cash generation capacity in a lower production environment. Through disciplined inventory and working capital management, we delivered the second-highest operating cash flow generation in our history, totaling 915 million BRL.

Starting in the second quarter, we implemented significant changes to our capacity review strategy and production allocation toward more efficient lines, including the redirection of the originally planned project. Although gains from this initiative are expected from 2026 onward, the year's results were impacted by impairments, write-offs, and provisions totaling 544 million BRL, related to restructuring initiatives.

The year was also marked by the consolidation of new businesses, which gained scale and relevance, and by the expansion of MWM's EBITDA margin, which reached 10%. We expanded our presence in the aftermarket, with a 12% increase in sales, driven by the Masterparts and Options product lines, which came to represent 20% of the unit and reinforce revenue recurrence and higher margins. In the Energy & Decarbonization unit, we recorded an 18% increase in generator set sales and expanded initiatives related to circular economy and biofuels. We also began operations at the Ouro Verde do Oeste (PR) bioplant and advanced projects in Minas Gerais and Santa Catarina, expanding our role in waste-to-energy solutions and strengthening our position in offerings aligned with the energy transition toward a low-carbon economy.

We observed signs of gradual recovery in our traditional businesses, driven by the easing of uncertainties and more positive indicators in the U.S. freight sector, which are already beginning to be reflected in our clients' projections. In the off-road vehicle market, incentives for the data center industry have boosted the non-residential construction and power generation sectors, resulting in increased demand for larger engines.

Starting in 2026, we will enter the results capture phase, with the progressive contribution of revenues from new contracts and a more efficient operating structure, with efforts focused on margin expansion, cash generation, and return on invested capital.

Click here for more details in our Results Center.



6

PEOPLE MANAGEMENT

Employee profile
Talent development
Performance evaluation
Diversity and inclusion
Safety, health, and well-being

MATERIAL TOPICS
People management
Diversity and Inclusion
Safety, Health, and Well-being

Employee profile

[GRI 2-7, GRI 2-8]

We ended 2025 with more than 17 thousands employees distributed across our operations in Brazil, Mexico, Europe, and the United States. This diverse group of people underpins the strength of our global operations and reflects the breadth of skills needed to develop, produce, and deliver solutions that serve different sectors of the economy. Throughout the year, we also relied on 246 apprentices, 111 interns, and 4,666 third-party professionals, who support our team and help ensure our operations continue to run efficiently.

The coexistence of different career paths, cultures, and areas of expertise strengthens our vision for the future and guides how we manage our people. We work to create an environment that welcomes and values every professional, promoting inclusion through practices that encourage participation and ensure equitable conditions for development. We seek to eliminate barriers that may restrict opportunities and adopt policies that guarantee fair treatment and respect for the unique characteristics of each professional, regardless of their origin, identity, or background.

This commitment extends to health and safety, essential aspects that allow each person to perform their duties with peace of mind, protection, and confidence. We work to reduce risks, prevent accidents, and strengthen a culture that recognizes well-being as a fundamental part of our performance. Structured programs, educational initiatives, and ongoing investments help ensure that our facilities are spaces for learning, growth, and healthy interaction.

By valuing people, promoting inclusion, and ensuring adequate working conditions, we prepare our team to face challenges, drive innovation, and contribute to the progress we seek in our operations and throughout the value chain.

17,656
employees,
apprentices, and interns



Employees from
39 nationalities

Talent development

[GRI 3-3 People development, GRI 404-2]

The training of professionals throughout their entire career is one of the pillars of our people strategy. In 2025, we made consistent progress in consolidating an integrated development model, a move that reflects the evolution of the Corporate Education area, which began shaping its structure, premises, and operating model. This process aims to strengthen the area in light of the growing demand for training initiatives increasingly aligned with organizational needs and business strategy. Building on this foundation, we have integrated onboarding programs, structured qualification tracks, applied technical education, digital learning, knowledge management, and leadership development into a cohesive and coherent portfolio. As part of this advancement, the Education Portfolio was developed, bringing together and organizing all strategic initiatives led by the department. The initiatives implemented will continue to expand and be monitored throughout 2026, with a focus on consolidating a culture of continuous learning, connected to results and prepared to sustain the growth and transformation of our business.

Entry points remain the starting point of this journey: we remain committed to developing young talent through the Industrial Apprenticeship Program, an initiative that contributes to productive inclusion and the strengthening of the communities where we operate. In 2025, the program underwent a significant restructuring, focusing on increasing alignment with business needs and the transformations in the industrial sector. The new approach prioritizes technical training in areas essential to operations, such as Mechanical Manufacturing, Foundry, Logistics, and the Internet of Things (IoT), strengthening skills in high demand in the market. The courses were designed in partnership with the National Industrial Apprenticeship Service (Senai) and our internal departments, ensuring that the content reflects the essential skills required for performing industrial activities. In addition to the curriculum review, the program now features a more strategic placement of apprentices, directing them to areas where they can apply and expand their knowledge, with guidance from trained mentors who support both technical and behavioral development. Throughout 2025, we organized



and structured the first cycles in this format, which will be implemented starting in 2026, when young people will effectively begin these new training pathways, combining theoretical classes with supervised practical experiences at our facilities.

With this initiative, we seek not only to train qualified professionals but also to enhance employability, promote talent retention, and prepare young people for the challenges of the industry of the future, reinforcing the role of education as a driver of social transformation and the strengthening of industrial competitiveness.

The Internship Program reinforced this same path, offering opportunities for undergraduate students to apply their knowledge, broaden their understanding of industrial processes, and envision real prospects for professional development. As part of the *Carreira Jovem* initiative, the internship integrates practical training, mentoring, and exposure to technical and management areas. Initiatives aimed at vulnerable youth also continued as a key part of the strategy. The Formare Program, carried out in *São Paulo* in partnership with the Iochpe Foundation, maintained its focus on vocational training, while the *Crescer* Project continued to support high school students for two years, integrating formal education with vocational training.

One of the milestones of 2025 was the creation of the Tupy School of Applied Knowledge (ECAT), an initiative designed to transform technical knowledge into applicable learning directly connected to operations. ECAT functions as a development platform, where specific thematic schools are designed for different business areas through an in-depth process involving interviews, data collection and analysis, gap analysis, competency review, and the development of pathways aligned with the Company's strategy. As the first developments of this model, the Engineering and Quality school were launched, in 2025, inaugurating training tracks for different levels of the technical career, incorporating topics such as metallurgy, analysis methodologies, and problem-solving methods, and digital technologies applied to production processes, as well as forums, communities of practice, and mentoring led by internal experts. Other areas considered essential, such as Machining, Casting, and Maintenance, advanced to the diagnostic phase throughout the year and will proceed to the next stages in 2026. All ECAT initiatives are co-created with our professionals, ensuring alignment with the business's real needs and empowering employees.





To expand the reach of development initiatives, we strengthened the digital learning ecosystem. In 2025, we advanced the consolidation of our institutional learning platforms through digital environments customized digital environments for each unit, taking into account language, cultural context, and local specificities. This strategy enabled greater inclusion and accessibility to content. We also adopted tools for the internal creation of educational materials in a standardized format, enabling the Corporate Education team to produce training programs on its own. Throughout the year, 30 new pieces of content were published, notably the tracks on Introduction to Foundry, Knowledge Management, MASP 8D, Six Sigma White Belt, Personal and Professional Intelligence, Information Security, and Fundamentals of Diesel Engines. These initiatives reinforce our commitment to the continuous development of our employees through accessible, high-quality educational solutions tailored to the development needs of our business. In 2025, we recorded over 13 thousands hours of online training.

Our educational framework also includes support for access to formal education. Among the initiatives is the Youth and Adult Education (EJA) program, which in 2025 trained 96 participants—80 employees and 16 family members—across different educational levels. By level, 76 participants completed high school and 20 completed elementary school.

In addition, the expansion of the number of partner educational institutions has facilitated the enrollment of employees and family members in vocational, undergraduate, graduate, and language courses. In some international operations, such as in Mexico, these partnerships have enabled employees to access different levels of training and recognized certifications, broadening career prospects and technical expertise.



For the development of our managers, we rely on the Leadership Academy, which designs development programs tailored to this group's workflow, with implementation planned for all levels starting next year. In 2025, we held the first Leadership Conference, a milestone for building connections, listening, and fostering dialogue with managers from different areas and units. The meeting reinforced the values of transparency, connection, and collective building, while also opening permanent channels for the exchange of ideas and suggestions. To support newly promoted leaders, we developed the First Leadership program. The initiative was revised and updated throughout the year, becoming structured in two phases, combining training tracks led by internal and external facilitators, interactive workshops with mentor leaders, and opportunities for sharing experiences. The first edition in this format was held with the group of new leaders from the Jundiaí (SP) unit, addressing essential competencies such as communication, team management, problem-solving, safety, continuous improvement, and management practices. The program lasts eight months, concluding in 2026. During the sessions, participants strengthen behavioral skills and expand their ability to deliver results, which will be presented to managers at the end of the cycle.

By integrating onboarding programs, applied technical education, digital learning, specialized academies, and leadership development, we are advancing the construction of a talent development model aligned with our business strategy and reality. This set of initiatives creates conditions for each person to advance in their professional career, strengthens a culture of continuous learning, and supports development capable of keeping pace with the complexity and transformations of the sector in which we operate.

Next Tech Senior: training for the digital transformation of industry

In 2025, we were one of the three co-organizers of the Next Tech Senior in Digital Transformation program, a Senai initiative aimed at training technical professionals to act as strategic agents of digital transformation in industry. We actively contributed to defining the technical and behavioral competencies, as well as to designing the expected work routines for senior professionals, collaborating directly on the structuring of the training content.

In recognition of this participation, we received 15 scholarships for technicians and operators participating in digital transformation projects. The course has a total workload of 100 hours and will be conducted in a blended learning format throughout 2026, combining asynchronous activities, live synchronous sessions, group mentoring, and three in-person immersions at the co-organizing companies.

At the end of the program, participants will develop an applied project, consolidating their learning and connecting the content to the real demands of our businesses.



Training and development initiatives

[GRI 404-2]

Young Apprentice Program

Objective: To provide theoretical and practical training for young people entering the workforce, combining study at partner institutions with supervised work experience.

Target audience: Young people aged 16 to 24 at the start of their careers.

Internship Program

Objective: To integrate students from technical and higher education programs into our teams, providing opportunities for practical experience and preparing talent for future opportunities.

Target audience: Students in technical and higher education programs.

Formare Program

Objective: To offer technical and vocational training to socially vulnerable youth, combining education, citizenship, and job readiness.

Target audience: Young people in situations of economic, social, and family vulnerability, at the São Paulo location.

Crescer Project

Objective: To promote human and professional development for young students by integrating academic education with technical training.

Target audience: Students facing socioeconomic challenges,enrolled in their second year of high school and a vocational course.

Youth and Adult Education (EJA)

Objective: To expand access to basic education, enabling the continuation of studies and professional advancement.

Target audience: Employees and family members interested in completing elementary and high school.

Tupy School of Applied Knowledge (ECAT)

Objective: To transform knowledge into actions that generate impact on the core business, elevate operational excellence, and drive a sustainable future for the Company.

Target audience: Operational, technical, senior, and specialist employees.

Online training platforms

Objective: To provide a digital environment for continuous learning, organizing technical and behavioral content that supports self-development.

Target audience: All employees.

First Leadership Program

Objective: To prepare employees for their first experience supervising teams, with a focus on communication, feedback, work organization, and people management.

Target audience: Professionals who have taken on or are about to take on their first team.

Performance evaluation

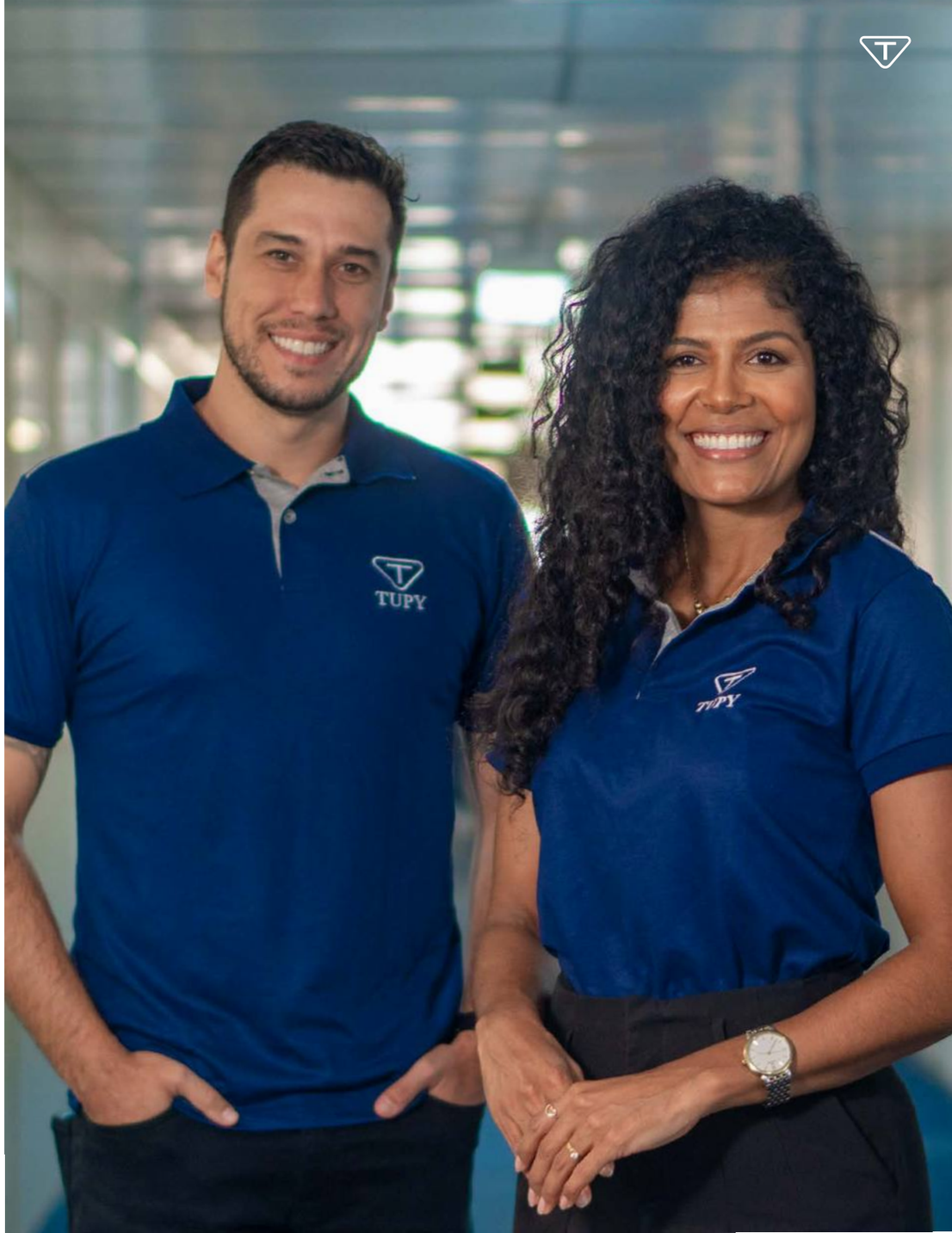
[GRI 3-3 People development, GRI 404-3]

Performance evaluation is one of the tools that structure how we track people's development and guide team evolution. We conduct this process in an integrated manner with the new organizational design and cultural agenda, reinforcing behaviors, capabilities, and attitudes that support the strategy currently being developed. Throughout the annual cycle, professionals in administrative areas participate in a formal process that combines individual goals, competency analysis, and alignment with our values and future expectations. In 2025, 71.8% of the eligible workforce went through all stages of the cycle, consolidating a clearer and more consistent monitoring model.

In industrial operations, we adopt periodic evaluations that align with the pace of activities and the nature of production processes. The model is complemented by frequent guidance sessions between leaders and teams, facilitating continuous adjustments throughout the year and a better understanding of areas that need strengthening.

The results of the evaluations serve as the basis for structured conversations between leaders and employees, creating space to recognize progress, identify needs, and plan for new challenges. This stage also fosters the habit of giving feedback, a tool that is being encouraged as part of the ongoing cultural transformation. Clarity regarding expectations and responsibilities supports the development of growth plans, allowing each person to advance with autonomy and support. In addition to individual follow-up, the evaluation process generates important information for organizational management. The data guides discussions on career progression, internal transfers, and recognition, contributing to fairer and more transparent decisions.

The performance evaluation by gender showed similar coverage, reaching 71% of eligible men and 75% of eligible women.





Culture and internal communication

The Culture Project aims to build a unique identity for Tupy, promoting the integration of business units and consolidating a culture that supports the strategy of innovation, sustainability, and expansion. The initiative seeks to strengthen people's sense of belonging, creating an environment aligned with the Company's values and objectives.

The first stage, carried out in 2025, consisted of mapping the current culture, involving interviews with the CEO, Board of Directors, and Vice Presidents; a quantitative survey with the participation of 75% of employees; six focus groups across all units; and site visits. Next, the feedback and identity-building phase was conducted, featuring practical workshops with senior leadership to define the cultural identity and propose a revision of the values and desired culture.

Following the validation and prioritization stages, we will move forward with the implementation of the new culture through a structured dissemination and sustainability strategy. This stage will involve defining practices, processes, and mechanisms to ensure the consistent incorporation of cultural principles into routines and management models.

In 2025, Internal Communications acted strategically to strengthen the organizational culture initiative and engage employees. Initiatives focused on supporting diversity and inclusion efforts, including the development of the *Todo Meu Respeito* knowledge track and the Culture Project survey, thereby expanding dialogue, awareness, and a sense of belonging.

Diversity and inclusion

[GRI 3-3 Diversity and inclusion]

We are a global company made up of people from different backgrounds, career paths, cultures, and ways of thinking. This diversity expands our capacity to innovate, strengthens collaboration, and helps us respond quickly to a world in constant transformation. More than just recognizing differences, we seek to build environments where they are valued in everyday life, creating conditions so that each person feels respected, safe, and encouraged to contribute to their full potential.

Throughout the year, we have structured a diversity and inclusion ecosystem that organizes our operations in an integrated and sustainable manner through six strategic pillars: i) gender, ii) race, iii) generations, iv) people with disabilities and neurodiversity, v) the LGBTQIAPN+ community, and vi) cultural diversity. This ecosystem-based approach promotes interconnection, collaboration, self-organization, and scalability of initiatives, ensuring greater effectiveness and sustainability for both implemented programs and those in the planning stages. The set of actions is guided by clear conduct guidelines, aligned with the Code of Ethics and the Human Rights Policy, integrated into our management system and monitored by the Board of Directors.

Diversity literacy and engagement

In 2025, we made consistent progress in diversity and inclusion literacy, expanding the reach of our initiatives beyond leadership and engaging increasingly diverse audiences. The *Todo Meu Respeito* program, implemented across our Brazilian units and co-created with the Compliance department, has established itself as one of the key tools of this movement. Educational and informative in nature, the initiative brings together eight videos and supporting materials that address topics such as respect in relationships, diversity and neurodiversity, unconscious biases, and generations, in addition to a specific booklet on combating harassment and abusive conduct. The content was made available on our internal channels in 25 posts throughout the year, expanding the reach of our awareness-raising messages.

The engagement strategy was complemented by five thematic dialogue circles, dedicated to women, the LGBTQIAPN+ community, people with disabilities, Black people, and men, consolidating structured spaces for listening, exchanging experiences, and valuing representation. We also held thematic lectures, such as the initiative related to “August Lilac,” which broadened the debate on combating violence against women in the workplace and in society, and “Black Consciousness,” which featured a cultural exhibition and other events celebrating Black culture in Brazil.

The evidence generated by these initiatives, combined with information from reporting channels and assessments conducted in conjunction with the Compliance department, continues to inform the programs and guide ongoing adjustments, strengthening an approach based on data and evidence.



Gender equity and strengthening women's leadership



Initiatives focused on strengthening women's leadership gained even more momentum throughout the year. The Women in Leadership Program concluded its third cycle with a structured 34-hour training program, distributed across online modules and in-person sessions, fostering connection and exchange with our female leaders, supported by specialized advisors, and subsequently offered in an e-learning format. This content was integrated into the corporate learning platform, featuring videos, interactive quizzes, and a virtual library that brings together materials and tools developed throughout the program. The set of initiatives was complemented by specific onboarding materials aimed at women who were recently hired or promoted to leadership positions, strengthening the connection with the women's agenda from the very beginning of their professional careers. Over the course of the last few cycles, these initiatives have contributed to consistent progress in women's leadership, reflected in the increased participation of women in executive roles.

The Ecoar Program entered its second year and continued as an educational journey aimed at all women, with content on innovation, creativity, intrapreneurship, personal organization, planning, network building, and professional leadership. In parallel, we made progress in structuring the *Caminho Delas* Program, a human rights-based initiative aimed at women in situations of violence, encompassing employees and the community. The program was structured based on assessments and benchmarking of best practices and is grounded in pillars such as gender equality, combating violence, education and awareness, legal and psychosocial support, economic autonomy, comprehensive health, representation, and intersectionality. In 2025, we prioritized studies and defined actions, including a review of existing programs to better align them with needs, preparation for institutional partnerships, and adjustments to recruitment and selection standards, with a focus on expanding women's access to internal and external training opportunities. The launch took place at the end of the year, and the remaining initiatives will be developed throughout 2026.

Still on the gender front, we expanded initiatives to include young women in traditionally male-dominated technical fields. In São Paulo (SP), the Women in Mechanics Program, linked to the Young Career initiative, will offer internships combined with training in Senai courses, blending practical experience, individual mentoring and benefits. Participants were selected in 2025 and began training in 2026. The initiative contributes to gender equity, enhances employability, and generates positive social impact by facilitating access to quality technical education.

Affinity Groups

In 2025, we launched the Affinity Groups training, strengthening employees' own leadership role in the diversity and inclusion agenda. The groups received specific training, including 18 hours of instruction on social markers, operational dynamics, and governance, and began working collaboratively on assessments, dialogue circles, studies to review safety practices, mapping of neurodivergent employees, and identifying assistive resources for people with hearing impairments. This work was fundamental to the development of the Autonomy in Action Program, aimed at the sustainable inclusion of people with disabilities and neurodivergent profiles.

The Autonomy in Action Program was developed through a detailed assessment of accessibility, communication, attractiveness, retention, career planning, prejudice, and ableism. Its pillars include physical, communicational, and digital accessibility; inclusive leadership; education and training; welcoming practices; assistive resources; and psychosocial support. In 2025, we focused on scenario analysis and planning the actions to be implemented in 2026, including the establishment of a Brazilian Sign Language (Libras) interpreter on-call service and the launch of a basic-level Libras School.

Cultural diversity and global operations

On the cultural diversity front, we consolidated initiatives focused on intercultural training, reducing communication barriers and enhancing readiness for global contexts. In 2025, the *Conexão Fronteiras* program brought together employees in different groups to address cultural, economic, and behavioral aspects of China, a strategic partner for our business. The initiative addressed topics such as business etiquette, interpersonal relationships, the regulatory environment, and corporate travel, enhancing interactions in an increasingly complex international landscape.

Diversity in leadership and an inclusive culture

The strengthening of diversity is also reflected in the leadership composition. In 2025, we achieved 37.3% of hires and promotions of diverse leaders, exceeding the corporate goal of 35%. This result is the outcome of affirmative actions, the revision of promotion policies, the strengthening of recruitment processes, and the systematic tracking of indicators, monitored through official personnel databases and self-declaration. We will continue to actively pursue these initiatives, seeking to further expand diversity in leadership.

By integrating literacy, structured programs, governance, indicator monitoring, and employee leadership, we are advancing in the consolidation of a more inclusive, safe, and representative culture. This journey reinforces our commitment to respectful work environments aligned with our values, where diversity is no longer merely acknowledged but translates into concrete practices that strengthen people, teams, and results.



Safety, health, and well-being

[GRI 3-3 Safety, health, and well-being]



Protecting health and safety is a core commitment that guides our daily work and defines how we conduct our operations. At all our facilities, we strive to ensure working conditions that protect people's physical integrity and well-being, recognizing that safe environments foster productivity, build trust, and contribute to stronger relationships between teams and leadership. This commitment is documented in our Integrated Health, Safety, Environment, Quality, and Social Responsibility Policy, which establishes guidelines to accident prevention, risk elimination, and responsible conduct at every stage of the production process, based on current legislation, industry best practices, and the specific characteristics of each activity.

To translate these principles into consistent actions, we rely on an Occupational Health and Safety Management System that brings together standards, procedures, responsibilities, and control tools. This system follows international standards and meets applicable legal requirements, ensuring organization, traceability, and continuous improvement. It is standardized and covers all operational plants, including our own employees, service providers, and anyone who accesses our facilities. For outsourced workers, contracts mandate strict compliance with legal requirements and our internal safety protocols, ensuring that everyone is protected by common standards of prevention and care.

Our facility in Aveiro (Portugal) is certified to ISO 45001, an international standard that defines requirements in occupational health and safety management. Our other operations, meanwhile, adopt processes aligned with this same standard.

Regardless of formal certification, we maintain rigorous controls, inspection routines, periodic internal audits, and critical analyses of the management system, which allow us to identify opportunities for improvement and continuously refine our practices. In this way, we have built an environment in which safety, health, and well-being are part of the organizational culture and guide our decisions.

Occupational safety

[GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-5, GRI 403-7, GRI 403-8]

We are guided by an Integrated Policy on Health, Safety, Environment, Quality, and Social Responsibility and an Occupational Health and Safety Management System, based on international standards and legal requirements. This system is standardized and covers all operational plants, employees, contractors, and other individuals who access our facilities.

In 2025, we once again achieved our best level of occupational safety performance, with improvements in frequency and severity rates and a reduction in the total number of accidents, in line with our commitment to continuous improvement. We recorded the lowest accident frequency rate in our history, with a 14.6% reduction compared to 2024, in addition to a 37.6% drop in the severity rate and a 22.7% decrease in reportable workplace accidents. We also reduced high-potential events by 29.4%, reflecting the strengthening of controls and the focus on eliminating critical risks. Despite these advances, we remain committed to strengthening our health and safety culture and moving toward the elimination of such incidents, with corporate goals cascaded down to executives and leaders. This result was supported by the strengthening of a preventive culture, driven by operational discipline, active leadership participation, and team engagement.

One of the pillars of management is the identification and assessment of risks, conducted at all units and applied to both routine and non-routine activities.

Whenever there are changes in production processes that may impact health and safety, risk analyses are reviewed to ensure the effectiveness of control measures. Non-routine activities are performed after a formal risk assessment, including a Task Safety Analysis (TSA) and, when applicable, a Special Work Permit (SWP); routine activities follow standardized work instructions. The process results in risk matrices and action plans guided by the hierarchy of controls, prioritizing elimination and substitution, followed by engineering solutions and administrative measures, and finally, the use of personal protective equipment (PPE).

Operational discipline is also embodied in routine programs conducted by the technical department and leadership. These include internal audits, field inspections, behavioral observations, safety walks and blitzes, as well as specific checks on topics such as control of hazardous energy sources, industrial structures, and fire protection systems. These activities generate relevant information that feeds into action plans, process adjustments, and the continuous strengthening of the management system.

We monitor essential indicators monthly, such as frequency rates, severity rates, and records of high-potential events, which are analyzed and reported weekly to senior management. This visibility ensures that strategic and operational decisions are always grounded in the reality of safety at our facilities and allows for timely course corrections whenever necessary. Another key element is our Golden Rules, a set of essential behaviors designed to prevent serious accidents; failure to comply with these rules is treated as a serious violation under the disciplinary code.

In 2025, we completed the Corporate Health, Safety, and Environment Manual, comprising 16 standards that define minimum management requirements, and expanded the corporate guidelines framework, which grew from 29 to 40 revised and reorganized documents. This set establishes uniform guidelines for all plants, strengthens standardization, and raises control and prevention levels across all operations.





Employee engagement is a fundamental part of our safety culture. We promote the active participation of workers in all stages of the management system, from development to continuous evaluation. Health and safety is listed as one of the Company's values and a material topic; given its importance, it is discussed weekly by senior management at board meetings. The topic is addressed in the Daily Safety Dialogues, weekly meetings of manufacturing unit leaders and specialized committees, such as the High-Potential Event Prevention Committee and the Fusion Safety Committee, broadening the discussion on risks, indicators, and opportunities for improvement. All employees have access to secure and confidential communication channels, such as the ethics hotline, which allow them to report risks, hazards, or irregularities without fear of retaliation. The Company ensures that all reports are taken seriously, investigated promptly, and followed up with corrective measures when necessary.

Continuous learning guides these initiatives. All employees receive mandatory training in accordance with their roles and the legislation of each country. New hires participate in onboarding programs focused on safety, while others undergo periodic refresher training. In certain areas, we conduct specific programs to deepen understanding of critical operations and essential practices for accident prevention. In addition, our facilities operate predictive and preventive maintenance programs and continuously invest in improving collective and personal protective equipment, incorporating new safety technologies.

Workplace incidents are taken seriously and investigated through structured and detailed analyses, with a focus on identifying root causes and opportunities for improvement. Corrective actions follow the hierarchy of controls, and lessons learned are shared in specialized forums, expanding the reach of preventive measures and strengthening the continuous improvement of the management system. Furthermore, all units have emergency response plans and trained response teams, with periodic drills conducted to test the effectiveness of the measures adopted and strengthen response capabilities.

Our safety efforts have also extended to the communities surrounding our facilities. In 2025, we expanded our dialogue with neighboring communities and strengthened integration initiatives. In Joinville (SC), we opened the program for the Integrated Week for the Prevention of Workplace Accidents and Environmental Protection (Sipatma) to the community, with activities held at the Tupy Athletic Association (AAT). We dedicated a morning to health, safety, and sustainability, with initiatives aimed at audiences of different ages, such as a sustainable breakfast, functional training and Pilates classes, a scavenger hunt, a gardening workshop, a charity market, and animal adoption drives.

Throughout the week, the schedule continued with workshops on waste management and food reuse, as well as the Environmental Film Series, featuring screenings of short films and documentaries on the topic. These initiatives expanded access to information, strengthened the culture of prevention, and contributed to a closer relationship with the communities.

Workplace accidents[1] [GRI 403-9; SASB RT-IG-320a.1]

	2023	2024	2025
Number of deaths resulting from workplace accidents	1	0	0
Rate of deaths resulting from workplace accidents[2]	0.02	0.00	0.00
Number of workplace accidents with serious consequences (excluding deaths)[3]	2	0	0
Rate of workplace accidents with serious consequences (excluding fatalities)[2, 3]	0.05	0	0
Number of reportable workplace accidents (including fatalities)[4]	417	344	266
Rate of reportable workplace accidents (including fatalities)[2]	9.89	8.95	7.64
Number of hours worked	42,174,758	38,448,574	34,807,185

1. Information regarding workplace accidents does not include workers who are not employees.
2. The accident rate is calculated as the number of occurrences × 1,000,000 / number of hours worked.
3. A workplace accident with serious consequences is defined as one that results in a fatality or a life-altering injury.
4. In operational plants, there is a higher frequency of accidents involving hand and finger crush injuries and collisions with surfaces or objects.

Health and well-being promotion

[GRI 3-3 Safety, health, and well-being, GRI 403-3, GRI 403-6]

In 2025, we consolidated a series of significant advances in health and well-being promotion, with renewed efforts in Occupational Medicine, greater integration among technical teams, and strengthened care focused on comprehensive health. This initiative was aligned with the Occupational Health and Safety Management System and resulted in structural investments, improvements in healthcare services, greater standardization of practices across units, and significant progress in the management of leave of absence, with a preventive and human-centered focus.

The complete renovation of the outpatient clinic at the Joinville (SC) facility represented a milestone in this process. The space gained a new emergency room, improved care workflows, structural improvements, and a brand-new ambulance, expanding response capacity and the clinical safety offered to employees. In addition to the physical infrastructure, improvements were made to medical, care protocols, and integration with external healthcare services. For the coming years, the priority is to expand the model developed in Joinville to other units in Brazil and, subsequently, to international operations, consolidating a standardized structure that is integrated into the corporate system and prepared to address different operational realities.

Occupational health care includes the continuous monitoring of major work-related illnesses, based on epidemiological indicators, trend analyses, and periodic environmental assessments. This monitoring is conducted through occupational health exams, risk assessments, and technical tools such as the Technical Report on Working Conditions (LTCAT), the Risk Management Plan (PGR), and ergonomic reports. When an employee reports discomfort, they are evaluated by the unit's medical team and, when necessary, undergo additional tests.

Ergonomics is a constant focus. A committee dedicated to the topic coordinated a six-month project that remapped critical workstations, prioritizing areas with the highest incidence of musculoskeletal complaints. The work resulted in structural and operational adjustments that directly benefited more than 100 professionals. The initiatives included detailed ergonomic analyses, workstation adjustments, method reviews, and guided monitoring, with a focus on preventing pain, wear and tear, and absences.

As part of this effort, we strengthened the Muscle Recovery Program, dedicated to both physical rehabilitation and the prevention of work-related injuries, integrating physical therapy, postural guidance, and ongoing monitoring.



In this regard, we have strengthened the Muscle Recovery Program, dedicated to both physical rehabilitation and the prevention of work-related injuries, integrating physical therapy, postural guidance, and ongoing monitoring.

The management of leave of absence has evolved with the creation of a new model for onboarding and rehabilitation, developed jointly by the Health, Human Resources, and Occupational Safety departments, along with the National Social Security Institute (INSS). In 2025, we established a specific reintegration program that began offering adapted workstations, as well as medical and functional support for these professionals, ensuring adequate support for their return to work. This initiative expanded multidisciplinary support, strengthened dialogue with leadership, and contributed to safer and more sustainable pathways for those returning after a period of leave.

Healthcare goes beyond occupational aspects. We operate with a holistic approach, offering medical, psychological, and social support so that each person receives comprehensive care both at and outside of work. We conduct frequent campaigns focused on the prevention of musculoskeletal disorders, hypertension, diabetes, eye health, breast cancer, prostate cancer, and mental health, in addition to vaccination efforts and guidance on healthy habits.

We also encourage self-care and well-being practices through cultural, sports, and educational programs, expanding opportunities for a better quality of life for employees and, in some initiatives, for their families.

Among the highlights is the *Gerar* program, which offers support to female employees during pregnancy, the postpartum period, and breastfeeding. In 2025, 80 pregnant women were supported through initiatives such as identifying individual needs, lectures on motherhood, a lactation room, reassignment to lower-risk roles, continuous medical monitoring, and the provision of adapted uniforms. Throughout the year, the program expanded its scope to include emotional and social support, partnerships with maternity hospitals, and preparation for different stages of women's health, strengthening a comprehensive and welcoming approach.

Another foundational initiative is Viva+, created in 2022 to promote a comprehensive approach to physical, emotional, and social health. The program guides leaders to identify warning signs in team behavior and take preventive action. The initiative includes medical, psychological, and social work support, as well as a 24-hour hotline staffed by nursing professionals who welcome, guide, and direct people to appropriate care. In 2025, Viva+ gained even greater internal visibility and became more fully integrated into care and prevention routines.

We also offer health plans that guarantee comprehensive care, including basic and specialized consultations, as well as emergency services for situations requiring an immediate response. To expand care, we maintain partnerships with local clinics, laboratories, and health centers, which facilitates access to exams, treatments, and ongoing follow-up, while respecting the specific characteristics of each region.

In addition, we offer life insurance and private pension plans, reinforcing the protection and financial security of employees and their families.

This set of actions reaffirms our commitment to a comprehensive approach to caring for people, preventing risks, promoting health, and creating conditions for everyone to live and work with greater quality, safety, and well-being.

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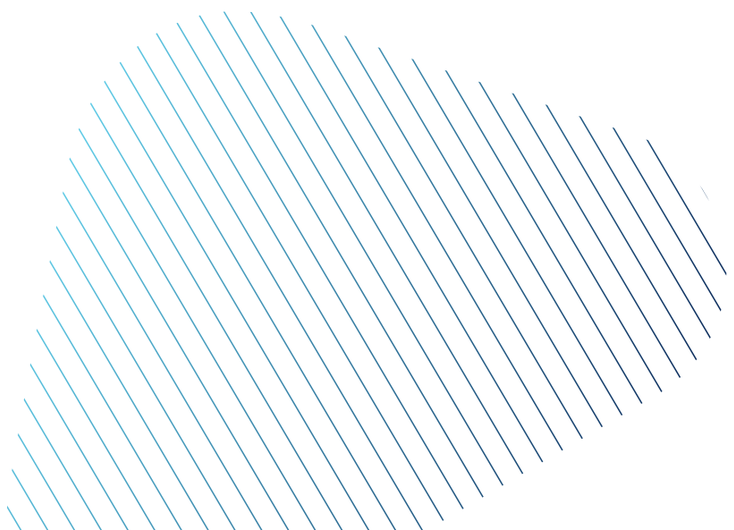




7 RESPONSIBILITY IN THE VALUE CHAIN

Sustainable supply chain
Customer satisfaction
Investor relations
Local communities
Industry engagement

MATERIAL TOPICS
Sustainable supply chain
Product innovation and quality;
Impact on local communities

Sustainable supply chain

[GRI 2-6, GRI 3-3 Sustainable supply chain, GRI 2-29, GRI 204-1]

We maintain a diverse supply chain, comprising small, medium, and large companies that supply both materials directly linked to production and services and other inputs supporting our operations. Among the areas with the highest volume and complexity are the purchase of scrap metal, the supply of electricity, logistics, and the provision of specialized services. In 2025, we had 12,908 active suppliers. Considering the states where we have facilities, 40% of the 7.6 billion allocated to purchases during the period came from local suppliers. Whenever possible, we prioritize small and medium-sized businesses located near our operations, recognizing the positive impact of this choice on job creation, income generation, and the revitalization of the regional economy.

The management of this chain is guided by policies and guidelines aligned with our principles, values, and material topics, with a focus on the sustainable supply chain. Our goal is to build resilient and lasting relationships, particularly supporting small and medium-sized suppliers, who often face greater challenges in establishing formal practices for management, integrity, and sustainability. This vision guides everything from selection processes to ongoing monitoring and development initiatives.

We conduct social and environmental assessments as part of our supplier compliance analysis process, using distinct approaches for social and environmental aspects. On the social side, 100% of the 1,030 registered suppliers were evaluated through a specific integrity analysis platform. The tool generates reports containing information on ethics, legal proceedings, labor and environmental lawsuits, slave labor, corruption, money laundering, and negative media. Depending on the results, a supplier may not be approved for registration. Regarding the environmental aspect, the evaluation is directed at eligible raw material and waste transportation suppliers, which represent 17% of new suppliers in 2025. For this group, we verify the validity of licenses with Ibama and require, as a condition for completing registration, the submission of the agency's authorization, the environmental license, and ISO 14001 certification.

Additionally, all suppliers have accepted the General Purchasing Conditions document, which sets requirements aligned with our Code of Ethics. [GRI 308-1, GRI 414–1]



The digitization of procurement processes gained prominence in 2025. The Ariba portal, initially implemented in Mexico, was rolled out at the Joinville and Betim facilities and is in the final stages of implementation in São Paulo, with completion expected in 2026. The tool significantly reduced low-complexity operational activities and freed buyers to focus on more strategic tasks, such as criticality analysis, structured negotiation, and risk management. The volume of pending purchase requests was reduced by approximately 84%, while the department shifted from handling requests strictly on a first-come, first-served basis to adopting prioritization criteria focused on items essential for business continuity.

This shift was accompanied by other changes in the Procurement department, aimed at strengthening integration with operations. We centralized the procurement of items common to all units, expanded global contract coordination, and adopted a structured rotation among buyers—an initiative that fosters the exchange of experiences, strengthens knowledge sharing, and broadens teams' systemic view of different plants and markets. The department also began investing in language training, facilitating exchange among teams and relationships with international partners. In Joinville, for example, the hiring of Venezuelan professionals expanded job opportunities for a group in a situation of greater social vulnerability, while also helping to strengthen communication in Spanish and facilitate the integration of operations with Mexico. The initiative combines social inclusion, the appreciation of cultural diversity, and operational gains.

Featured at the 21st Abipeças and Sindipeças ESG Forum

In 2025, we participated in the 21st ESG Forum, organized by the Brazilian Auto Parts Industry Association (Abipeças) and the National Union of the Automotive Components Industry (Sindipeças), an event that brings together companies in the sector to share experiences and disseminate best practices in sustainability.

On that occasion, we were ranked among the top three initiatives programs with the case study Development Program – Fostering a Sustainable Supply Chain, a recognition that reinforces the consistency of the adopted model, the effectiveness of the implemented actions, and our ongoing commitment to the responsible strengthening of the value chain.



To guide continuous monitoring, we use a supplier criticality matrix that combines sustainability and operational risk factors. Among the criteria analyzed are economic dependence on our operations, intensive use of direct labor, exploitation of sensitive natural resources, operations in stages of higher socio-environmental risk, and the existence of a single source of supply. Based on this mapping, we structured the Supplier Development Program, which establishes a clear path for evolution: mapping the supplier base, selecting high-impact suppliers, evaluation via an ESG questionnaire, development initiatives, and recognition for performance. Throughout the year, the program made significant progress: 303 suppliers participated in the assessment and joined the schedule of thematic workshops on human rights, the environment, and ethics and conduct, with a structured timeline and follow-up stages. This progress demonstrates the strengthening of engagement within the supply chain and the maturation of practices over time.

In addition, we maintain a formal process for addressing suppliers with below-expected performance, classified internally as Low Performance Suppliers (LPS). In these cases, corrective measures, on-site audits, and specific action plans are implemented, with close monitoring by the responsible departments. The focus is on reducing risks, strengthening capabilities, and ensuring the responsible continuity of supply.

Our relationship with our supply chain took on new dimensions in 2025. We strengthened ties with our international supply chain through a mission to China, dedicated to prospecting new partners and visiting industrial operations with potential for future supply. In the field of innovation, we launched Tech Days, events where suppliers present technologies, solutions, and improvements directly applicable to our production lines. These events involve operators, technicians, engineers, and buyers, fostering knowledge exchange and the identification of opportunities that generate concrete gains in productivity, quality, and sustainability.

By combining rigorous selection, joint development, process digitalization, logistics efficiency, and close collaboration, we advanced the maturity of our supply chain in 2025. We consolidated strategic suppliers, reduced vulnerabilities, enhanced resilience, and strengthened a value network that grows responsibly.

How we manage our supply chain

Selection and registration

- Signing of the General Purchasing Terms and Conditions.
- Economic, social, and environmental assessment.
- Analysis of technical and supply risks.
- Adherence to our Code of Ethics and Conduct.

Approval

- Legal and environmental documentation (Ibama, licenses, ISO 14001).
- Enhanced criteria for waste suppliers.

Classification by criticality

- Economic dependence.
- Socio-environmental risk.
- Single source of supply.

Continuous monitoring

- Supplier risk matrix.
- ESG assessments.
- Performance indicators.

Development and correction

- Workshops and consulting services.
- Engagement with low-performing suppliers (LPS).
- On-site audits.

Customer satisfaction

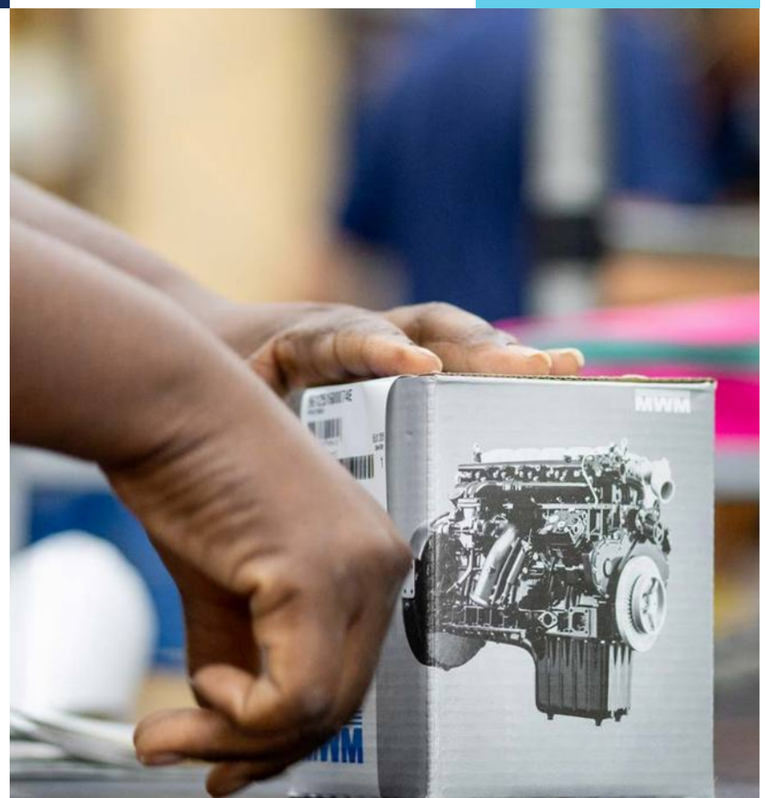
[GRI 3-3 Innovation and product quality, GRI 2-29, GRI 416-1, GRI 416-2, GRI 417-1, GRI 417-2, GRI 417-3; SASB TR-AP-250a.1]

We build relationships with our clients based on trust partnership, respect, and closeness. We work collaboratively from the conception of each project, sharing technical expertise and developing tailored solutions that meet each client's specific needs, always with a focus on quality, safety, and performance. This co-development model spans the entire business cycle, from initial product design to industrial development, through production, distribution, and replenishment, creating lasting relationships integrated into both parties' strategies.

In our relationship with the market, we have made progress on two key fronts. There has been a recognized improvement in operational performance and service levels, resulting from greater process discipline and attention to customer demands. Additionally, we have reinforced strategic positions at the commercial interface, which has increased proximity, strengthened dialogue, and contributed to a more consistent experience. At the same time, we began structuring a corporate process to consolidate the so-called "voice of the customer" for Structural Components clients. The initiative aims to organize and standardize the collection of perceptions, expectations, and points of attention observed during visits and commercial interactions, disseminating this perspective across plants and encouraging technical assistants to adopt this approach in customer service. This process establishes common service attributes, monitoring routines, and mechanisms to prevent the recurrence of problems, creating a more structured foundation for progress starting in 2026.

Product quality and safety are central pillars of this relationship. All items undergo continuous from production processes through to final application. Additionally, they are subject to audits based on ISO 9001 and IATF 16949 criteria and are continuously improved within the scope of our innovation and technology program. In 2025, there were no reported cases of non-compliance with laws and/or voluntary codes related to health and safety impacts arising from products and services.

We rigorously monitor manufacturing indicators, which reduces the risk of failures, field service calls, or recall situations, thereby avoiding financial impacts, production line stoppages, and harm to the end user.



The Recall Policy establishes clear procedures to prevent and mitigate potential risks to health, consumer safety, or property damage, with a focus on eliminating internal and external failures and reducing quality-related costs. In 2025, we highlight the absence of any recall cases.

We also continuously invest in employee training to raise quality and safety standards. Engineering has dedicated teams for Quality and Project Development, which facilitates communication with customers and more efficient responses to technical demands. We employ specific inspection methods for critical parts, a robust product and process audit framework, and systematic monitoring of the supply chain's performance, ensuring compliance with established requirements. An internal group meets weekly to analyze failures, investigate root causes, refine solutions, and promote continuous product improvement. As a result of these practices, in 2025, there were no reported cases of significant non-compliance or the need for large-scale recalls or component replacements.

We ensure transparency and traceability of information about our products through QR codes printed on packaging, which direct customers and other stakeholders to detailed content on component origins, suppliers, certifications, and sustainability practices. We have adopted measures to promote the safe use of our products, providing technical information, installation, usage, and handling guidelines – including instruction manuals where applicable – as well as digital access to supplementary safety and support content. Our products do not contain substances with potential environmental or social impacts, and their market availability is managed in a planned and responsible manner, considering environmental and social aspects throughout the entire life cycle, with a focus on reducing impacts associated with production, packaging, transportation, use, and final disposal. During the reporting period, no cases of non-compliance with laws or voluntary codes related to information, labeling, or marketing communications for products and services – including advertising, promotion, and sponsorship practices – were identified. Customer satisfaction is continuously assessed, combining direct contact with the Sales team, structured surveys, and strategic indicators that support decision-making. The Commercial team is organized to ensure proximity, agility, and a deep understanding of each partner's business – an essential condition for sustaining long-term relationships.



Network excellence: Tupy Quality Week

In 2025, we held Quality and Continuous Improvement Week, an initiative that simultaneously mobilized all our plants in Brazil, Mexico, and Portugal, reinforcing our commitment to operational excellence, collaboration, and continuous development. Over four days, we promoted an integrated program that brought together employees, suppliers, and customers around a shared purpose: to share knowledge, promote best practices, and strengthen our value chain.

The event brought together more than 8 thousands participants and demonstrated, in practice, the strength of an increasingly integrated Tupy, capable of learning together, exchanging experiences across units, and making continuous improvement part of the routine. The activities included lectures, training sessions, workshops, technical exhibitions, and presentations of projects developed by the teams themselves, empowering people and fostering a culture of applied innovation.

These results reflect the strengthening of an organizational culture based on continuous learning, cooperation, and the ongoing search for more efficient, safe, and sustainable solutions.


Joinville


Saltillo


Betim

Program Highlights

Over **80 lectures** and training sessions with approximately **3,000 participants.**

Exhibition of machinery, vehicles, and products from Tupy and MWM Motors and Generators.

Supplier workshops, exhibitions, and technical demonstrations.

Presentations of improvement projects attended by approximately **1,800 employees.**

Client visits and lectures, attended by approximately **1,300 people.**


Ramos Arizpe



São Paulo



Aveiro

Investor relations

Our investor relations are conducted based on transparency, ongoing dialogue, and the availability of clear and consistent information. Beyond legal disclosure requirements, we maintain an active schedule of engagement with the market, participating in conferences throughout the year and hosting investors at our industrial facilities, which helps broaden understanding of our operations, strategies, and growth prospects. This close relationship builds trust and enables more informed discussions about business results and challenges.

Our Investor Relations website brings together the main tools for communicating with the market. It provides direct contact channels with the responsible department, as well as materials used in the quarterly disclosure of results, material facts, and market announcements. Investors can also sign up to receive this information via email, which facilitates access to updates and ensures the wide dissemination of content of interest.

In 2025, we enhanced our dialogue with the market by launching TUPY3 COMENTA, a video series that has established itself as a new channel for direct communication between Company and investors. Published regularly on the Investor Relations website and the Company's YouTube channel alongside the period's financial results, the videos provide in-depth analyses of our performance, growth strategies, business integration, and relevant topics on the future agenda – such as decarbonization and new renewable energy projects – always contextualized within the challenges of the global landscape. The initiative enhances understanding of the reported figures and reinforces our commitment to increasingly accessible, objective communication aligned with market expectations.

TUPY3 COMENTA

Click here to access the videos.

Investor meetings: new businesses in focus

Throughout the year, we hold strategic meetings with investors to present, in practice, growth initiatives aligned with our long-term strategy and the transition to a low-carbon economy.

We welcomed investors to our Parts Distribution Center (CDP), where we presented our initiatives focused on logistics efficiency, operational governance, and support for the growth of the replacement parts portfolio.

We also conducted a visit to the bioplant in Ouro Verde do Oeste (PR), highlighting solutions based on waste recovery and the production of biomethane and fertilizers. The agenda allowed us to deepen our understanding of the value-generation potential of these new businesses, which combine economic returns, decarbonization, and a positive impact on agribusiness and the production chain.

These interactions also took place at our plants in Joinville and São Paulo and reinforce our commitment to transparency, informed dialogue with the capital markets, and the consistent presentation of initiatives that expand our revenue streams and strengthen our sustainable growth strategy.

Local communities

[GRI 203-1, GRI 3-3 Impacts on local communities, GRI 2-29, GRI 413-1]

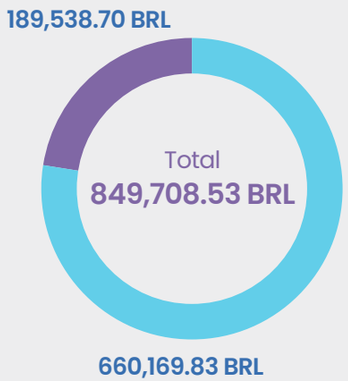
We recognize that our industrial presence impacts surrounding communities and we take responsibility for managing these effects in a structured, transparent manner aligned with the principles of sustainable development and respect for human rights.

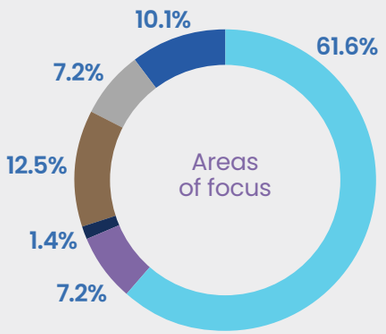
We prioritize building positive relationships and consistently contributing to the communities where we operate, fostering conditions for growth for all through job and income creation, infrastructure development, professional training, and stimulation of the local economy. Furthermore, our operations attract investment and influence public policy.

We also seek to amplify these effects through social investment, prioritizing initiatives in the areas of health, education, equity, inclusion, and the environment. These actions are defined through dialogue with communities and analysis of the most relevant impacts for each context.

We maintain an attitude of active listening and relationships based on respect, transparency, and collaboration. To this end, we have channels for receiving and addressing requests submitted by residents and local institutions, applicable to all our units.

Donations and sponsorships





29
beneficiary institutions

Volunteering

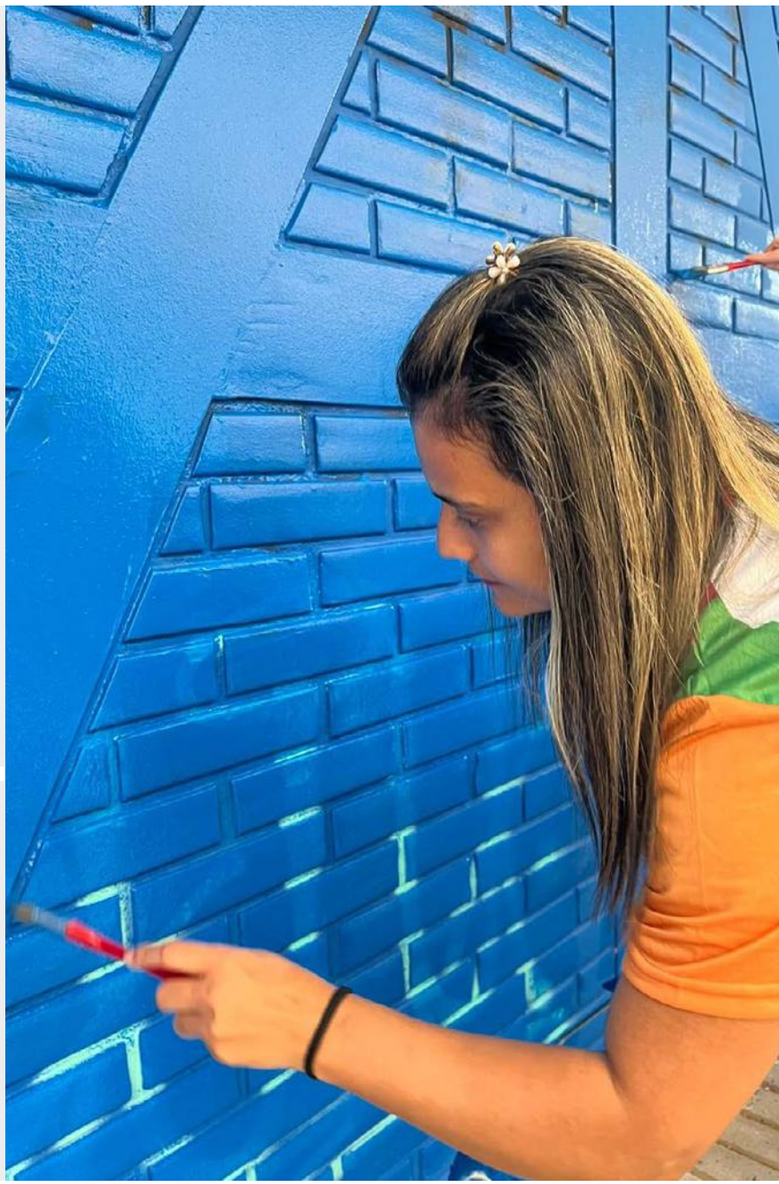
1,642 hours
of volunteering

460
volunteers

30
initiatives

10.5 billion BRL[1]
injected into the economy

1. Amount calculated considering: (i) inputs purchased from third parties; (ii) employee salaries, social security contributions, FGTS, profit-sharing, and management fees; and (iii) federal, state, and municipal taxes, fees, and contributions.



Donations and sponsorships

[GRI 3-3 Impacts on local communities, GRI 413-1, GRI 413-2]

We maintain a structured process for managing donations and sponsorships, with a specific channel for receiving requests from the community through the Tupy website.

In 2025, we reviewed the project selection process using the A3 Lean methodology, a management tool that helps organize problems and solutions in a clear and visual way. By adopting this approach, we were able to make the process simpler, more predictable, and more efficient, with more transparent criteria for analyzing requests and better tracking.

To ensure that donations and sponsorships align with best practices, we rely on the Private Social Investment Guidelines. These guidelines establish standard procedures for the entire process, including assessing the integrity of supported institutions, approval criteria, formalization through contractual agreements, and the requirement for accountability regarding the use of funds.

This set of rules and controls allows us to allocate resources in alignment with our strategy, reducing risks and ensuring adherence to our internal ethical and regulatory principles, applicable legislation, and the corporate governance principles and practices to which we are subject.

Social engagement and mobilization

Our volunteer program, *Transformadores* Tupy, has been active since 2017 and organizes initiatives in partnership with local institutions, with the participation of employees and their families. The initiatives involve recreational activities, support for nonprofit organizations, educational initiatives, and philanthropic projects, expanding the reach of our efforts in the communities where we operate.

In 2025, we enhanced the program with the creation of the Volunteer Pathway, which made participation more structured, accessible, and interactive. This change facilitated enrollment, encouraged ongoing involvement, and allowed more people to participate in an organized manner, according to their interests and availability.

Throughout the year, we also promoted solidarity campaigns that mobilize employees to collect donations for local institutions serving people in vulnerable situations. These initiatives expand the reach of our social support and strengthen our bond with communities, while consolidating an internal culture of participation and collective responsibility.

Tupy Athletic Association (AAT)

Today, Tupy maintains an Athletic Association in the city of Joinville with the purpose of promoting and offering recreational, cultural, sports, and development activities, providing health, quality of life, and well-being to members, their families and the broader community. The facility spans an area of 6,412 square meters and features a wide range of amenities, including sports fields, courts, and gymnasiums (totaling 6,995 bookings during the year); playgrounds for children and pets; kiosks (1,492 bookings during the year); a restaurant and snack bar; multi-purpose spaces such as coworking areas and an amphitheater; physiotherapy and dental clinics; as well as a calisthenics area and a fitness center—recognized as the largest corporate gym in the state of *Santa Catarina* in 2025, with 870 active members.

In 2025, we inaugurated two new spaces open to the community: the Naturalized Park, developed entirely with native species to support environmental conservation and promote reconnection with nature; and the Cultural Walkway, conceived as an open-air gallery that fosters social interaction, art, and culture.

In addition to its infrastructure, the AAT also offers community programs such as a Pilates School, Dance School, Holiday Camp, excursions to *Beto Carrero*, and recreational competitions for employees and their families. In 2025, in partnership with Instituto *Pernas Solidárias*, it also organized the first edition of the *Pernas Solidárias* Run, with the participation of 282 people with disabilities (PWDs).















Dialogue with local communities

[GRI 3-3 Impacts on local communities, GRI 203-2, GRI 413-1, GRI 413-2]

Our presence in local communities generates externalities that are part of the dynamics of an industrial operation, such as increased local traffic, noise generation, and particulate emissions. We also consider socioeconomic risks, such as possible the economic dependence of some communities on our activities. These effects stem not only from our direct operations but also from interactions with employees, suppliers, and partners. For this reason, we have adopted an integrated management approach that considers the entire value chain and our relationship with the local area.

Our goal is to prevent, mitigate, and address these impacts in a structured manner, maintaining an ongoing dialogue with communities. To support this work, we have open communication channels and coordinated efforts with key departments. This integration allows us to identify needs, understand local perspectives, and address each issue appropriately. Additionally, we have local development initiatives in the vicinity of approximately 80% of our manufacturing facilities, strengthening our relationship with the local communities and contributing to the socioeconomic development of the regions where we operate.

Since 2023, we have held the Tupy and Community Meeting every six months, bringing together representatives from organizations located near the Joinville (SC) facility. These meetings aim to promote dialogue, present initiatives, and share information on social and environmental performance. In 2025, we expanded the scope of this initiative to include guided tours of operations, such as the foundry and the industrial landfill. The feedback received during these sessions guides adjustments to our practices and strengthens an approach based on listening, transparency, and shared responsibility for local development.

We also continuously reinforce safety and environmental guidelines during onboarding processes, in internal campaigns, and at the start of in-person activities. We follow practices aligned with ISO 14001 and ISO 45001 standards, which guide our environmental, health, and safety management systems. Additionally, we provide a reporting channel for any irregularities.

To address impacts felt in the day-to-day lives of communities, we have adopted specific operational measures, such as providing parking spaces for employees, suppliers, and customers to prevent the blocking of public roads. Furthermore, we offer transportation via chartered buses, which helps reduce vehicle traffic in the surrounding area.

Community-related incidents are recorded and addressed through a specific procedure managed by the Corporate Communications and Sustainability departments via the **comunidade@tupy.com.br** channel. In 2025, we recorded 2 community complaints, representing a 33% decrease compared to the previous year.



Sectoral engagement

[GRI 2-28]

The year 2025 was marked by the consolidation of the Vice Presidency of Institutional Relations and Sustainability, created in 2024, which began to operate in an even more structured, strategic, and integrated manner with other departments. This new structure reinforced the importance of institutional dialogue as a tool for strengthening our sector of operation and contributing to the formulation of public policies.

Institutional dialogue is conducted based on high standards of ethics, integrity, and compliance, reflecting the Company's commitment to transparency and regulatory compliance. All interactions with government authorities and other stakeholders are conducted in strict compliance with anti-corruption policies, internal regulations, and the principles of the Code of Conduct, with the Institutional Relations Policy serving as the foundational pillar. This approach ensures consistency, accountability, and alignment with best governance practices, contributing to interactions that are both ethical and responsible.

One of the challenges faced during the period was the so-called tariff hike imposed by the United States, which had a significant impact on exporting companies. We engaged in dialogue with the Federal Government, the National Congress, and industry representative bodies to contribute to short-term solutions that would mitigate the effects of this measure. This coordination led to the establishment of key mechanisms in the Brazil Sovereign Plan, such as tax deferrals and the expansion of tax credits—measures that helped mitigate financial impacts and preserve the competitiveness of Brazilian industry. We also participated in debates on energy transition, viable decarbonization, the regulated carbon market, the circular economy, biofuels, fertilizers, and trade defense against unfair competition. On these fronts, we sought to advocate for a more balanced business environment that incorporates appropriate standards of safety, quality, and sustainability, emphasizing, in particular, the need for public policies that treat technological neutrality as a central pillar of the energy transition.



Our sectoral activities take place both directly and through participation in associations, federations, and business forums, in Brazil and abroad. We are members of entities such as the National Confederation of Industry (CNI), state industry federations, and associations linked to the automotive, foundry, machinery and equipment, biogas, fertilizer, low-carbon mobility, and corporate governance sectors, as well as chambers of commerce and business associations in Mexico. This presence allows us to monitor trends, contribute technically to regulatory debates, and strengthen our position on strategic issues.

Since the last reporting cycle, we have joined the Brazilian Association of Plant Nutrition Technology Industries (Abisolo) and the Brazil Low-Carbon Mobility Institute (MBCB), in alignment with the Company's strategic planning.

Click here to learn about the organizations, associations, federations, and forums in which we participate.





8

ENVIRONMENTAL RESPONSIBILITY

Environmental management system
Energy efficiency
Air emissions
Greenhouse gases (GHG)
Circular economy

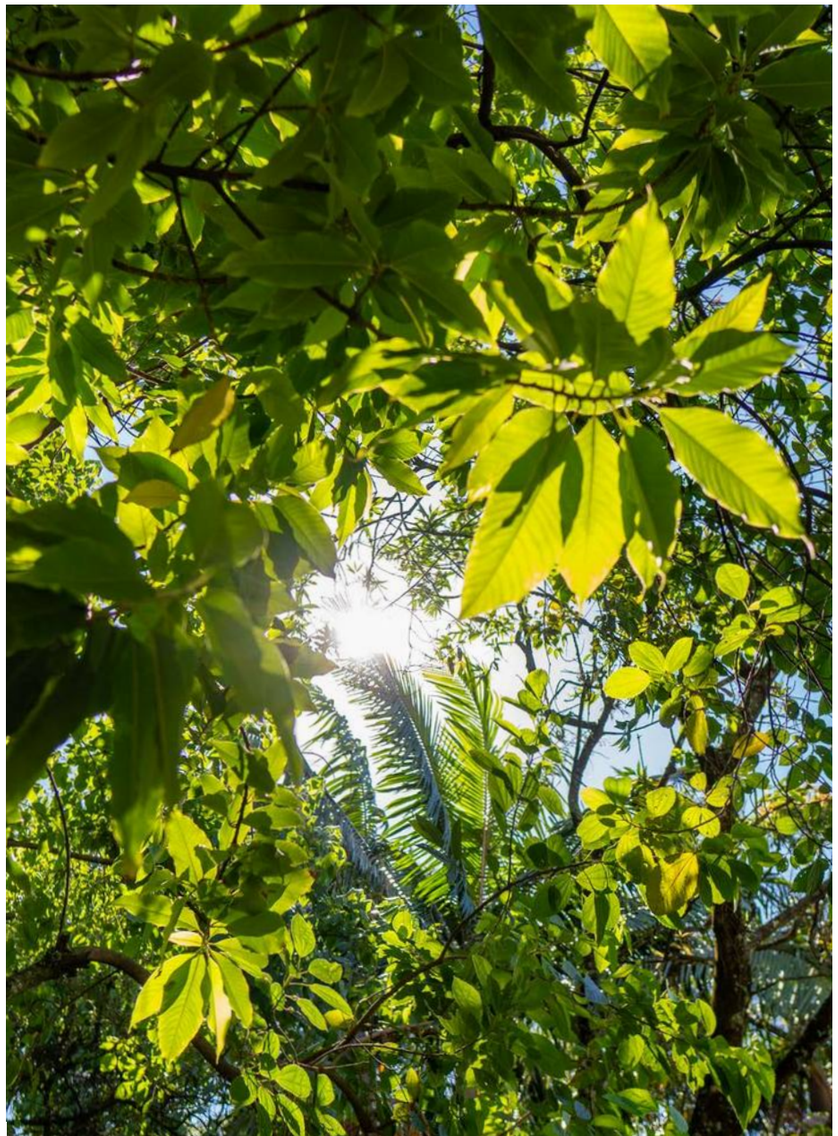
MATERIAL TOPICS
Resource Management,
Waste management,
and the circular economy
Decarbonization
Air emissions

Environmental management system

[GRI 3-3 Resource management, waste, and circular economy]

Environmental management is a fundamental part of how we operate and is guided by our Integrated Health, Safety, Environment, Quality, and Social Responsibility Policy, supported by an Environmental Management System (EMS) certified since 2001 to the ISO 14001 standard across all our operations. This international certification establishes recognized requirements for controlling environmental aspects, legal compliance, and continuous performance improvement, ensuring that environmental management is integrated into production processes and decision-making at all organizational levels.

The system guides the monitoring of aspects such as air emissions and air quality, groundwater and surface water, noise levels in operations, waste generation and final disposal, as well as compliance with applicable legal and environmental requirements. Environmental management is integrated with other areas, enabling the early identification of aspects and impacts associated with projects, activities, and operational changes. Leaders of areas critically analyze environmental performance indicators and define preventive and corrective actions, strengthening operational discipline and the continuous improvement of results. Internal and external audits are conducted annually, and the issues identified give rise to action plans that are monitored at the units.



Biodiversity

[GRI 101-1, GRI 101-2, GRI 101-4, GRI 101-5]

All operational units conduct detailed analyses of the environmental aspects and impacts related to their activities, considering the frequency, scale, and severity of each potential impact. Based on these assessments, specific operational controls are defined to mitigate significant effects and protect the surrounding environment.

In addition to the continuous improvement of processes, we adopt actions such as environmental monitoring in each region where we operate, the protection of natural habitats, recovery of potentially impacted areas and awareness initiatives aimed at employees and communities. One example is the SOS Mangroves project, an initiative developed in partnership with local stakeholders that contributes to the preservation of sensitive ecosystems. In addition to these actions, we maintain 4,800 hectares of forest areas, which play a significant role in the conservation of fauna and flora and the protection of biodiversity.

Water and effluents

[GRI 3-3 Resource management, waste, and circular economy, GRI 303-1, GRI 303-2, GRI 303-3]

We have developed guidelines to ensure the quality of water used and discharged in our processes, recognizing water as an essential and shared resource. Effluents are regularly monitored to ensure compliance with internal and external standards, regulatory agency guidelines, and industry benchmarks. Each facility operates under its own environmental license, with specific conditions and reporting frequencies that are strictly adhered to, and the results of the analyses are recorded and reported to the relevant authorities. Effluent discharge standards are defined according to the characteristics of the receiving water body, through detailed technical assessments that consider ecological aspects and the environment's assimilation capacity.

Water plays a fundamental role in our production processes, being used, among other purposes, for cooling equipment and preparing industrial inputs. In 2025, 57.6% of the water collected came from local utilities or water trucks , 39.2% from groundwater sources, and 3.1% from surface water. This mix is continuously evaluated to ensure responsible use of the resource and reduce pressure on sensitive water sources.

We invest in technologies, operational improvements, and circularity practices to increase water efficiency and reduce dependence on new water sources. The reuse of treated effluent is a well-established practice in our operations, and in 2025, the corporate rate of treated effluent reuse was 70%. This represented the reuse of approximately 1.2 billion liters of water throughout the year, which was consumed or returned to our own production processes and support uses, such as furnace cooling, cooling tower replenishment, industrial washing and cleaning, and sanitary flushing. Our manufacturing facilities contribute to this performance, with reuse levels varying according to infrastructure, process profile, and technical feasibility.

Our goal is to continuously improve our water reuse and efficiency indicators, with special attention to regions classified as water-stressed. Monitoring of these areas is conducted based on information from the World Resources Institute (WRI), a global benchmark aligned with the CEO Water Mandate, which allows us to understand risks, prioritize actions, and strengthen the resilience of operations in the face of scarcity scenarios.

The identification of water-related impacts occurs in a structured and continuous manner, covering all stages of the production process, from the arrival of raw materials to product shipment, and considering both the direct impacts of operations and those associated with the value chain. We use water performance metrics, water efficiency indicators, and critical environmental performance analyses to identify areas of concern, assess the effectiveness of implemented actions, and guide strategic decisions. These assessments are conducted periodically, in accordance with the environmental management system's schedule, allowing for continuous adjustments in response to regulatory changes, local conditions, and opportunities for improvement.

In addition to technical management, our approach is grounded in engagement with stakeholders. We maintain ongoing dialogue with local communities, regulatory agencies, and environmental organizations through open communication channels and participation in thematic forums and regional working groups. This interaction strengthens transparency, active listening, and the joint development of solutions for the protection of water resources. We also work with suppliers and customers, encouraging sustainable practices and the efficient use of water throughout the supply chain through environmental criteria in selection and evaluation processes.

These practices reflect our commitment to going beyond compliance with legal requirements by adopting internal water quality standards and discharge standards based on the best available references, even in locations where there are no specific regulations.

Energy efficiency

Our industrial transformation process is energy-intensive, which requires careful management based on continuous consumption analysis, detailed mapping of energy flows, and a focus on efficiency. Over the years, we have made progress in reducing waste and making better use of energy resources, treating this issue as a central aspect of the competitiveness and sustainability of our operations.

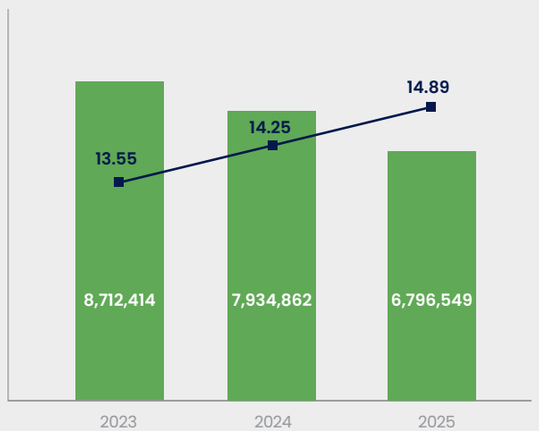
In 2025, we consumed 6,796,549 gigajoules (GJ) of energy, primarily from electricity, natural gas, and coke, the latter being essential for the operation of foundry furnaces. One of the highlights of the year was a 7.9% reduction in the coke consumption index. This reduction was associated with changes in the furnace mix at the Joinville plant, which accounts for approximately 60% of the total coke used in the operation.

However, our industrial plants rely on equipment that must operate continuously, 24 hours a day, regardless of the volume produced. In a scenario of lower demand, this characteristic impacts energy intensity ratios, which relate energy consumption to production volume. Even so, the indicators remained at historically high efficiency levels, reflecting the maturity of the controls implemented over the past few years and the robustness of our management system.

By maintaining performance standards even in a challenging year, we have created the conditions for further progress when production levels recover. This approach reinforces our commitment to continuous improvement, the responsible use of energy, and the development of operations that are increasingly efficient, resilient, and aligned with the challenges of the energy transition and the decarbonization of industry.

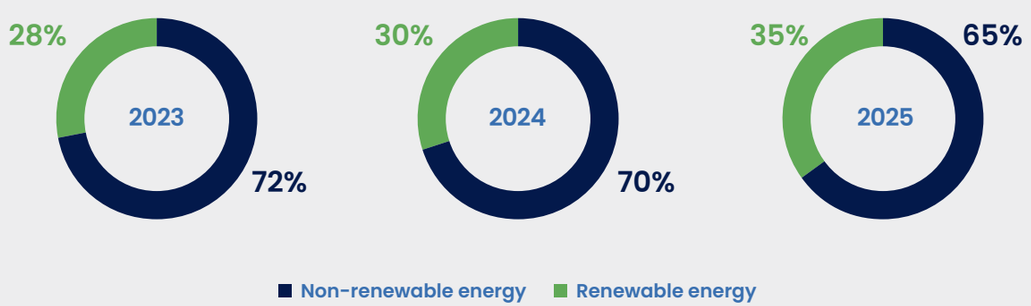
Total energy consumption and energy intensity

[GRI 302-1, GRI 302-3; SASB RT-IG-130a.1, SASB TR-AP-130a.1]



Click here to learn more about the indicator.

Energy consumption within the organization [GRI 302-1; SASB RT-IG-130a.1, SASB TR-AP-130a.1]



Air emissions

[GRI 3-3 Air emissions, GRI 305-6, GRI 305-7]

We recognize that the air emissions generated by our industrial operations have a direct impact on air quality and on the daily lives of the communities surrounding our facilities. For this reason, we have taken on the responsibility of managing this issue with technical rigor, transparency, and a commitment to continuous improvement. Our approach combines systematic monitoring, preventive maintenance, operational readiness, and constant investments in environmental control, always in compliance with current legislation and our internal standards.

Air quality monitoring is conducted daily at the Joinville and Betim units in Brazil, and at the Saltillo and Ramos Arizpe units in Mexico. This monitoring allows us to quickly identify any deviations from expected standards and take immediate action. In Joinville and Saltillo, monitoring is supported by cameras focused on chimneys and priority areas, enhancing real-time response capabilities. At the other facilities, frequent on-site inspections complement the system. Emissions data is analyzed in conjunction with meteorological information, such as wind direction and speed, which contributes to a more accurate assessment of environmental conditions and the improvement of control practices.

Regarding particulate matter emissions, in 2025, we recorded a 6.2% reduction in the emissions index per ton equivalent compared to 2024. This result was supported by disciplined maintenance of filtration systems, continuous monitoring of chimneys, and the greater operational maturity of our teams. Even in a year marked by lower production volumes—a scenario that tends to put pressure on environmental indicators in relative terms—we maintained a high level of performance and reinforced the consistency of our operational standards.

Dialogue with stakeholders is also part of air quality management. We monitor comments, requests, and perceptions from surrounding communities and maintain open channels to receive feedback. Whenever any opportunity is identified, our response is guided by promptness: processes can be immediately halted, and technical teams mobilized to correct the deviation, ensuring environmental protection and public trust.

We conduct periodic measurements at our facilities and monitor emissions daily via cameras or visual inspections, primarily at our operations in Brazil and Mexico. The results are analyzed and discussed internally with senior management. Other initiatives include:

- Monitoring of fixed sources.
- Periodic inspections of stacks, in accordance with environmental permit requirements.
- Inspections and audits.
- Investments in improvements to emission control systems.
- Maintenance routines.

In 2025, we enhanced our control of atmospheric emissions through operational and infrastructure improvements, with an investment of 8 million BRL. As a result, we achieved significant results: a 6.2% reduction in particulate matter (PM) emissions and a 9.7% reduction in volatile organic compounds (VOCs) compared to 2024. Improvements in air quality were identified, with reductions of 14% in Joinville and 12% in Mexico, indicating the efficiency of the enhanced controls.

Significant atmospheric emissions [GRI 305-7; SASB RT-IG-410a.4]

	2023		2024		2025	
	t/year	t/t produced	t/year	t/t produced	t/year	t/t produced
Volatile organic compounds (VOCs) [1, 2, 4]	210.48	0.000330	164.64	0.000296	121.94	0.000267
Particulate matter (PM)[3, 4]	588.68	0.000926	473.80	0.000851	364.44	0.000798

1. VOC: Includes the Joinville and Betim facilities in Brazil; and the Aveiro facility in Portugal.
2. VOC: The Ramos Arizpe and Saltillo facilities are not included in VOC monitoring, as it is not a requirement under Mexican law.
3. MP: Includes the Joinville and Betim facilities in Brazil; the Ramos Arizpe and Saltillo facilities in Mexico; and the Aveiro facility in Portugal.
4. The São Paulo subsidiary, MWM do Brasil, is excluded from the calculation, as it does not have a common denominator in terms of production measurement units.

Greenhouse gases (GHG)

[GRI 3-3 Decarbonization, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5]

The Company annually quantifies its greenhouse gas (GHG) emissions through the preparation of its GHG Inventory, in accordance with the GHG Protocol methodologies and ISO 14064 standard. The inventory adopts an operational control boundary and covers the Company's six manufacturing plants. The location of the operational sites and Tupy's global presence are presented in this report on page 14.

In 2025, direct GHG emissions (Scope 1) decreased by 18% compared to 2024, equivalent to 90,274 tCO_2e. Indirect emissions from electricity (Scope 2, market-based approach) were 4% lower in the same period. Scope 3 emissions increased by 10%, due to the expansion of the inventory boundary. In 2024, Category 1 – Purchased goods and services began to be accounted for, and in 2025, Category 3 – Fuel and energy-related activities was included, accounting for approximately 30% of emissions in this Scope. In total, seven Scope 3 categories were accounted for in 2025.

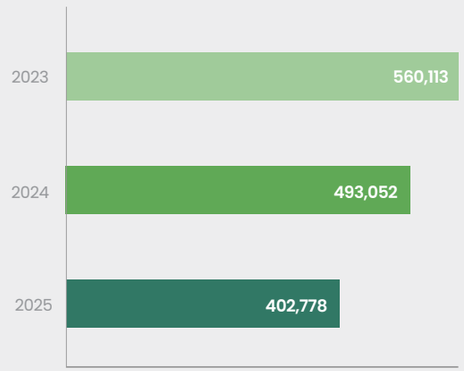
To assess emissions performance relative to production, the Company monitors the GHG intensity indicator, calculated as the sum of Scope 1 and Scope 2 (market-based) emissions divided by equivalent production. The indicator remained stable over the last three years, reaching 1.22 tCO_2e per tonne of cast iron in 2025.

As part of the decarbonization of its operations, the Company prioritizes mitigation and adaptation actions across the short, medium, and long term. Among the main factors that contributed to emissions reductions in the 2025 cycle, the following stand out:

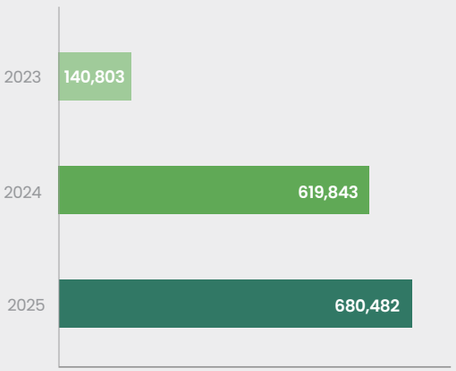
- Use of recycled-origin coke in melting furnaces, with an emissions intensity 13.5% lower than that of traditional metallurgical coke, avoiding the emission of 3,982 tCO_2e during the year;
- Replacement of coal dust with alternative materials in molding lines, reducing the consumption of additives in sand preparation and resulting in the mitigation of 4,622 tCO_2e during the year;
- Use of coke incorporating charcoal fines in its composition, 9.5% less emissions-intensive than traditional coke, with a total of 1,726 tCO_2e avoided in 2025.

Click here and check out the detailed 2025 GHG Inventory.

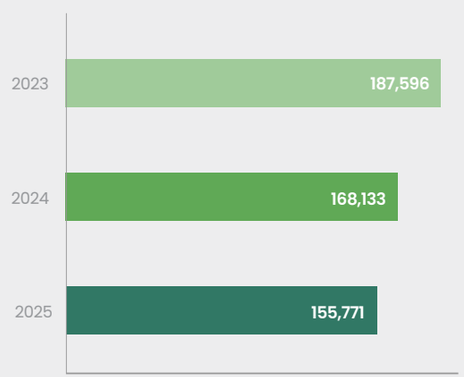
Direct GHG emissions (scope 1) (tCO_2e/year)



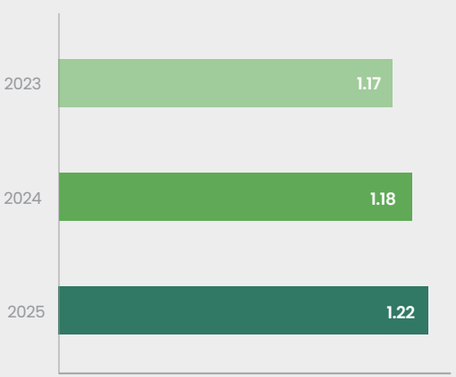
Other indirect emissions (scope 3) (tCO_2e/year)



Indirect GHG emissions (scope 2 – market-based) (tCO_2e/year)



GHG emissions intensity (tCO_2e per ton produced)



Circular economy

[GRI 3-3 Resource management, waste, and circular economy, GRI 301-2, GRI 306-1, GRI 306-2; SASB TR-AP-440b.1]

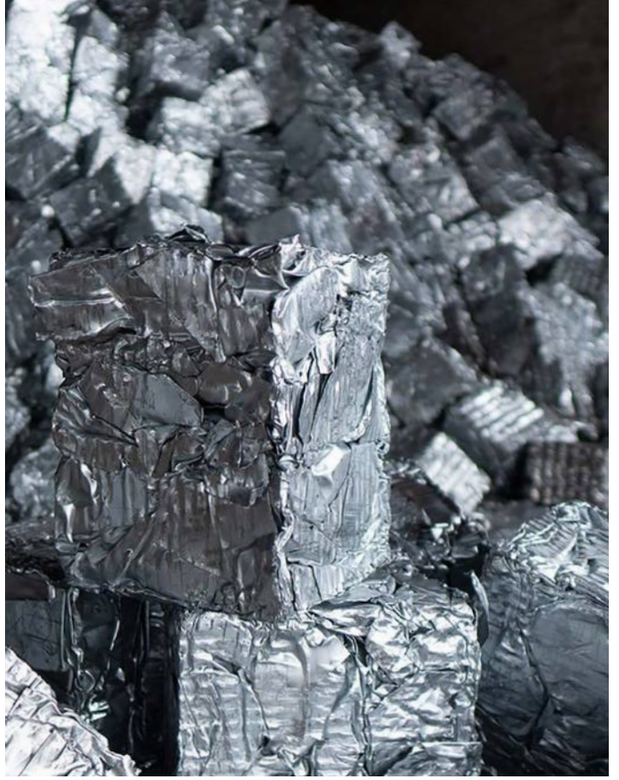
The circular economy guides our production methods by seeking to keep materials in use for as long as possible, reduce the extraction of new natural resources, and transform waste into inputs for new production cycles. In practice, this concept translates into operational decisions, investments in technology, and structured management of waste generated at all our facilities, taking into account every stage of the production cycle, from the intake of raw materials to final disposal.

We have solid waste management plans covering all waste, with initiatives focused on reducing material consumption, increasing production efficiency, recycling, treatment, and environmentally sound disposal. This management is conducted in compliance with current environmental regulations in the countries where we operate and goes beyond meeting legal requirements, supported by annual internal and external audits, as well as ongoing goals to reduce the amount of waste sent to landfills.

Governance of this issue involves the systematic monitoring of indicators for waste management, which are periodically monitored by the Environment department and specific committees. These indicators allow us to assess generated volumes, disposal methods, legal compliance, and opportunities for improvement, ensuring consistency, traceability, and continuous evolution of practices. Waste reduction and the search for new uses for waste are part of the teams' daily routine, reinforcing the link between operational efficiency, competitiveness, and environmental responsibility.

Our goal is to continuously increase the amount of materials reused and recycled per ton produced, whether by reintegrating them into our own industrial processes or by directing them to other value chains. This approach is also reflected in the profile of the products we bring to market, especially in the aftermarket. At the Parts Distribution Center (CDP) in Jundiaí (SP), we monitor the composition of the items sold to assess their recycling potential and guide more responsible decisions throughout the value chain. In 2025, 99.1% of the replacement parts sold were recyclable. This result is explained by the predominance of materials such as ferrous and non-ferrous metals – found in engine blocks, cylinder heads, aluminum housings, screws, and connectors – as well as rubber, plastics, and filters, used in components such as sealing rings, hoses, fans, filter housings, and sensors. Non-recyclable materials account for a small portion of sales, equivalent to 0.9% of revenue, concentrated in non-metallic gaskets made from paper or cork. This monitoring allows us to better understand the portfolio's profile and identify opportunities to expand the use of solutions with greater potential for reuse at the end of the life cycle.

In the industrial sector, one of the main examples of this approach is the use of ferrous scrap as raw material. By 2025, we transformed 505,000 tons of ferrous scrap into high-value-added products. Scrap is our main raw material and originates from items discarded by society, such as stoves, refrigerators, and vehicles, as well as stamping waste from the metalworking and automotive industries, including parts, machinery, and equipment. The use of this material significantly reduces the need to extract new mineral resources, lowers GHG emissions, prevents waste from going to landfills, and contributes to job and income generation throughout the supply chain. Each ton of scrap used prevents the emission of approximately 1.2 tCO_2e, since its carbon footprint is about 92% lower than that of pig iron, obtained through iron ore extraction.



We have also made progress in the internal regeneration of waste, with a focus on avoiding landfill disposal and reducing dependence on virgin raw materials. A notable example is the regeneration of spent foundry sand used in the manufacture of sand cores, which is returned to the production process as a raw material. We have eight regeneration units at our plants, which together recycle nearly half of the sand used annually, reducing impacts associated with disposal and the extraction of new natural resources.

Another highlight is the reuse of metal shavings generated during the machining of automotive components. All this material is compacted and reintroduced as raw material, offering superior quality to that of pig iron, a non-renewable raw material. Similar practices extend to other co-products, such as granulated slag used as a mineral additive in cement production, used lubricating oils destined for re-refining, furnace exhaust dust sold for metal recovery, and wood waste transformed into fuel for other industries. These solutions enhance circularity, reduce environmental impacts, and generate economic benefits associated with waste recovery.

We also adopt the use of recycled inputs and specific solutions at different plants. At the Ramos Arizpe and Saltillo units in Mexico, for example, we use catalysts derived from the recycling of chemical solutions generated in the mill gas treatment operations, reducing the need for new inputs and strengthening the reuse of materials within our own operations.

In the area of packaging, we consistently maintained the management post-consumer waste. In 2025, 32% of the packaging for pipe fittings, spare parts, engines, and generator sets and structural components produced at the Joinville plant was recycled through a partnership with EuReciclo. This initiative promotes the collection and proper disposal of materials such as paper, cardboard, and plastic, expands shared responsibility for the product lifecycle, and reinforces the commitment to collaborative solutions throughout the value chain. [GRI 301-3]

The management of off-site waste disposal is carried out with technical rigor and structured control.



In 2025, approximately 35% of the waste generated was sent to company-owned landfills, while the remainder was sent to specialized and properly licensed third-party companies. All service providers undergo environmental approval processes, periodic audits, and continuous performance monitoring. Traceability is ensured by weighing systems, detailed records of the type, origin, and destination of the waste, and the use of transport manifests, integrated into environmental management databases.

Raw materials and recycled materials (%) [GRI 301-2]

	2023	2024[1]	2025
Metal material	95.2	95.6	96.6
Sand	39.1	46.9	46.3
Coke	13.3	13.4	13.8
Catalyst	20.8	21.7	18.4

1. There was an adjustment compared to the previous year's report, with the inclusion of the catalyst used in Aveiro.

Co-products

Co-products represent a natural extension of our circular economy strategy, transforming waste generated by operations into raw materials for other production chains, such as the cement, chemical, steel, and automotive industries.Instead of being sent to landfills, these materials find new uses, generating environmental benefits, reducing the extraction of natural resources and creating economic value for the business through their sale. Our Co-products division operates precisely with this purpose in mind: to identify opportunities, develop viable applications, and structure solutions that balance sustainability, operational efficiency, and revenue generation.

In 2025, the division completed its first full cycle following the restructuring initiated the previous year, expanding its operations across all operations and strengthening the circularity approach within the business model. This maturation involved standardizing processes, expanding the portfolio of marketed materials, and achieving deeper integration with strategic areas such as Environment, Compliance, and Legal. This joint effort reinforced governance, ensured compliance with legal requirements, and strengthened relationships with customers and partners, guaranteeing transparency and security throughout the co-products sales chain.

As part of the effort to strengthen governance, the Co-Products Policy was developed, a document that defines guidelines, responsibilities, and criteria for the entire sales chain of these materials, ensuring greater standardization and clarity across all units. Integration with the Environment department was also deepened through periodic forums, joint client approvals, the exchange of best practices between plants, and the development of solutions to further reduce the amount of waste sent to landfills. A notable example is the expanded use of foundry sand in mortars, concrete, cement products, and paving bases, promoting environmental and economic gains across different sectors.

Even in a scenario marked by lower equivalent production and geopolitical instability that affected the purchasing sectors, we were able to increase revenue per ton produced, demonstrating greater competitiveness and the ability to add value to materials. We recorded revenues of approximately 33.5 million BRL from co-products, a result driven by improved waste segregation, diversification of the customer base, and significant operational progress, particularly in Betim and Mexico.

One of the highlights of the period was the registration of 25 new co-products, all of which were previously destined for landfills. This initiative enabled the reintroduction of approximately 15 thousands tons of materials into other production chains, generating approximately 4 million BRL in avoided costs and significantly expanding the circularity of resources. In terms of volume, materials such as furnace slag, discarded foundry sand, wood, rubber, used mineral oil, coke fines, and furnace exhaust dust stood out. In terms of revenue, zinc-containing co-products remained the ones with the highest added value, being used mainly in the production of fertilizers and metallurgical inputs, with prices referenced by international metal indices.

Circular economy that generates value

In 2025, our work in by-product management gained external recognition when it was presented at the Procurement Summit, an industry event organized by Ciclo Academy that brings together leaders and experts to discuss innovation, efficiency, and sustainability in production chains.

Our presentation highlighted how structured by-product management transforms industrial waste into raw materials for other sectors, linking environmental responsibility, competitiveness, and the generation of economic results. The adopted model demonstrates that the circular economy goes beyond reducing impacts: it creates business opportunities, reduces operational costs, strengthens partnerships, and enhances the resilience of the production chain.

The case study was also selected for inclusion in the project compendium of the 30th United Nations Climate Change Conference (COP30), reinforcing recognition of the initiative at one of the leading global forums on climate and sustainable development (learn more on page 37 of this report).

These recognitions reaffirm co-products as a link between efficient waste management, applied innovation, and the creation of shared value. By incorporating circularity into our business model, we are advancing the development of a more sustainable industry, prepared for environmental challenges and aligned with the expectations of increasingly demanding markets.



9

APPENDICES

Detailed materiality
Supplement to indicators
GRI content summary
SASB content summary
TCFD report
Credits

Detailed materiality

[GRI 3-2]

Topic	Scope	Boundaries of Impacts	Related GRI Content and Sustainable Development Goals (SDGs)
Decarbonization	Investments and partnerships in Research & Development (R&D) to offer products and services that help reduce the carbon footprint of current and potential customers, as well as initiatives to reduce energy consumption in operations, expand the use of alternative fuels, and limit greenhouse gas (GHG) emissions in the production process.	Internal and external (customers, suppliers, employees, government, and society).	Economic performance: GRI 201-2 – SDG 13.1; GHG emissions: GRI 305-1, 305-2, 305-3, 305-4, 305 - 5 – SDGs 3.9, 12.4, 13.1, 14.3, 15.2; and Energy: GRI 302-5 – SDGs 7.3, 8.4, 12.2, 13.1.
Air Emissions	Covers local emissions of particulate matter (PM) from the production process and initiatives to improve the environmental performance of facilities.	Internal and external (customers, suppliers, employees, government, and society).	Air emissions: GRI 305-7 – SDGs 3.9, 12.4, 14.3, 15.2.
Resource management, waste, and the circular economy	Sustainable use of non-renewable natural resources through the consumption of recycled raw materials in the production process, as well as business development and efficiency gains related to recycling, reuse, and waste treatment.	Internal and external (customers, suppliers, employees, third parties, society, communities, and government).	Materials: GRI 301-1, 301-2, and 301-3 – SDGs 8.4, 12.2, 12.5; and Waste: GRI 306-1, 306-2, 306-3, 306-4, and 306-5 – SDGs 3.9, 6.3, 6.4, 6.6, 11.6, 12.4, 12.5, 14.1, 15.1, 15.5.
Corporate governance	Good corporate governance practices, which involve transparency and integrity, risk management, accountability, and fair and equitable treatment of stakeholders.	Internal and external (all stakeholders).	General content: GRI 2-9 to 2-21 – SDG 5.5, 16.6, 16.7.
Ethics and compliance	Measures to combat breaches of ethical conduct, non-compliance with laws and regulations, labor violations, and corruption, prioritizing transparency and ethical relationships with all stakeholders.	Internal and external (all stakeholders).	General content: 2-23, 2-24, and 2-27 – SDG 16.3; Anti-corruption: GRI 205-1, 205-2, 205-3 – SDG 16.5; Unfair competition: GRI 206-1 – SDG 16.3; and Public policy: GRI 415-1 – SDG 16.
Product Innovation and Quality	Initiatives to ensure product quality and safety throughout the value chain and promote opportunities through innovation, digital transformation, and solutions aligned with our strategy.	Internal and external (customers, suppliers, partners, startups, universities, employees, among others).	SDG 9.4; 9.5 (investment in R&D); and Customer health and safety: GRI 416-1, 416-2; SDG 16.3.
People development	Initiatives to attract, engage, and develop talent, which includes promoting an inclusive work environment and offering growth opportunities for everyone.	Internal and external (employees and society).	Employment: GRI 401-1, 401-2, 401-3 – SDGs 3.2, 5.1, 5.4, 8.5, 8.5, 8.6, 10.3; and Training: GRI 404-1, 404-2, 404-3 – ODS 4, 5.1, 8,5, 10.3.
Diversity and Inclusion	Promote a diverse and inclusive work environment, ensuring fair treatment, access, and equal opportunities at all organizational levels.	Internal (employees and third parties).	Diversity and equal opportunity: GRI 405-1, 405-2 – SDGs 5.1, 5.5, 8.5, 10.3; and Non-discrimination: GRI 406-1 – SDGs 5.1, 8.8.
Safety, Health, and Well-being	Management of the safety and health of employees and third parties, with measures to prevent accidents and actions to promote quality of life.	Internal and external (employees, third parties, and suppliers).	Occupational health and safety: GRI 403-1 to 403-10 – SDGs 3.3, 3.7, 3.8, 3.9, 8.8, 16.1, 16.7.
Sustainable supply chain	Responsibility toward the supply chain, through the requirement to comply with laws and guidelines regarding environmental, social, and ethical impact, as well as the encouragement of sustainable practices.	Internal and external (suppliers, third parties, and partners).	Procurement practices: GRI 204-1 – SDG 8.3; Environmental assessment: GRI 308-1, 308-2; Social assessment: GRI 414-1, 414-2 – SDG 5.2, 8. 8, 16.1; and Child labor and forced labor: GRI 408-1 and 409-1 – SDG 5.2, 8.7, 16.2.
Impacts on local communities	Generation of direct and indirect jobs in the locations where we operate, private social investment, dialogue with surrounding communities to identify and reduce potential impacts, and other initiatives.	External (community and government).	General content: GRI 2-7, 2-8 – SDG 8.5, 10.3; Market presence: GRI 202-1 – SDG 1.2, 5.1, 8.5; Indirect economic impacts: GRI 203-1, 203-2 – SDG 1.2, 1.4, 3.8, 5.4, 8.2, 8.3, 8.5, 9.1, 9.4, 11.2; and Local communities: GRI 413-2 – SDG 1.4, 2.3.

Supplement to indicators

Employees[1, 2, 3] [GRI 2-7; SASB RT-IG-000.B]

	2023		2024		2025	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
By gender						
Men	18,857	82	16,748	6	15,365	141
Women	1,851	11	1,706	0	1,783	10
By region						
Brazil	15,271	2	13,875	0	12,797	0
Mexico	5,041	0	4,168	0	3,926	0
United States	13	0	11	0	12	0
Europe	383	91	400	6	413	151
Total		**20,801**		**18,460**		**17,299**

1. Includes employees on leave.
2. Changes in employee numbers are directly related to global macroeconomic conditions, adjustments in production volumes, and synergies between units.
3. It considers the total number of employees as of the end of the reporting period, dated December 31, 2025.

Non-employee workers[1] [GRI 2-8]

	2023		2024		2025[2]	
	Direct hiring	Indirect hiring (through a third party)	Direct hiring	Indirect hiring (through a third party)	Direct hiring	Indirect hiring (through a third party)[3]
Apprentices	208	17	174	17	246	0
Interns	76	10	81	15	111	0
Contract workers	99	1,900	82	2,263	0	4,666
Temporary workers	9	157	31	90	0	0
Subcontractors	0	111	0	59	0	0
Total		**2,587**		**2,812**		**5,023**

1. It considers the total number of employees as of the end of the reporting period, dated December 31, 2025.
2. The inclusion of MWM's non-employee workers accounts for 1,616 of the 2,207 individuals who increased from 2024 to 2025.
3. Workers hired through a third party work in various areas of the Company, such as Administration, Maintenance, Engineering, On-site Restaurants, Cleaning, Security, Health, among others.

Organizations, associations, federations, and forums in which we participate
[GRI 2-28]

- Allianz Wassertoffmotor;
- *Associação Brasileira do Biogás* (ABiogás);
- *Associação Brasileira da Indústria de Autopeças* (Sindipeças/Abipeças);
- *Associação Brasileira da Indústria de Tubos e Acessórios de Metal* (Abitam);
- *Associação Brasileira das Indústrias de Tecnologia em Nutrição Vegetal* (Abisolo);
- *Associação Brasileira de Fundição* (Abifa);
- *Associação Brasileira de Máquinas e Equipamentos* (Abimaq);
- *Associação de Engenharia Automotiva* (AEA);
- *Associação Empresarial de Joinville* (ACIJ);
- *Câmara Nacional de la Industria de Transformación* (Canacintra);
- *Clúster de la Industria Automotriz de Coahuila* (CIAC);
- *Confederación Patronal de la República Mexicana* (Coparmex);
- *Confederação Nacional da Indústria* (CNI);
- *Federação das Indústrias do Estado de Minas Gerais* (Fiemg);
- *Federação das Indústrias do Estado de Santa Catarina* (Fiesc);
- *Federação das Indústrias do Estado de São Paulo* (Fiesp);
- *Instituto Brasileiro de Governança Corporativa* (IBGC);
- *Instituto Mobilidade de Baixo Carbono Brasil* (MBCB); and
- *Indústria Nacional de Autopartes* (INA).

Organizations in which we participate in governing bodies

- *Associação Brasileira da Indústria de Autopeças* (Sindipeças/Abipeças);
- *Associação Brasileira de Fundição* (Abifa); and
- *Associação Empresarial de Joinville* (ACIJ).

Statement of Value Added (DVA) [GRI 201-1]

	Parent Company		Consolidated	
Thousands BRL	12/31/25	12/31/24	12/31/25	12/31/24
Value added generation	**3,669,027**	**4,374,303**	**10,700,997**	**11,710,628**
Sales of products, net of returns and allowances	3,668,151	4,369,760	10,698,113	11,709,772
Other revenue	-	8,961	-	8,961
Estimated bad debt losses	876	-4,418	2,884	-8,105
(-) Raw materials purchased from third parties	-2,310,918	-2,819,371	-7,223,506	-7,651,425
Raw materials and process materials consumed	-1,869,168	-2,374,469	-4,858,565	-5,029,533
Materials, energy, third-party services, and others	-441,750	-444,902	-2,364,941	-2,621,892
Gross value added	**1,358,109**	**1,554,932**	**3,477,491**	**4,059,203**
Withholdings:	-165,803	-184,026	-748,673	-637,224
Depreciation and amortization	-165,803	-153,514	-381,494	-387,098
Impairment provision	-	-30,512	-367,179	-250,126
Net value added generated	1,192,306	1,370,906	2,728,818	3,421,979
Value added received from transfers	-353,266	101,728	149,796	152,067
Share of earnings of subsidiaries	-398,406	40,246	-	-
Financial income	45,140	61,482	149,796	152,067
Value added to be distributed	**839,040**	**1,472,634**	**2,878,614**	**3,574,046**

	Parent Company		Consolidated	
Thousands BRL	12/31/25	12/31/24	12/31/25	12/31/24
Distribution of value added				
Labor	816,648	882,382	2,165,929	2,184,094
Employees (as)	588,017	629,216	1,765,767	1,766,729
Social charges – FGTS	41,578	43,182	76,417	79,449
Profit sharing	41,570	74,961	88,588	114,096
Management fees	29,658	27,384	29,658	27,384
Occupational health and safety	64,606	67,431	105,780	107,855
Food	16,923	14,708	30,322	29,323
Education, training, and professional development	1,257	1,072	1,884	3,877
Other amounts	33,039	24,428	67,513	55,381
From the government	200,506	172,249	825,446	808,665
Federal taxes, fees, and contributions	176,672	143,980	716,961	695,322
State taxes and fees	15,313	18,716	96,933	102,011
Municipal taxes and fees and others	8,521	9,553	11,552	11,332
From third-party capital	426,370	338,489	489,460	498,847
Financial expenses	396,940	326,785	442,547	400,941
Net monetary and exchange rate variations	28,452	10,647	4,109	51,665
Rent	978	1,057	42,804	46,241
From equity	-604,484	79,514	-602,221	82,440
Shareholders (interest on equity)	-	-	-	-
Shareholders (dividends)	-	-	-	-
Retained earnings (losses)	-604,484	79,514	-604,484	79,514
Non-controlling interest in retained earnings			2,263	2,926
Total value added	**839,040**	**1,472,634**	**2,878,614**	**3,574,046**

Ratio of the lowest wage to the local minimum wage, broken down by gender[1] [GRI 202-1]

	Employees		Workers who are not employees		Employees		Workers who are not employees		Employees		Workers who are not employees	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Brazil												
Joinville (SC)	1.38	1.33	1.26	1.26	1.57	1.57	1.24	1.24	1.55	1.55	0.91	1,25
Betim (MG)	1.68	1.68	0.69	0.69	1.61	1.61	1.00	0.93	1.59	1.59	0.87	1,19
São Paulo (SP)	2.09	1.74	1.01	1.01	1.64	1.70	1.00	1.00	1.58	1.58	0.64	0,64
Mexico[2, 4]												
Saltillo	1.78	1.78	1.39	1.39	2.00	2.00	-	1.56	1.48	1.48	1.31	
Ramos Arizpe	1.32	1.86	1.32	1.32	1.54	1.38	-	1.10	1.54	1.54	1.45	
Portugal[3]												
Aveiro	1.08	1.08	1.06	1.06	1.05	1.06	1.00	1.00	1.07	1.07	-	-

1. This indicator considers only manufacturing facilities. Only interns and minor apprentices earn less than the minimum wage.
2. In 2025, we had no access to gender-disaggregated compensation data for workers not employed at facilities in Mexico.
3. In 2025, we had no access to compensation data for workers not employed at the facility in Portugal.
4. There were no male workers at these facilities in 2024.

Proportion of executive board members hired from the local community [GRI 202-2]

	2023	2024	2025
Members of senior management1 at major operating units2 hired from the local community[3]	22	25	27
Proportion (%)	79	86	84

1. "Senior management" members include statutory and non-statutory directors.
2. "Major operating units" are operating units with manufacturing facilities and administrative offices.
3. "Local" refers to the countries in which we operate.

Proportion of spending with local suppliers[1] at major operating units[2] (%) [GRI 204-1]

	2024	2025
Local suppliers	40[3]	40
National suppliers (Brazil, Mexico, and Portugal)	92[3]	90
Global suppliers (other nationalities)	8	10

1. For this indicator, local suppliers are defined as those located in the same state as our manufacturing operations.
2. Key operational units are the manufacturing plants located in Brazil, Mexico, and Portugal.
3. Updated value previously reported, resulting from a revision of the underlying data sources. [GRI 2-4]

Communication and training on anti-corruption policies and procedures [GRI 205-2]

Total and percentage of members of governance bodies[1] and employees[2] who were informed and trained on anti-corruption policies and procedures, by region		2023		2024		2025	
		Informed	Trained	Informed	Trained	Informed	Trained[3]
Brazil	Number	14,415	4,661	12,923	10,730	13,185	2,277
	%	100	32	100	83	100	17
Mexico	Number	5,009	1,242	4,108	4,196	3,929	381
	%	100	25	100	102	100	10
United States	Number	13	7	11	11	12	9
	%	100	54	100	100	100	75
Europe	Number	475	174	408	530	567	104
	%	100	37	100	130	100	18
All regions	Number	19,912	6,084	17,450	15,467	17,693	2,771
	%	100	31	100	89	100	16

1. Includes members of the Board of Directors, Fiscal Council, and committee members. All are based in Brazil.
2. Includes employees, interns, and apprentices.
3. In 2025, a new module on Anti-Money Laundering and Counter-Terrorist Financing was incorporated into the training program.

Country-by-country reporting [GRI 207-4]

	2025			
Names of resident entities	Activity	Ownership[1] (%)	Functional currency	Headquarters location
Direct subsidiaries				
Tupy Materials & Components B.V.	(a)	100.00	U.S. Dollar	Netherlands
Tupy Minas Gerais Ltda.	(b)	100.00	Brazilian Real	Brazil
MWM – Tupy do Brasil Ltda.	(c)	100.00	Brazilian Real	Brazil
Tupy Agroenergética Ltda.	(d)	100.00	Brazilian Real	Brazil
Tupy American Iron & Alloys Corporation		100.00	Brazilian Real	United States
Tupy Argentina S.R.L.		100.00	Brazilian Real	Argentina
Sociedade Técnica de Fundições Gerais S.A. – Sofunge *in liquidation*	(e)	100.00	Brazilian Real	Brazil
Indirect subsidiaries				
Tupy México Saltillo, S.A. de C.V.	(b)	100.00	U.S. Dollar	Mexico
Technocast, S.A. de C.V.	(b)	100.00	U.S. Dollar	Mexico
Diesel Servicios Industriales, S.A. de C.V.	(f)	100.00	U.S. Dollar	Mexico
Servicios Industriales Technocast, S.A. de C.V.	(f)	100.00	U.S. Dollar	Mexico
Tupy American Foundry Corporation	(g)	100.00	U.S. Dollar	United States
Tupy Europe GmbH.	(g)	100.00	Euro	Germany
Tupy Netherlands Finance B.V.	(h)	100.00	U.S. Dollar	Netherlands
FUNFRAP – Fundição Portuguesa, S.A.	(b)	83.60	Euro	Portugal

1. Ownership interest in share capital and voting capital.

Main activities of subsidiaries:
(a) Company established to centralize corporate activities abroad.
(b) Industrial plants focused on the freight transportation, infrastructure, and agriculture segments.
(c) Machining and assembly of engines and power generators.
(d) Company engaged in reforestation activities.
(e) Company currently in liquidation, with no ongoing operations.
(f) Provider of labor services to subsidiaries in Mexico.
(g) Overseas companies operating as extensions of Brazilian activities, engaged in logistics, sales, and technical support for the freight transportation, infrastructure, and agriculture segments.
(h) Overseas company established to enable the issuance of debt securities in the international market.

Country-by-country reporting [GRI 207-4] (continued)

	2024	2025	2024	2025
Revenue from sales to third parties	Controlling Company[1]		Consolidated[2]	
Gross revenue (for tax purposes)	4,458,154	3,806,470	12,014,693	11,156,239
Returns and allowances	-88,394	-138,319	-304,921	-458,126
Net revenue after returns and allowances	**4,369,760**	**3,668,151**	**11,709,772**	**10,698,113**
Sales taxes	-327,340	-291,322	-1,044,662	-1,005,165
Net revenue	**4,042,420**	**3,376,829**	**10,665,110**	**9,692,948**
Net revenue				
Domestic market	1,368,120	1,203,007	4,165,743	3,972,079
Foreign market	2,674,300	2,173,822	6,499,367	5,720,869
Net revenue	**4,042,420**	**3,376,829**	**10,665,110**	**9,692,948**

1. The controlling company's total sales include both third-party and intercompany transactions (see the Related Party Sales table).
2. The consolidated total sales include only sales to third parties.

Related party sales	2024	2025
Tupy American Foundry Corporation	987,810	619,939
Tupy Material & Components B.V.	338,278	596,798
Tupy Mexico Saltillo, S.A. de C.V.	540,156	284,521
MWM Tupy *do Brasil* Ltda.	291,884	260,715
Tupy Europe GmbH.	345,894	126,506
Technocast, S.A. de C.V.	-	7,027
Tupy *Minas Gerais* Ltda.	16	684
Intercompany sales	**2,504,038**	**1,896,190**

	2024	2025
Income tax and effective tax rate	Consolidated	
Income before taxes	259,128	-453,341
Statutory income tax rate (%)	34%	34%
Tax expense (benefit) at statutory rate	-88,103	154,136
Tax effect of permanent (additions) exclusions:		
Effect of impairment tax rate differential	-1,220	-
Effect of property, plant and equipment adjustment	1,037	-4,352
Interest on equity paid	37,014	-
Additional tax from subsidiaries	-25,324	-20,849
Effect of tax rate differential	21,402	8,953
Deferred taxes written off (a)	-	-125,600
Deferred taxes not recognized on impairment (b)	-	-124,840
Taxes not recognized on tax losses (c)	-	-109,934
Other permanent (additions) exclusions	-21,295	-22,513
Tax effects recognized in profit or loss before foreign exchange impacts	**-76,489**	**-244,999**
Income tax rate before foreign exchange impacts (%)	**30**	**-54**
Effect of functional currency on the tax basis (d)	-100,199	43,788
Tax effects recognized in profit or loss	**-176,688**	**-201,211**
Effective income tax rate (%)	**68**	**-44**
Corporate income tax paid (cash basis)	-59,956	-72,045

1. Referring to the subsidiaries Tupy Minas Gerais *Ltda. and Technocast, S.A. de C.V.:*
a. Deferred income tax/social contribution impairment: Based on the same rationale that led to the recognition of asset impairment (Note 30), the Company assessed the situation and concluded that a provision of approximately 125,600 BRL should be recognized, representing 100% of the assets previously recorded for the tested unit.
b. Deferred tax not recognized on impairment: Under normal circumstances, asset impairment provisions would give rise to deferred income tax/social contribution assets for future recovery. Considering the unfavorable conditions of the unit where the adjustment was recorded, the Company assessed the situation and concluded that a deferred tax asset of approximately 124,840 BRL should not be recognized, as no realization is currently expected.
c. Deferred tax not recognized on tax losses: During the year, the subsidiaries Tupy Minas Gerais *Ltda. and Technocast, S.A. de C.V. generated tax losses for which the Company did not recognize deferred tax assets, totaling approximately 109,934 BRL, already taking into account expectations regarding the lack of recoverability.*

Communication and training on anti-corruption policies and procedures [GRI 205-2]

Total number and percentage[1] of members of governance bodies and employees who have been informed about and trained on anti-corruption policies and procedures, by employee category		2023		2024		2025	
		Informed	Trained	Informed	Trained	Informed	Trained[2]
Board of Directors[3]	Number	15	15	33	33	37	37
	%	100	100	100	100	100	100
Executive Board[4]	Number	28	28	29	29	32	31
	%	100	100	100	100	100	97
Management	Number	115	97	102	64	155	141
	%	100	84	100	63	100	91
Supervisory/coordination	Number	215	171	209	164	243	244
	%	100	80	100	78	100	100
Technical/supervisory	Number	1,590	365	1,521	377	1,530	423
	%	100	23	100	25	100	28
Administrative	Number	1,477	1,149	1,390	1,513	1,403	1,211
	%	100	78	100	109	100	86
Operational	Number	16,170	4,051	13,886	13,228	13,936	478
	%	100	25	100	95	100	3
Interns	Number	85	77	95	46	246	66
	%	100	91	100	48	100	27
Apprentices	Number	217	131	185	13	111	140
	%	100	60	100	7	100	126
All positions	Number	19,912	6,084	17,450	15,467	17,693	2,771
	%	100	31	100	89	100	16

1. The percentage of trained employees may exceed 100%, as the calculation is based on the headcount as of December 31, 2025, and does not account for fluctuations throughout the year.
2. In 2025, a new module on the Prevention of Money Laundering and Terrorist Financing was incorporated into the training program.
3. Includes members of the Board of Directors, Fiscal Council, and committee members.
4. Includes statutory and non-statutory directors.

Communication and training on anti-corruption policies and procedures [GRI 205-2]

Total and percentage of business partners who were informed and trained on anti-corruption policies and procedures, by region		2023		2024		2025	
		Informed	Trained	Informed	Trained	Informed	Trained
Brazil	Number	6,117	71	3,800	-	10,923	-
	%	100	1	100	-	100	-
Mexico	Number	919	-	1,000	-	929	-
	%	100	-	100	-	100	-
United States	Number	-	-	-	-	227	-
	%	-	-	-	-	100	-
Europe	Number	134	-	300	-	551	-
	%	100	-	100	-	100	-
Other regions	Number	-	-	-	-	278	-
	%	-	-	-	-	100	-
All regions	Number	7,170	71	5,100	-	12,908	-
	%	100	1	100	-	100	-

Materials used, broken down by weight or volume [GRI 301-1]

Materials (tons)	2023	2024	2025
Metals (various scrap, return, briquettes, and pig iron)	1,211,098	1,082,864	921,481
Sand	972,974	963,263	799,519
Coke	89,937	75,119	56,999
Catalyst	1,330	966	762
Coal dust	17,864	13,099	11,445
Bentonite	62,069	63,667	53,713
Limestone	43,992	37,767	29,252
Resin	12,101	11,198	8,609
Ferroalloys	49,981	45,284	39,395
Total	**2,461,345**	**2,293,226**	**1,921,175**

Raw materials or recycled materials used[1] [GRI 301-2]

Raw materials and materials used from recycled sources (%)	2023	2024	2025
Metallic material	95.2	95.6	96.6
Sand	39.1	46.9	46.3
Coke	13.3	13.4	13.8
Catalyst	20.8	19.9[1]	18.4

1. A value adjustment was made for 2024, as it did not account for the catalyst used in Aveiro. [GRI 2-4]

Recovered packaging[1] [GRI 301-3]

Shipped and recovered materials	2025		
	Paper/ cardboard[2]	Plastics[2]	Total
Volume of packaging shipped (t)	1,997.1	7.9	2,005.0
Volume of packaging recovered (t)	639.1	2.6	641.7
Percentage of recovered packaging (excluding returns and recalls) (%)	32	33	32

1. Refers to the packaging of engines and generators, spare parts, hydraulic components, as well as structural components from Joinville.
2. Post-consumer packaging recovery carried out through a partnership with the Eureciclo certification program.

Energy consumption within the organization [GRI 302-1; SASB RT-IG-130a.1, SASB TR-AP-130a.1]

Energy consumption in gigajoules (GJ)	2023	2024	2025
Consumption of fuels from non-renewable sources	**6,238,494**	**5,572,577**	**4,449,149**
Coke	2,549,397	2,170,201	1,648,765
Electricity	1,604,447	1,514,137	1,173,788
Natural gas	1,890,906	1,720,079	1,482,581
LPG[2]	-	-	-
Diesel	193,743	168,160	144,015
Total energy consumed supplied by grid electricity	**4,078,367**	**3,860,276**	**3,507,392**
Percentage of energy consumed supplied by grid electricity (%)	47	49	52
Consumption of fuels from renewable sources	**2,473,920**	**2,362,253**	**2,347,400**
Percentage of energy consumed from renewable sources (%)	28	30	35
Total	**8,712,414**	**7,934,829**	**6,796,549**

1. The renewable energy factor for electricity was based on the 2025 National Energy Balance (Balanço Energético Nacional) *for the units in Brazil, and on electricity suppliers for the units in Mexico and Portugal.*
2. LPG fuel accounts for less than 0.5% and was therefore excluded.

Water withdrawal [GRI 303-3]

Water withdrawal (millions of liters)	2023		2024		2025	
	All areas	Areas with water stress[1]	All areas	Areas with water stress[1]	All areas	Areas with water stress[1]
Surface water (total)	97.8	0	68.3	0	46.6	0
Groundwater (total)	697.1	220	658.5	311.6	580.7	305.1
Water from third parties (total)	1,001.9	483.2	938.8	365.1	853.7	310.7
Total water withdrawal	**1,796.8**	**703.2**	**1,665.5**	**676.6**	**1,481.0**	**615.8**

1. Water-stressed areas are identified and monitored in accordance with the World Resources Institute, a global research organization serving as the information source for the CEO Water Mandate.

Water discharge [GRI 303-4]

Water discharge by destination (millions of liters)	2023		2024		2025	
	All areas	Areas with water stress	All areas	Areas with water stress[1]	All areas	Areas with water stress
Surface water	177.1	177.1	166.3	166.3	155.2	155.2
Third-party water supplied for use by other organizations	98.3	52.7	99.7	62.1	83.7	47.8
Total discharged	**275.3**	**229.8**	**266**	**228.4**	**238.9**	**203**

1. Water-stressed areas are identified and monitored in accordance with the World Resources Institute, a global research organization used as an information source for the CEO Water Mandate.

In 2025, the Company recorded an 11% reduction in total water withdrawal and consumption and a 10% reduction in total wastewater discharge, compared to 2024, driven by lower production levels during the period and the advancement of water management initiatives. In facilities located in water-stressed regions, reductions reached 9% in withdrawal and consumption and 15% in discharge, indicating consistent efficiency gains in these operations. The results reflect operational improvement initiatives, loss elimination, optimization of routines, enhanced controls, and advances in measurement and monitoring systems. Despite the reduction in absolute volumes, the water withdrawal intensity per ton produced increased in some facilities, due to structural consumption that is not directly proportional to production levels.

Water consumption [GRI 303-5]

Water consumption (millions of liters)	2023	2024	2025
Total water consumption	1,537	1,400	1,242
Total water consumption in all water-stressed areas[1]	473	448	413

1. Water-stressed areas are identified and monitored in accordance with the World Resources Institute, a global research organization serving as the information source for the CEO Water Mandate.

Corporate greenhouse gas (GHG) inventory 2025 [GRI 305-1; 305-2; 305-3]

GHG emissions (tCO_2e)	2025
Scope 1	**402,778.22**
Stationary combustion	297,560.26
Mobile combustion	11,156.89
Fugitive emissions	1,286.68
Process emissions	85,546.27
Waste	7,228.12
Scope 2 (location based)	**169,576.66**
Scope 2 (market-based)	**155,770.85**
Scope 3	**680,482.12**
3.1	344,808.32
3.3	208,967.26
3.4	76,551.20
3.5	22,332.80
3.6	1,000.94
3.7	3,858.55
3.9	22,949.58
Biogenic emissions	**9,367.58**
Direct	1,824.47
Indirect	7,543.11

Notes: 1. Methodologies used: GHG Protocol and ISO 14064.
Organizational boundary: operational control. Manufacturing plants: Aveiro (PT); Betim (BR); Joinville (BR); São Paulo (BR); Ramos Arizpe (MX); and Saltillo (MX).
Greenhouse gases considered: CO_2; CH_4; N_2O; HFCs; PFCs; SF_6 and NF_3.

Waste generated [GRI 306-3; SASB TR-AP-150a.1]

	2023	2024[3]	2025
Non-hazardous waste (t)			
Reused internally (grit)	3,655	2,806	2,117
Recycled/regenerated internally (sand, scrap, iron shavings)	985,155	856,039	658,376
Sent for external recycling (recycling/reuse)	154,150	198,808	107,678
Disposed of in landfills	802,857	634,592	580,576
Incinerated	0	0	0
Hazardous waste (t)			
Sent for external recycling (recycling/reuse/co-processing)	10,329	8,599	6,659
Sent to landfills	2,229	2,248	1,682
Incinerated	0	0	-
Temporarily stored within the plants[1]	-4,545	-44,724	-7,373
Total waste[2] (t)	**1,958,375**	**1,703,091**	**1,357,088**
Total waste generated per ton of equivalent production (t/t produced)	**3.1**	**3.1**	**3.0**

1. Represents the change in waste temporarily stored at the plants. A positive change indicates an accumulation of waste generated during the year, and a negative change indicates the removal of waste accumulated from the previous year.
2. The methodology for calculating total waste was revised in this reporting cycle, excluding the category "temporarily stored within plants" when negative, in order to avoid offsetting waste generated within the same period. [GRI 2-4]
3. Correction of the waste generation intensity per ton produced for 2024, resulting from the change in total waste values described in note 2. [GRI 2-4]

The waste generation rate per ton of equivalent production remained stable compared to 2024, registering a slight decrease of 3%. This result indicates continued efficiency in waste management, even in the face of a significant reduction in industrial activity. The decrease in the total volume of waste generated occurred in proportion to the reduction in Equivalent Production, with variations of 20% and 18%, respectively, reflecting the stability of production processes and the direct relationship between production and waste generation.

Additionally, noteworthy is the reduction of 7,373 tons of waste stored within the plants, resulting from management actions and optimization of disposal flows, with a significant impact on the Ramos unit in Mexico, contributing to the reduction of internal inventories and associated operational risks.

Waste not destined for final disposal (t) [GRI 306-4]

	2023			2024			2025		
	Within the organization	Outside the organization	Total	Within the organization	Outside the organization	Total	Within the organization	Outside the organization	Total
Non-hazardous waste	988,811	154,150	1,142,961	858,845	198,808	1,057,652	660,493	107,678	768,171
Preparation for reuse	3,655	0	**3,655**	2,806	0	**2,806**	2,117	0	**2,117**
Recycling	985,155	154,150	**1,139,306**	856,039	198,808	**1,054,847**	658,376	107,678	**766,054**
Hazardous waste	0	10,329	10,329	0	8,599	8,599	0	6,659	6,659
Recycling	0	10,329	**10,329**	0	8,599	**8,599**	0	6,659	**6,659**
Total non-recycled waste	**988,811**	**164,479**	**1,153,290**	**858,845**	**207,407**	**1,066,252**	**660,493**	**114,337**	**774,830**

In 2025, there was a 27% reduction in the volume of waste not sent for final disposal, accompanied by an 11% decrease in the rate of waste not sent for final disposal per ton of equivalent production. This variation is explained, in part, by the very effect of lower production during the period. Additionally, the reduction in recycled waste reflected a one-time operational condition: scheduled shutdowns and temporary restrictions on recovery routes, including internal regeneration at the Betim unit and external recycling in Joinville, reduced the volume processed on these fronts throughout the year.

Waste sent for final disposal (t) [GRI 306-5]

	2023			2024			2025		
	Within the organization	Outside the organization	Total	Within the organization	Outside the organization	Total	Within the organization	Outside the organization	Total
Non-hazardous waste	586,556	216,301	802,857	493,130	141,462	634,592	475,874	104,702	580,576
Landfill	586,556	216,301	**802,857**	493,130	141,462	**634,592**	475,874	104,702	**580,576**
Hazardous waste	0	2,229	2,229	0	2,248	2,248	0	1,682	1,682
Landfill	0	2,229	**2,229**	0	2,248	**2,248**	0	1,682	**1,682**
Total non-disposed waste	**586,556**	**218,529**	**805,085**	**493,130**	**143,709**	**636,840**	**475,874**	**106,384**	**582,258**

With regard to waste destined for final disposal, a reduction in absolute volume was observed in 2025 compared to 2024. However, the decline in equivalent production during the period was more pronounced than the reduction in the generation of this waste, resulting in an increase in the ratio of waste destined for final disposal per ton produced, which rose from 1.14 in 2024 to 1.28 in 2025.
This trend highlights the presence of waste generation components that are less sensitive to fluctuations in production levels, impacting the intensity indicator in scenarios with lower operational scale. The Company maintains ongoing initiatives aimed at reducing landfill disposal and expanding environmentally sound alternatives.

Environmental impacts in the supply chain and actions taken [GRI 308-2]

Environmental assessment of suppliers

Indicator compilation	2025
a. Number of suppliers assessed for environmental impacts	In 2025, the Company assessed 99 suppliers related to waste management, with the aim of identifying environmental impacts across the supply chain. As a result of these assessments, only potential impacts were identified, associated with aspects such as lack of environmental licensing, non-compliance with legal requirements, training needs, atmospheric emissions and effluents, solid waste management, environmental emergency response, and weaknesses in environmental control systems. Based on these findings, specific assessments were conducted for 12 suppliers, of which 8 resulted in the development of action plans. The agreed improvements focused on training, compliance with legal requirements, and implementation of environmental controls. No supplier relationships were terminated, as the identified impacts were of a potential nature and were addressed through corrective actions.
b. Number of suppliers identified as having significant actual and potential negative environmental impacts	
c. Significant actual and potential negative environmental impacts identified in the supply chain	
d. Percentage of suppliers with which improvements were agreed as a result of the assessment	
1. Improvements adopted (e.g., adjustments in procurement practices, expected performance improvements, capacity building, training, and process changes):	
e. Percentage of suppliers identified as causing actual and potential negative impacts with which the organization terminated relationships, and why	

New employee hires [GRI 401-1]

	2023		2024		2025	
New hires	Number[1]	Rate[2]	Number[1]	Rate[2]	Number[1]	Rate[2]
By gender						
Men	5,426	0.29	3,568	0.21	2,127	0.14
Women	777	0.42	599	0.35	589	0.33
By region						
Brazil	3,480	0.23	2,604	0.19	1,952	0.15
Mexico	2,606	0.52	1,541	0.37	592	0.15
United States	3	0.23	1	0.09	5	0.42
Europe	114	0.24	21	0.05	167	0.30
By age group[3]						
Under 30	3,485	0.63	2,279	0.54	1,516	0.41
30 to 50 years old	2,560	0.21	1,740	0.16	1,079	0.10
Over 50 years old	158	0.05	148	0.05	121	0.04
Total	**6,203**	**0.30**	**4,167**	**0.23**	**2,716**	**0.16**

1. Number of new hires in 2025.
2. Calculation methodology: number of new hires in 2025 / total number of employees in the category (gender, region, or age group).
3. Age group information is missing for 7 members of the executive board and 7 administrative staff members.

Employee turnover [GRI 401-1]

	2023		2024		2025	
Turnover	Number[1]	Rate[2]	Number[1]	Rate[2]	Number[1]	Rate[2]
By gender						
Men	5,819	0.31	5,181	0.31	5,528	0.36
Women	514	0.28	552	0.32	560	0.31
By region						
Brazil	3,467	0.23	4,053	0.29	3,959	0.31
Mexico	2,823	0.56	2,590	0.62	1,956	0.50
United States	-	-	3	0.27	0	0.00
Europe	43	0.09	87	0.21	173	0.31
By age group[3]						
Under 30	3,318	0.60	3,053	0.72	2,673	0.73
30 to 50 years old	2,666	0.22	3,136	0.28	2,860	0.28
Over 50 years old	349	0.11	544	0.17	543	0.17
Total	**6,333**	**0.30**	**6,733**	**0.36**	**6,088**	**0.35**

1. Number of employee separations in 2025 (voluntary and involuntary).
2. Calculation methodology: number of employee separations in 2025 (voluntary and involuntary) / total number of employees in the category (gender. region. or age group).
3. Age group information is missing for 7 members of the executive board and 7 members of the administrative staff.

Return-to-work and retention rates after parental leave, by gender [GRI 401-3]

Indicator compilation	2023			2024			2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees entitled to take leave	18,939	1,862	**20,801**	16,754	1,706	**18,460**	15,506	1,793	**17,676**
Employees who took leave[1]	654	59	**713**	557	86	**643**	535	72	**607**
Employees who returned to work after leave[2]	651	52	**703**	557	85	**642**	518	63	**581**
Employees expected to return to work after leave[4]	-	-	**-**	-	-	**-**	534	64	**598**
Return-to-work rate[3] (%)	100	91	**99**	100	99	**100**	97	98	**97**

1. Includes all employees who took leave, regardless of when they returned.
2. Includes employees who returned and remained with the company for at least one month.
3. Total number of employees who returned to work after parental leave divided by the total number of employees expected to return after leave.
4. This information was incorporated in 2025, enabling greater accuracy in the calculation of return-to-work rates.

Average training hours per year [GRI 404-1]

Average hours of training per year, per employee[1]	2023	2024	2025
By gender			
Men	21.0	13.8	22.1
Women	19.5	14.3	24.4
By job category			
Executive	4.7	4.6	5.3
Management	19.9	21.2	20.7
Supervisory/Coordination	73.9	29.4	39.1
Technical/Supervisory	43.0	25.2	30.7
Administrative	11.6	15.1	21.4
Operational	18.9	12.5	21.3
Total	**20.9**	**14.0**	**22.4**

Average training hours per year (interns and apprentices)[1]	2023	2024	2025
By gender			
Men	-	-	24.9
Women	-	-	21.6
Total	**-**	**-**	**23.1**

1. Methodology: Total number of training hours offered for each category / total number of employees considered in the period.

Percentage of employees[1] who receive regular performance and career development evaluations (%)[2, 3, 4] [GRI 404-3]

	2023			2024			2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive Management	94.7	0.0	94.7	100	100	100	100	100	100
Management	93.9	83.3	92.6	98.7	100	98.8	61.1	33.3	56.7
Leadership/Coordination	95.3	95.5	95.3	97.9	100	98.3	74.3	93.1	76.6
Technical/Supervision	81.1	93.8	81.7	98.3	95.4	98.1	67.2	87.5	68.1
Administrative	94.2	91.8	93.5	96.1	95.1	95.8	72.3	75.0	73.1
Total	**90.8**	**91.9**	**91.0**	**97.6**	**95.6**	**97.3**	**71.1**	**74.5**	**71.8**

1. Active employees in positions within the Executive, Management, Coordination, Monthly-Paid Technical, Supervision, and Administrative categories, hired or promoted by August 31 of the year in which the evaluation begins, are considered eligible.
2. The São Paulo unit has joined the 2024/2025 Performance Management cycle in the same format as the other units. The 2023/2024 report has been adjusted, with no change to the results reported in the previous cycle.
3. This includes evaluation cycles completed in 2025 across all units (factories and offices).
4. In operational areas, we conduct periodic evaluations covering criteria such as productivity, teamwork, compliance with safety standards, punctuality, and attendance.

Diversity of governance bodies and employees [GRI 405-1]

Diversity in governance bodies and employees[1] (%)	2023					2024					2025				
	Age group (%)			Gender (%)		Age group (%)[4]			Gender (%)		Age group (%)[5]			Gender (%)	
	< 30	30 – 50	> 50	Men	Women	< 30	30 – 50	> 50	Men	Women	< 30	30 – 50	> 50	Men	Women
Board[2]	-	-	-	-	-	0.0	33.3	66.7	77.8	22.2	0.0	44.4	55.6	89.9	11.1
Executive Board[3]	-	-	-	100	0.0	0.0	42.9	57.1	93.1	6.9	0.0	56.0	44.0	87.5	12.5
Management	-	-	-	85.2	14.8	0.0	75.5	24.5	87.3	12.7	1.3	70.3	28.4	84.5	15.5
Leadership/coordination	-	-	-	87.0	13.0	2.4	70.8	26.8	84.2	15.8	2.9	72.0	25.1	87.2	12.8
Technical/supervisory	-	-	-	94.2	5.8	10.6	76.8	12.6	92.9	7.1	10.8	76.3	12.9	92.4	7.6
Administrative	-	-	-	72.5	27.5	18.2	66.2	15.6	71.7	28.3	19.2	65.6	15.2	70.1	29.9
Operational	-	-	-	92.4	7.6	25.1	57.3	17.6	92.4	7.6	23.2	57.2	19.6	91.4	8.6
Apprentices	-	-	-	44.7	55.3	100	0.0	0.0	34.4	65.6	100	0.0	0.0	49.2	50.8
Interns	-	-	-	43.0	57.0	97.9	2.1	0.0	47.6	52.4	97.3	2.7	0.0	42.3	57.7

1. Includes those on leave.
2. Includes only full members of the Board of Directors.
3. Includes statutory directors as well as non-statutory directors.
4. 1 member of the Executive Board and 8 of the Administrative Board lack age group information.
5. 7 members of the Executive Board and 7 of the Administrative Board lack age group information.

Ratio between base salary and total compensation received by women and those received by men (%)[1, 2, 3] [GRI 405-2]

	2023		2024		2025	
	Base Salary	Total Compensation	Base Salary	Total Compensation	Base Salary	Total Compensation
Management	125	125	96	96	79	79
Leadership/coordination	95	95	94	95	94	94
Technical/supervisory	94	94	96	96	98	98
Administrative	101	101	98	98	98	98
Operational	96	96	96	96	97	97

1. Operational units with manufacturing and corporate facilities were considered.
2. The variation in some categories occurred mainly due to a reduction in the total number of employees and, simultaneously, promotions to positions whose initial compensation differs from the average for the functional category.
3. Compensation includes fixed and variable pay, as well as bonuses.

GRI content summary

GRI 1: Foundation 2021.
Tupy S.A. reported based on the GRI Standards for the period from January 1, 2025, to December 31, 2025.

Topic	Indicator	Content	Page	Comment
General disclosures				
GRI 2: General disclosures 2021	2-1	Organizational details	9, 14, 17, 114	
	2-2	Entities included in the organization's sustainability reporting	4	
	2-3	Reporting period, frequency and contact point	4, 114	
	2-4	Restatements of information	82, 88, 94, 96	
	2-5	External assurance	4	Tupy's report is not subject to external verification for GRI and SASB indicators.
	2-6	Activities, value chain and other business relationships	9, 10, 13, 64	
	2-7	Employees	47, 86	
	2-8	Workers who are not employees	47, 86	
	2-9	Governance structure and composition	17	
	2-10	Nomination and selection of the highest governance body	18	
	2-11	Chair of the highest governance body		The chairman of the Board of Directors is not an executive officer of Tupy. The roles of chairman of the Board of Directors and chief executive officer (CEO) are not allowed to be held by the same individual, in accordance with the Company's Bylaws and the Brazilian Corporations Law (*Lei das Sociedades por Ações*).
	2-12	Role of the highest governance body in overseeing the management of impacts	17, 20	
	2-13	Delegation of responsibility for managing impacts	17, 20	
	2-14	Role of the highest governance body in sustainability reporting	4, 5	
	2-15	Conflicts of interest	19	
	2-16	Communication of critical concerns	21, 25	
	2-17	Collective knowledge of the highest governance body	18	
	2-18	Evaluation of the performance of the highest governance body	18	

Topic	Indicator	Content	Page	Comment
GRI 2: General disclosures 2021	2-19	Remuneration policies		For the Board of Directors, only item a. is applicable (fixed compensation). For the Executive Board, all items are applicable, except item iv.
	2-20	Process to determine remuneration		There are no mechanisms in place for item ii. Voting results are available in the minutes of the Board of Directors' meetings.
	2-21	Annual total compensation ratio		The indicator is not reported due to the confidential and sensitive nature of the information, which could compromise the privacy of our employees. Our Compensation Policy aims to attract and retain talent based on internal and external equity. Details regarding the compensation of members of the Executive Board and the Board of Directors are provided in item 13 of the 2024 Reference Form.
	2-22	Statement on sustainable development strategy	6	
	2-23	Policy commitments	22	
	2-24	Embedding policy commitments	17, 22	
	2-25	Processes to remediate negative impacts	22, 25	
	2-26	Mechanisms for seeking advice and raising concerns	25	
	2-27	Compliance with laws and regulations	24	
	2-28	Membership associations	74, 86	
	2-29	Approach to stakeholder engagement	64, 67, 71	
	2-30	Collective bargaining agreements		97.4% of our employees are covered by collective bargaining agreements. In our operations in Brazil and Portugal, coverage is 100%. In Mexico, only 12% of the workforce is not covered by these agreements; in these cases, terms and conditions equivalent to those applied to other employees are adopted.
GRI 3: Material topics 2021	3-1	Process to determine material topics	5	
	3-2	List of material topics	5, 85	
	3-3	Management of material topics: Decarbonization	31, 44, 80	
	3-3	Management of material topics: Air emissions	79	
	3-3	Management of material topics: Resource management, waste and circular economy	76, 77, 81	
	3-3	Management of material topics: Corporate governance	17, 20	
	3-3	Management of material topics: Ethics and compliance	20, 22	
	3-3	Management of material topics: Innovation and product quality	29, 31, 67	
	3-3	Management of material topics: People development	48, 53	
	3-3	Management of material topics: Diversity and inclusion	55	
	3-3	Management of material topics: Safety, health and well-being	58, 61	
	3-3	Management of material topics: Sustainable supply chain	64	
	3-3	Management of material topics: Impacts on communities	71, 72, 73	

Topic	Indicator	Content	Page	Comment
GRI 201: Economic performance 2016	201-1	201-1 Direct economic value generated and distributed	87	
	201-2	Financial implications and other risks and opportunities due to climate change	111	
	201-3	Defined benefit plan obligations and other retirement plans		We offer a defined contribution private pension plan, with no creation of liabilities for the Company, across all industrial units and offices, with the exception of the Portugal plant, where no pension plan is in place. Employees with at least seven years of service are entitled to withdraw the full accumulated balance upon termination of employment. The percentage of salary contributed by employees ranges from 1% to 10%, depending on the unit and job level. Employee participation rates are as follows: 3.15% in Betim; 19.50% in Joinville; 41.2% at MWM; and 31% in Mexico (monthly-paid employees).
	201-4	Financial assistance received from government		6,343,901.77 BRL in benefits and tax credits, such as Reintegra, the Employee Meal Program (PAT), the Mover Program, and the technological innovation program.
GRI 202: Market presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	88	
	202-2	Proportion of senior management hired from the local community	88	
GRI 203: Indirect economic impacts 2016	203-1	Infrastructure investments and services supported	71	
	203-2	Significant indirect economic impacts	73	
GRI 204: Procurement practices 2015	204-1	Proportion of spending on local suppliers	64, 88	
GRI 205: Anticorruption 2016	205-1	Operations assessed for risks related to corruption	24	In 2025, we did not conduct a new integrity risk assessment. Therefore, the last analysis, completed in May 2024 and conducted by a specialized firm, remains valid. It covered all our business units and identified 38 risks, with no significant corruption-related risks found. For all mapped risks, action plans were defined with the objective of mitigating the identified risks or promoting improvements in internal procedures. All established action plans were executed and completed as planned.
	205-2	Communication and training about anti-corruption policies and procedures	22, 89, 92, 93	
	205-3	Confirmed incidents of corruption and actions taken		In 2025, the organization recorded two cases of private corruption, related to the conduct of employees and suppliers. In both cases, measures were taken to address the reported situations, including the termination of supplier contracts and, in one case, the dismissal of employees. There are no ongoing legal proceedings related to corruption filed against the organization.
GRI 206: Anticompetitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No legal actions regarding unfair competition, trust practices, or monopolies were identified as pending or concluded in 2025.
GRI 207: Tax 2019	207-1	Approach to tax		Information regarding this indicator is not available for the reporting period because the necessary data has not yet been consolidated. We are taking steps to ensure the disclosure of this information in future reports.
	207-2	Tax governance, control, and risk management		
	207-3	Stakeholder engagement and management of concerns related to tax		
	207-4	Country-by-country reporting	90, 91	

Topic	Indicator	Content	Page	Comment
GRI 301: Materials 2016	301-1	Materials used by weight or volume	94	
	301-2	Recycled input materials used	81, 82, 94	
	301-3	Reclaimed products and their packaging materials	82, 94	We report exclusively recovered packaging materials. Currently, Tupy does not have a reverse logistics program for its products. However, nearly 100% of our products are recyclable, as reported under SASB indicator TR-AP-440b.1. Some of these products, specifically structural components, are reused within the Company's own operations as one of the main raw materials.
GRI 302: Energy 2016	302-1	Energy consumption within the organization	78, 94	
	302-2	Energy consumption outside the organization		Information unavailable.
	302-3	Energy intensity	78	
	302-4	Reduction of energy consumption		In 2025, Tupy reduced energy consumption by 14% compared to 2024, with coke consumption decreasing by 24% during the same period at levels exceeding the decline in production.
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	77	
	303-2	Management of water discharge-related impacts	77	
	303-3	Water withdrawal	77, 95	
	303-4	Water discharge	95	
	303-5	Water consumption	95	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	80, 95	
	305-2	Energy indirect (Scope 2) GHG emissions	80, 95	
	305-3	Other indirect (Scope 3) GHG emissions	80, 95	
	305-4	GHG emissions intensity	80	
	305-5	Reduction of GHG emissions	80	
	305-6	Emissions of ozone-depleting substances (ODS)	79	
	305-7	NOx, SOx and other significant air emissions	79	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	81	
	306-2	Management of significant waste-related impacts	81	
	306-3	Waste generated	96	
	306-4	Waste diverted from disposal	97	
	306-5	Waste directed to disposal	97	

Topic	Indicator	Content	Page	Comment
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	64	
	308-2	Negative environmental impacts in the supply chain and actions taken	98	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	99	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Our benefits package is aligned with the compensation strategy, market context, local culture, and requirements under collective bargaining agreements and/or legislation in the respective locations and countries where we operate. Among the benefits offered are: health and dental insurance; pharmacy discounts; maternity/paternity leave; meal allowances and food subsidies or an on-site cafeteria; transportation allowance; private pension plan; and life insurance.
	401-3	Parental leave	99	
GRI 402: Labor/ management relations 2016	402-1	Minimum notice periods regarding operational changes		As a standard practice, we provide 30 days' notice to communicate any changes that impact the work routine, such as reduced shifts resulting from a decrease in the production of a specific part or vacation. In the case of technical changes related to machinery or quality, this notice period does not apply, as the time required depends on the complexity of each initiative and is defined within the scope of the respective project. As a reference, we follow the current legislation of each country, Collective Bargaining Agreements (CBAs), regulatory standards, and internal procedures. In specific situations involving facility closures, there are no defined regulations.
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	59	
	403-2	Hazard identification, risk assessment, and incident investigation	59	
	403-3	Occupational health services	59	
	403-4	Worker participation, consultation, and communication on occupational health and safety	59	
	403-5	Worker training on occupational health and safety	59	
	403-6	Promotion of worker health	59	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	59	
	403-8	Workers covered by an occupational health and safety management system	59	
	403-9	Work-related injuries	60	
	403-10	Work-related ill health		In 2025, no deaths related to occupational diseases were recorded. During the period, there were 41 mandatory notification cases, mostly associated with musculoskeletal and hearing conditions. This monitoring supports the direction of preventive actions, continuous improvement of working conditions, and the strengthening of safer work environments.

Topic	Indicator	Content	Page	Comment
GRI 404: Training and education 2016	404-1	Training and education 2016	100	
	404-2	Average hours of training per year per employee	48, 52	
	404-3	Programs for upgrading employee skills and transition assistance programs	53, 100	
GRI 405: Diversity and equal opportunity 2016	405-1	Percentage of employees receiving regular performance and career development reviews	18, 101	
	405-2	Ratio of basic salary and remuneration of women to men	101	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		Throughout the year, 37 cases of discrimination were recorded. All cases were analyzed, with three deemed valid, leading to the implementation and monitoring of remedial plans. Compared to the previous cycle, there was a slight increase in the total number of reports (from 36 to 37), a decrease in some categories, and stability in the number of substantiated cases, indicating consistency in the application of analysis criteria. The process of remediation and monitoring of corrective measures remained standardized and was adequately monitored.
GRI 407: Freedom of association and collective bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		All our employees have freedom of association with labor unions. Even those who are not union members receive the same rights provided for in the agreements applicable to their respective units. Freedom of association and collective bargaining are rights guaranteed under the laws of the countries where the vast majority of our suppliers are concentrated. In addition to legal backing, Tupy has a Human Rights Policy that establishes clear guidelines for respecting internationally recognized human rights, applicable to all its partners and suppliers. Among these commitments, the Company emphasizes respect for and recognition of the right to freedom of association and collective bargaining, ensuring that employees are able to organize and engage in collective bargaining through labor unions, in accordance with applicable local laws. This commitment is also required of the Company's suppliers and business partners as part of the expected practices throughout its supply chain.
GRI 408: Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	22	
GRI 409: Forced or compulsory labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	22	
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	71, 72, 73	
	413-2	Operations with significant actual and potential negative impacts on local communities	71, 73	
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	64	
	414-2	Negative social impacts in the supply chain and actions taken		No negative social impacts were identified.
GRI 415: Public policy 2016	415-1	Political contributions		We did not make donations to political organizations or causes in 2025, as in recent years.
GRI 416: Customer health and safety 2016 2016	416-1	Assessment of the health and safety impacts of product and service categories	67	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	67	

Topic	Indicator	Content	Page	Comment
GRI 417: Marketing and labeling 2016	417-1	Requirements for product and service information and labeling	67	
	417-2	Incidents of non-compliance concerning product and service information and labeling	67	
	417-3	Incidents of non-compliance concerning marketing communications	67	
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		In 2025, no substantiated complaints regarding privacy violations or the loss of customer data were recorded.
GRI 101: Biodiversity 2026	101-1	Policies to halt and reverse biodiversity loss	76	
	101-2	Management of biodiversity impacts	76	
	101-3	Access and fair and equitable sharing of benefits		Indicator not applicable. Tupy does not use biological resources or resources from traditional communities in its operations.
	101-4	Identification of biodiversity impacts	76	
	101-5	Locations with biodiversity impacts	76	The Joinville plant is located near a mangrove area classified as a Permanent Preservation Area (APP), specifically the Saguaçu Lagoon, which connects to Babitonga bay, and is up to 5 km from the operations. Accordingly, Tupy adopts a systemic approach across its operations, including the Joinville unit, with a focus on environmental protection through strict controls related to water management, solid waste, effluents, and atmospheric emissions.
	101-6	Direct drivers of biodiversity loss		Information unavailable.
	101-7	Changes in the state of biodiversity		Information unavailable.
	101-8	Ecosystem services		Information unavailable.

SASB content summary

Topic	Code	Metrics	Page	Comment
Industrial machinery & goods				
Activity metrics	RT-IG-000.A	Number of units produced by product category		Omission due to confidentiality restriction – strategic information.
	RT-IG-000.B	Number of employees		In accordance with GRI 2-7.
Energy management	RT-IG-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	78, 94	
Workforce health & safety	RT-IG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees		In accordance with GRI 403-9.
Fuel economy & emissions in use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles		For the period under review, it was not possible to determine the weighted energy efficiency of the fleet, as the indicator depends on consumption data that is not included in the available database. The Company remains committed to improving the quality and completeness of its technical information, in order to ensure data traceability and enable the calculation of the indicator in accordance with the established methodology.
	RT-IG-410a.2	Sales-weighted fuel efficiency for non road equipment		The energy efficiency weighted by sales of non-road equipment was calculated based on the ratio between the energy consumption of eligible models and the corresponding sales volume. In 2025, the resulted in a weighted average consumption of 26.93 liters per hour for Off-Road equipment. The indicator allows for monitoring the energy performance of the portfolio and supports the continuous assessment of the efficiency of the products sold.
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators		The sales-weighted energy efficiency of stationary generators was calculated by consolidating technical and commercial data, considering the relationship between the energy performance of the models and the corresponding sales volume. In 2025, diesel generators resulted in a weighted average energy consumption of 11,366 kilojoules per liter (kJ/L). As for the gas generator line, a weighted average consumption of 10,481 kJ per standard cubic meter (Nm3) was observed, reflecting the specificities of the unit of measurement applicable to gaseous fuels.
	RT-IG-410a.4	Sales-weighted emissions of (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines and (d) other non-road diesel engines		For marine diesel engines and other non-road diesel engines, in 2025, weighted emissions (NOx + PM) were 13.81726805 g/kg.

Topic	Code	Metrics	Page	Comment
Industrial machinery & goods				
Materials sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials		We manage risks associated with the use of critical materials in a structured and preventive manner, considering aspects of availability, cost, regulatory compliance, and reputation. We adopt multi-supplier policies to reduce dependencies, continuously monitor the market, and conduct proactive negotiations based on specialized indicators, in addition to requiring compliance analyses, traceability, and periodic audits of partners. Departments such as Procurement, Procurement Engineering, Quality, and Supplier Registration work in an integrated manner to develop and monitor the supply chain. We recognize that certain inputs, such as rare earth elements, are subject to geopolitical, regulatory, and price volatility risks; therefore, we also invest in the development of alternative materials. For strategic and competitive reasons, we do not disclose specific materials associated with these risks, while still ensuring continuous monitoring and mitigation strategies to preserve the operational continuity and sustainability of our business.
Remanufacturing design & services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services		Information not available.
Auto parts				
Activity metrics	TR-AP-000.A	Number of parts produced		Omission due to confidentiality restrictions – strategic information.
	TR-AP-000.B	Weight of parts produced		Omission due to confidentiality restrictions – strategic information.
	TR-AP-000.C	Area of manufacturing facilities		Total built area: 675,860.85 m². Includes all manufacturing plants.
Energy management	TR-AP-130a.1	(1) Total energy consumed, (2) percentage grid electricity, and (3) percentage renewable energy	72, 94	
Waste management	TR-AP-150a.1	(1) Total amount of manufacturing waste, (2) percentage hazardous, and (3) percentage recycled		In accordance with GRI 306.
Product safety	TR-AP-250a.1	Number of vehicles recalled	67	
Fuel efficiency design	TR-AP-410a.1	Revenue from products designed to increase energy efficiency or reduce emissions		Net operating revenue from energy and decarbonization, for the period from January to December 2025, totaled 780,967,000 BRL, compared to 533,591,000 BRL in 2024.
Materials sourcing	TR-AP-440a.1	Description of the management of risks associated with the use of critical materials		Same as RT-IG-440a.1.
Materials efficiency	TR-AP-440b.1	Percentage of products sold that are recyclable		For replacement parts, motors, and structural components, the percentage of products sold in 2025 that are recyclable is 100%.
	TR-AP-440b.2	Percentage of input materials from recycled or remanufactured sources		66% of the materials used by Tupy were from recycled sources in 2025, totaling 1,268,754 tons. Regarding spare parts, the recyclability rate is 99.1%. Engines, in turn, are composed of 96.6% recyclable components.
Competitive behavior	TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations		There were no recorded monetary losses resulting from legal proceedings related to regulations on anti-competitive behavior.

TCFD Report

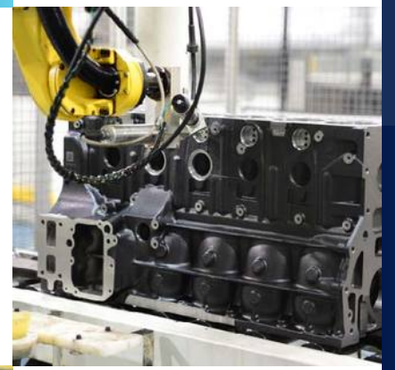
[GRI 201-2]

Topic	Metrics	Comment
Governance	a. Description of how the board of directors, executive management, the officer responsible for internal controls, and the risk committee work to oversee sustainability risks.	The Board, with the advice of the Audit and Risk Committee, evaluates the risk management process and structure—including strategic risks, as well as financial, operational, environmental, legal, and reputational risks—and the effectiveness of existing controls for their monitoring. In addition, with the assistance of the Strategy, Innovation, and Sustainability Committee, the Board evaluates, in an integrated manner with the Company's strategy, opportunities related to sustainability and climate change. The work of the Committees is reported monthly to the Board of Directors, and risks and opportunities related to climate change are periodically presented by the Executive Board and discussed directly with the Board of Directors.
	b. Description of the role of the Board of Directors, Executive Board, officer responsible for internal controls, and Risk Committee in managing sustainability risks.	The Board of Directors is responsible, among other things, for approving guidelines for risk management and controls; monitoring prioritized risks; periodically evaluating the risk map and the respective controls and mitigation action plans; and ensuring that the necessary resources are available for the risk management process and the internal control system. In addition, the Board approves the Company's multi-year plan, which, among other aspects, defines short- and long-term strategic guidelines. In this context, the Board considers opportunities related to environmental, social, and governance (ESG) aspects, including climate change.
	c. Description of the bodies at the strategic, tactical, and operational levels and their responsibilities in supporting the board of directors, executive management, the officer responsible for internal controls, and the risk committee in the management and oversight of sustainability risks.	Strategy, Innovation, and Sustainability Committee (CEISus). Chief Executive Officer (page 11 of Source 1). Responsible Officer – Executive Vice President of Institutional Relations and Sustainability (pages 16 and 17 of the Policy on Competencies and Authorities). Tactical and Operational Team – Sustainability (Corporate).

Topic	Metrics	Comment
Strategy	a. Description of sustainability risks with the potential to generate significant losses in the short, medium, and long term.	Risk 1 Description: The Carbon Border Adjustment Mechanism established by the European Union in 2023 to prevent carbon leakage, that is, the importation of certain products manufactured in regions outside the regulated market with high levels of greenhouse gas (GHG) emissions, typically without the rigor of the European ETS. The European Union has established the implementation of the CBAM in two phases, the first being transitional (2023–2025), during which importers report the emissions embedded in imported products without taxation occurring. Starting in 2026, the regular phase begins, involving periodic reporting and taxation on emissions, under the responsibility of the European importer. Timeframe: short term. Impact: possible increase in indirect operational costs. Methodology: In accordance with the CBAM Regulation (Regulation (EU) 2023/956 of the European Parliament and of the Council). Risk 2 Description: Regulatory movements are increasingly gaining traction worldwide, and it is evident how carbon emissions trading systems have evolved in recent years. Currently, a bill for a regulated carbon market in Brazil, the Brazilian Emissions Trading System (SBCE), is under consideration, which is likely to result in the gradual implementation of carbon dioxide (CO2) emission limits and a carbon pricing model. Like all manufacturing industries, Tupy's production process is energy-intensive and, consequently, generates significant CO_2 emissions. The use of non-renewable energy in our process accounts for the majority of direct and indirect GHG emissions, which challenges us to explore alternatives and solutions that consider the social, economic, and environmental impacts of the transition to a low-carbon process. The imposition of limits would have an impact and consequences on operating costs due to the implementation of projects and initiatives that reduce GHG emissions from operations. Time horizon: medium term. Impact: possible increase in direct costs. Methodology: GHG Inventory Calculation (GHG Protocol and ISO 14064).
	b. Description of the methodology used to assess the potential for losses arising from sustainability risks.	Tupy conducts an annual climate risk assessment process to identify and analyze factors that may impact the Company. For this identification, we use the Task Force on Climate-related Financial Disclosures (TCFD) and Carbon Disclosure Project (CDP) frameworks as a basis. Once the risks are identified, we assess the probability of occurrence of the events and their respective impacts, following qualitative criteria. Each identified risk includes a detailed description of potential events that could impact the Company, as well as its classification into categories such as physical, regulatory, or other; a description of the possible associated impacts; an assessment of the financial impact as one of the risk criteria; and a calculation of the costs of potential risk management measures for the three most relevant risks. Based on this analysis, we identified the most significant climate risks for Tupy.
	c. Description of how the impacts of the risks mentioned in item (a) are considered in the institution's business and strategies, detailing the time horizon considered and the criteria adopted in prioritizing the assessed risks.	Our internal Risk Management and Internal Controls policy establishes guidelines and responsibilities that enable the identification and assessment of these risks. To assess the probability of climate risks occurring, we use the following criteria: (i) occurrence of physical or transitional phenomena in previous years; (ii) indications that the assessed events may occur; and (iii) temperature influence and variation. To assess the potential impact of the identified risks, we use the following criteria: (i) potential financial impacts in the event of risk materialization; (ii) consequences for our production system in the event of the occurrence of the event; (iii) potential impacts on the Company's image or the sector in which the company operates; and (iv) consequences for our strategies in the event of risk materialization.
	d. Description of the resilience of the organization's strategy, considering its ability to adapt to changes in climate patterns and the transition to a low-carbon economy.	Currently, we do not use climate-related scenario analysis, but we have a transition plan that will be developed in the coming years. In light of the identified risks, Tupy is committed to constantly monitoring the climate impacts on its operations and developing strategies to mitigate their effects. The Company seeks to adopt innovative and sustainable solutions to ensure the resilience of its business model and reduce its carbon footprint in the long term.

Topic	Metrics	Comment
Risk management	a. Description of the processes used to identify, assess, classify, and measure sustainability risks.	To assess the probability of climate risks occurring, we use the following criteria: (i) occurrence of physical or transitional phenomena in previous years; (ii) indications that the assessed events may occur; and (iii) temperature influence and variation. To assess the potential impact of the identified risks, we use the following criteria: (i) potential financial impacts in the event of risk materialization; (ii) consequences for our production system in the event of the occurrence of the event; (iii) potential impacts on our image or on the sectors in which we operate; and (iv) consequences for our strategies in the event of risk materialization.
	b. Description of sustainability risk management processes, highlighting their handling, monitoring, and reporting.	Our risk management process is guided by best practices in corporate governance and is based on the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO); ERM: 2017 – Enterprise Risk Management Integrated with Strategy and Performance; ISO 31000:2018 – Risk Management Guidelines; and the standards and methodology of Control Objectives for Information and related Technology (COBIT). We also consider the three-line concept established by The Institute of Internal Auditors. The first line corresponds to the business areas, which are directly responsible for the processes and risk management of activities in accordance with mitigation policies and strategies approved by the Executive Board. The second line consists of the Risk Management and Compliance areas, which oversee implementation, verify compliance, and support business areas in risk management. The third line is Internal Audit, which conducts independent assessments and makes control recommendations.
	c. Description of the mechanisms used to establish limits on concentration in economic sectors, geographic regions, products, or services most susceptible to suffering or causing impacts on sustainability.	The corporate risk management process follows.
	d. Description of how the processes used to identify, assess, classify, address, monitor, and report sustainability risks are integrated into the management of underwriting, credit, market, liquidity, and operational risks.	We assess risks by considering their inherent and residual effects, as well as their probability and impact, to enable the prioritization of management processes. We consider potential financial, social, environmental, and regulatory impacts. Integrated risk management incorporates climate-related aspects. Our process for assessing climate risks and opportunities is conducted in line with the recommendations of the TCFD and CDP.
Metrics and targets	a. Quantitative indicators used in the management of sustainability risks, including those related to the institution's significant risk concentrations, presenting the corresponding targets and their current level of achievement.	GHG emissions intensity per ton of product: the sum of direct (Scope 1) and indirect (Scope 2) emissions, divided by production. This indicator allows us to monitor the average trend of GHG emissions relative to the mass of items produced over a given period of time. GRI Framework 305-4 GHG emissions intensity per revenue: the sum of direct (Scope 1) and indirect (Scope 2) emissions, divided by net revenue. This indicator allows for monitoring the average trend of GHG emissions relative to every 1,000 BRL or 1,000 USD of net revenue. GRI Framework 305-4 Energy intensity: the result of dividing total energy consumption by production. This indicator allows for monitoring the average energy consumption per unit of output produced over a given period of time. GRI Framework 302-3
	b. Description of the metrics used to measure the indicators mentioned in item (a)	Energy consumption within the organization (GJ): GRI Frameworks 302-1 and SASB RT-IG-130a.1/TR-AP_130a.1. GHG emissions (tCO_2e): Corporate GHG Inventory (Scopes 1, 2, and 3): GHG Protocol methodology; GRI Frameworks 305-1, 305-2, 305-3. Mass produced (tons of cast iron). Net revenue (BRL and USD).
Opportunities		Insufficient information to report on this indicator. Nevertheless, the Company intends to establish guidelines for managing sustainability opportunities.







Credits

Coordination

Vice Presidency of Institutional Relations,
Sustainability, Communications and Marketing

Materiality, indicator consulting, writing, graphic design, layout, infographics, and editing

TheMediaGroup

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